



Group financial results Q3 2014

Analysts' conference call, 6th November



AGENDA

- I. BUSINESS HIGHLIGHTS
- II. GROUP FINANCIAL RESULTS
- III. OUTLOOK
- IV. MID-TERM GUIDANCE



Q3
2014

Highlights in Q3: Earnings Start to Show off Strong Dynamics



Strong order intake, e.g. with prestigious order for a U.S. refinery; highest order intake growth in Asia Pacific (+56%)



Increased sales drives earnings: EBIT in Q3 reaches € 7.5 million, after € 5.6 million in H1



Model laboratory with great advantages installed in new building at HQ in Waldenburg



Financial Overview 9M – All-time High Order Intake

in million €	Q1-3 2014	Q1-3 2013	Δ in %
Order Intake	252.8	232.2	8.8 %
Sales	227.1	226.0	0.5 %
EBIT	13.0	19.3	(32.6) %

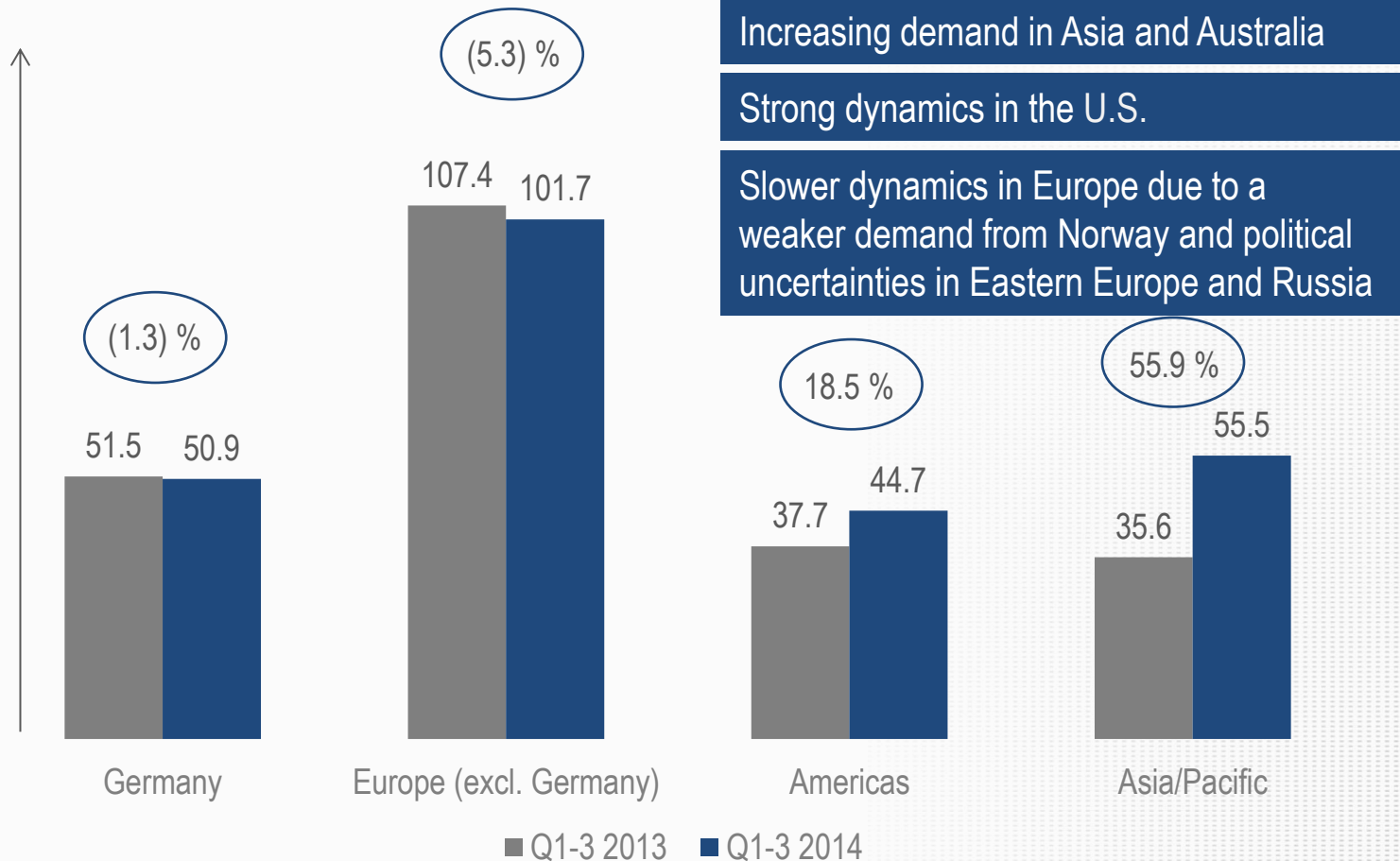
SALES AND EBIT PROGRESSIVELY FOLLOWING STRONG GROWTH IN ORDER INTAKE

- All-time high order intake of € 252.8 million with particularly strong demand in Asia/Pacific
- At local currencies sales grew by 2.8% with positive contribution in Q3 of € 80.6 million
- EBIT improved significantly in third quarter; on a 9 months basis earnings are still impacted though by the expansion program and the failed takeover attempt.



Strong Growth in Order Intake – Particularly in Asia/Pacific

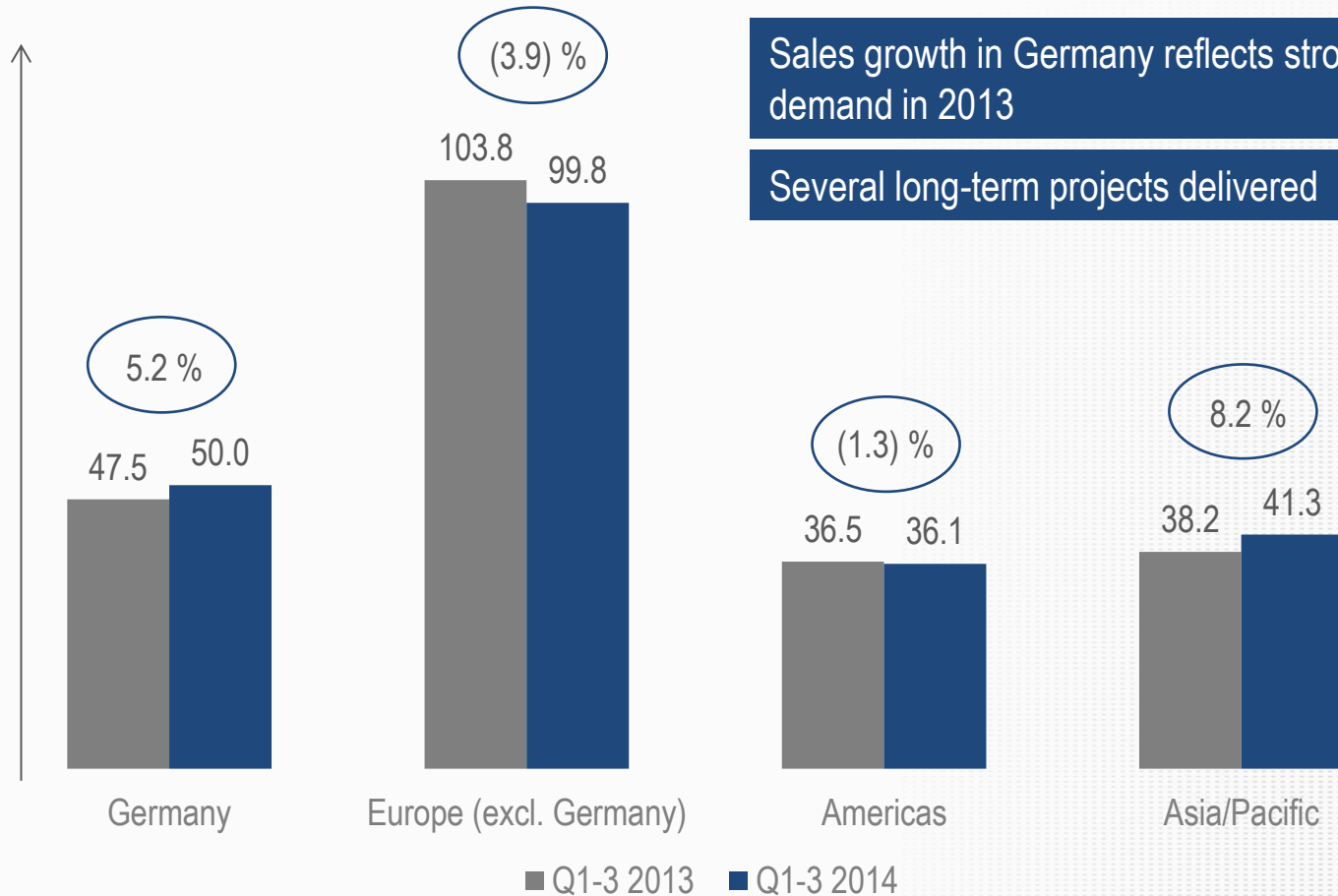
ORDER INTAKE BY REGION Jan. – Sep.
(in million €)





