



Investor Presentation

June 2015





CORPORATE OVERVIEW



GRAMMER

GRAMMER GROUP – KEY FACTS

Leading global player in the automotive and commercial vehicle industry



Highlights

- Leading manufacturer of innovative interior systems and components for passenger cars & commercial vehicles
- Located in 20 countries with >10,000 employees
- International engineering network with 10 R&D centers and 4 test facilities in all core regions
- Strong brand image combined with leading market positions in all core markets

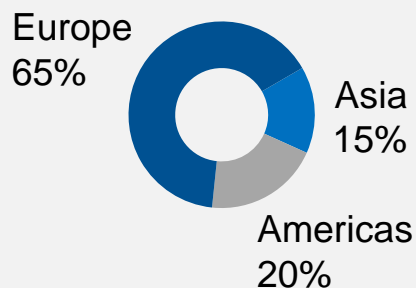
Financials [in € million]

	2014	2013	2012
Revenues	1,366	1,266	1,133
Growth in %	+8%	+12%	+4%
EBIT	57	58	49
EBIT-Margin	4.2%	4.6%	4.3%
EPS in €	3.09	2.67	2.38
Dividend in €	0.75*	0.65	0.50

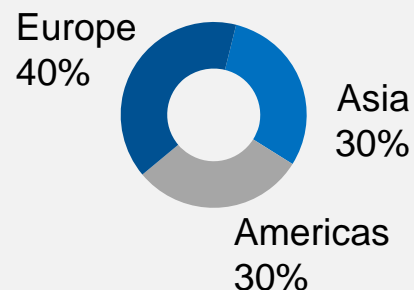
*) proposal

Revenues by region [FY 2014]

By customer location



By end-user location*



*) estimation

Revenues by division [FY 2014]



GRAMMER GROUP – GLOBAL FOOTPRINT

Global player on 4 continents with a strong international production & R&D network



- GRAMMER locations with R&D hubs
- GRAMMER production & sales locations

	Americas	Germany	Europe (w/o Germany)	Asia / Row	Total
# of locations*	8	8	14	7	37
thereof plants w/ R&D	2	2	2	4	10
% of total headcount	20%	20%	45%	15%	100%
% of product sales	20%	40%	25%	15%	100%

*) Manufacturing plants, front-ends, sales & engineering offices

GRAMMER AUTOMOTIVE – PRODUCT PORTFOLIO

Premium interior components for maximum in safety, comfort & functionality



Headrests



Consoles



functional and safety headrest systems



center consoles



comfort and multimedia headrest systems



armrests

GRAMMER SEATING SYSTEMS – PRODUCT PORTFOLIO

Highly innovative seating solutions and broad product portfolio for all applications



Offroad



Truck & Bus



Railway



agricultural



construction



truck driver seats



railway passenger seats



material handling



turf care



bus driver & passenger seats



railway driver seats

GRAMMER DIVISIONS – KEY FACTS

Interior components for light vehicles & suspended seats for commercial vehicles



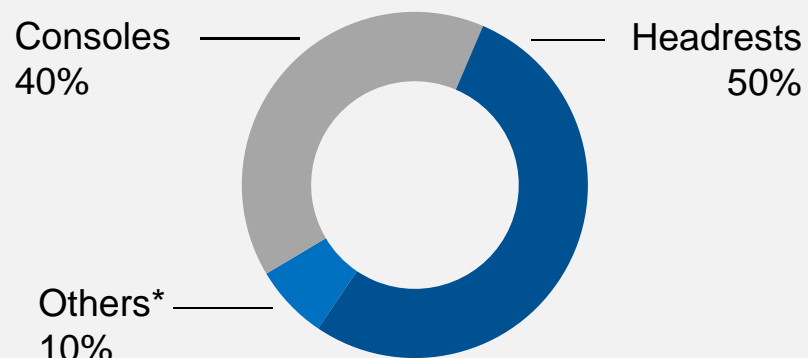
Automotive – Highlights

- Experienced global supplier with focus on high-quality interior products for premium manufacturers
- 2014 revenues: 912 million Euros
- Excellent market position in all segments
- Headrest production volume >40 million units/year
- Console is youngest segment with already more than 50 different consoles in production

