

---

Winterthur, March 7, 2018

## **Annual results 2017: profitable growth at market level**

---

**In 2017, Autoneum grew in line with the market and was able to maintain its profitability at the previous year's high level. In Europe, Asia and the SAMEA region, Autoneum increased revenue notably and was thereby able to offset the cyclical and demand-related decline in the USA, the key market of North America, and Canada. Revenue adjusted for currency and divestment effects improved by 2.4%. Revenue consolidated in Swiss francs rose by 2.3% from CHF 2'152.6 million in 2016 to CHF 2'203.0 million. At 8.1%, the EBIT margin once again surpassed the 8% mark. For 2017, the Board of Directors is proposing a dividend of CHF 6.50 per share, which is unchanged from the previous year.**

### **Revenue growth despite market decline in North America**

Compared to the previous year, global automobile production lost considerable momentum in 2017. The number of light vehicles produced worldwide only increased by around 2% to 95 million. While the production growth rates in Europe and Asia were on a similar level, the SAMEA region showed its first significant recovery in some time due to the strong growth in production in the key market of Brazil. These market dynamics were also reflected in Autoneum's revenue: In Europe, Asia and the SAMEA region, Autoneum increased revenue notably and was thereby able to offset the cyclical and demand-related decline in the USA, the key market of North America, and Canada. Revenue adjusted for currency and divestment effects improved on a par with the market by 2.4%. Revenue consolidated in Swiss francs rose by 2.3% from CHF 2'152.6 million in 2016 to CHF 2'203.0 million.

### **Profitability at high prior-year level**

Despite the significant reduction in vehicle production in North America, the region in which Autoneum generates the largest share of revenue, the Company was able to maintain in 2017 the high level of profitability achieved in the previous year. Thus, EBITDA before special effects increased by CHF 10.9 million to CHF 255.9 million. In reaching 11.6% for the first time in a full year, the 2017 EBITDA margin was at a new record high. Further efficiency enhancements in production and nearly maximum capacity utilization in Europe as well as the turnaround of Business Group SAMEA contributed to this pleasing result. In 2016, the result was affected by the gain from disposal of the UGN business in Chicago Heights (Illinois), USA, in the amount of CHF 33.2 million and an impairment loss in the amount of CHF 4.3 million due to the adaptation of the South American production capacity.

EBIT totaled CHF 178.0 million (2016 before special effects: CHF 175.6 million). At 8.1%, the EBIT margin once again surpassed the 8% mark in 2017, but fell slightly short of the prior-year figure due to the volume decline in North America.

### **Equity ratio further improved**

Compared to the CHF 133.8 million net profit for the previous year, which had been positively impacted by special effects, this key figure fell by CHF 15.3 million to CHF 118.5 million in 2017. On a comparable basis and adjusted for the above-mentioned special effects, net profit exceeded the prior-year result of CHF 117.0 million. Owing to the year-on-year increase in net working capital, the cash flow from operating activities has declined to CHF 145.2 million (2016: CHF 194.1 million). At 16.2%, the return on net assets (RONA) did not reach the prior-year level (2016: 19.6% before special effects) due to the increased investments in tangible assets and higher net working capital, but once again far exceeded the average cost of capital of 8.2%. As a result, the cost of capital employed was more than covered.

The growth-related investments, which increased compared to the previous year, reduced the free cash flow, resulting in a rise of the Company's net debt to CHF 183.3 million (2016: CHF 57.4 million). The equity ratio improved further to 39.6% (2016: 38.4%). Earnings per share amounted to CHF 19.61 (2016: CHF 19.26 before special effects). Following the issuance of a bond in the amount of CHF 75 million in 2016, an additional bond in the amount of CHF 100 million was successfully placed on the capital market in 2017. In combination with the syndicated loan of CHF 150 million, which was adjusted and extended in 2017, the financing of the growth planned for the coming years has thus been secured at favorable conditions.

### **Investments in the mobility of the future**

In 2017, Autoneum made substantial investments in global, demand-driven capacity building and expansion, vertical integration and the introduction of new technologies at various sites. Investments in tangible assets added up to CHF 173.6 million and thus far exceeded the already high volume of the previous year (2016: CHF 137.5 million). In line with the "Accelerate Asia" growth strategy, the Company is expanding significantly in China. Four new plants will be put into operation in the world's largest automobile market before the end of 2018. Since November 2017, carpet systems, inner dashes and wheelhouse outer liners are being produced in series for US-American and Chinese automobile manufacturers in the Eastern Chinese city of Yantai (Shandong province) and in Changsha (Hunan province) in central China. Autoneum has further extended production capacities in San Luis Potosí in Mexico, where series production will start in summer 2018 for two German premium car manufacturers.

