

# Shareholders Meeting

5<sup>th</sup> May 2021

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# December 2020 Results

# DECEMBER 2020 RESULTS

## Highlights Q4 2020

<b>01</b>	<b>EBITDA Q4 2020</b>	<b>16.7%</b> EBITDA Margin	<b>BEATING PRE-COVID PROFITABILITY LEVELS (16.1% Q4 2019)</b>
<b>02</b>	<b>Net Income 2020</b>	<b>185.2 €m</b>	<b>CIE MARKET<sup>(1)</sup> DROP 2020 -20.7%</b>
<b>03</b>	<b>Operating Cash Generation 2020</b>	<b>239 €m</b> 59% OPERATING CASH/EBITDA	<b>MANAGEMENT MODEL FOCUSED ON CASH GENERATION</b>
<b>04</b>	<b>Dividends and own shares acquisition</b>	<b>189.3 €m</b>	<b>MAINTAINING OUR COMMITMENT WITH SHAREHOLDERS</b>
<b>05</b>	<b>Financial Debt like-for-like perimeter basis <sup>(2)</sup></b>	<b>↓ 40 €m</b>	<b>EXCELLENT NET DEBT EVOLUTION EVEN AFTER THE PAYMENTS ABOVE</b>
<b>06</b>	<b>Liquidity Reserve</b>	<b>1,497 €m</b>	<b>CASH AND TEMPORARY FINANCIAL INVESTMENTS: 691 €m</b> <b>UNDRAWN FUNDING: 806 €m</b>
<b>07</b>	<b>Strengthening employment</b>	<b>+1,118</b> EMPLOYEES	<b>25,196 vs 24,078 EMPLOYEES (JUNE 2020)</b>

(1) CIE Market: Motor vehicles production IHS JANUARY 2020 (12 months 2020) (growth % in units), weighting the markets in which CIE has production plants.

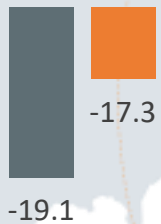
(2) Net Financial Debt without considering the effect of the business combinations of the year (96.3 €m) and payments for previous years' acquisitions (17.2 €m)

# DECEMBER 2020 RESULTS

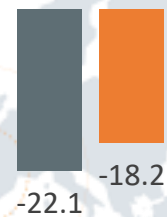
Sales evolution 2020 versus 2019. Constant exchange rate

■ CIE Market  
■ CIE

NORTH AMERICA



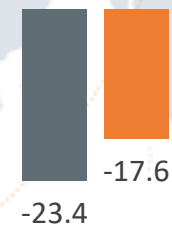
EUROPE



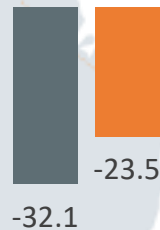
CHINA



INDIA



BRAZIL



**CIE Market -20.7%**

**CIE -13.2%**

**+7.5% p.p.**

Source: Motor vehicles production IHS JANUARY 2021 (12 months 2020) (growth % in units).  
The evolution of the production volume is calculated by weighting the markets in which CIE has production plants.

