

VARTA AG

Financial Statements 2017

Investor Presentation



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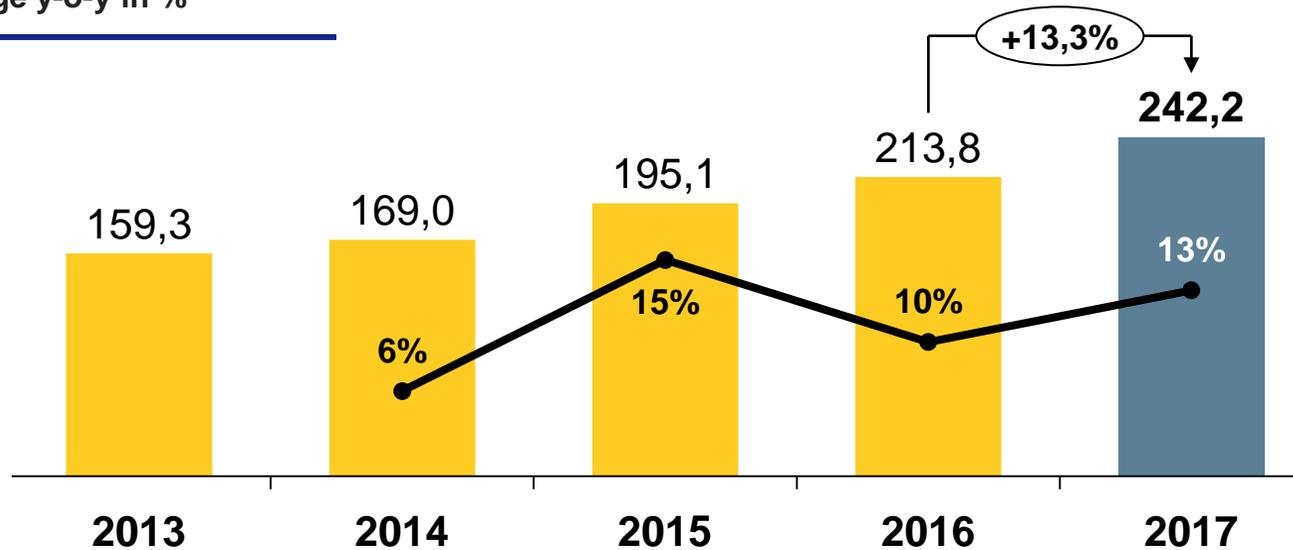
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Net Sales



Third year in a row with CAGR above 10%

Net Sales in mEUR
and change y-o-y in %



Highlights

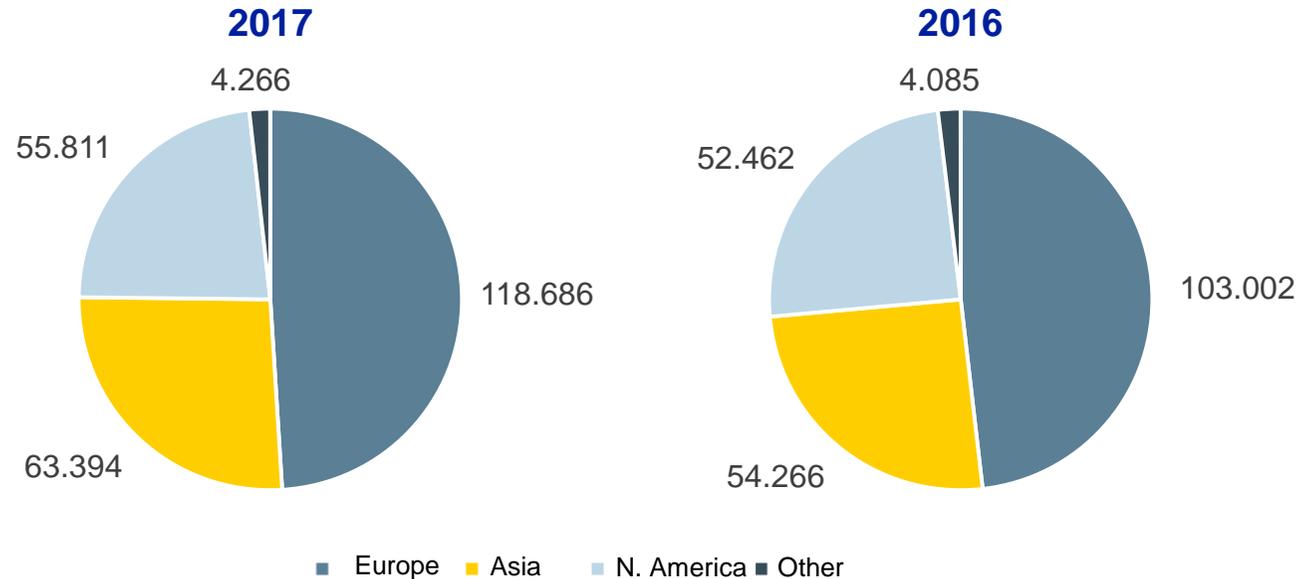
- Growth in all segments and in all regions
- Development mirrors continuous concentration on growth strategy

