



# Welcome to the World of Trelleborg

# Trelleborg Capital Markets Day 2014

Update on TrelleborgVibracoustic



# Successful integration

TrelleborgVibracoustic





# All focus on operational excellence

Development **according to plan**

**Operational excellence** and footprint optimization

Integration **benefits** according to plan

Cooperation with Freudenberg works well  
– agenda going forward **aligned**

**Guest speaker** today is **Hans-Jürgen Goslar**,  
CEO TrelleborgVibracoustic



# Trelleborg Capital Markets Day 2014

## Update on TrelleborgVibracoustic



Hans-Jürgen Goslar, CEO TrelleborgVibracoustic

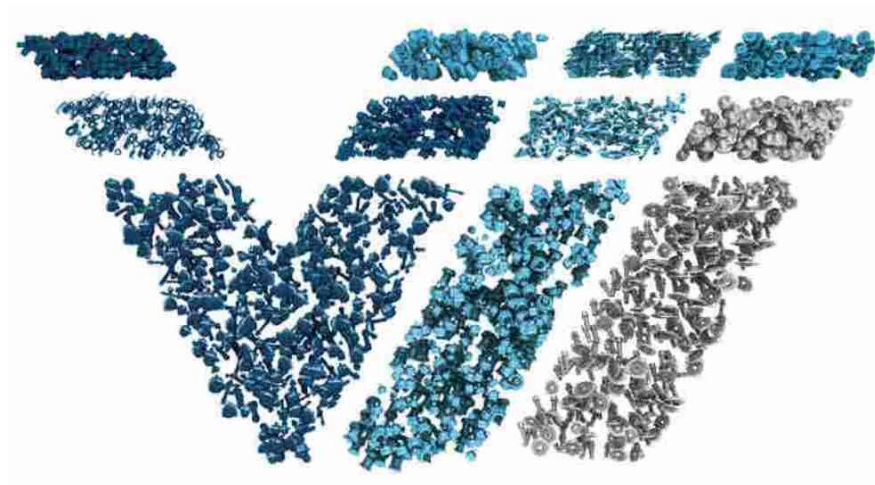


# Agenda

- 1 Introducing TrelleborgVibracoustic**
- 2 Tackling a challenging market**
- 3 Gearing up for growth in 2013 and beyond**

# TrelleborgVibracoustic: Taking the lead in AVS

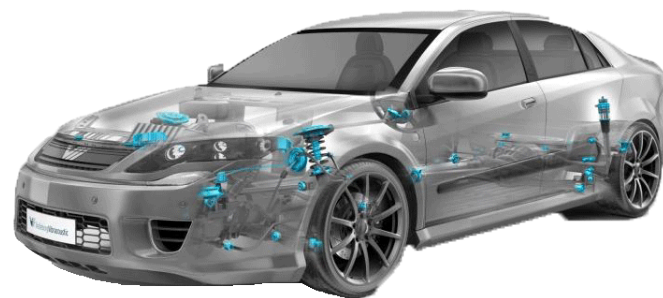
- ▼ **Top global supplier of automotive anti-vibration solutions**
- ▼ Joint Venture founded in 2012
- ▼ **Market leader with 16%** global market share
- ▼ Approximately **EUR 1.7bn in sales**
- ▼ **>10,000 employees, 32** production sites, **6** R&D centres in **18** countries
- ▼ Serving the **major OEM and Tier 1** suppliers worldwide
- ▼ Full **system expertise**



# Anti-vibration solutions are essential to ensure comfort, safety and durability in vehicle systems

## Anti-vibration solutions...

- ▼ provide a damping and spring function
- ▼ prevent the engine mass from shifting, thus improve vehicle ride, handling and safety
- ▼ prevent noise transfer through the vehicle's structure significantly increasing comfort
- ▼ absorb shock input, improving road holding and driver safety
- ▼ help to enhance system durability





