



Analyst Conference Call Q2 2020/2021

Bertrandt AG

May 2021

H1 2020/21 at a glance: Focus on costs & cash

P&L

➤ Sales: EUR 416.8m (-18% yoy) | EBIT: EUR 11.1m | margin: 2.7%

Cashflow

➤ Operating Cashflow EUR 58.1m (EUR 50.6m) | FCF EUR 36.6m (EUR 23.7m)

CapEx

➤ EUR 21.9m (EUR 27.1m) | Completion of Powertrain Solution Center

BS

➤ Equity ratio 45%



➤ Employees: 11,987 (-10% yoy) | Strategic alignment

Q2 2020/21 at a glance: Revenues up sequentially, EBIT almost at prio year's level

P&L

➤ Sales: EUR 215.1m (+7% qoq, -12% yoy) | EBIT: EUR 6.6m (-6% yoy) | margin: 3.0%

Cashflow

➤ Operating Cashflow EUR -2.6m (EUR -7.9m) | FCF EUR -6.6m (EUR -24.2m)

CapEx

➤ EUR 4.2m (EUR 16.4m)

BS

➤ WC increase driven by growing contract assets, trade receivables reduced



➤ Employees: 11,987 (flat qoq)

Current market and customer environment: Automotive industry



Market outlook and sourcing gradually improving since end of Q2



Large volume of R&D projects in tender, improving sourcing



European registrations up by 3% in Q1 yoy, but still 25% below 2019.



Focus on future megatrends (Digitisation, Autonomous Driving, Connectivity, Electrification)



Lockdown still weighing on car demand in Europe. China & US with decent market growth



Cost and efficiency pressure ongoing and addressed



Cost saving measures remain in place



No direct impact from chip shortage, but industry sentiment depressed

Current market and customer environment: Industries



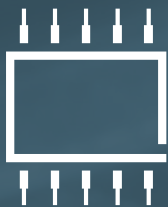
Rising vaccination coverage leads to improving sentiment in the civil aviation industry. R&D sourcing is slowly, but steadily improving. Strategic milestone achieved.



Med-tech resilient; New Certification supportive



Global market for power engineering rather resilient.



Economic recovery beneficial for mechanical and plant engineering industries in the months to come.

Group P&L Q2: EBIT performance cushioned by cost optimization

	Q2 2020/21 EUR million	Q2 2019/20 EUR million	Δ EUR million	Δ %	
Total revenues	215.054	244.919	-29.865	-12%	- Working days (-1.0 yoy) - Capacity alignment - STW
Other operating income	4.460	2.110	2.350	111%	- EUR 1.7m loan subsidy (pandemic-related)
Raw materials and consumable:	-17.296	-18.783	1.487	-	
Personnel expenses	-166.379	-187.929	21.550	-	- Headcount alignment - STW
D&A	-13.901	-13.103	-798	-	
Other operating expenses	-15.379	-20.264	4.885	-	
EBIT	6.559	6.950	-391	-6%	- Cost optimization - Infrastructure reduction - Ramp-up charges
Financial result	-1.338	-1.346	8	-	
EBT	5.221	5.604	-383	-7%	
Other taxes	-573	-976	403	-	
Income taxes	-2.081	-1.380	-701	-	- Foreign tax loss carry forward
Net income	2.567	3.248	-681	-21%	
EPS (EUR)	0.25	0.32	-0.81	-72%	