Seating Systems – Highlights

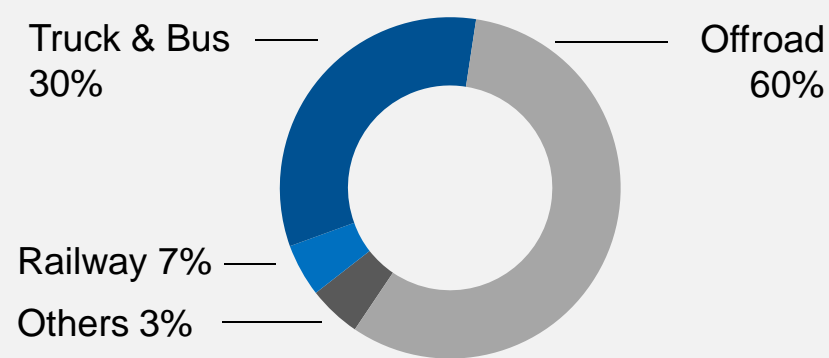
- Global market leader for suspended seating systems with a very strong position in all segments
- 2014 revenues: 479 million Euros
- Trendsetter in comfort and ergonomics
- Very broad customer base > 400 customers
- Only seat supplier to provide seating systems with an integrated multifunctional electronic armrest

Automotive – revenues by product segment



*) incl. R&D revenues

Seating Systems – revenues by product segment





GROUP – GLOBAL GROWTH STRATEGY



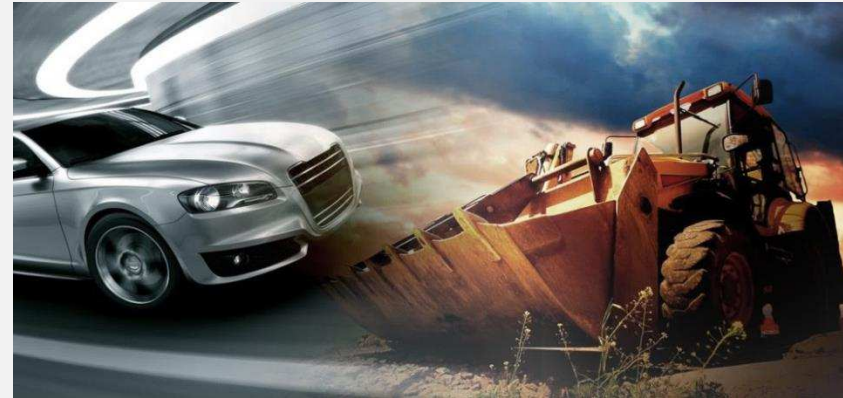
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GRAMMER GROUP – GLOBAL GROWTH STRATEGY