# TrelleborgVibracoustic AVS solutions in action



# Highlight products in recent model launches

BMW 4-series



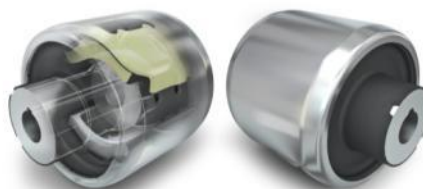
Hydro engine mounts



Range Rover Sport



World's strongest hydro bushings



Porsche Macan



First air suspension compact SUV



© OEM/TBVC

# Offering the broadest AVS product range

## Engine Mounts

30%



## Chassis Mounts

40%



## Air Springs

10%



## Torsional Vibration Dampers

10%



## Isolators & Dampers

10%









## Micro Cellular Urethane

<5%

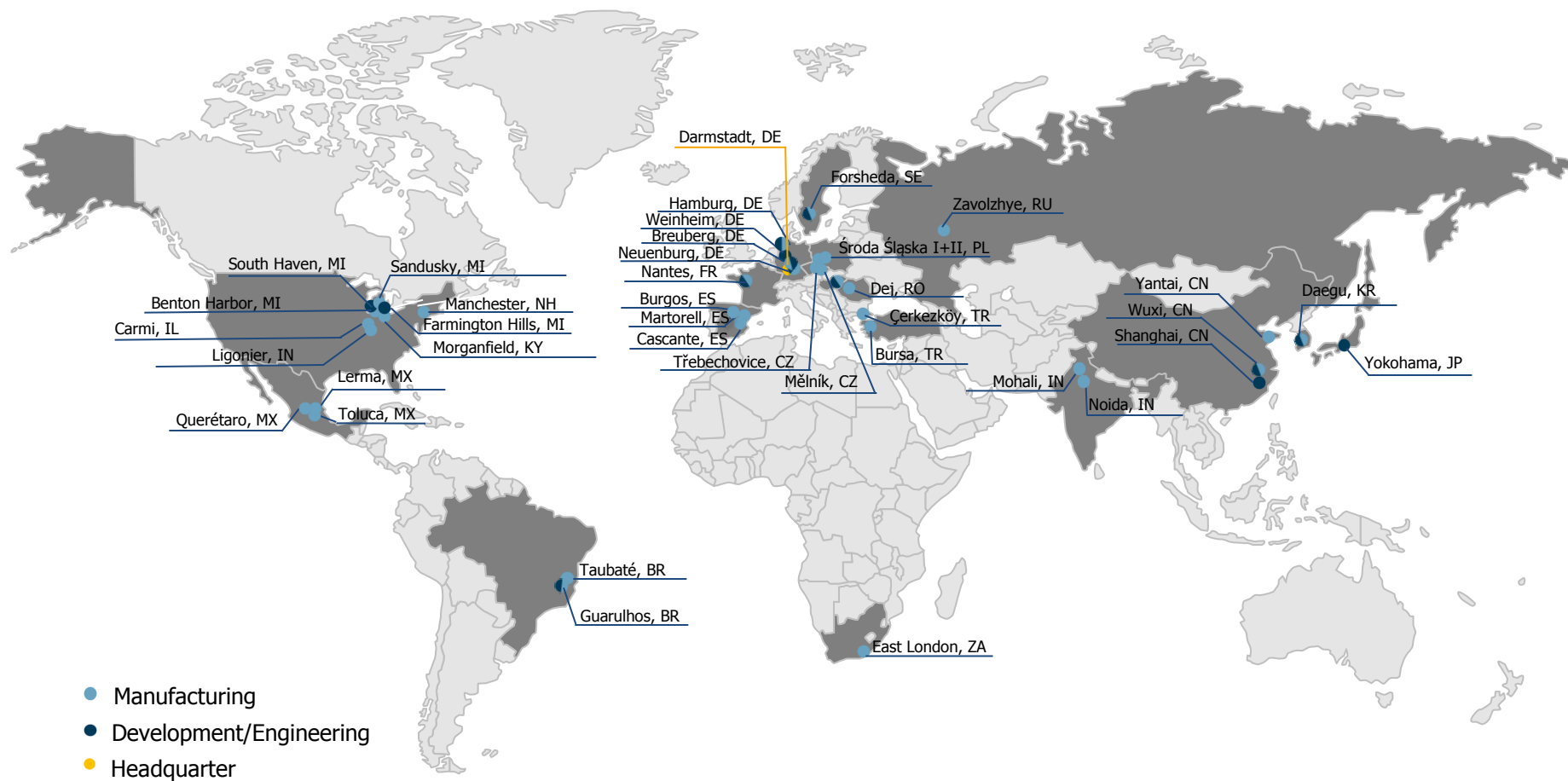


**Note:** Percentages represent BA's approximate share in 2013 sales

# Ahead of competition: most comprehensive product portfolio in AVS

	Air Springs	Chassis Mounts	Engine Mounts	Isolators & Dampers	MCU	TVD
	✓	✓	✓	✓	✓	✓
	✗	✓	✓	✓	✗	✓
	✓	✓	✓	✗	✗	✓
	✗	✓	✓	✓	✗	✗
	✗	✓	✓	✓	✗	✗
	✓	✓	✓	✓	✗	✗