Group P&L H1: EBIT performance cushioned by cost optimization

	H1 2020/21 EUR million	H1 2019/20 EUR million	Δ EUR million	Δ %	
Total revenues	416.795	508.240	-91.445	-18%	<ul style="list-style-type: none"> - Working days (+1.2 yoy) - Capacity alignment - STW
Other operating income	7.284	4.115	3.169	77%	
Raw materials and consumable	-33.386	-44.028	10.642	-	
Personnel expenses	-319.363	-378.391	59.028	-	<ul style="list-style-type: none"> - Headcount alignment - STW
D&A	-28.126	-25.944	-2.182	-	
Other operating expenses	-32.120	-42.754	10.634	-	<ul style="list-style-type: none"> - Cost optimization - Infrastructure reduction - One-off costs (ramp-up)
EBIT	11.084	21.238	-10.154	-48%	
Financial result	-2.766	-2.672	-94	-	<ul style="list-style-type: none"> - Foreign tax loss carry forward
EBT	8.318	18.566	-10.248	-55%	
Other taxes	-1.099	-1.761	662	-	
Income taxes	-3.849	-4.846	997	-	
Net income	3.370	11.959	-8.589	-72%	
EPS (EUR)	0.33	1.18	-0.85	-72%	

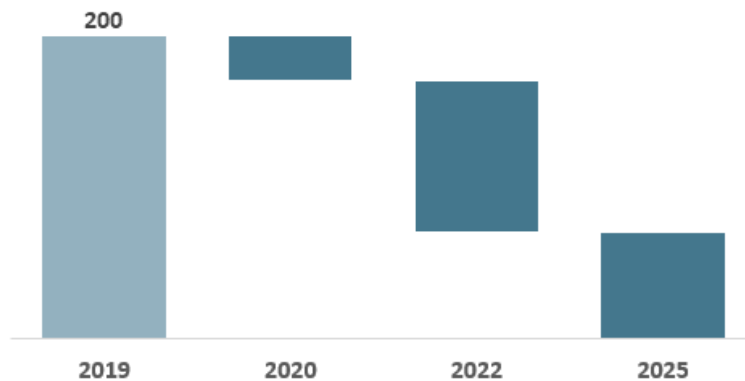
Segments: internal reorganization leads to restatement of segments

EUR million	Digital Engineering				Physical Engineering				Electric/Electronic			
	Q2 2020/21	Q2 2019/20	Q2 2019/20 restated	Δ	Q2 2020/21	Q2 2019/20	Q2 2019/20 restated	Δ	Q2 2020/21	Q2 2019/20	Q2 2019/20 restated	Δ
Total revenues	103.825	136.735	126.174	-17,7%	50.024	47.350	59.585	-16,0%	61.205	60.834	59.160	3,5%
EBIT	2.777	-0.214	-1.274	-	0.099	3.577	3.794	-	3.683	3.587	4.644	-20,7%
<i>% margin</i>	<i>2,7%</i>	<i>0,0%</i>	<i>-1,0%</i>		<i>0,0%</i>	<i>7,6%</i>	<i>6,4%</i>		<i>6,0%</i>	<i>5,9%</i>	<i>7,8%</i>	

- Digital Engineering: capacity alignment, cost controll
- Physical Engineering: late cyclical impact from pandemic, PZN/PZS ramp-up
- Electric/Electronic: only little pandemic-related margin impact

