



Financial Results H1 2020

Ursensollen, August 13, 2020



COVID-19-PANDEMIC

CURRENT STATE @ GRAMMER



The protection of our employees through extensive hygiene measures was (and remains) a priority for us right from the start of the Coronavirus outbreak

Short-time working in Germany and comparable measures in all other countries have been promptly implemented to protect the company's financial health

Large number of measures taken and in place to further protect our cash position

Ongoing cost reduction activities further enhanced by global program to lower structural costs especially in EMEA, the Americas and all Corporate functions

Group revenue declined by 30% to EUR 736 million in the first half of 2020

Market declines heavily accelerated by COVID-19 effects; most severe impact in Europe and North America

First positive market signals in the second quarter: China close to pre-crisis level production

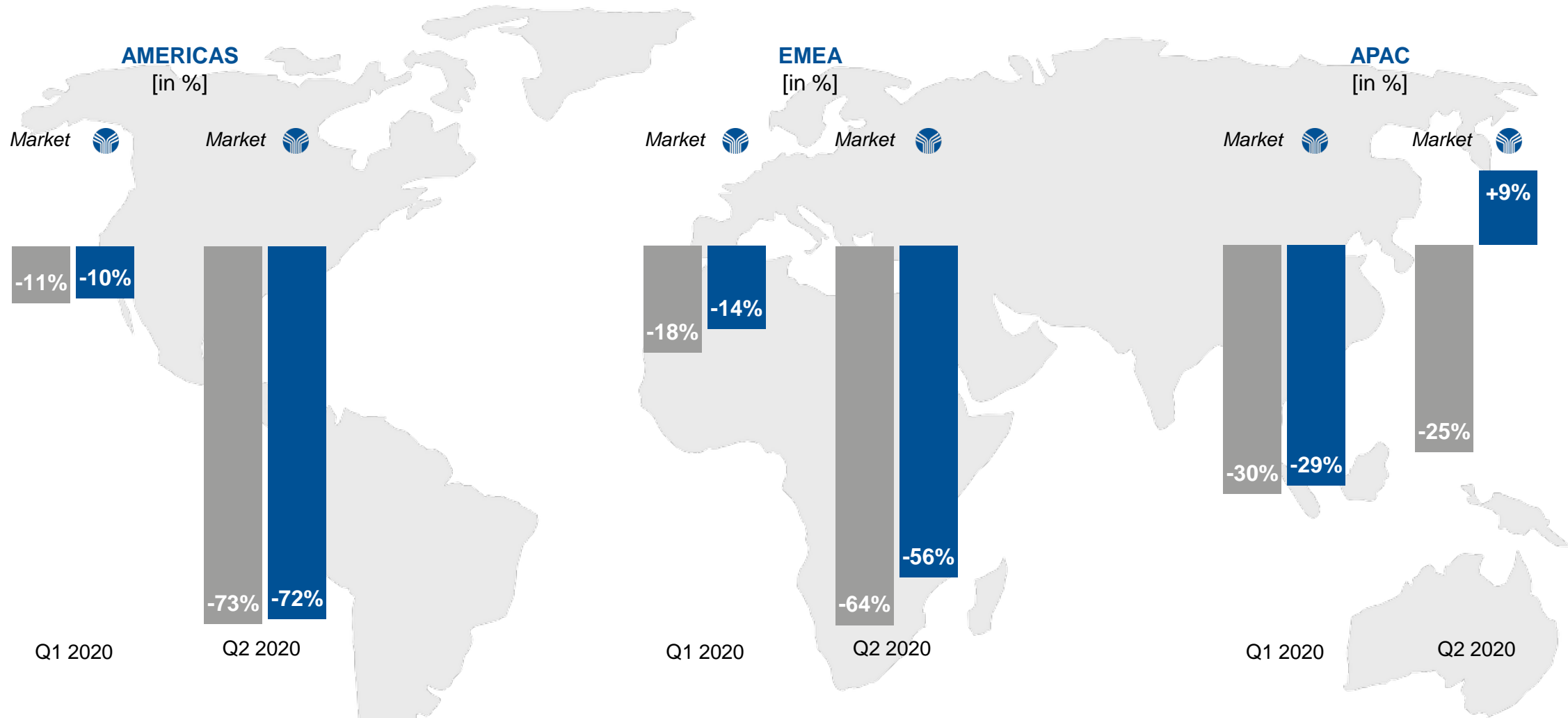
Earnings burdened by volume decreases and significant one-time effects: EBIT down to EUR -53.0 million in the first half of 2020, thereof EUR -50.9 million EBIT impact in the second quarter

