



Strong Financial Platform



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EXECUTIVE VICE PRESIDENT AND CFO



Financial platform

We have a strong financial platform and a position to support further growth.

- Financial targets
 - 2019 – outcome
 - 2020 – New financial targets
- Strong organic growth – LMC forecast a global market decrease of 0.1% for 2020 weighted for Bulten's exposure
- Strong financial platform
 - Financial leverage continued distribution of dividends
 - Secured financing with solid equity/asset ratio
 - Investments in growth and efficiency



Volumes, strategic initiatives and inventory adjustments affected the outcome of 2019

	Growth Profitable organic growth more strongly than the industry average.		Margin Operating margin of at least 7%.		ROCE At least 15%.		EPS EPS development		Dividend At least one third of net earnings after tax.
	Q4	2019	Q4	2019	Q4	2019	Q4	2019	Dividend
Reported	5.0 %	-1.2 %	3.5 %	3.2 %	N.A.	5.5 %	0.54	2.62	Suggested 4.00 SEK/share
Adjusted ¹⁾	N.A.	N.A.	5.4 %	4.8 %	N.A.	8.1 %	1.27	4.73	159.7% (adj.88.6%) for 2019
Adjusted ²⁾			5.3 %	4.7 %	N.A.	8.5 %	1.26	4.89	(4.00 SEK/share)

1) Adjusted for non recurring costs (relocation-, restructuring- and acquisition costs)

2) Excluding lease liabilities (IFRS 16 adjustment) and non recurring costs (relocation-, restructuring- and acquisition costs)



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New vision and financial targets



We create and supply the most **innovative** and **sustainable** fastening solutions

New financial targets

- Growth: 5 BSEK 2024 - CAGR of 10%
- EBIT: > 8%
- ROCE: > 15%

Values

Professional Innovative Dedicated Empowered

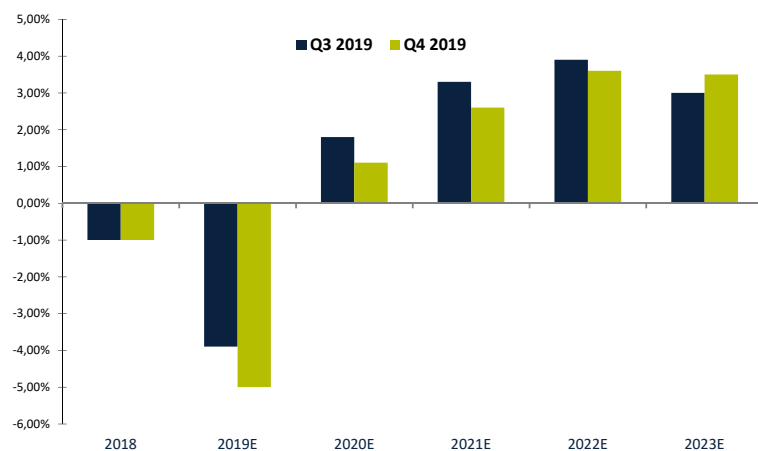
Strong customer offer

- Full Service Provider
- Innovative Sustainable solutions
- Lowest CO2 footprint
- Global Presence



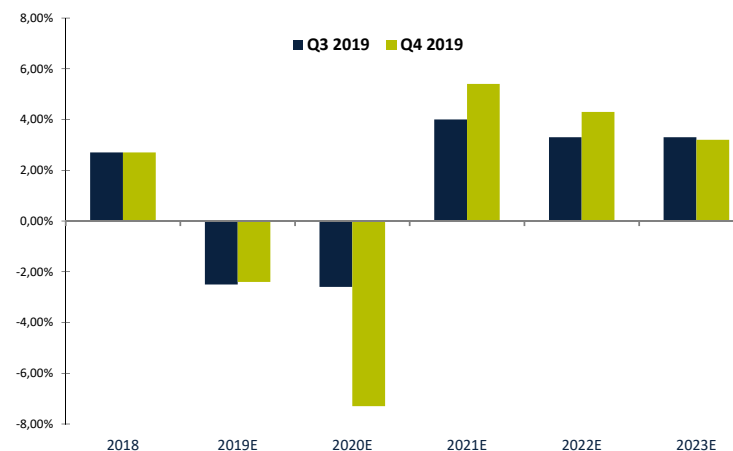
LMC Automotive reports for Global production

GLOBAL PRODUCTION GROWTH RATE (YEAR ON YEAR)
LIGHT VEHICLES



- LMC Automotive (Q4 2019 report) has decreased its forecast of global LV production 2019 compared to the Q3 2019 report. LMCA forecast a decrease of -5.0% compared to 2018.

