



# *General Shareholders' Meeting*

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**APRIL 2015**



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*Preview of the 1Q  
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# Group Results 2014

# 2014 CIE GROUP RESULTS

(€ Mio)	31/12/2013	%	31/12/2014
Turnover	1,760.3		2,209.5
Adjusted Turnover (*)	1,696.0	<b>+27 %</b>	2,160.3
EBITDA (**)	240.1	<b>+21%</b>	290.9
% EBITDA on adjusted turnover	14.2%		13.5%
EBIT (**)	150.4	<b>+15%</b>	172.2
% EBIT on adjusted turnover	8.9%		8.0%
Profit for the year	77.9		98.1
Net Income (**)	60.1	<b>+35%</b>	81.0

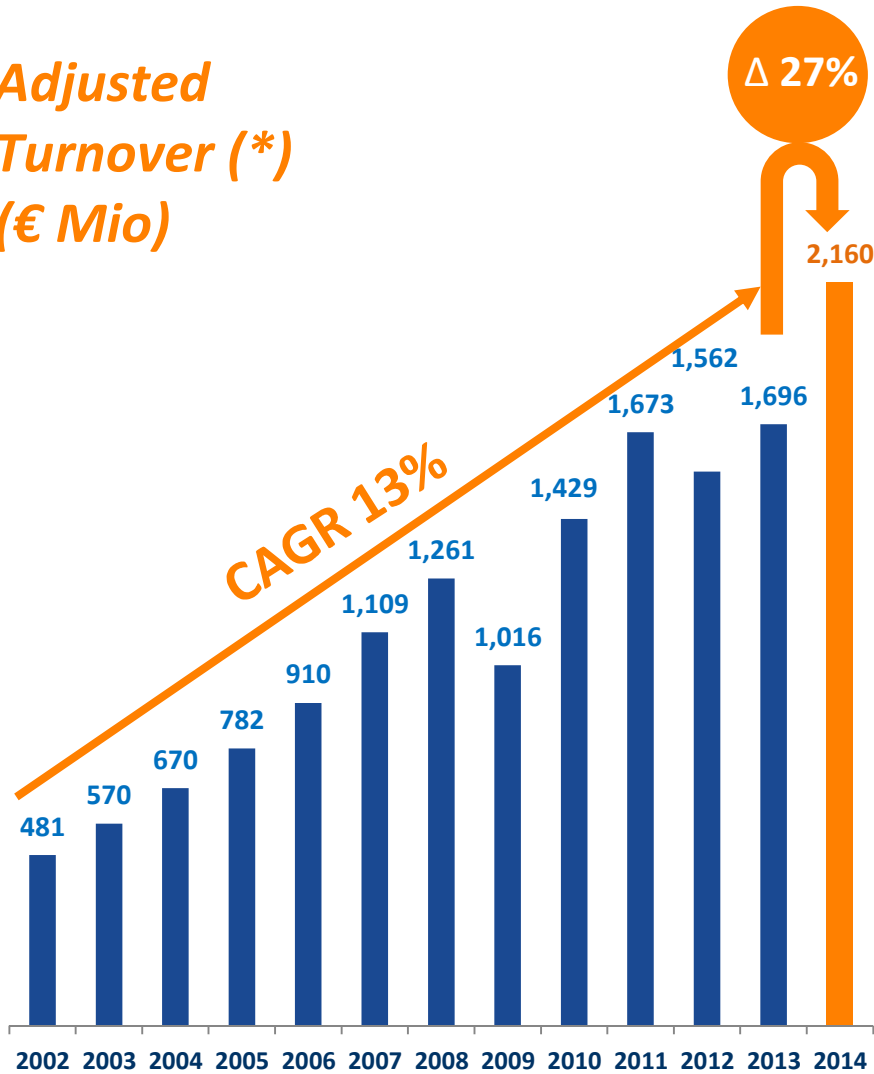
(\*) Proforma value calculated by deducting turnover of diesel oil used for blending.

(\*\*) EBITDA: Net Operating Income + Depreciation, EBIT: Net Operating Income, Net Income: Profit attributable to the company's shareholders.

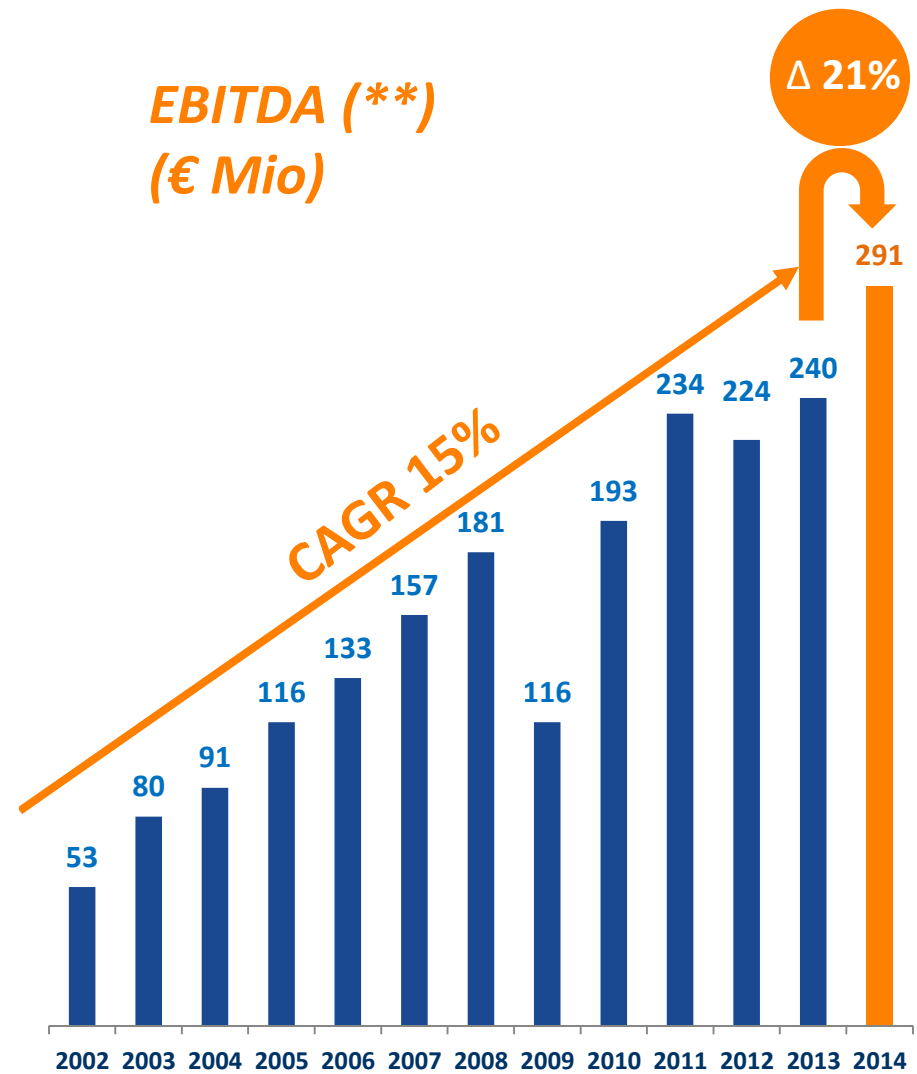
Notes: In the aim of assuring the information's transparency and clarity, please review this comparison against CIE's published results at 31.12.2013. See the Appendix hereto which includes the P&L reconciliation for 31.12.2013 and a comparison with that included in CIE's financial statements as of 31.12.2014. The information is different due to the fact that according to accounting principles, specific impacts in the different sections of the P&L coming from companies jointly controlled have to be eliminated.