One-time effects total EUR 24.2 million of which a significant portion is attributable to inventory devaluations

Concrete guidance for the whole year 2020 still not possible due to COVID-19-related market uncertainties

MARKET DEVELOPMENT LIGHT VEHICLES

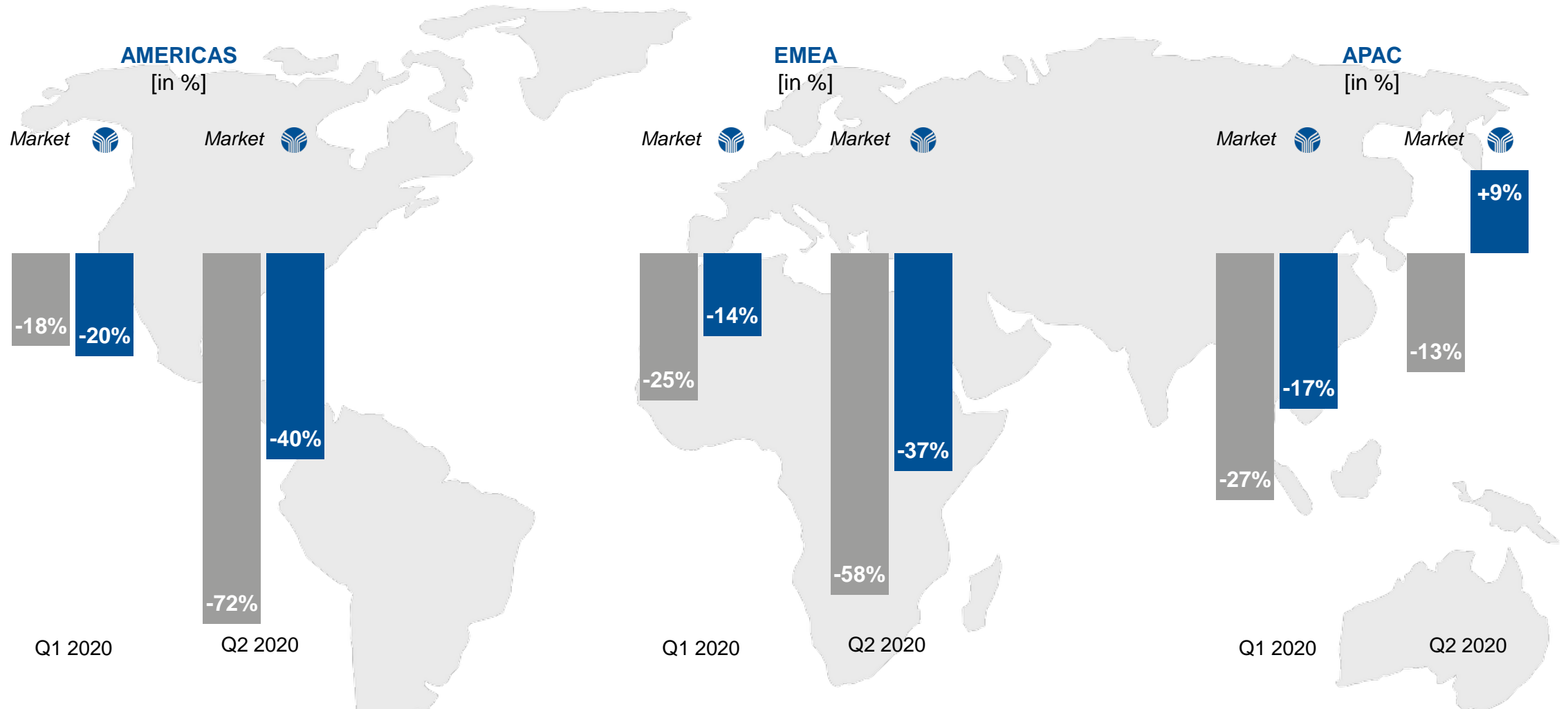
GRAMMER IN LINE WITH MARKET TREND IN ALL REGIONS – STRONG PERFORMANCE IN APAC IN Q2



