

CONFERENCE CALL RESULTS Q1 2019

May 9, 2019

Dr Rolf Merte (CEO)

Marc Bunz (CFO)

Nicolas-Fabian Schweizer (CCO)



AGENDA



Market & Strategy Update

Financials 2018

Financials Q1 2019

Outlook

SCHWEIZER Share



SHAPING 2025

THE STRATEGY SHAPING 2025 BRINGS SCHWEIZER ON AN AMBITIOUS, ROBUST AND SUSTAINABLE GROWTH PATH:

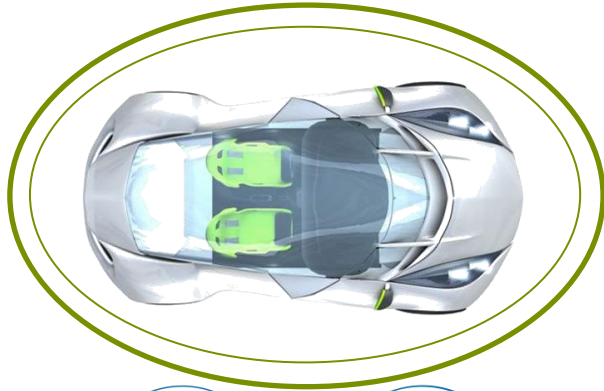
- CONSEQUENT CUSTOMER FOCUS
- CONSEQUENT TECHNOLOGY FOCUS
- CONSEQUENT MARKET FOCUS
- CONSEQUENT COMPETITIVENESS

MARKET SEGMENTS

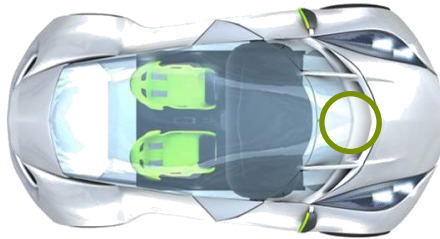


PCBs FOR TOMORROWs MOBILITY

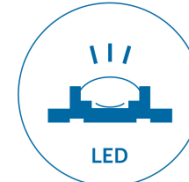
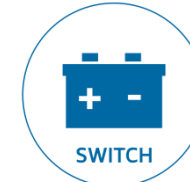
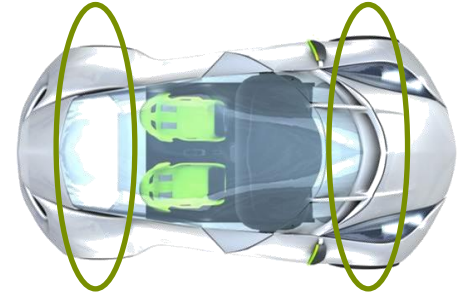
SENSE