# SUSTAINED AND PROFITABLE GROWTH

**Adjusted  
Turnover (\*)  
(€ Mio)**



**EBITDA (\*\*)  
(€ Mio)**



(\*) From 2006 to 2014, proforma value calculated by deducting turnover of diesel oil used for blending.

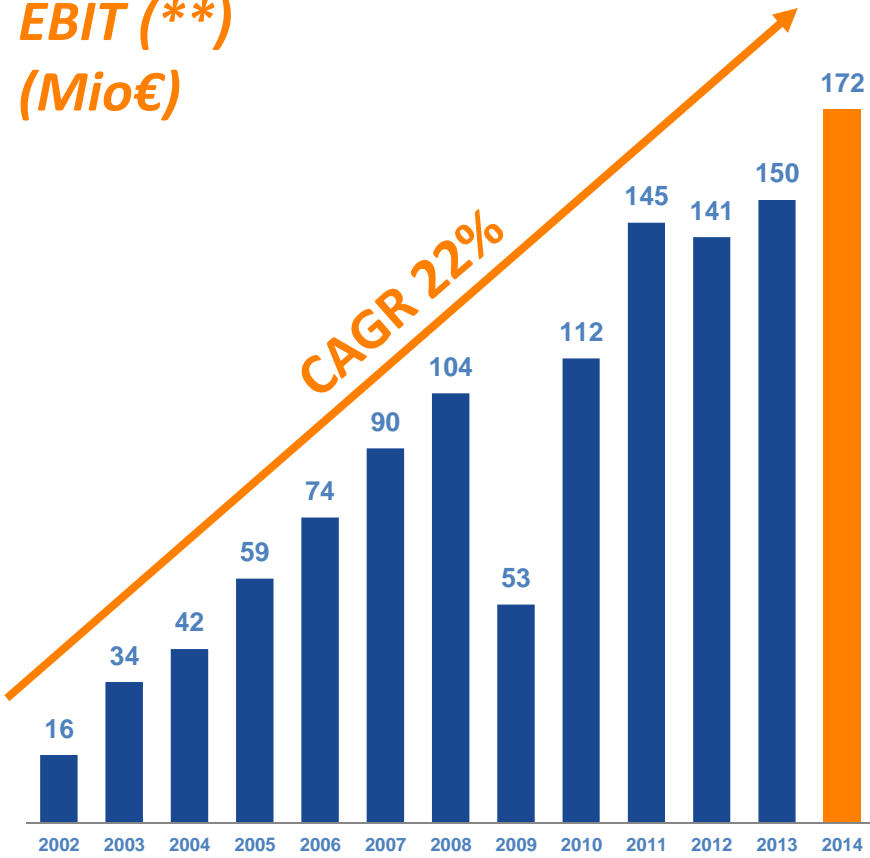
(\*\*) EBITDA: Net Operating Income + Depreciation.

CAGR (Compound Annual Growth Rate)

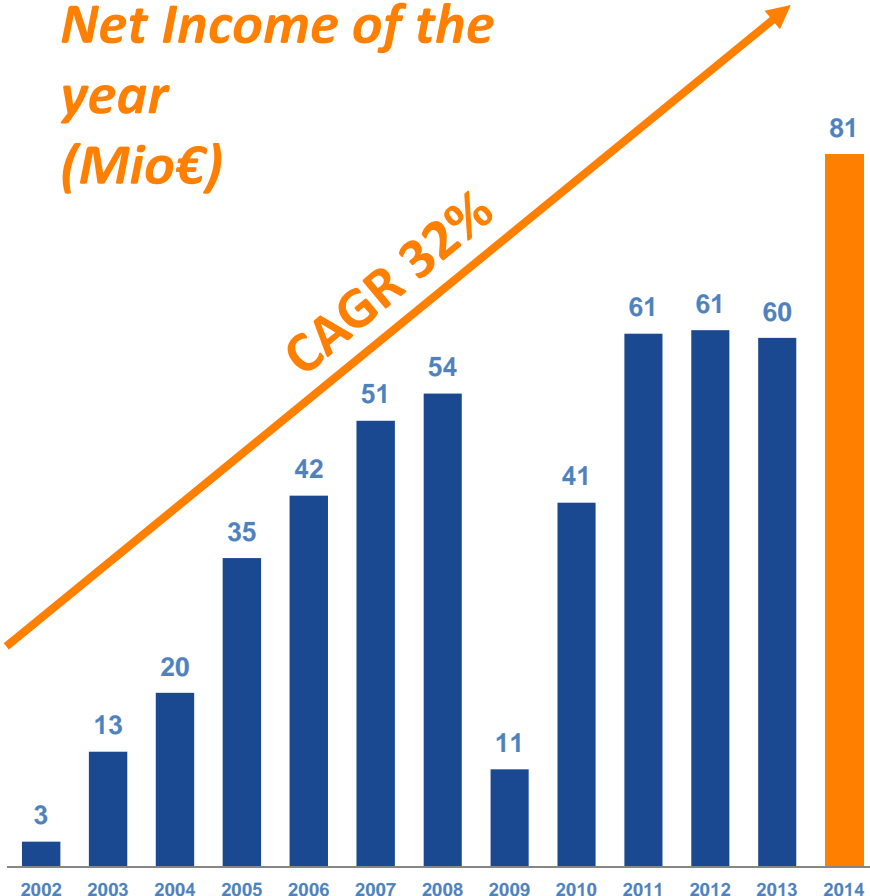
# SUSTAINED AND PROFITABLE GROWTH



**EBIT (\*\*)**  
**(Mio€)**



**Net Income of the year**  
**(Mio€)**



(\*\*) EBIT: Net Operating Income.

CAGR (Compound Annual Growth Rate)





# Balance Sheet



# BALANCE SHEET

**31st DECEMBER**

<i>Million Euros</i>	<b>2013</b>	<b>2014</b>
Fixed Assets	1,233.8	1,897.7
Net Working Capital	(102.1)	(154.1)
<b>Total Net Assets</b>	<b>1,131.7</b>	<b>1,743.6</b>
Equity	562.8	861.6
Net Financial Debt (*)	574.5	720.6
Others (Net)	(5.6)	161.4
<b>Total Equity and Liabilities</b>	<b>1,131.7</b>	<b>1,743.6</b>

(\*) Net Financial Debt = Debt with banks and other financial institutions – Cash and equivalents.