Market: July'20 IHS Light Vehicle Production GRAMMER Automotive Revenue

MARKET DEVELOPMENT COMMERCIAL VEHICLES

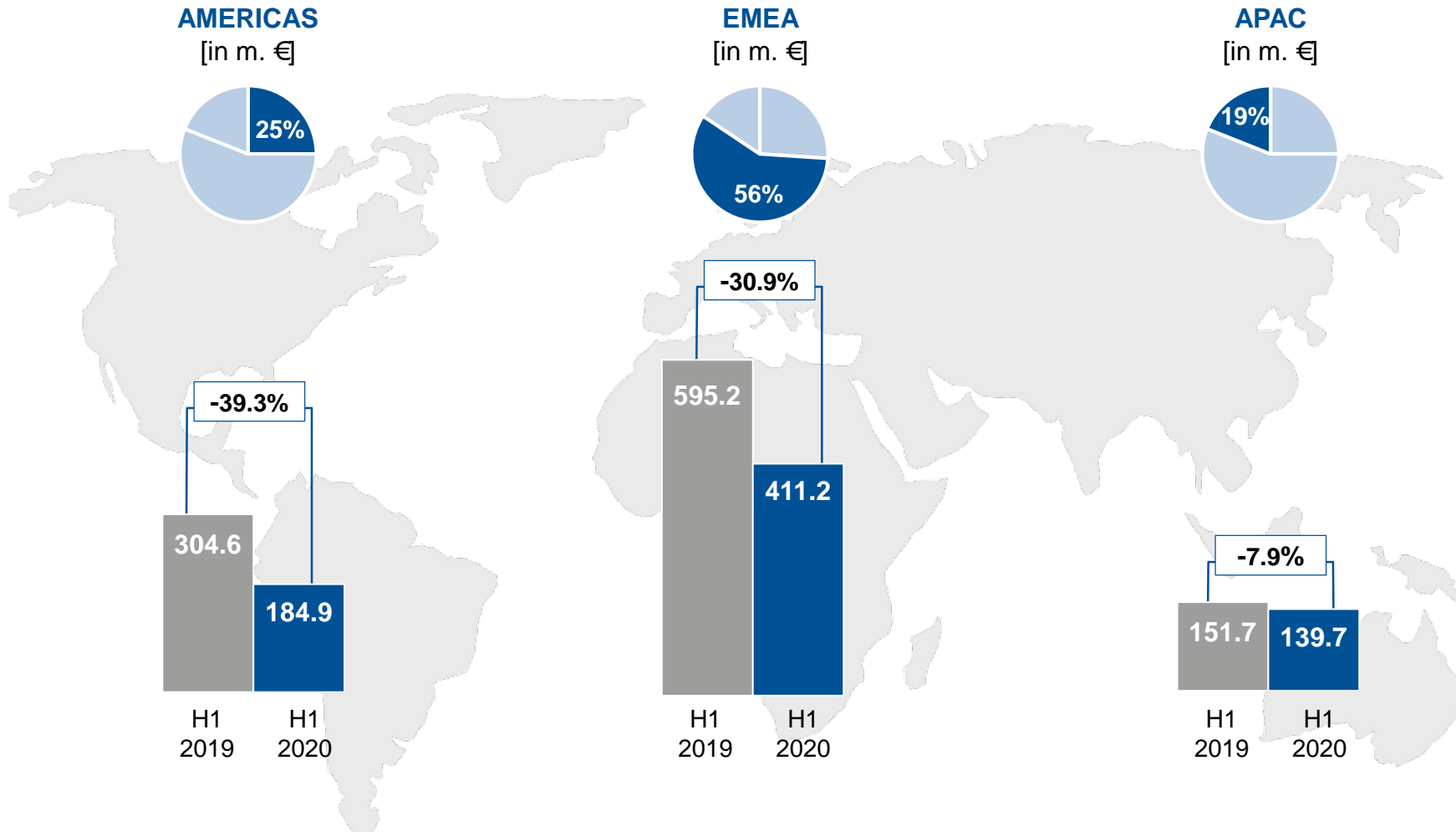
GRAMMER OUTPERFORMS GLOBALLY



Market: July'20 LMC Production [for Truck only] GRAMMER Commercial Vehicles Revenue (Truck, Rail & Bus and Offroad Business)

REVENUE BY REGION

DECLINES IN ALL REGIONS WITH IMPROVEMENTS IN APAC



Closure of production sites in the Americas and EMEA region from mid March up to mid June*

