

FY2019 PRELIMINARY RESULTS

November 15, 2019

Disclaimer

Stabilus S.A. (the “Company“, later “Stabilus”) has prepared this presentation solely for your information. It should not be treated as giving investment advice. Neither the Company, nor any of its directors, officers, employees, direct or indirect shareholders and advisors nor any other person shall have any liability whatsoever for any direct or indirect losses arising from any use of this presentation.

While the Company has taken all reasonable care to ensure that the facts stated in this presentation are accurate and that the opinions contained in it are fair and reasonable, this presentation is selective in nature. Any opinions expressed in this presentation are subject to change without notice and neither the Company nor any other person is under any obligation to update or keep current the information contained in this presentation. Where this presentation quotes any information or statistics from any external source, you should not interpret that the Company has adopted or endorsed such information or statistics as being accurate. This presentation contains forward-looking statements, which involve risks, uncertainties and assumptions that could cause actual results, performance or events to differ materially from those described in, or expressed or implied by, such statements. These statements reflect the Company’s current knowledge and its expectations and projections about future events and may be identified by the context of such statements or words such as “anticipate,” “believe”, “estimate”, “expect”, “intend”, “plan”, “project” and “target”. No obligation is assumed to update any such statement.

Agenda

1. Financial highlights
2. Results by region
3. Results by market
4. Outlook
5. Appendix

Agenda

1. Financial highlights

2.

3.

4.

5.

FY2019 highlights

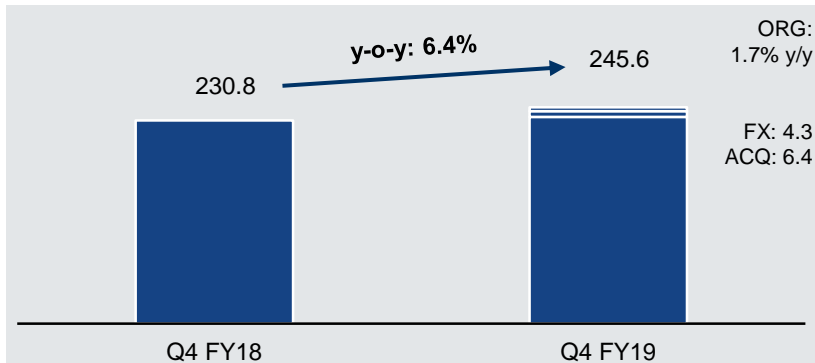
Fiscal year-end September

Revenue	<ul style="list-style-type: none"> ➤ Revenue at €951.3m, - 1.2% y/y: ➤ \$/€ currency translation (FX): + 2.0% y/y , acquisitions (ACQ): + 1.1% y/y, organic (ORG): - 4.3% y/y
Adj. EBIT	<ul style="list-style-type: none"> ➤ Adj. EBIT¹ at €142.7m (vs. €149.3m in FY18), - 4.4% y/y (ORG: - 7.6% y/y) ➤ Adj. EBIT margin at 15.0% (vs. 15.5% in FY18)
Profit	<ul style="list-style-type: none"> ➤ Profit at €80.9m in FY19 (vs. €105.4m in FY18, which included €11.1m non-recurring positive tax effects) ➤ Profit margin at 8.5% (vs. 10.9% in FY18) ➤ Earnings per share at €3.26 (vs. €4.27 in FY18)
Net leverage ratio	<ul style="list-style-type: none"> ➤ Net leverage ratio¹ at 1.0x (vs. 1.1x as of end FY18) ➤ Net financial debt¹ at €189.1m, voluntary repayment of €21.1m debt in Q4 FY2019
Acquisitions	<ul style="list-style-type: none"> ➤ Income statements and balance sheets of all three acquisitions (General Aerospace, Clevers and Piston) are included in group's consolidated financial statements as of September 30, 2019; consolidated income statement contains H2 results of General Aerospace as well as Q4 results of Clevers and Piston
Outlook	<ul style="list-style-type: none"> ➤ FY2020 revenue and adj. EBIT forecasts are at €970m – €990m and c. 15%, respectively ➤ Mid- and long-term guidance for average annual revenue growth of 6% till 2025 confirmed ➤ Please refer to page 22 of this presentation for further details and assumptions this forecast is based on

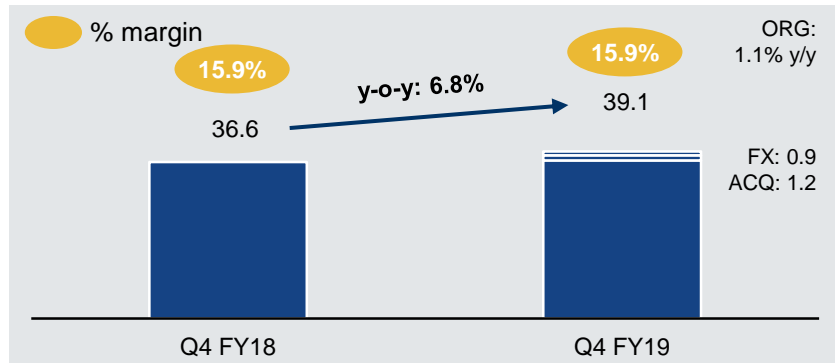
Note: ¹ For definition/calculation of KPIs like adj. EBIT, net leverage ratio etc. refer to appendix and/or our financial reports and quarterly statements under www.ir.stabilus.com.
 FX = currency effect resulting from translation of NAFTA revenue from USD to EUR. ACQ = acquisition effect, contribution of the acquired entities to group's revenue and earnings.
 ORG = organic growth, i.e. growth excluding \$/€ currency translation effect (FX) and acquisition effect (ACQ). Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

Strong performance in Q4, despite challenging market environment

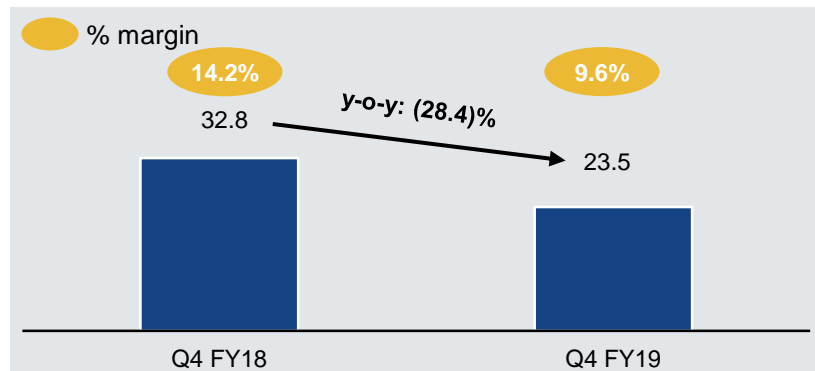
Revenue (€m)



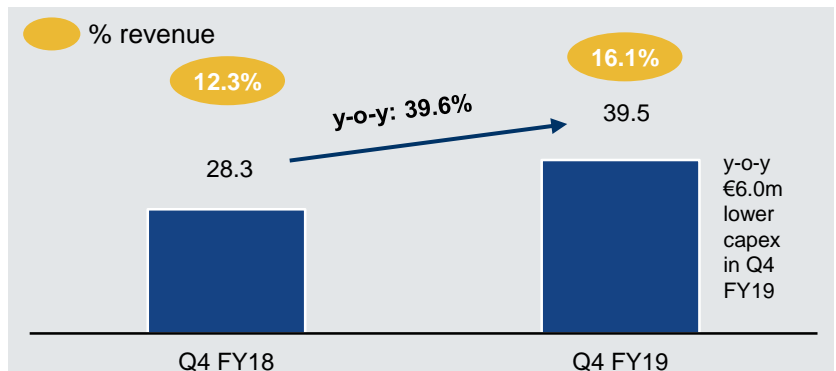
Adj. EBIT (€m)



Profit (€m)



Adj. FCF¹ (€m)

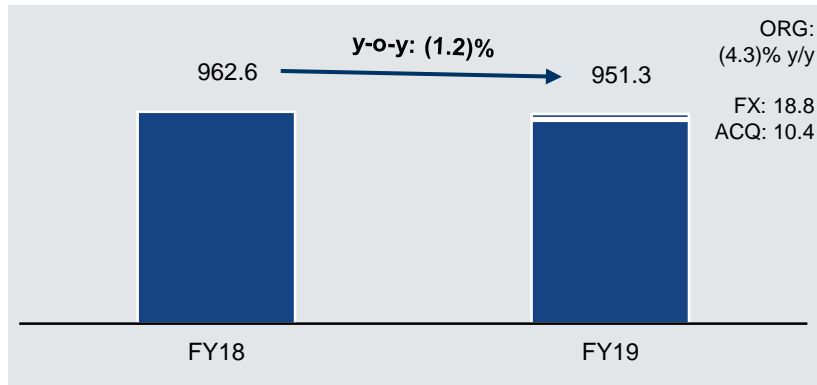


Note: Capital expenditure: €13.9 in Q4 FY19 versus €19.9m in Q4 FY18, i.e. -€6.0m or -30.2% y/y.