GLOBAL PRODUCTION GROWTH RATE (YEAR ON YEAR)
HEAVY COMMERCIAL VEHICLES (>15T)



- Global LMC Automotive (Q4 2019 report) has decreased its forecast of global HCV production 2019 compared to the Q3 2019 report. LMCA forecast a decrease of -2.4% compared to 2018.

Source: LMC Automotive Q3 & Q4 2019



Short term market view

Market uncertainty has continued in Q4

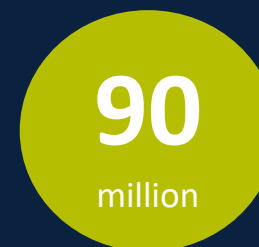
- **Brexit**
- **General economic uncertainty**

We maintained our market shares in 2019, going forward we will focus on growing globally

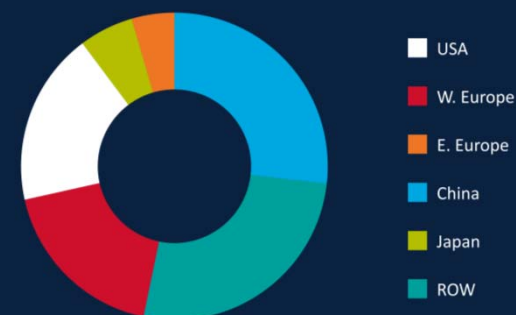
New tax regulations introduced in a number of European countries during 2020

Corona Virus may affect the sales and production in the automotive market 2020, especially in China

LIGHT VEHICLES SALES UNITS
GLOBALLY 2019



LIGHT VEHICLES SALES PER
GEOGRAPHY 2019

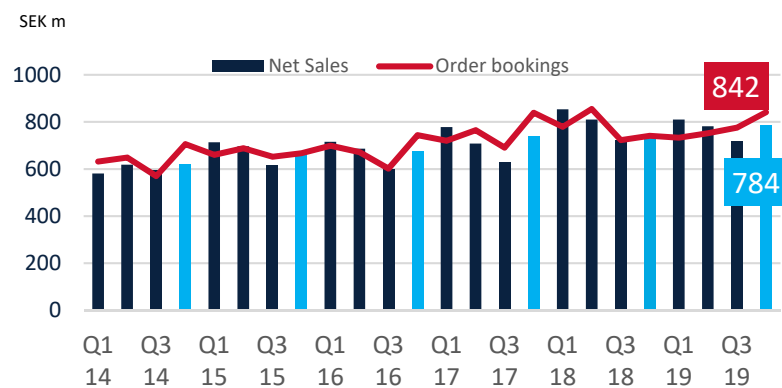




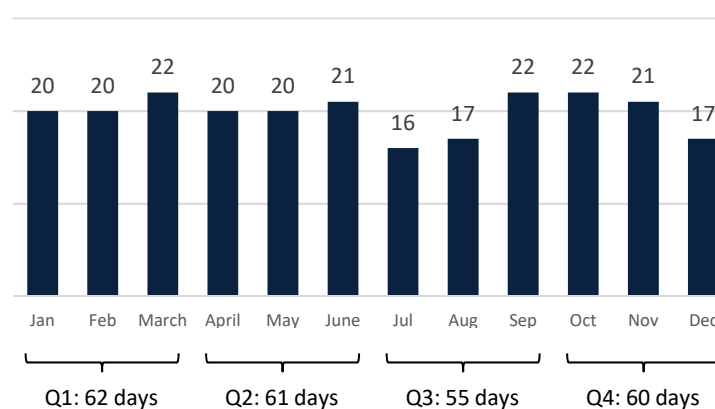
Ramp up new contracts and uncertain market development

- Sales up 5.0% in Q4 vs last year (1.6 % currency adjusted)
- Order bookings up 13.6% in Q4 vs last year
 - Ramp up of the new contracts has now started in a higher pace than in Q3 however the uncertain macro situation and Brexit makes the development in the coming months difficult to predict