Increasing Sales in Germany and Asia/Pacific

SALES BY REGION Jan. – Sep.
(in million €)

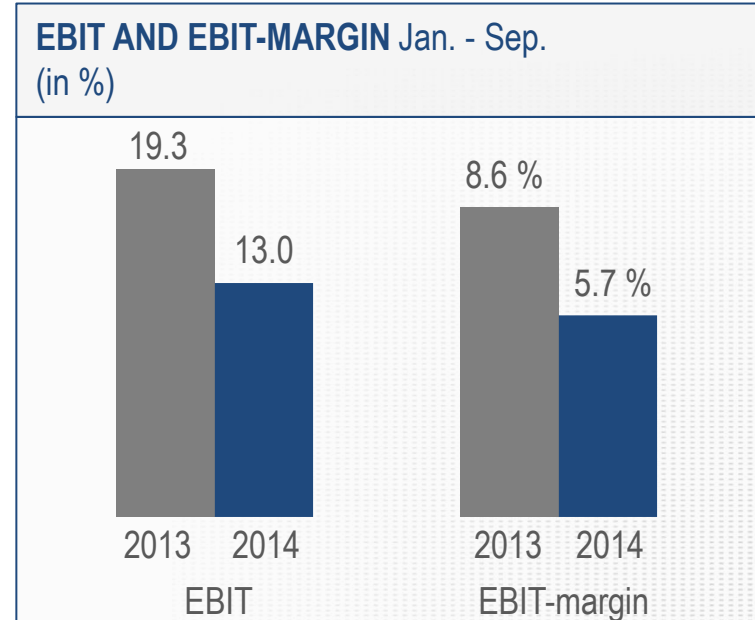
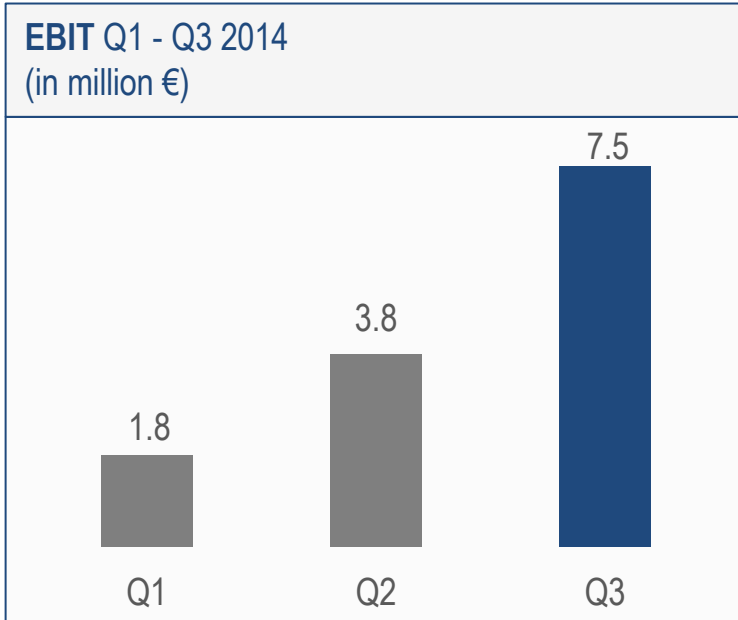


