



Open Day for investors and analysts at Kendrion (Villingen) GmbH

Piet Veenema

Villingen, Germany, 8 October 2015



Introduction

1. Programme 8 October
2. The Villingen plant
3. Kendrion at a glance
4. Volkswagen



Programme

11.00 - 11.15	Welcome speech and presentation	<i>P. Veenema</i>
11.15 - 13.15	Industrial Drive Systems business unit <i>Presentation and factory tour</i>	<i>M. Bernhard</i>
13.15 - 14.00	Lunch	
14.00 - 16.00	Passenger Car Systems business unit <i>Presentation and factory tour</i>	<i>M. Kieninger</i>
16.00 - 16.30	Wrap-up and questions	
16.30 - 17.00	Drinks	

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The Villingen plant

- More than 100 years old (foundation Binder Magnete in 1911)
- Wilhelm Binder invents the Binder Cone in 1940, today this cone is still used in nearly all solenoids and magnetic actuators
- A big crisis at the beginning of the nineties, almost bankrupt
- Lacked organisational focus => introduction of business segmentation in 1995
- Kendrion (Schuttersveld) acquires Binder Magnete in 1997; strong brand name
- Expansion of the automotive activities started in the zeroes

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The Villingen plant

- ISO/TS 16949 certification in 2002
(integrated quality and environmental management system)
- Industrial magnets production moved out in 2002/2003 to Donaueschingen
(merge with the acquisition Thoma Magnete)
- Patent High Torque PE Brake in 2005
- Street renamed to Wilhelm Binder Strasse in 2011
- Now in Villingen: business units Passenger Car Systems and Industrial Drive Systems, in total about 430 employees

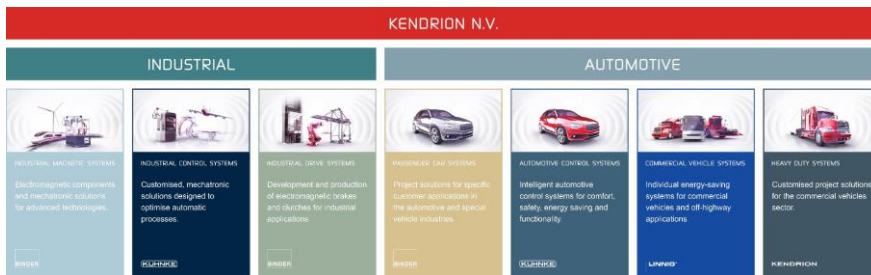
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The Kendrion organisation



- Development, production and marketing of high-quality electromagnetic and mechatronic systems and components
- 2,700 employees (including about 80 temps) in 15 countries
- Revenue in 2014: approximately EUR 430 million
- Listed company on Euronext's Amsterdam Market

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Locations Division Industrial



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Locations Division Automotive



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Business summary

- To be a leader in business-to-business niche markets
- To be a leader in innovation and technology
- To be a financially strong company

Mission

- Steady growth to achieve our ambitious targets
- Focus on long-term partnerships with our global customers
- Balanced spread of operations to mitigate our risks
- CSR & sustainability - spearheads in our operations
- Acquisitions as important part of our growth strategy

Strategy

- Core technologies driving our business
- Providing fast solutions meeting highest technology standards
- Our global network of production, engineering & sales facilities

Profile

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Core technologies driving our business

From components to integrated solutions

Experts in **Electromagnetism** and the design of electromagnetic actuators

Fluid technology specialists to insure highest quality and durability of electromagnetic valves

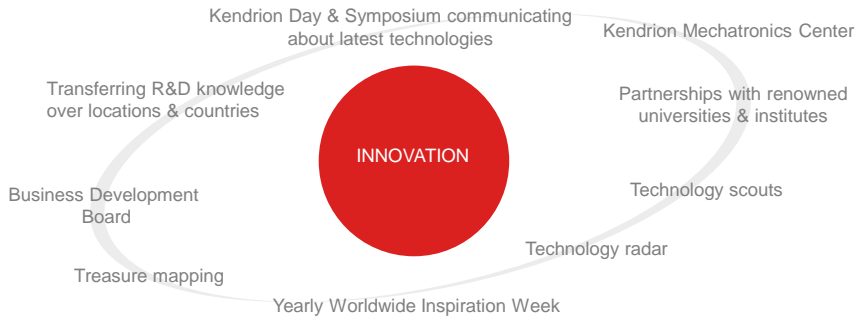
Electronic competence center to fulfill individual needs of our customers in regards to control, operating and display devices

These technologies and the combination of them enable us to provide not only components but **mechatronic solutions** for industrial and automotive customers

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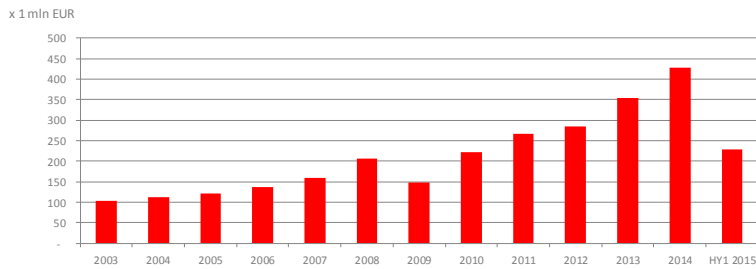
Kendrion a leader in innovation and technology



