Presentation 1st Quarter 2017

Amberg,
May 15, 2017

GRAMMER

GRAMMER GROUP – MARKET DEVELOPMENT Q1 2017

Car markets continue to grow. Commercial vehicles with ongoing uncertainties

Passenger Cars – New Registrations

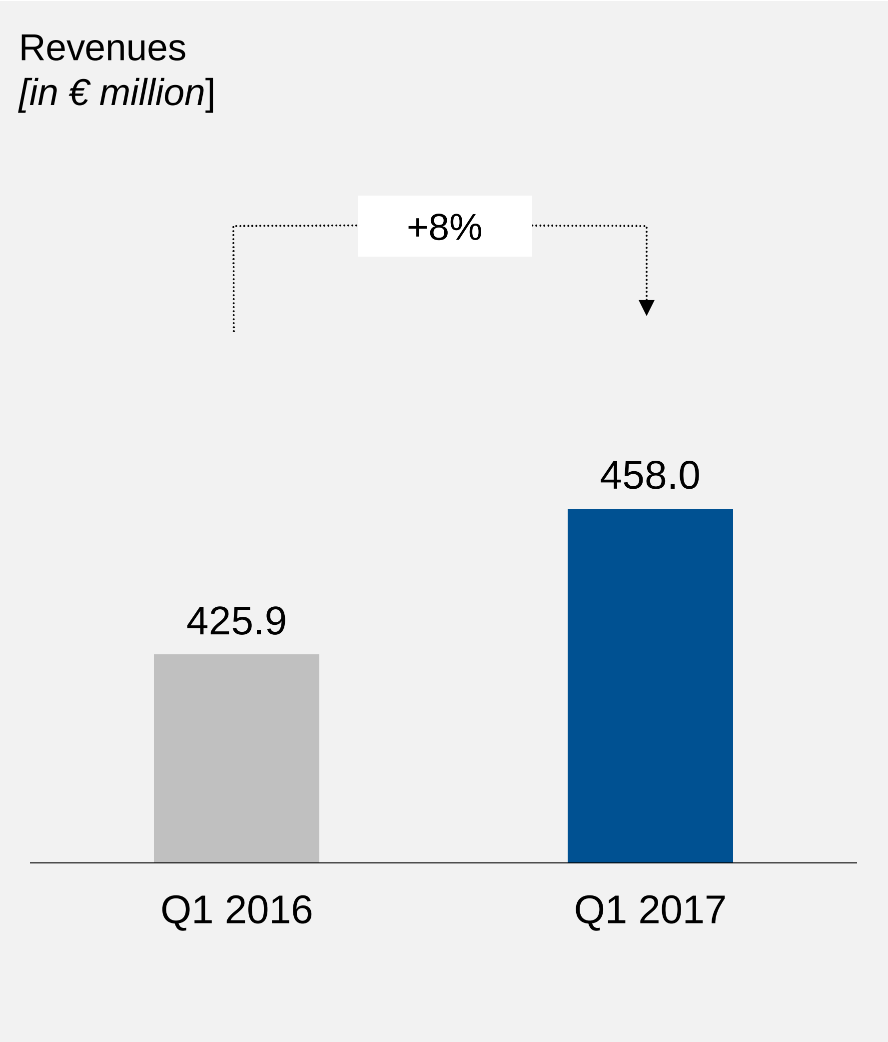
- Global automotive markets with positive momentum in the first quarter
- New registrations in Germany +7%
- China with high growth (+6 %)
- Western Europe with significant growth (+7 %).

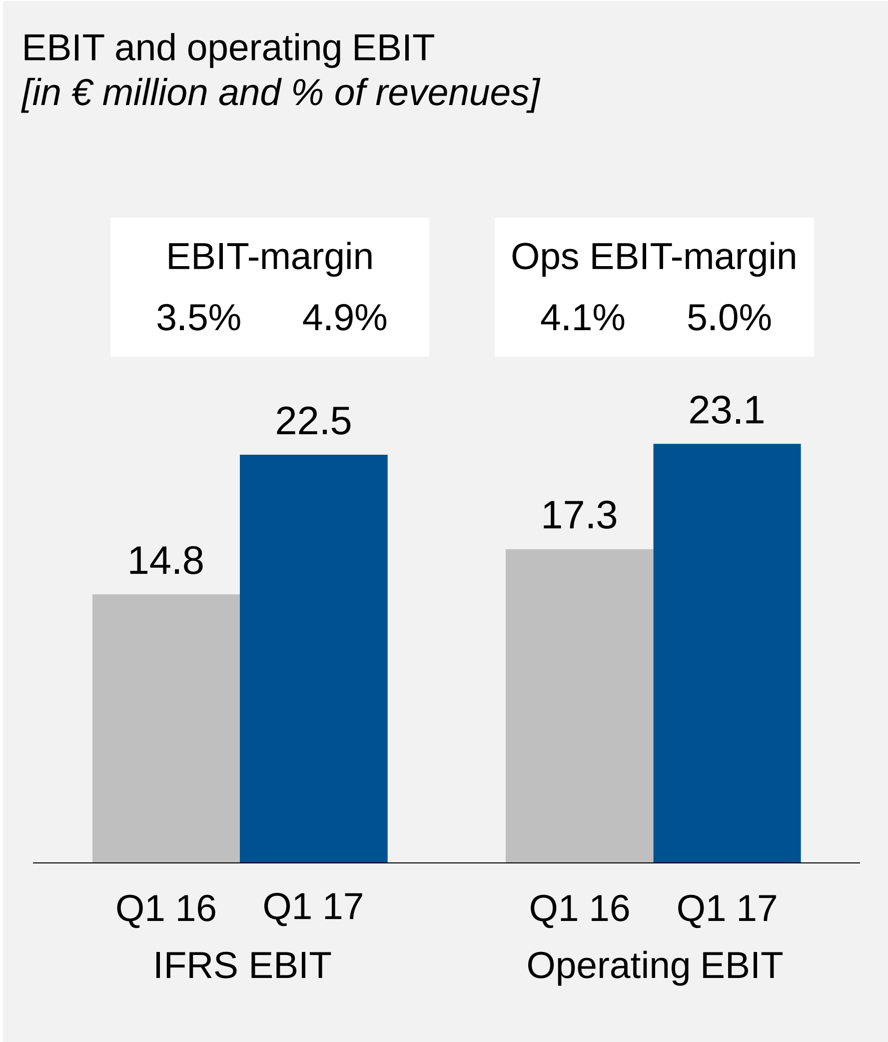
Commercial vehicles (> 6T) – New Registrations