Sales growth in Germany reflects strong demand in 2013

Several long-term projects delivered



Upward trend in EBIT



EBIT IMPACTED BY INVESTMENT PROGRAM AND TAKEOVER ATTEMPT

- Strong EBIT growth in Q3 thanks to stronger topline development
- Direct and indirect costs related to failed takeover attempt in Q2 and Q3
- Increased fix costs due to expansion program impact EBIT on a 9 months basis



Cash Flow Reflects Investments into Growth

Cash Flow

in million €	Q1-3 2014	Q1-3 2013
CHANGES IN NET WORKING CAPITAL	(21.2)	(11.1)
CAPEX	(13.5)	(15.4)
FREE CASH FLOW	(20.6)	(3.0)
FINANCE CASH FLOW	10.0	7.2
FINANCIAL FUNDS AT THE END OF THE PERIOD	15.1	20.8

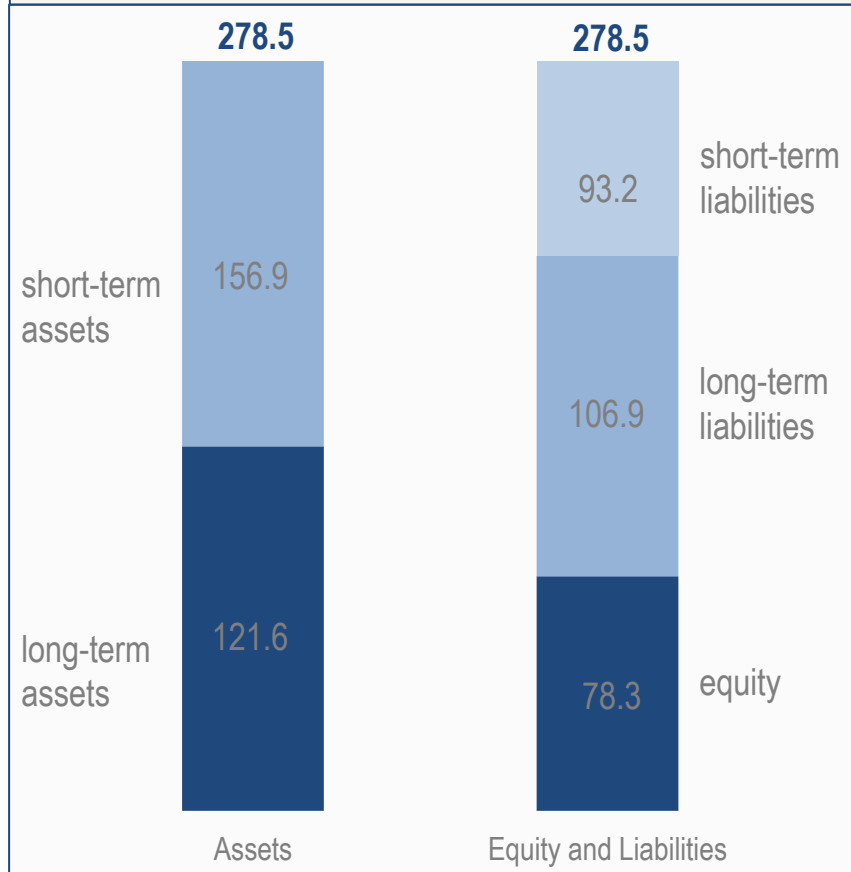
MAIN FACTORS IMPACTING FINANCIAL FUNDS

- Increased net working capital due to high unfinished and finished goods from long-term projects
- Investments into growth; e.g. start of building process for new production and development center in Cologne