Net Sales per Region

Growth in all regions



Net Sales per Region
in '000 EUR



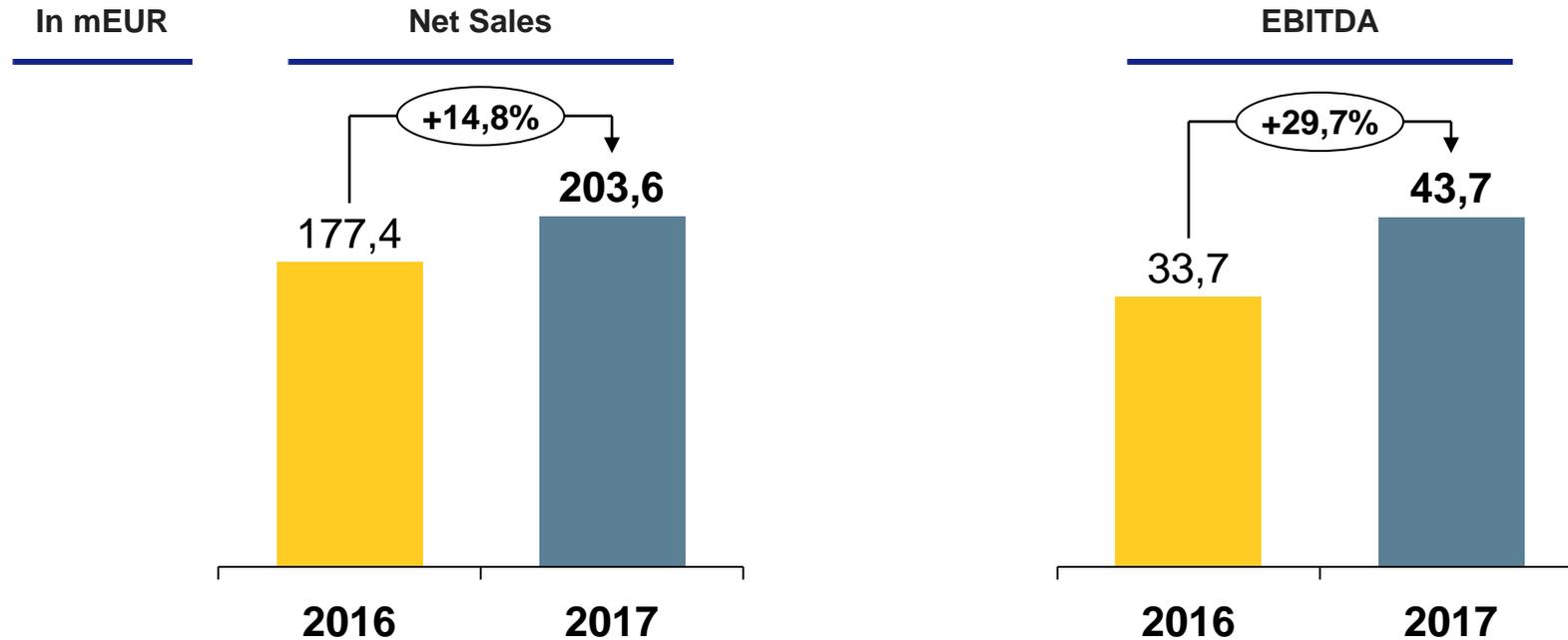
Highlights

- Growth of 17% in Asian markets followed by strong growth in Europe with over 15% y-o-y
- Growth in Asian markets reflects strong demand for batteries used for hearables & wearables

