

Gurit

Full Year 2014 Results

Zurich, March 17, 2015



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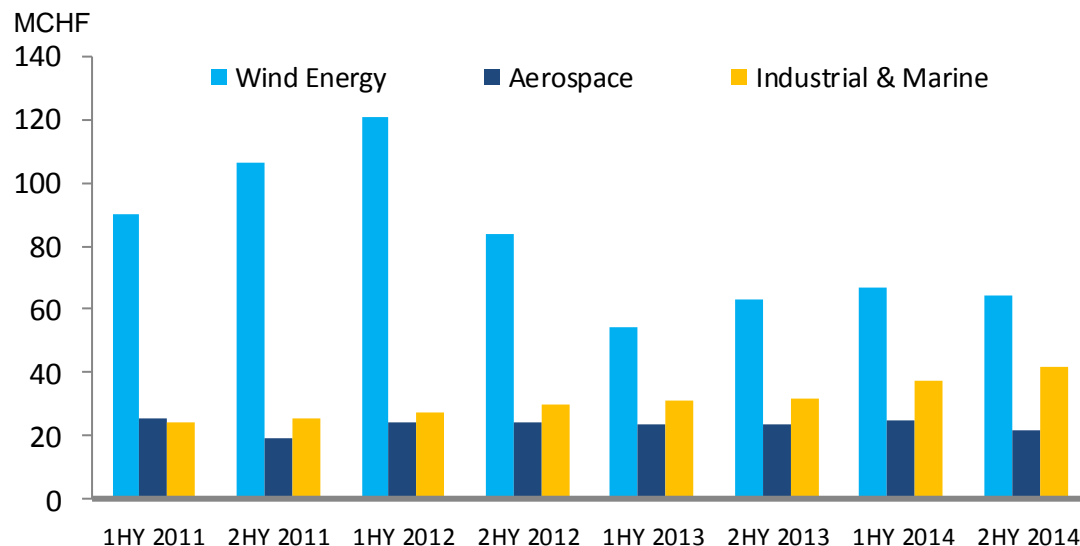
Such statements are made on the basis of assumptions and expectations which may prove to be erroneous, although Gurit Holding AG believes them to be reasonable at this time.

- **Sales: Gratifying growth level across all market segments and regions:**
 - Increase of net sales by 19.4% to CHF 335.8 million in 2014
 - Main contributors were Gurit's Tooling and Automotive business as well as positive demand for core materials
- **Higher profitability, yet room for improvement:**
 - Operating profit increased to CHF 14.2 million; margin at 4.2%
- **Capex: expenditures of CHF 9.2 million** for upgrading of existing equipment and extension of production capabilities
- **Cash flow, net cash and equity ratio:**
 - Cash flow of CHF 7.6 million (2013: 12.6 million)
 - Net cash position of CHF 4.2 million (2013: 6.4 million)
 - Equity ratio solid at 68.4% (2013: 70.8%)

Key Messages on FY 2014 Business Result (2)

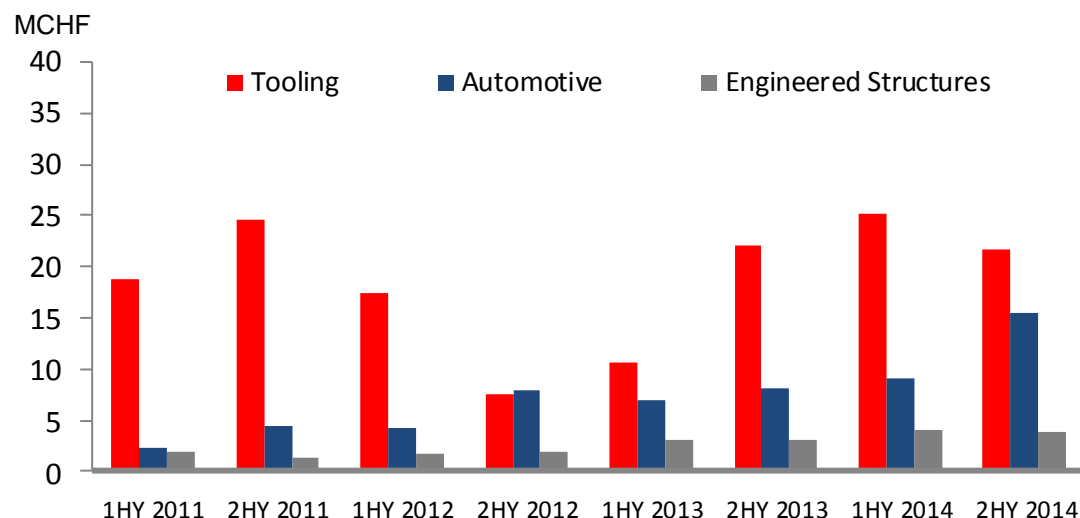
Net Sales in MCHF by area 2014; Change in % vs. 2013	Group	335.8	+19.4%
	Wind Energy	131.2	+11.8%
	Other Material markets	125.5	+14.2%
	Automotive	24.4	+62.9%
	Tooling	46.8	+42.9%
	Engineered Structures	7.9	+28.7%
Earnings	Operating profit of CHF 14.2m (2013: CHF 6.5m)		
	Operating profit margin at 4.2% up from 2.3% in FY 2013		
	Profit for the period of CHF 11.1m (2013: CHF 0.1m)		
Cost and Expenses	Operational efficiency enhancements by Q2-2015		
	Wind energy-related material supply margins improving		

Net Sales Development by Target Markets



Gurit Composite Materials

- Wind Energy sales with improving demand
- Stable Aerospace sales
- Strong growth in Marine business, other industrial markets shaping up well



Gurit Systems and Engineering

- Tooling business fueled by the wind energy uptake in Asia
- Improved output of Automotive exterior components
- Engineered Structures sales driven by demand for bus components

Strategic growth pillars start to materialize

- Six growth fields defined
- Composite Materials Business:
 - Wider field of applications addressed, first sales to automotive, ballistic and other industrial application customers
 - Expansion of customer base and sales in the balsa wood business
 - PVC material trading activities with poor start in 2014, full roll-out in 2015
- Composite Systems & Engineering:
 - Setup of new production facility in Hungary for bus and car parts
 - Supply of first visual carbon roofs produced with the new press technology
 - Nomination for first major carbon fiber-based automotive body panels contract
 - Bundling of business into new Composite Components business unit prepared