COMPUTE



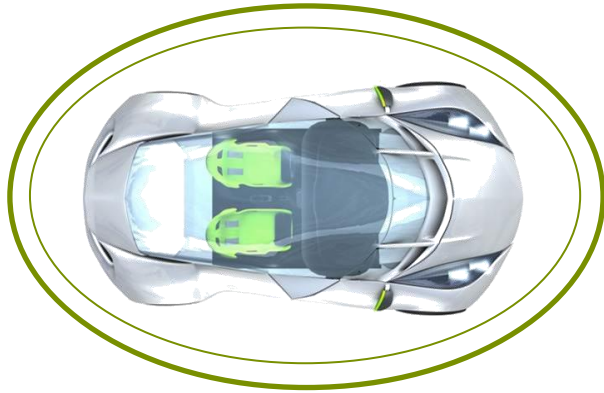
ACT



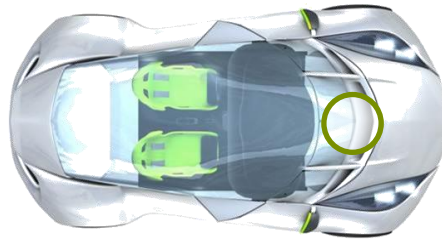
PCBs FOR TOMORROWs CARS



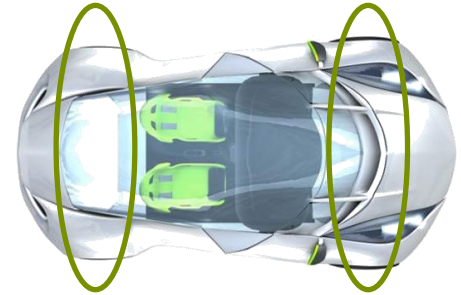
SENSE



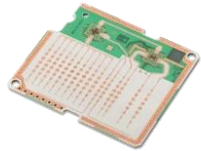
COMPUTE



ACT



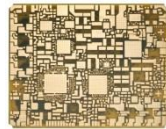
Radar



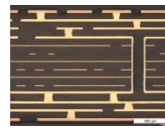
FR4 Flex



Bond



HDI



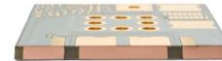
Heavy Cu



IMS



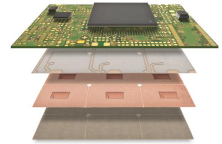
Inlay



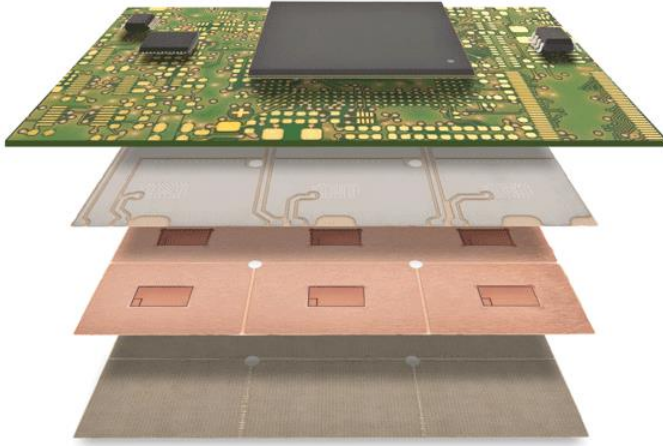
Combi Board




Embedding



Smart p² Pack[®]



in cooperation with 

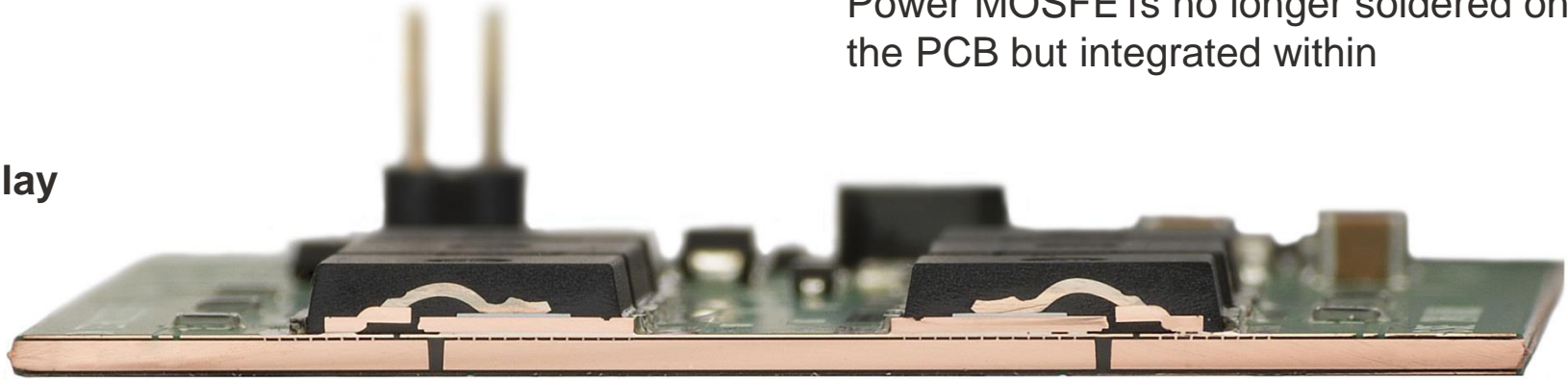
Customer System Benefits

- Highest Power Density & Performance
 - Best Heat dissipation
 - Higher switching frequencies
- Best Robustness, Reliability, Quality & Safety
- Ease of System Assembly
 - Revolutionary System interconnect
 - Reduction of system complexity

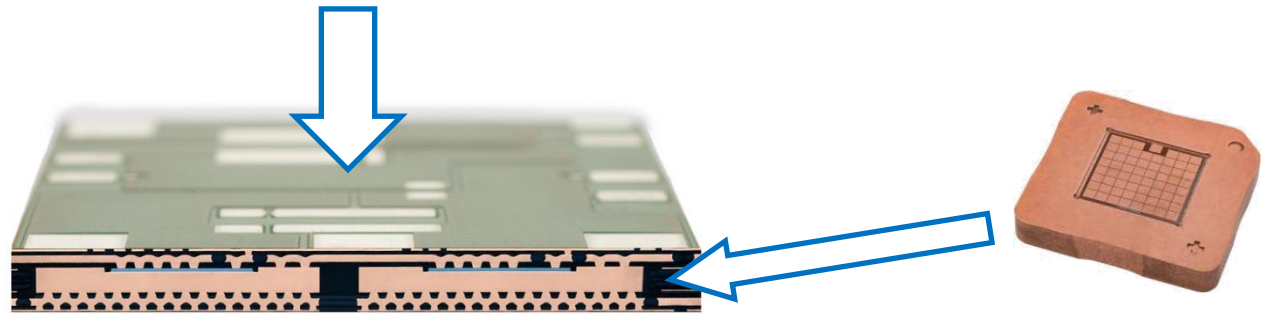
➔ Optimized System Cost

Power MOSFETs no longer soldered on the PCB but integrated within

Inlay



Smart p² Pack
(Power Embedding)