- Dividend payment of € 5.8 million in May
- Buyback of 2 % of share capital in the amount of € 5.6 million

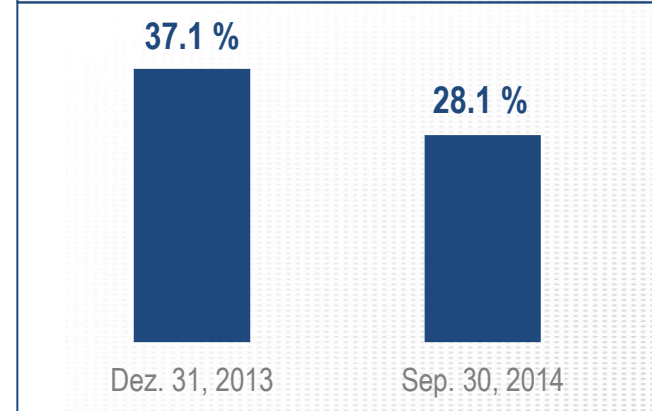


Balance Sheet – Equity Impacted by Pension Obligations

Financial Structure as of Sep. 2014
(in million €)



Equity Ratio



EQUITY IMPACTED BY 2 FACTORS

- Buyback of 2% of own shares (€ 5.6 million)
- Increase of the present value of pension obligations due to a fall of the underlying interest rate from 3.7% to 2.4%



Case Study: Prestigious Order with Broad Global Network

R. STAHL'S INTERNATIONAL PRESENCE CONVINCES CUSTOMERS

- R. STAHL was awarded a prestigious order for an Australian liquefied natural gas project; with its Australian subsidiary, R. STAHL is always close to the customer site
- General contractor is an US-based EPC with whom R. STAHL in Houston has already successfully cooperated on several projects
- Procurement of the products is handled by a company in the UK where R. STAHL has its own subsidiary