Development by Key Markets





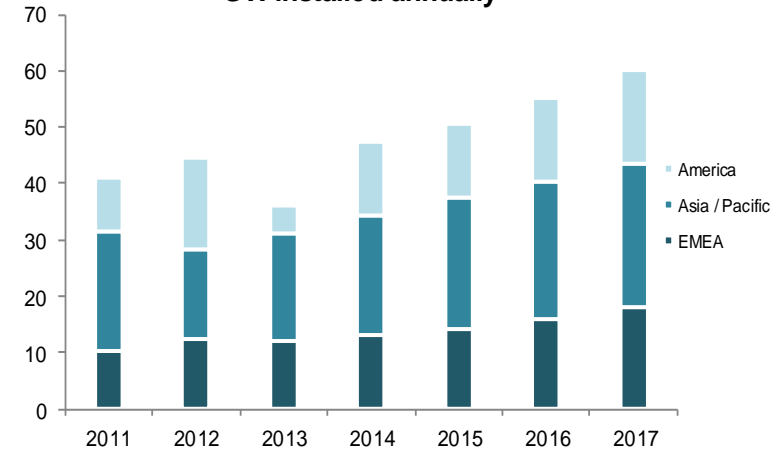
Strategy

- Core materials: move from #3 to #2 position with 25-35% market share
- Carbon prepregs: maintain leading position with shares >60% for long blade programs
- Reload prepreg factories with new business (Wind and non-Wind) and increase efficiency
- Develop further cost-efficient, enabling technologies to help reduce cost of KWH

Recent achievements

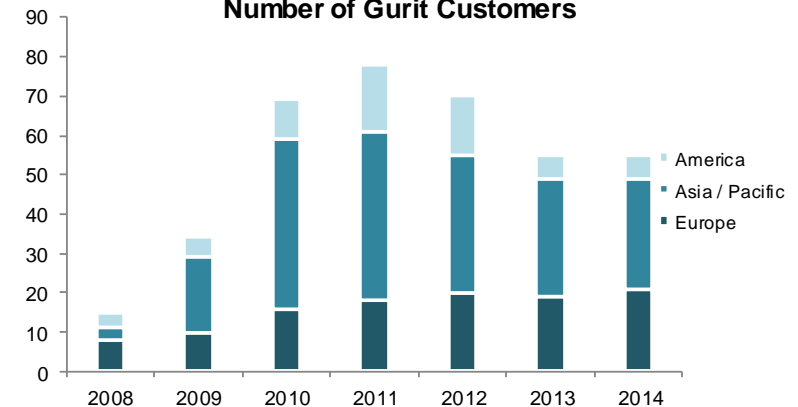
- Maintained leadership position in carbon fibre prepregs
- New customer wins and better market situation, thus all core plants well loaded
- Successful expansion of balsa wood business

GW installed annually*



* Source: GWEC

Number of Gurit Customers



Market environment 2014

- Americas – moderate market development with solid demand, brief PTC renewal window
- Asia – favorable uptake based on funding and incentives in CN, IN and JP
- Europe – mature market with stable demand