# DECEMBER 2020 RESULTS

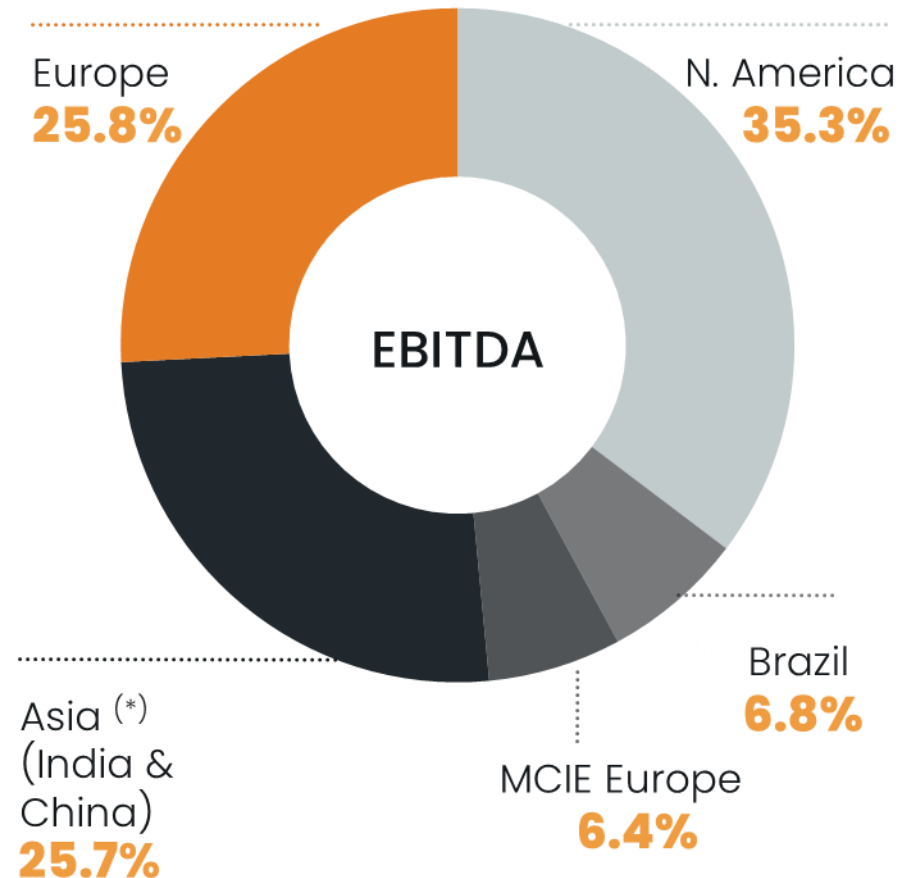
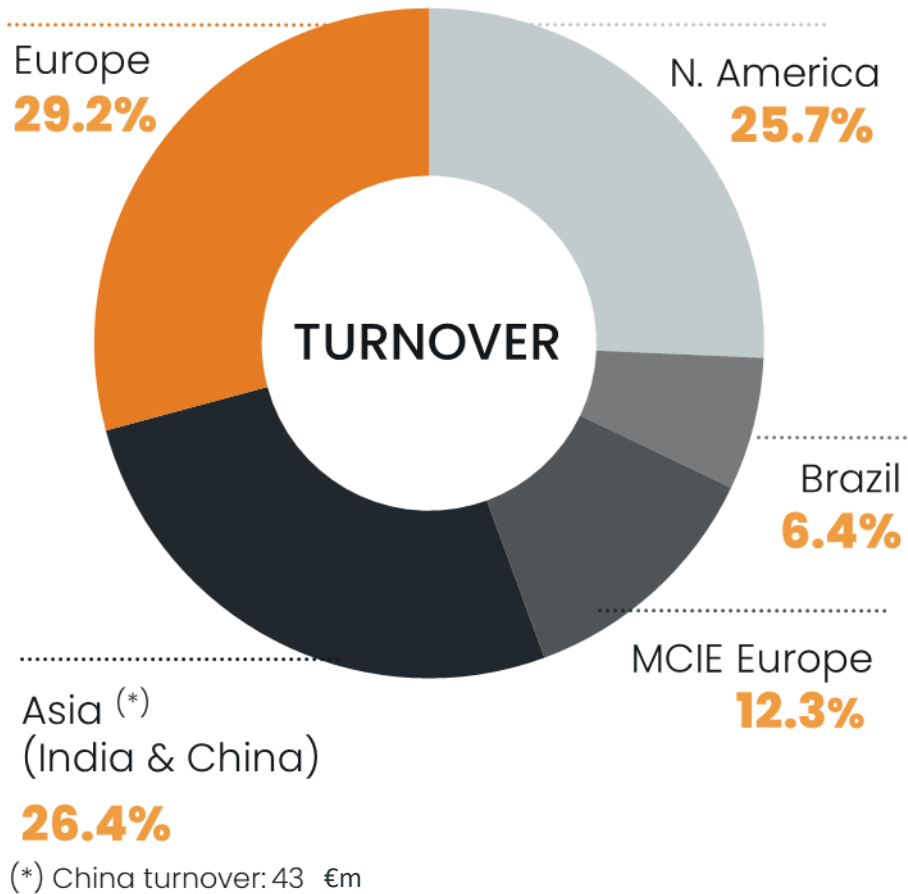
€m	31/12/2019	31/12/2020
Turnover	3,461.1	2,882.5
EBITDA	594.4	431.2
% EBITDA on turnover	17.2%	15.0%
EBIT	427.1	283.4
% EBIT on turnover	12.3%	9.8%
Profit for the year	314.1	195.2
Net income	287.5	185.2