Main pillars of GRAMMER's strategy secure future growth



1 Growth in all core **REGIONS**



2 Growth with larger **CUSTOMER** base



3 Growth with innovative **PRODUCTS**



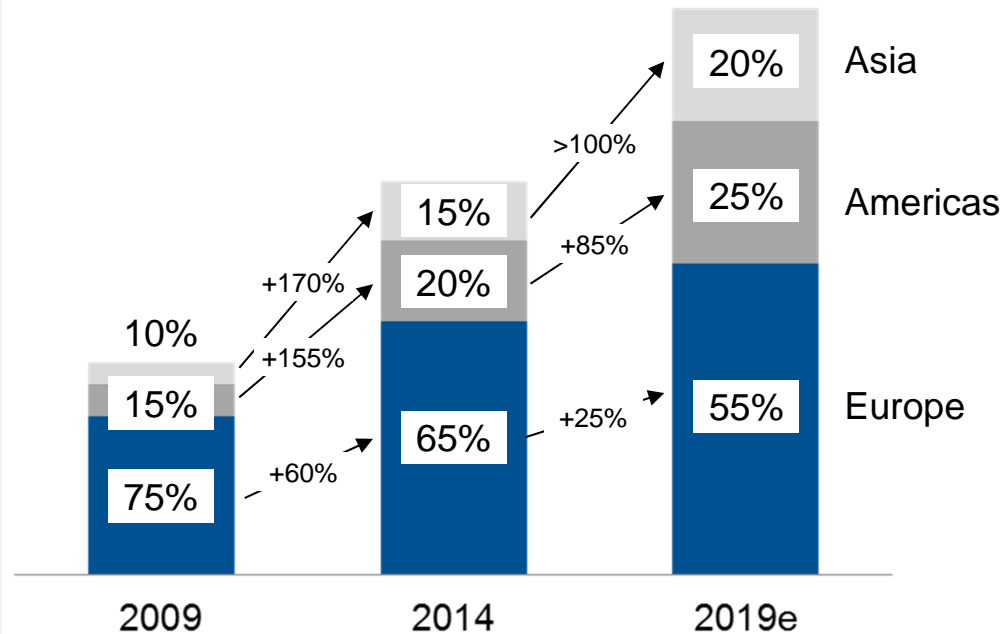
4 Growth fuelled by **MEGATRENDS**

GRAMMER GROUP – GLOBAL GROWTH STRATEGY

1 – Strong global set-up as basis to utilize growth potential outside of Europe



GRAMMER's product sales by region



Highlights

- Importance of the Americas & China has grown significantly
- Growth in Asia and Americas is based on our excellent set-up in these regions
- Global footprint is crucial success factor to win world platforms projects
- GRAMMER's global set-up is comparable to much bigger players
- Future strategic opportunities in India and Russia

GRAMMER's Success Factors:

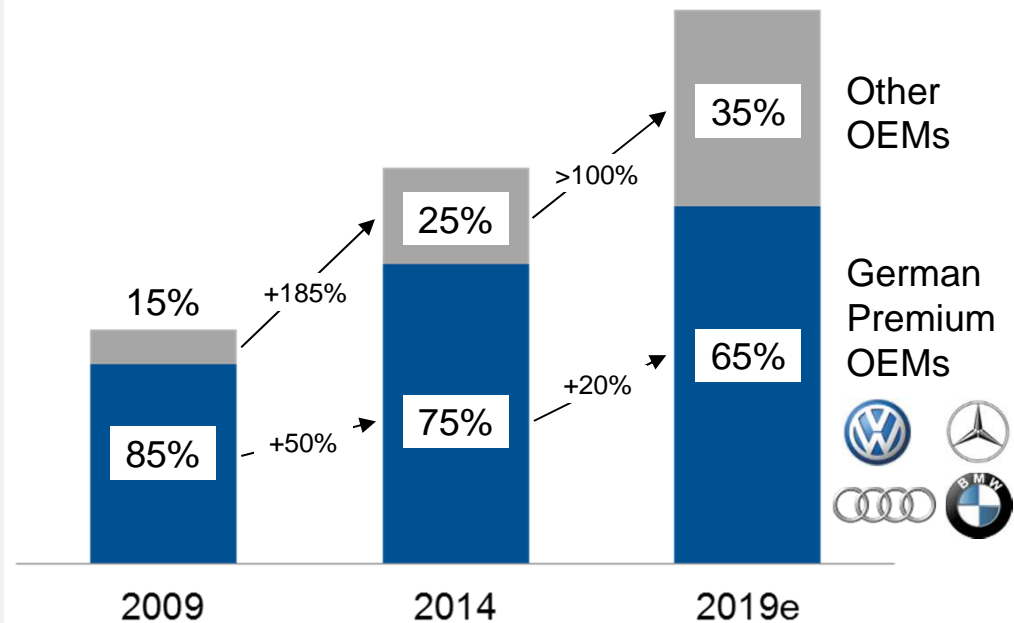
1. Ongoing expansion and optimization of global position and strengthening of local entities
2. Excellent international set-up in Europe, NAFTA, South America and China secures future growth
3. Broad global set-up in all core regions helps to balance regional market fluctuations

GRAMMER GROUP – GLOBAL GROWTH STRATEGY

2 – Regional expansion for increased penetration of local customers



GRAMMER's Automotive sales by customer group



Highlights

- “Follow your customer” strategy results in strong growth outside of Europe
- Successful acquisition of new customers in all regions based on our global set-up
- Sales with new automotive customers increased from 15% to 25% in just 5 years
- Solid order book with local US and Asian customers in all segments secure further customer diversification

GRAMMER's Success Factors:

1. Successful utilization of high growth potential based on global expansion of existing customers
2. Global set-up as basis for new customer acquisition and further broadening of customer base
3. Broader customer base improves capacity utilization of our plants and helps to balance fluctuations

GRAMMER GROUP – GLOBAL GROWTH STRATEGY

3 - Global acting product innovators have best changes for long-term success



Complete headrest program for Jaguar Land Rover fleet



First center console for BMW (active tourer)