For the first time since Autoneum became independent in 2011, the demand for lightweight and multifunctional acoustic and thermal management components has necessitated the construction of a new plant in Europe. The facility, which is located in the Hungarian city of Komárom near the border with Slovakia, will officially be opened in May 2018. In 2017, investments were also made in optimized development and production sites for the Ultra-Silent underbody technology in Germany and Switzerland and in carpet production lines in Jeffersonville (Indiana), USA.

With noise-reducing innovations such as Di-Light for carpet systems and Hybrid-Acoustics ECO+, Autoneum is taking account of increasing demand for lightweight components for new mobility concepts. Thus, Autoneum expanded its product portfolio for electric vehicles in 2017 by Hybrid-Acoustics ECO+, a technology for carpet systems as well as inner dashes and floor insulators. Components made from Hybrid-Acoustics ECO+ are especially popular with e-car

manufacturers. They not only offer optimal noise protection but also reduce the battery-related higher vehicle weight which contributes to a greater driving range of e-models.

### **Board of Directors proposes dividend of CHF 6.50**

At the Annual General Meeting of Autoneum Holding Ltd on March 30, 2017 Norbert Indlekofer was newly elected to the Board of Directors. With the appointment of Indlekofer, a German citizen and experienced automobile expert, the Board of Directors has been expanded from six to seven members. Despite the omission of the dividend contribution from special effects, at the Annual General Meeting on March 28, 2018 the Board of Directors of Autoneum Holding Ltd will propose a dividend of CHF 6.50 per share, which is unchanged from the previous year.

### **Business Groups**

Business Group Europe continued its growth course in 2017. Revenue in local currencies increased well above the market by 4.7%. In Swiss francs, revenue rose by 6.5% to CHF 887.2 million (2016: CHF 833.4 million). EBIT improved by CHF 16.2 million to CHF 74.9 million, equating to an EBIT margin of 8.4%. The very good level of capacity utilization with correspondingly high coverage of fixed costs, a strong operational performance with further optimized production processes and increased vertical integration were decisive for this new all-time high.

The market slump in the USA and Canada and the associated reduction in call-offs at Autoneum led to a decline in revenue at Business Group North America of -4.6%, adjusted for currency and divestment effects. In Swiss francs, the revenue of the Company's largest Business Group totaled CHF 966.3 million (2016: CHF 1'018.7 million). The decline in revenue but also investments especially in production capacities in the growth market of Mexico impacted the EBIT, which at CHF 63.2 million (2016: CHF 85.9 million before special effects) was below the prior-year level.

Thanks to high-volume orders from Japanese, European and US-American customers, Business Group Asia's revenue again surpassed market growth many times over in 2017. Revenue in local currencies increased by 14.0% and consolidated in Swiss francs by 12.0% to CHF 235.9 million (2016: CHF 210.7 million). Expansion-related capacity building and higher raw material prices were reflected in the EBIT, which is why the EBIT margin of 11.6% did not reach the previous year's level, but represents a sustainable level in the long term.

Business Group SAMEA (South America, Middle East and Africa) not only continued the upward trend of the previous year, but even significantly expanded it. It recorded organic revenue growth of 29.6% that remarkably exceeded the already dynamic market development of this region. In Swiss francs, revenue increased by 22.0% to CHF 114.1 million (2016: CHF 93.5 million). Higher production quantities in Brazil and Argentina as well as high-volume export business in Turkey and South Africa were the main reasons for these above average growth rates. Operational efficiency gains at the South American production facilities and continued restructuring measures made a major contribution to the CHF 10.0 million improvement in EBIT of CHF 0.9 million before special effects. Thereby, this Business Group returned to the profit zone for the first time again.

## Outlook

In view of the once again very modest growth in global light vehicle production forecasted for 2018, Autoneum expects organic revenue growth of around 3% and thus above market. Despite challenging major automotive markets as well as rising raw material prices, Autoneum expects profitability to remain on a high level and the operating margin (EBIT) to be at around 8%.

Further information about the 2017 results as well as the Annual Report 2017 can be found at <https://www.autoneum.com/media/media-releases/annual-results-2017>.

At <https://www.autoneum.com/media/subscription-media/> you can subscribe to the mailing list for media releases.