- USA with a decline (-15 %)
- Brazil again with another dramatic slump (-27%) (medium trucks -31%, heavy trucks -25%)
- China with strong recovery (+73%)
- Western Europe (+6%, Germany +5%)
- Agricultural machinery markets with ongoing weakness

GRAMMER GROUP – DEVELOPMENT Q1 2017

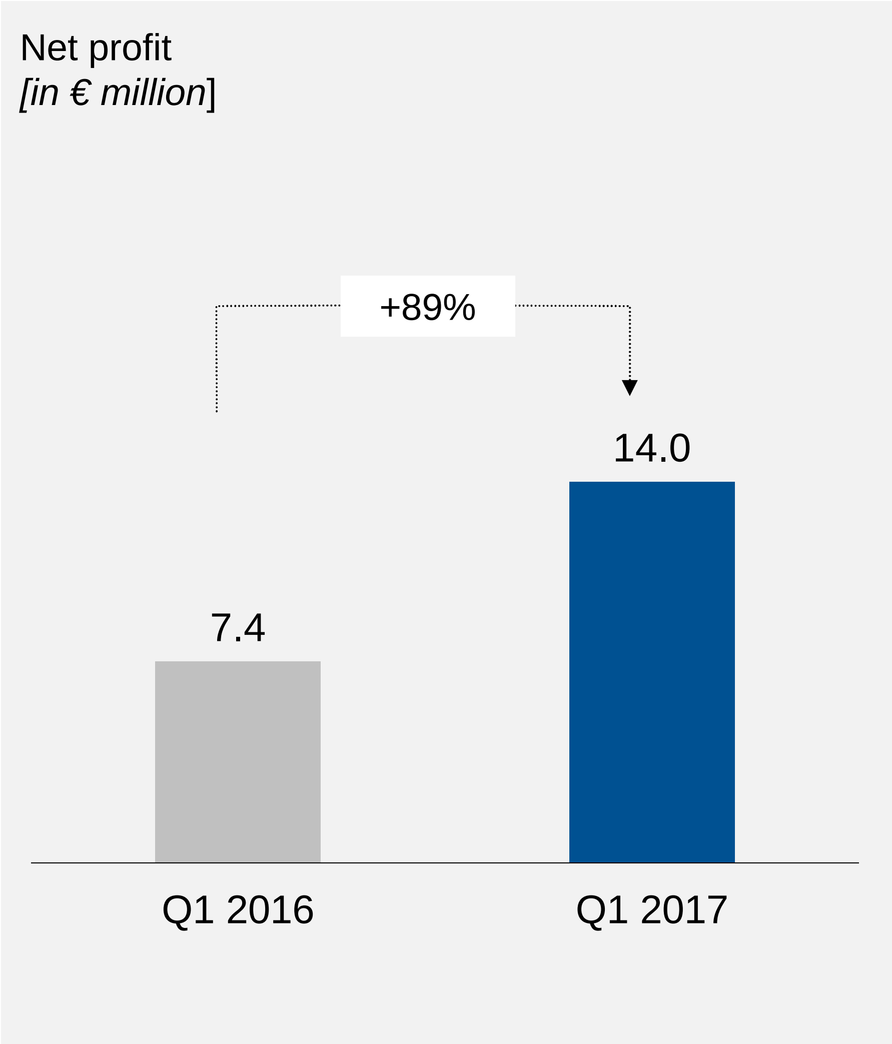
Group revenues and operating EBIT with strong increase

