

Investora Zürich September 30, 2015

# Carlo Gavazzi Holding AG

Electronic equipment for industrial and building automation



#### **Disclaimer and cautionary statement**

This presentation contains statements that may constitute forward-looking statements, including, but not limited to, statements relating to the implementation of strategic initiatives, and other statements relating to the Carlo Gavazzi Group's 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. These factors include, but are not limited to:

- general market, macro-economic, governmental and regulatory trends
- movements in currency exchange rates and interest rates
- competitive pressures
- technological developments
- changes in the financial position or credit worthiness of our customers and counterparties as well as developments in the markets in which they operate
- management changes and changes to our business structure and
- other key factors that we have indicated could adversely affect our business and financial performance which are contained in other parts of this document and in our past and future filings and reports, including those filed with the SIX Swiss Exchange.

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CARLO GAVAZZI GROUP



Carlo Gavazzi is an international group active in designing, manufacturing and marketing electronic equipment targeted at the global markets of industrial and building automation.



#### **Income Statement**

in CHF million)	2014/15	2013/14	Change
Bookings	136.6	141.3	- 3.3 %
Operating revenue	137.2	140.5	- 2.3 %
Gross profit	75.9	78.1	- 2.8 %
In % of revenue	55.3 %	55.6 %	
Net financial income (exp.), net	1.0	(0.9)	
EBITDA	18.1	19.0	- 4.7 %
EBIT	14.8	15.7	- 5.7 %
In % of revenue	10.8 %	11.1 %	
Earnings before taxes	15.8	14.7	+ 7.5 %
Net income	12.3	11.2	+ 9.8 %
per bearer share (CHF)	17.26	15.69	



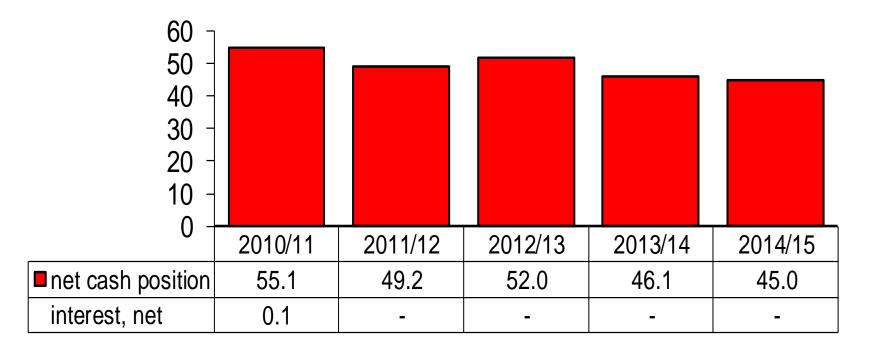
#### **Balance Sheet**

(at March 31, in CHF million)	2015	2014	$\Delta CHF$
<ul><li>Current assets</li><li>whereof cash</li></ul>	<b>97.2</b>	<b>105.4</b>	<b>- 8.2</b>
	45.8	47.1	- 1.3
<ul> <li>Non-current assets</li> <li>whereof goodwill</li> </ul>	<b>23.6</b>	<b>23.2</b>	<b>+ 0.4</b>
	6.1	6.7	- 0.6
<ul><li>Liabilities</li><li>whereof interest-bearing</li></ul>	<b>32.4</b>	<b>35.4</b>	<b>- 3.0</b>
	0.8	1.1	- 0.3
Shareholders' equity <ul> <li>equity ratio</li> </ul>	<b>88.5</b> 73.2 %	<b>93.2</b> 72.5 %	- 4.7
Total	120.8	128.6	- 7.8