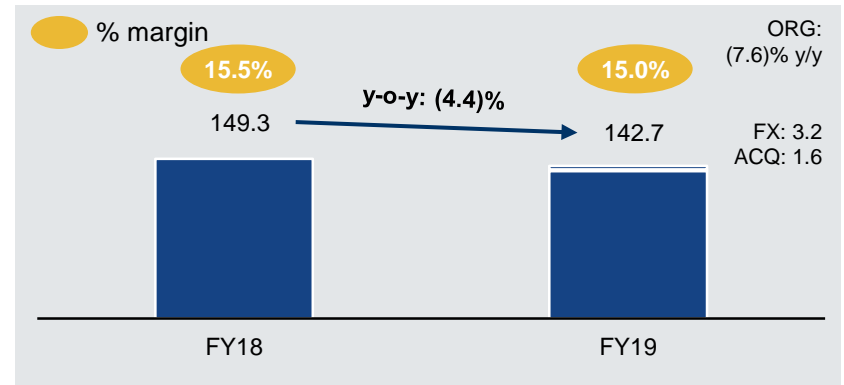
FX = currency effect resulting from translation of NAFTA revenue from USD to EUR. Avg. fx rate of 1.11\$/€ in Q4 FY19 versus 1.16\$/€ in Q4 FY18. ACQ = acquisition effect, contribution of the acquired General Aerospace, Clevers and Piston to group's revenue and earnings in Q4 FY19. ORG = organic growth, i.e. growth excluding \$/€ currency translation effect (FX) and acquisition effect (ACQ). ¹ Adj. FCF = FCF before acquisitions, i.e. cash flow from operating activities plus cash flow from investing activities, excluding 'acquisition of assets and liabilities within business combination, net of cash acquired' (General Aerospace, Clevers and Piston). See appendix for further details.

FY2019 impacted by softer markets in Europe and China

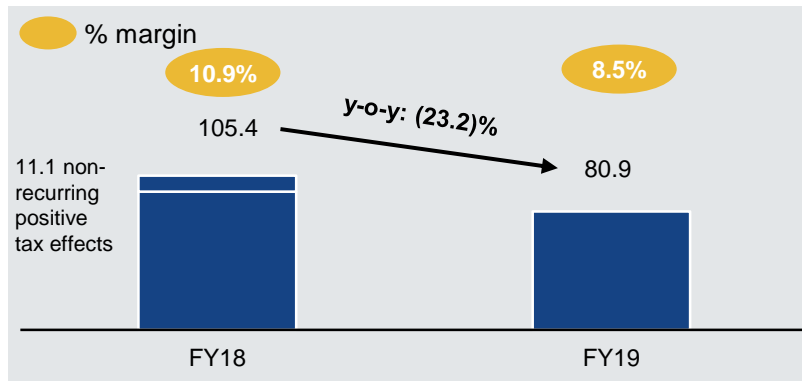
Revenue (€m)



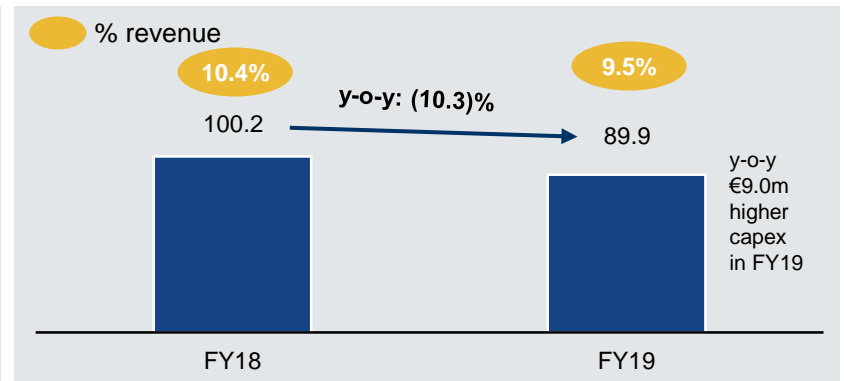
Adj. EBIT (€m)



Profit (€m)



Adj. FCF¹ (€m)



Note: Capital expenditure: €56.5m in FY19 versus €47.5m in FY18, i.e. +€9.0m or +18.9% y/y.

FX = currency effect resulting from translation of NAFTA revenue from USD to EUR. Avg. fx rate of 1.13\$/€ in FY19 versus 1.19\$/€ in FY18. ACQ = acquisition effect, contribution of the acquired General Aerospace, Clevers and Piston to group's revenue and earnings in FY19. ORG = organic growth, i.e. growth excluding \$/€ currency translation effect (FX) and acquisition effect (ACQ). ¹ Adj. FCF = FCF before acquisitions, i.e. cash flow from operating activities plus cash flow from investing activities, excluding 'acquisition of assets and liabilities within business combination, net of cash acquired' (General Aerospace, Clevers and Piston). See appendix for further details.

Agenda

1.

2. Results by region

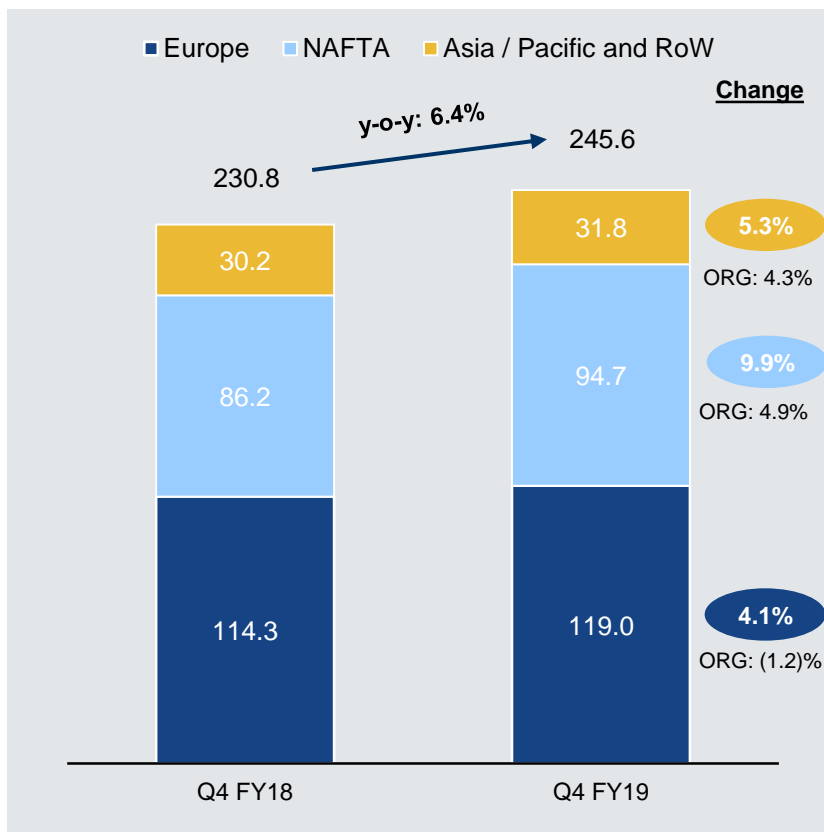
3.

4.

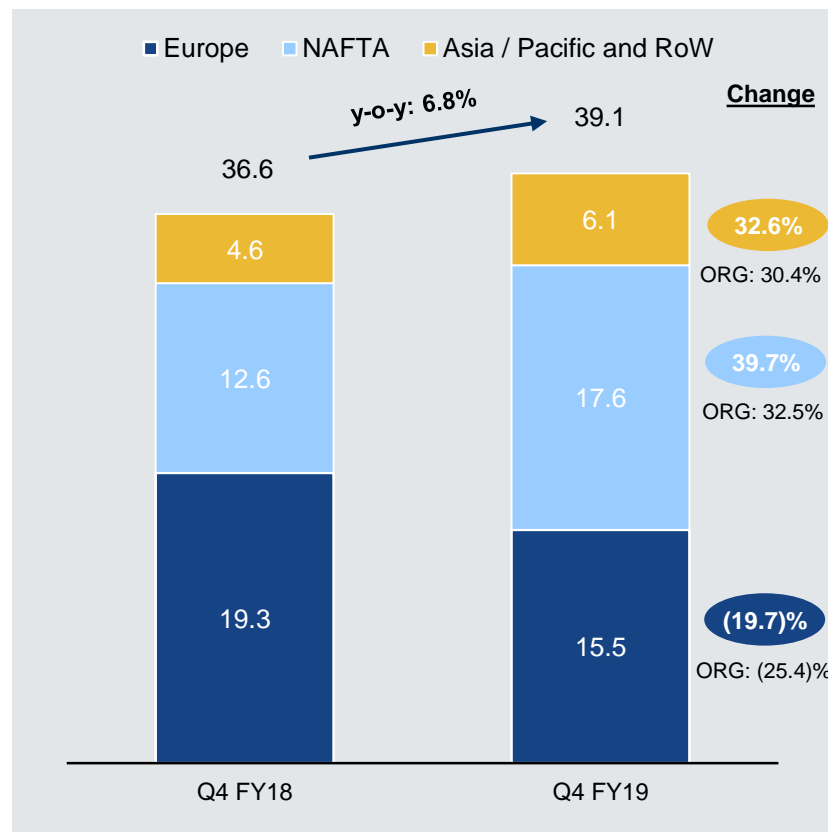
5.