- Despite the consequences of the global economic downturn, and the impact on the income statement due to currency conversion (impact on sales – 140 €m), the strength of the CIE model allows a rapid recovery, achieving **important results**.
- **15% annual EBITDA margin** stands at only 1 p.p. below CIE's operating margins (Proforma EBITDA ≈16%; Proforma EBIT ≈11%) (\*)

(\*) EBITDA and EBIT proforma 2019, diluted after integrations.

# DECEMBER 2020 RESULTS

## 2020 Divisions Contribution



• Despite the effects of COVID-19, margins demonstrate the excellence of CIE's management model and team. All geographical areas improve their margins in Q42019.

# DECEMBER 2020 CASH FLOW

## NFD evolution

<b>EBITDA</b>	<b>431.2</b>
Financial Expenses	(37.9)
Maintenance Capex	(85.0)
Tax Payments	(43.3)
IFRS 16 Leases <sup>(1)</sup>	(26.0)
<b>OPERATING CASH FLOW</b>	<b>239.0</b>

**% EBITDA <sup>(4)</sup>** **59.0%**

Growing Capex	(72.9)
Net Working Capital Variation	55.6
Payments of Dividends	(93.9)
Transactions with own shares	(95.4)
Payments of previous acquisitions <sup>(2)</sup>	(17.2)
Business Combination of the year <sup>(3)</sup>	(96.3)
Exchange rate effect in NFD	(22.7)
Other movements	30.9

**FINANCIAL CASH FLOW** **(73.0)**

- (1) Payment of rental fee accounted in EBITDA according to the new IFRS 16 regulation.  
 (2) Pending payments from the acquisition of the solar roof systems of Inteva in 2019.  
 (3) Acquisition of the gear business of Somaschini S.p.A. (74 €m) and additional shares of Mahindra CIE Ltd.  
 (4) Operating cash flow on the EBITDA value corrected with the effect of IFRS 16.  
 (\*) NFD and EBITDA data adjusted considering 50% of JV China SAMAP

€m	31/12/2019	31/12/2020
NFD	1,522.0	1,594.9
Adjusted NFD	1,505.3	1,575.3

**NFD/EBITDA**  
**3.59X**

**18 months of covenant waiver  
for financial covenants  
up to 30/06/2021**

**Liquidity reserve  
31/12/2020  
1,497 €m**





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**Much more than  
figures**

# WE GENERATE VALUE AROUND US



## SHAREHOLDERS

- **93.9** million paid out in DIVIDENDS
- **95.4** million invested in the SHARE BUYBACK programme
- **16** conferences and **16** roadshows with analysts



## CUSTOMERS

- Uninterrupted **supply** to over 80 TIER-1 and OEM CUSTOMERS
- **+ 7,000** SKUs across 7 technologies
- **10** R&D centres
- **70** FACTORIES with triple certification



## EMPLOYEES

- **25,196** employees
- **427** million paid in SALARIES\*
- **25** million in SUPPORT FOR OUR EMPLOYEES
- **548,184** hours of TRAINING



## SUPPLIERS

- Nearly **€1.9** billion spent on PROCUREMENTS
- **92%** LOCAL SUPPLIERS
- **353** SUPPLIER AUDITS



## SOCIETY

- **Membership** of the leading sector ASSOCIATIONS
- **€43** million paid in CORPORATION TAX
- **€941,253** invested in COMMUNITY WORK

\* Wages without social security contributions.

# ENVIRONMENTAL COMMITMENT

- ❑ RESTRAINT OF OUR **ENVIRONMENTAL FOOTPRINT** >>> Calculation considering 17 different impacts
- ❑ TOWARDS A **CIRCULAR ECONOMY** >>> Electrical energy coming from renewable resources (100% in Spain); commissioning of 3 photovoltaic solar facilities in Europe and another 5 in India.