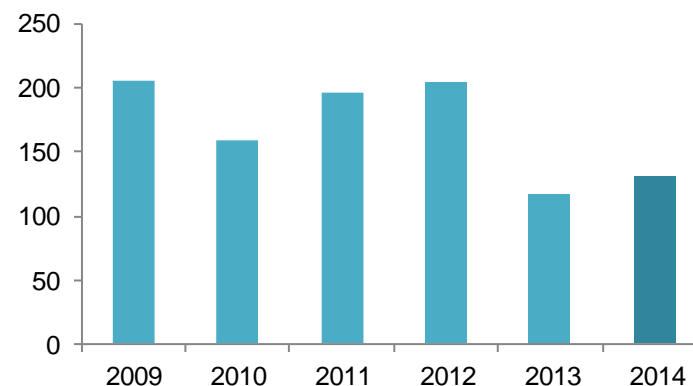
Sales 2014

- Net sales of CHF 131.2 million, up 11.8% vs. FY 2013

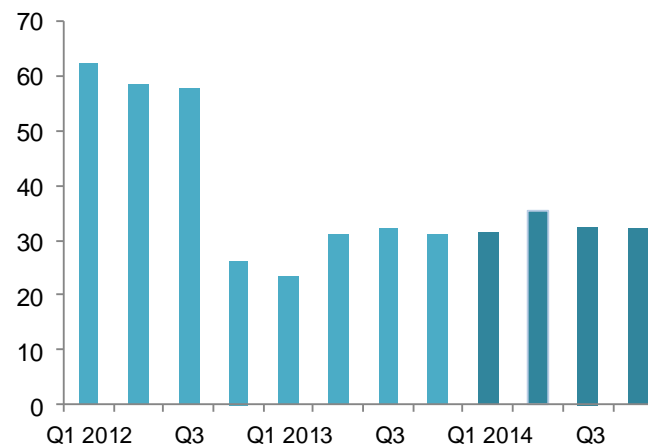
Outlook

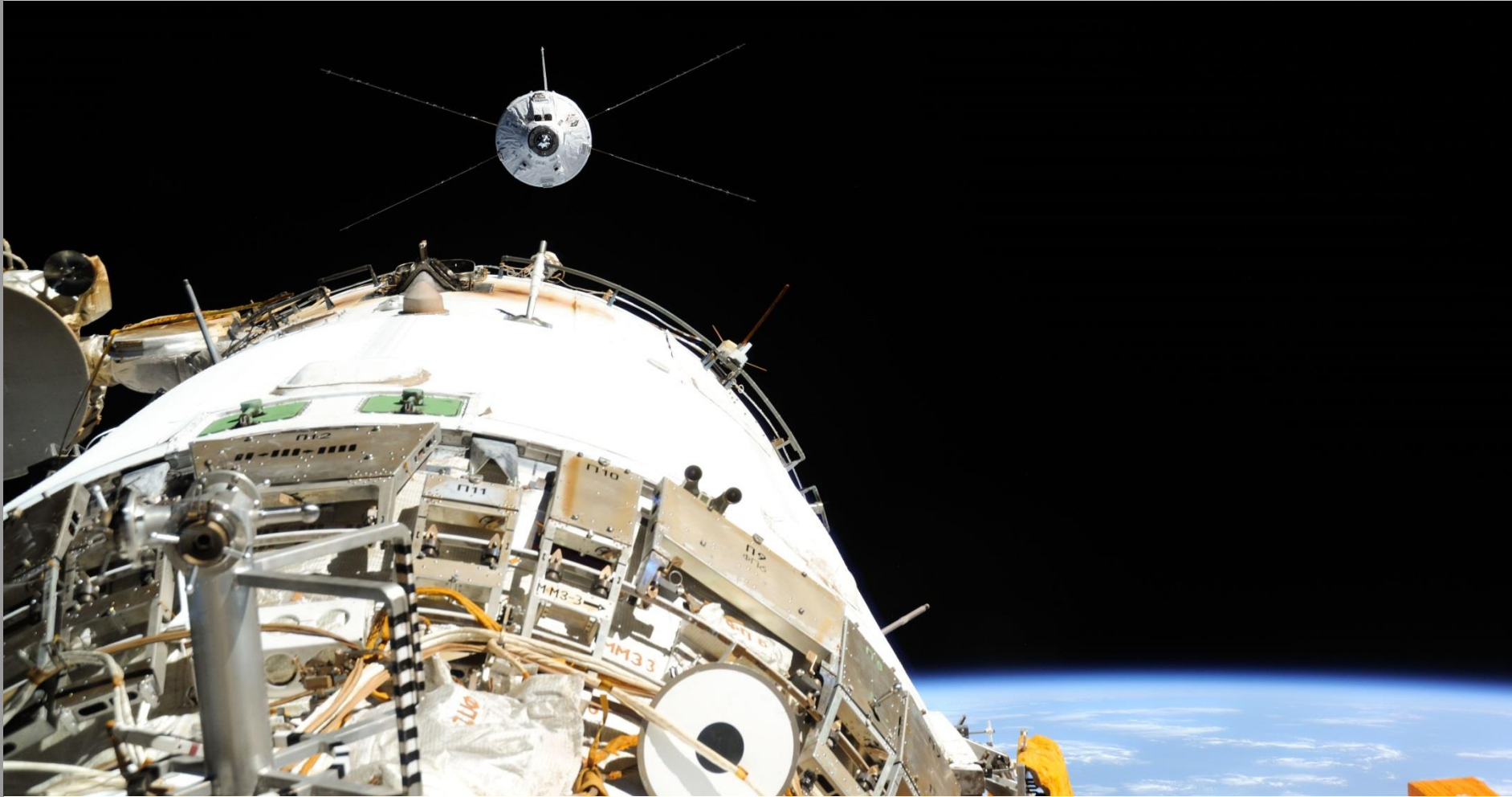
- Overall, favorable demand expected
- Asia: New promising programs on the verge (CN, IN) despite subsidy reduction of ~3% in CN as of 2015; better prices, faster payments
- US: PCT support 2015 confirmed, solid year expected

MCHF Wind Energy: Annual Net Sales



MCHF Wind Energy: Quarterly Net Sales



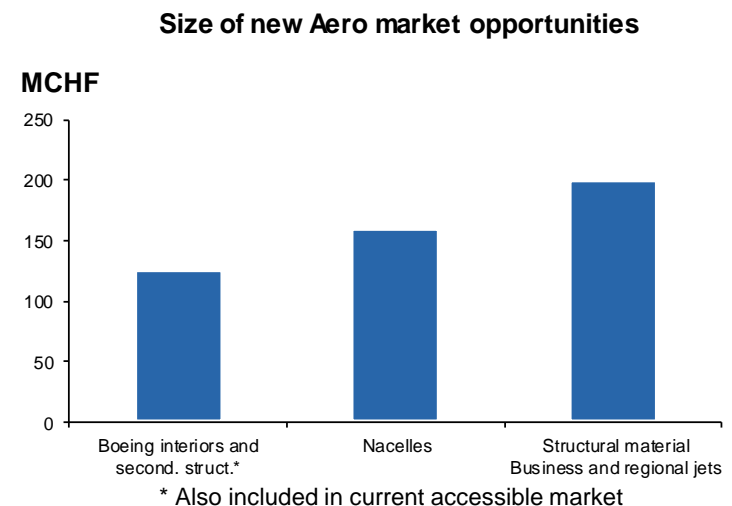
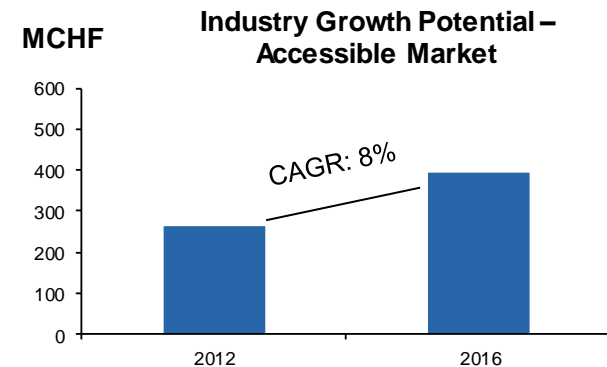


Strategy

- Maintain leading position in aircraft interiors and certain structural applications at Airbus
- Develop position in Boeing and others
- Attack structural material market for business and regional jets as well as for nacelles
- Focus on next-generation, cost-out materials

Recent achievements

- Cost-out efforts on aerospace materials
- Equipment upgrade, new prepreg equipment ordered for Kassel operations
- Intensive customer care, new sales leads in traditional and new geographic areas
- Selected for another production qualification program
- Upgrading the product offering and innovations



Market environment

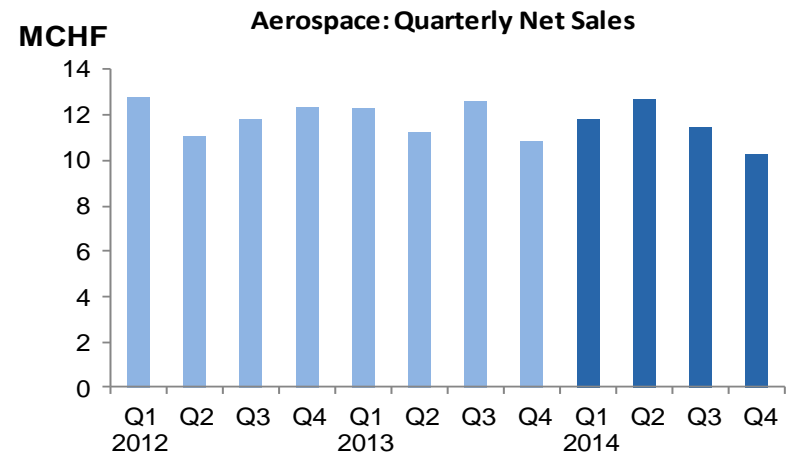
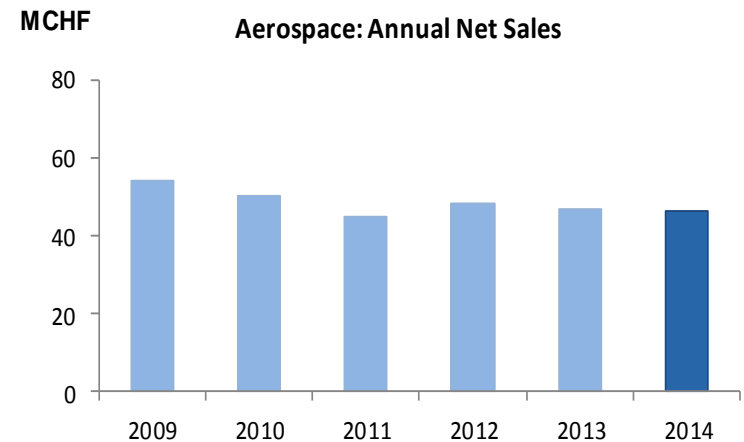
- Steady Aerospace market with growing build rates for some programs
- Some cost-out pressures creating new offering opportunities, as well