Q4 FY2019 revenue and adj. EBIT by region

Revenue by region¹ (€m)



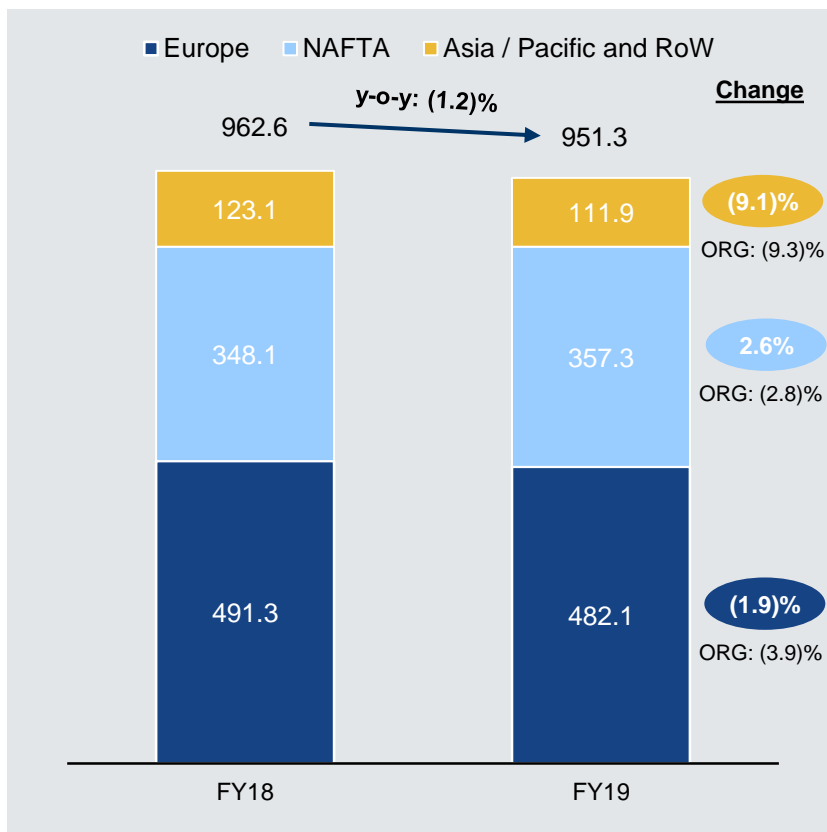
Adj. EBIT by region (€m)



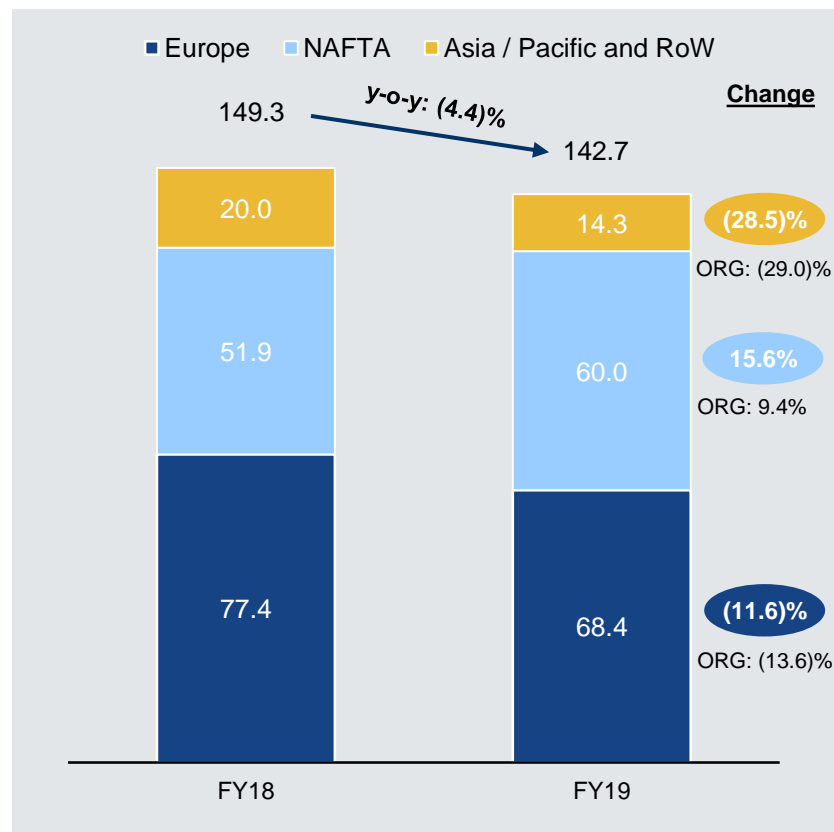
Note: Stabilus fiscal year-end is September. Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided. FX = currency effect resulting from translation of NAFTA revenue from USD to EUR. Avg. fx rate of 1.11\$/€ in Q4 FY19 versus 1.16\$/€ in Q4 FY18. ACQ = acquisition effect, contribution of the acquired General Aerospace, Clevers and Piston to group's revenue and earnings in Q4 FY19. ORG = organic growth, i.e. growth excluding \$/€ currency translation effect (FX) and acquisition effect (ACQ). ¹ Billed-from view, without intersegment revenue.

FY2019 revenue and adj. EBIT by region

Revenue by region¹ (€m)



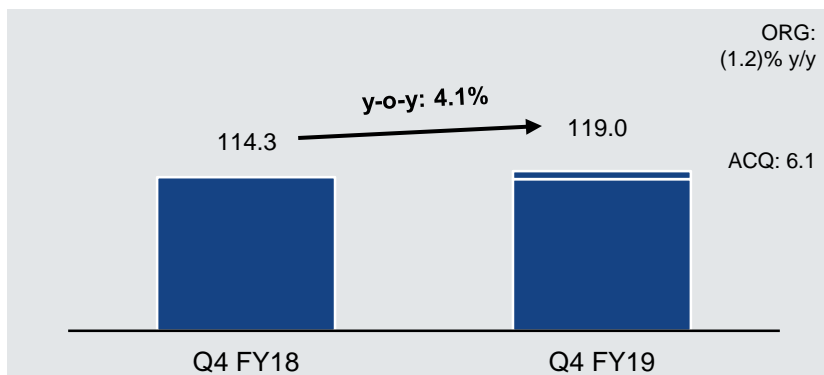
Adj. EBIT by region (€m)



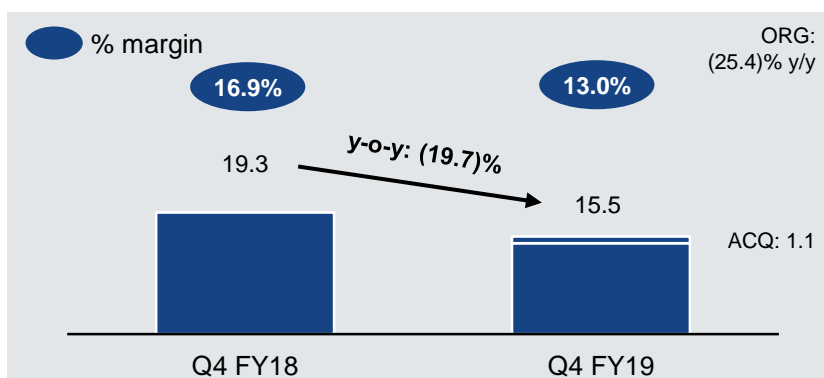
Note: Stabilus fiscal year-end is September. Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided. FX = currency effect resulting from translation of NAFTA revenue from USD to EUR. Avg. fx rate of 1.13\$/€ in FY19 versus 1.19\$/€ in FY18. ACQ = acquisition effect, contribution of the acquired General Aerospace, Clevers and Piston to group's revenue and earnings in FY19. ORG = organic growth, i.e. growth excluding \$/€ currency translation effect (FX) and acquisition effect (ACQ). ¹ Billed-from view, without intersegment revenue.

Q4 FY2019 – Europe

Revenue¹ (€m)



Adj. EBIT (€m)



Key highlights

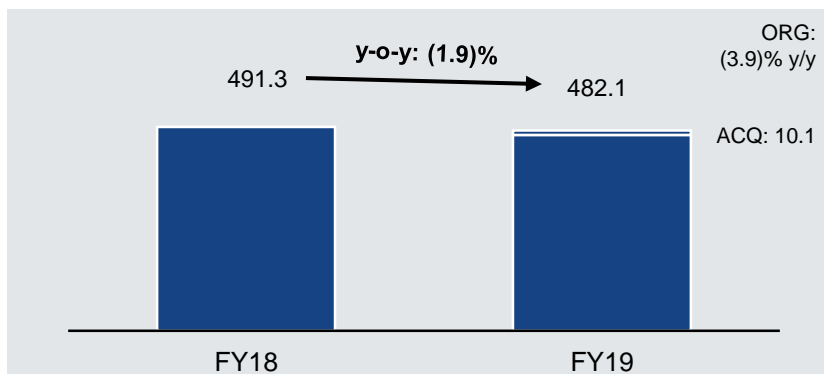
- European light vehicle² production in Q4 FY19 at 4.7m units, i.e. + 0.7% vs. Q4 FY18
- Europe's Q4 revenue increased by €4.7m or 4.1% y/y, mainly due to the contribution of the recently acquired General Aerospace; organically, the revenue decreased by 1.2% y/y
- Europe's automotive revenue in Q4 FY19 continues to be impacted by weak automotive markets
- Growth in industrial business: Capital Goods (+0.8% y/y organically and + €1.4m y/y from ACQ, i.e. Piston), Vibration & Velocity Control (+2.9% y/y organically and + €4.7m from ACQ, i.e. General Aerospace)
- Higher gross margin pressure led to lower adj. EBIT margin of 13.0% in Q4 FY19 (vs. 16.9% in Q4 FY18)

Note: Stabilus fiscal year-end is September.