# RETURN ON ASSETS

## ***PROGRESSING TOWARDS THE CHALLENGE RONA <sup>(1)</sup> ≥ 20%***

- Maintenance investment <sup>(2)</sup> stands at around 75% of total depreciation
- Operating Cash Flow Generation<sup>(3)</sup> stands at around 50% of EBITDA

(1) RONA: EBIT / Net assets (Fixed Assets + Net Working Capital – Goodwill not associated to cash flows).

(2) Maintenance investment: the one implying a renovation of facilities to face markets natural growth.

(3) Operating Cash Flow = EBITDA - Financial expenses – Maintenance investment - Tax payments.

A person in a dark suit is pointing with a black pen at a line graph on a document. The document also features a bar chart. The scene is dimly lit with a warm, orange glow. In the background, other people are blurred, suggesting a meeting or office environment.

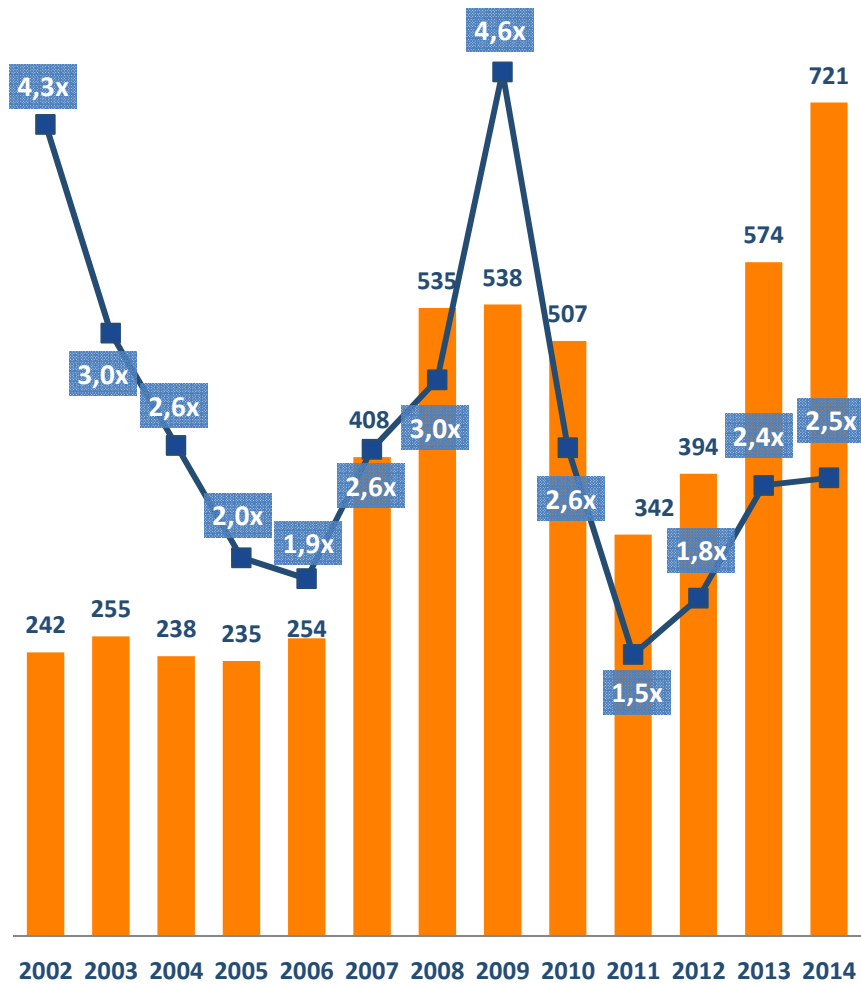
01.b

# Financial Resources Management

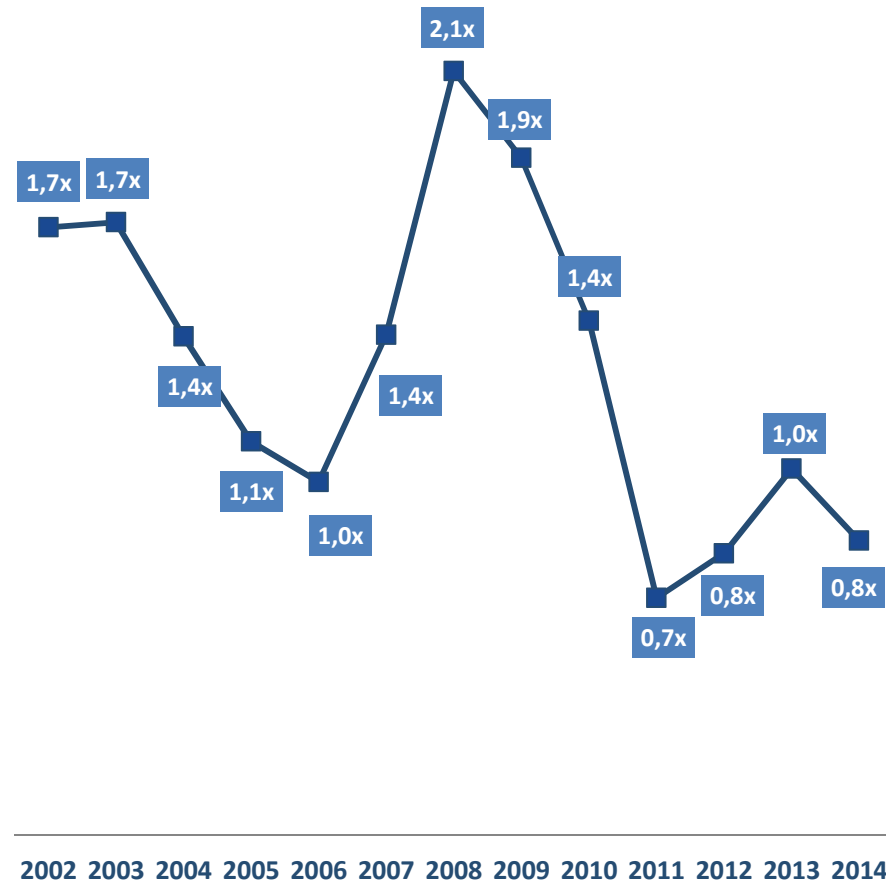
# FINANCIAL POSITION 2014

## NET FINANCIAL DEBT PERFORMANCE

NFD/EBITDA (\*) (x)



NFD/Equity (\*) (x)



(\*) Net Financial Debt = NFD = Debt with banks and other financial institutions – Cash and equivalents, EBITDA: Net Operating Income + Depreciation.

