



Media and Financial Analysts Meeting 2018

Carlo Gavazzi Holding AG

Media and Financial Analysts Meeting 2018
June 28, 2018



Media and Financial Analysts Meeting 2018

AGENDA FOR TODAY

WELCOME & OVERVIEW

Valeria Gavazzi

AUTOMATION COMPONENTS

Vittorio Rossi

FINANCIAL HIGHLIGHTS

Anthony Goldstein

Q&A



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Welcome

Valeria Gavazzi
Chairman



General Overview – Key Figures

Key figures

CHF million

	2017/18	2016/17	Δ CHF.
Bookings	153.6	137.7	+11.5%
Operating revenue	146.9	135.4	+ 8.5%



General Overview – Key Figures

Key figures

CHF million

	2017/18	2016/17	Δ CHF
R&D	8.3	6.8	+23.2%
EBIT	13.9	16.7	-16.8%
Net income	8.4	13.4	-37.3%



General Overview - Markets and Products

- ▼ Controls above last year – positive contribution from energy management products and monitoring relays
- ▼ Sensors: photoelectric and capacitive sensors drive growth
- ▼ Switches: increase driven by strong demand for RG platform
- ▼ Increased investments to strengthen Carlo Gavazzi's product portfolio and distribution



Challenges and Opportunities

- ▼ Healthy global economy
- ▼ Growth opportunities, particularly outside Europe
- ▼ Industry automation
- ▼ Strong demand for energy management solutions
- ▼ Volatile political environment





Dividend Pay-out

Ordinary dividend

- Bearer share
- Registered share

2018

CHF 12.00

CHF 2.40

2017

CHF 15.00

CHF 3.00



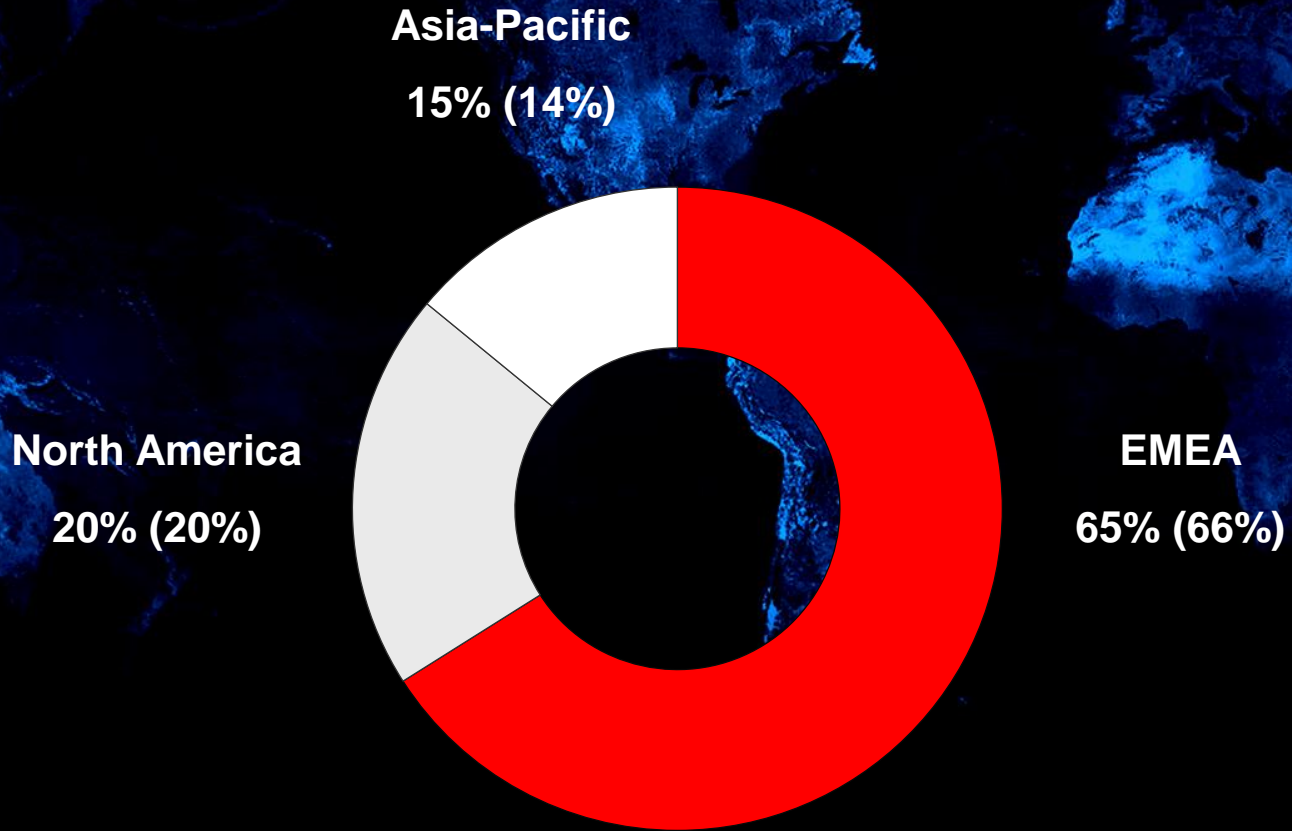
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Automation Components