R. STAHL'S INVESTMENTS IN ITS GLOBAL PRESENCE PAVE THE WAY TO FURTHER GROWTH



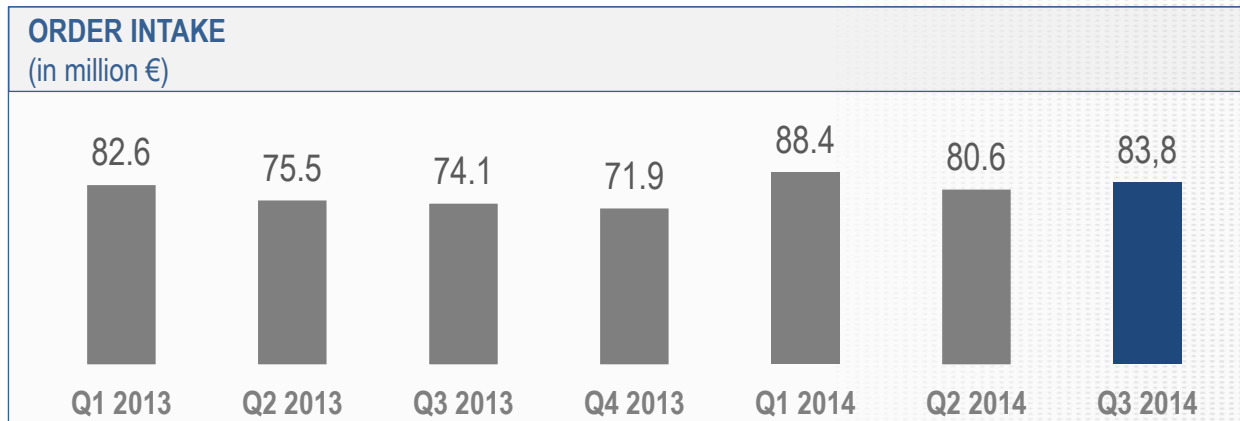
Outlook: Order Intake 2014

➤ HIGH ORDER INTAKE

- Ongoing growth in Asia/Pacific and the U.S.
- Faster delivery times out of production facilities convince customers and thus lead to higher order intake

➤ STRONG ORDER PIPELINE

- Big projects in quotation phase



EXPECTED ORDER INTAKE: € 325 M - € 335 M



Outlook: Sales 2014

➤ SALES FOLLOW HIGH ORDER INTAKE

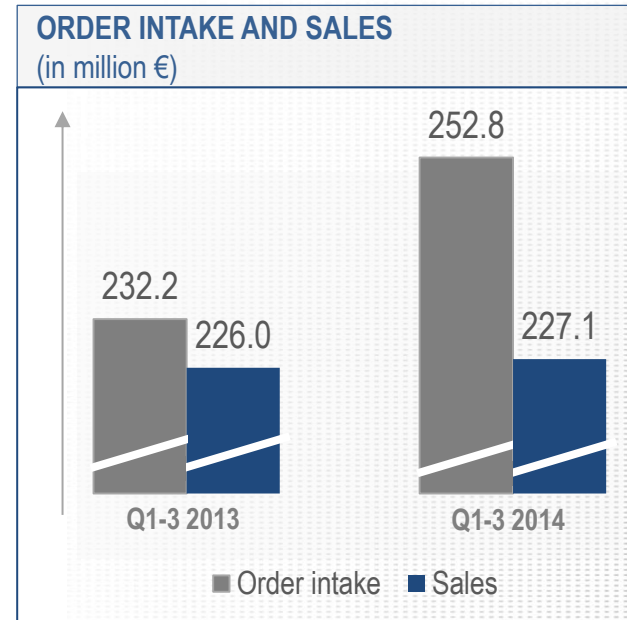
- Long-term orders to be delivered

➤ INCREASED ORDER BACKLOG

- Order backlog increased from € 74.1 million in Sep 2013 to € 88.6 million in Sep 2014

➤ HIGH BOOK-TO-BILL RATIO

- Book-to-bill ratio at 1.1 (previous year: 1.0) indicates growing business dynamics



EXPECTED SALES 2014: € 315 M - € 325 M



Outlook: Earnings 2014

➤ SALES GROWTH TO DRIVE FIX COST DEGRESSION

- Strong order intake will drive capacity utilization
- Increasing sales will compensate upfront costs related to expansion program

➤ NEW PRODUCTS INTRODUCED TO THE MARKET

- Innovative LED lighting portfolio with good margins



EXPECTED EBIT 2014: € 18 M - € 22 M

Mid-term Expectations – Key Figures



Key figures

in million €	2013	2014E	2016E
SALES	304	315 - 325	380 - 390
GROWTH %	4.6 %	3.5 % - 6.8 %	7.7 % - 8.6 %*
EBIT-MARGIN %	8.2 %	6 - 7 %	11 % - 12 %

* CAGR 2013-2016E



R. STAHL REMAINS FULLY COMMITTED TO ITS MIDTERM GUIDANCE AND WILL CAPITALIZE ON ITS STATE OF THE ART TECHNOLOGY PLATFORM, MARKET LEADERSHIP AND INTERNATIONAL PRESENCE TO DRIVE GROWTH



Questions and Answers





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