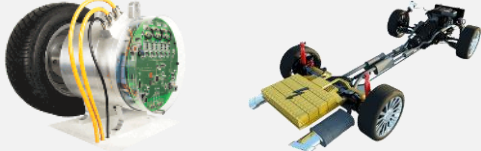



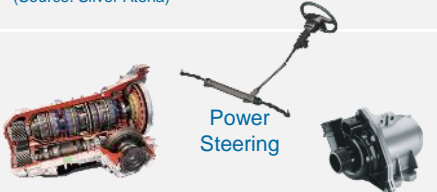

GROUNDBREAKING CHIP EMBEDDING TECHNOLOGY BOOSTS SYSTEM PERFORMANCE OF 48 V MILD HYBRID SYSTEMS



- Press release 6 May 2019
- Continental Powertrain is the first player to adopt the technology
- Used for 48 V starter generator
- Start of production in 2021
- 3 digit million € project
- Other Tier 1 in the project pipeline
- Aero OEMs very interested in this technology because of pure safety reasons.
- Bond wires are the critical part of the old way of connecting bare die chips.
- SCHWEIZER holds the international IP rights for this outstanding connecting technology which solves the customer pain points!




POWER ON DEMAND APPLICATIONS

	Electrification ~ 500W – 5kW	Downsizing ~ 3kW – 25kW	Hybrid & E-Drive ~ >25kW
HV			 <p>Hybrid (+ DC/DC)</p> <p>E-Car (+ AC/DC)</p>
48V	 <p>Active Roll Stabilize (Source: Silver Atena)</p> <p>Climate Compressor</p>	 <p>48/12V DC/DC</p> <p>Crankshaft Starter Generator (P2)</p>	 <p>Mild Hybrid (P4)</p>
12V (+ Option 14V)	 <p>Gearbox</p> <p>Power Steering</p> <p>E-Pumps + Fans + Heaters</p>	 <p>E-Compressor</p> <p>Belt Driven Starter Generator (P0)</p>	<div style="border: 1px solid black; padding: 5px;"> <p>48V the Safe Voltage/ non Auto:</p> <ul style="list-style-type: none"> • Industrial Drives e.g. Forklift • ICT (Telecom & Server) • Battery Packs </div>

Board Net Architectures

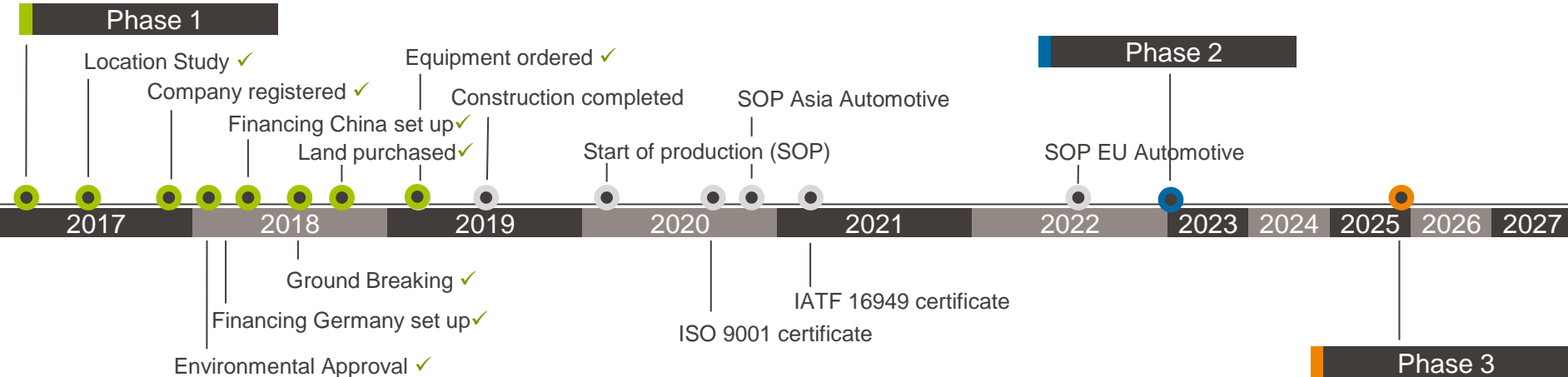
POWER ON DEMAND APPLICATIONS

	Electrification ~ 500W – 5kW	Downsizing ~ 3kW – 25kW	Hybrid & E-Drive ~ >25kW
HV			<div style="border: 1px dashed blue; padding: 5px;"> DC/ DC AC/ DC MOTOR INVERTER </div>
48V		<div style="border: 2px solid blue; padding: 10px;">  </div>	
12V (+ Option 14V)	<div style="border: 1px dashed blue; padding: 10px;"> B3/6/12x MOTOR </div>		<div style="display: flex; align-items: center;"> <div style="border: 1px solid blue; width: 40px; height: 20px; margin-right: 10px;"></div> In development </div> <div style="display: flex; align-items: center; margin-top: 5px;"> <div style="border: 1px dashed blue; width: 40px; height: 20px; margin-right: 10px;"></div> Product idea </div>

Board Net Architectures

GROWTH STRATEGY – PROJECT

- Start of production in 2020
- Asia and Europe automotive technology starts after successful qualification steps
- Phases 3 will follow after successful ramp of the first phases



NEW SCHWEIZER JINTAN PCB HIGH TECH/ EMBEDDING SITE (STATUS NOW)

