



*Presentation held by*  
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Mid-Cap Conference**

**New York**

*June 3, 2014*

- 
- **Business and Market Overview**
  - Key Financial Figures
  - Major Operational Developments
  - Outlook
-

# Organic growth together with strategic acquisitions

## CENTROTEC GROUP



### Sales Development

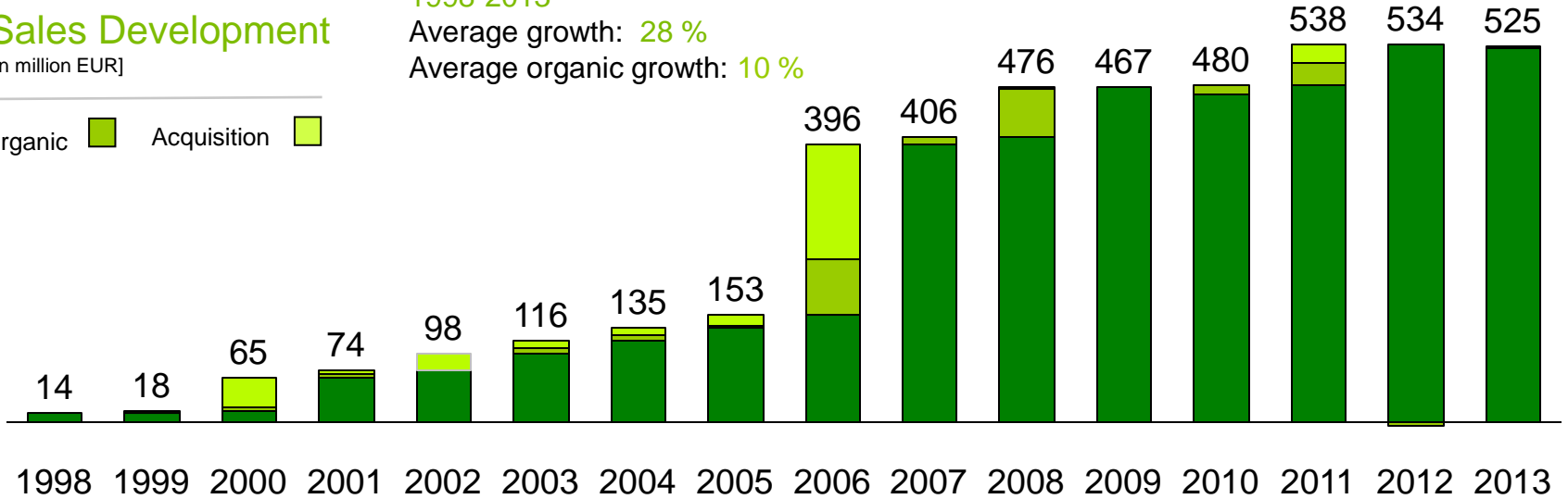
[in million EUR]

1998-2013

Average growth: 28 %

Average organic growth: 10 %

Organic  Acquisition 



### Market Position (EU) & Competitors

Climate – Heat recovery / ventilation systems	1 <sup>1)</sup>	Zehnder, Itho, Helios, Vallox, Carrier, Al-Ko
Climate – Heating / thermal solar / biomass	4 <sup>2)</sup>	Bosch Thermotechnik, Vaillant, Viessmann, BDR Thermea (Europe)
Gas Flue	2	Muelink&Grol, Skoberne/Cox, Groppalli, Natilini
Medical Technology & Engineering Plastics	N/A <sup>3)</sup>	Fragmented market

## CENTROTEC GROUP

### Strategic Core Segments

#### Climate Systems (73%)

- Heating systems (gas & oil)
- Renewable energies (solar thermal, heat pumps, bio-mass, biogas processing)
- Combined heat & power (CHP)
- Heat recovery ventilation
- Air handling & ventilation

#### Gas Flue Systems (19%)

- Exhaust systems for heating boilers
- Air piping systems for heat recovery ventilation
- Air & water tightness for sustainable construction

#### Medical Technology & Engineering Plastics (8%)

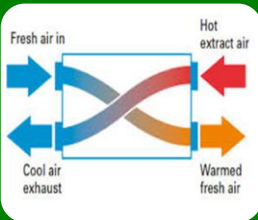
- Medical technology equipment (neurosurgery, aesthetic, blood handling)
- Medical technology components (cannulaes, HPLC)
- Engineering plastics (semi-finished and engineered parts)