Sales FY 2014

- Net sales of CHF 46.3 million, stable development

Outlook

- Gain market share in mid size OEMs
- Qualification with significant mid-term sales potential during 2015





Strategy Marine

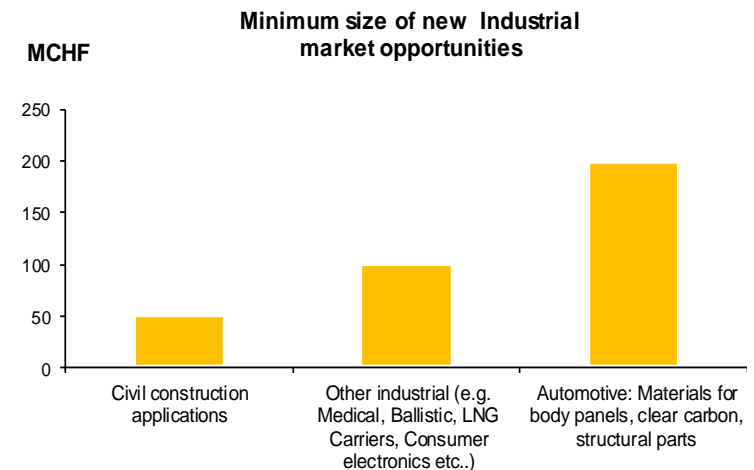
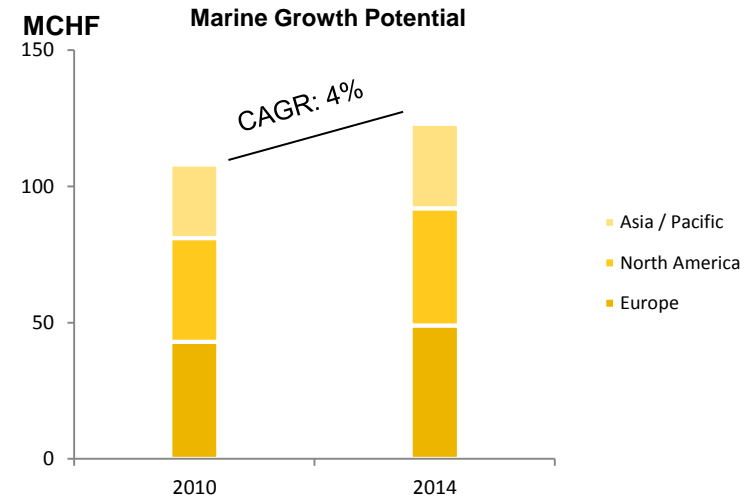
- Penetrate all geographies and segments
 - Mediterranean, Middle East and Far East
 - All boat sectors incl. commercial, military and production vessels

Strategy Industrial

- Penetrate the ballistic protection prepreg market with existing and slightly adapted products. Use distribution model and full material offering tactically for new industrial applications
- Sell existing and slightly adapted prepreg, and formulated systems into automotive markets for structural and visual carbon applications

Recent achievements

- Significant amount of superyacht projects won
- New automotive and industrial accounts secured
- Increased proximity to ballistic protection and automotive customers



Market environment

- Marine business growing gradually with more momentum in superyacht and race boats, regionally, in particular in Europe
- Addressable automotive composite material market growing strongly

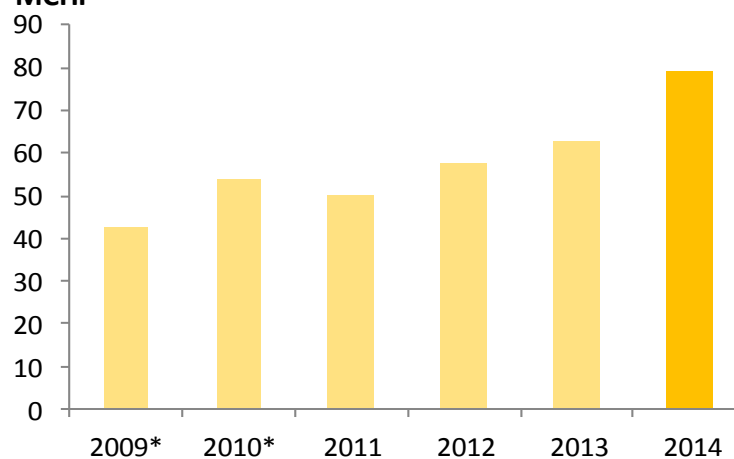
Results FY 2014

- Net sales of CHF 79.2 million, up 25.8% from CHF 62.9 million in FY 2013
- Stable growth path

Outlook

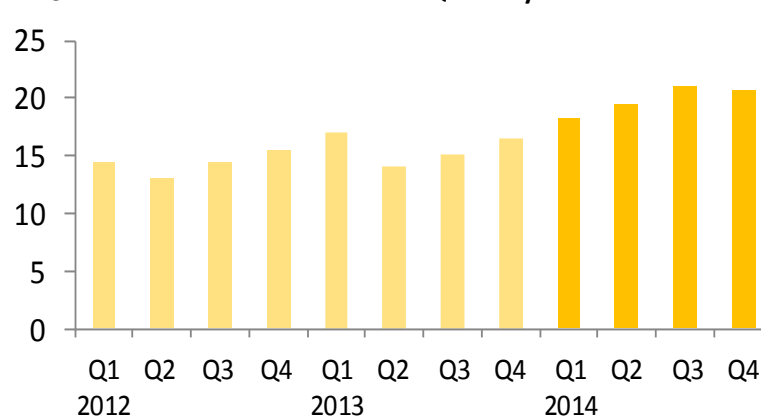
- Growth momentum expected from new markets, in particular ballistic protection and automotive

MCHF Industrial & Marine: Annual Net Sales



*: Including engineering sales

MCHF Industrial and Marine: Quarterly Net Sales





Strategy

- **Asia:** Leader in affordable, quickly available quality moulds for wind turbine blades
- **Internationally:** High quality, custom tailored, affordable, quick and higher-volume mould- making and outsourcing partner of choice
- Penetrate residual European and American client base during 2014/2015 also for multi- megawatt projects (Blade length >70 m)
- Widen scope of Tooling with metal structure products and supporting Composite Components

