Interroll Holding AG
Half-year results 2015

Web Conference, 7 August 2015
Highlights H1/2015

- 9.1% net sales growth in the Group (18.5% in local currencies)
- 22.4% net sales growth in the Americas region
  Business consolidation (USA, Canada) completed in 2014
- 14.7% net sales growth in the Asia-Pacific region
  Business in China further strengthened
- Global sales and production footprint further expanded
  EMEA 61%, Americas climbs to 27% and Asia-Pacific to 13%
- Ceased one-time expenses of CHF 3.5 million incurred in H1/14
- Stringent cost control and significant productivity increases:
  net income +78.8%
Strong focus on product portfolio and key customer industries continued

Focused product portfolio, manufactured in 13 locations and sold to more than 23,000 customers worldwide
Strategy delivered
Americas consolidation completed

- Consolidation of production completed
  (Jeffersonville, USA, and Concorde, Canada, facilities shut down)

- Ongoing expansion of sales force

- Integration of Interroll in Cañon City
  (former Portec):
  Ongoing productivity increases following implementation of the Interroll Production System (IPS)

- 2013-15 investments of around USD 40 million are paying off
Strategy delivered
Business in China further strengthened

- Local sales, sourcing and engineering strengthened

- Integration of Interroll Shenzhen (former Pert Engineering): Ongoing productivity increases following implementation of the Interroll Production System (IPS) and investments made to substantially increase capacities.

- Furthermore, Interroll Shenzhen secured a significant belt curve frame order from S.F. Express in H1/15.
Net sales increased by 9.1% in reporting currency, CHF

- Strong net sales growth of 9.1% in reporting currency, CHF (18.5% in local currencies)
- 2011-15 CAGR of 6.2% achieved in reporting currency, CHF
- All regions and product groups grew in local currencies
- Global footprint expanded: EMEA 61%, Americas climbs to 27% and Asia-Pacific to 13%
EBITDA boosted by strong sales and productivity increase

- EBITDA +45.5%
- EBITDA margin of 15.5%
- Increases mainly due to
  - Increased net sales
  - Cost savings, further increases in productivity
  - Ceased one-time expenses of CHF 3.5 million incurred in H1/14
Sharp increase in net profit

- Depreciation and amortisation expenses slightly below H1/14
- EBIT of CHF 17.5 million (+99.7%)
- EBIT margin of 10.2% (5.6% in the previous year)
- Positive financial result (mainly foreign currency gains)
- Net profit of CHF 12.8 million (+78.8%)
Improved operating cash flow

- **Operating cash flow improved** by CHF 6.6 million to CHF 11.6 million

- **Negative free cash flow** of CHF 0.6 million mainly due to a new building under construction in Baal, Germany (which will serve as Research & Development Center, the Interroll Academy and as rubber lagging facility).
Shareholders’ equity affected by negative currency translation effects

- **Equity decline** mainly due to negative currency translation effects
- **Decision by the Annual General Meeting in May 2015** to reduce the par value per share from CHF 10 to CHF 1
  - Payout of CHF 7.7 million to shareholders in mid-August 2015
New Modular Conveyor Platform (MCP), Outlook

- MCP roll-out in Europe realised in 2014 (customer expectations are exceeded)
- Gradual MCP launch in Asia and the USA planned for H2/15

In view of its strong performance and the order intake in H1/15, Interroll is optimistic about H2/15. Less one-time expenses from the previous year will fall away in H2/15. The full positive impact from the MCP roll-out is only expected in 2016.
Questions & answers
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