Vittorio Rossi
CEO



2017/18 Revenue Distribution by Region





General Overview - Geography

▼ Revenues

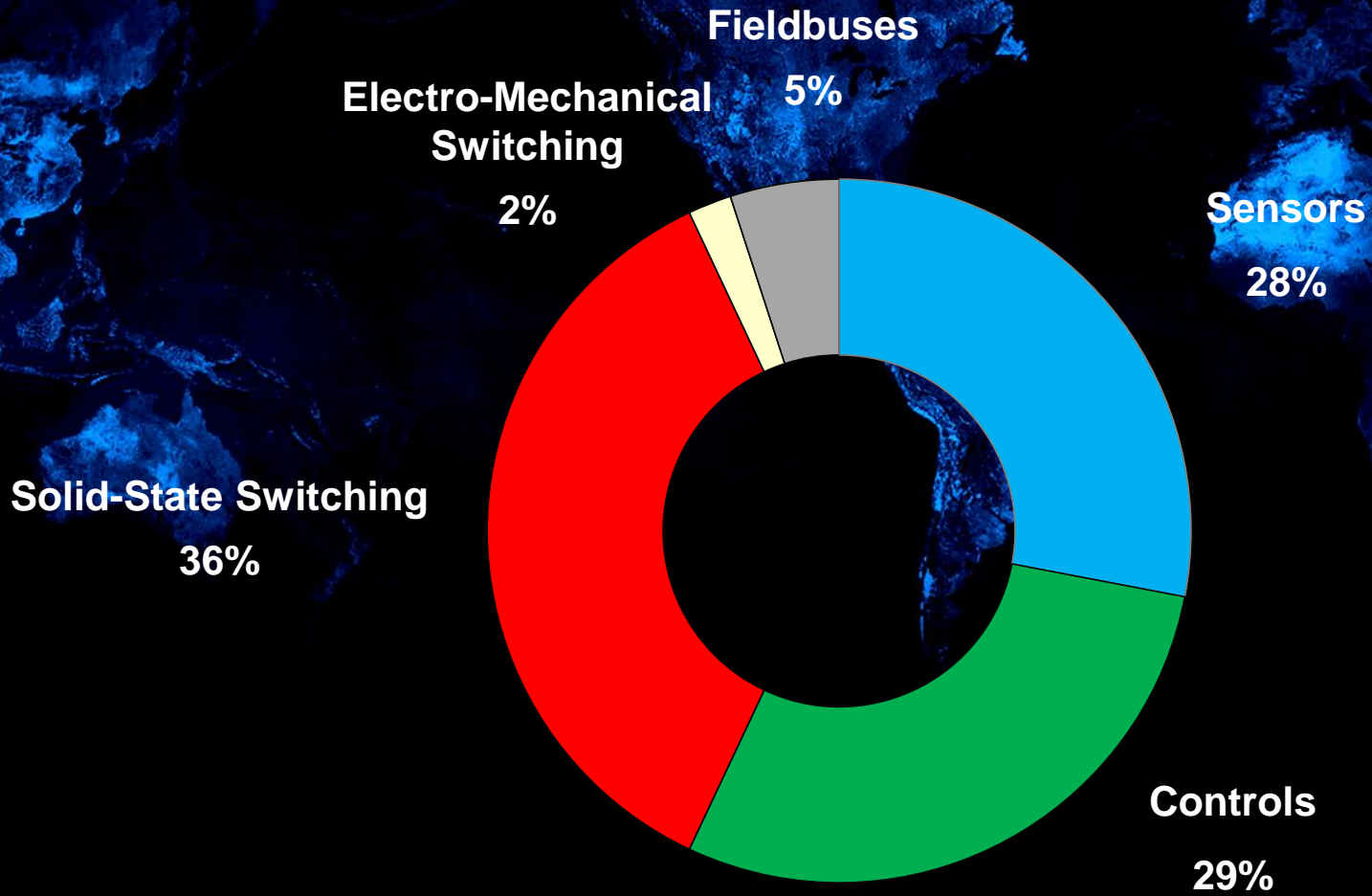
- Europe: +4.3%
- North America: +3.2%
- Asia-Pacific: +18.7%