VARTA Microbatteries Segment



Continuous growth and economies of scale effects



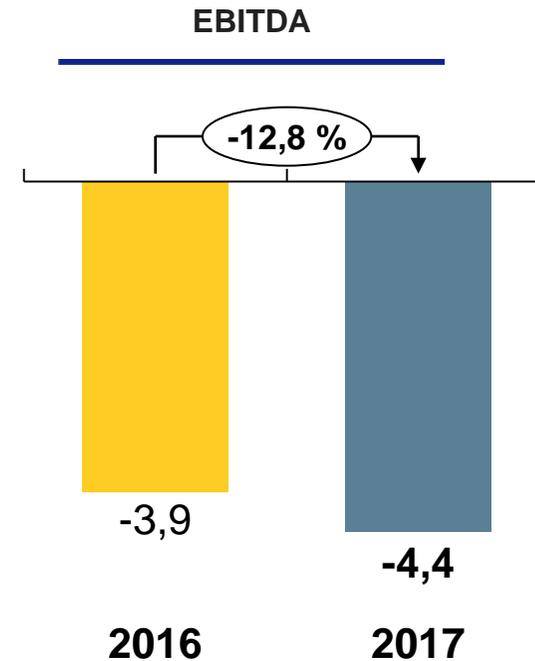
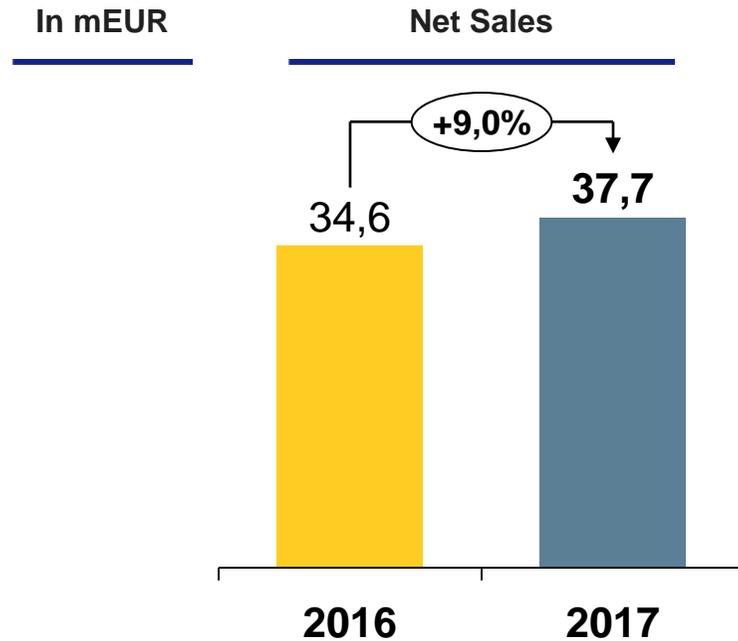
Highlights

- Mid teen growth in sales, mostly influenced by hearing aid batteries and small lithium ion cells
- Growth reflects strong demand from market
- EBITDA margin with 21,5% clearly over 20% hurdle