Center console for Mercedes C-Class global platform

Examples of new products
Automotive Interior



Suspended truck seats for local market in China



Integrated seat/armrest systems for forklifts (high demand from China)



New long-distance and regional railway seat generation

Examples of new products
Commercial Vehicles

GRAMMER's Success Factors:

1. Increased R&D activities to secure our leading position in innovation and technology
2. Expansion of product portfolio with innovative solutions for better diversification across core segments
3. 10 global R&D centers guarantee customized product applications based on local market requirements

GRAMMER GROUP – GLOBAL GROWTH STRATEGY

4 – Global megatrends drive long-term growth of vehicle markets



Population Growth

Today: 7.2 bn., 2050: ~10 bn. people
2050: 1/3 will live in only 2 countries: China & India
> *Most important driver of the global changes*



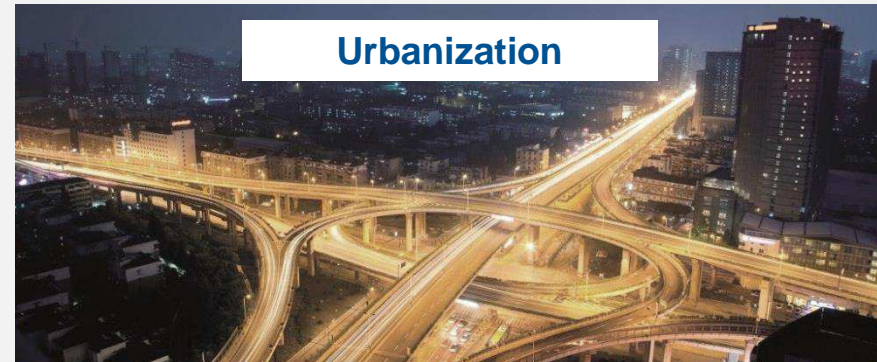
Mobility

Total car stock (new & existing) will triple to more than 2.5 billion vehicles by 2050
> *USA & China combine 50% of global car stock*



Food Demand

Global food output must double by 2050 to feed growing population esp. in emerging countries
> *High investments in new agricultural machinery*



Urbanization

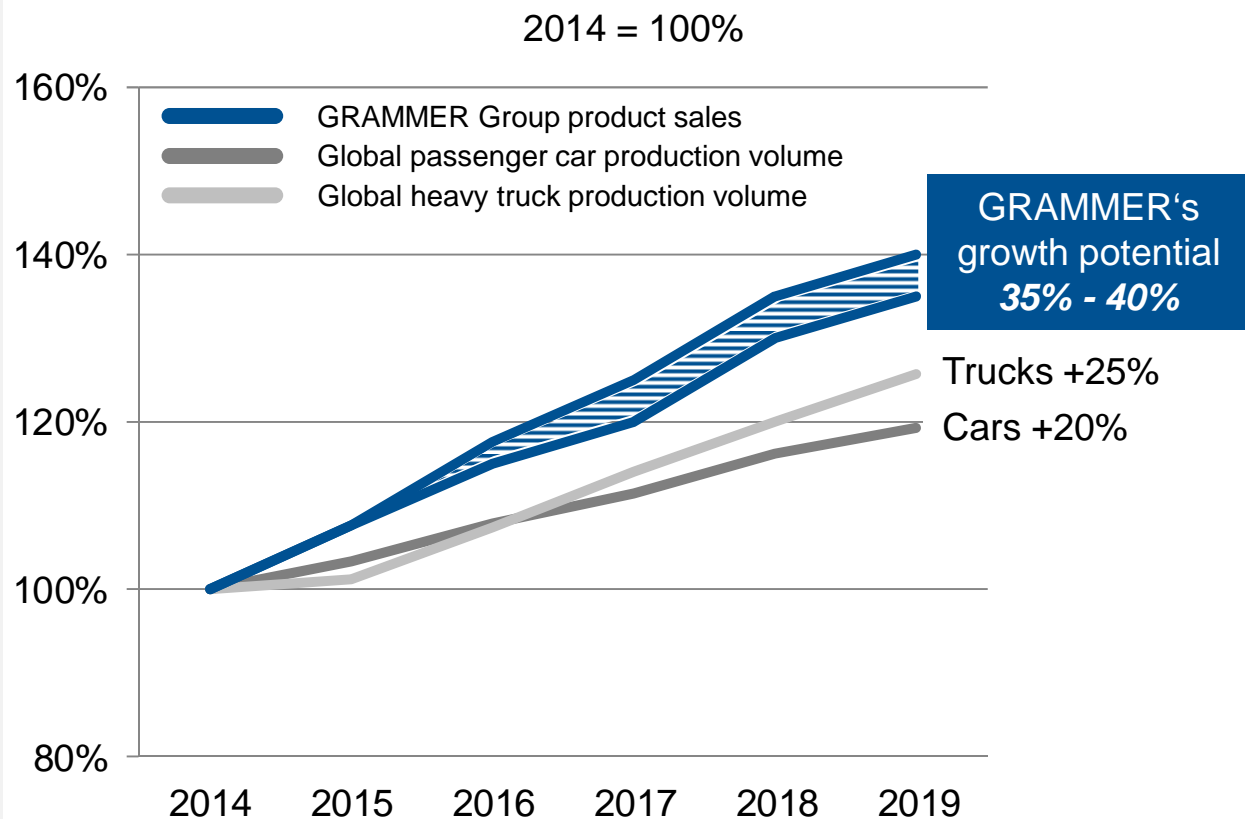
2015: 50% of global population live in cities
2025: 60%, 2050: > 70%
> *Massive investments in infrastructure & housing*