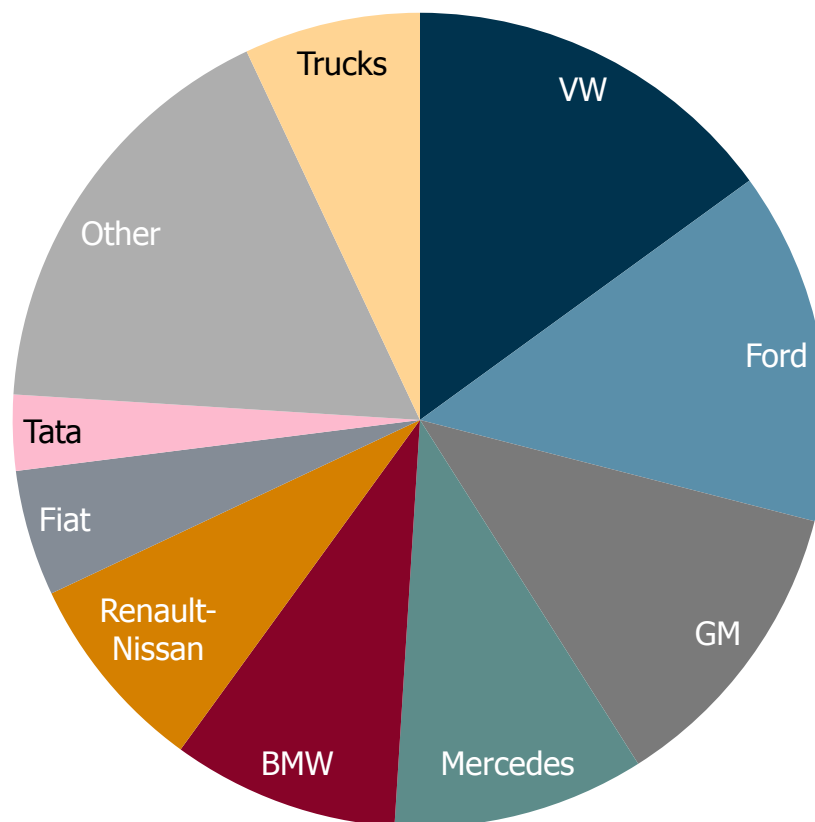
# Unique global footprint as competitive edge





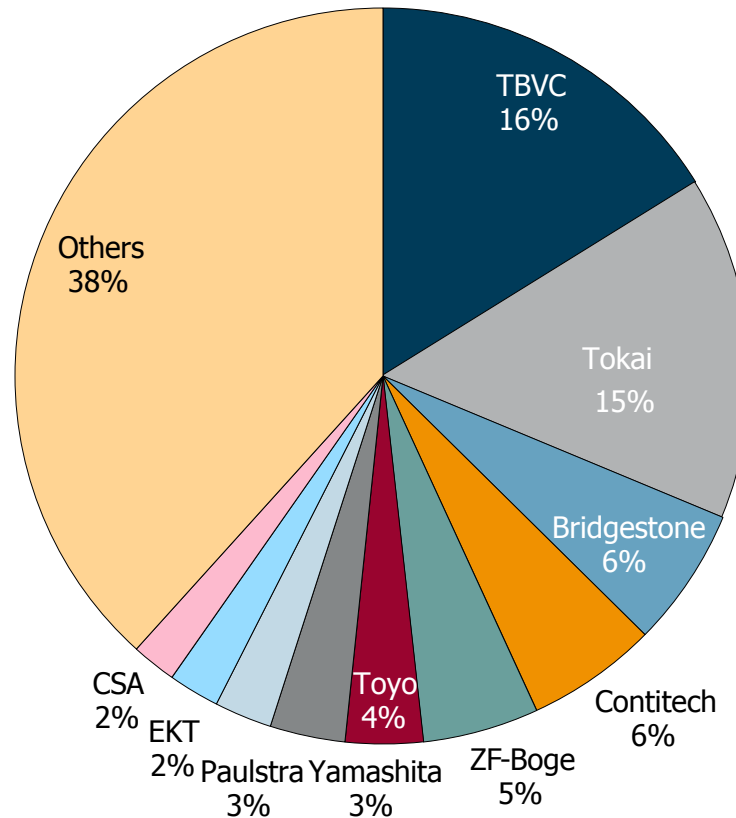
# A solid customer base saving all top OEMs

All customers (total sales approx. EUR 1.7 bn)



