



# CAPITAL MARKET DAY 2015

**BULTEN | SEPTEMBER 17, 2015**



# AGENDA BULTEN CAPITAL MARKET DAY

SEPTEMBER 17, 13:00 – 15:30

- |                    |  |
|--------------------|--|
| <b>13:00-14:00</b> | <b>CORPORATE PRESENTATION</b><br><i>Tommy Andersson, President and CEO</i>   |
| <b>13:00-14:00</b> | <b>EXPERIENCED MANAGEMENT AND EMPOWERED EMPLOYEES</b><br><i>Tommy Andersson, President and CEO</i>                         |
| <b>14:00-14:15</b> | <b>TECHNOLOGY LEADER</b><br><i>Magnus Carlunger, Senior Vice President Technology and Business Development</i>             |
| <b>14:00-14:15</b> | <b>COFFEE BREAK</b>  |
| <b>14:15-15:30</b> | <b>GEOGRAPHIC PROXIMITY AND QUALITY LEADER</b><br><i>Jörg Neveling, Senior Vice President Production</i>                   |
| <b>14:15-15:30</b> | <b>FULL SERVICE PROVIDER CONCEPT</b><br><i>Magnus Carlunger, Senior Vice President Technology and Business Development</i> |
| <b>14:15-15:30</b> | <b>FINANCIAL PLATFORM</b><br><i>Helena Wennerström, Executive Vice President and CFO</i>                                   |
| <b>14:15-15:30</b> | <b>CONCLUSIONS AND GOING FORWARD</b><br><i>Tommy Andersson, President and CEO</i>  |

# **INTRODUCTION AND CORPORATE PRESENTATION**

**TOMMY ANDERSSON  
PRESIDENT AND CEO**



# BULTEN IS A LEADING SUPPLIER OF FASTENERS TO THE INTERNATIONAL AUTOMOTIVE INDUSTRY

## VISION

Supporting the global automotive industry with state of the art fastener technology and services.

## BUSINESS CONCEPT

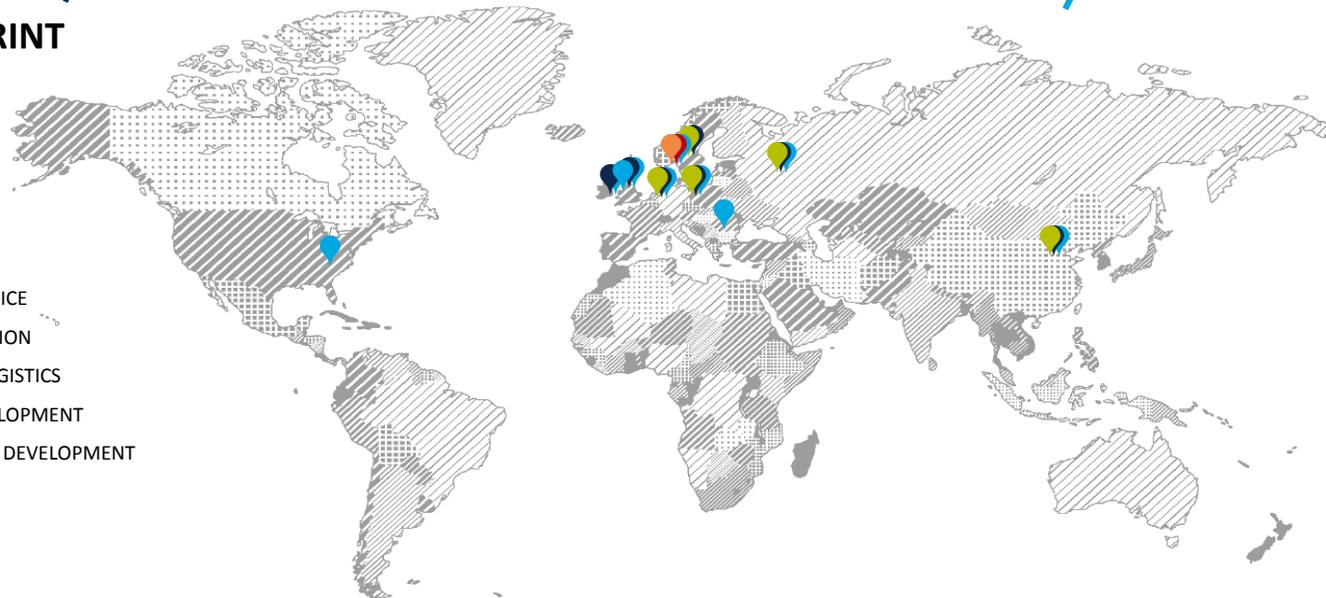
- Bulten shall be the leading business partner and the most cost-effective supplier of fasteners and services to the automotive industry.
- Bulten shall with empowered and dedicated people continuously develop its full service concept and actively launch innovations.
- Bulten shall develop long-term relations based on professionalism and good business ethics.