▼ Business development focus

- Dedicated programs with distributors in North America
- Deployment of business development programs in China
- Exploit both direct sales presence and independent distributors network



2017/18 Revenue by Product Line



Product Innovation (1/4)

R&D Competence Centers

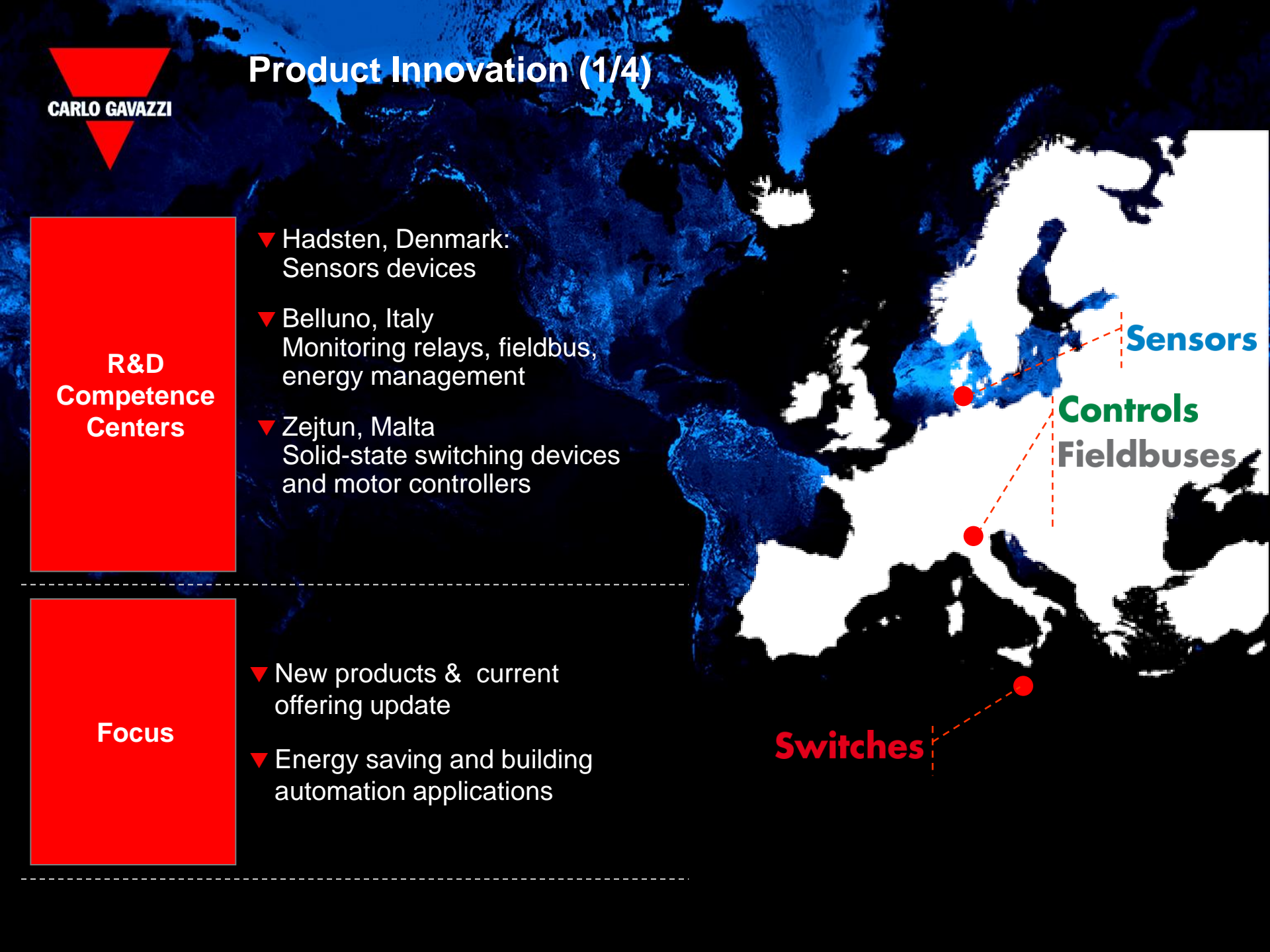
- ▼ Hadsten, Denmark: Sensors devices
- ▼ Belluno, Italy: Monitoring relays, fieldbus, energy management
- ▼ Zejtun, Malta: Solid-state switching devices and motor controllers