**415,266.10**  
TONNES OF CO<sub>2</sub>



**1,450,888.78**  
M<sup>3</sup> OF WATER



**282,367.22**  
TONNES OF WASTE  
RECOVERED



**4,481,500**  
LITRES OF USED OIL  
COLLECTED FOR BIODIESEL

# WE MADE PROGRESS ON ESG INTEGRATION



**79 ESG INDICATORS**  
added to factory management plans



**IMPLEMENTATION**  
of the criminal compliance model in four new countries



**TRAINING PROVIDED**  
on Criminal Liability and Anti-Corruption Effort



**SUSTAINABLE FINANCE**  
40% of net debt tied to ESG criteria

# 2020 MILESTONES

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## JANUARY

Completion of the acquisition of **Somaschini**, a deal that consolidates CIE Automotive as a top global player in gear systems



## JUNE

Inauguration of **CIE Plásticos México**, a factory devoted to moulding, injection processes and assembly



## DECEMBER

Commissioning of AEL's new facility in **Aurangabad** (India)



## FEBRUARY

Rollout of **CIE WIKI**, an innovation platform that enables the factories to share their know-how



## JULY

**CIE Plasfil** and **CIE Stratis** create their own photovoltaic solar farm in Figueira da Foz (Portugal)



## NOVEMBER

CIE completes its **share buyback programme**

Over the course of 2020  
purchase of an additional 4% shareholding in **MCIE**

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# **March 2021 Results**

# MARCH 2021 RESULTS

## Highlights Q1 2021

<b>01</b>	<b>Back to record figures</b>	<b>873.8 €m</b> Turnover Q1 2021	<b>+6.3% vs Q1 2020</b> <b>+7.6% vs Q1 2019</b>
<b>02</b>	<b>Record margin in current perimeter <sup>(1)</sup></b>	<b>18.0%</b> EBITDA Margin vs 17.1% Q1 2020	<b>CONTINUOUS IMPROVEMENT OF MARGINS</b>
<b>03</b>	<b>Net Income Q1 2021</b>	<b>78.2 €m</b>	<b>HIGHEST QUARTERLY RESULT IN CIE HISTORY</b>
<b>04</b>	<b>Operating Cash Generation</b>	<b>105 €m</b> 70% OPERATING CASH/EBITDA	<b>WE IMPROVE OUR EXCELLENT LEVEL OF CASH GENERATION</b>
<b>05</b>	<b>Payments of Dividends</b>	<b>30.6 €m</b>	<b>WE KEEP OUR COMMITMENT WITH SHAREHOLDERS</b>
<b>06</b>	<b>Net Financial Debt</b>	<b>1,594.2 €m</b> ▼ 84 €m	<b>WE IMPROVE THE NET FINANCIAL DEBT LEVEL vs MARCH 2020</b>
<b>07</b>	<b>Liquidity Reserve</b>	<b>1,396 €m</b>	<b>STRONG LIQUIDITY POSITION WITH STRICT CASH MANAGEMENT</b>

(1) Better EBITDA Margin after the high increase of the 2019 perimeter.