## FINANCIAL TARGETS

- To grow stronger than the industry in average
- Operating Profit (EBIT) > 7%
- Return on Capital Employed (ROCE) > 15%

## FOOTPRINT

- HEAD OFFICE
- PRODUCTION
- SALES/LOGISTICS
- PRE DEVELOPMENT
- PRODUCT DEVELOPMENT





# MORE THAN 140 YEARS OF FASTENERS EXPERIENCE



- Founded in Hallstahammar
- Machines bought in England driven by water power
- High quality nails, nuts and bolts from the start

- Growth by acquisitions in Sweden, Germany, Poland and China.
- Focus on the automotive industry in 1990s

- Focus on an FSP concept and growing markets shares
- Major contracts with Autoliv, Ford, Volvo Cars
- 2013: New FSP contracts worth approx. SEK 500 m

- Focus on organic growth in Europe, Russia and China.
- Excellent opportunities for continued global growth



# STRATEGIC FRAMEWORK

## OUR OBJECTIVES ARE

TO MEET OUR OPERATIONAL AND FINANCIAL TARGETS TO CREATE A SUSTAINABLE AND PROFITABLE GROWTH FOR OUR SHAREHOLDERS, EMPLOYEES AND CUSTOMERS.



## OUR STRATEGIC FOCUS AREAS ARE

- ORGANIC GROWTH
- PREFERRED FULL SERVICE PROVIDER
- COMPETITIVE COST STRUCTURE AND GEOGRAPHIC PROXIMITY
- INNOVATIVE AND TECHNOLOGICALLY ADVANCED PRODUCTS

## OUR SUCCESS IS BASED ON

- FSP CONCEPT
- VALUE CREATION AND INNOVATIVE TECHNOLOGIES
- QUALITY THAT MEETS THE HIGH EXPECTATIONS FROM CUSTOMERS
- EXPERIENCED MANAGEMENT AND DEDICATED EMPLOYEES
- GEOGRAPHICAL PRESENCE
- FINANCIAL PLATFORM



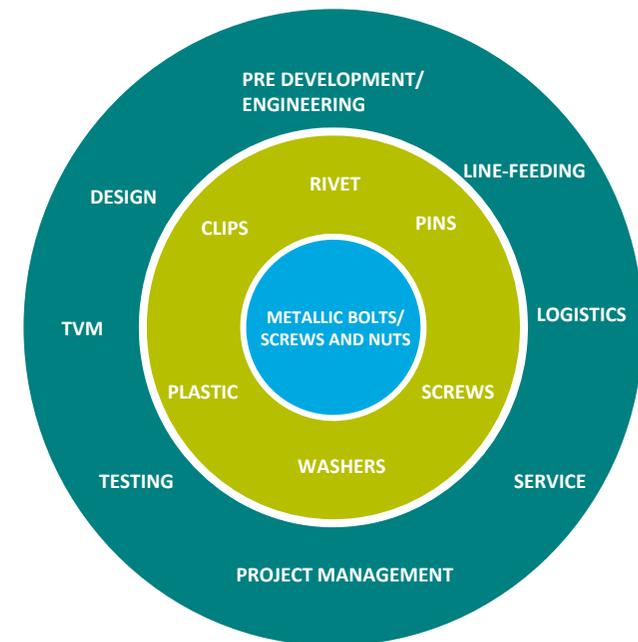
## OUR CORE VALUES ARE

- PROFESSIONAL
- INNOVATIVE
- DEDICATED
- EMPOWERED



## BULTEN – A SYSTEM SUPPLIER

- Core products are metallic screws, bolts and nuts
- There are also other types of fasteners including rivets, washers and clips
- Services linked to fasteners
- The average car contains 20–30 kg fasteners and 1 500-2 000 fasteners each, content increasing due to more features and technology in cars





