



Analyst Conference Call Q3 2020/2021

Bertrandt AG

August 2021

Highlights

- Q3 confirmed recovery trend with **sales and EBIT up yoy**
- Utilization in Germany **increasingly normalizing**; USA, Spain, China fully operational; France lagging
- **Cost-cutting initiatives** yielding around EUR 10m savings in 9m 2020/2021
- **Double-digit growth** in non-automotive activities in Q3
- **Record level** of RFQs (requests for quotation), order intake improving
- **Successful implementation** of reorganization and portfolio adjustment
- **>1.600 vacancies**, especially linked to Software/Electronics and Near-shore
- **>400 colleagues** in Rominia (+31% yoy)
- **Market consolidation** gaining pace with major deals in Q3

9M 2020/21 at a glance: Focus on costs & cash

P&L ➤ Sales: EUR 631.0m (-12% yoy) | EBIT: EUR 12.9m | margin: 2.0%

Cashflow ➤ Operating Cashflow EUR 54.6m (EUR 72.9m) | FCF EUR 25.4m (EUR 27.2m)

CapEx ➤ EUR 29.6m (EUR 45.9m) | Completion of Powertrain Solution Center

BS ➤ Equity ratio 44.5% (43.6%)



➤ Employees: 11,899 (-7% yoy) | Near-shore capacity: > 400 FTE

Q3 2020/21 at a glance: Revenues & EBIT up yoy

P&L ➤ Sales: EUR 214.2m (flat qoq, +4% yoy) | EBIT: EUR 1.8m (+3.6m yoy) | margin: 0.8%

Cashflow ➤ Operating Cashflow EUR -3.6m (EUR +22.2m) | FCF EUR -11.2m (EUR +3.5m)

CapEx ➤ EUR 7.8m (EUR 18.7m)

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



➤ Employees: 11,899 (broadly stable 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 +25% yoy in H1 2021, but -22% below H1 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



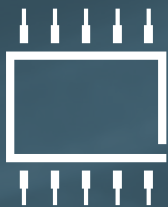
Improving sentiment in the civil aviation industry. R&D sourcing steadily improving. Strategic milestone achieved.



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 Q3: Increasing utilization in Germany and some foreign countries

	Q3 2020/21 EUR million	Q3 2019/20 EUR million	Δ EUR million
Total revenues	214.232	205.469	8.763
Other operating income	2.387	2.636	-249
Raw materials and consumable:	-18.894	-15.948	-2.946
Personnel expenses	-169.022	-163.179	-5.843
D&A	-13.903	-14.042	139
Other operating expenses	-13.008	-16.777	3.769
EBIT	1.794	-1.841	3.635
Financial result	-1.433	-1.226	-207
EBT	361	-3.067	3.428
Other taxes	-404	-792	388
Income taxes	177	1.020	-843
Net income	134	-2.839	2.973
EPS (EUR)	0.01	-0.28	0.29

- Working days (+1.1 yoy, -1.6 qoq)
- Capacity alignment
- STW (France)

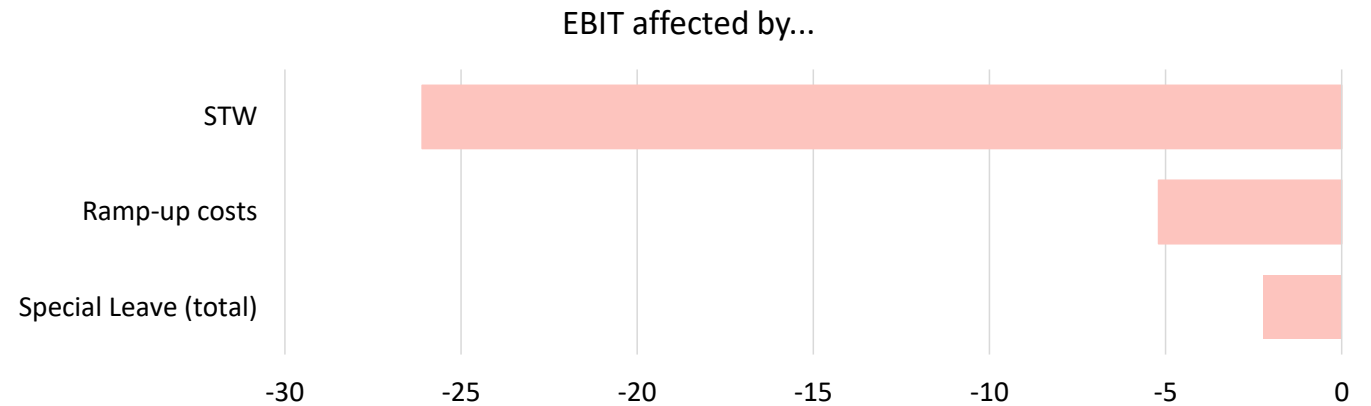
- Headcount alignment
- Reduced STW
- One day „special leave“ as part of annual compensation plan 2021 (EUR -1.9m)