VARTA Power & Energy Segment



Continuous growth but still negative in EBITDA



Highlights

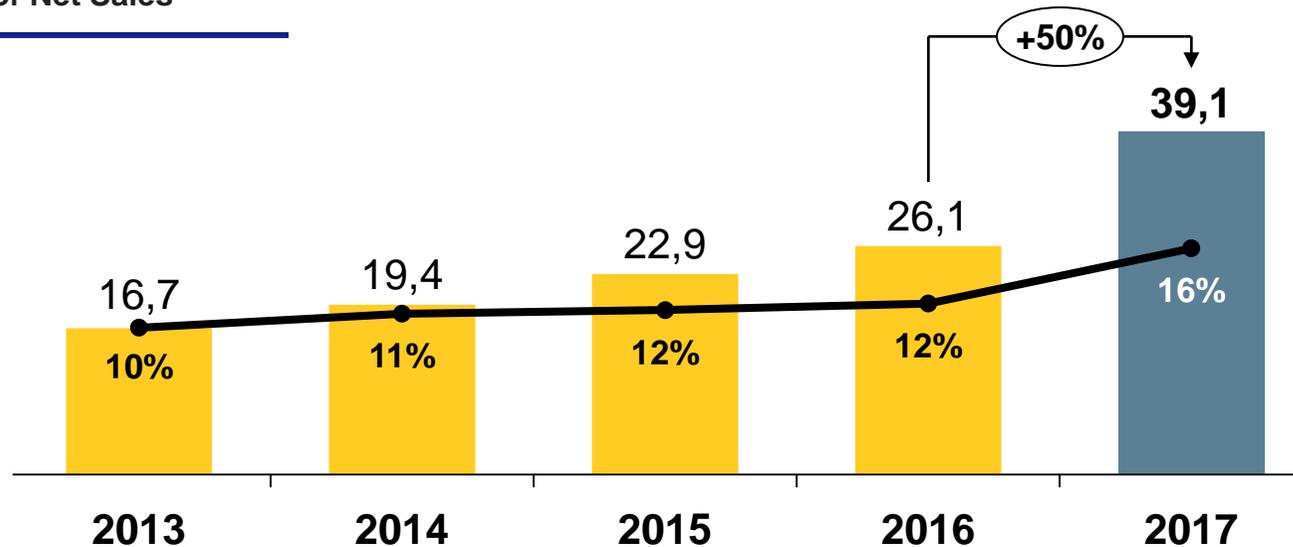
- Growth reflects strong demand for storage solutions
- 2018 goal for changing from negative to positive EBITDA

Adjusted EBITDA



Overproportional growth in adjusted EBITDA

Adj. EBITDA in mEUR
and in % of Net Sales



Highlights

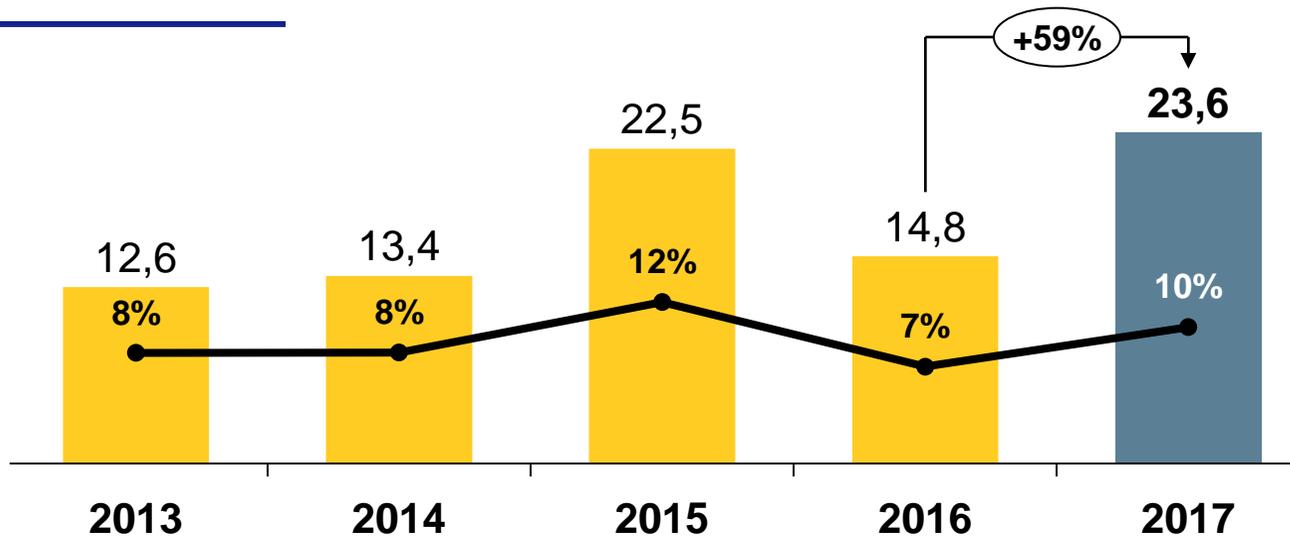
- Economies of scale business let adjusted EBITDA grow by more than 50%
- Adjusted EBITDA margin with 16% just under a third higher than in 2016
- Reflects strategy of continuous concentration on high margin growth