## 2017 Annual Results Media Conference

Today, March 7, 2018, 09.00 am

## 2017 Annual Results Financial Analysts Conference

Today, March 7, 2018, 11.15 am

**Location:** Autoneum, Schlosstalstrasse 43, 8406 Winterthur

## Important dates 2018

Annual General Meeting                      March 28, 2018

2018 Semi-Annual Results                      July 26, 2018

For further information please contact:

### Investors and Financial Analysts

Dr Martin Zwysig  
CFO  
T +41 52 244 82 82  
[investor@autoneum.com](mailto:investor@autoneum.com)

### Media

Dr Anahid Rickmann  
Head Corporate Communications & Responsibility  
T +41 52 244 83 88  
[media@autoneum.com](mailto:media@autoneum.com)

## About Autoneum

Autoneum is globally leading in acoustic and thermal management for vehicles. The Company develops and produces multifunctional, lightweight components and systems for interior floor and engine bay as well as the underbody. Customers include almost all automobile manufacturers in Europe, North & South America, Asia and Africa. Autoneum operates 55 production facilities and employs more than 12,000 people in 25 countries. The Company with its headquarters in Winterthur, Switzerland, is listed on the SIX Swiss Exchange (ticker symbol AUTN).

[www.autoneum.com](http://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 and forward looking are based on the latest estimates of IHS Global Insight.

**Autoneum. Mastering sound and heat.**

## Financial highlights

CHF million	2017		2016		Change	Organic growth <sup>1</sup>
<b>Autoneum Group</b>						
Revenue	2 203.0	100.0%	2 152.6	100.0%	2.3%	2.4%
EBITDA	255.9	11.6%	278.1	12.9%	-8.0%	
EBITDA adjusted <sup>2</sup>	255.9	11.6%	245.0	11.4%	4.5%	
EBIT	178.0	8.1%	204.5	9.5%	-13.0%	
EBIT adjusted <sup>2,3</sup>	178.0	8.1%	175.6	8.2%	1.3%	
Net profit	118.5	5.4%	133.8	6.2%	-11.4%	
Net profit adjusted <sup>2,3</sup>	118.5	5.4%	117.0	5.4%	1.3%	
Return on net assets (RONA) <sup>4</sup>	16.2%		21.5%			
Return on net assets (RONA) adjusted <sup>2,3,4</sup>	16.2%		19.6%			
Cash flows from operating activities	145.2		194.1			
Net debt at December 31	183.3		57.4			
Number of employees at December 31 <sup>5</sup>	12 133		11 725		3.5%	
<b>BG Europe</b>						
Revenue	887.2	100.0%	833.4	100.0%	6.5%	4.7%
EBIT	74.9	8.4%	58.7	7.0%		
<b>BG North America</b>						
Revenue	966.3	100.0%	1 018.7	100.0%	-5.1%	-4.6%
EBIT	63.2	6.5%	119.1	11.7%		
EBIT adjusted <sup>2</sup>	63.2	6.5%	85.9	8.4%		
<b>BG Asia</b>						
Revenue	235.9	100.0%	210.7	100.0%	12.0%	14.0%
EBIT	27.4	11.6%	27.7	13.1%		
<b>BG SAMEA<sup>6</sup></b>						
Revenue	114.1	100.0%	93.5	100.0%	22.0%	29.6%
EBIT	0.9	0.8%	-13.4	-14.3%		
EBIT adjusted <sup>3</sup>	0.9	0.8%	-9.1	-9.8%		
<b>Share AUTN</b>						
Share price at December 31 in CHF	280.75		267.25		5.1%	
Market capitalization at December 31	1 306.6		1 243.4		5.1%	
Basic earnings per share in CHF	19.61		20.61		-4.8%	
Dividend per share in CHF <sup>7</sup>	6.50		6.50		-	

<sup>1</sup> Change in revenue in local currencies, adjusted for the disposal of the Betim plant (Minas Gerais), Brazil, in 2017 and the disposal of the UGN business in Chicago Heights (Illinois), USA, in 2016.

<sup>2</sup> Before gain from disposal of the UGN business in Chicago Heights in the amount of CHF 33.2 million (CHF 21.1 million after income taxes) in 2016.

<sup>3</sup> Before impairment loss due to the adaptation of the South American production capacity in the amount of CHF 4.3 million in 2016.

<sup>4</sup> Net profit before interest expenses in relation to average shareholders' equity plus borrowings.

<sup>5</sup> Full-time equivalents including temporary employees (excluding apprentices).

<sup>6</sup> Including South America, Middle East and Africa.

<sup>7</sup> As proposed by the Board of Directors and subject to the approval of the Annual General Meeting.