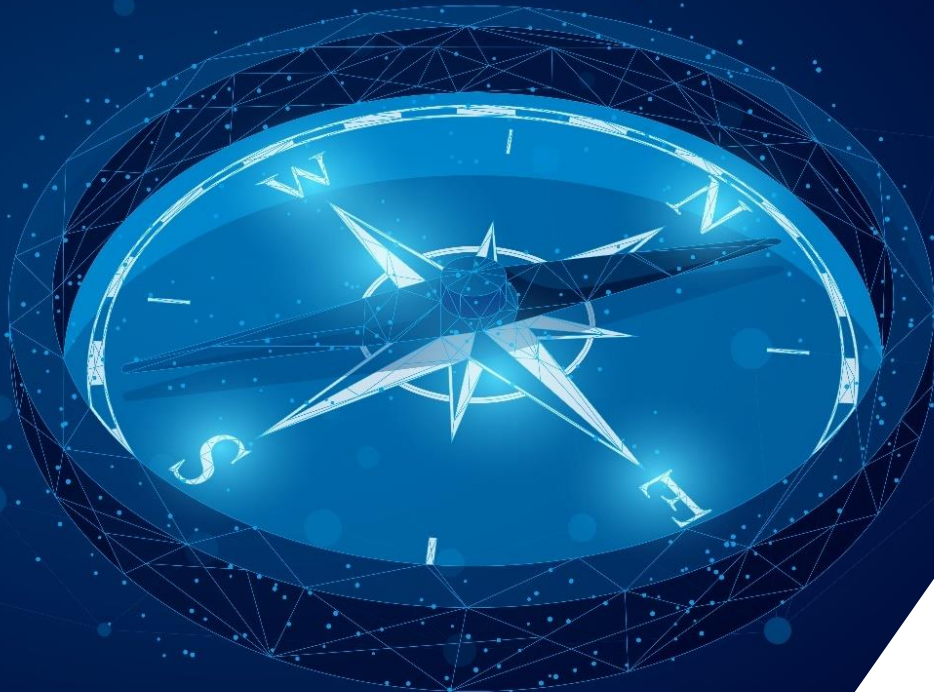
Focus on balance sheet and cash

- Gross liquidity: EUR 199m (Q2 2019/2020)
- CapEx lowered to maintenance level in Q2
- Undrawn credit facilities*: EUR >200m
- Debenture bond (Schuldschein) of EUR 200m with long maturity profile and without covenants