# MARCH 2021 RESULTS

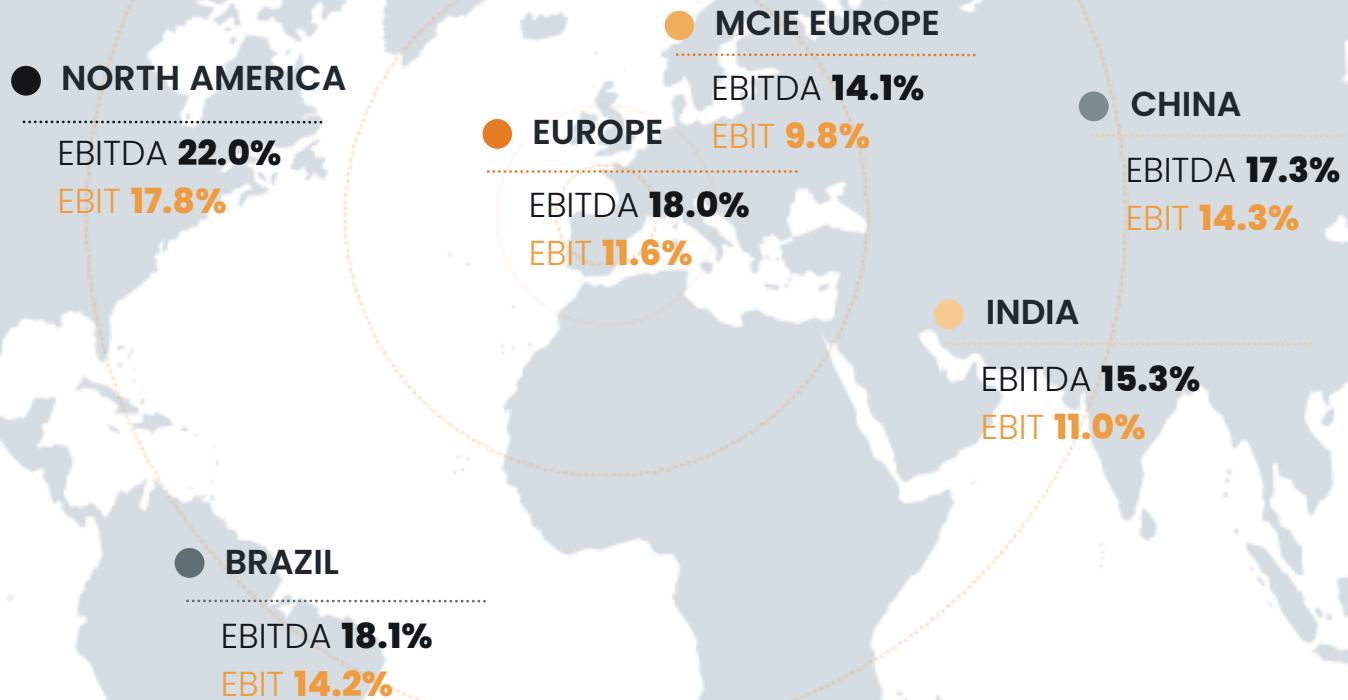
€m	31/03/2020	31/03/2021	
Turnover	822.0	873.8	<b>+6%</b>
EBITDA	140.3	157.2	<b>+12%</b>
% EBITDA on turnover	17.1%	<b>18.0%</b>	
EBIT	104.3	116.3	<b>+12%</b>
% EBIT on turnover	12.7%	<b>13.3%</b>	
EBT	95.4	108.6	<b>+14%</b>
Net income	72.8	<b>78.2</b>	<b>+7%</b>

- In CIE we improve on pre-covid levels (2019) even with:
  - **11%** fewer cars produced (Q1 2021 vs Q1 2019) and
  - the negative impact of currency conversion (**51 €m** in sales Q1 2021 vs Q1 2019)