May 18



Aug 18



Oct 18



Nov 18

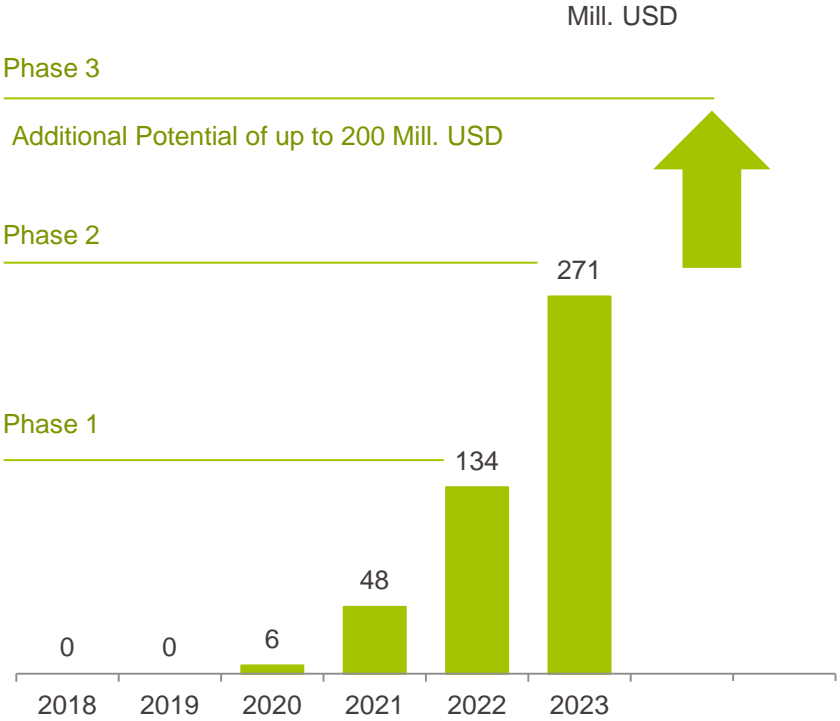


Dec 18



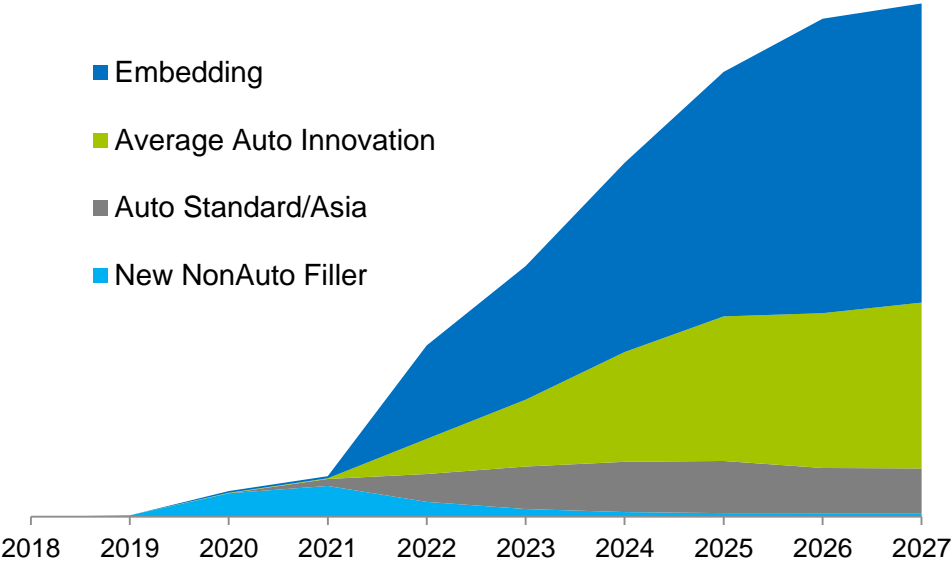
April 19

PROFITABLE GROWTH STRATEGY



estimated by SE AG

Estimated technology mix in new plant



AGENDA

Market & Strategy Update

Financials 2018

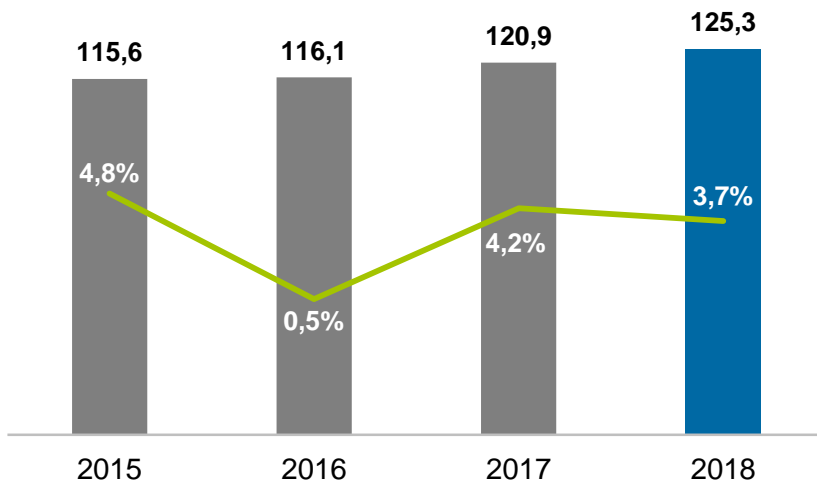
Financials Q1 2019

Outlook

SCHWEIZER Share

Revenues

in Mio. Euro / Growth rate



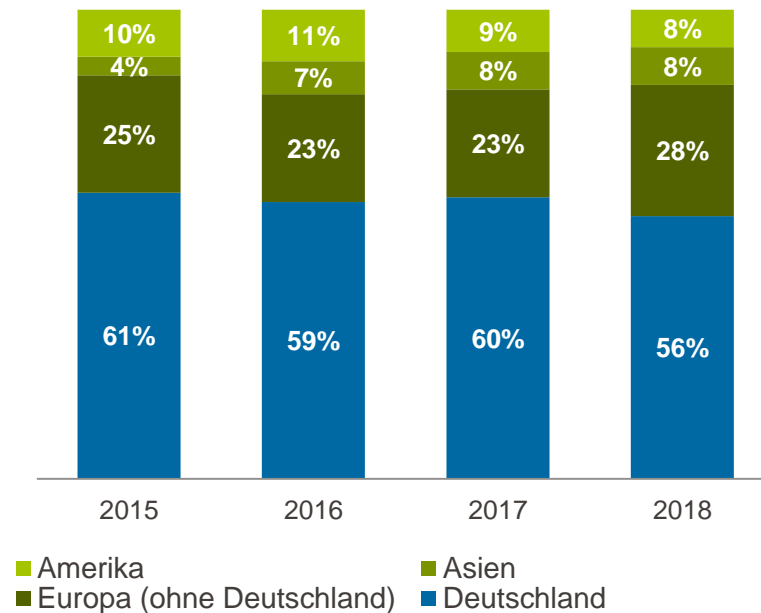
Key Figures

million EUR	2018	2017	
Revenues	125.3	120.9	+3.7%
EBITDA	9.2	8.4	+9.5%
EBITDA Margin (%)	7.3	7.0	
EBIT	1.6	0.3	+433%
EBIT Margin (%)	1.3	0.3	
Open Orders	171.2	181.5	-10.3%
Order Intake	123.8	144.0	-14.0%
Profit after Tax	0.5	3.5	-86%
EPS (EUR)	0.14	0.92	
Equity Ratio (%)	46.6	54.9	
Net Gearing (%)	-7.2	-6.5	

Sales by Region

million EUR	2018	2017
Germany	70.5	72.3
Europe (w/o Germany)	35.1	28.4
Asia	9.6	9.5
Americas	9.9	10.3
Others	0.2	0.4
	125.3	120.9