Recent achievements

- Fully loaded operations - record year 2014
- Improved production efficiency
- Production of biggest global mould (ca. 90 metres)
- Improved mould heating and cooling systems with new modules for high-end customers
- New customer wins in 2014

Market environment

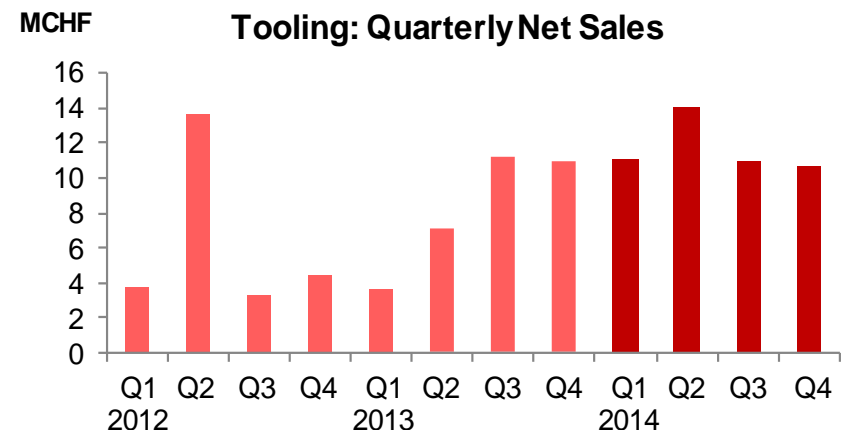
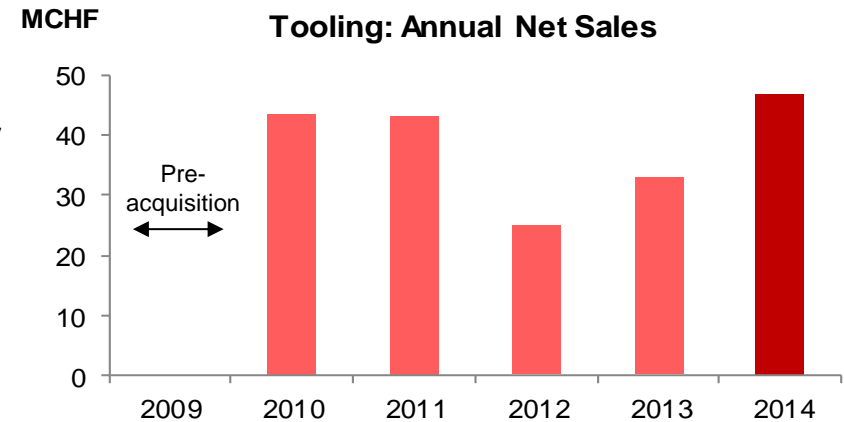
- Very strong demand in 2014 in Asia especially (Multi Megawatt programs)
- Trend to longer, special moulds in small series, and since 2014 again needs for larger series of moulds of same size (Re-tooling)
- Trend to outsource mould manufacturing continues at OEMs,

Results FY 2014

- Net sales of CHF 46.8 million, up 42.9% vs. FY 2013

Outlook

- Fair market environment expected for 1HY-2015, 2HY with limited visibility
- High production efficiency should continue to ensure a strong operating profit contribution from this activity





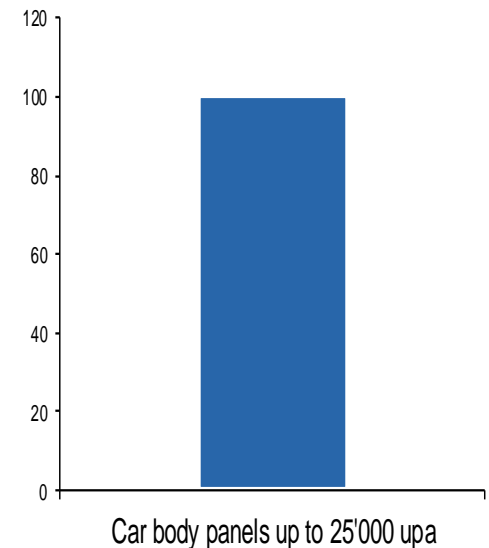
Strategy Automotive

- Pursue the two strategic avenues:
 - Further grow client/project base for complex shapes, smaller series, class-A, lightweight exterior car body panels
 - Launch press mould technology, class-A, up to 200°C temperature resistant, less complex shapes, higher volume exterior panels using the CBS material matrix. Industrialize press manufacturing process

Recent achievements

- Transfer of first automotive parts to Hungary completed
- First pressed visual carbon roof delivered to customer
- Industrialization process further improved
- Nomination achieved for first major program with press technology

CHFm Size of new Automotive press technology parts market



Market environment

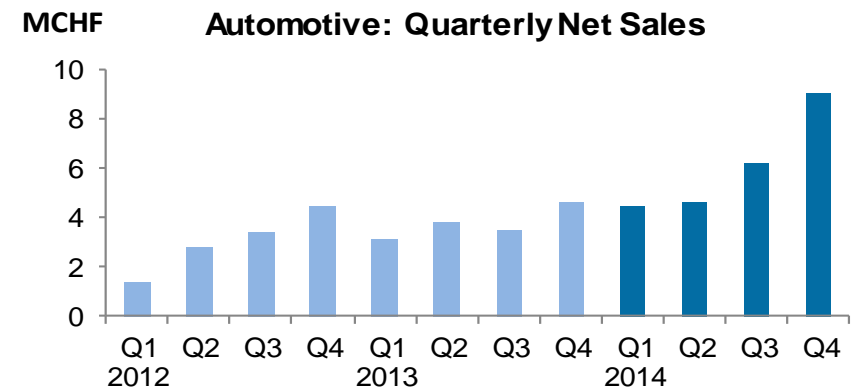
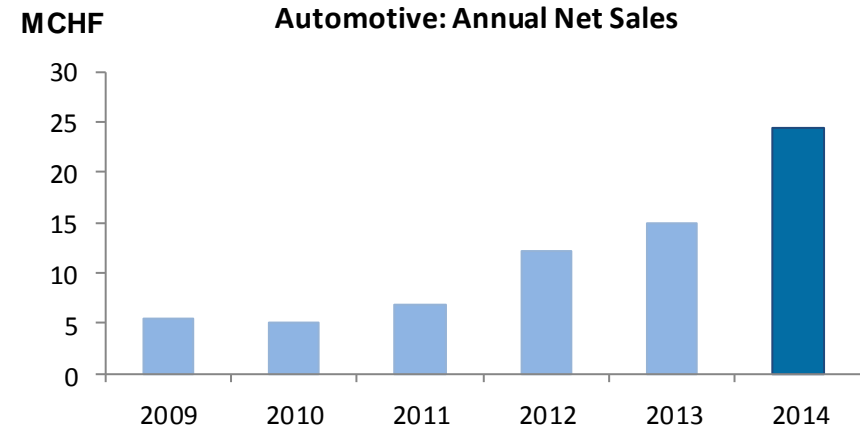
- Increasing interest in the automotive market for composite material solutions – especially for weight, parts accuracy and visual carbon components