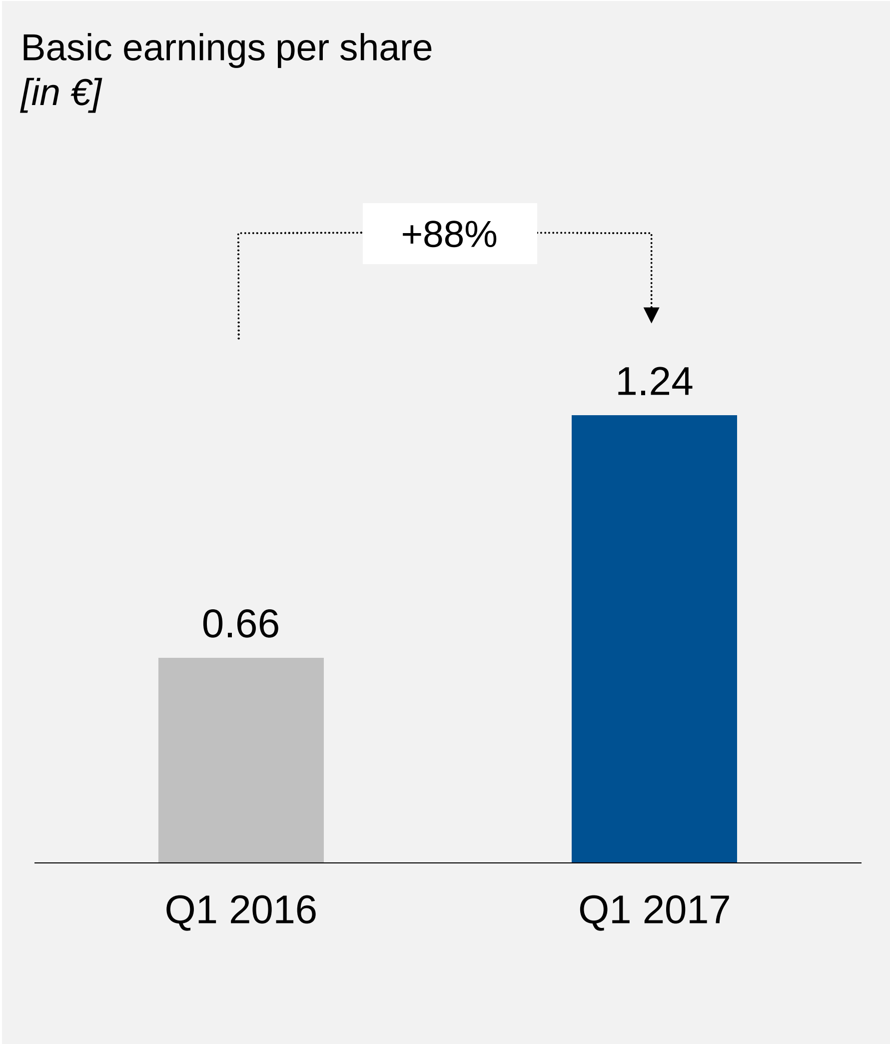




GRAMMER GROUP – DEVELOPMENT Q1 2017

Net profit and earnings per share almost doubled

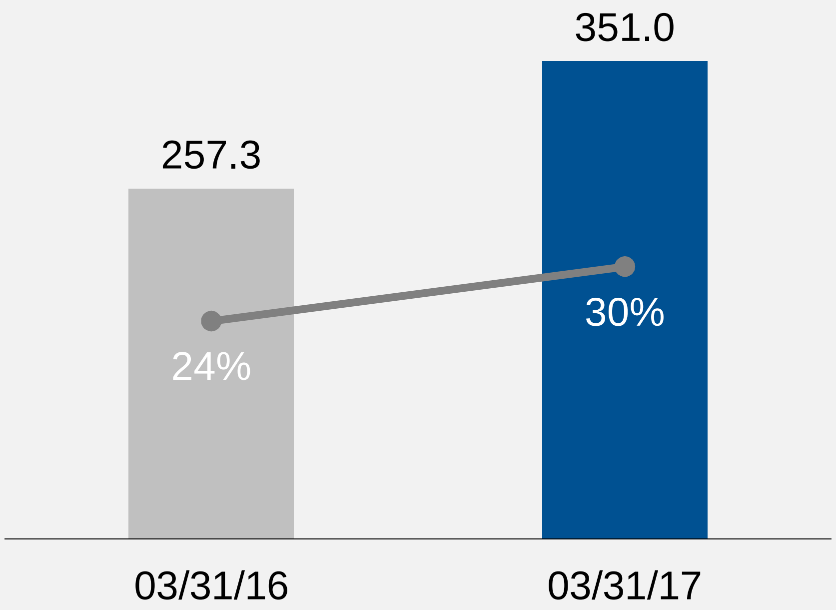




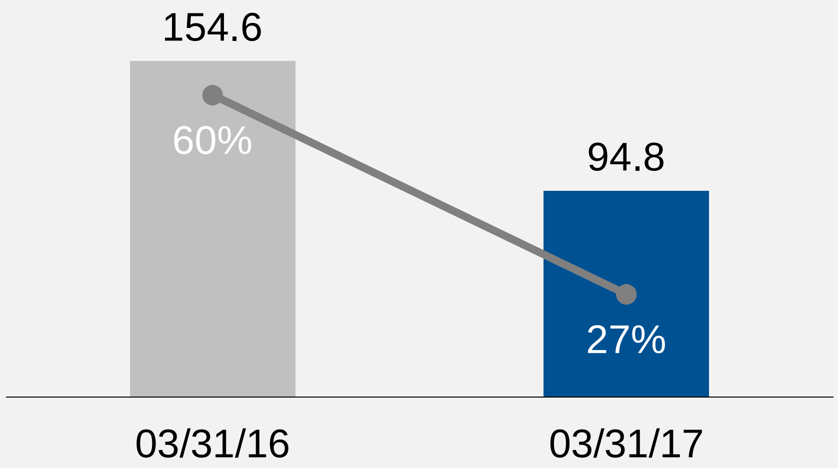
GRAMMER GROUP – DEVELOPMENT Q1 2017

Higher equity due to capital increase.

Equity and equity-ratio