Focus

- ▼ New products & current offering update
- ▼ Energy saving and building automation applications

Switches

Sensors
Controls
Fieldbuses





Product Innovation (2/4)



Capacitive sensors

CD34 series



Product Innovation (3/4)



Solid state relays

RK series



Product Innovation (4/4)



Dali controller module
SB2DALIT8230

Outlook

- ▼ More volatile global economy
- ▼ Rising political uncertainties
- ▼ Positive outlook for global industrial manufacturing
- ▼ Growth opportunities in major markets, particularly outside Europe
- ▼ Continued strengthening of product portfolio through substantial investments in R&D, sales and marketing.



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Financial Highlights 2017/18

Anthony M. Goldstein
Chief Financial Officer

Income Statement

(in CHF million)

	2017/18	2016/17	Change
Bookings	153.6	137.7	+11.5 %
Operating revenue	146.9	135.4	+ 8.5 %
Gross profit	79.4	74.7	+ 6.3 %
▪ in % of revenue	54.1 %	55.1 %	
Net financial income (expense), net	- 1.0	0.2	
EBITDA	17.4	20.0	- 13.0 %
EBIT	13.9	16.7	- 16.8 %
▪ in % of revenue	9.5 %	12.4 %	
Earnings before taxes	12.9	16.9	- 23.7 %
Net income	8.4	13.4	- 37.3 %
▪ per bearer share (CHF)	11.81	18.84	

Analysis of net income

(in CHF million)

	2017/18	2016/17
Net income	8.4	13.4
Add exchange loss	1.0	-
Less exchange gain	-	(0.2)
Less arbitration proceeds	-	(2.4)
Adjusted net income	9.4	10.8



Balance Sheet

(at March 31, in CHF million)

Current assets

- whereof cash

Non-current assets

- whereof goodwill

Liabilities

- whereof interest-bearing

Shareholders' equity

- equity ratio

Total

2018

113.5

50.7

23.4

6.6

37.6

-

99.3

72.5 %

136.9

2017

105.5

49.1

23.7

6.2

34.1

0.1

95.2

73.6 %

129.3

Δ CHF

+ 8.0

+ 1.6

- 0.3

+0.4

+ 3.5

- 0.1

+ 4.1

+ 7.6

Shareholders' Equity

(in CHF million)