# MARCH 2021 RESULTS

## 2021 Divisions Profitability

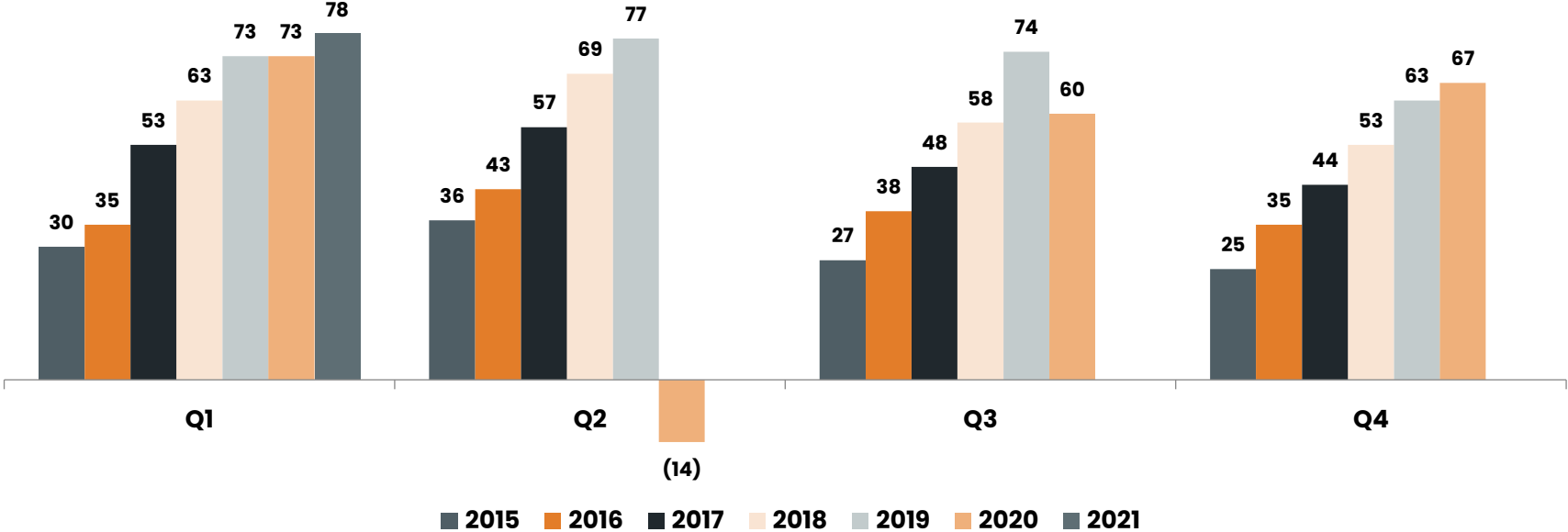


• We keep improving margins **in all geographical areas**

# MARCH 2021 RESULTS

## Quarterly evolution 2015-2021

### NET RESULT (€m)



•Our growth path continues.

(\*) Normalized data for 2018 and previous years, corresponding only to Automotive segment

# MARCH 2021 BALANCE SHEET

## Balance sheet evolution

	31/12/2020	31/03/2021
Fixed assets	3,293.2	3,376.1
Net Working Capital	(356.4)	(293.6)
<b>TOTAL NET ASSETS</b>	<b>2,936.8</b>	<b>3,082.5</b>
Equity	995.0	1,143.2
Net Financial Debt	1,594.9	1,594.2
Others (net)	346.9	345.1
<b>TOTAL NET LIABILITIES</b>	<b>2,936.8</b>	<b>3,082.5</b>
Non-recourse factoring	242.2 €m	241.8 €m

# MARCH 2021 CASH FLOW

<b>EBITDA</b>	<b>157.2</b>
Financial Expenses	(9.2)
Maintenance Capex	(21.2)
Tax Payments	(15.5)
IFRS 16 Leases <sup>(1)</sup>	(6.2)
<b>OPERATING CASH FLOW</b>	<b>105.1</b>
<b>% EBITDA <sup>(2)</sup></b>	<b>70%</b>
Growing Capex	(29.4)
Net Working Capital Variation	(46.1)
Payments of Dividends	(30.6)
Exchange rate effect in NFD	5.0
Other movements	(3.3)
<b>FINANCIAL CASH FLOW</b>	<b>0.7</b>

- (1) Payment of rental fees registered in EBITDA according to the application of IFRS 16 standard.  
 (2) Operating Cash Flow on the value of EBITDA corrected with the effect of the IFRS 16 standard.  
 (\*) Adjusted NFD and EBITDA data considering 50% of the Chinese JV SAMAP

€m	31/12/2020	31/03/2021
NFD	1,594.9	1,594.2
Adjusted NFD <sup>(*)</sup>	1,575.3	1,583.7