[in € million and %]



Net financial debt and gearing
[in € million and %]

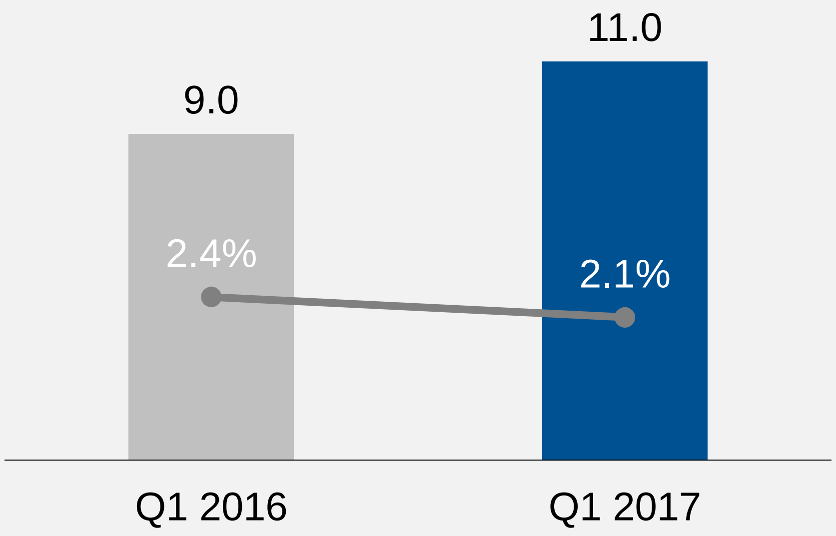


GRAMMER GROUP – DEVELOPMENT Q1 2017

Investments focused on expansion and optimization measures

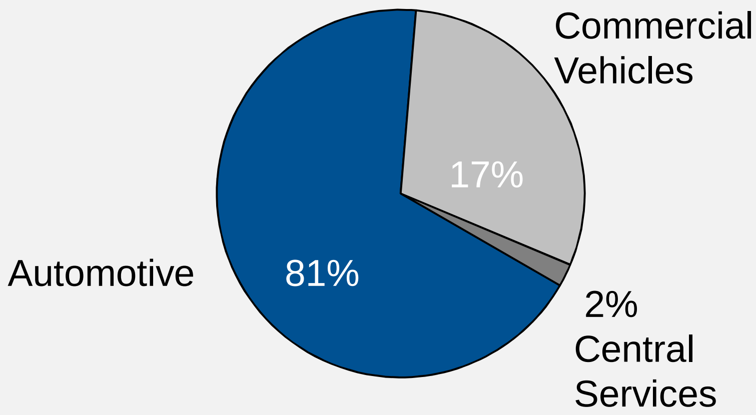
Capex and Capex-ratio

[in € million and %]