GRAMMER GROUP – GLOBAL GROWTH STRATEGY

Summary – GRAMMER's growth strategy can clearly outperform market growth



Expected 5-year development GRAMMER Group & vehicle markets



Source: IHS, March 2015

Strategy Summary

- Strong global presence in all core markets and regions
- Strong customer base and increasing local customer penetration
- Strong growth potential in all market segments and regions
- Successful M&A to strengthen our position
- Financial flexibility to fund future growth

GRAMMER is well positioned for **profitable growth and value generation**



Q1 2015 & OUTLOOK 2015



GRAMMER GROUP – HIGHLIGHTS Q1 2015

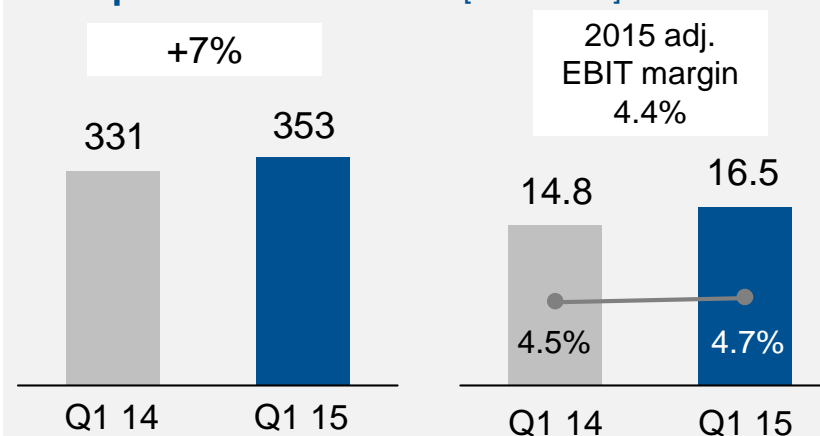
Continuing growth and positive earnings development



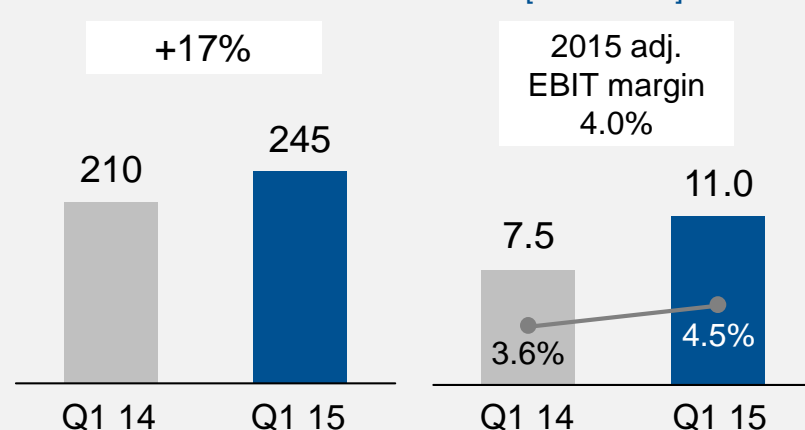
Highlights GRAMMER Group Q1 2015

- Group revenues above previous year (+7%) despite declining Seating markets
- Growth in Automotive (+17%) based on new serial launches and positive car markets
- Lower revenues in Seating Systems (-9%) due to significant negative market developments
- Group EBIT impacted by market developments, up-front costs and exchange rates