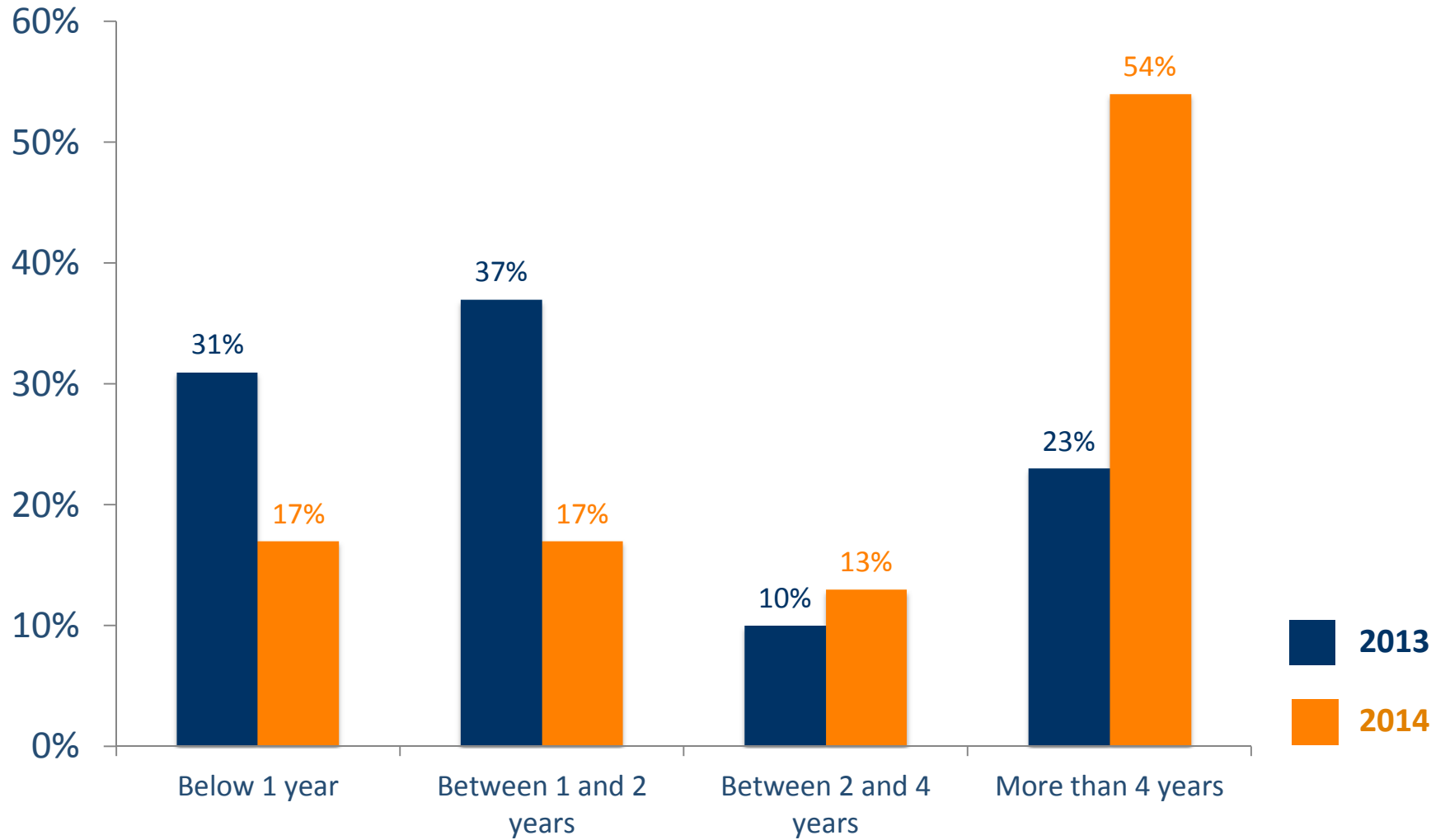
# FINANCIAL DEBT STRUCTURE

	Amount	Maturity	Characteristics
<b>Syndicated Loan</b>	≈ € 450mio	5 years bullet	<ul style="list-style-type: none"> <li>- In Euros</li> <li>- Rates related to NFD/ EBITDA ratio</li> <li>- Partially swapped to fixed rate</li> </ul>
<b>EIB</b>	≈ € 100mio	7 years, with 2 years grace	<ul style="list-style-type: none"> <li>- In Euros</li> <li>- Partially swapped to fixed rate</li> </ul>
<b>Bancomext</b>	≈ € 100mio	7 years, with 2 years grace	<ul style="list-style-type: none"> <li>- In Dollars</li> <li>- Partially swapped to fixed rate</li> </ul>
<b>Others</b>	≈ € 450mio	Miscellaneous	<ul style="list-style-type: none"> <li>- Debt composed of bilateral terms (mainly local), credit lines, working capital financing, and so on</li> </ul>
	≈ € 1,100mio	<b>Gross Financial Debt</b>	
<b>Cash and Equivalents</b>	≈ € 400mio		
	≈ € 700mio	<b>Net Financial Debt</b>	

*Without recourse factoring at 31.12.2014 amounts € 202mio*



# GROSS FINANCIAL DEBT MATURITY



A blurred photograph of a busy city street at dusk or dawn, with a strong orange and red color cast. The scene shows pedestrians in motion, a traffic light, and a modern building with large glass windows in the background. The overall atmosphere is one of a fast-paced urban environment.

# U i Corporate O Transactions

# 2014 MAIN CORPORATE TRANSACTIONS

## Development of Greenfields:



Forjas Celaya



Nanjing Crankshaft



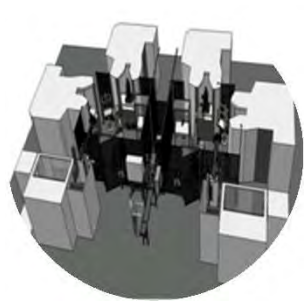
Samara



Celaya 2



Pernambuco



Matic 2



Z`BAD



Pemsa Transfer



# 2014 MAIN CORPORATE TRANSACTIONS



## Mergers and Aquisitions

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100%  
acquisition of  
**Autometal**