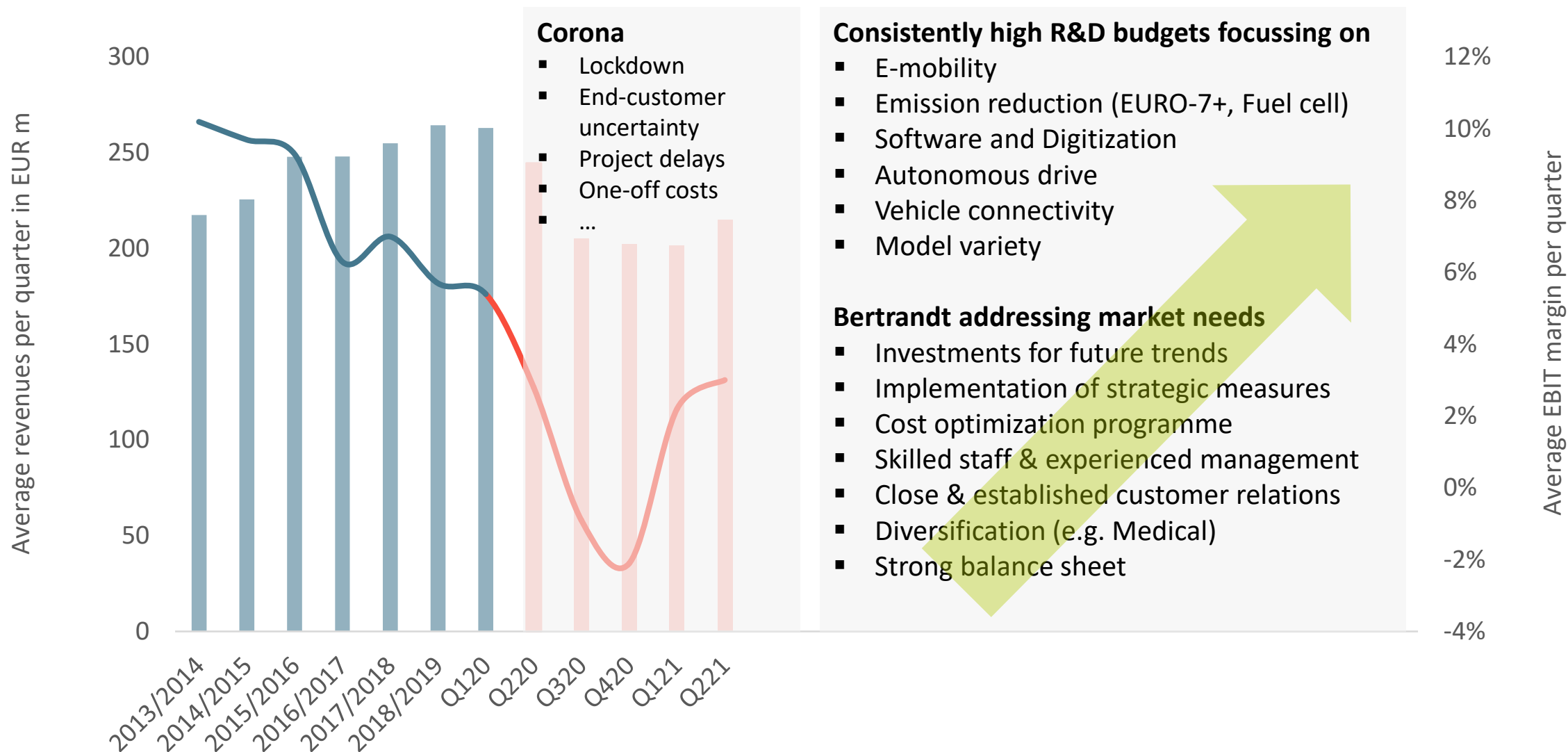


FY 2020/2021: Visibility on timing of recovery remains low

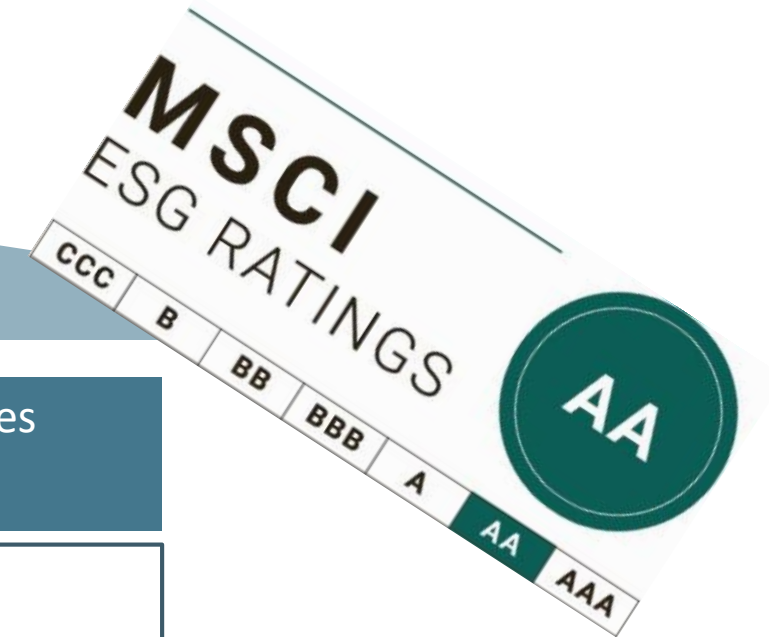
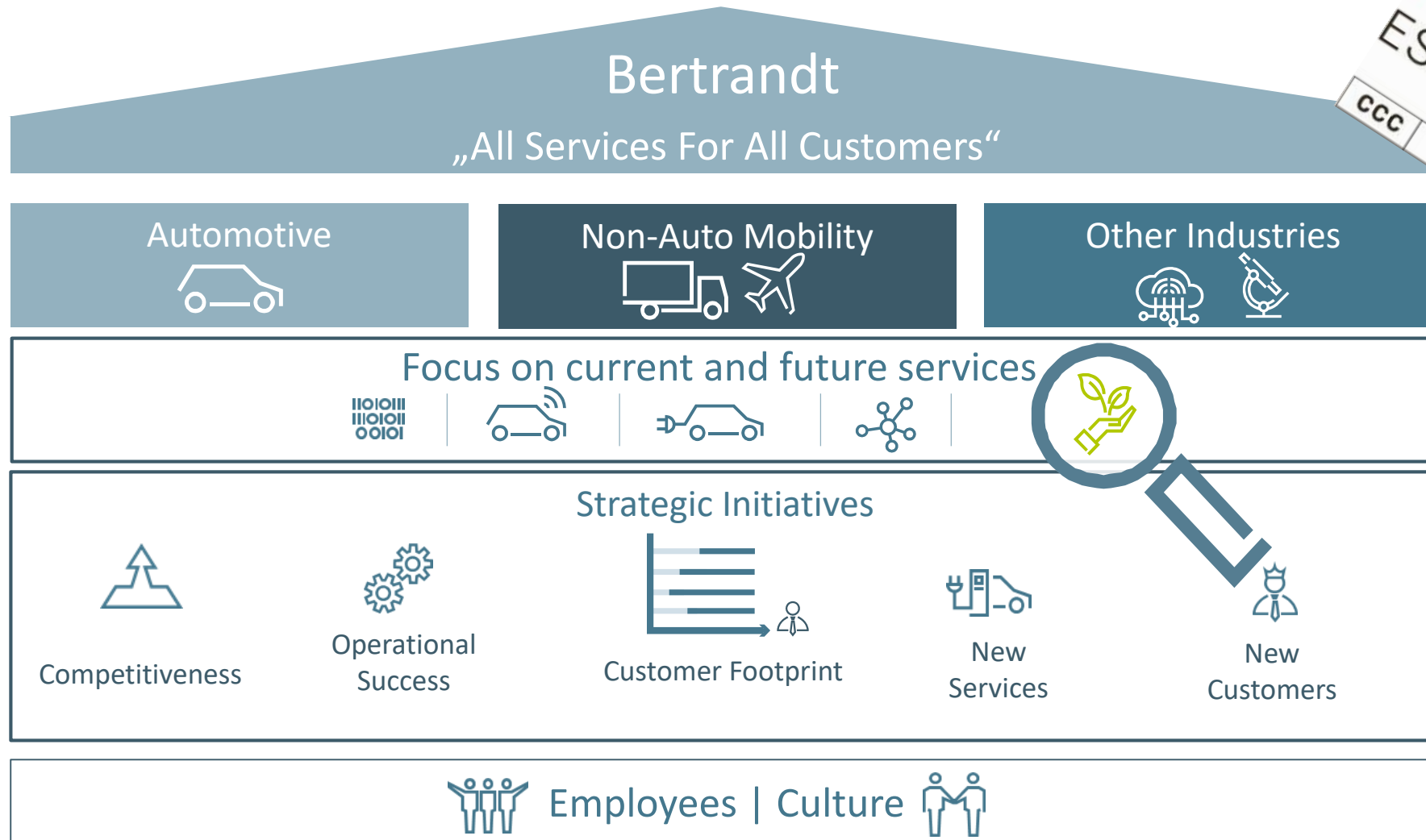
- Economic uncertainty diminishing, but actual timing of recovery still hard to predict
- Extraordinary uncertainty for guidance remains
- Generally two scenarios in FY 2020/2021 possible
- Any narrowing of guidance will be frequently examined, but depends on the overall economic and industry-specific environment



R&D market provides mid-term opportunities



ESG has become part of our corporate strategy



Strategic alignment to industry transformation



We set the course for the future



- ✓ Brightening market and customer sentiment allows for further improvement of R&D sourcing in calendar H2 vs H1
- ✓ Timing and extent of recovery not yet foreseeable
- ✓ Strategic investments in mega trends
- ✓ Dedicated organizational alignment to changing market dynamics
- ✓ Market provides opportunities and trends for a successful future

INVESTOR PRESENTATION

BACK-UP: FINANCIAL CALENDAR

Bertrandt AG

Back-up: Financial calendar

20 May 2021	Q2 release
09 August 2021	Q3 release
09 December 2021	FY 2020/2021, Analyst and Press conference
23 February 2022	Annual General Meeting

[FY 2020/2021 Quarterly Report 2](#)

[FY 2019/2020 Annual report](#)

[FY 2019/2020 ESG report](#)



Thank you for your attention

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