- Cost optimization
- Infrastructure reduction
- Ramp-up charges (Q3: ca EUR -2m)

- Foreign tax loss carry forward

Group P&L 9m 2020/2021

	9M 2020/21 EUR million	9M 2019/20 EUR million	Δ EUR million
Total revenues	631.027	713.709	-82.682
Other operating income	9.672	6.751	2.921
Raw materials and consumable:	-52.280	-59.976	7.696
Personnel expenses	-488.384	-541.570	53.186
D&A	-42.029	-39.986	-2.043
Other operating expenses	-45.128	-59.531	14.403
EBIT	12.877	19.397	-6.520
Financial result	-4.198	-3.898	-300
EBT	8.679	15.499	-6.820
Other taxes	-1.503	-2.553	1.050
Income taxes	-3.672	-3.826	154
Net income	3.504	9.120	-5.616
EPS (EUR)	0.35	0.90	-0.55



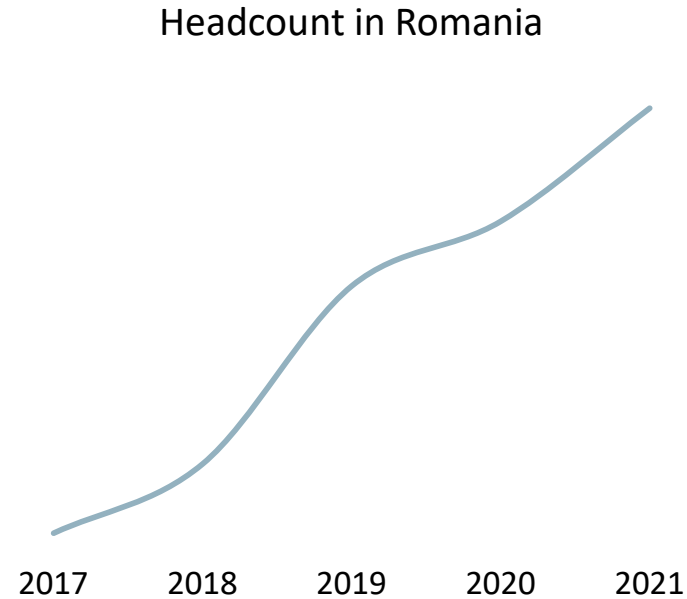
Segments: internal reorganization leads to restatement of segments

EUR million	Digital Engineering				Physical Engineering				Electric/Electronic			
	Q3 2020/21	Q3 2019/20	Q3 2019/20 restated	Δ	Q3 2020/21	Q3 2019/20	Q3 2019/20 restated	Δ	Q3 2020/21	Q3 2019/20	Q3 2019/20 restated	Δ
Total revenues	102.379	107.821	101.035	1,3%	49.879	40.527	51.287	-2,7%	61.974	57.121	53.147	16,6%
EBIT	152	-6.547	-5.185	-	-1.820	1.722	1.468	-	3.461	2.984	1.876	84,5%
<i>% margin</i>	<i>0,1%</i>	<i>-6,1%</i>	<i>-5,1%</i>		<i>-3,6%</i>	<i>4,2%</i>	<i>2,9%</i>		<i>5,6%</i>	<i>5,2%</i>	<i>3,5%</i>	

- Digital Engineering: restructuring benefits
- Physical Engineering: late cyclical impact from pandemic, PZN/PZS ramp-up
- Electric/Electronic: mobility mega-trends driving performance

Human Resources






- Strategic alignment to market requirements
- Pro-active portfolio adjustment with closure of non-profitable activities
- More than 1.600 vacancies in Electronics, Software, Near-shore
- Strong growth in non-mobility activities
- More than 400 colleagues in Romania (+31% ytd)



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

- Economic uncertainty decreasing, but GDP forecasts currently being reduced and actual timing of recovery still hard to predict
- Extraordinary uncertainty for guidance remains
- Generally two scenarios possible in FY 2020/2021, but no overwhelming probability seen in favor of one
- Any narrowing of guidance will be frequently examined, but depends on the overall economic and industry-specific environment