Broadening  
**Dominion**  
perimeter

Closing of  
**Mahindra CIE**  
transaction





p.10 Awards

# AWARDS 2014



## Building a reputation:

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Volkswagen



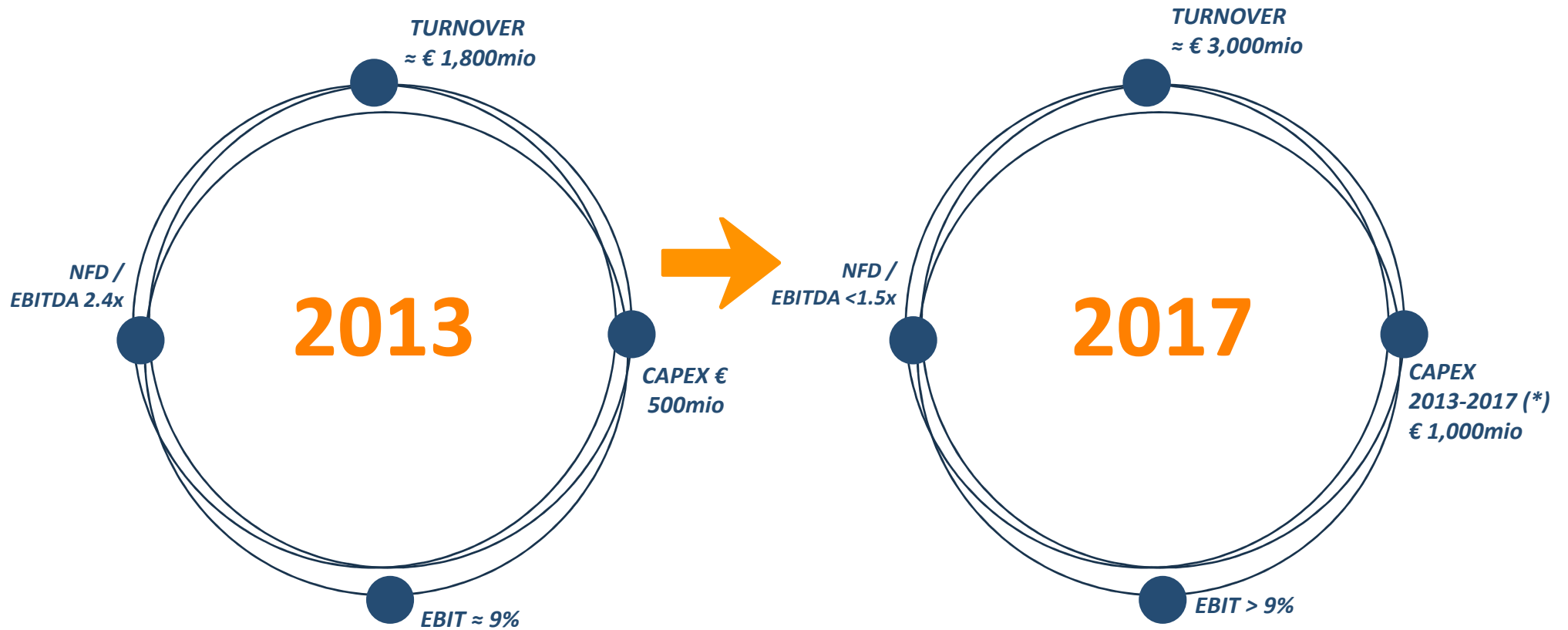
02

# Strategic commitment 2013-2017



# STRATEGIC COMMITMENT 2013-2017:

REAFFIRMING OUR STRATEGY



(\*)Maintenance investment ≈ € 500mio

Greenfields ≈ € 250mio

Inorganic growth ≈ € 250mio (mainly Mahindra CIE )



## Key factors of the project for 2015 are:

**Market share  
increase additional  
to European market  
growth**

**CIE standards  
achievement in  
Mahindra Europe**

**Strategic products  
launch in NAFTA  
with higher  
margins**

**Productivity  
and market  
share increase in  
Brazil**

**Improvement  
rhythm of our  
operations in Asia**

**Smart Innovation  
division  
consolidation**



**STRATEGIC COMMITMENT 2013-2017 :**  
REAFFIRMING OUR STRATEGY

*In **2015**, we expect to achieve the guidance for **net profit** initially expected for 2017*







What next?



At the end of 2015, we will be  
ready to define a  
***New Strategic Plan***

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# Draft of Smart Innovation Project



## ***BUSINESS MODEL***

- GLOBAL COMPANY
- DIVERSIFIED
- FINANCIAL DISCIPLINE
- DECENTRALIZED MANAGEMENT:  
VALUE GENERATION

## ***SMART INNOVATION***

- MULTISECTORIAL
- SUSTAINABLE INNOVATION AND EFFICIENCY
- SOLUTIONS & SERVICES
- TRANSVERSALITY

## ***STRATEGIC PLAN 2015-19***

- 700 Mio€ SALES
- EBITDA > 10%
- EBIT > 8%
- ORGANIC GROWTH
- NFD < 2



03.a

Preview of the 1Q 2015  
CIE AUTOMOTIVE Results

# PREVIEW OF THE 1Q 2015 CIE GROUP RESULTS

(€Mio)	1Q 2014	%	1Q 2015
Turnover	530.7		662.5
Adjusted Turnover (*)	516.3	+28%	662.5
EBITDA (**)	70.2	+31%	92.0
% EBITDA on adjusted turnover	13.6%		13.9%
EBIT (**)	44.0	+37%	60.3
% EBIT on adjusted turnover	8.5%		9.1%
EBT (**)	31.3		48.3
Net Income (**)	19.4	+60%	31.1

(\*) Proforma value calculated by deducting turnover of diesel oil used for blending.

(\*\*) EBITDA: Net Operating Income + Depreciation, EBIT: Net Operating Income, EBT: Profit before taxes, Net Income: Profit attributable to the company's shareholders.



03.b

Preview of the 1Q 2015  
Automotive Results



# PREVIEW OF THE 1Q 2015 AUTOMOTIVE RESULTS



(€Mio)	1Q 2014	%	1Q 2015
Turnover	491.5		548.2
Adjusted Turnover (*)	477.2	+15%	548.2
EBITDA (**)	66.7	+26%	84.1
% EBITDA on adjusted turnover	14.0%		15.3%
EBIT (**)	41.9	+33%	55.5
% EBIT on adjusted turnover	8.8%		10.1%

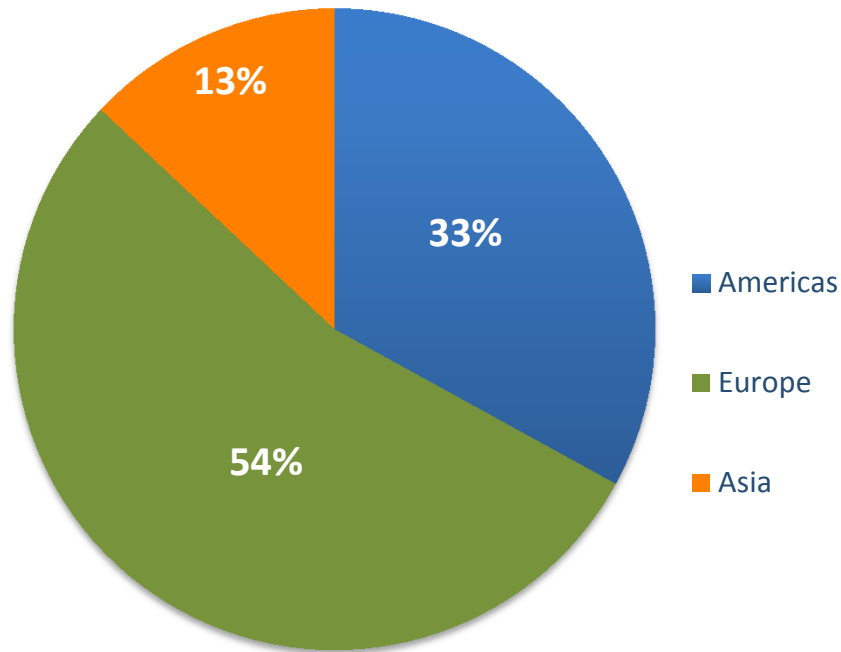
(\*) Proforma value calculated by deducting turnover of diesel oil used for blending.