Economic development in EMEA reached lowest level in April

Production in China back to pre-COVID-19 level in April

Revenue increased in APAC in Q2 after the drop in Q1 2020

* Latest re-start of production in Mexican sites

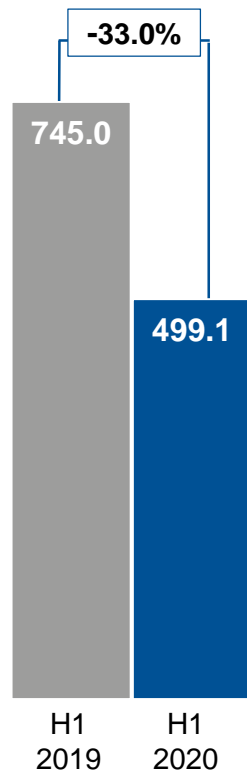
REVENUE BY SEGMENTS

BOTH SEGMENTS AFFECTED BY COVID-19



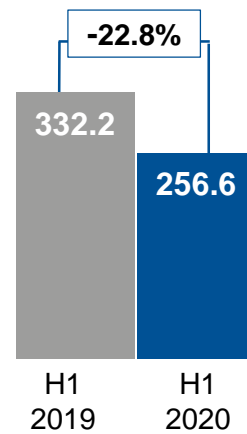
AUTOMOTIVE

[in m. €]



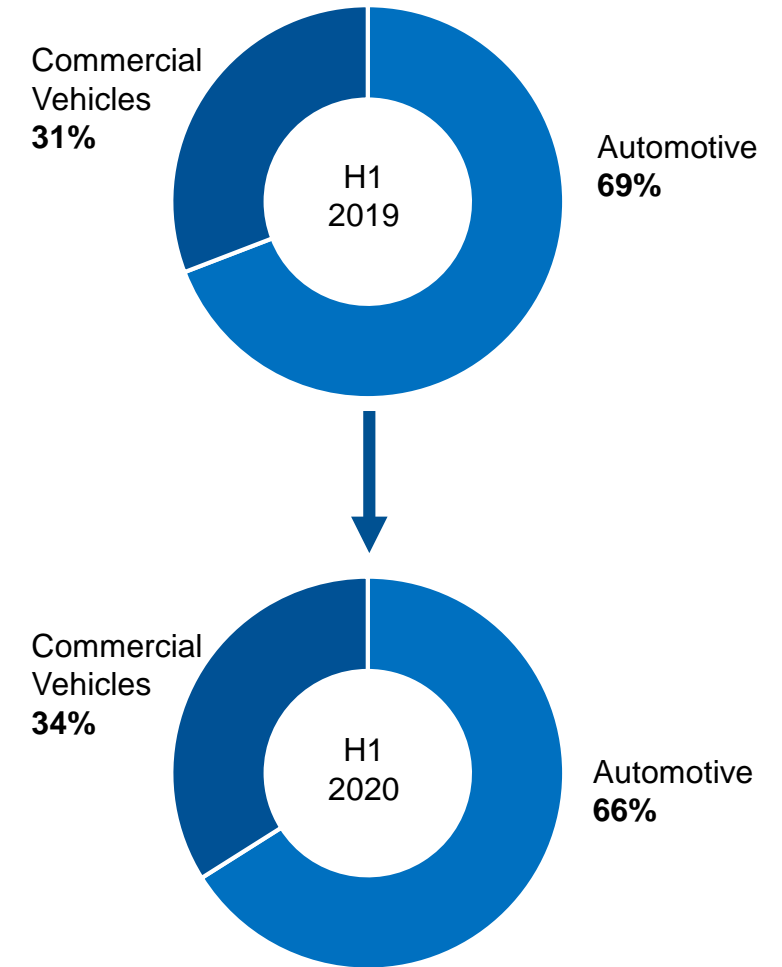
COMMERCIAL VEHICLES

[in m. €]



SHARE OF GROUP REVENUE

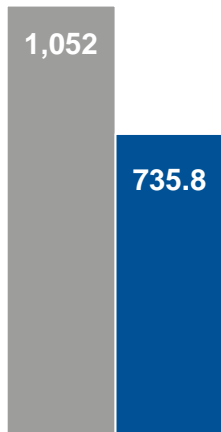
[in %]



FINANCIALS H1 2020

REVENUE AND EBIT AFFECTED BY COVID-19

REVENUE [in m. €]



H1 2019 H1 2020

EBIT [in m. €]

4.8% **-7.2%**



H1 2019 H1 2020

OPERATING EBIT [in m. €]