Note: As of 2013

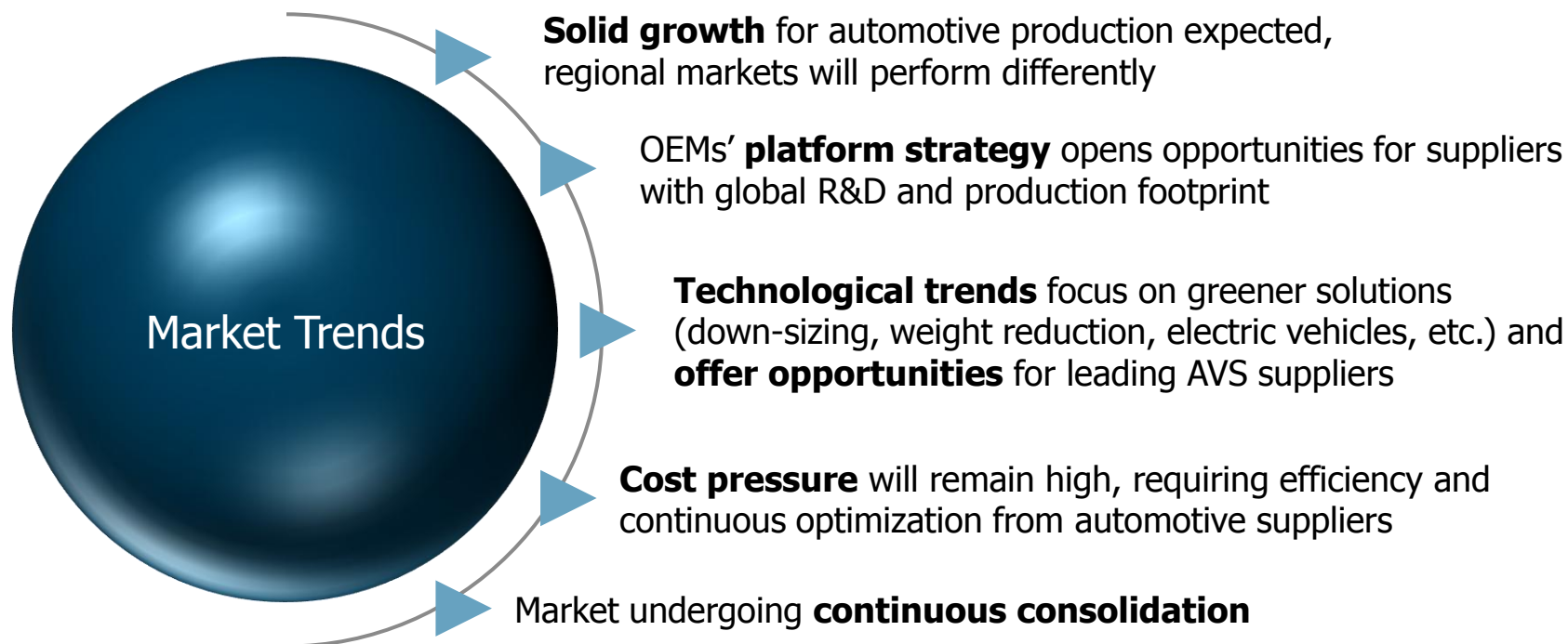
# TrelleborgVibracoustic is number 1 in the automotive AVS market