(\*\*) EBITDA: Net Operating Income + Depreciation, EBIT: Net Operating Income.

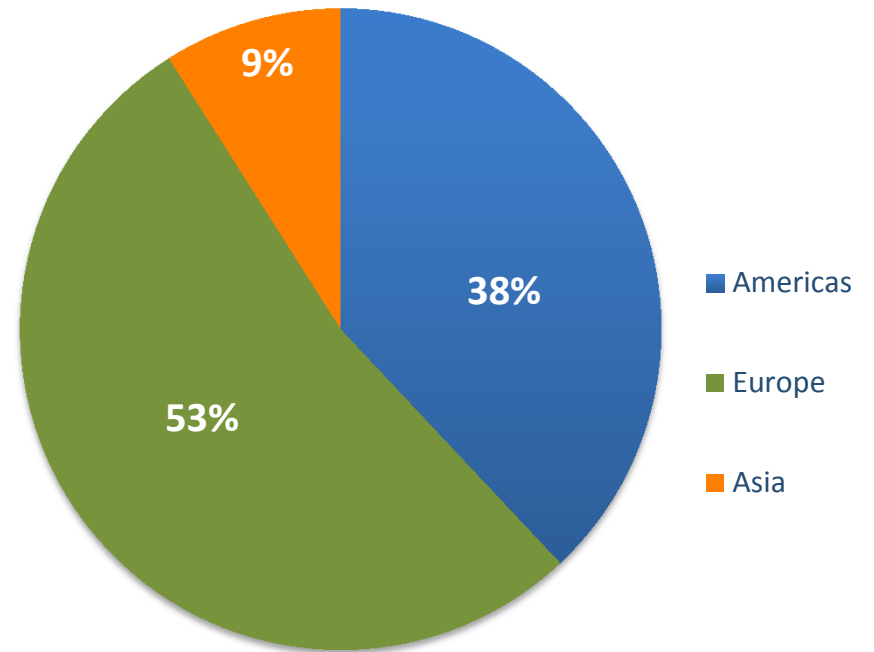
# 1Q 2015 AUTOMOTIVE GEOGRAPHICAL DISTRIBUTION



*Turnover*



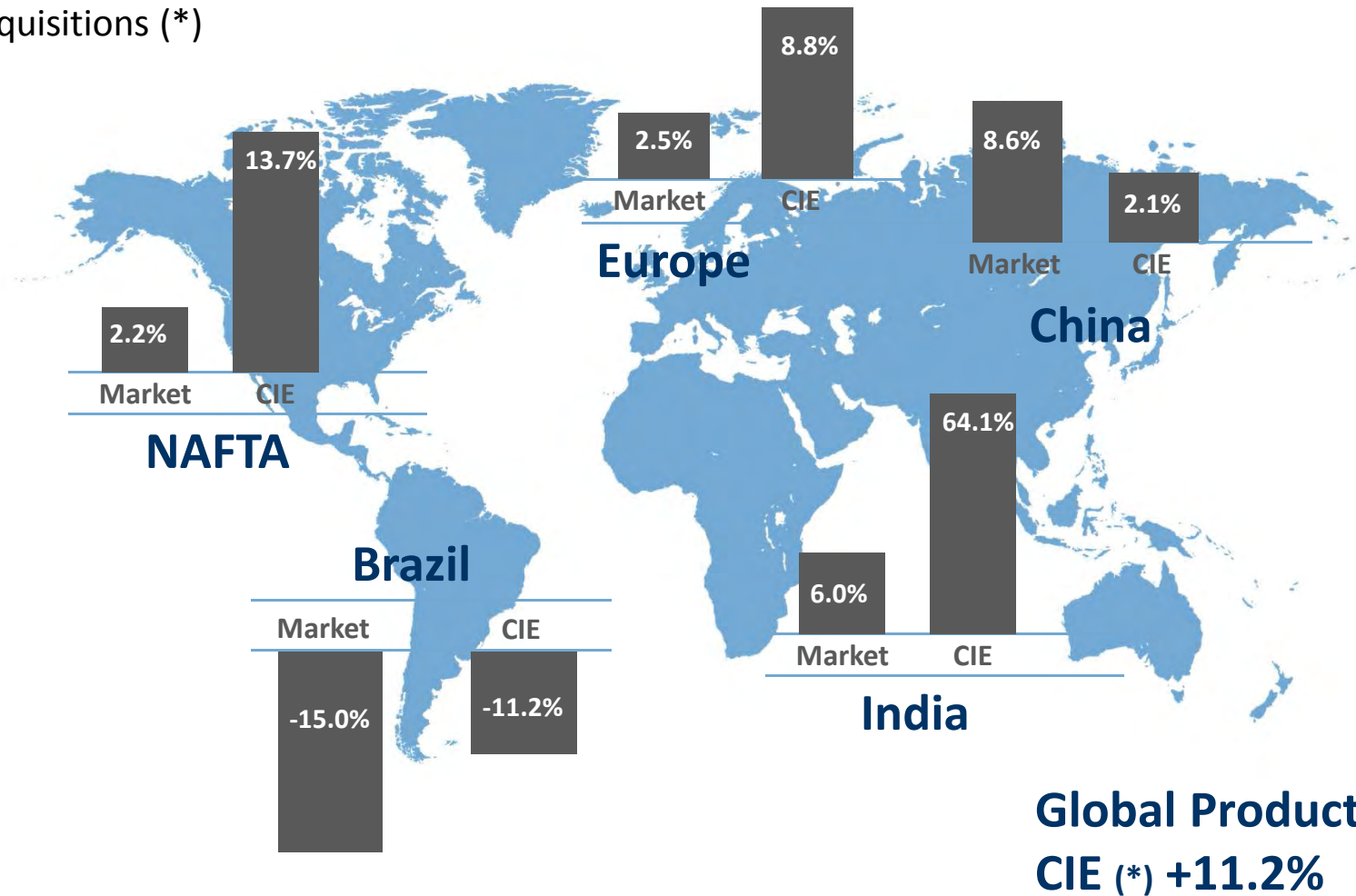
*EBITDA (\*)*



(\*\*) EBITDA: Net Operating Income + Depreciation.

