



The Schaffner Group Corporate presentation Half-year 2014/15

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energy efficiency and reliability

The Schaffner Group

Caution regarding forward-looking statements

This communication contains statements that constitute “forward-looking statements”, including, but not limited to, statements relating to the implementation of strategic initiatives, and other statements relating to our future business development and economic performance.

While these forward-looking statements represent our judgments and future expectations concerning the development of our business, a number of risks, uncertainties and other important factors could cause actual developments and results to differ materially from our expectations.

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More detailed information about those factors is set forth elsewhere in this document and in documents furnished by Schaffner Group, including Schaffner Holding's Annual Report for the year ended 30 September 2014 as well as the Interim Report for the period ended 31 March 2015. Schaffner Group is not under any obligation to (and expressly disclaims any such obligations to) update or alter its forward-looking statements whether as a result of new information, future events, or otherwise.

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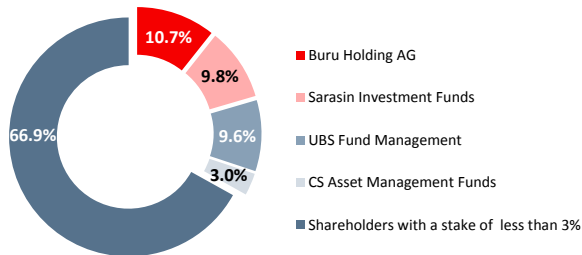
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Headlines of H1 2014/15

- Net sales at CHF 102.5 million, equal to PY despite market and currency turmoil
- Operating margin above latest guidance as result of efficiency measures
- Implementation of growth strategy continues unabated
- Each division aims for sequential growth of net sales and operating margin in H2 over H1
- Full year outlook of net sales in the range of PY and EBIT margin around 5%

Significant shareholders

(based on SIX Swiss Exchange)

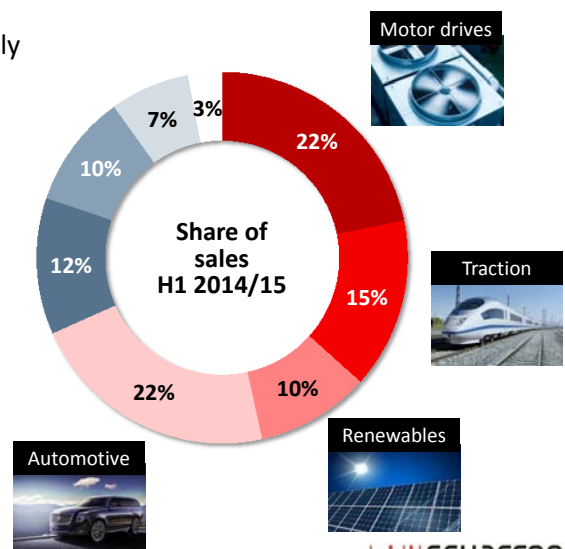
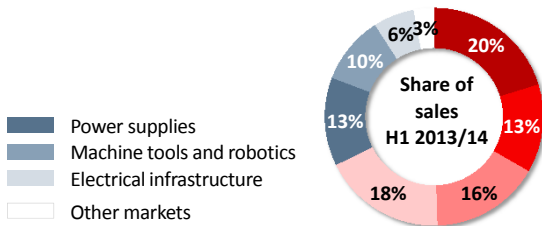


5 year share price performance (Benchmark: SPIX)

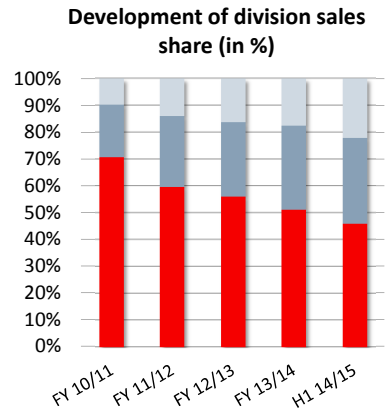
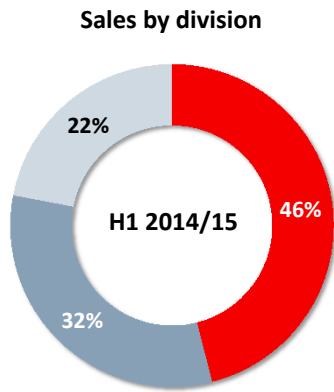
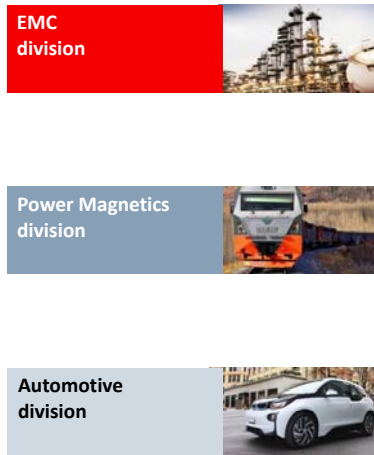