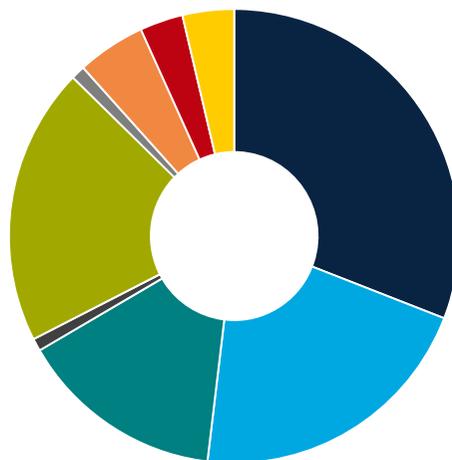
## **BULTEN IS ONE OF THE LARGEST SUPPLIERS OF FASTENERS TO THE EUROPEAN AUTOMOTIVE MARKET**

- Development and production of a wide range of metallic fasteners and related services
  - Major player in critical fasteners for engines
  - Customer-specific, special fasteners is a large part of the product range
- Technical development, materials, production know-how and logistics as well as Full Service Provider (FSP) concepts
  - Leading FSP supplier in Europe
- Number of employees approx. 1,200
- Sales in 2014 approx. 2.4 BSEK

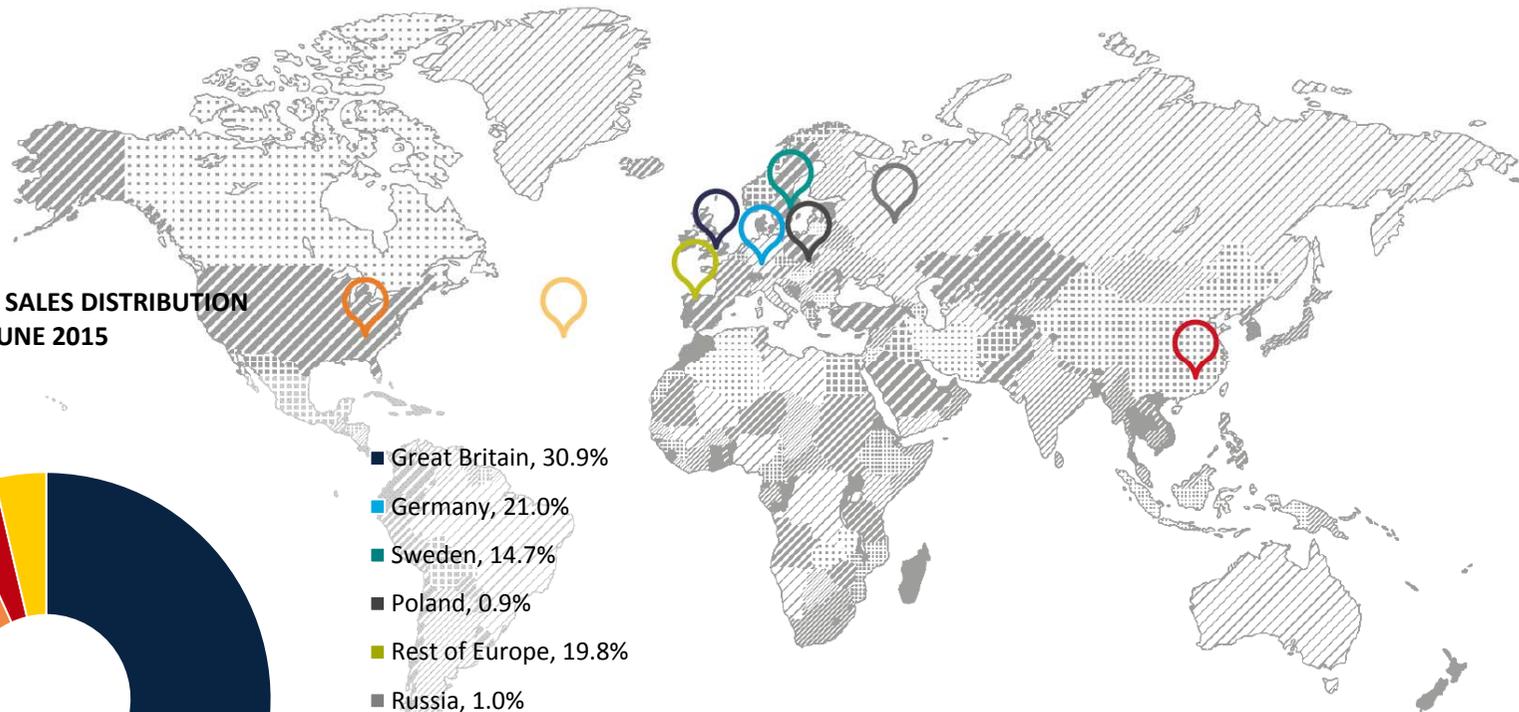


# BULTEN HAS ITS STRONGEST POSITION IN NORTHERN EUROPE BUT WILL GROW ON EMERGING MARKETS

GEOGRAPHIC SALES DISTRIBUTION  
JANUARY – JUNE 2015



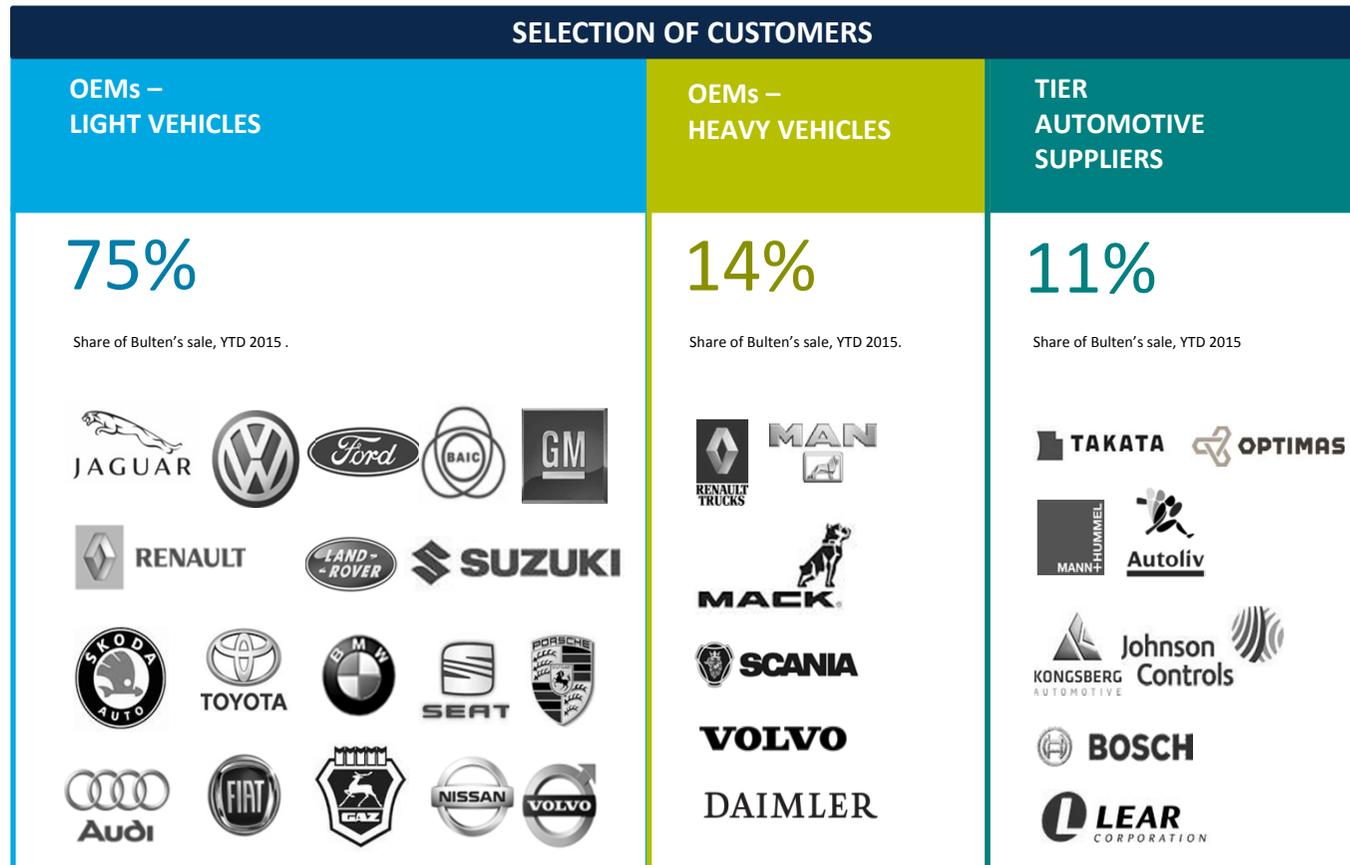
- Great Britain, 30.9%
- Germany, 21.0%
- Sweden, 14.7%
- Poland, 0.9%
- Rest of Europe, 19.8%
- Russia, 1.0%
- US, 4.9%
- China, 3.1%
- Rest of the world, 3.7%