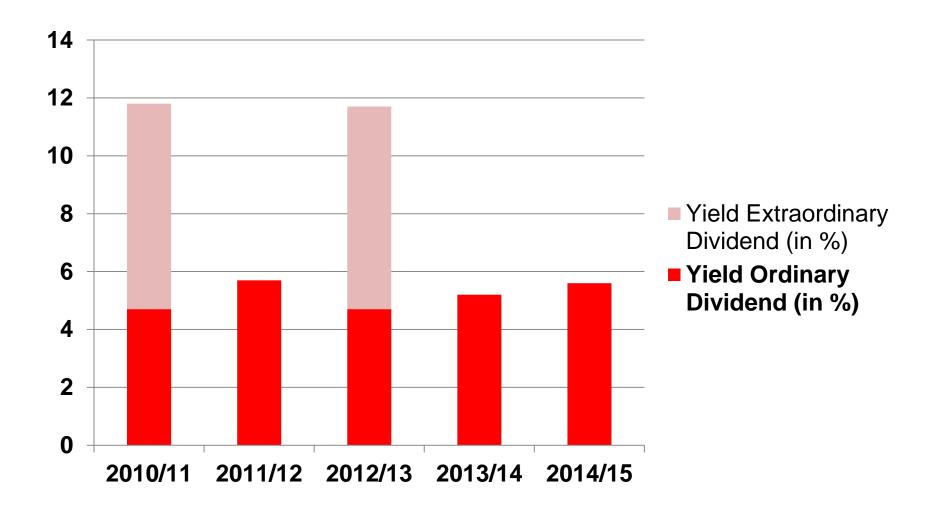


#### **Net Cash Position**

## **CHF** million

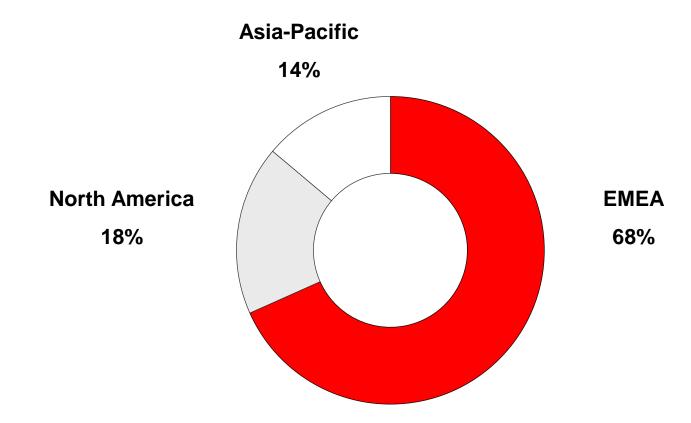






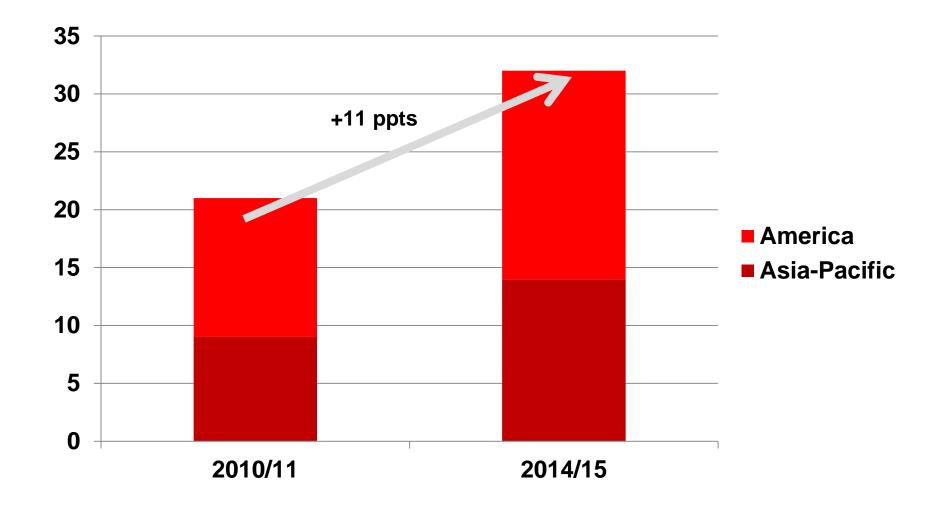


# Automation Components 2014/15 Revenue Distribution by Region



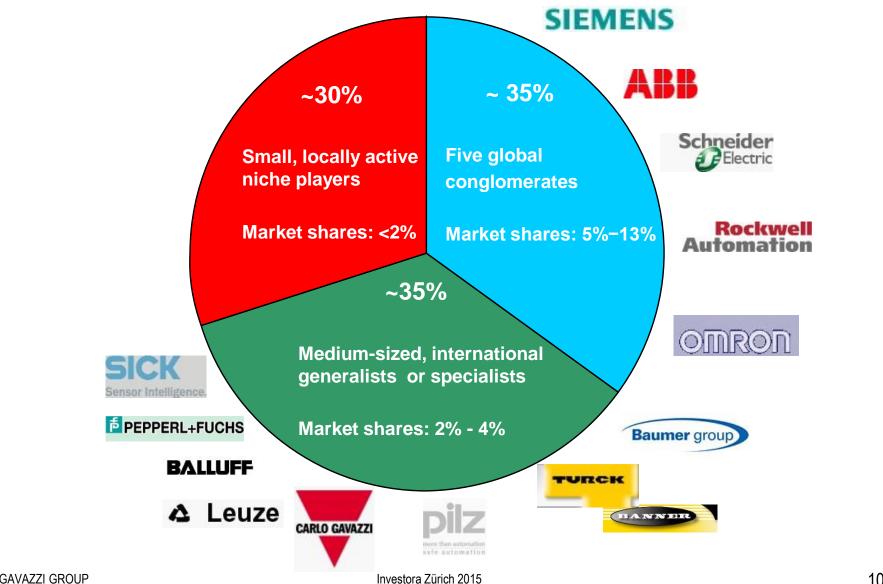


# Automation Components Share of Revenue outside Europe (% of total Revenue)



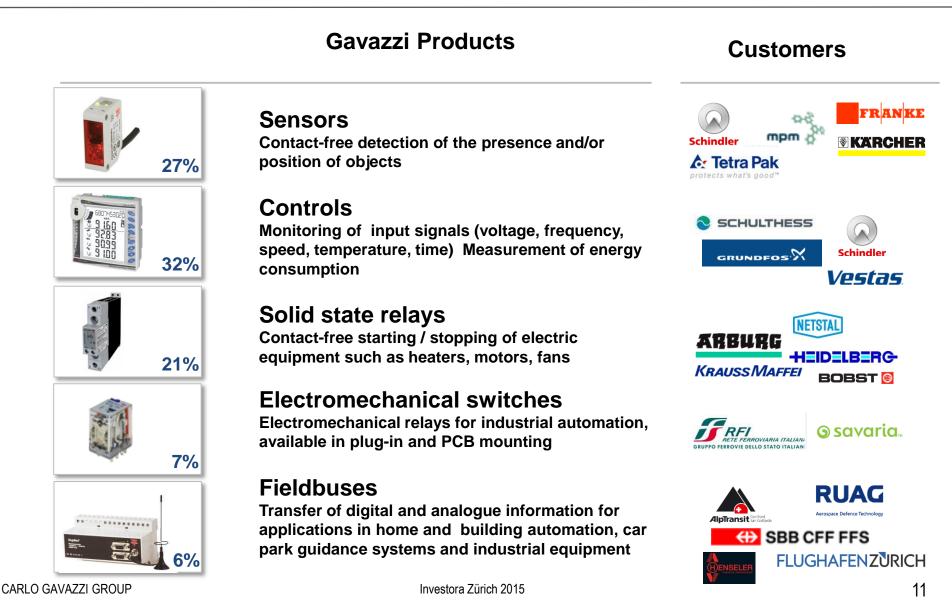