## KEY MARKET TRENDS



### Efficient supply of heat and power in buildings

- Growing gas and electricity costs
- Environmental concerns



### Ventilation in residential homes

- Building insulation drives demand for ventilation with heat recovery in residential homes



### Home Automation

- Integration of home appliances (entertainment, lighting, HVAC, security)
- Mobile connectivity

# AGENDA

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# Profitability and capacity improved



## KEY FINANCIAL FIGURES

	2012	2013	vs. 2012
	EUR million	EUR million	in %
Total revenue	533.8	<b>525.4</b>	(1.6)
Gross margin (in %)	51.3	<b>52.8</b>	
EBITDA	55.2	<b>55.5</b>	0.5
EBIT	35.2	<b>35.7</b>	1.3
EAT	22.3	<b>24.0</b>	7.5
EPS (in EUR; basic)	1.31	<b>1.40</b>	6.9
Employees 31/12/ (in FTE)	2,937	<b>3,036</b>	3.4

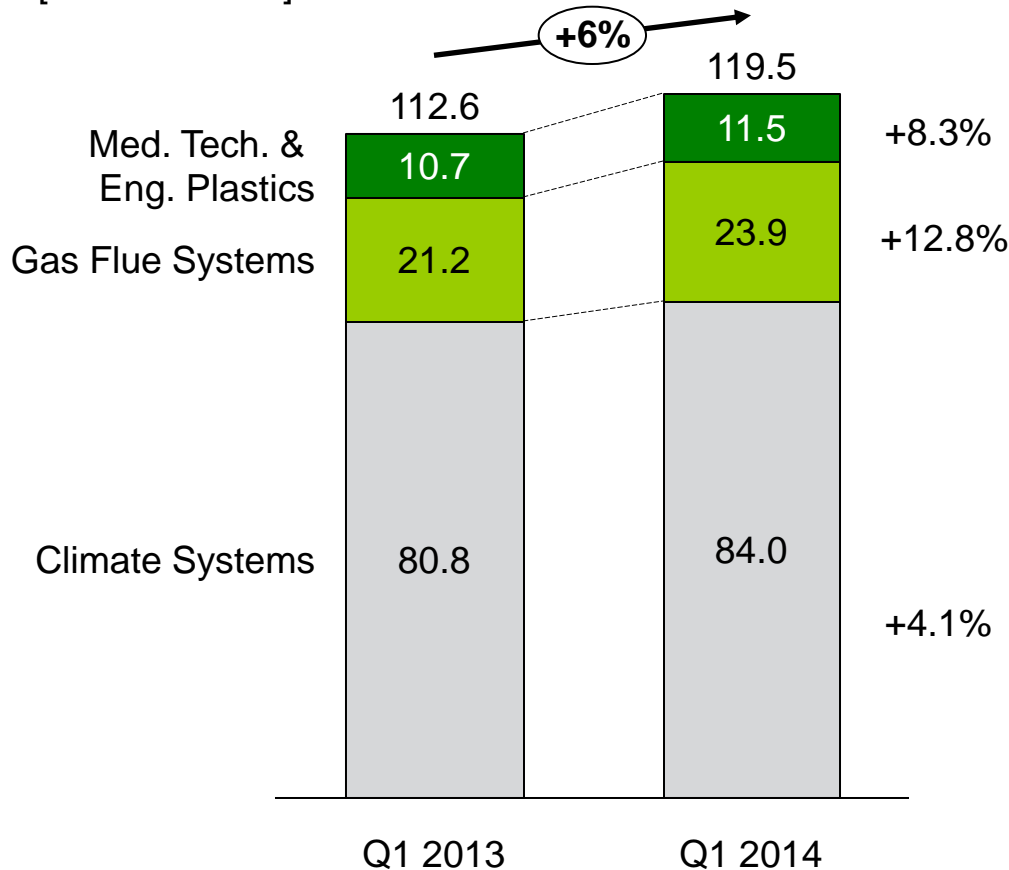


# Significant growth in all segments compared with weak first quarter of last year



## REVENUE DEVELOPMENT

by Segment  
[in EUR million]



## Drivers of Revenue Development

### General

- Friendly economic environment in Germany

### Climate Systems

- Market share gains with launch of new condensing boiler generation
- Slight growth in CHP systems, air handling units and heat recovery ventilation
- Poor development in air heating systems (typical replacement business) and spare parts