EBIT



Overproportional growth in EBIT

EBIT in mEUR and
in % of Net Sales



Highlights

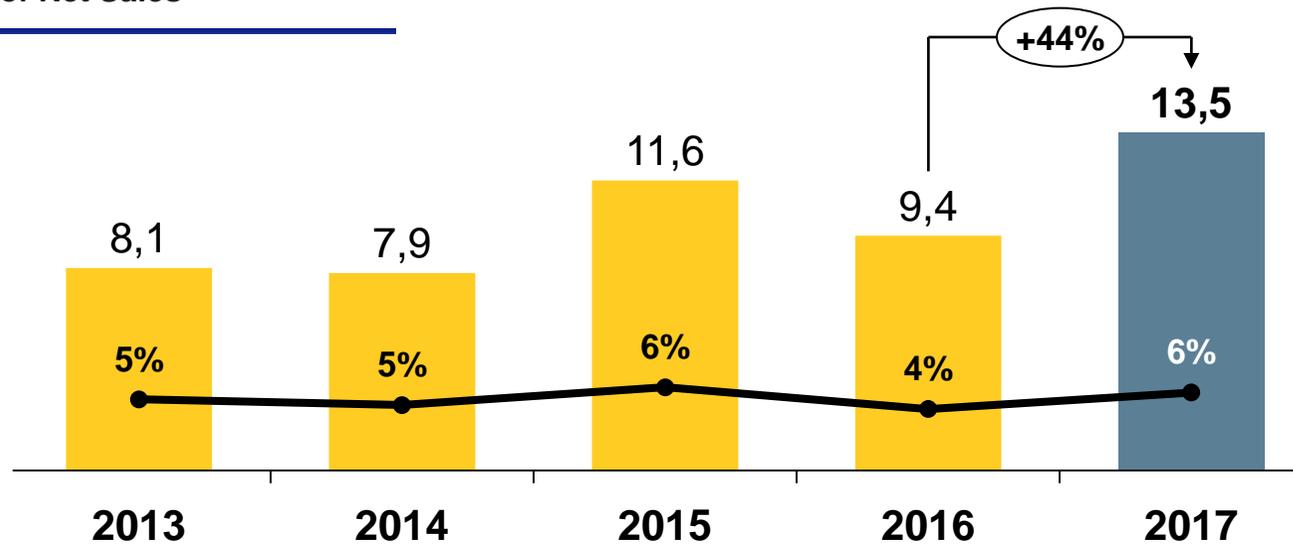
- 2017 show two digit EBIT margin level although reduced by one time effects (adjustments)
- EBIT reflects concentration on strengthen paybacks of capex spendings