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Steady growth to our ambitious targets

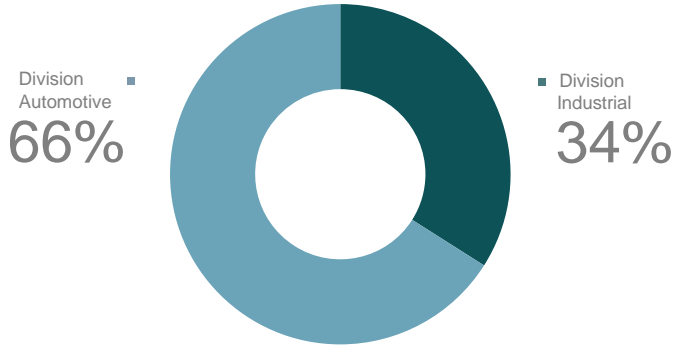


*Only electromagnetic companies (2003-2007)
 ** Kuhnke sales included from May 2013 onwards

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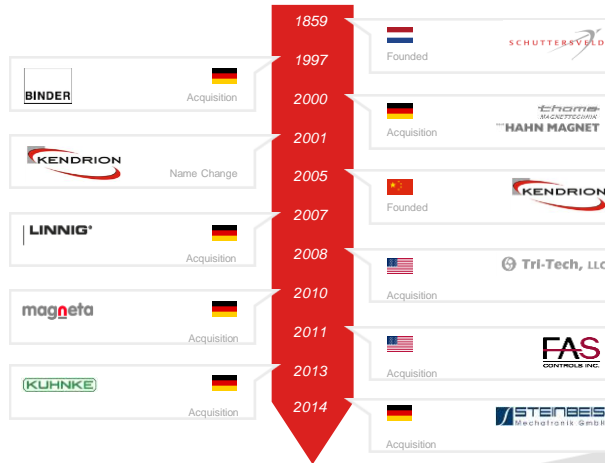
Balance spread of operations to mitigate our risks



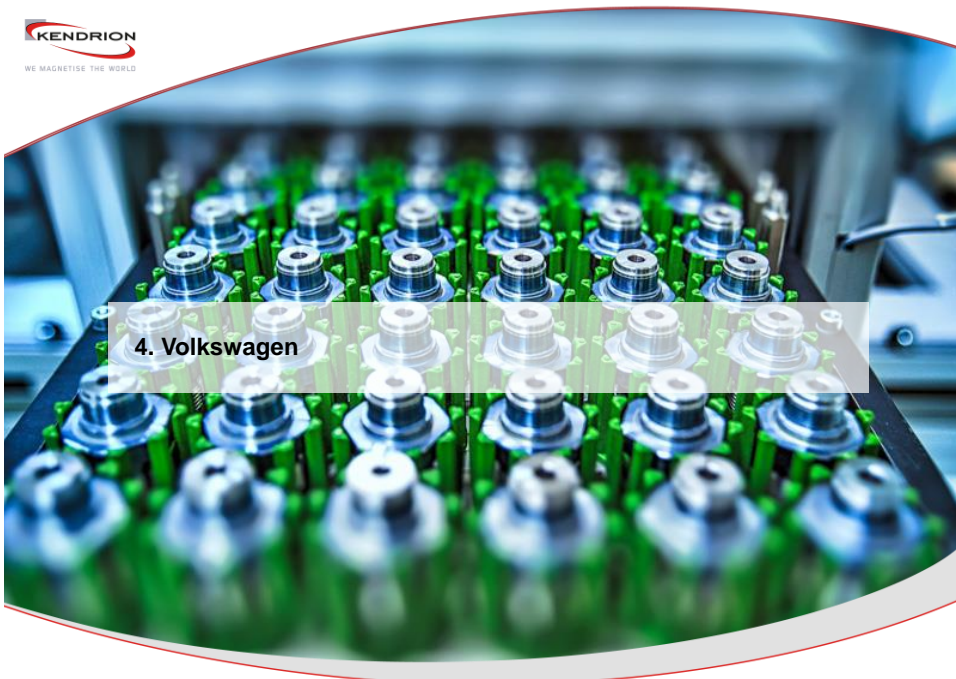
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Acquisitions are an important part of our growth strategy



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4. Volkswagen

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Volkswagen

- Kendrion's annual turnover to the Volkswagen group is approximately EUR 60 million (>50% in diesel engines)
- Kendrion's annual turnover in diesel engine components is approximately EUR 60 million (>50% to Volkswagen)
- Kendrion's components are not in the by Volkswagen exported cars to the USA (EURO-5 engines)
- Kendrion's turnover in new EURO-6 engines is growing
- Direct effect of the diesel issue, both on the short and long term is difficult to predict, but in terms of total Kendrion turnover expected to be limited on a yearly base

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www.kendrion.com