Results FY 2014

- Net sales of CHF 24.4 million, up 62.9% vs FY 2013 sales of CHF 15.0 million

Outlook

- Finish straining project in Q1-2015
- Launch industrialized press parts production in 2015
- Gain more orders for pressed and manual parts for growth



Market environment

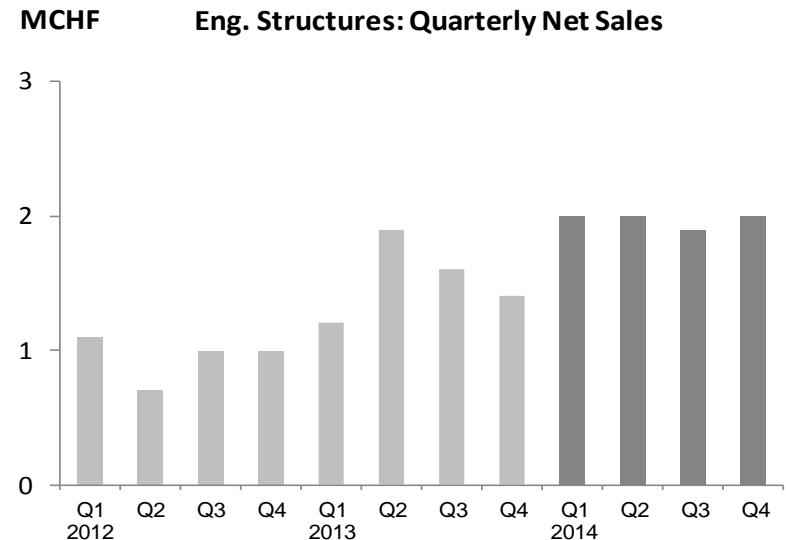
- Engineering services suited for several yet varying market segments from Marine to Construction and special projects
- Engineering services offering added value for various regions
- Total addressable market difficult to predict

Results FY 2014

- Net sales of CHF 7.9 million, up 28.7% vs. FY 2013
- Successful start-up of Hungarian production facility

Outlook

- Business combination with Automotive to Composite Components
- Keep offering engineering services to other segments such as Bus, Rail and other advanced composite components markets

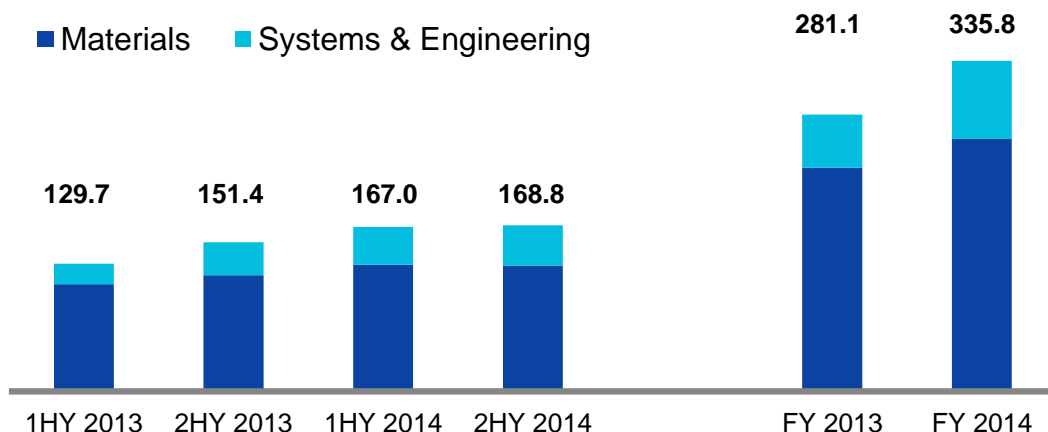


Financial Results 2014



Strong growth of Composite Material and Component sales

Net sales in MCHF

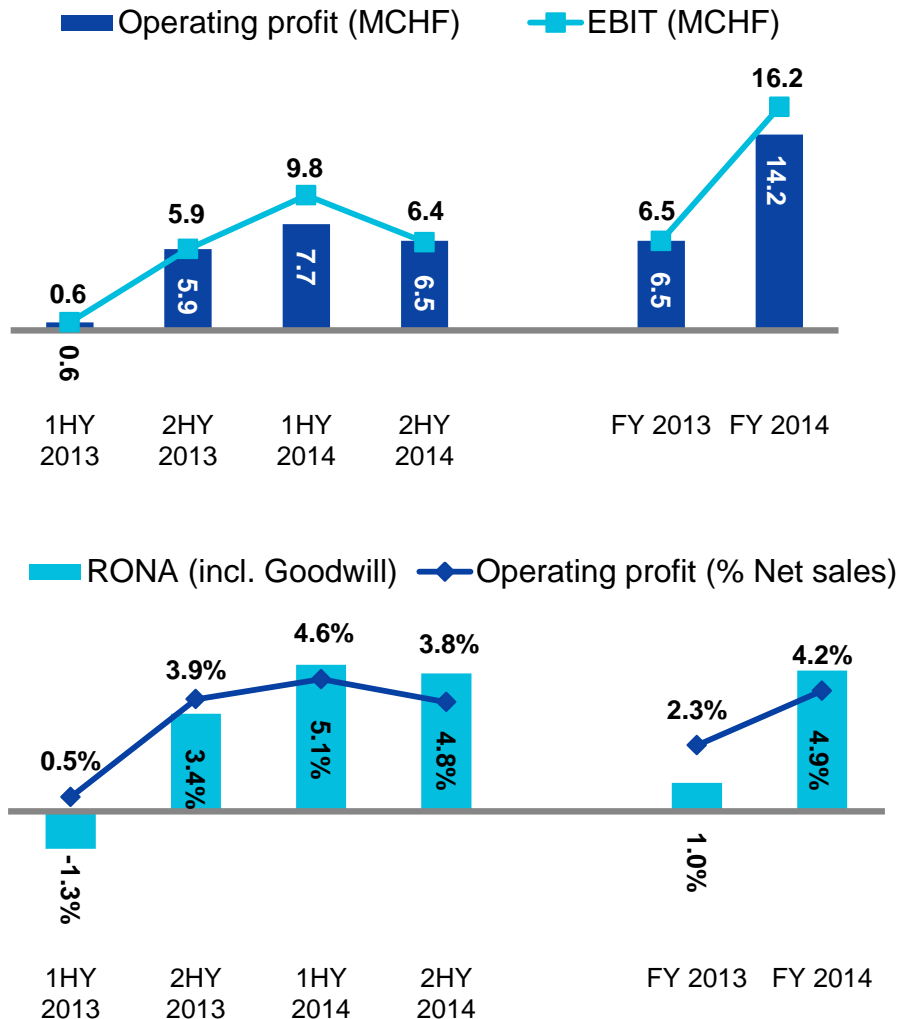


- The Wind market recovery in Asia and strong sales to the Marine Market were the main drivers for the 13.0% increase in Composite Materials sales
- 46.9% growth in Systems and Engineering thanks to the strong demand in Tooling and new car body part series in Automotive