## Notes:

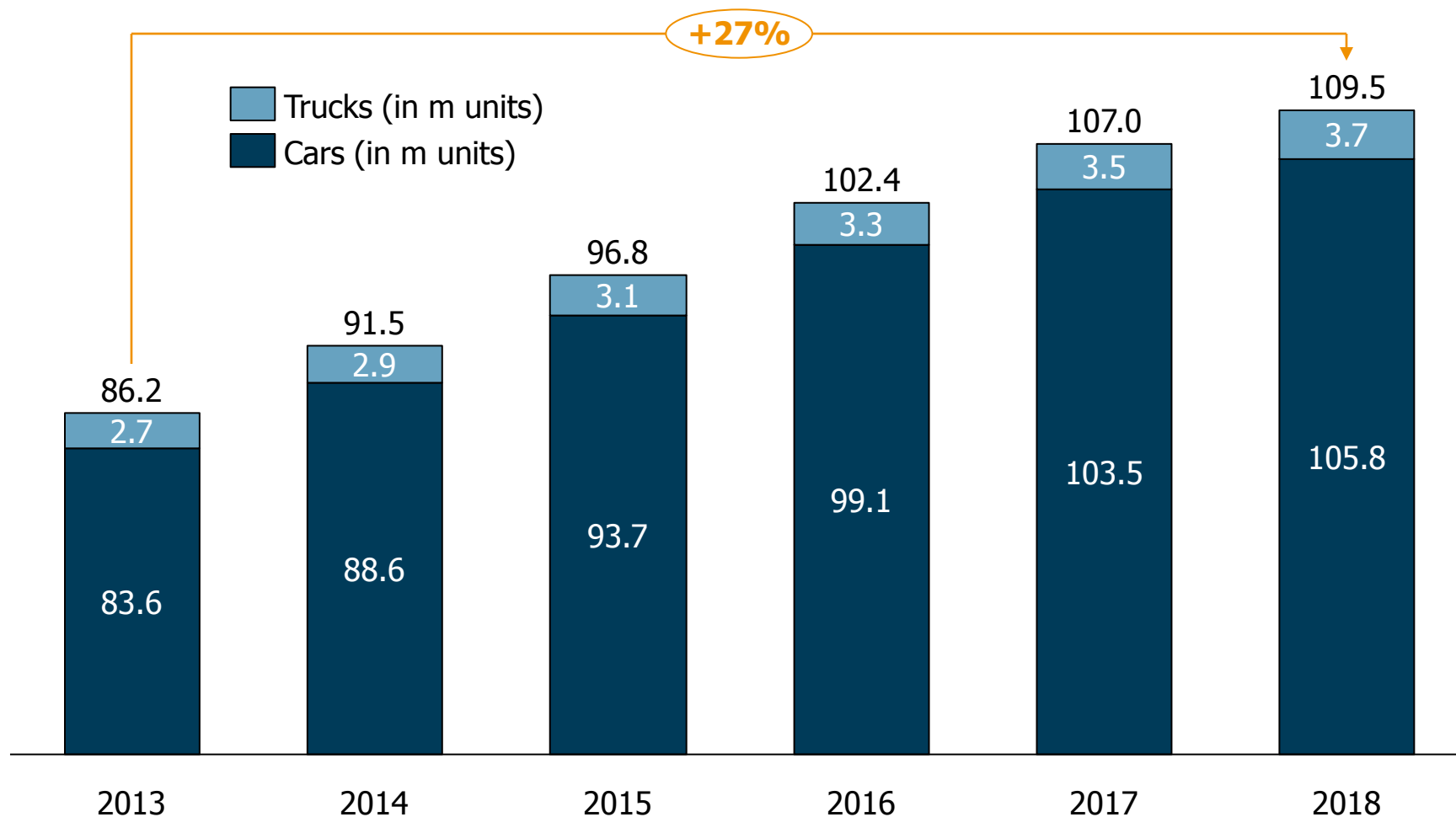
1) Shares based on estimated sales 2013; 2) ZF Boge has been acquired by Chinese competitor TMT

# Various factors influencing the automotive market



# Solid growth potential in the automotive market

CAGR 2013-2018 for produced vehicles of 4.9%



Source: LMC (formerly J.D. Power) as used in TrelleborgVibracoustic's strategic planning