4.8% **-6.2%**



H1 2019 H1 2020

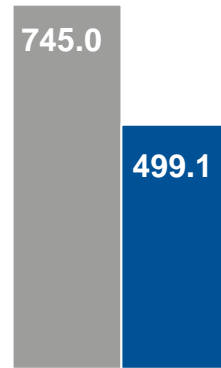


EBIT affected by 30% volume decline in H1 with a significant impact of -46% in Q2 due to COVID-19 pandemic

EBIT impacted by one-time effects of EUR 24.2 million; main portion attributable to inventory devaluations

Operating EBIT adjusted by EUR 7.3 million, thereof EUR 4.0 million FX effects and EUR 3.0 million corona-related protection and response measures

REVENUE [in m. €]



H1 2019 H1 2020

EBIT [in m. €]

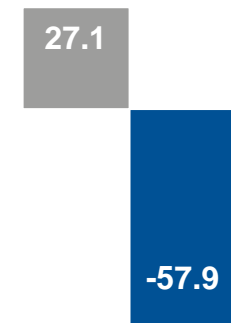
3.8% **-12.6%**



H1 2019 H1 2020

OPERATING EBIT [in m. €]

3.6% **-11.6%**



H1 2019 H1 2020



EBIT affected by 32% volume decline in H1 - strong volume decline in Q2 of 52% as EMEA and Americas were severely hit by COVID-19 pandemic

EBIT impacted by one-time effects of EUR 20.8 million

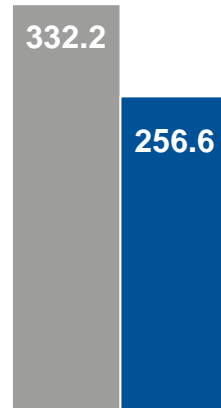
Operating EBIT adjusted by EUR 5.0 million, thereof EUR 2.9 million FX effects and EUR 1.8 million corona-related protection and response measures

GRAMMER COMMERCIAL VEHICLES

OPERATING EBIT MARGIN AT 5.7%



REVENUE [in m. €]



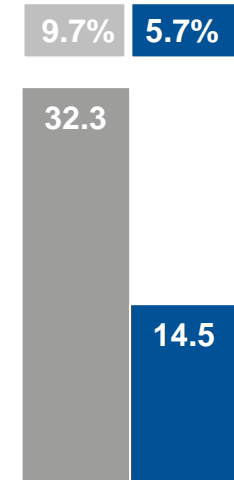
H1 2019 H1 2020

EBIT [in m. €]



H1 2019 H1 2020

OPERATING EBIT [in m. €]



H1 2019 H1 2020

Decline in revenue of 23% in H1; significant impact on revenues in Q2 of 30% and one-time effects of EUR 3.3 million impacted EBIT

Operating EBIT adjusted for FX effects (EUR 1.1 million) and corona-related protection and response measures (EUR 0.6 million)

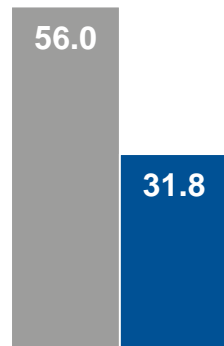
Operating EBIT margin reached 5.7%

INVESTMENTS AND EMPLOYEES

LOWER CAPEX SPENT AND REDUCED NUMBER OF EMPLOYEES

INVESTMENTS

[in m. €]



H1 2019 H1 2020

EMPLOYEES

[reporting date, without temps]



30/06/19 30/06/20

EMPLOYEES

[number, average, without temps]



H1 2019 H1 2020



Investments focused on key projects to preserve liquidity and secure future business

Temps reduced as a first measure to offset impact from sales drop

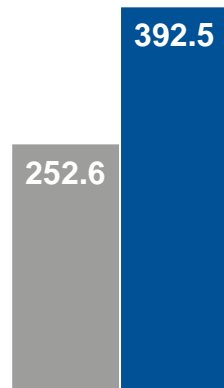
Number of employees being adapted to reduced workload

FINANCIAL POSITION

SECURED LIQUIDITY

NET FINANCIAL DEBT

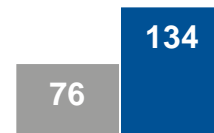
[in m. €]



H1 2019 H1 2020

GEARING

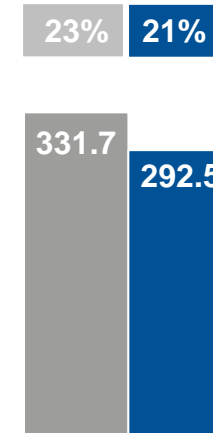
[in %]