Net Sales by Markets in MCHF	2014	2013	Δ 2014 vs 2013	Δ 2014 vs 2013 FX adj.
Composite Materials	256.7	227.3	13.0%	12.6%
Composite Systems and Engineering	79.1	53.8	46.9%	45.4%
Total Net Sales	335.8	281.1	19.4%	18.9%

Operating Profit and EBIT Development

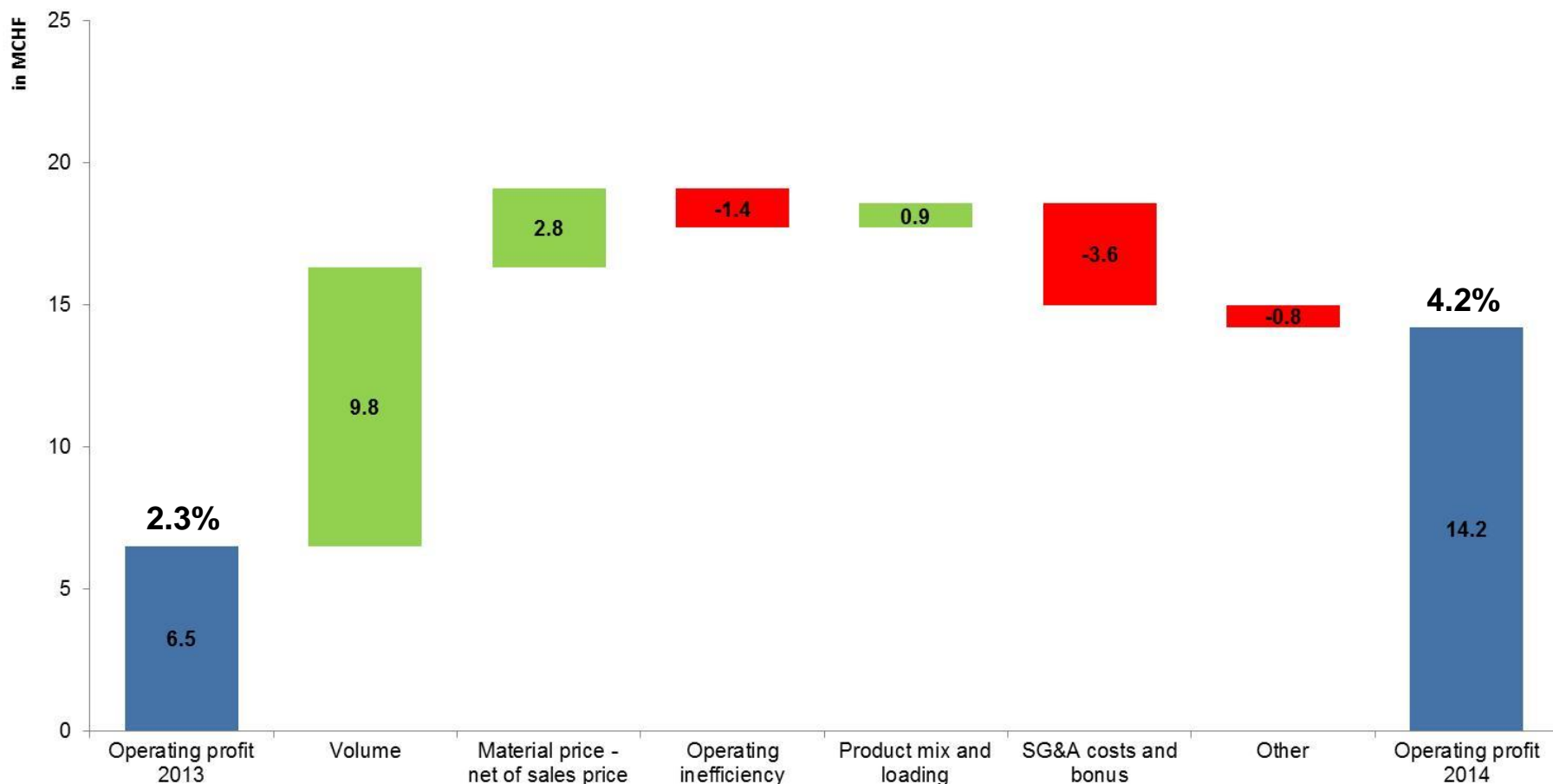
Operating profit more than doubled from MCHF 6.5 to MCHF 14.2



- Operating profit increased from 2.3% to 4.2% of net sales mainly thanks to
 - The better loading of the Composite Materials factories
 - The very strong performance of Tooling
- 2HY 2014 profitability negatively impacted by product mix
- No significant change in the asset basis of the company, hence RONA increased similarly to the Operating profit

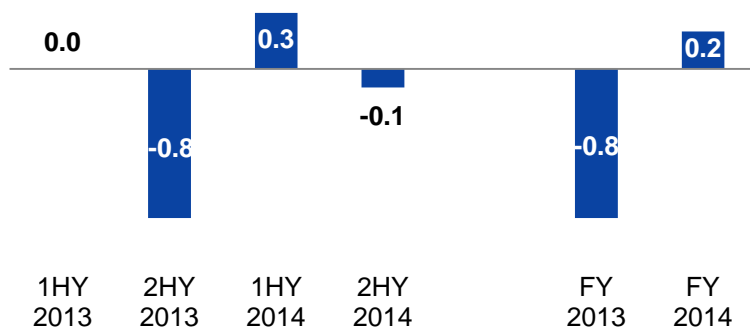
Operating Profit Bridge FY 2013 to FY 2014

Operating profit boosted by increased volumes, but still some operating inefficiencies