Shareholders' equity at the beginning
of the reporting period

▪ equity ratio

Net income

Currency impact

Dividends

Other

Shareholders' equity at March 31

▪ equity ratio

ROE

ROCE

2018

95.2

73.6 %

8.4

+5.5

- 10.6

+ 0.8

99.3

72.5 %

8.5 %

28.6 %

2017

91.4

72.9 %

13.4

- 1.3

- 8.5

+ 0.2

95.2

73.6 %

14.1 %

36.2 %

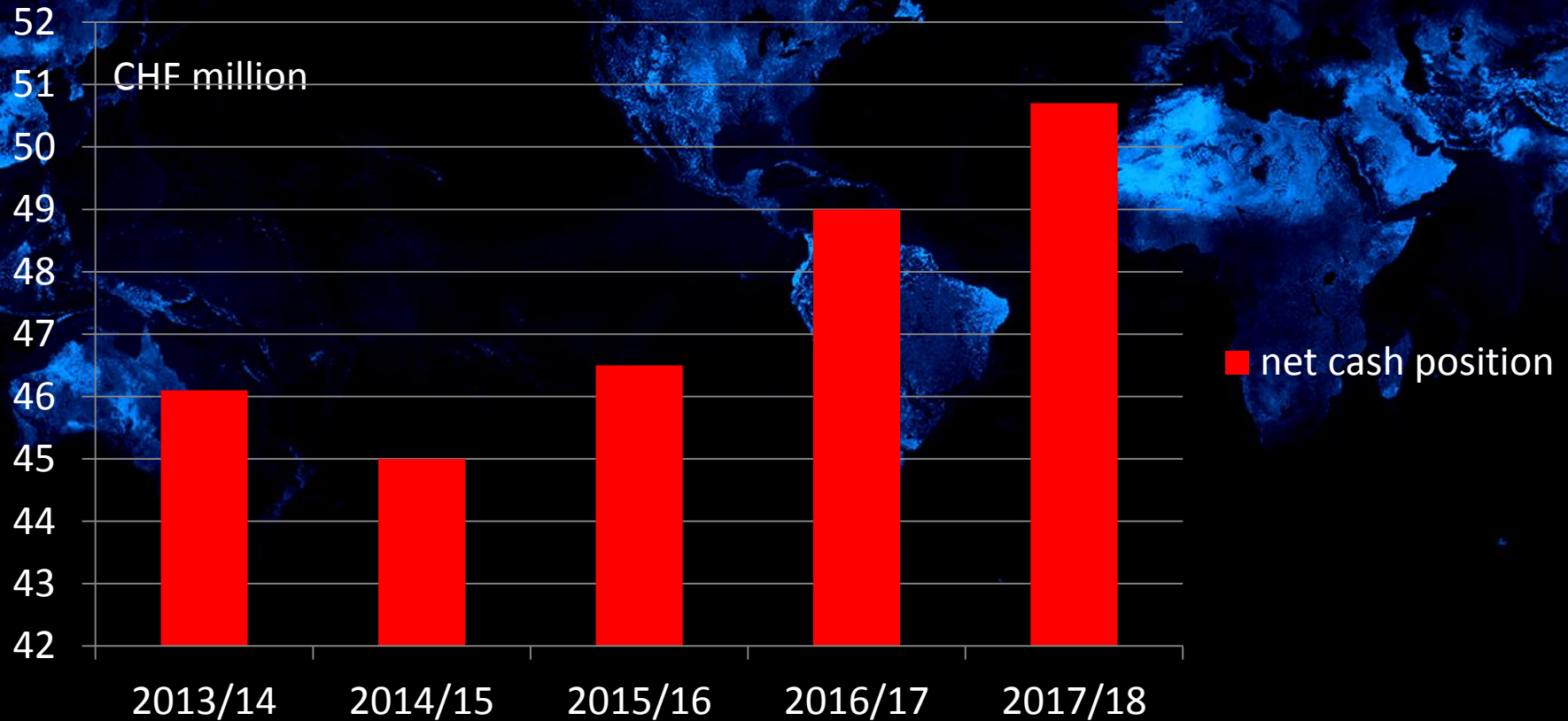
Cash Flow Summary

(in CHF million)