Consolidated Result



Positive development in all result figures

Consolidated Result in mEUR
and in % of Net Sales



Highlights

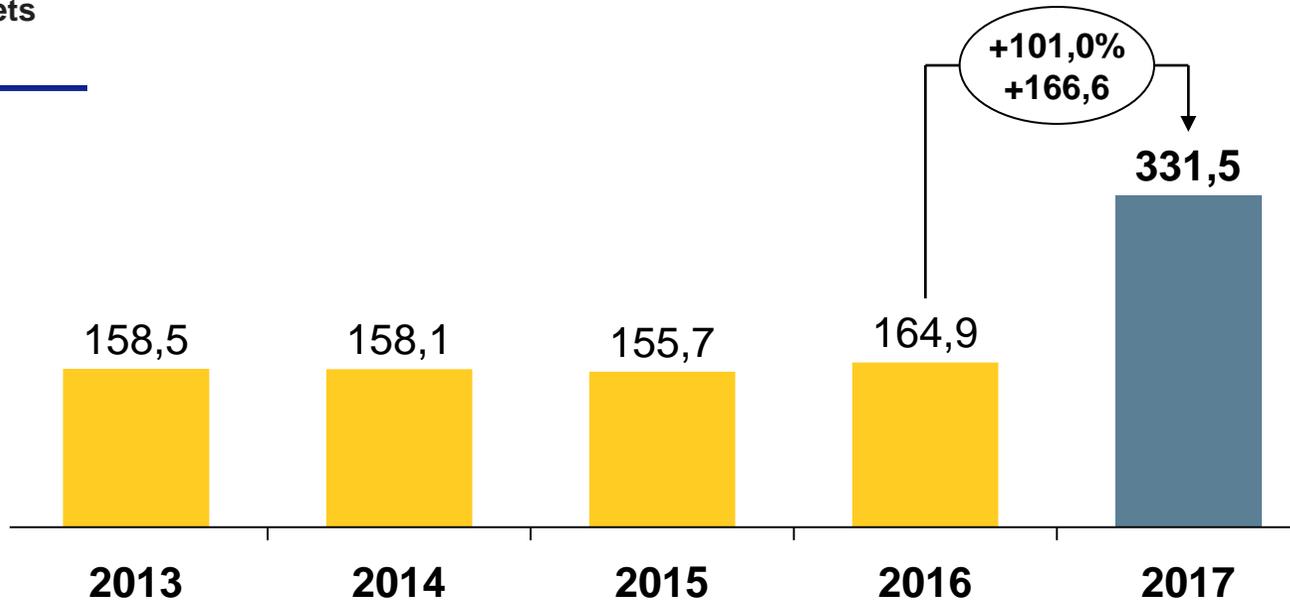
- Taxrate due to good results in 2017 higher than in 2016
- Highest consolidated result since 2013 even though lowered by one time effects ongoing with IPO

Total Assets



IPO effects shape development of total assets

Total Assets
in mEUR



Highlights

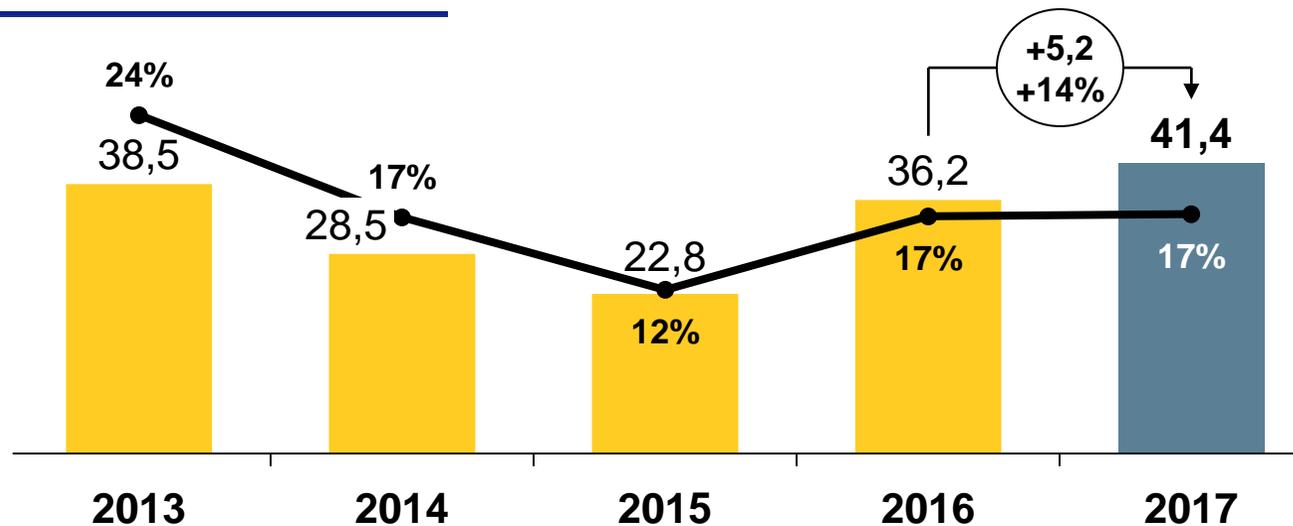
- Net Proceeds of around 147 Mio. EUR shape balance sheet in 2017
- Net cash position of over EUR 130,1 million at the end of 2017