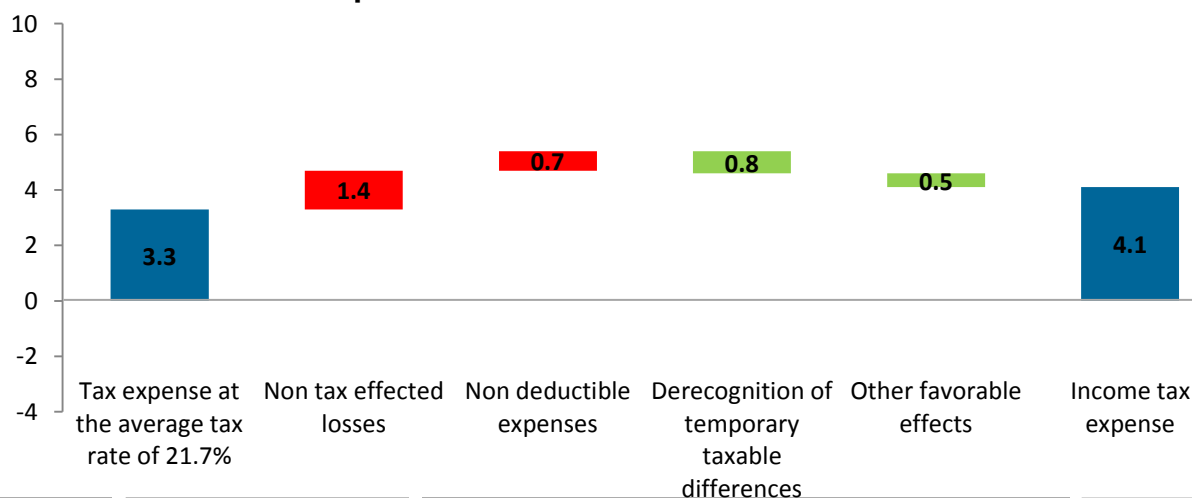
Well managed currency exposure, but still some loss making entities burdening the tax rate

Exchange result



- The well hedged balance sheet exposure resulted in a low exchange result in 2014, but avoided also significant losses in January 2015 following the SNB decision to remove the EUR ceiling

Income tax expense



- Income tax expenses amounted to 27% of PBT, burdened by MCHF 1.4 non tax effected losses. The planning tax rate remains at 25%

Strong recovery of Operating Profit and Net Result

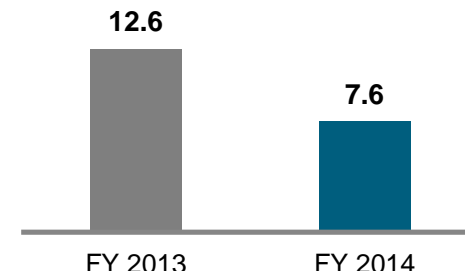
Consolidated P&L	2014		2013	
	MCHF	% NS	MCHF	% NS
Net sales	335.8	100.0%	281.1	100.0%
Gross margin	166.1	49.5%	130.6	46.5%
Personnel expense	-89.9	-26.8%	-76.1	-27.1%
Other operating expenses	-62.0	-18.5%	-48.0	-17.1%
Operating profit	14.2	4.2%	6.5	2.3%
Non-operating & e.o. result	2.0	0.6%	0.0	0.0%
EBIT	16.2	4.8%	6.5	2.3%
Interest income and expenses	-0.9	-0.3%	-0.6	-0.2%
Exchange gains and losses	0.2	0.1%	-0.8	-0.3%
Other financial income and expenses	-0.3	-0.1%	-0.3	-0.1%
Taxes	-4.1	-1.2%	-4.7	-1.7%
Net result	11.1	3.3%	0.1	0.0%

Earnings per bearer share	CHF 23.74	CHF 0.24
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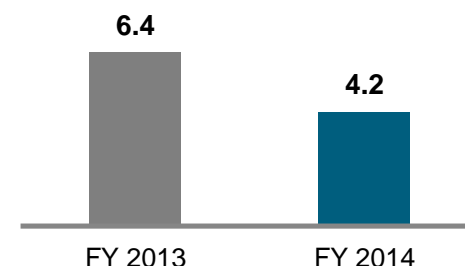
Decreased , though still positive cash flow from operating activities and net cash position

Group Consolidated Cash Flow	2014	2013
	MCHF	MCHF
EBIT	16.2	6.5
Depreciation, amortisation, impairment	9.5	11.3
Change in working capital	-7.6	-5.7
Income tax paid	-7.3	-3.5
Other cash flow from operating activities	-3.2	4.1
Net cash flows from operating activities	7.6	12.6
Purchase of PPE and Intangibles	-9.2	-6.2
Proceeds from sale of PPE	2.4	0.1
Change in borrowings	7.3	-14.4
Distribution to shareholders	-3.5	-7.0
Acquisition of subsidiaries	0.0	0.2
Purchase of treasury shares	-0.5	-0.4
Repayments of loans receivable	0.2	0.9
CHANGE IN CASH AND CASH EQUIVALENTS	4.3	-14.4

Cash flow from operating activities in MCHF



Net cash in MCHF



Increased balance sheet due to translation and NWC increase to serve growing business

Consolidated Assets	Dec 2014		Dec 2013	
	MCHF	%	MCHF	%
Cash and cash equivalents	29.0	11%	23.1	10%
Trade receivables	67.8	27%	63.0	28%
Inventories	54.8	22%	37.5	17%
Other current assets	19.6	8%	21.1	10%
Deferred income tax assets	2.4	1%	1.0	0%
Property, plant and equipment	73.8	29%	70.3	32%
Intangible assets	5.7	2%	5.3	2%
Other non-current assets	0.4	0%	0.9	0%
Total Assets	253.4	100%	222.1	100%

Consolidated Liabilities and Equity	Dec 2014		Dec 2013	
	MCHF	%	MCHF	%
Borrowings	24.8	10%	16.7	8%
Trade payables	24.4	10%	19.4	9%
Other current liabilities	27.1	11%	23.7	11%
Deferred income tax liabilities	0.2	0%	0.8	0%
Provisions	2.9	1%	4.1	2%
Equity	173.4	68%	157.3	71%
Total Liabilities and Equity	253.4	100%	222.1	100%

- Trade NWC increased from MCHF 81 to MCHF 98 due to translation, but also due to increased inventory levels to serve the growing demand
- Increased fixed assets following investments in additional production capacity in Ecuador, Hungary and Tooling as well as some prepreg equipment renewals
- Strong, almost constant equity ratio

Outlook 2015



- **Net Sales:**
 - No exact guidance at this point in time
 - Growth opportunities exist across market segments and regions
 - Swiss Franc translation effect expected to impact the reported CHF sales by 5-8%

- **Operating profitability:**
 - To improve substantially from 4.2% in 2014 towards the target range of 8-10%

Questions & Answers