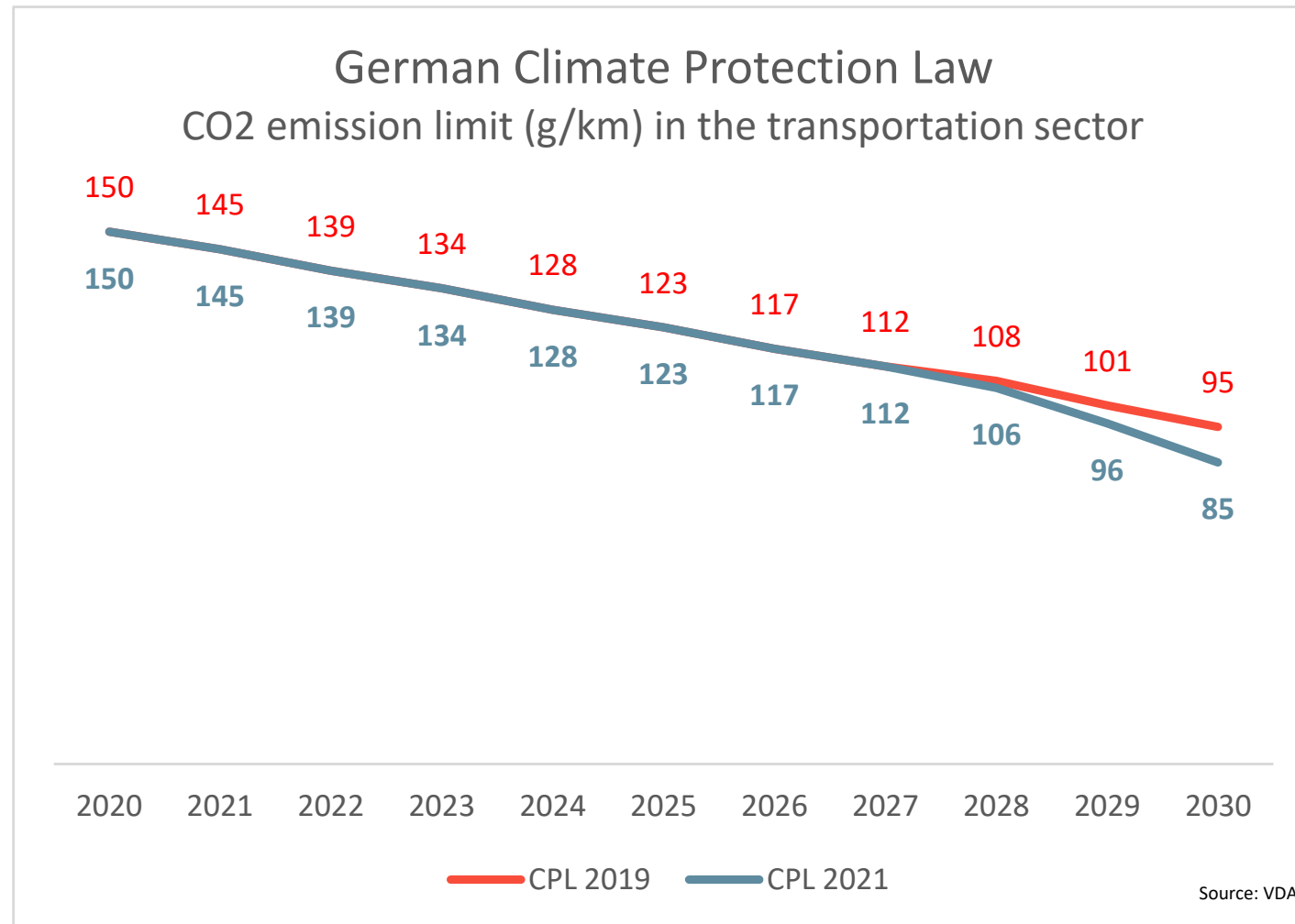
Bertrandt addresses all drivers for individual mobility

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Individual Mobility
 Remains core need for people
- 
Electric Mobility
 Will dominate in the car segment
- 
Commercial Vehicles
 Electrification/Fuel cell (depending on purpose)
- 
Hydrogen and Fuel Cell
 Important as an alternative technology and for achieving climate targets
- 
Automated and autonomous driving
 Key driver for future valued-added
- 
Digital Services
 Increasingly important element for supply chain
- 
Combustion engine still essential
 For some markets like South America, Africa, partially South-East Europe