Trade Working Capital



TWC ratio with 17% stable

Trade Working Capital in mEUR
and in % of Net Sales



Highlights

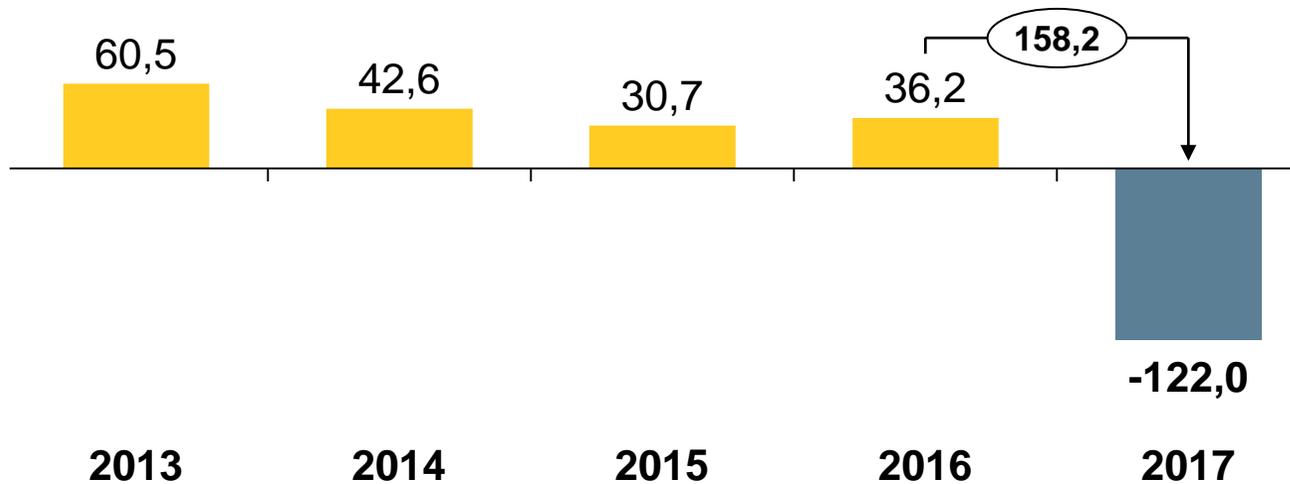
- TWC ratio stable at level of 2016
- TWC impacted by development of inventories
- Inventories rose to 55,8 Mio. EUR to enable deliverability in early 2018 following strong market demand

Net Debt



Change from Net Debt to Net Cash in 2017

Net Debt
in mEUR



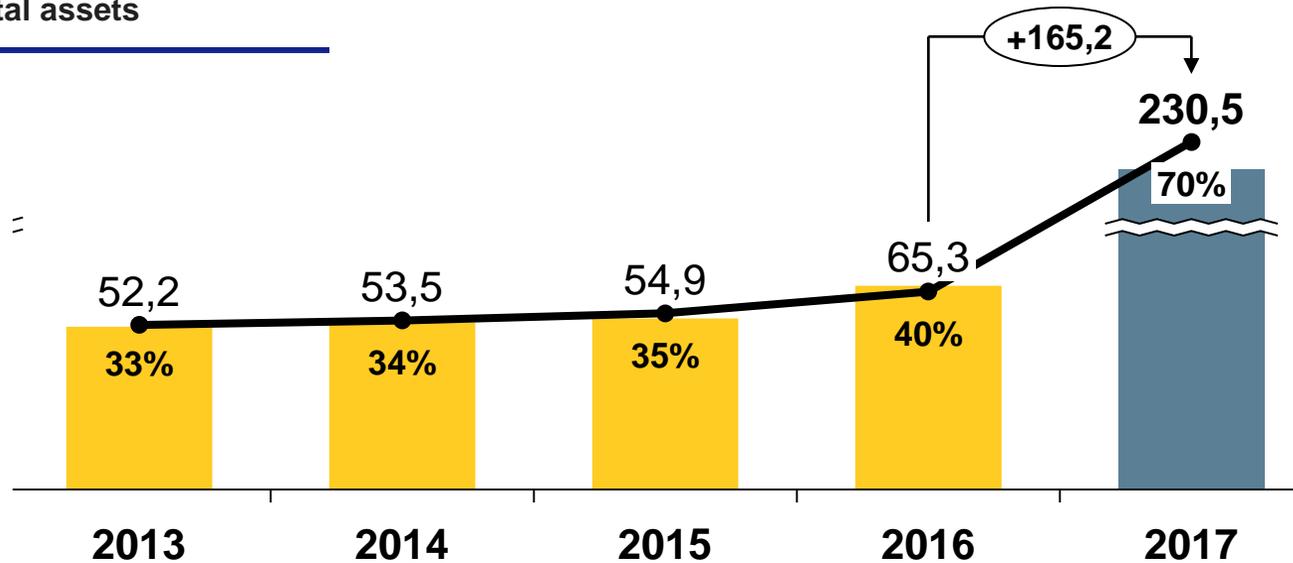
Highlights

- IPO proceeds and positive results in 2017 shape Net Debt
- Net Cash position of over EUR 130 million at the end of 2017