#### **Automation Components** Estimated relevant market volume 2015: ca. CHF 10 bn

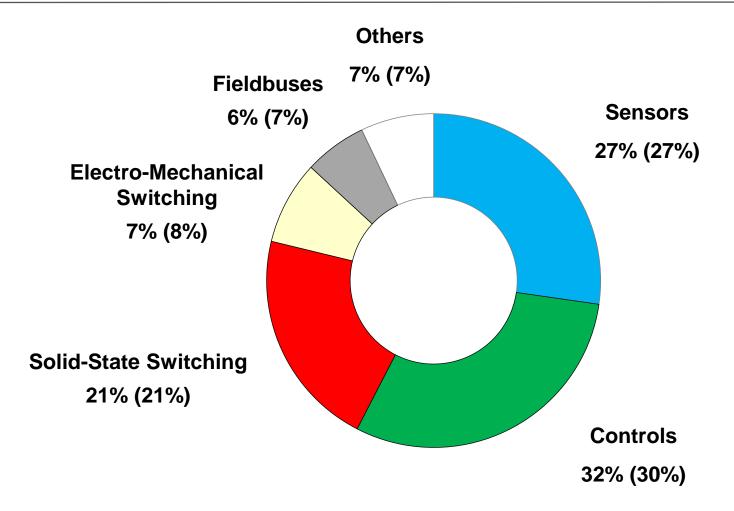




# Automation Components 2014/15 Sales by product categories





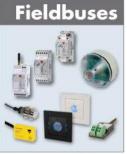




#### **Broad-based product range**

Ca. 12'000 product specifications

High degree of customization



Feldbus-Komponenten Dupline Safe Bewässerungssysteme Haus und Gebäude Automatisierung Parkleitsystem Bausteine für den Aufzug