Motor drives, Traction and Automotive compensate weakness in Renewables

- **Motor drives:** Steady growth (sales +10%), mostly in Asia with Power Quality
- **Traction:** USA and China deliver growth (+16%) despite project suspension from Russia
- **Renewable energy:** Sharp drop (-40%) from PV in China and Europe
- **Automotive:** Continued volume increase (+25%)

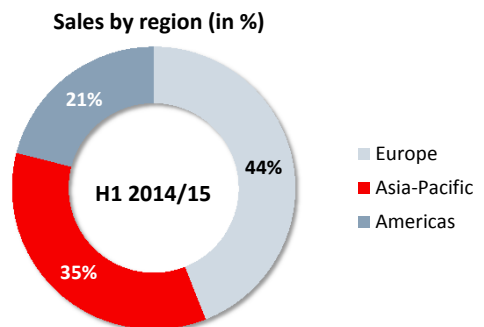
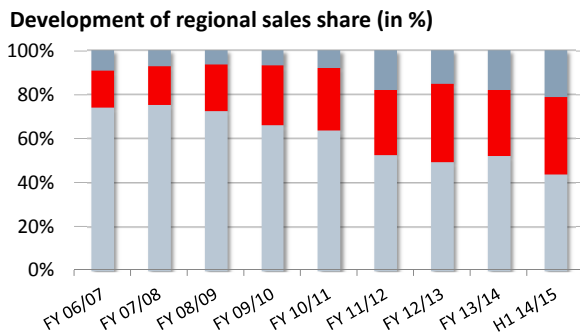


Shift of divisional sales mix towards Power Magnetics and Automotive

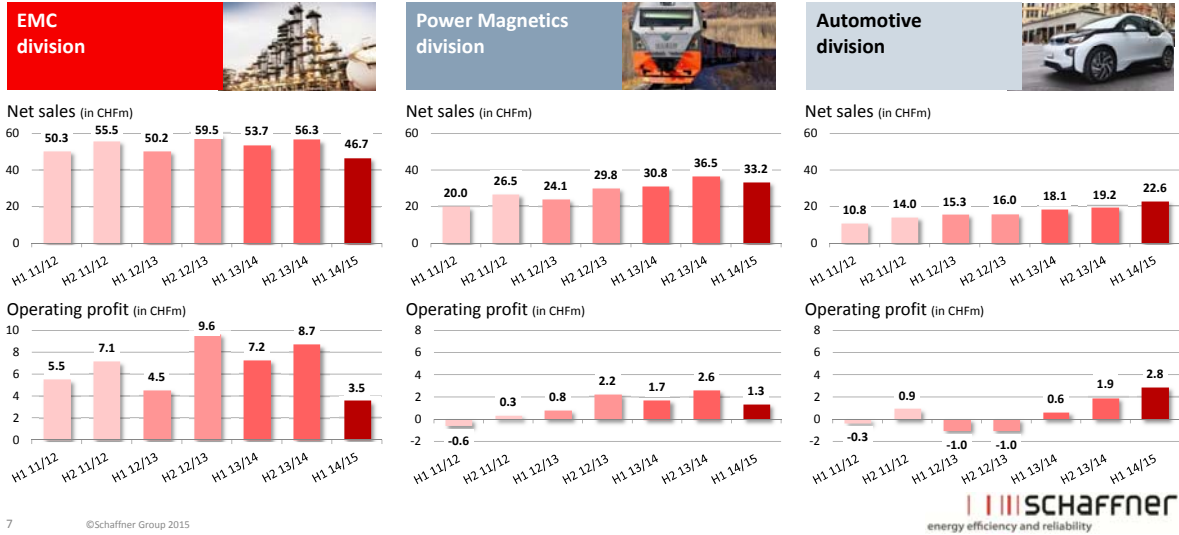


Strengthened position in USA increases regional balance

- **Americas:** Higher share after acquisition of Trencor
- **Europe:** Lower after devaluation of EUR
- **Asia-Pacific:** Mostly stable