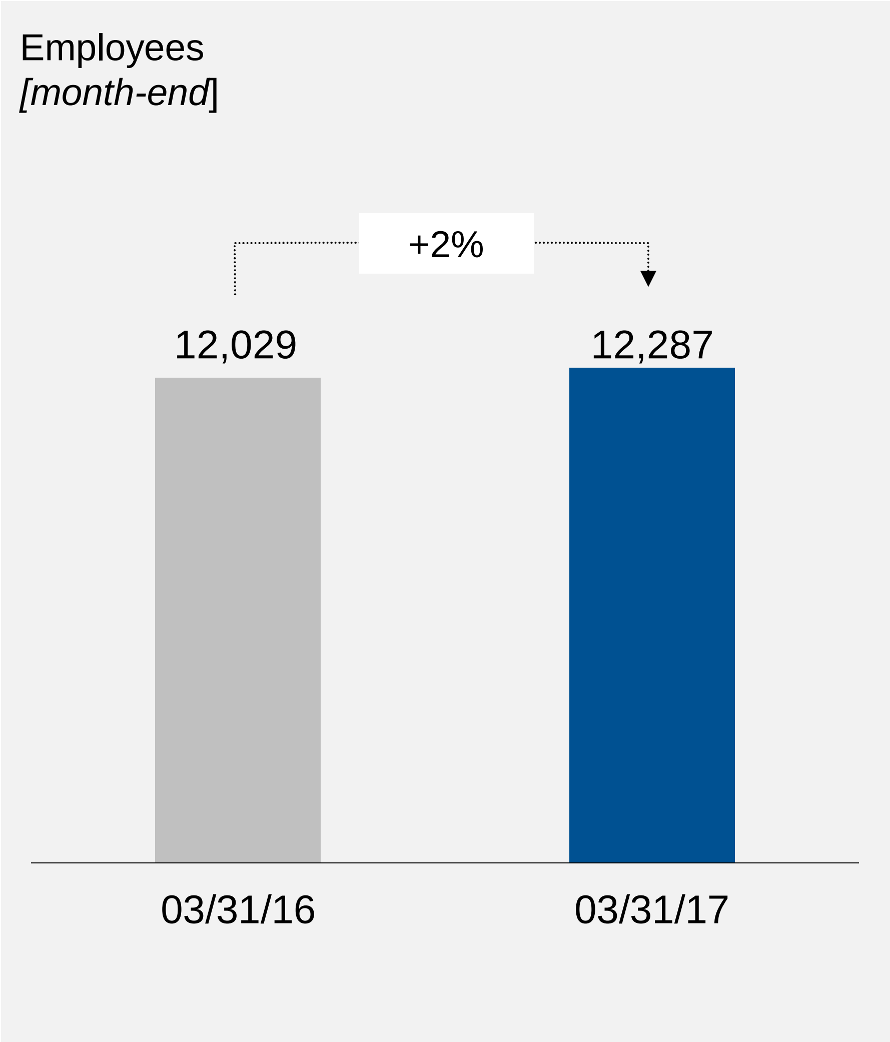
Capex Q1 2017 by divisions

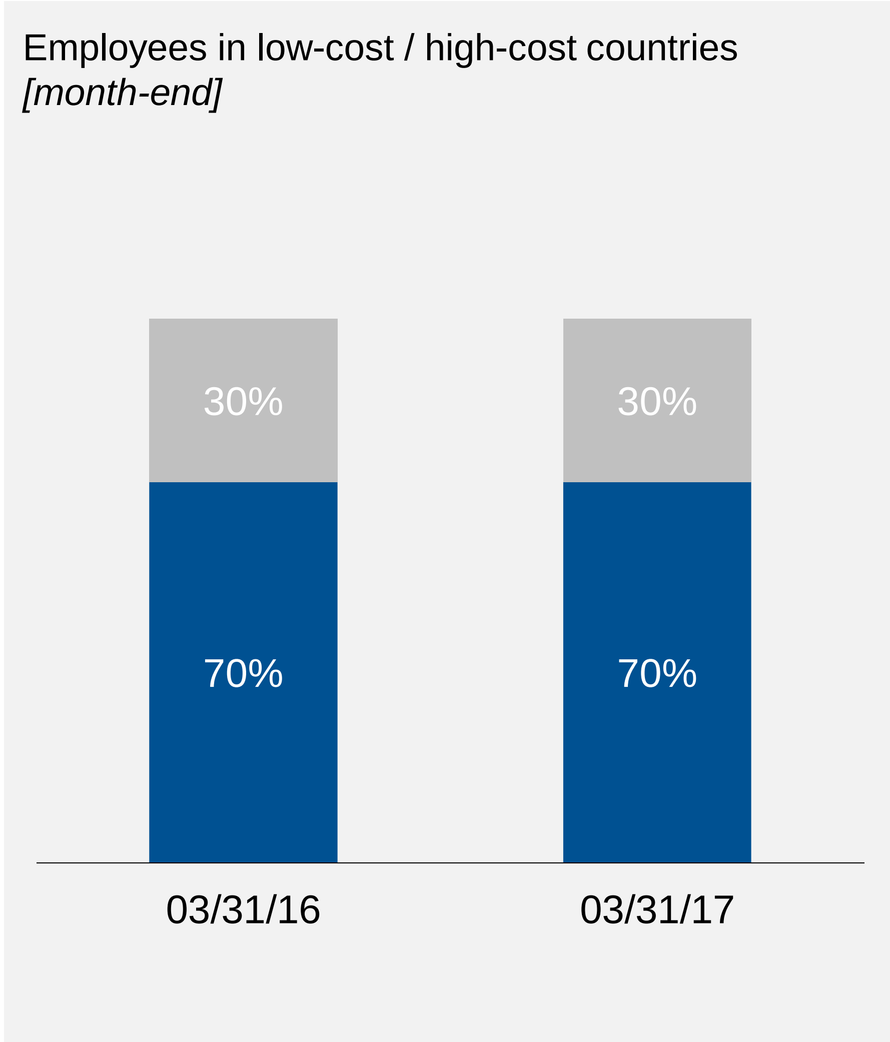
[in %]