Überwachungsrelais Zeitrelais Zähler Digitale Einbaumessgeräte Modulare Energiezähler und Netzanalysatoren Software und Zubehör PV-Überwachungssystem Sicherheitsmodule Schaltnetzteile Mess- und Stromwandler



Halbleiterrelais /-schütze Motor-Softstarter Frequenzumrichter Endschalter Schalter, Taster und Signalleuchten Motorschutzgerät

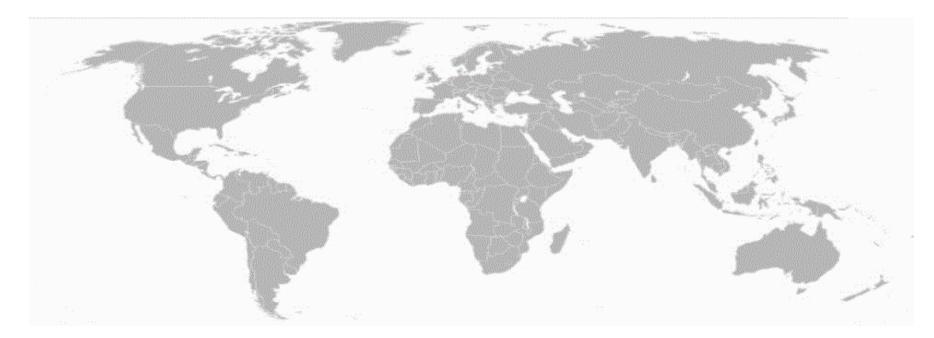


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- Own sales companies in 22 countries
- Around 60 independent national distributors
- ▼ No customer with sales >1% of total revenue





# Automation Components Market Segmentation

Nine Priority Segments	<ul> <li>Smart Building</li> <li>Heating, Ventilation, AC</li> <li>Entrances and Doors</li> <li>Elevators and Escalators</li> <li>Energy</li> </ul>	<ul> <li>Plastic Materials Machinery</li> <li>Food and Beverage</li> <li>Packaging</li> <li>Agriculture</li> </ul>		
Selection Criteria	<ul> <li>✓ Market potential of priority markets &gt; € 200 Mio</li> <li>✓ Growth above market</li> <li>✓ Multiple components</li> </ul>			
Strategy and mid-term Goal	<ul> <li>Market / applications specialist</li> <li>Multi product solutions CAGR &gt;7<sup>o</sup></li> </ul>	%		



# Automation Components (ACBU) Product Innovation (1/5)

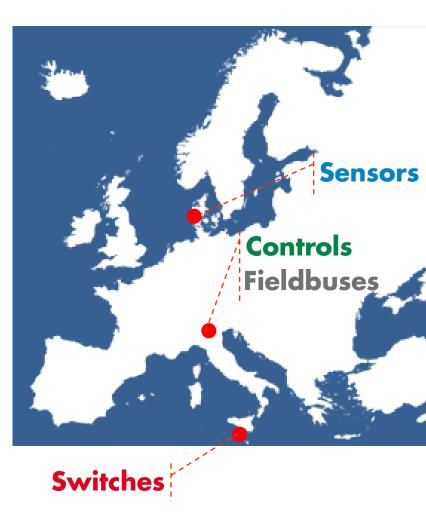
R&D Competence Centers  Hadsten, Denmark: Sensor devices

 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





## **Product Innovation (2/5)**





Wash down inductive sensors **ICS series** 



## **Product Innovation (3/5)**





Centrifugal pump soft starter

### **RSWT** series



## **Product Innovation (4/5)**

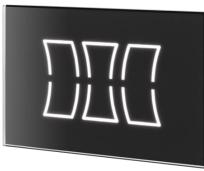


> Single-phase energy meters and analysers with touch tech display **EM100 series**



## **Product Innovation (5/5)**







Programmable glass touch switches and thermostats

**Glass switches series** 



- ACBU aims to increase revenues at a higher rate than market growth
- **The strategy to achieve this challenging goal is based on:** 
  - Consolidation of today's business
  - Entry in new markets exploiting organic growth



- Long-term oriented family enterprise
- Sound financials: cash flow, balance sheet, dividends
- **v** Robust business / Focus on 9 priority segments
- **v** No dependence on a single product or customer
- Promising pipeline of new or enhanced products



# Thank you!