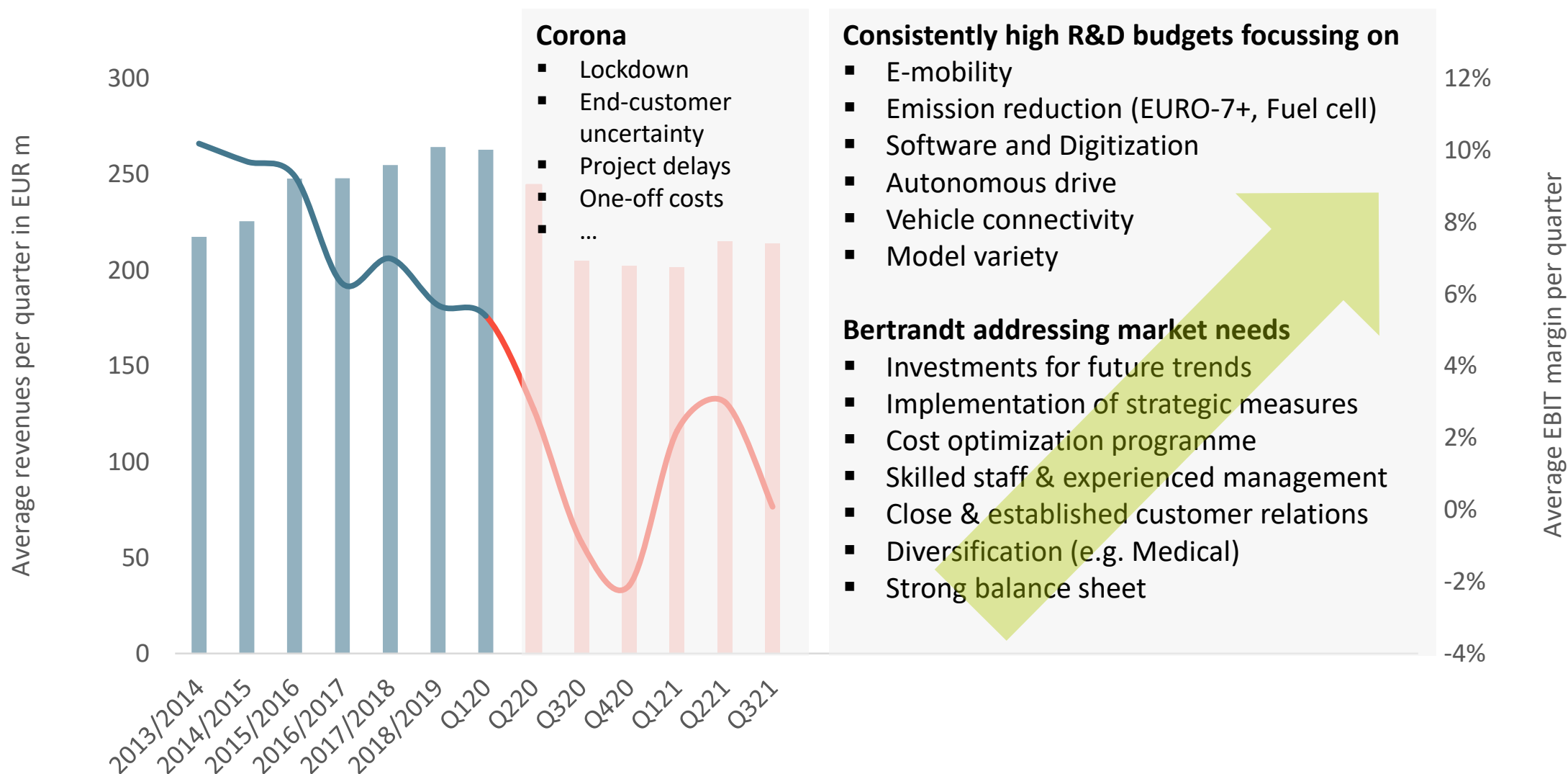


Source: VDA

European Green Deal



R&D market provides mid-term opportunities



In a still challenging environment, we set the course for the future



- Market and customer sentiment continues to improve
- Capacity utilization increasingly normalizing with France still lagging
- Internal reorganization successfully implemented
- Portfolio adjustment ongoing
- Strategic investments in mega trends finalized: PZN fully operational, PZS in acceptance phase
- Political regulations (e.g. European Green Deal) beneficial for mobility megatrends and R&D investments
- Strategic milestones achieved at various customers (project wins, panel selection, co-operations, frame contracts)

INVESTOR PRESENTATION

BACK-UP: FINANCIAL CALENDAR

Bertrandt AG

Back-up: Financial calendar

09 August 2021	Q3 release
09 December 2021	FY 2020/2021, Analyst and Press conference
21 February 2022	Q1 release (provisional)
23 February 2022	Annual General Meeting
19 May 2022	Q2 release, Capital Market Day (provisional)
08 August 2022	Q3 release (provisional)
08 December 2022	FY 2021/2022, Analyst and Press conference (provisional)

[FY 2020/2021 Quarterly Report 3](#)

[FY 2019/2020 Annual report](#)

[FY 2019/2020 ESG report](#)

Contact details

Markus Ruf

Member of the Board, Finance

Björn Voss

Head of Investor Relations

Vice President Commercial (Bertrandt Ingenieurbüro GmbH)



Bertrandt AG, Birkensee 1, 71139 Ehningen



+49 7034 656 4201



bjoern.voss@bertrandt.com



www.bertrandt.com

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