# 2013 Milestones: Successful integration and strong, stand-alone organization

 TrelleborgVibracoustic

**Stand-alone financing**

**TrelleborgVibracoustic headquarter**

**Full operative matrix organization in place**

**Consolidation of Joint Ventures**

**Among top 100 global automotive suppliers<sup>1)</sup>**

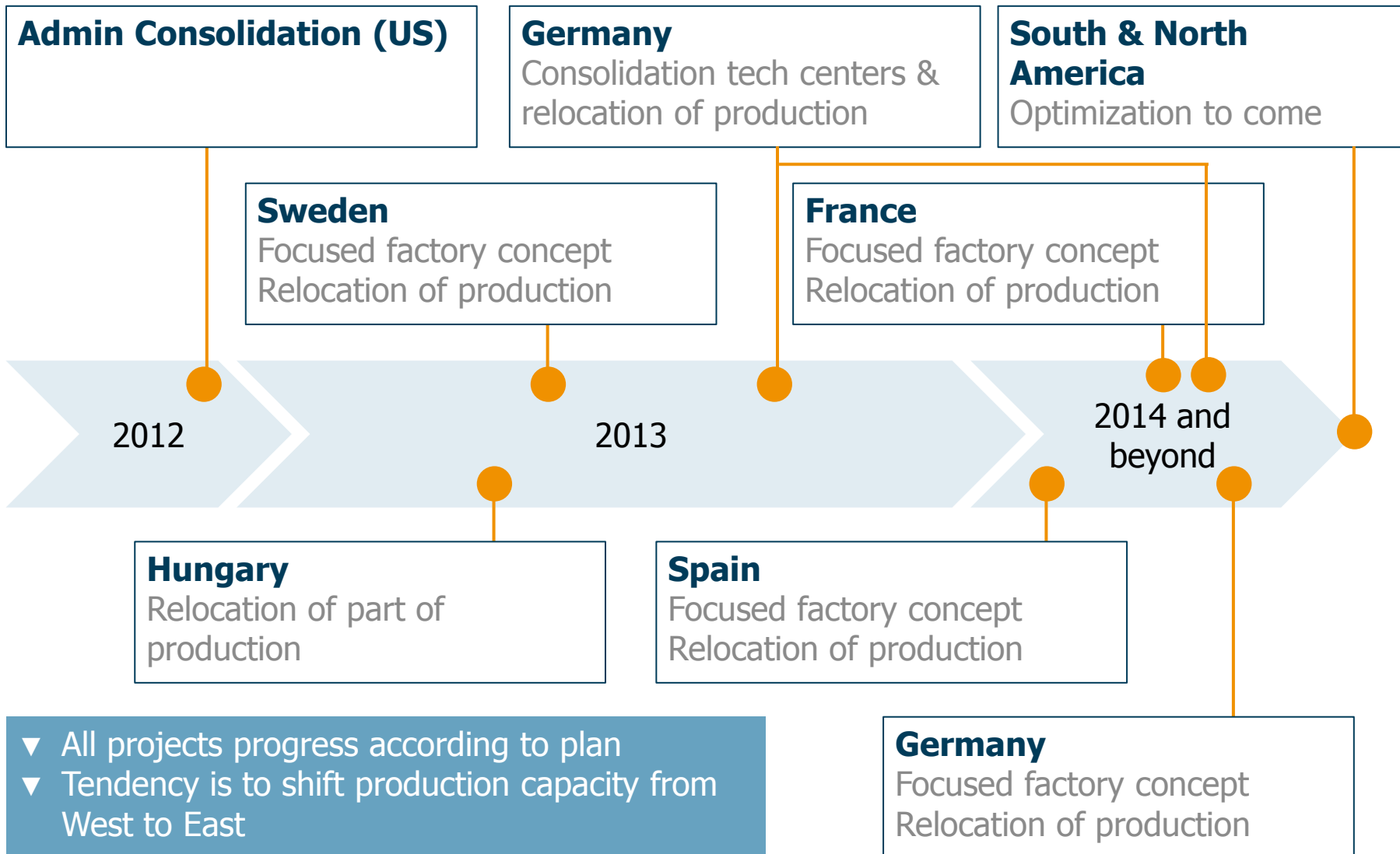


**Notes:**

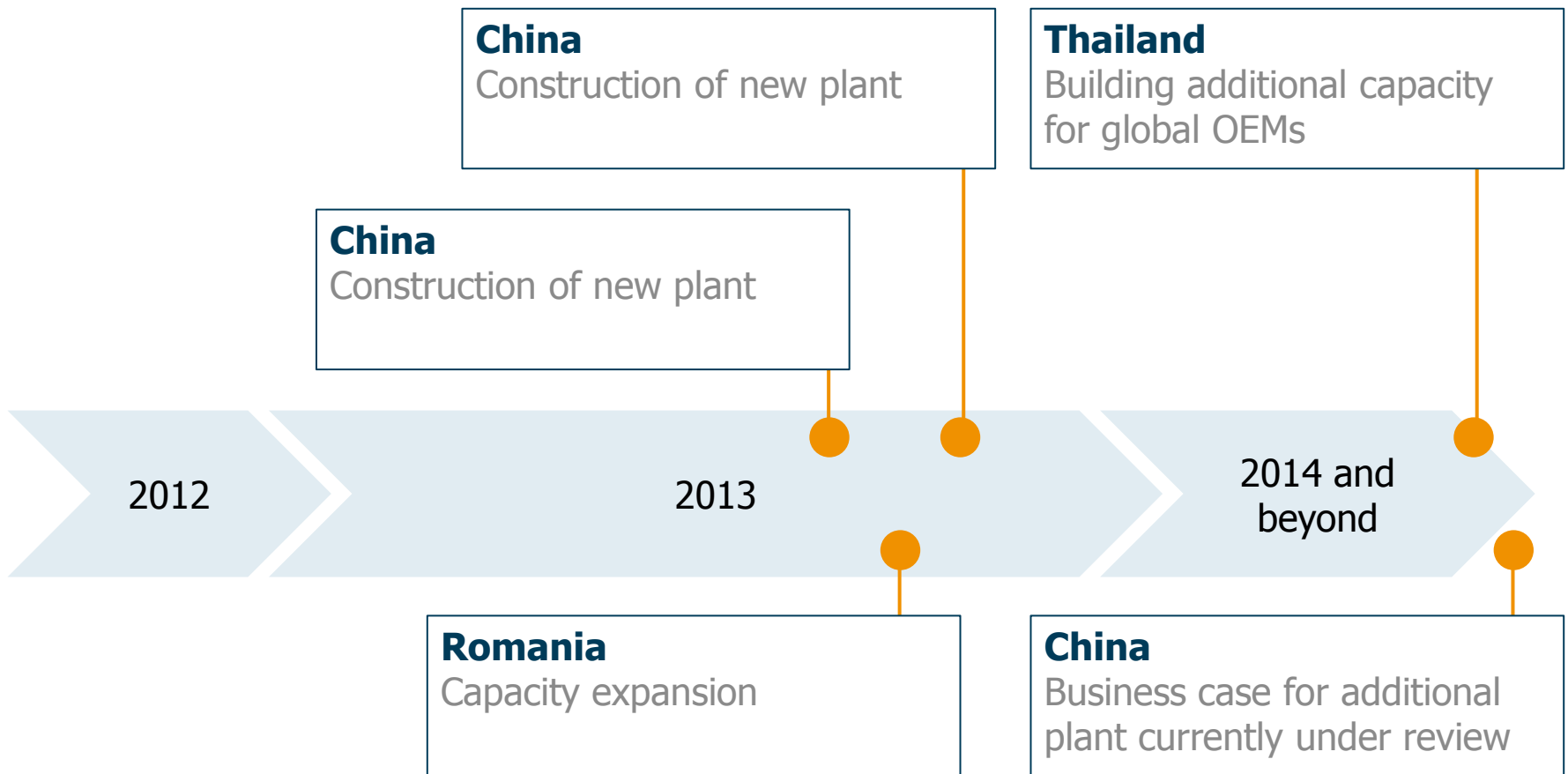
1) Source: Automotive News



# Restructuring projects and footprint optimization



# Expansion projects



# Joint Venture for commercial vehicle air springs: Improved impact on an attractive market

- ▼ TrelleborgVibracoustic owns 50.1% of the dedicated commercial JV founded in June 2013