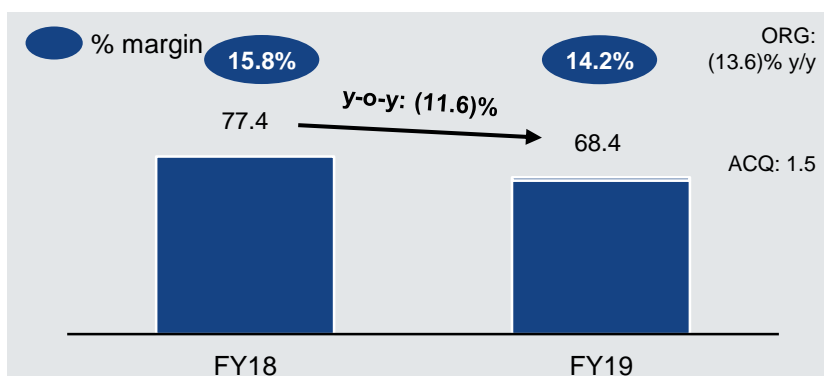
ACQ = acquisition effect, contribution of the acquired entities to Europe's revenue and earnings in Q4 FY19. ORG = organic growth, i.e. growth excluding \$/€ currency translation effect (FX) and acquisition effect (ACQ). ¹ External revenue only. ² light vehicles = passenger cars and light commercial vehicles (<6t).

FY2019 – Europe

Revenue¹ (€m)



Adj. EBIT (€m)



Key highlights

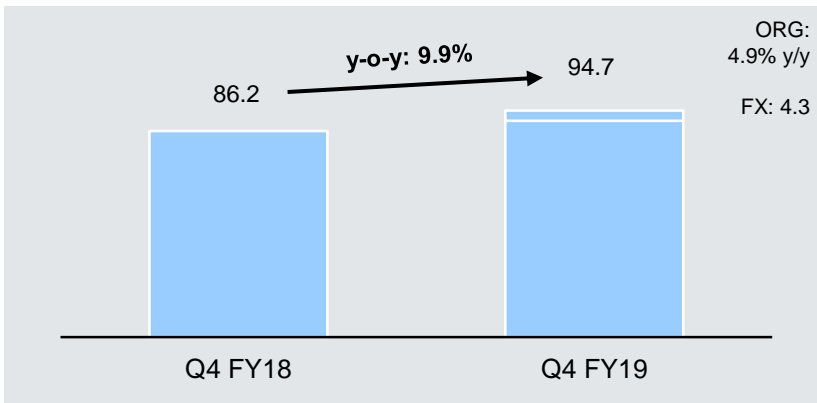
- European light vehicle² production in FY19 at 21.4m units, i.e. - 4.0% vs. FY18
- Europe's FY revenue decreased by €9.2m or 1.9% y/y, i.e. by 3.9% y/y organically
- Europe's automotive revenue was impacted by weak automotive markets: Automotive Gas Spring - €9.5m or - 6.1% y/y; Automotive Powerise - €10.9m or - 10.0% y/y
- Capital Goods revenue +€2.9m or +1.7% y/y (thereof +€1.4m from ACQ, i.e. +0.9% y/y organically); Vibration & Velocity Control +€8.2m or +14.8% y/y (thereof +€8.7m from ACQ, i.e. - 0.9% y/y organically)
- Adj. EBIT margin at 14.2% (vs. 15.8% in FY18), as a consequence of lower fix cost absorption

Note: Stabilus fiscal year-end is September.

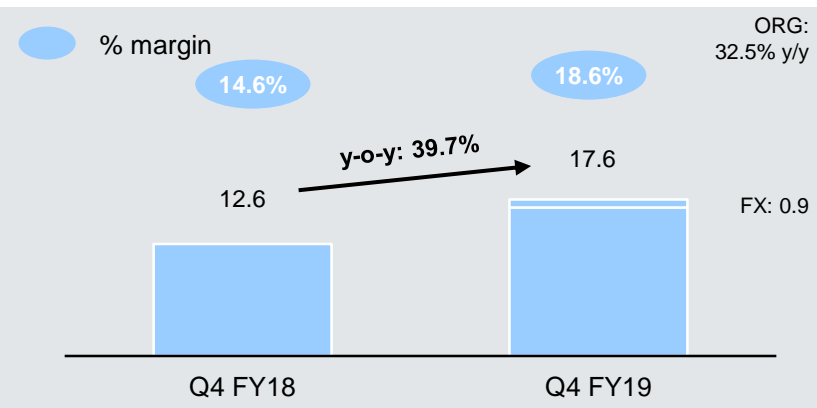
ACQ = acquisition effect, contribution of the acquired entities to Europe's revenue and earnings in FY19. ORG = organic growth, i.e. growth excluding \$/€ currency translation effect (FX) and acquisition effect (ACQ). ¹ External revenue only. ² light vehicles = passenger cars and light commercial vehicles (<6t).

Q4 FY2019 – NAFTA

Revenue¹ (€m)



Adj. EBIT (€m)



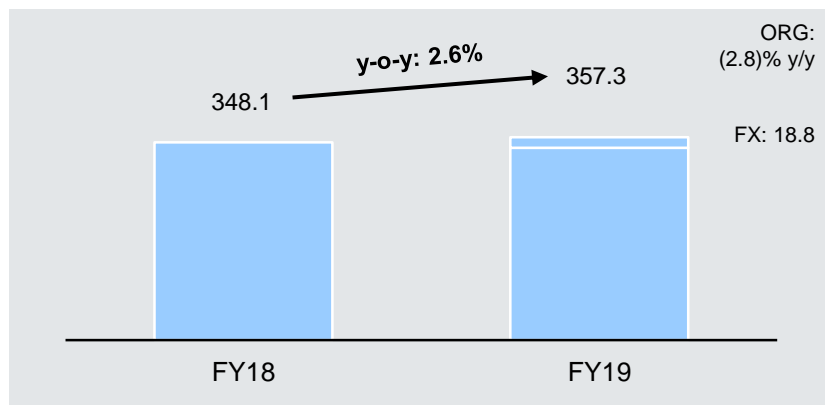
Key highlights

- NAFTA's light vehicle² production in Q4 FY19 at 4.0m units, i.e. - 0.4% vs. Q4 FY18
- NAFTA's Q4 revenue + 9.9% y/y (+4.9% y/y organically, i.e. excl. \$/€ currency translation effect)
- Growth in industrial business units, Capital Goods (+€5.1m or +31.5% y/y; in particular solar damper business) and Vibration & Velocity Control (+8.6% y/y), whereas automotive business units organically performed roughly in line with the light vehicle production
- Significant adj. EBIT margin improvement by 400bp to 18.6% in Q4 FY19 due to better fix cost absorption and larger share of industrial business

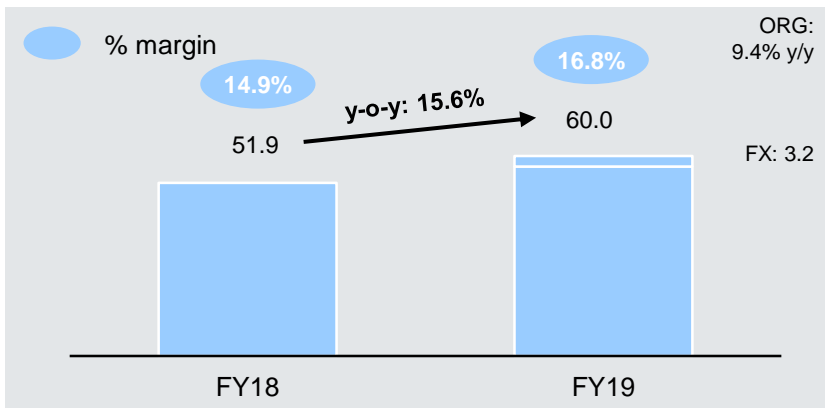
Note: Stabilus fiscal year-end is September. FX = currency effect resulting from translation of NAFTA revenue from USD to EUR. Avg. fx rate of 1.11\$/€ in Q4 FY19 versus 1.16\$/€ in Q4 FY18. ACQ = acquisition effect, contribution of the acquired entities to NAFTA's revenue and earnings in Q4 FY19. ORG = organic growth, i.e. growth excluding \$/€ currency translation effect (FX) and acquisition effect (ACQ). ¹ External revenue only. ² light vehicles = passenger cars and light commercial vehicles (<6t).