GROUP – DEVELOPMENT Q1 2017

Increased headcount following business expansion

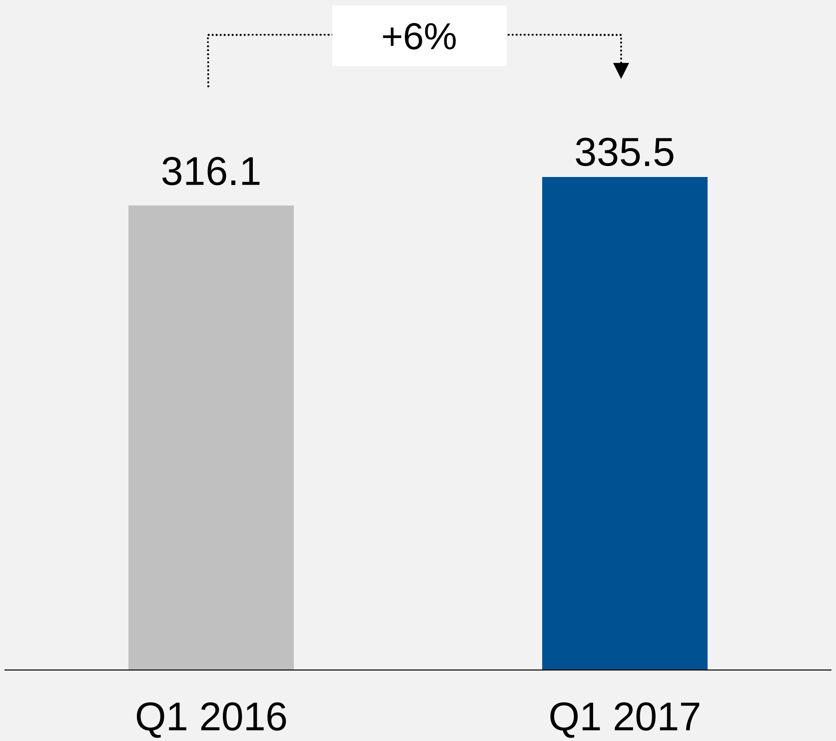




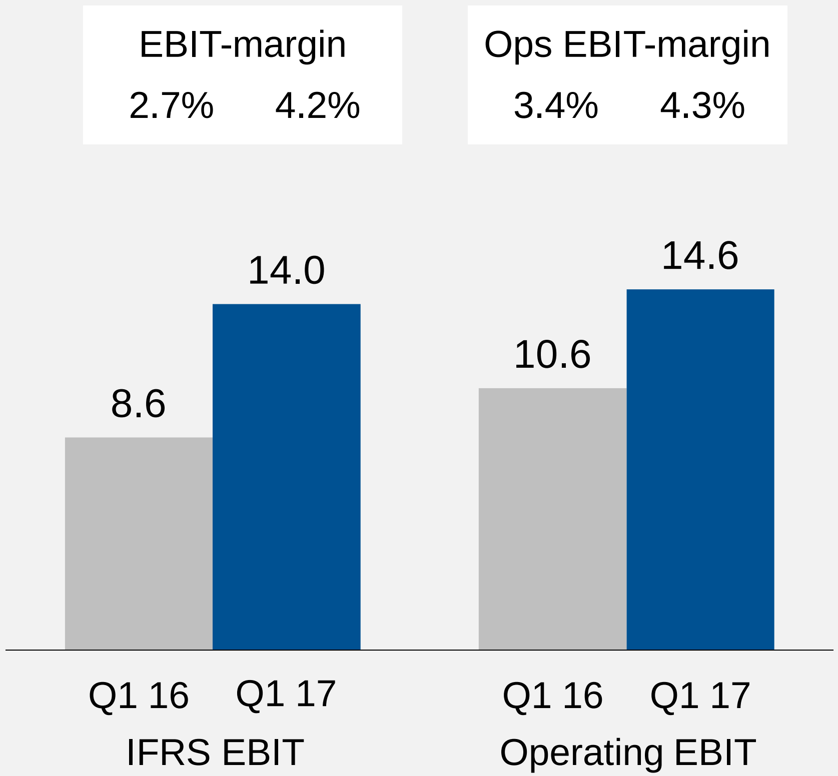
AUTOMOTIVE – DEVELOPMENT Q1 2017

Substantial growth vs. prev. year. Improvement of operating performance on track

Revenues
[in € million]