Quarterly volumes



Avg. Number of production days per month 2020





Predicted stronger Bulten organic growth vs the market

However market uncertainty may have an impact on volumes





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Grow to a 5 billion company within 5 years

2019

GROWTH CAGR 10%

2024



Become a truly global company

Sustainable growth



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Margin expansion to > 8 %

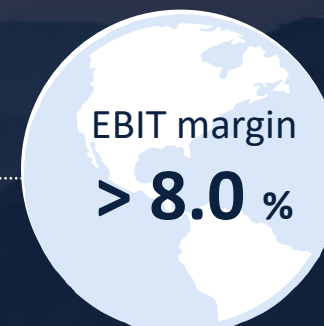
2019



MARGIN EXPANSION



2024



Financial leverage

Sustainable business



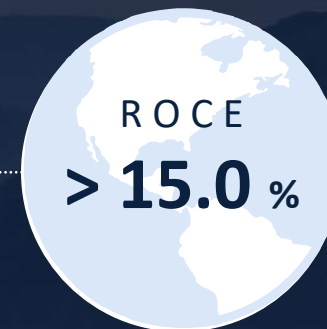
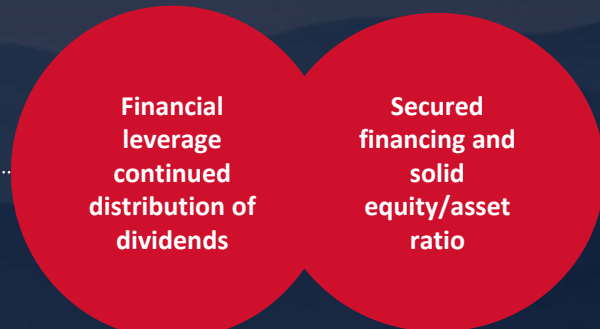
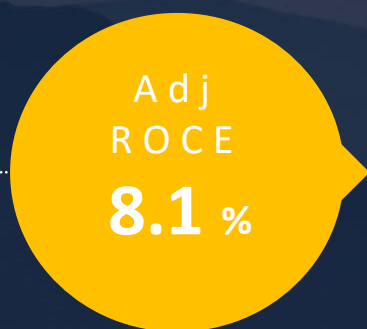
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Return on capital employed > 15 %

2019

STRONG FINANCIAL PLATFORM

2024



We create great benefit for all our stakeholders

Sustainable return on investments



Strong Financial Position

– Secured financing

- Secured financing
 - Acquisition
 - Property in Poland – aiming for green financing
 - Investment in Growth and efficiency
- Strong balance sheet with an equity ratio of 55.2%

GREEN FINANCE





Financial guidelines 2020 and onwards

THE GROUP	FULL YEAR 2019	FULL YEAR 2018	GUIDELINES
Average net working capital as % of sales	25.5	23.0	20-25
CAPEX as % of sales	7.1	5.3	2-3
Depreciation as % of sales	4.5	2.9	4-5
Depreciation (excluding lease liabilities) as % of sales	3.3	2.9	2-3
Tax rate	41.7	29.1	24-28

Comments for 2019:

NWC higher than our guidelines

- Increased since half year 2019 due to changed demand, projects and ramp up of new business
- However good trend development and reduced since Q3