The major part of sales go to production of vehicles in Europe, of which a portion is exported to other markets in for example North America and BRIC.



# STRONG CUSTOMER BASE AND RELATIONSHIPS WITH MAJOR LIGHT VEHICLE AND HEAVY COMMERCIAL VEHICLE OEMS AS WELL AS TIER 1 SUPPLIERS





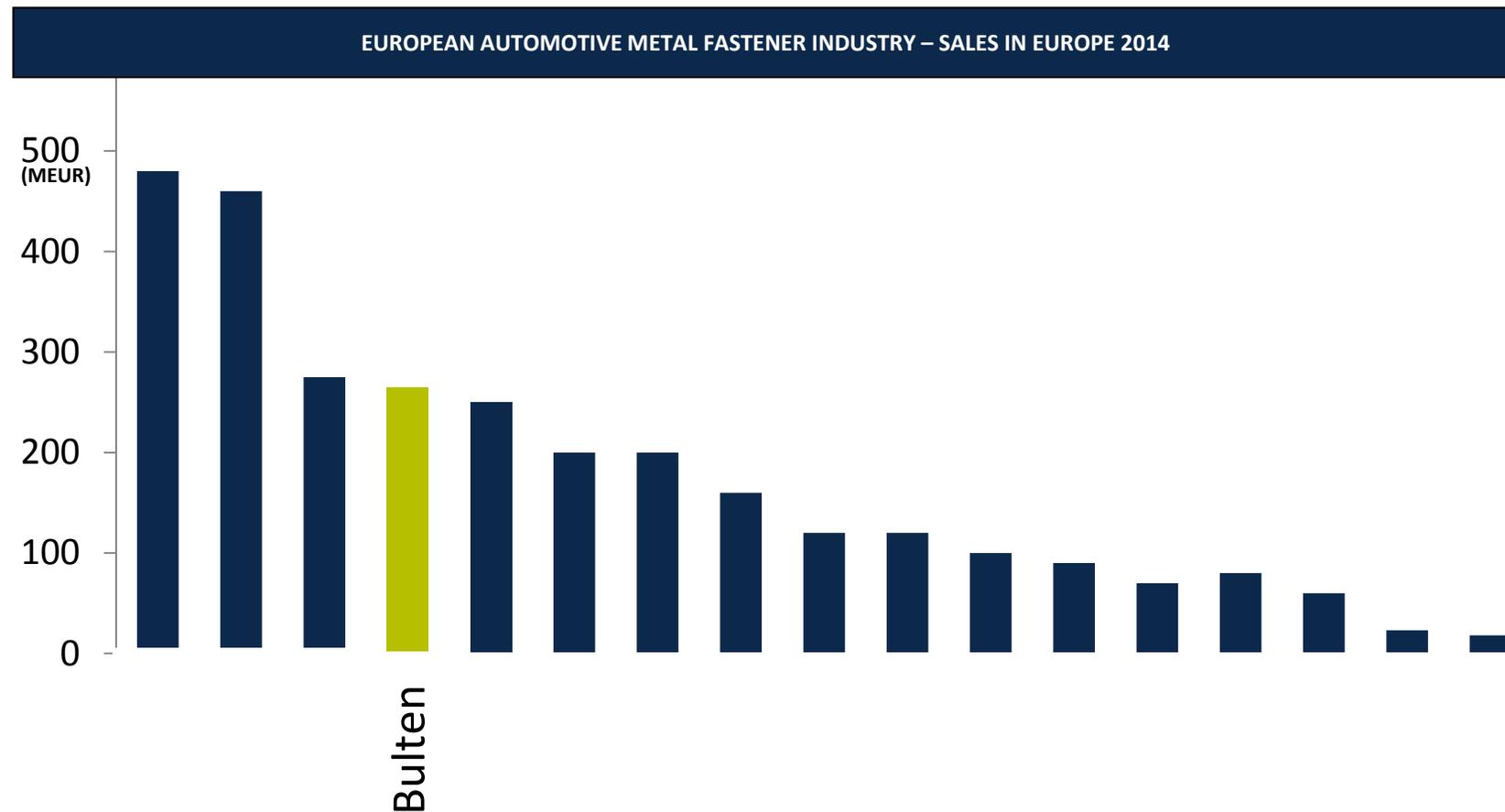
## BULTEN WITH A DOMINANT POSITION IN NORTHERN EUROPE AND GROWING MARKETS



The main players in the industry



## MAJOR CHANGES AMONG THE LARGEST PLAYER IN THE EUROPEAN AUTOMOTIVE INDUSTRY



Source: Anders Karlsson, market research





# LONG TERM – AUTOMOTIVE SUPPLIERS NEED TO MANAGE A BROAD VARIETY OF LONG-TERM CHALLENGES

Supplier CEO radar screen for 2015 and beyond



Source: Roland Berger; Global automotive supplier industry – Challenges and opportunities for Automotive Suppliers



## BULTEN'S OVERALL SUSTAINABILITY OBJECTIVE IS THAT IT SHOULD BE A NATURAL PART OF ALL ACTIVITIES THROUGHOUT THE GROUP

- Good ethics, high business standards and trust are important concepts that permeate the Group's corporate culture and the way to interact with employees, shareholders, customers, suppliers and all other
- The Code of Conduct is the foundation for all decisions made within the company
  - In addition to the Code there are several policies and guidelines that govern in a more detailed way the Group's efforts towards achieving long-term, sustainable business
- Bulten's environmental activities aim to ensure that production is carried out with as little environmental impact that is practically possible while remaining economically viable