### Gas Flue Systems

- Strong performance in Dutch gas flue systems and building products

### Med. Tech. & Eng. Plastics

- Positive performance in almost all product groups

# Top line growth, but earnings burdened by an one-off-effect



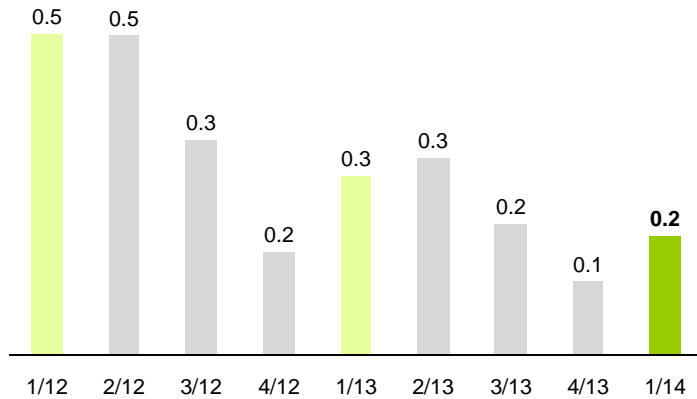
## KEY FINANCIAL FIGURES

	Q1/2013	Q1/2014	vs. 2013
	EUR million	EUR million	in %
Total revenue	112.6	<b>119.5</b>	6.1
Gross margin (in %)	54.7	<b>54.1</b>	
EBITDA	6.7	<b>7.1</b>	5.5
EBIT	2.0	<b>1.8</b>	(13.1)
EAT	0.2	<b>0.1</b>	(34.3)
EPS (in EUR; basic)	0.02	<b>0.02</b>	
Employees 31/12/ (in FTE)	2,903	<b>3,014</b>	3.8

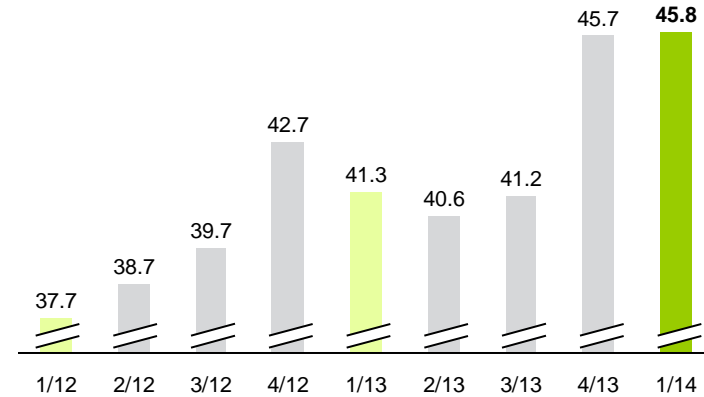
# Seasonal increase of Net Working Capital lower than before