FY2019 – NAFTA

Revenue¹ (€m)



Adj. EBIT (€m)



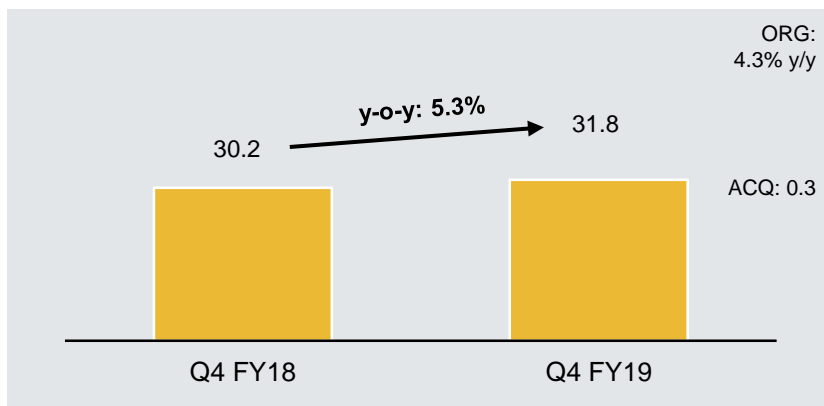
Key highlights

- NAFTA's light vehicle² production in FY19 at 16.7m units, i.e. - 1.2% vs. FY18
- NAFTA's revenue + 2.6% y/y (- 2.8% y/y organically, i.e. excluding the \$/€ currency translation effect)
- NAFTA's revenue development in FY19: Automotive Gas Spring + 5.2% y/y (- 0.4% y/y organically); Automotive Powerise - 2.8% y/y (- 8.0% y/y organically); Capital Goods + 9.2% y/y (+ 3.4% y/y organically); Vibration & Velocity Control + 4.3% (- 1.0% y/y organically)
- Adj. EBIT margin up by 190bp to 16.8%: positive mix effect due to higher share of industrial business (vs. automotive) and cost management initiatives

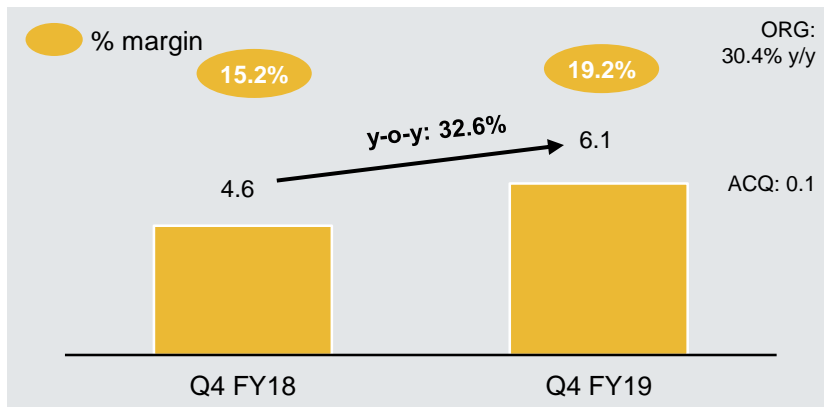
Note: Stabilus fiscal year-end is September. FX = currency effect resulting from translation of NAFTA revenue from USD to EUR. Avg. fx rate of 1.13\$/€ in FY19 versus 1.19\$/€ in FY18. ACQ = acquisition effect, contribution of the acquired entities to NAFTA's revenue and earnings in FY19. ORG = organic growth, i.e. growth excluding \$/€ currency translation effect (FX) and acquisition effect (ACQ). ¹ External revenue only. ² light vehicles = passenger cars and light commercial vehicles (<6t).

Q4 FY2019 – Asia / Pacific and RoW

Revenue¹ (€m)



Adj. EBIT (€m)



Key highlights

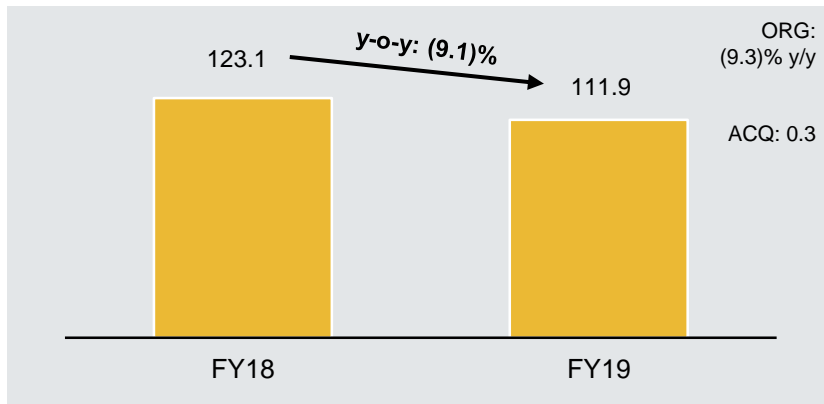
- APAC/ROW's light vehicle² production in Q4 FY19 at 12.5m units, i.e. - 5.5% vs. Q4 FY18 (China - 5.3%, Japan/Korea + 4.4%, South America - 4.7%)
- In Q4, APAC/ROW's revenue grew organically by 4.3%; €0.3m (+1pp) of revenue contribution came from the Clevers acquisition (Argentina is part of RoW)
- Return to growth in Automotive Powerise in Q4 (+16.4% or +€0.9m y/y), outperforming light vehicle production
- Growing industrial business: Capital Goods (organically flat; €0.3m from ACQ), Vibration & Velocity Control (+ 53.8% or + €0.7m y/y)
- Notable adj. EBIT margin recovery by 400bp to 19.2% in Q4 FY19 mainly as a result of better fix cost absorption, positive product mix effects and one-time charges to customers

Note: Stabilus fiscal year-end is September.

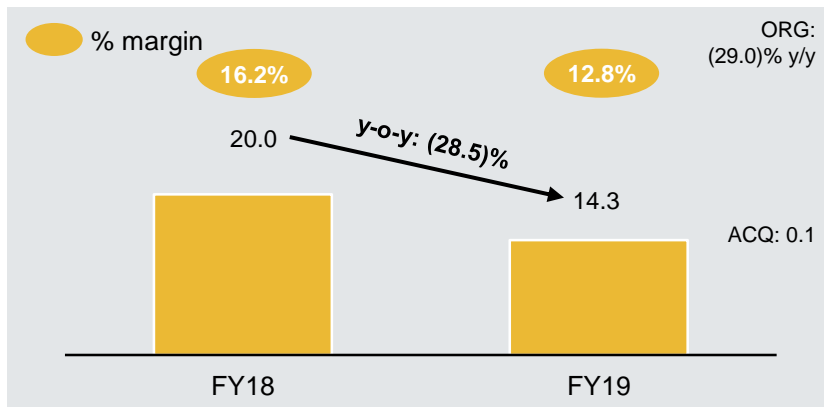
ACQ = acquisition effect, contribution of the acquired entities to APAC/ROW's revenue and earnings in Q4 FY19. ORG = organic growth, i.e. growth excluding \$/€ currency translation effect (FX) and acquisition effect (ACQ). ¹ External revenue only. ² light vehicles = passenger cars and light commercial vehicles (<6t).

FY2019 – Asia / Pacific and RoW

Revenue¹ (€m)



Adj. EBIT (€m)



Key highlights

- APAC/ROW's light vehicle² production in FY19 at 52.0m units, i.e. - 7.8% vs. FY18 (China - 12.7%, Japan/Korea + 4.2%, South America - 3.9%)
- APAC/ROW's revenue decreased by €11.2m or 9.1% y/y
- Revenue development was impacted by weak markets in China: Automotive Gas Spring - €6.8m or - 8.4% y/y; Automotive Powerise - €3.4m or - 15.2% y/y; Capital Goods - €0.3m or - 2.3%; Vibration & Velocity Control - €0.7m or - 9.7% y/y
- Adj. EBIT margin decreased from 16.2% in FY18 to 12.8% in FY19, due to lower revenue but undiminished overhead structure: keeping and strengthening Stabilus market presence in China remains part of our long-term strategy

Note: Stabilus fiscal year-end is September.

ACQ = acquisition effect, contribution of the acquired entities to APAC/ROW's revenue and earnings in FY19. ORG = organic growth, i.e. growth excluding \$/€ currency translation effect (FX) and acquisition effect (ACQ). ¹ External revenue only. ² light vehicles = passenger cars and light commercial vehicles (<6t).

Agenda

1.

2.