# GROWTH 2014-2015(%)

Market growth vs CIE growth with integrations and acquisitions (\*)



(\*) Growth considering same exchange rates



03.0

# Preview of the 1Q 2015 Domion Results



# PREVIEW OF THE 1Q 2015 DOMINION RESULTS



(€Mio)	1Q 2014	1Q 2015
Turnover	39.2	114.3
EBITDA (*)	3.5	7.9
% EBITDA on turnover	8.8%	6.9%
EBIT (*)	2.1	4.8
% EBIT on turnover	5.5%	4.2%

(\*) EBITDA: Net Operating Income + Depreciation, EBIT: Net Operating Income.

# 1Q 2015 DOMINION PROFITABILITY BY BUSINESS UNITS



## SOLUTIONS

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Turnover: 49.2 €mio

Contribution Margin (\*): 14.5%

## SERVICES

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Turnover: 65.1 €mio

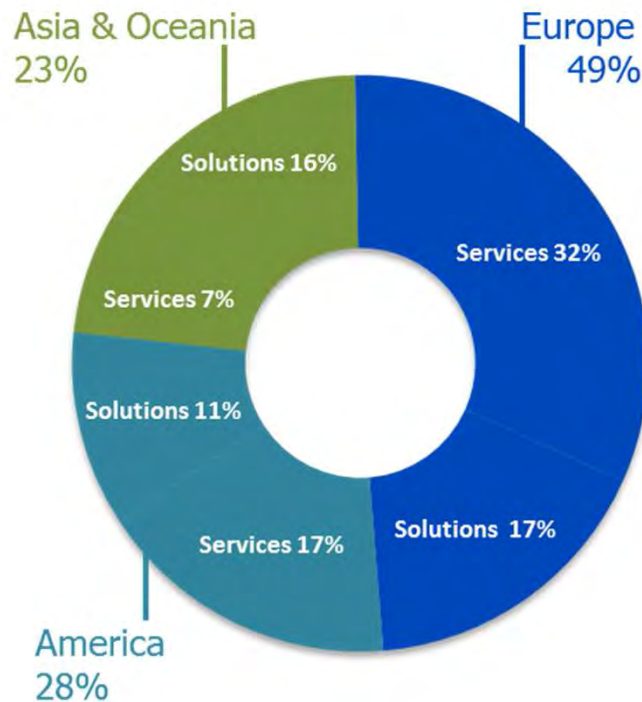
Contribution Margin (\*): 9.2%

(\*): Contribution Margin: EBITDA before structural and central administrative costs

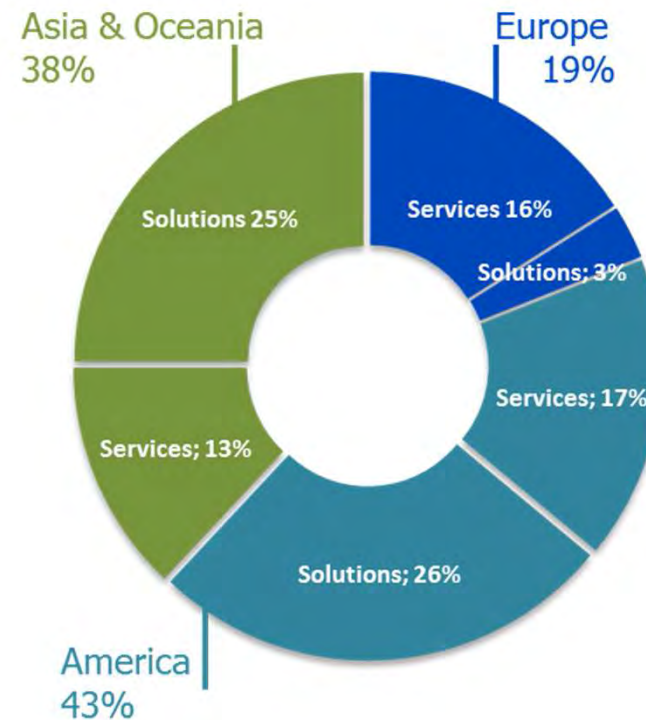
# 1Q2015 DOMINION GEOGRAPHICAL AND BUSINESS UNITS DISTRIBUTION



2015  
TURNOVER



2015 CONTRIBUTION  
MARGIN (\*)



(\*) Contribution Margin: EBITDA before structural and central administrative costs, EBITDA: Net Operating Income + Depreciation.

03.d

# CIE in the Stock Exchange

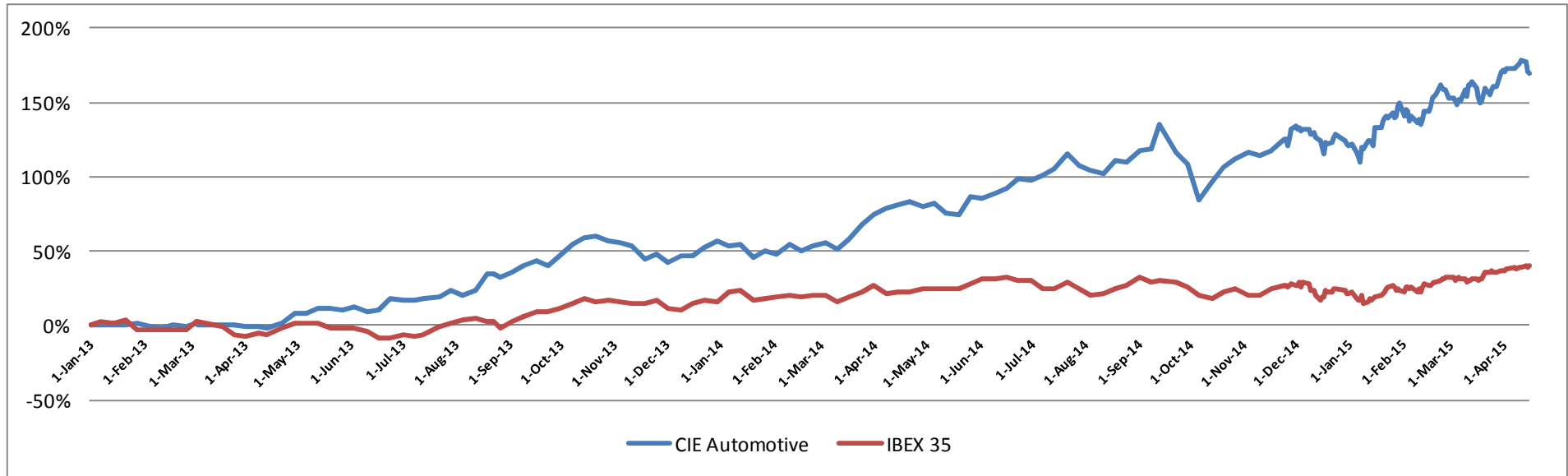


No.	
1	21
2	62
3	86
4	94
5	34.5
6	84
7	63
8	37
9	56
10	96
	22.42
	13.3
	20.9
	34.58
	7.61
	33.44
	6.94