## KEY BALANCE SHEET AND CASH FLOW RATIOS BY QUARTERS

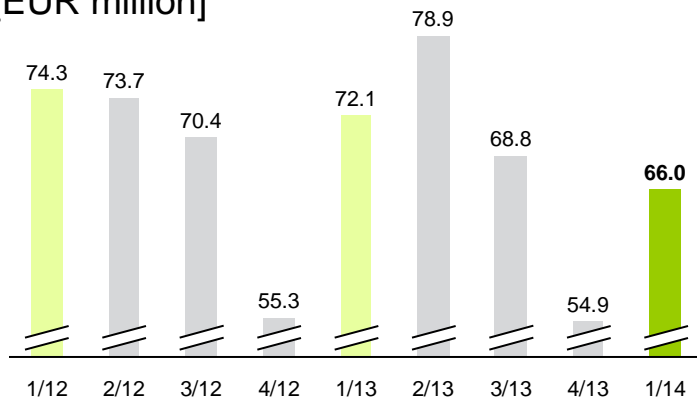
### Net Debt / Equity Ratio



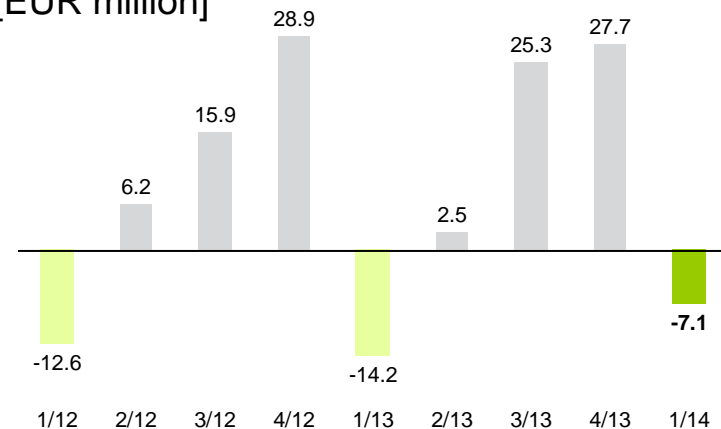
### Equity / Total Assets Ratio



### Net Working Capital [EUR million]



### Operating Cash Flow [EUR million]



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Wolf has introduced a brand-new line of condensing boilers that is highly efficient and ready for home automation

## PRODUCTS



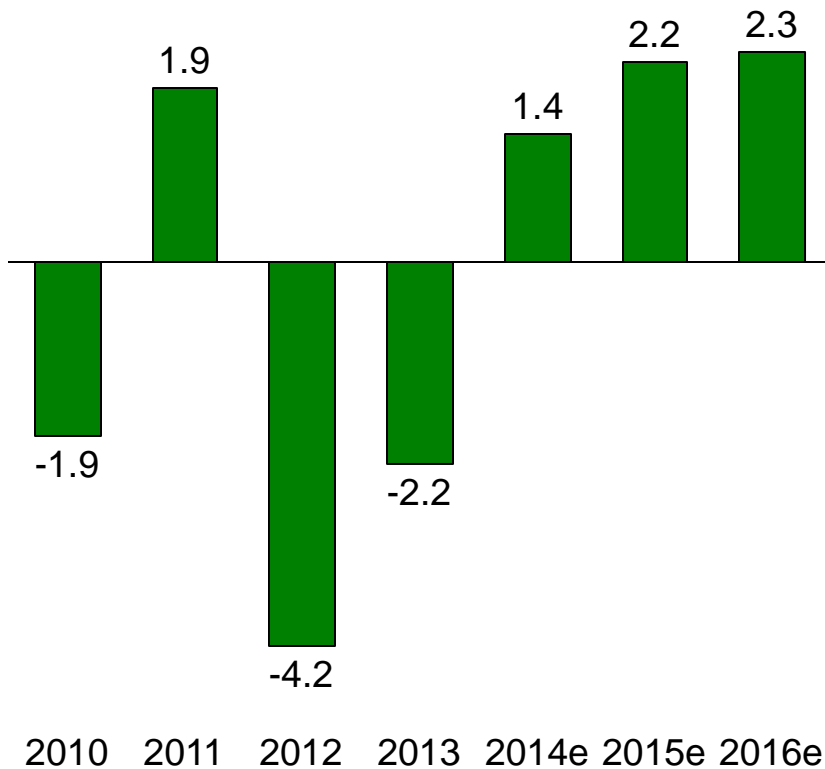
- efficient
- modern design
- easy to handle
- mobile regulation
- remote diagnostics
- part of house network (Smart home)