*Bulten was engaged already in the development phase of the fuel-efficient and powerful 1.0-liter EcoBoost engine, available in the Fiesta and nine other models from Ford.*



## KEY SUCCESS FACTORS



### Experienced management and empowered employees

Bulten has a strong corporate culture with an open and creative environment. The co-workers are dedicated with great driving force to create new business opportunities and innovative solutions.



### Technology leader

Bulten produces everything from standardized to technologically advanced fasteners for the automotive industry. The products are customer specifically designed and in some cases also developed together with the customer.



### Geographic proximity

Production takes place mainly in Europe. A significant part is low-cost production with geographical proximity to the customers.



### Quality leader

Quality is the key to Bulten's financial results and strong growth as well as a decisive factor in winning new orders.



### Full Service Provider concept

Bulten is one of few in Europe that offers complete responsibility throughout the entire value chain for fasteners, from product development to final delivery to the customers' production lines.



### Financial platform

Bulten has a strong financial platform to support further growth in existing and new markets.



# **EXPERIENCED MANAGEMENT AND EMPOWERED EMPLOYEES**

**TOMMY ANDERSSON**  
PRESIDENT AND CEO

## CORE VALUES

- Bulten's core values originate in the company's history and are the foundation of our corporate culture.
- They define the way we work and behave and inspire and support us in our efforts to continue building a successful and sustainable business.