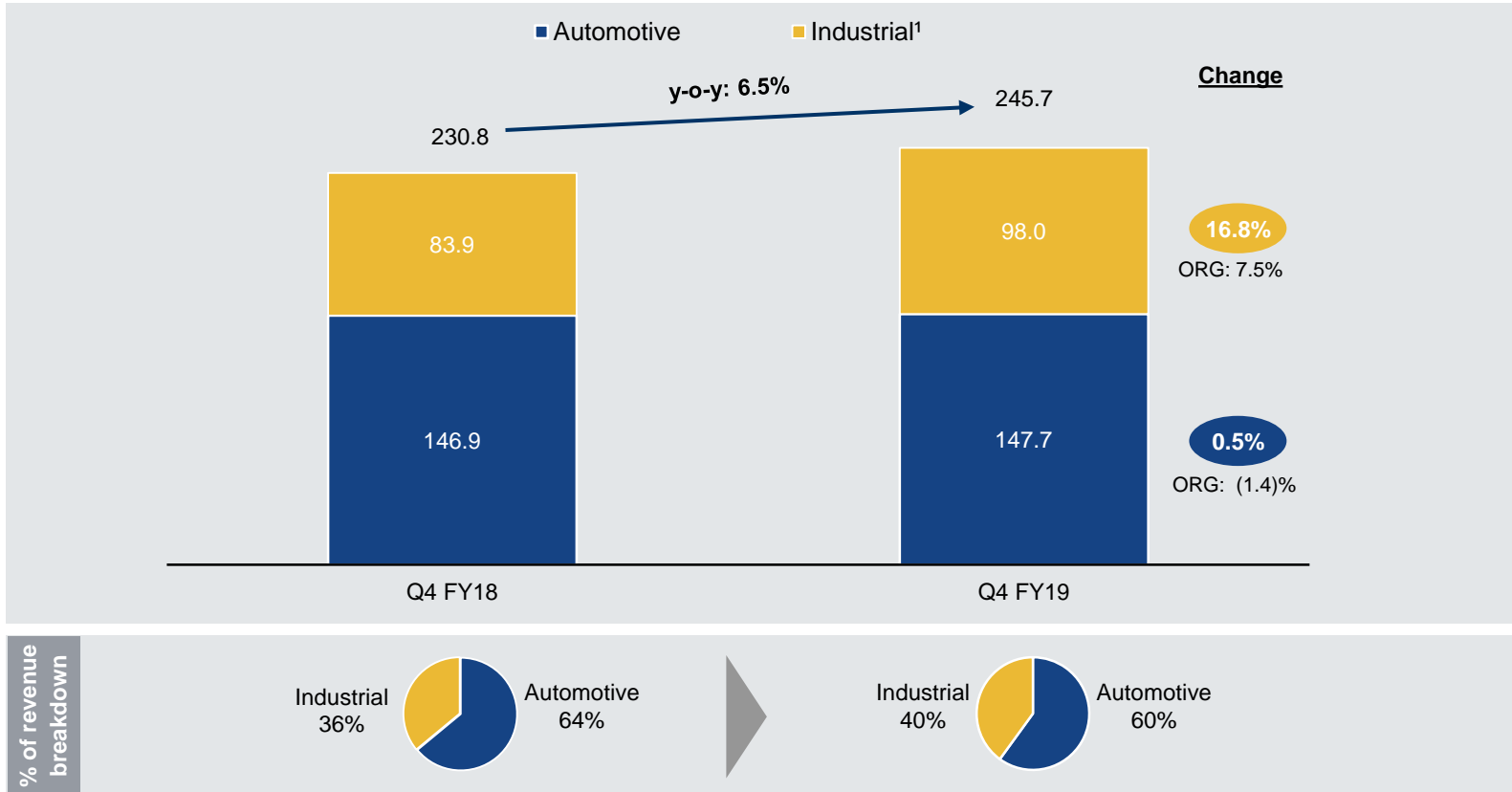
3. Results by market

4.

5.

Q4 FY2019 revenue by market / business

Revenue by business (€m)

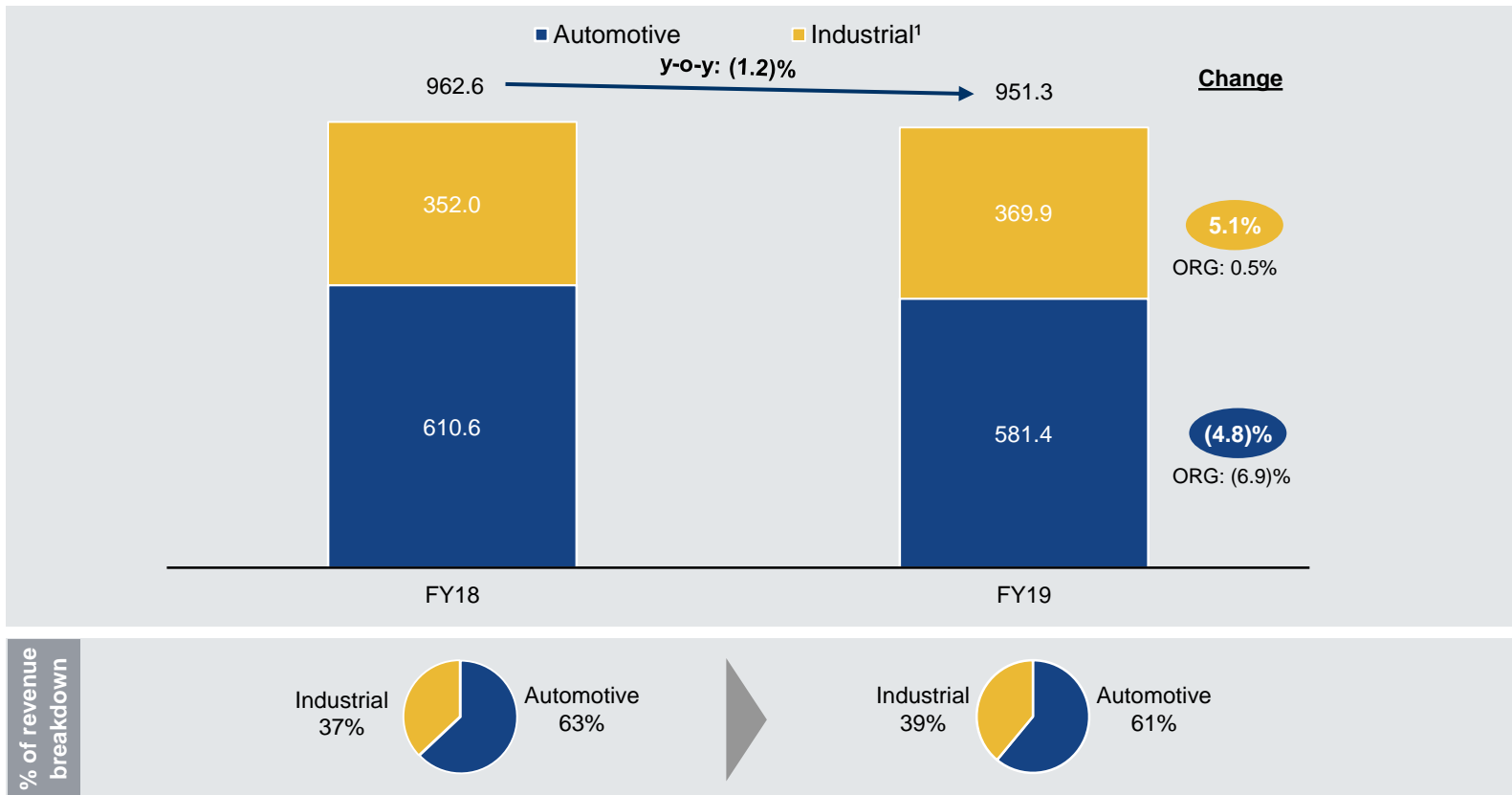


Note: Stabilus fiscal year-end is September.

¹ Industrial including Capital Goods and Vibration & Velocity Control revenue. FX = currency effect resulting from translation of NAFTA revenue from USD to EUR. Avg. fx rate of 1.11\$/€ in Q4 FY19 versus 1.16\$/€ in Q4 FY18. ACQ = acquisition effect, contribution of the acquired entities to group's revenue and earnings in Q4 FY19. ORG = organic growth, i.e. growth excluding \$/€ currency translation effect (FX) and acquisition effect (ACQ). Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

FY2019 revenue by market / business

Revenue by business (€m)

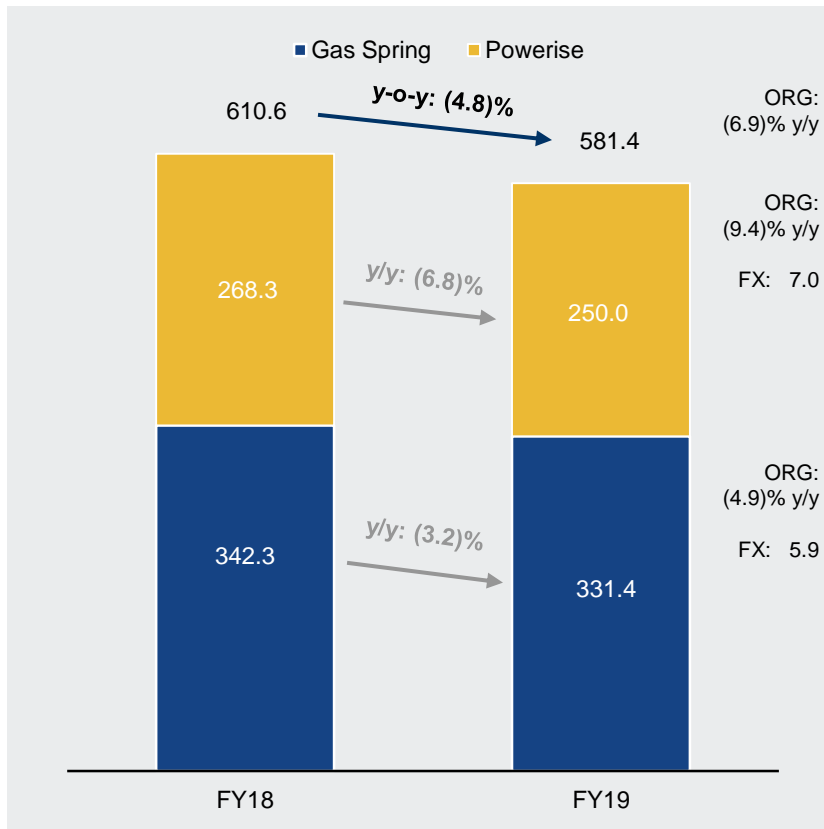


Note: Stabilus fiscal year-end is September.