in Mio. EUR

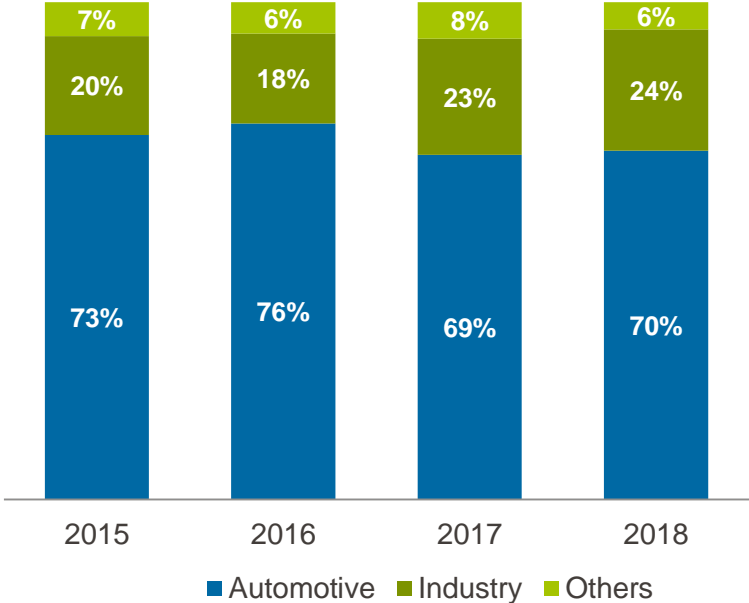


FINANCIALS 2018



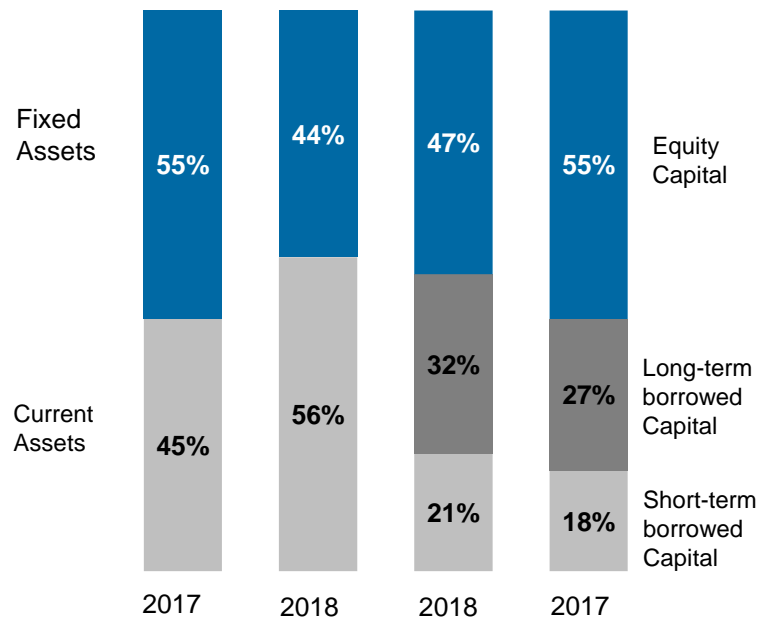
Sales by Customer Segment

million EUR	2018	2017
Automotive	87.9	83.8
Industry	30.5	28.2
Others	6.9	8.9
	125.3	120.9



Balance Structure

in Mio. EUR



million EUR	2018	2017
Assets	135.3	113.6
Equity	63.0	62.3
Equity Ratio (%)	46.6	54.9
Net Gearing (%)	-7.2	-6.5

Cashflow

million EUR	2018	2017
Cashflow from Operating Activities	5.9	4.6
Cashflow from Investments	-4.2	1.4
Cashflow from Financing Activities	16.8	-4.0

Working Capital

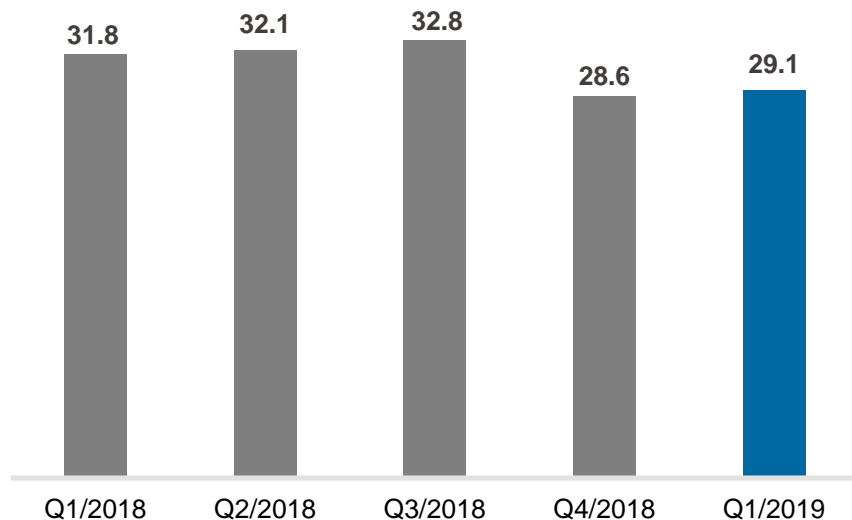
million EUR	2018	2017
Inventory (incl. contract assets)	18,8	17.7
Accounts Receivables	27.3	22.4
Accounts Payables	20.7	18.0
Working Capital	25.4	22.1

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Market & Strategy Update
Financials 2018
Financials Q1 2019
Outlook
SCHWEIZER Share

Revenues

in Mio. Euro

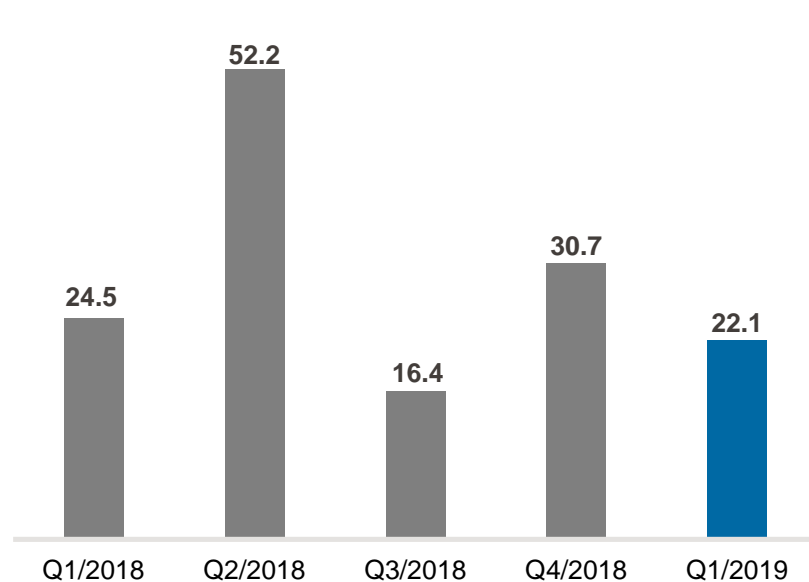


Key Figures

million EUR	Q1 2019	Q1 2018	
Revenues	29.1	31.8	-8.5%
EBITDA	-0.1	3.5	
EBITDA Margin (%)	-0.4	10.9	
EBIT	-1.7	1.6	-206%
EBIT Margin (%)	-5.9	4.9	
Profit after Tax	-2.1	1.2	-275%
Open Orders	164.2	165.4	-0.7%
Order Intake	22.1	24.5	-9.8%
	03/2019	12/2018	
Equity Ratio (%)	44.6	46.6	
Net Gearing (%)	-3.2	-7.2	