Capex higher than our guidelines

- as planned and earlier communicated

Depreciations in line with our guidelines

- IFRS16 affecting reported depreciation by + 1.2%

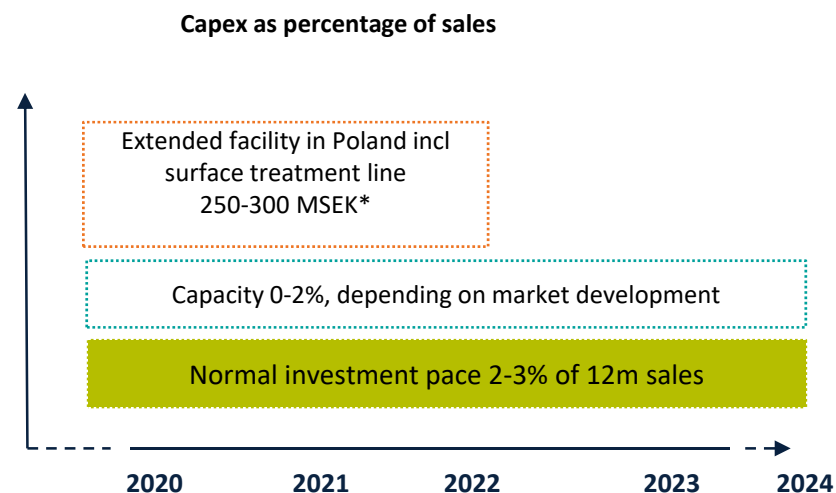
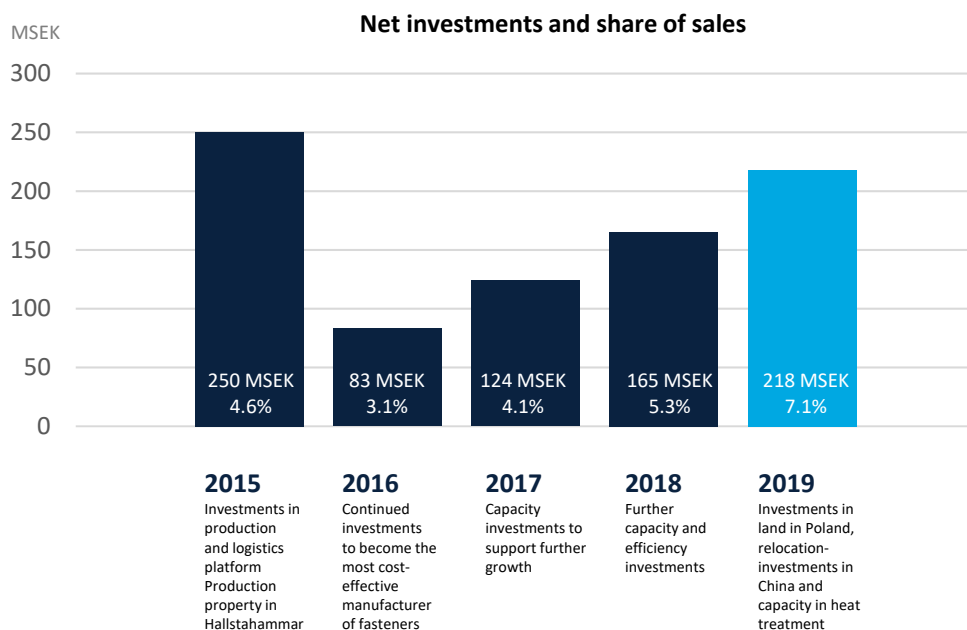
Tax rate on a higher level 12 months rolling:

- High tax rate mainly due to relocation and negative result in China
- Adjusted for this we are in line with the guidelines, 26.3 % (27.0)



Investments for continued growth

Bulten invests and develops its business at a low risk





Ownership structure

10 LARGEST SHAREHOLDERS – 2020-01-31

	SHAREHOLDER	NO. OF SHARES	SHARE OF VOTES AND CAPITAL (%)
1.	Volito AB	4 800 000	22.8
2.	Öresund Investment AB	2 900 000	13.8
3.	Lannebo fonder	1 848 574	8.8
4.	Bulten AB	1 052 215	5.0
5.	State Street Bank & Trust Co, W9	953 641	4.5
6.	Fjärde AP Fonden	766 734	3.6
7.	Spiltan Fonder AB	419 320	2.0
8.	CBNY-DFA-INT SML CAP V	368 874	1.8
9.	Tredje AP Fonden	335 016	1.6
10.	Carnegie fonder	334 057	1.6

NO. OF
SHAREHOLDERS
IN TOTAL

7 092

Source: Euroclear



Bulten development

Group Structure
Bulten part of Finnveden Bulten Group.

Growth and divestment
Divestment of Finnveden Metal Structures. Several new FSP contracts.

Consolidation
Executing new FSP contracts, Focus on operation/optimization program, Investments for the coming growth and efficiency & Raw material fluctuation

Growth
Investments for the future and executing new contracts



Growth	↑ 34%	↑ 12%	Flat dev.	↑ 7%	↑ 10%	Flat dev.	Flat dev.
Share development	50 SEK	67 SEK	82 SEK	89 SEK	122.50 SEK	88 SEK	79 SEK
Operating margin	6.0%	5.5%	6.1%	7.5%	7.4%	6.7%	3.2%