¹ Industrial including Capital Goods and Vibration & Velocity Control revenue. FX = currency effect resulting from translation of NAFTA revenue from USD to EUR. Avg. fx rate of 1.13\$/€ in FY19 versus 1.19\$/€ in FY18. ACQ = acquisition effect, contribution of the acquired entities to group's revenue and earnings in FY19. ORG = organic growth, i.e. growth excluding \$/€ currency translation effect (FX) and acquisition effect (ACQ). Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

FY2019 – Automotive business

Revenue (€m)



Key highlights

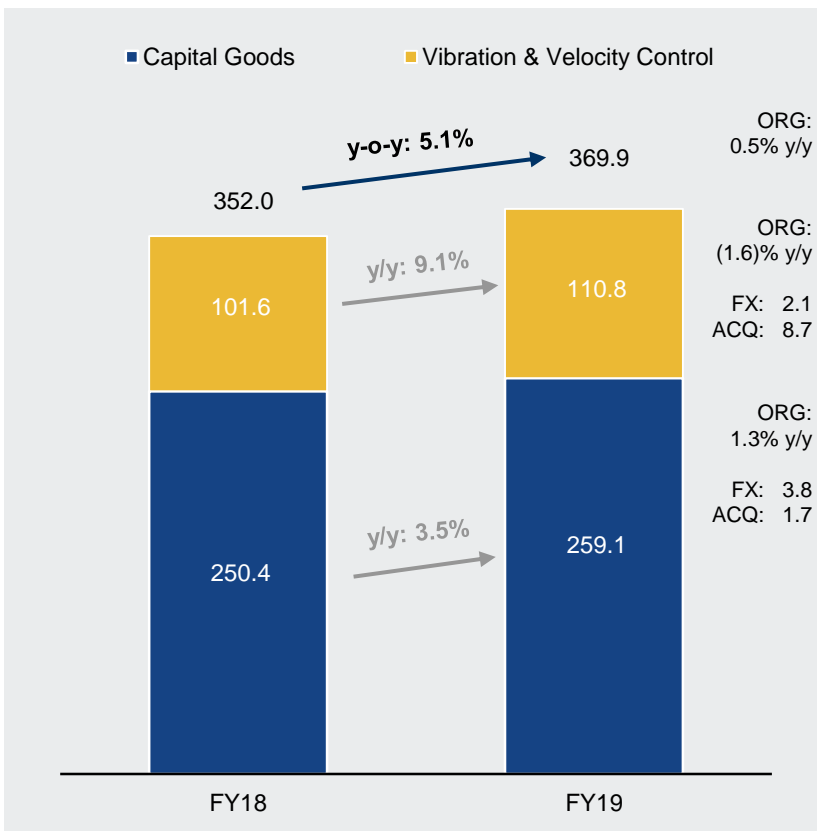
- Global light vehicle¹ production in FY19 at 90.1m units, i.e. - 5.8% vs. FY18
- Automotive revenue - 4.8% y/y (- 6.9% y/y organically, i.e. excl. \$/€ currency translation effect) due to weak production in Europe and China
- Automotive Gas Spring revenue - 3.2% y/y (- 4.9% y/y organically, i.e. outperforming light vehicle production by c. 90bp)
- Powerise revenue - 6.8% y/y (- 9.4% y/y organically): higher share of single- vs. dual-drive Powerise platforms, supplier change for some high-runner platforms and weaker demand in China

Note: Stabilus fiscal year-end is September. FX = currency effect resulting from translation of NAFTA revenue from USD to EUR. Avg. fx rate of 1.13\$/€ in FY19 versus 1.19\$/€ in FY18. ACQ = acquisition effect, contribution of the acquired entities to group's revenue and earnings in FY19. ORG = organic growth, i.e. growth excluding \$/€ currency translation effect (FX) and acquisition effect (ACQ). Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

¹ light vehicles = passenger cars and light commercial vehicles (<6t).

FY2019 – Industrial business

Revenue (€m)



Key highlights

- Global GDP growth forecast at c. 2.6% - 3.0% for CY2019; weak international trade and industrial production, trade tensions between major economies
- Industrial revenue increased by 5.1% (0.5% organically)
- Capital Goods + 3.5% y/y (+ 1.3% y/y organically), Vibration & Velocity Control + 9.1% y/y (- 1.6% y/y organically)
- Growth in the segments solar dampers, production and construction technology was partly offset by weaker business with distributors and lower revenues in the segments independent aftermarket, transportation and agricultural machinery

Note: Stabilus fiscal year-end is September. FX = currency effect resulting from translation of NAFTA revenue from USD to EUR. Avg. fx rate of 1.13\$/€ in FY19 versus 1.19\$/€ in FY18. ACQ = acquisition effect, contribution of the acquired entities to group's revenue and earnings in FY19. ORG = organic growth, i.e. growth excluding \$/€ currency translation effect (FX) and acquisition effect (ACQ). Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

Agenda

1.

2.

3.

4. Outlook

5.

Outlook

	FY2019 Preliminary	FY2020 Guidance	
		€ million	percent
Revenue	€951.3m	€970m – €990m	~ 2% – 4% y/y (0% FX, c. 1% ACQ, c. 1%-3% ORG)
Adj. EBIT margin	15.0%		~ 15%

Comments

- Based on light vehicle¹ production forecast of 88.3m vehicles for FY2020 (i.e. 88.8m for CY2019, 89.0m for CY2020), outlook for FY2020 revenue and adj. EBIT margin is at €970m – €990m and c. 15%, respectively
- Mid- and long-term guidance for average annual revenue growth of 6% till 2025 confirmed, assuming annual global light vehicle¹ production of 88.8m for CY2019 and up to 101.7m for CY2025, as well as annual global real GDP growth between 2.8% and 3.0% in the years till 2025

Note: Stabilus fiscal year-end is September. FX = currency effect resulting from translation of NAFTA revenue from USD to EUR. ACQ = acquisition effect, contribution of entities acquired in FY19 to group's revenue and earnings. ORG = organic growth, i.e. growth excluding \$/€ currency translation effect (FX) and acquisition effect (ACQ).

¹ light vehicles = passenger cars and light commercial vehicles (<6t).

Agenda

1.

2.

3.

4.

5. Appendix

Revenue by region and customer market (3M ended Sept 30, 2019)

External revenue (€m)				
	Q4 FY2018 Actual	Q4 FY2019 Preliminary	Change	% change
Automotive Gas Spring	35.2	33.8	(1.4)	(4.0)%
Automotive Powerise	25.5	24.6	(0.9)	(3.5)%
Industrial / Capital Goods	39.7	41.4	1.7	4.3%
Vibration & Velocity Control	14.0	19.1	5.1	36.4%
Europe	114.3	119.0	4.7	4.1%
Automotive Gas Spring	27.2	27.8	0.6	2.2%
Automotive Powerise	33.6	35.5	1.9	5.7%
Industrial / Capital Goods	16.2	21.3	5.1	31.5%
Vibration & Velocity Control	9.3	10.1	0.8	8.6%
NAFTA¹	86.2	94.7	8.5	9.9%
Automotive Gas Spring	19.9	19.6	(0.3)	(1.5)%
Automotive Powerise	5.5	6.4	0.9	16.4%
Industrial / Capital Goods	3.7	4.0	0.3	8.1%
Vibration & Velocity Control	1.3	2.0	0.7	53.8%
Asia / Pacific and RoW	30.2	31.8	1.6	5.3%
Total Automotive Gas Spring	82.5	81.3	(1.2)	(1.5)%
Total Automotive Powerise	64.4	66.4	2.0	3.1%
Total Industrial / Capital Goods	59.4	66.7	7.3	12.3%
Total Vibration & Velocity Control	24.5	31.3	6.8	27.8%
Total	230.8	245.6	14.8	6.4%

FX effect: 4.4% y/y
 Q4 FY18: 1.1626\$/€
 Q4 FY19: 1.1117\$/€

Note: ¹ NAFTA Q4 FY19 revenue includes currency effect of €4.3m, resulting from translation of NAFTA revenue from USD to EUR. Avg. fx rate of 1.11\$/€ in Q4 FY19 versus 1.16\$/€ in Q4 FY18. Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

Revenue by region and customer market (year ended Sept 30, 2019)

External revenue (€m)				
	FY2018 Actual	FY2019 Preliminary	Change	% change
Automotive Gas Spring	154.9	145.4	(9.5)	(6.1)%
Automotive Powerise	109.0	98.1	(10.9)	(10.0)%
Industrial / Capital Goods	172.1	175.0	2.9	1.7%
Vibration & Velocity Control	55.3	63.5	8.2	14.8%
Europe	491.3	482.1	(9.2)	(1.9)%
Automotive Gas Spring	106.6	112.1	5.5	5.2%
Automotive Powerise	136.9	133.0	(3.9)	(2.8)%
Industrial / Capital Goods	65.4	71.4	6.0	9.2%
Vibration & Velocity Control	39.1	40.8	1.7	4.3%
NAFTA¹	348.1	357.3	9.2	2.6%
Automotive Gas Spring	80.7	73.9	(6.8)	(8.4)%
Automotive Powerise	22.4	19.0	(3.4)	(15.2)%
Industrial / Capital Goods	12.9	12.6	(0.3)	(2.3)%
Vibration & Velocity Control	7.2	6.5	(0.7)	(9.7)%
Asia / Pacific and RoW	123.1	111.9	(11.2)	(9.1)%
Total Automotive Gas Spring	342.3	331.4	(10.9)	(3.2)%
Total Automotive Powerise	268.3	250.0	(18.3)	(6.8)%
Total Industrial / Capital Goods	250.4	259.1	8.7	3.5%
Total Vibration & Velocity Control	101.6	110.8	9.2	9.1%
Total	962.6	951.3	(11.3)	(1.2)%