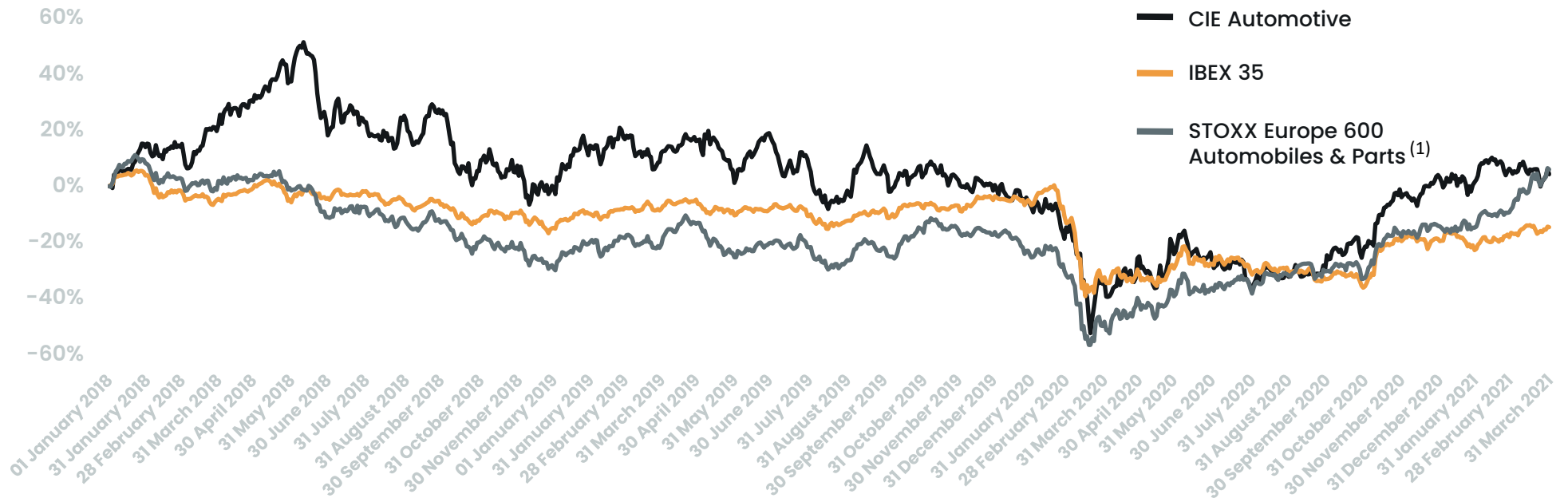
**NFD/EBITDA (\*)**  
**3.48X**

**18 months of covenant waiver  
 for financial covenants  
 up to 30/06/2021**

**Liquidity reserve  
 31/03/2021  
 1,396 €m**

# CIE IN STOCK EXCHANGE

## Share Price Performance CIE Automotive



Since mid-2018, the financial markets and the Automotive sector have been negatively affected by geopolitical and macroeconomic issues, as well as industry-specific problems.

During 2020 the pandemic severely impacted CIE Automotive's stock when results, quarter after quarter, demonstrated more than ever the strength and resilience of the company.

We understand that neither this performance nor CIE Automotive's excellent business prospects have been reflected in the almost flat share price performance through 31st March 2021.

(1) STOXX Europe 600 Automobiles & Parts includes: OEMS: BMW ST, Daimler, Ferrari NV, Fiat, Peugeot, Porsche, Renault & Volkswagen. SUPPLIERS: Faurecia, Michelin, Nokian, Plastic Omnium, Rheinmetall, Schaeffler, Valeo.

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# Guidance 2021

## GUIDANCE 2021

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Now that we have greater visibility, we can venture to **revise 2021 goals upwards.**

In 2021, **CIE will increase its market share and margins** thanks to the strategic success in:



ELECTRIC  
CAR



COMMITTED  
TO  
COMFORT



GREATER  
PRESENCE  
IN ASIA



DEEP  
COMMITMENT  
TO ESG

# GOALS FOR 2021

Set in 02/21

## TURNOVER

In line with current<sup>(1)</sup> market forecasts

## MARGINS

EBITDA Margin >17%

## OPERATING CASH

Operating cash generation >60% EBITDA

## NET FINANCIAL DEBT

Ratio NFD/EBITDA  $\approx$ 2.5X

Updated in 05/21

Growing a medium-high single digit above current market forecasts

EBITDA Margin >17.5%

Operating cash generation  $\approx$ 65% EBITDA

Ratio NFD/EBITDA between 2.3X and 2.4X

(1) Production data from IHS February 2021



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# CAPITAL MARKETS DAY 2021

# **CIE AUTOMOTIVE CAPITAL MARKETS DAY**

28<sup>th</sup> June 2021



*Save the date*



**Thank  
you**

[www.cieautomotive.com](http://www.cieautomotive.com)