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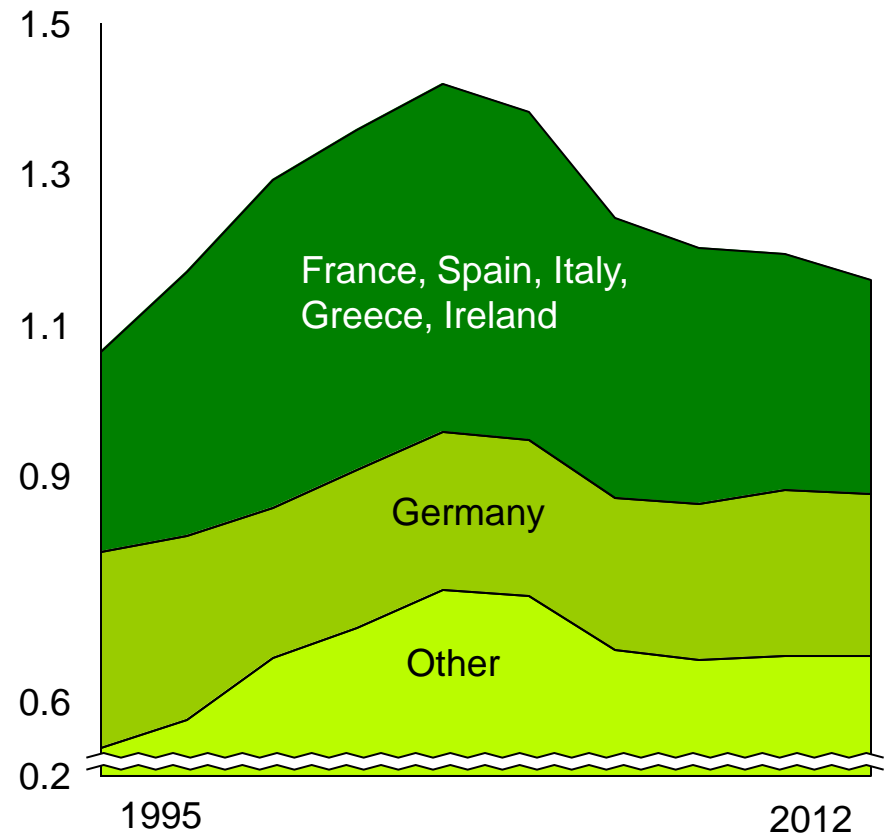
# Growth in Europe expected, but from a low level

## MARKET OUTLOOK

Development of Residential building volume in the European Union [in percent] 



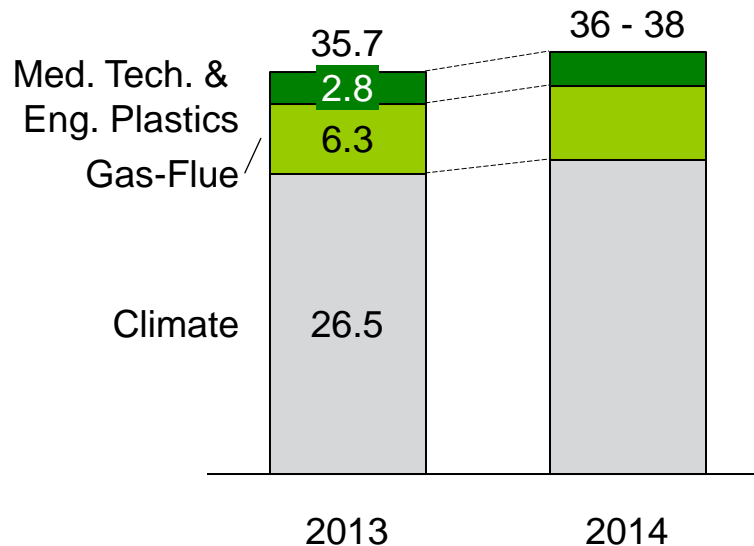
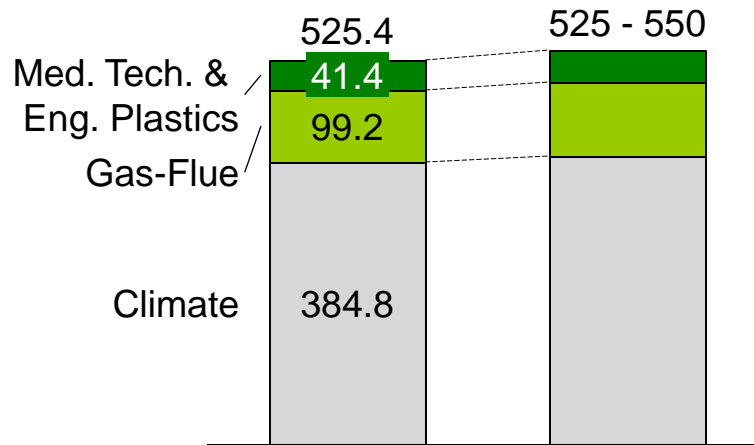
Total investment volume in construction in the European Union [in trillion EURO] 





# Overall friendly market outlook, but uncertainty over impact of regulatory changes in Germany for 2014

## OUTLOOK



### Overview

- First signs of economic improvement in European markets outside of Germany, but no stable trend visible
- Remaining uncertainty of regulatory changes for CHP Germany
- Overall, slight growth in revenues and earnings expected
- Q1 performance in line with guidance expectations

# Thank you !

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