Lower EMC result partly compensated by outperforming Automotive division



Kurt Ledermann | Chief Financial Officer

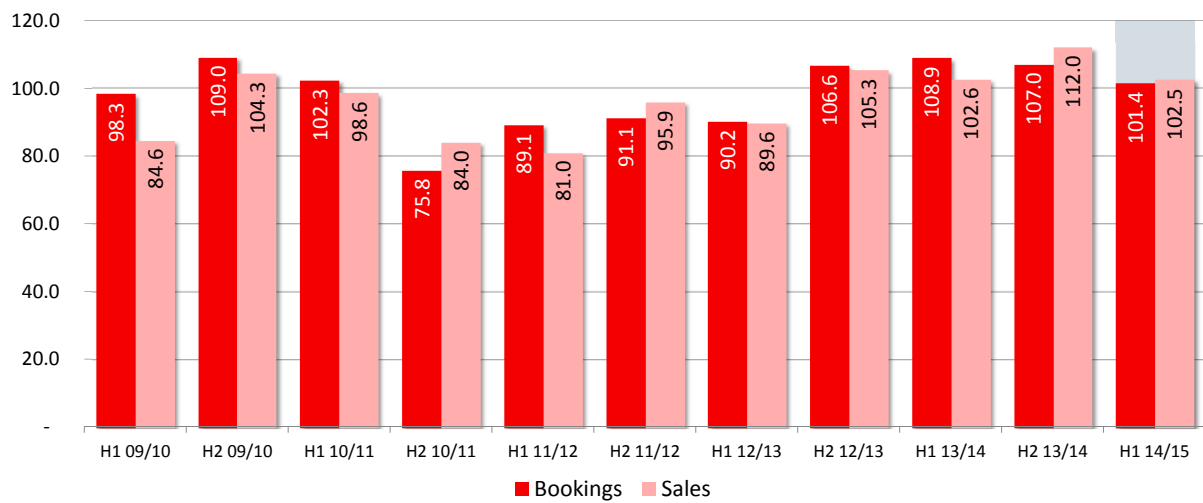
Finance



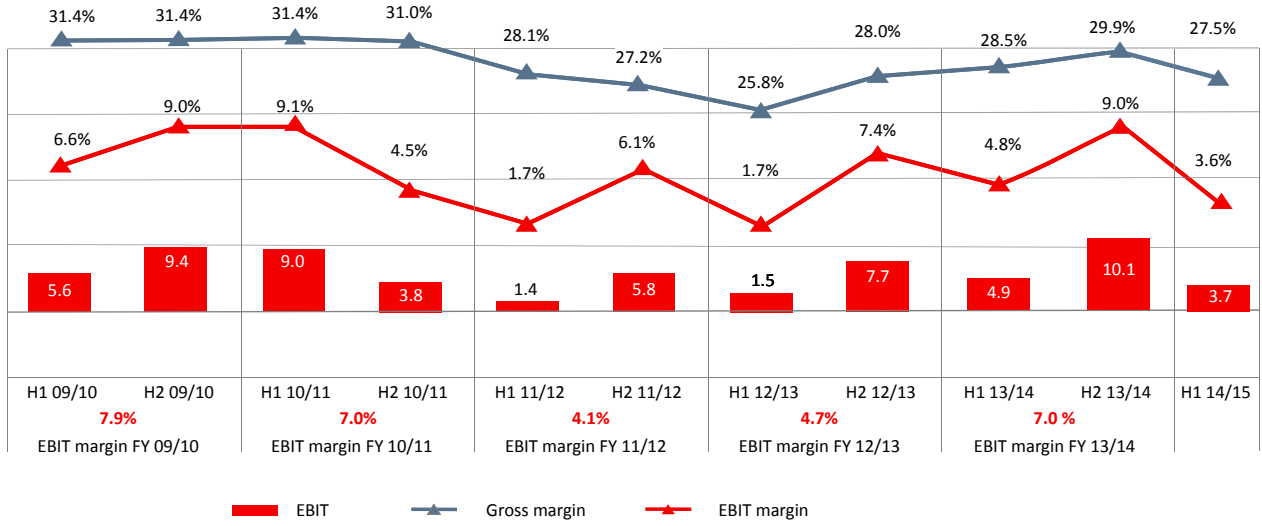
Financial highlights H1 2014/15

- Net sales CHF 102.5 million (CHF 102.6 million)
- Growth -0.1%, in local currencies +1.4%
- Book-to-bill 0.99 (1.06)