H1 2019 H1 2020

EQUITY

[in m. €]



H1 2019 H1 2020



Well-balanced medium- / long-term maturity profile and a diversified mix of financing instruments

Hybrid loan from Ningbo Jifeng received in Q1 and qualified as equity (CNY 150 million, i.e. EUR 19.1 million)

Equity ratio decreased by 1.3 percentage points to 21.3% due to Corona-related negative earnings before taxes

Increase of the existing syndicated loan by EUR 235 million with a new Tranche C

In addition to GRAMMER's core banks, KfW is also participating as a direct lender under the KfW Corona Special Program #855

Dividend will be suspended during the three-year term of the new Tranche C

Successful conclusion proves the confidence of GRAMMER's main banks

Virtual Annual General Meeting of GRAMMER AG on July 8, 2020

GRAMMERs Annual Shareholder Meeting elects new Supervisory Board:
Alfred Weber taking over as Chairman of the Supervisory Board

New authorized capital (2020) approved to improve equity ratio

Equity measure planned in the second half of 2020



GRAMMER is the new Strategic Seating Supplier of the Global Forklift Platforms for Hyster-Yale Group, Inc.



GRAMMER's MSG 90.6 Truck Seat enjoying huge success in China



GRAMMER GROUP OUTLOOK

GUIDANCE SUSPENDED DUE TO UNCERTAINTIES RESULTING FROM COVID-19



The Executive Board had already communicated that prior expectations on the development of the fiscal year 2020 are not valid anymore due to the global COVID-19 pandemic.

As the impact of this pandemic on the global economy and on the GRAMMER Group cannot be adequately determined or reliably quantified, a sound assessment of our business development in the fiscal year 2020 is currently not possible.

A guidance will be issued once a thorough and reliable assessment of the future global development is possible.



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Back-up Information



GRAMMER share price in €, December 31, 2015 until June 30, 2020



Selected Broker Recommendations

Broker	Date	Current Recomm.	Current TP (€)
Baader Helvea	4-Feb-20	Buy	34.0
Ouirin	3-March 20	Hold	26.0
Bankhaus Lampe	24-April-20	Buy	26.0
DZ Bank	3-April-20	Hold	19.0
MM Warburg	05-June-20	Hold	22.50
Oddo BHF	31-March-20	Hold	25.0

Consensus

25.42

Top Shareholders

Investor	in %*
Jiye Auto Parts **	84.23%
Own treasury shares	2.62%
Free Float (<3%)	13.15%

*) Percentage based on 12,607,121 voting rights

**) Associated company of GRAMMER's strategic partner Ningbo Jifeng

Basic Share Data

ISIN	DE000589540
WKN / Code	589540 / GMM
Number of shares	12,607,121
Market cap [June 30, 2020]	€ 229 million

<i>[IFRS, in € million]</i>	H1 - 2020	H1 - 2019	Q2 - 2020	Q2 - 2019	Chg.
Group Revenue	735.8	1,051.5	280.9	517.4	-45.7 %
EBITDA	-10.4	91.3	-29.9	47.1	-163.5 %
EBITDA Margin in %	-1.4	8.7	-10.6	9.1	-19.7 %-points
EBIT	-53.0	50.2	-50.9	26.2	294.5 %
EBIT Margin in %	-7.2	4.8	-18.1	5.1	-23.2 %-points
Operating EBIT	-45.7	50.1	-46.1	27.1	-270.2 %
Operating EBIT Margin in %	-6.2	4.8	-16.4	5.2	-21.6 %-points
Profit after taxes	-59.2	27.6	-49.4	16.0	-408.8 %
EPS in €	-4.83	2.25	-4.03	1.30	-410.0 %
Total Assets	1,371.5	1,468.7	1,371.5	1,468.7	-6.6 %
Equity	292.5	331.7	292.5	331.7	-11.8 %
Equity-Ratio in %	21.3	22.6	21.3	22.6	-1.3 %-points
Net Financial Debt	392.5	252.6	392.5	252.6	55.4 %
Gearing Ratio in %	134.2	76.2	134.2	76.2	58.0 %-points
Capex (w/o M&A & financial assets)	31.8	56.0	12.3	23.6	-47.9 %
Depreciation	42.6	41.1	21.0	20.9	0.8 %
Employees (average)	14,465	14,995	14,465	14,995	-3.5 %