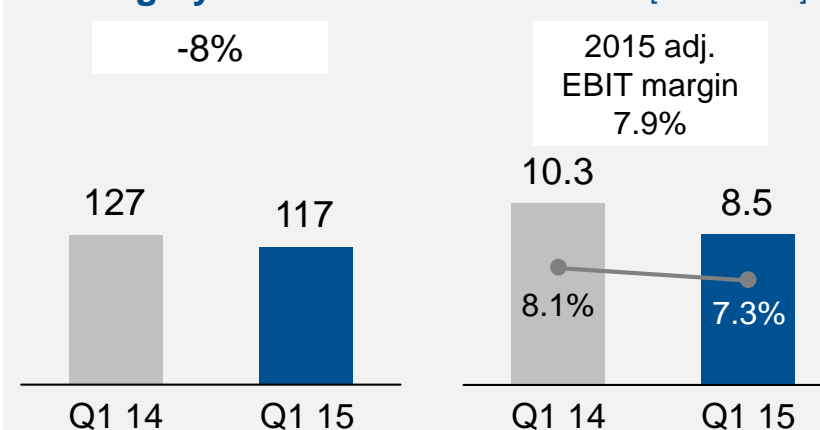
Group Revenues & EBIT [in € million]



Automotive Revenues & EBIT [in € million]



Seating Systems Revenues & EBIT [in € million]



GRAMMER GROUP – MARKET OUTLOOK 2015

Global car continue to grow. Decline of the commercial vehicles markets



Global passenger car production
[in % vs. previous year]

	2014	Trend 2015
Europe	+3%	➔
North America	+5%	➔
South America	-16%	➔
China	+8%	➔
World	+3%	➔

Source: IHS, March 2015

Global production of heavy trucks
[in % vs. previous year]

	2014	Trend 2015
Europe	-6%	➔
North America	+17%	➔
South America	-25%	➔
China	-5%	➔
World	-2%	➔

Source: IHS, March 2015

Comments on expected market developments:

- Automotive markets to see similar growth in 2015 (+2% to +3%), again driven by NAFTA and China
- Brazilian truck market will continue to decline sharply in 2015. China also with severe decline
- Weakening of agricultural machinery demand will continue, especially for large tractors and harvesters
- Stable development for construction machinery and material handling markets to be expected

GRAMMER GROUP – OUTLOOK 2015

Outlook confirmed: Revenues more than 1.4 billion Euros. EBIT on previous year



GRAMMER Group – Outlook 2015:

Revenue:

- Appreciable increase in revenue to more than 1.4 billion Euros
- The strong order book and additional customer projects in the Automotive division are the main basis for the ongoing growth of the company
- Due to the very weak market environment, we now expect a noticeable revenue decline in the Seating Systems division

EBIT

- The ongoing weakness of the agricultural machinery market and ongoing slump of the Brazilian truck market will influence the operating result of the Seating Systems division
- EBIT will be influenced by additional costs as a result of the ongoing expansion and optimization projects in 2015 as part of our global growth strategy
- The Automotive division is expected to make a positive contribution to earnings thanks to the increased business volumes
- In 2015 GRAMMER Group is expected to achieve another substantial positive EBIT which will be on a par with the previous year
- Given the expected revenue growth, the possibility of a slight contraction in the operating margin cannot be entirely ruled out