Equity

Positiv result and IPO let equity ratio boost

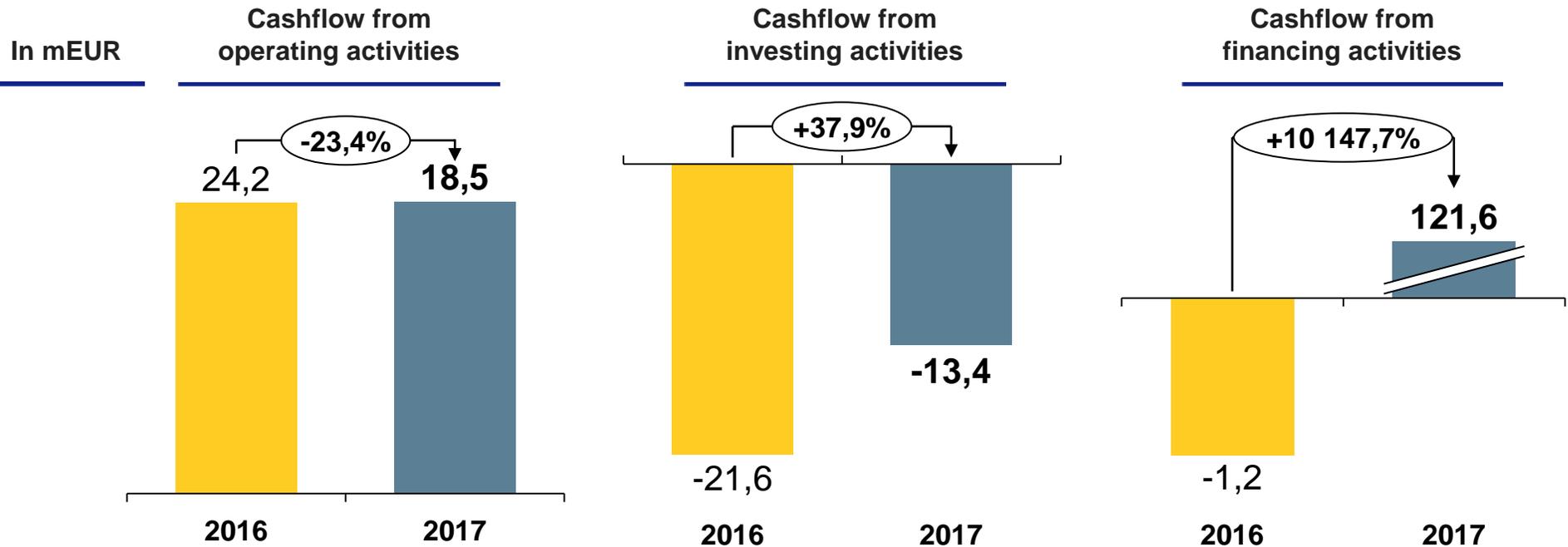
Equity in mEUR and
in % of total assets



Highlights

- Equity ratio increased to 70% due to IPO and the positive development of the results

Cashflow



Highlights

- Cash flow from operating activities highly affected by one time effects of IPO related costs and increase in inventories to ensure deliverability in early 2018

Outlook

2018

Highlights

- Business is expected to continue on its growth path
- Overall sales are expected to show a significant growth over the course of next year (at constant exchange rates)
- A significant increase over the previous year is also expected for 2018 for the adjusted EBITDA – because of economies of scale

Contact Investor Relations

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Financial Calendar

25.04.2018	Interim Statement Q1 2018
19.06.2018	Annual General Meeting
28.08.2018	Half-year Report 2018
25.10.2018	Interim Statement Q3 2018