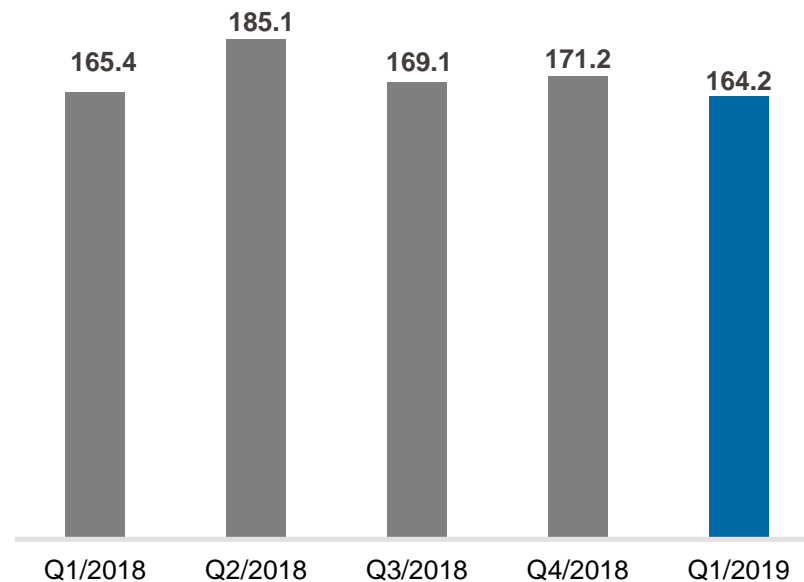
Order Intake

million EUR



Open Orders

million EUR

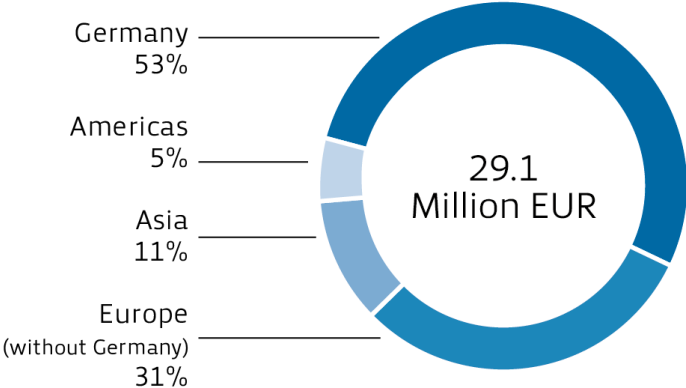


FINANCIALS Q1 2019



Sales by Region

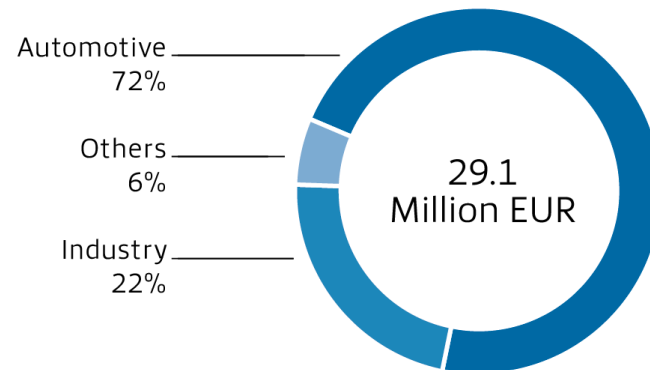
million EUR	Q1 2019	Q1 2018
Germany	15.4	18.2
Europe (w/o Germany)	8.9	8.8
Asia	3.2	2.6
Americas	1.5	2.1
Others	0.1	0.1
	29.1	31.8



FINANCIALS Q1 2019

Sales by Customer Segment

million EUR	Q1 2019	Q1 2018
Automotive	20.9	22.1
Industry	6.5	7.4
Others	1.7	2.3
	29.1	31.8



AGENDA

Market & Strategy Update

Financials 2018

Financials Q1 2019

Outlook

SCHWEIZER Share

	Actual 2018	Target 2019
Sales / Growth Rate	125.3 Mio EUR	-5 to +5%
EBITDA	9.2 Mio EUR	5 – 7 Mio EUR
EBITDA Margin	7.3%	4 – 6%
Investment Ratio	81%	~ 1.000%
Net Gearing	-7.2%	100 – 140%
Equity Ratio	46.6%	25 – 30%
Working Capital	25.4 Mio EUR	stable