- ▼ Broadest range of commercial vehicle air springs
- ▼ Improved stronghold on high margin Independent Aftermarket
- ▼ "Perfect fit" of excellent TrelleborgVibracoustic engineering expertise with best cost manufacturing facilities

**aircruise**<sup>TM</sup>



For premium OEM applications

**blacktech**  
Air Springs



High performance, best cost applications

# TrelleborgVibracoustic had a successful 2013 and Q1 2014

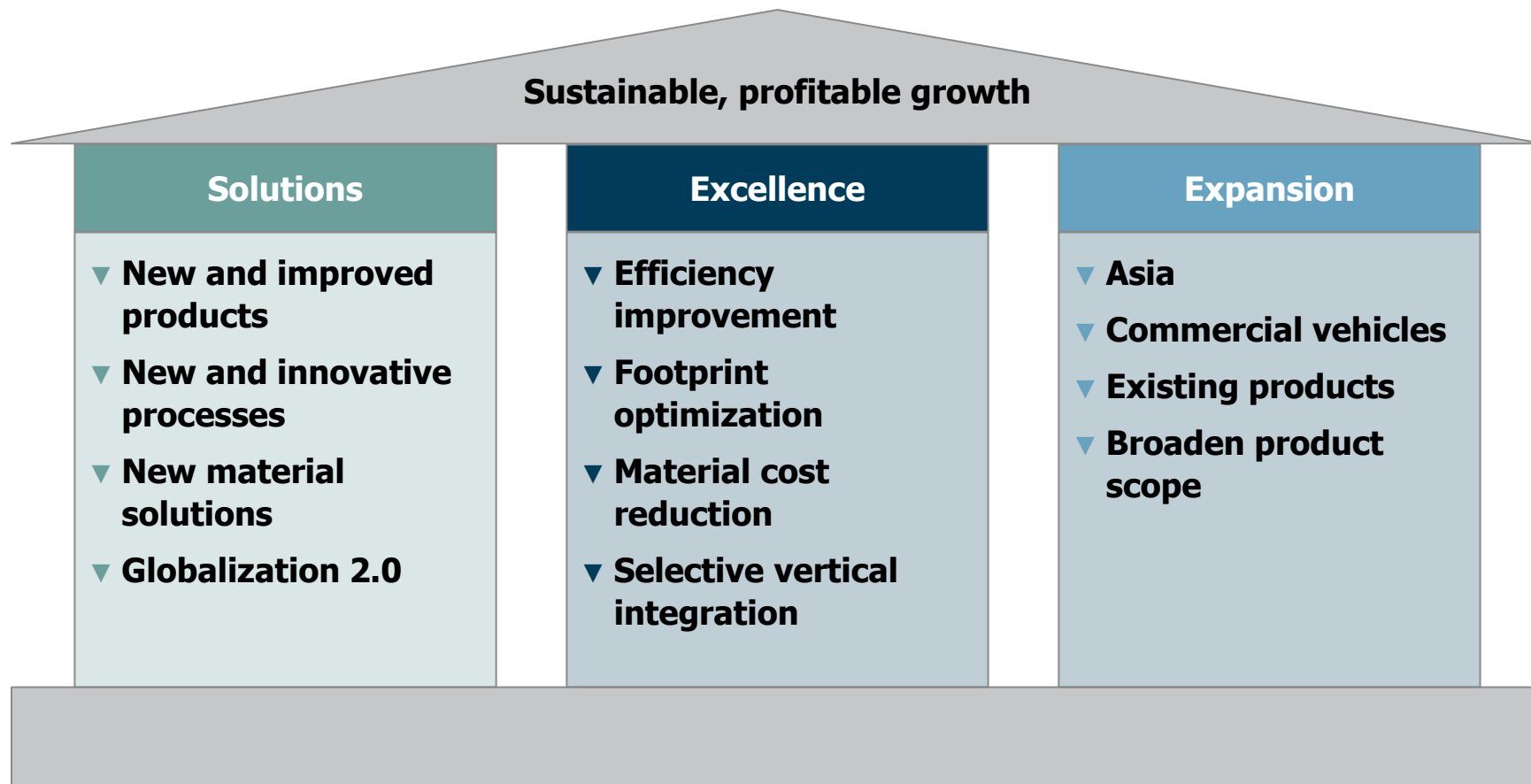
Item <sup>1)</sup>	2012	2013	Q4 2013	Q1 2014
<b>Sales</b>	1,633 €m	1,713 €m	419 €m	447 €m
<b>Operating Profit</b>	99 €m	125 €m	35 €m	39 €m
<b>EBIT Margin</b>	6.0%	7.3%	8.2%	8.6%
<b>Operating Cash Flow</b>	n.a.	97 €m	37 €m	21 €m