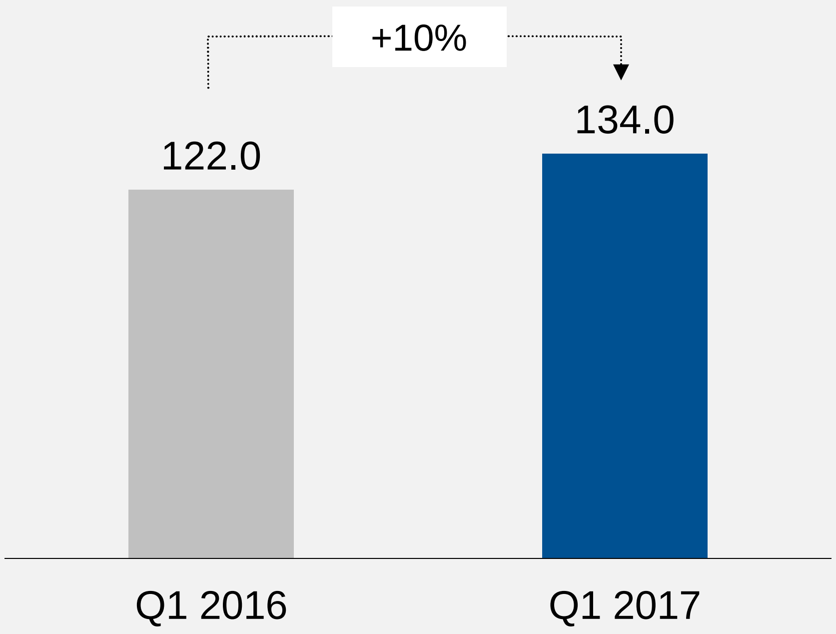
EBIT and operating EBIT
[in € million and % of revenues]



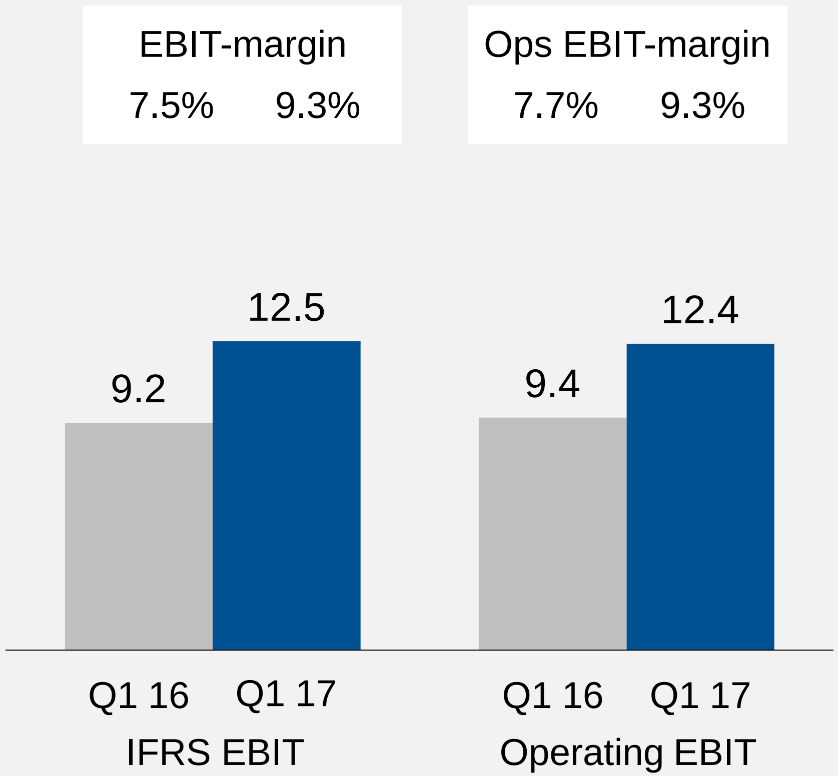
COMMERCIAL VEHICLES – DEVELOPMENT Q1 2017

Successful start in the first quarter 2017

Revenues
[in € million]



EBIT and operating EBIT
[in € million and % of revenues]



GRAMMER GROUP – MARKET OUTLOOK 2017

Global car markets continue to grow. Truck markets with ongoing uncertainties

Car production – Actual 2016 & Forecast 2017
[in % yoy]

	Actual 2016	Forecast 2017
Europe	+3%	+2%
USA	+2%	-1%
Brazil	-11%	+8%
China	+14%	+2%
World	+5%	+2%

Source: IHS, April 2017

Truck production – Actual 2016 & Forecast 2017
[Trucks >6t, in % yoy]

	Actual 2016	Forecast 2017
Europe	+5%	+3%
USA	-19%	+5%
Brazil	-20%	+1%
China	+28%	+4%
World	+5%	+3%

Source: IHS, April 2017

Agricultural market outlook 2017 by our main customers

	Europe	North America	South America
John Deere*	0% to -5%	-5% to -10%	+15% to +20%
AGCO Group**	0% to -5%	-5% to -10%	+15%

Source: *) John Deere Q1 2017 (17.02.2017) **) AGCO Group (28.04.2017)

GRAMMER GROUP – OUTLOOK 2017

Increase in revenues to more than 1.75 billion Euros. EBIT above previous year

GRAMMER

GRAMMER Group – Outlook 2017:

- At Group level GRAMMER forecasts an increase in revenue to around 5 % over the previous year in 2017
- As communicated, a Group operational EBIT margin of around 5% is expected in 2017

At this stage, it is not possible for the company to assess possible consequences arising from recent changes in the shareholder structure and potential changes in its control and management bodies conclusively. Accordingly, these are not factored into the current outlook for 2017.