- EBIT margin on 3.6% (4.8%)
- Net profit CHF 1.9 million (CHF 3.2 million)
- EPS CHF 3.02 (CHF 5.08)
- Free cash flow CHF -2.8 million (CHF -2.2 million)
- Sound balance sheet with 40% (30.09.14: 43%) equity ratio

Bookings and sales (in CHFm)

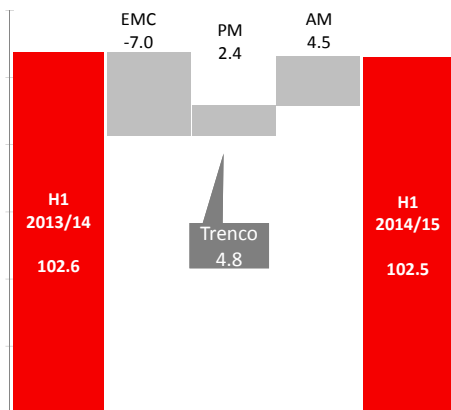


Income statement (in CHFm)

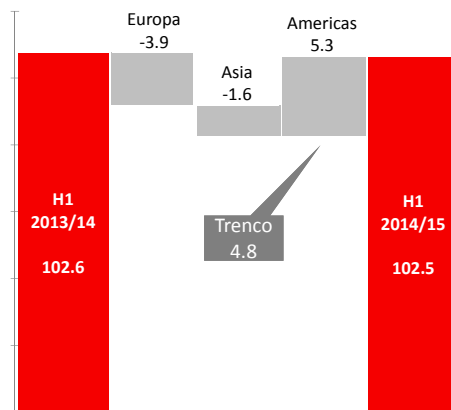


Sales growth (in CHFm)