Source: Trelleborg AB Fourth Quarter and Year-End Report 2013 & Trelleborg Interim Report January-March 2014

Notes:

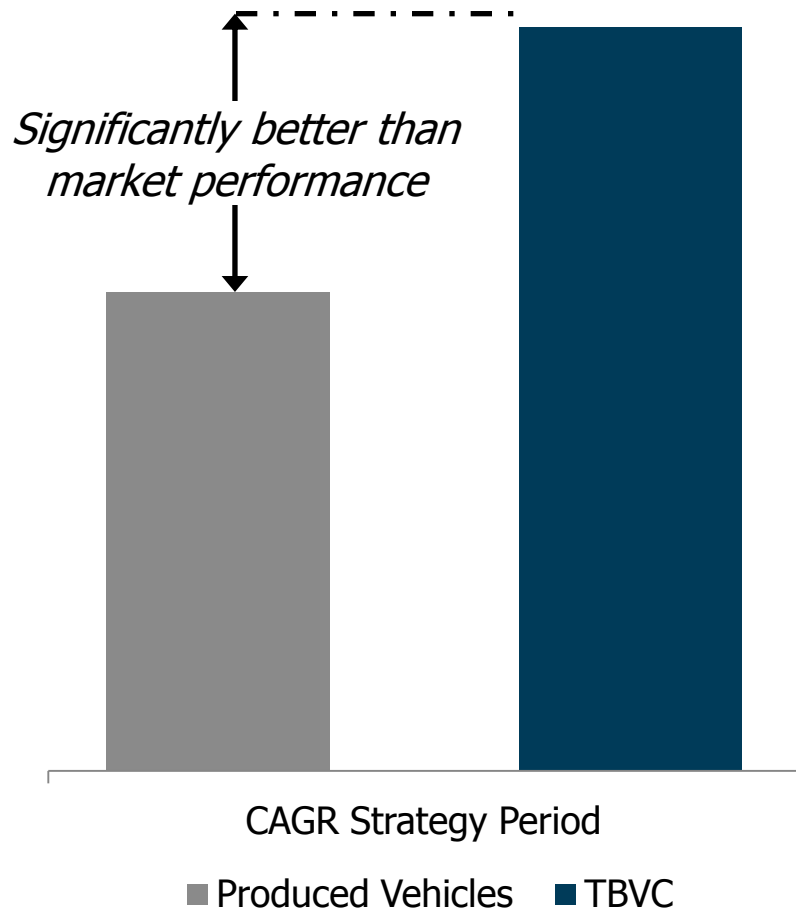
1) Pro-forma financials as defined by Trelleborg AB to achieve comparability with 2012 figures

# Strategic priorities





# Outlook: Growing faster than the automotive market



- ▼ **TrelleborgVibracoustic well positioned** to outgrow the market
- ▼ **Unique global footprint** and leveraging synergies will ensure **attractive returns**
- ▼ Present on **19 of the 20** global **top OEM platforms**

# Summary of achievements and the way forward

- ▶ **Solid financial performance**
- ▶ **Successful integration** and realization of synergies
- ▶ **Leading position in AVS** market supported by consistent expansion in growth markets
- ▶ Outstanding **system expertise and excellent reputation** as AVS supplier of choice
- ▶ Unique **global engineering and manufacturing** footprint
- ▶ Focused **strategy to secure competitive edge and further growth**



# Gearing up for growth



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