BACKUP INFORMATION



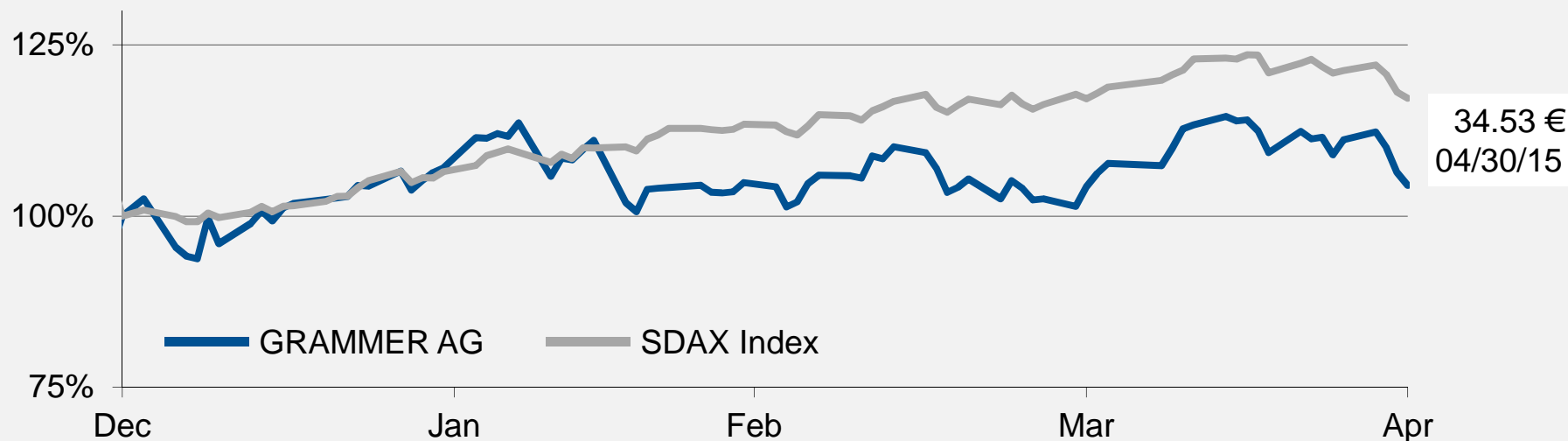
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GRAMMER AG – SHARE PRICE DEVELOPMENT

Share price impacted by volatile stock markets. Market cap. 399 € m.



Share price development January 2015 – April 2015



Basic share data

ISIN	DE000589540
WKN / Code	589540 / GMM
Number of shares	11,544,674
Market cap. 04/30/15	399 € million
Primary stock exchange	XETRA (Frankfurt)
Index	SDAX

Shareholder structure

DWS Investment	5.18%
Wynnefield	5.17%
EQMC	5.10%
BNP Paribas	5.02%
Dimensional	5.01%
Own shares	2.86%