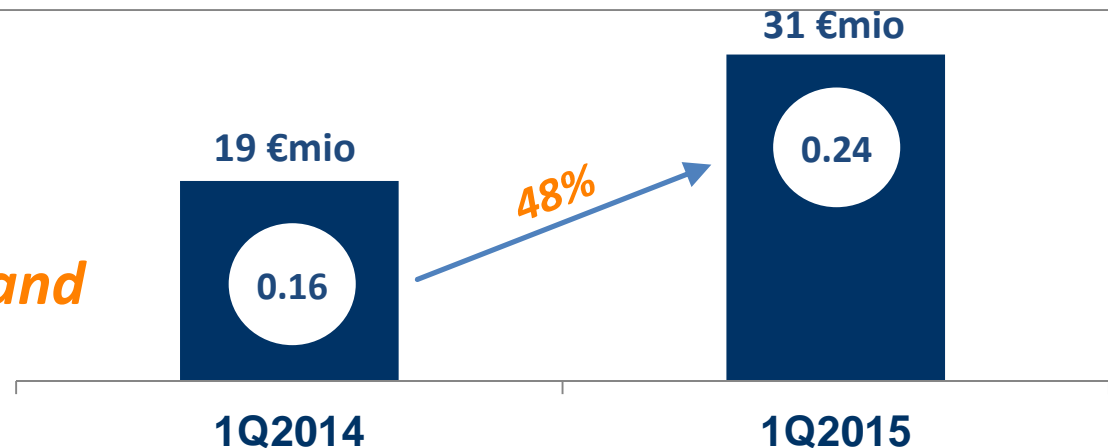


# CIE IN THE STOCK EXCHANGE

*CIE share price performance vs Ibex 35*



*Quarterly Net Income (€Mio) and Income Per Share (€)*



# CIE IN THE STOCK EXCHANGE

	2015 until 23 April	2014	2013	2012
Market Cap* (€ Mio)	1,785	1,453	950	593
Number of shares (Mio)	129	129	119	114
Last Price of period (Euros)	13.84	11.26	8.00	5.20
Maximum Price of period (Euros)	14.25	12.29	8.35	5.86
Minimum Price of period (euros)	10.65	7.21	5.00	5.06
Volume (thousand shares)	24,162	62,970	44,953	13,303
Efective (€ Mio)	302	600	277	72

Source: Madrid Stock Exchange

## CIE IN THE STOCK EXCHANGE

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*If provided net profit is doubled, and under same pay-out policy, **we expect to duplicate in two years' time the amount devoted to dividends.***



# Appendix

## Balance Sheet and P&L 2014



# BALANCE SHEET 2014

(thousand €)	2013	2014
<b>ASSETS</b>	<b>2.369.446</b>	<b>3.191.242</b>
<b>Non current Assets</b>	<b>1.466.352</b>	<b>2.125.357</b>
Tangible assets	784.759	927.961
Goodwill	380.106	897.410
Other intangible Assets	35.400	48.544
Non-current financial Assets	27.859	13.868
Related Parties	10.953	1.497
Deferred Income Tax and Social Contribution	223.142	230.702
Other non current Assets	4.133	5.375
<b>Current Assets</b>	<b>878.144</b>	<b>1.041.247</b>
Inventories	226.138	288.909
Trade and other receivables	188.540	292.653
Other current Assets	6.384	7.170
Current tax Assets	41.618	58.558
Other current financial Assets	85.996	96.258
Cash and equivalents	329.468	297.699
<b>Disposal group assets classified as held-for-sale</b>	<b>24.950</b>	<b>24.638</b>
<b>LIABILITIES</b>	<b>2.369.446</b>	<b>3.191.242</b>
<b>Shareholders' equity</b>	<b>562.833</b>	<b>861.632</b>
Share Capital	29.705	32.250
Own shares	0	0
Share premium	61.467	152.171
Reserves and cumulative exchange differences	435.875	460.888
Interim dividend	-10.694	-12.900
Cumulative exchange differences	-95.400	-70.590
<b>Non-controlling interests</b>	<b>141.880</b>	<b>299.813</b>
<b>Deferred Income</b>	<b>19.358</b>	<b>17.004</b>
<b>Liabilities</b>	<b>1.787.255</b>	<b>2.312.606</b>
<b>Non current Liabilities</b>	<b>881.157</b>	<b>1.219.969</b>
Non current provisions	66.109	117.322
Long term borrowings	649.122	849.897
Deferred income Tax and Social Contribution	62.438	75.963
Other non current liabilities	103.488	176.787
<b>Current Liabilities</b>	<b>903.767</b>	<b>1.090.270</b>
Short term borrowings	332.743	254.180
Trade and other payables	441.732	630.193
Other current financial liabilities	8.051	10.489
Taxes payable	41.294	57.200
Current provisions	9.214	11.386
Other current liabilities	70.733	126.822
<b>Disposal group liabilities classified as held-for-sale</b>	<b>2.331</b>	<b>2.367</b>

# P&L 2014

(Thousand €)	2013 <sup>(2)</sup>	2.014
<b>Operating revenues</b>	<b>1.830.818</b>	<b>2.318.651</b>
Net Revenues	1.760.253	2.209.516
<b>Consolidated Turnover <sup>(1)</sup></b>	<b>1.695.971</b>	<b>2.160.318</b>
Other operating revenues	68.957	102.472
Change in inventories of finished goods and work in progress	1.608	6.663
<b>Operating expenses</b>	<b>(1.680.382)</b>	<b>(2.146.468)</b>
Consumption of raw materials	(1.012.679)	(1.272.102)
Employee benefit expenses	(381.721)	(514.164)
Depreciation and amortization	(89.690)	(118.680)
Other operating income/(expenses)	(196.292)	(241.522)
<b>Operating profit</b>	<b>150.436</b>	<b>172.183</b>
Financial income	18.639	36.881
Financial expense	(80.236)	(79.908)
Net exchange differences	11.876	10.834
Change in fair value of assets and liabilities taken to income statement	(16.369)	176
Share of profit/(loss) of associates	(257)	(3.029)
<b>Profit before taxes</b>	<b>84.089</b>	<b>137.137</b>
Income tax	3.418	(38.672)
<b>Profit on continued activities after taxes</b>	<b>87.507</b>	<b>98.465</b>
<b>Loss on discontinued activities after taxes</b>	<b>(9.621)</b>	<b>(355)</b>
<b>Profit for the year</b>	<b>77.886</b>	<b>98.110</b>
Profit/(Loss) attributable to minority shareholdings	(17.761)	(17.062)
<b>Profit attributable to company shareholders</b>	<b>60.125</b>	<b>81.048</b>

(1) Proforma value calculated by deducting turnover of diesel oil used for blending

A scenic photograph of the Golden Gate Bridge in San Francisco at sunset. The bridge's towers and suspension cables are silhouetted against a warm, orange and yellow sky. In the foreground, a rocky beach with waves crashing against the shore is visible. A single bird is seen flying in the upper left portion of the sky.

*Thank you*

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 **CIE** *Automotive*