	2017/18	2016/17
Cash flow from operating activities	+13.4	+14.3
Cash flow from investing activities	- 2.9	- 2.8
Cash flow from financing activities	- 10.8	- 8.6
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Change in cash and cash equivalents	- 0.3	+2.9

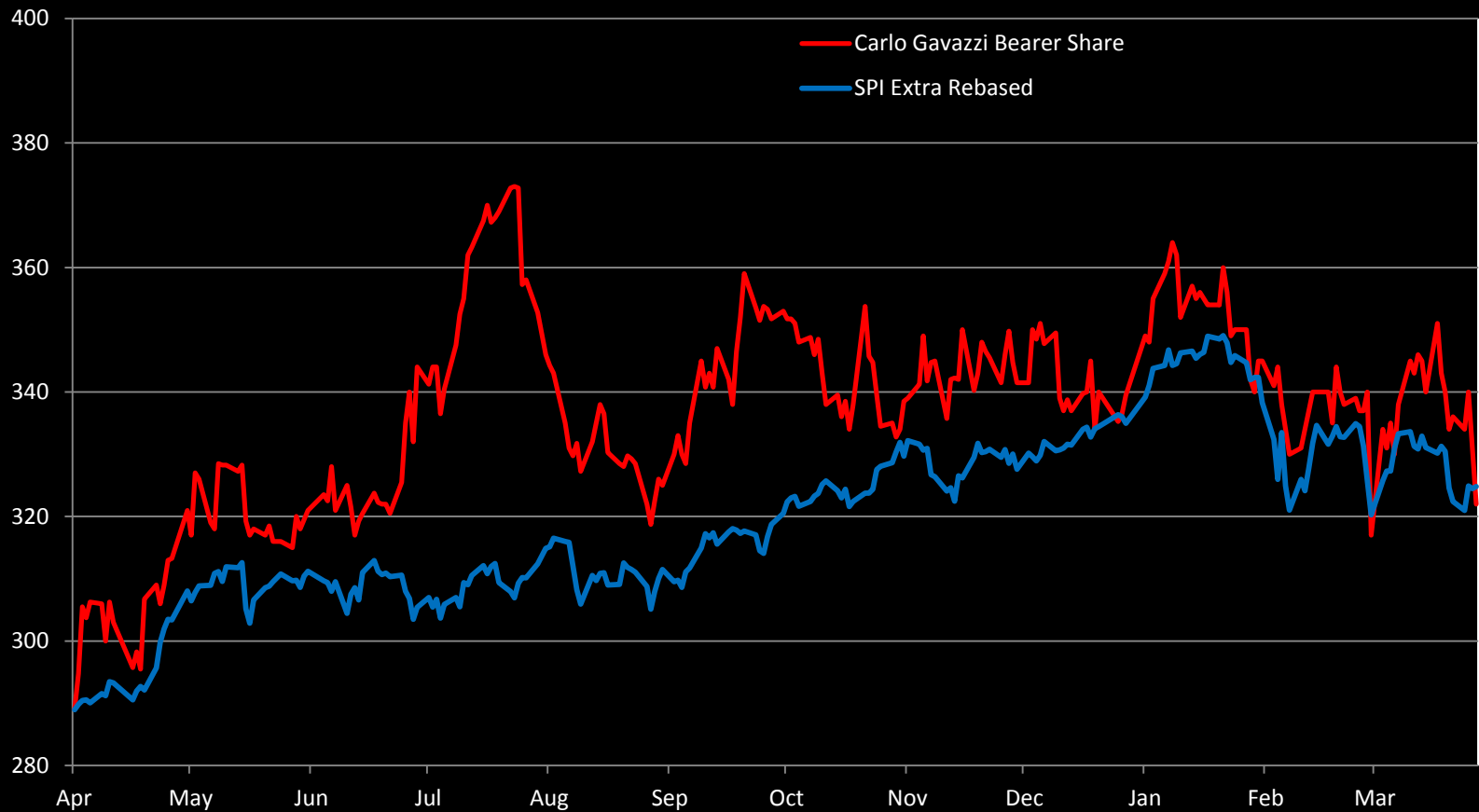


Net Cash Position



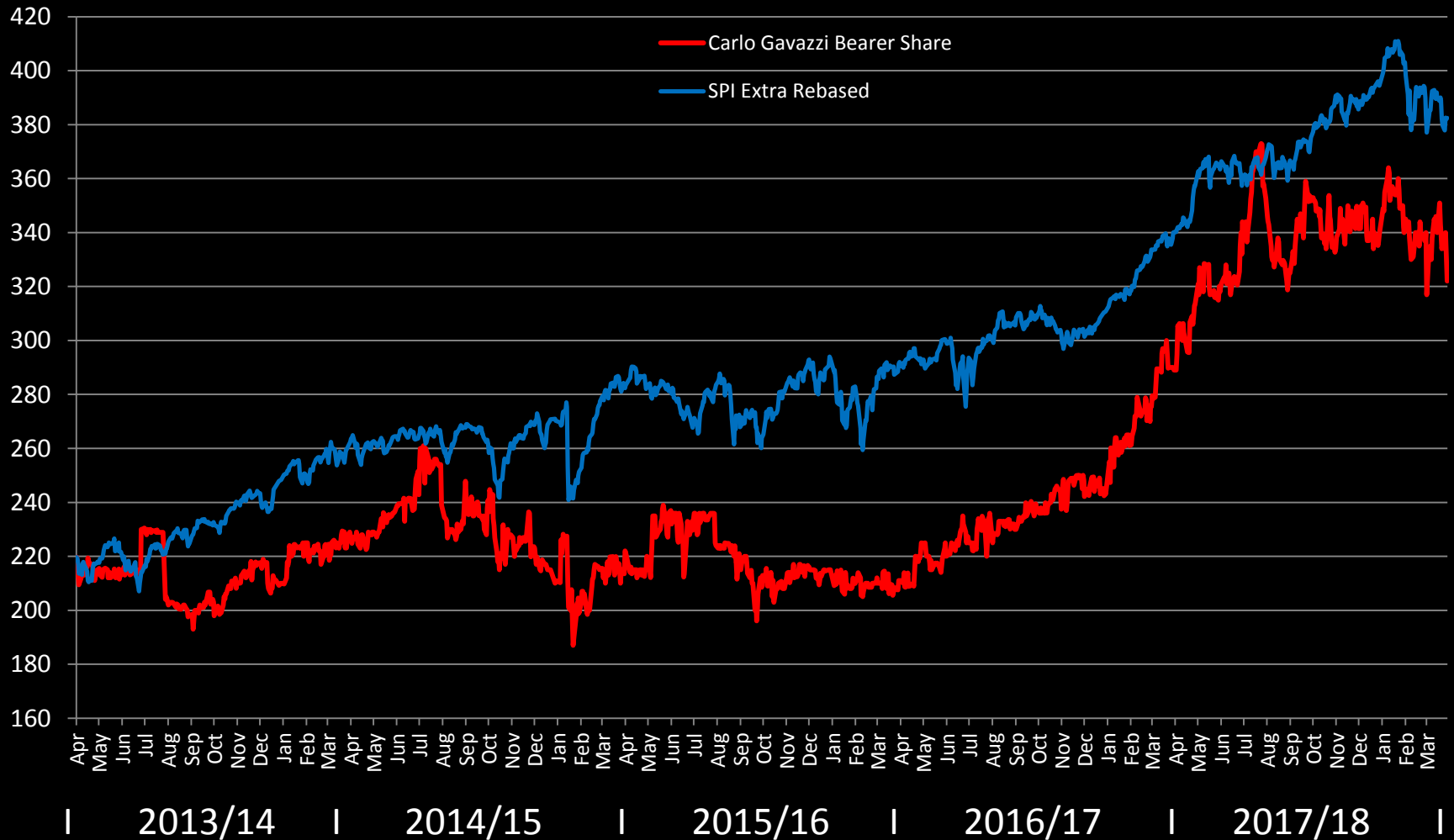


Share Price Development 1.4.2017 – 31.3.2018





Share Price over 5 Years





CARLO GAVAZZI