FX effect: 5.2% y/y
 FY18: 1.1906\$/€
 FY19: 1.1281\$/€

Note: ¹ NAFTA FY19 revenue includes currency effect of €18.8m, resulting from translation of NAFTA revenue from USD to EUR. Avg. fx rate of 1.13\$/€ in FY19 versus 1.19\$/€ in FY18. Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

P&L overview (3M ended Sept 30, 2019)

P&L (€m)					
		Q4 FY2018 Actual	Q4 FY2019 Preliminary	Change	% change
Revenue		230.8	245.6	14.8	6.4%
COGS		(158.8)	(172.0)	(13.2)	8.3%
Gross Profit		72.0	73.6	1.6	2.2%
<i>% margin</i>		31.2%	30.0%		
R&D		(10.0)	(10.1)	(0.1)	1.0%
S&M		(20.1)	(22.1)	(2.0)	10.0%
G&A		(9.6)	(9.4)	0.2	(2.1)%
Other income/expenses		0.2	5.2	5.0	>100.0%
EBIT		32.3	37.3	5.0	15.5%
<i>% margin</i>		14.0%	15.2%		
Adjustments ¹		4.4	1.8	(2.6)	(59.1)%
Adj. EBIT¹		36.6	39.1	2.5	6.8%
<i>% margin</i>		15.9%	15.9%		
PPA adjustments (2010 PPA)	2.3	2.3			
PPA adjustments (2016 PPA)	2.1	2.1			
PPA adjustments (2019 PPA)	-	0.7			
EPA / Colmar provision	-	-			
Advisory costs (M&A)	-	-			
Purchase price adjustment ²	-	(3.3)			
Total adjustments¹	4.4	1.8			

Note: ¹ Adjusted EBIT represents profit from operating activities (EBIT), adjusted for exceptional non-recurring items (e.g. restructuring or one-time advisory costs) and depreciation/amortization of fair value adjustments from purchase price allocations (PPA). Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided. ² Purchase price adjustment pertaining to the acquisition of General Aerospace in FY19.

P&L overview (year ended Sept 30, 2019)

P&L (€m)					
		FY2018 Actual	FY2019 Preliminary	Change	% change
Revenue		962.6	951.3	(11.3)	(1.2)%
COGS		(671.4)	(675.0)	(3.6)	0.5%
Gross Profit		291.2	276.4	(14.8)	(5.1)%
<i>% margin</i>		30.3%	29.1%		
R&D		(42.0)	(39.2)	2.8	(6.7)%
S&M		(81.3)	(84.2)	(2.9)	3.6%
G&A		(38.5)	(35.7)	2.8	(7.3)%
Other income/expenses		2.6	6.6	4.0	>100.0%
EBIT		131.9	124.0	(7.9)	(6.0)%
<i>% margin</i>		13.7%	13.0%		
Adjustments ¹		17.5	18.7	1.2	6.9%
Adj. EBIT¹		149.3	142.7	(6.6)	(4.4)%
<i>% margin</i>		15.5%	15.0%		
PPA adjustments (2010 PPA)	9.3	9.3			
PPA adjustments (2016 PPA)	8.2	8.4			
PPA adjustments (2019 PPA)	-	2.1			
EPA / Colmar provision	-	1.5			
Advisory costs (M&A)	-	0.7			
Purchase price adjustment ²	-	(3.3)			
Total adjustments¹	17.5	18.7			

Note: ¹ Adjusted EBIT represents profit from operating activities (EBIT), adjusted for exceptional non-recurring items (e.g. restructuring or one-time advisory costs) and depreciation/amortization of fair value adjustments from purchase price allocations (PPA). Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided. ² Purchase price adjustment pertaining to the acquisition of General Aerospace in FY19.

Balance sheet overview

Balance sheet (€m)				
	Sept 2018 Actual	Sept 2019 Prelim	Change	% change
Property, plant and equipm.	179.2	199.9	20.7	11.6%
Goodwill	195.2	214.8	19.6	10.0%
Other intangible assets	247.2	276.2	29.0	11.7%
Inventories	90.8	100.3	9.5	10.5%
Trade receivables	111.3	130.3	19.0	17.1%
Other assets	43.7	38.7	(5.0)	(11.4)%
Cash	143.0	139.0	(4.0)	(2.8)%
Total assets	1,010.4	1,099.2	88.8	8.8%
Equity incl. minorities	426.5	499.6	73.1	17.1%
Debt (incl. accrued interest)	320.0	311.6	(8.4)	(2.6)%
Pension plans	52.2	59.9	7.7	14.8%
Deferred tax liabilities	47.8	55.9	8.1	16.9%
Trade accounts payable	83.2	91.0	7.8	9.4%
Other liabilities	80.7	81.2	0.5	0.6%
Total equity and liabilities	1,010.4	1,099.2	88.8	8.8%
<i>Net leverage ratio¹</i>	1.1x	1.0x		

Key highlights

- Assets and liabilities of acquired entities General Aerospace, Clevers and Piston are included in the group's balance sheet as of end Sept 2019
- PPE, goodwill, other intangible assets, inventories, receivables, debt (€7.7m bank loans of acquired entities), deferred taxes increased as a consequence of the acquisitions
- Pension liability increased by €7.7m due to lower discount rate (Sept 2018: 2.00% vs. Sept 2019: 0.93%)
- Equity up by €73.1m, primarily due to the profit generated in FY19 (€80.9m), acquisitions/change in non-controlling interests (€11.4m), partly offset by dividend payments in Feb 2019 (€24.7m)

Note: ¹ Net leverage ratio = net financial debt / adj. EBITDA LTM. Net financial debt defined as principal amount of financial debt less cash. Adj. EBITDA LTM = last-twelve-month adjusted earnings before interest, taxes, depreciation and amortization. Refer to our financial reports and quarterly statements at www.ir.stabilus.com for further details. Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

Cash flow overview and free cash flow (3M ended Sept 30, 2019)

Cash Flow Statement (€m)

	Q4 FY2018 Actual	Q4 FY2019 Preliminary	Change	% change
Cash flow from operating activities	46.6	53.1	6.5	13.9%
Cash flow from investing activities	(18.3)	(15.7)	2.6	(14.2)%
Cash flow from financing activities	(1.5)	(25.8)	(24.3)	>100.0%
Net increase / (decrease) in cash	26.8	11.6	(15.2)	(56.7)%
Effect of movements in exchange rates	0.3	1.2	0.9	>100.0%
Cash as of beginning of the period	115.8	126.2	10.4	9.0%
Cash as of end of the period	143.0	139.0	(4.0)	(2.8)%

Free Cash Flow (€m)

	Q4 FY2018 Actual (a)	Q4 FY2019 Preliminary (b)	Q4 FY2019 Adjusted ¹ (c)	Change (c)-(a)	% change [(c)-(a)] / (a)
Cash flow from operating activities	46.6	53.1	53.1	6.5	13.9%
Cash flow from investing activities	(18.3)	(15.7)	(13.6)	4.7	(25.7)%
Free cash flow	28.3	37.4	39.5	11.2	39.6%

Comments

➤ Cash flow from financing activities in Q4 FY19 includes debt repayment of €21.1m (Q4 FY18: -)

Note: ¹ Adjusted = excluding 'acquisition of assets and liabilities within business combination, net of cash acquired' (General Aerospace, Clevers and Piston). Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

Cash flow overview and free cash flow (year ended Sept 30, 2019)

Cash Flow Statement (€m)

	FY2018 Actual	FY2019 Preliminary	Change	% change
Cash flow from operating activities	145.5	145.4	(0.1)	(0.1)%
Cash flow from investing activities	(45.3)	(96.9)	(51.6)	>100.0%
Cash flow from financing activities	(25.5)	(54.2)	(28.7)	>100.0%
Net increase / (decrease) in cash	74.7	(5.7)	(80.4)	<(100.0)%
Effect of movements in exchange rates	0.2	1.7	1.5	>100.0%
Cash as of beginning of the period	68.1	143.0	74.9	>100.0%
Cash as of end of the period	143.0	139.0	(4.0)	(2.8)%

Free Cash Flow (€m)

	FY2018 Actual (a)	FY2019 Preliminary (b)	FY2019 Adjusted ¹ (c)	Change (c)-(a)	% change [(c)-(a)] / (a)
Cash flow from operating activities	145.5	145.4	145.4	(0.1)	(0.1)%
Cash flow from investing activities	(45.3)	(96.9)	(55.5)	(10.2)	22.5%
Free cash flow	100.2	48.5	89.9	(10.3)	(10.3)%

Comments

- Cash flow from investing activities in FY19 includes €4.2m payment for the additional Hahn building
- Cash flow from financing activities in FY19 includes €24.7m dividend payment (vs. €19.8m in FY18) and debt repayment of €21.1m (vs. €6.4m in FY18)

Note: ¹ Adjusted = excluding 'acquisition of assets and liabilities within business combination, net of cash acquired' (General Aerospace, Clevers and Piston). Numbers rounded to one decimal. Due to rounding, numbers presented may not add up precisely to the totals provided.

STABILUS

www.stabilus.com