GRAMMER GROUP – LONG-TERM GROWTH

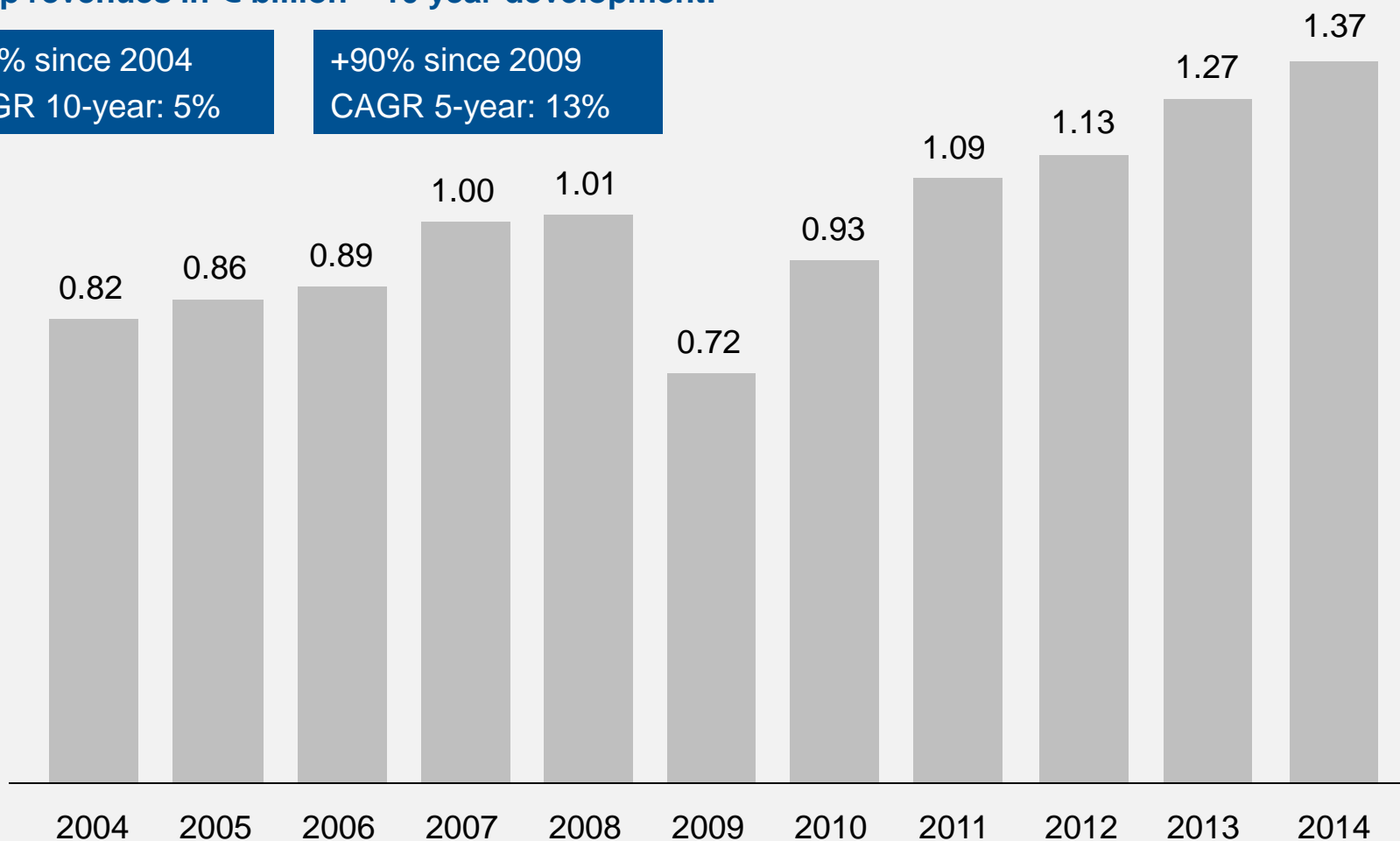
Strong track record of revenue growth



Group revenues in € billion – 10 year development:

+65% since 2004
CAGR 10-year: 5%

+90% since 2009
CAGR 5-year: 13%



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Key Figures Q1 2015



<i>[IFRS, in € million]</i>	Q1 2015	Q1 2014	Chg.
Group Revenues	352.7	330.8	6.6%
EBITDA	26.2	23.4	12.0%
EBITDA-Margin	7.4%	7.1%	0.3 %-P
EBIT	16.5	14.8	11.5%
EBIT-Margin	4.7%	4.5%	0.2 %-P
Profit after taxes	9.8	8.5	15.3%
EPS in €	0.87	0.78	11.5%
Total Assets	864.5	778.2	11.1%
Equity	238.1	228.1	4.4%
Equity-Ratio	28%	29%	-1 %-P
Net Financial Debt	125.8	120.9	4.1%
Gearing Ratio	53%	53%	0 %-P
Capex (w/o M&A)	8.8	10.1	-12.9%
Depreciation	9.7	8.6	12.8%
Employees (month-end)	10,693	10,476	2.1%

GRAMMER GROUP

5-year development



<i>[IFRS, in € million]</i>	2014	2013	2012	2011	2010
Group Revenues	1.365.9	1.265.7	1.133.0	1.093.5	929.7
EBITDA	93.7	92.3	78.1	76.9	59.2
EBITDA-Margin	6.9%	7.3%	6.9%	7.0%	6.4%
EBIT	57.0	58.0	49.0	49.4	32.9
EBIT-Margin	4.2%	4.6%	4.3%	4.5%	3.5%
Profit after taxes	33.6	29.6	26.8	22.1	16.3
EPS in €	3.09	2.67	2.38	2.02	1.60
Total Assets	836.5	766.0	668.8	625.2	559.4
Equity	231.8	224.7	210.3	211.2	173.1
Equity-Ratio	28%	29%	31%	34%	31%
Net Financial Debt	86.7	93.2	76.5	92.1	113.8
Gearing Ratio	37%	41%	36%	44%	66%
Capex (w/o M&A)	51.5	46.8	39.0	37.6	38.1
Depreciation	36.7	34.3	29.1	27.5	26.3
Employees (Dec., 31)	10.700	10.082	8.620	8.726	7.955

Financial Calendar 2015

Annual General Meeting:	May 20, 2015
Interim Report Q2/2015:	August 05, 2015
Interim Report Q3/2015:	November 04, 2015

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