Backup Information

GRAMMER

GRAMMER GROUP
Key Figures Q1 2017

[IFRS, in € million]	Q1 2017	Q1 2016	Chg.
Group Revenues	458.0	425.9	+7.5%
EBITDA	34.5	26.2	+31.7%
EBITDA-Margin	7.5%	6.2%	+1.3%-P
EBIT	22.5	14.8	+52%
EBIT-Margin	4.9%	3.5%	+1.4%-P
Operating EBIT	23.1	17.3	+33.5%
Operating EBIT-Margin	5.0%	4.1%	+0.9%-P
Profit after taxes	14.0	7.4	+89.2%
EPS in €	1.24	0.66	+87.9%
Total Assets	1,157.0	1.064.3	+8.7%
Equity	351.0	257.3	+36.4%
Equity-Ratio	30%	24%	+6%-P
Net Financial Debt	94.8	154.6	-38.7%
Gearing Ratio	27%	60%	-33%-P
Capex (w/o M&A)	11.0	9.0	+22.2%
Depreciation	12.0	11.5	+4.3%
Employees (month-end)	12,287	12,029	+2.1%

GRAMMER GROUP – FINANCIAL KEY FIGURES
5-year development

[IFRS, in € million]	2016	2015	2014	2013	2012
Group Revenue	1,695.5	1,425.7	1,365.9	1,265.7	1,133.0
EBITDA	120.2	83.2	93.7	92.3	78.1
EBITDA-Margin	7.1%	5.8%	6.9%	7.3%	6.9%
EBIT	73.0	42.7	57.0	58.0	49.0
EBIT-Margin	4.3%	3.0%	4.2%	4.6%	4.3%
Profit after taxes	45.2	23.8	33.6	29.6	26.8
EPS in €	4.01	2.10	3.09	2.67	2.38
Dividend / Share in €	1.30*	0.75	0.75	0.65	0.50
Total Assets	1,050.6	992.1	836.5	766.0	668.8
Equity	271.2	253.4	231.8	224.7	210.3
Equity-Ratio	26%	26%	28%	29%	31%
Net Financial Debt	139.1	155.5	86.7	93.2	76.5
Gearing Ratio	51%	61%	37%	41%	36%
Capex (w/o M&A)	56.2	47.9	51.5	46.8	39.0
Depreciation	47.2	40.5	36.7	34.3	29.1
Employees (Dec. 31)	12,250	11,397	10,700	10,082	8,620

*) proposed

GRAMMER GROUP
Financial Calendar 2017 and IR Contact

Financial Calendar 2017

Annual General Meeting:	May 24, 2017
Interim Report Q2/2017:	August 9, 2017
Interim Report Q3/2017:	November 13, 2017

Investor Relations Contact

Ralf Hoppe,
VP Investor Relations, Communications ,
Marketing & Strategic Product Planning

Phone: +49 (0)9621 66 2200
Fax: +49 (0)9621 66 32200
Email: investor-relations@grammer.com
Internet: www.grammer.com/investor-relations

Legal Disclaimer

By attending the presentation to which this document relates or by accepting this document and not immediately returning it, you agree to be bound to the following limitations:

This presentation and the topics addressed therein have been compiled for discussion purposes only and are not intended to be a comprehensive summary of all business, financial, legal, practical and other aspects or to cover all issues relating to an investment in GRAMMER AG. A binding commitment will only result from a definitive and binding agreement.

This presentation does not constitute or form part of, and should not be construed as, an offer to sell or a solicitation of an offer to buy or subscribe for any securities and neither this presentation nor anything contained herein shall act as an inducement to enter into or form the basis of, or be relied on in connection with, any offer or contract or commitment whatsoever.

This presentation does not constitute an offer for sale of any securities in the United States. Neither this presentation nor any copy of it may be taken or transmitted in or into the United States of America, its territories or possessions or distributed, directly and indirectly, in the United States of America, its territories and possessions or to U.S. Persons (as such term is defined in Regulation S under the Securities Act). Any failure to comply with this restriction may constitute a violation of U.S. securities laws. Neither this presentation nor any copy of it may be taken or transmitted in or into Australia, Canada or Japan or distributed, directly and indirectly, in Australia, Canada or Japan. The distribution of this presentation in other jurisdictions may be restricted by law and persons into whose possession this presentation comes should inform themselves about, and observe, any such restrictions.

This presentation contains estimates, forecasts and expectations. Such estimates, forecasts and expectations are subject to risks and elements of uncertainty that could result in deviation of actual developments from expected developments. The estimates, forecasts and expectations are only valid at the time of publication and there can be no assurance that future results or events will be consistent with any such estimates, forecasts or expectations. GRAMMER AG does not intend to update any such estimates, forecasts or expectations and assumes no obligation to do so. GRAMMER AG does not assume any liability for the statements made.

Neither GRAMMER AG nor any of its respective directors, officers, or employees nor any other person accept – to the extent legally possible – any liability for any loss howsoever arising from any use of this presentation or its contents or otherwise in connection therewith. Please take appropriate advice before applying anything contained in these materials to specific issues or transactions.

This presentation is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or in part, for any purpose. This presentation or any copy of it may not be distributed to any third party, including the media or the press.