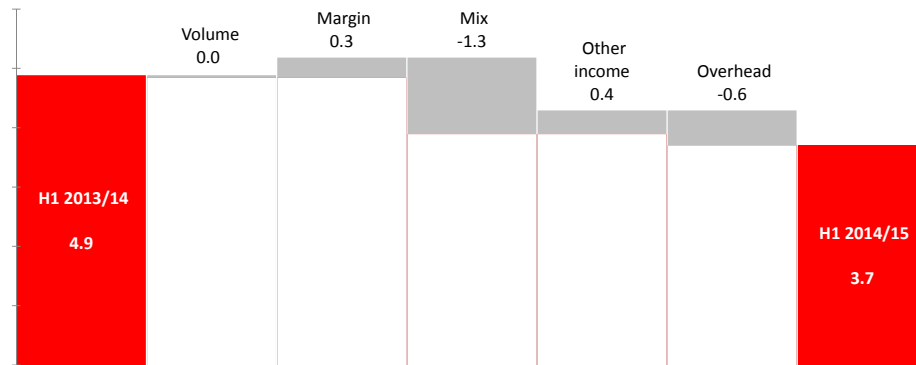
by division



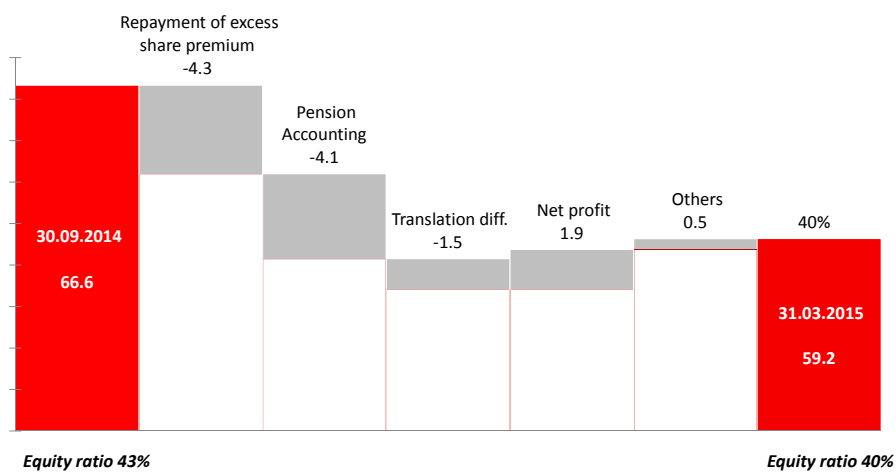
by region



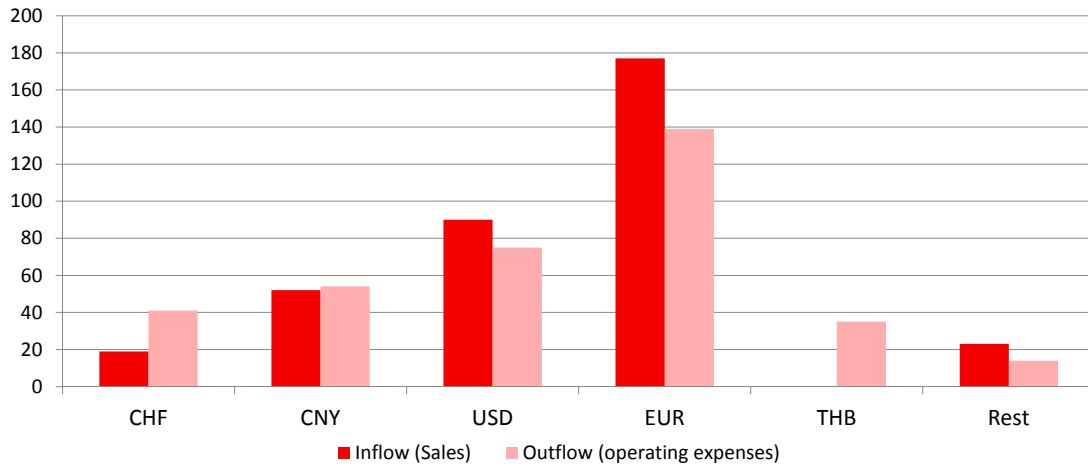
EBIT H1 2014/15 vs. previous year (in CHFm)



Shareholders' equity (in CHFm)



Currency exposure – Cash flow (in CHFm)



Alexander Hagemann | Chief Executive Officer

Summary and outlook



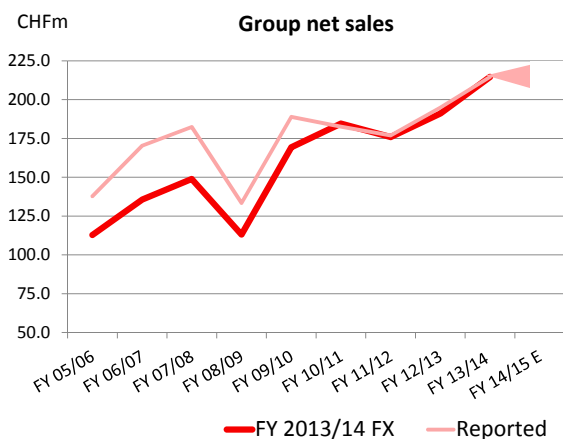
Summary

- Stable sales, EBIT margin lower by 120bp
- Swift actions to counter effects from currency and market impacts
- Mix of regions and divisions becomes more balanced
- Continue strategic growth initiatives with full force

Schaffner continues implementation of a growth focused strategy ...

Three pillars to accelerate growth:

1. Product and market offensive for Power Quality solutions
2. Market share gains in Power Magnetics, advance to global no. 2 position
3. Regional focus on North America



... while constantly evaluating structures and processes

Outlook

If markets and currencies do not fluctuate massively:

- Management aims to sequentially increase sales and margins in each division
- Expect net sales for FY 2014/15 in the range of FY 2013/14
- Expect EBIT margin for FY 2014/15 around 5%