

Kongsberg Automotive reports Q2 2020 results

KEY TOPICS

- Revenues declined strongly by MEUR 140 (-48 %) YoY to MEUR 154, including negative currency translation effects of MEUR 3.9. The downturn in Q2 2020 is wholly driven by Corona virus pandemic related shortfalls in sales volume in European and North American KA plants:
 - Revenues in Europe and in the Americas declined by around 56% YoY and 57% respectively.
 - Revenues in China increased by around 25% YoY, attributable to the quick recovery from the Corona virus pandemic effects and KA market share gains in that market.
 - Revenues in all KA global locations ramped up quicker than originally expected during the month of June 2020, reaching a level of almost 75% of June 2019 levels.
- Despite great uncertainty around future customer demand, we were awarded new business totaling MEUR 43 on an annualized basis, corresponding to MEUR 160 in expected lifetime revenues during Q2 2020.
- Adj. EBIT was proportionate to the reduced revenue levels and amounted to MEUR -33 which was MEUR 54 lower than in Q2 2019. There were no significant translational FX impacts. The Adj. EBIT Q2 2020 figure excludes impairment losses of MEUR 83 triggered by the effects the Corona virus pandemic has on the current business outlook.
- The free cash flow was MEUR -14 for the quarter.
- The Capital Increase contributed MEUR 63 (private placement).
- We repaid our entire RCF outstanding balance.
- Our liquidity reserve amounted to MEUR 126 including the entire available RCF line.
- Our usable liquidity reserve amounted to MEUR 112 including only the RCF amount that we can draw before subjecting ourselves to covenant testing.
- Total cash flow for the quarter was MEUR 49 including the complete RCF repayment and currency effects.
- The adjusted gearing ratio (NIBD/Adj. EBITDA) deteriorated from 3.0X in Q2-19 to 6.1X in Q2 2020, again mainly driven by the effects of the Corona virus pandemic.

The earnings conference call including a review of the presentation can be followed through this link starting at CET 09:00:

Link to the Audio:

Webcast: https://globalmeet.webcasts.com/starthere.jsp?ei=1284868&tp_key=6577680375

Audio access only (apply confirmation code 1749580):

Location	Purpose	Phone Type	Phone Number
Austria , Vienna	Participant	Local	+43 (0)1 928 1466
Canada , Toronto	Participant	Local	+1 647 484 0478
China	Participant	National	400 120 8590
Denmark , Copenhagen	Participant	Local	+45 35 15 81 21
Germany , Frankfurt	Participant	Local	+49 (0)69 2222 2018
Germany , Munich	Participant	Local	+49 (0)89 2030 35526
India, Delhi	Participant	Local	+91 (0)11 712 79010

Ireland , Dublin	Participant	Local	+353 (0)1 2465621
Japan , Tokyo	Participant	Local	+81 (0)3 4563 0405
Mexico , Mexico City	Participant	Local	+52 55 4164 4815
Netherlands , Amsterdam	Participant	Local	+31 (0)20 703 8261
Norway , Oslo	Participant	Local	+47 2350 0296
Poland , Warsaw	Participant	Local	+48 22 295 3890
Russian Federation , Moscow	Participant	Local	+7 495 646 9190
Singapore , Singapore	Participant	Local	+65 6320 9075
Slovakia , Bratislava	Participant	Local	+421 (0)2 5011 2162
Spain , Madrid	Participant	Local	+34 91 419 2514
Switzerland , Geneva	Participant	Local	+41 (0)22 567 5750
Switzerland , Zurich	Participant	Local	+41 (0)44 580 1022
United Kingdom , Local	Participant	Local	+44 (0)330 336 9411
United States , Los Angeles	Participant	Local	+1 323-994-2093
Other	Participant	Local	+44 (0)330 336 9411

KA Investor Relations, corporate.communications@ka-group.com

Kongsberg Automotive provides world class products to the global vehicle industry. Our products enhance the driving experience, making it safer, more comfortable and sustainable. With revenues of approx. EUR 1.1 billion and approximately 11.000 employees in 19 countries, Kongsberg Automotive is truly a global supplier. The company has more than 25 production facilities worldwide. The product portfolio includes seat comfort systems, driver and motion control systems, fluid assemblies, and industrial driver interface products developed for global vehicle manufacturers. Find more information at www.kongsbergautomotive.com