AGENDA

Market & Strategy Update

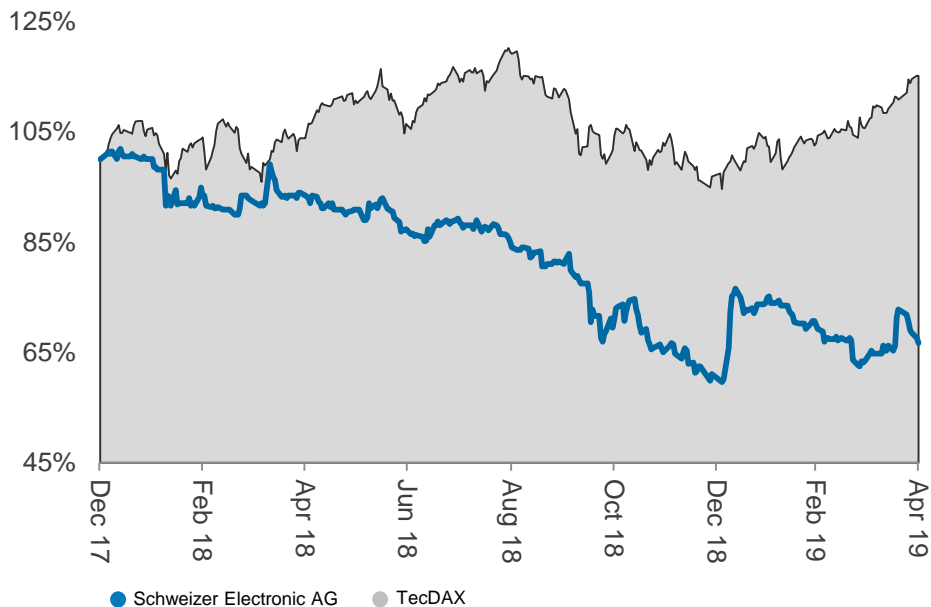
Financials 2017

Financials Q1 2018

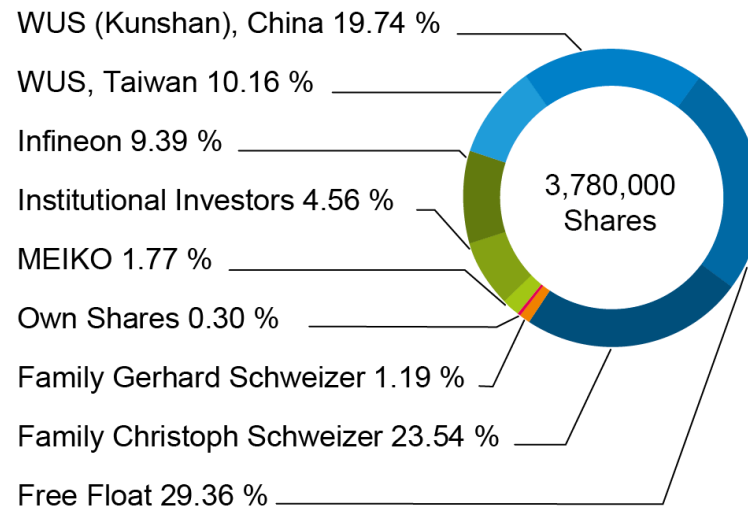
Outlook

SCHWEIZER Share

Share Price 01 January 2018 – 30 April 2019



Shareholder Structure (Dec 2018)



Q & A

APPENDIX

FINANCIAL CALENDAR

Date	Publication/Event
2019-05-09	Interim Report 1st Quarter
2019-05-09	Conference Call
2019-06-28	Annual General Meeting
2019-08-09	Financial Report (half-year)
2019-11-07	Interim Report 3st Quarter



EXECUTIVE BOARD

Dr Rolf Merte

Chief Executive Officer

University Degree: PhD in Electrical Engineering

Initial appointment October 2018 and appointed until October 2023

In charge of Technology & Business Development, Sales & Marketing as well as Information Systems

Nicolas-Fabian Schweizer

Chief Commercial Officer

University Degree: Law

Initial appointment April 2011 and appointed until June 2022

In charge of Quality, Human Resources, Legal, Compliance and Media & Communications

Marc Bunz

Chief Financial Officer

Master Degree in Economics, Finance & IT Management

Initial appointment April 2010 and appointed until March 2023

In charge of Operations, Finance & Controlling, Purchasing and Investor Relations



SAFE HARBOUR STATEMENT



This communication contains forward-looking statements and information – that is statements about events that lie in the future, not the past. These forward-looking statements can be identified by formulations such as “expect”, “wish to”, “anticipate”, “propose”, “plan”, “believe”, “seek to”, “estimate”, “become” or similar terms. While such forward-looking statements represent our current expectations and particular assumptions, they are subject to various risks and uncertainties. A number of factors, many of which are outside the control of Schweizer, have an impact on Schweizer’s business activities, strategy and results. These factors could cause the actual results and performance of the Schweizer Group to differ materially from the information on results and performance made explicit or implied in these forward-looking statements. On our part these uncertainties arise in particular due to the following factors: Changes to the overall economic and business position (including margin developments in the major divisions), challenges posed by the integration of important acquisitions and the implementation of joint ventures and other major portfolio measures, changes to exchange and interest rates, the introduction of competing products or technologies by other companies, failure to find acceptance of new products and services among Schweizer’s target client groups, changes to the business strategy and various other factors. Should one or more of these risks or uncertainties be realised or it becomes apparent that the underlying assumptions were incorrect, this could cause the actual results to differ materially both in a positive and negative sense from the results referred to in forward-looking statements as expected, anticipated, proposed, planned, projected or estimated. Schweizer does not obligate itself and does not intend to revise or correct these forward-looking statements in light of developments which differ from those anticipated.



more
than PCBs