PROFESSIONAL



INNOVATIVE



DEDICATED

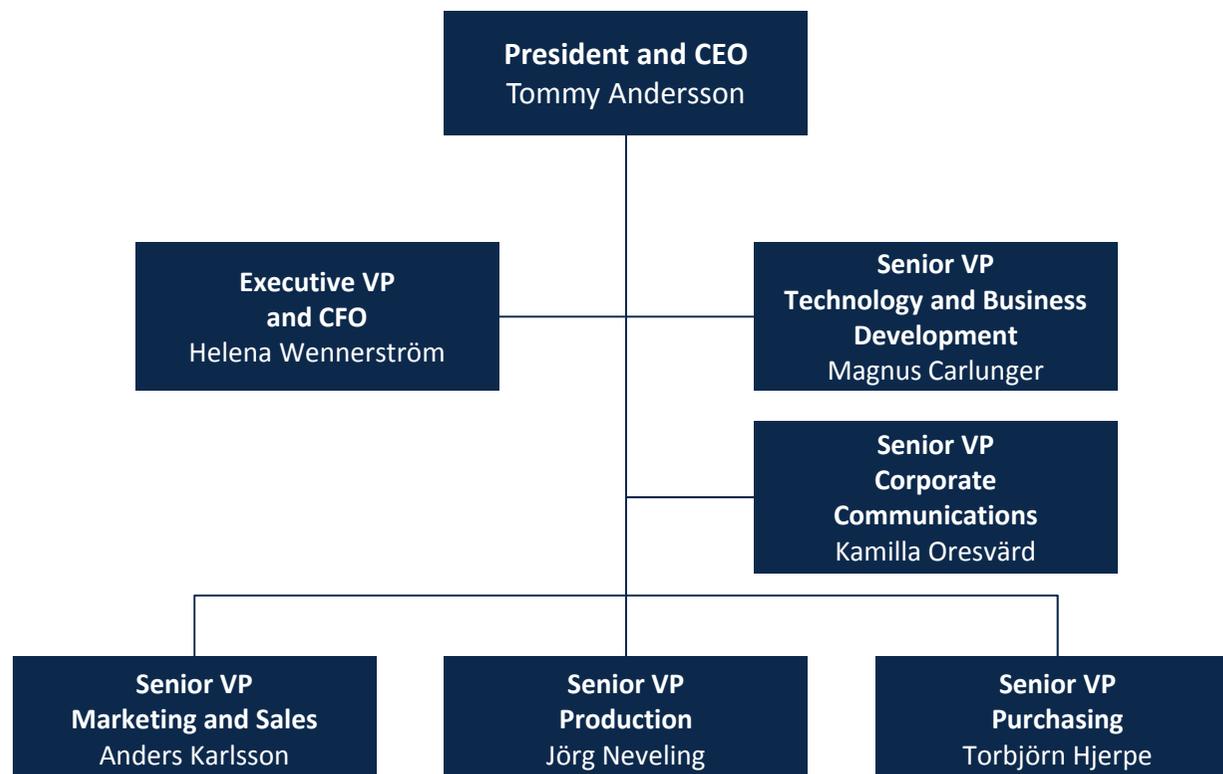


EMPOWERED





## GROUP EXECUTIVE MANAGEMENT TEAM (EMT)



- A highly experienced management team with deep knowledge of the fasteners and automotive industry



# TECHNOLOGY LEADER

MAGNUS CARLUNGER

SENIOR VICE PRESIDENT TECHNOLOGY AND BUSINESS DEVELOPMENT



# THE LINE – GIVEN BY NATURE





## TECHNOLOGY FOCUS AREAS



**Common parts**  
Reduction of part number variety  
– More of the same = Win-Win



**Simplified Assembly**  
Reduction of assembly cost  
– IPC = Smarter fastener solutions



**Weight reduction**  
Reduce emission  
– High tech fastener for the future

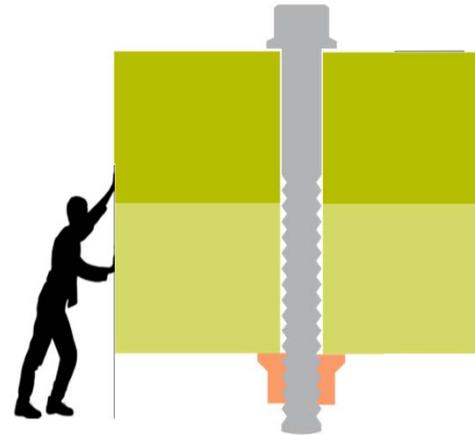


**BULTEN ADVANCED  
TECHNICAL CENTER**



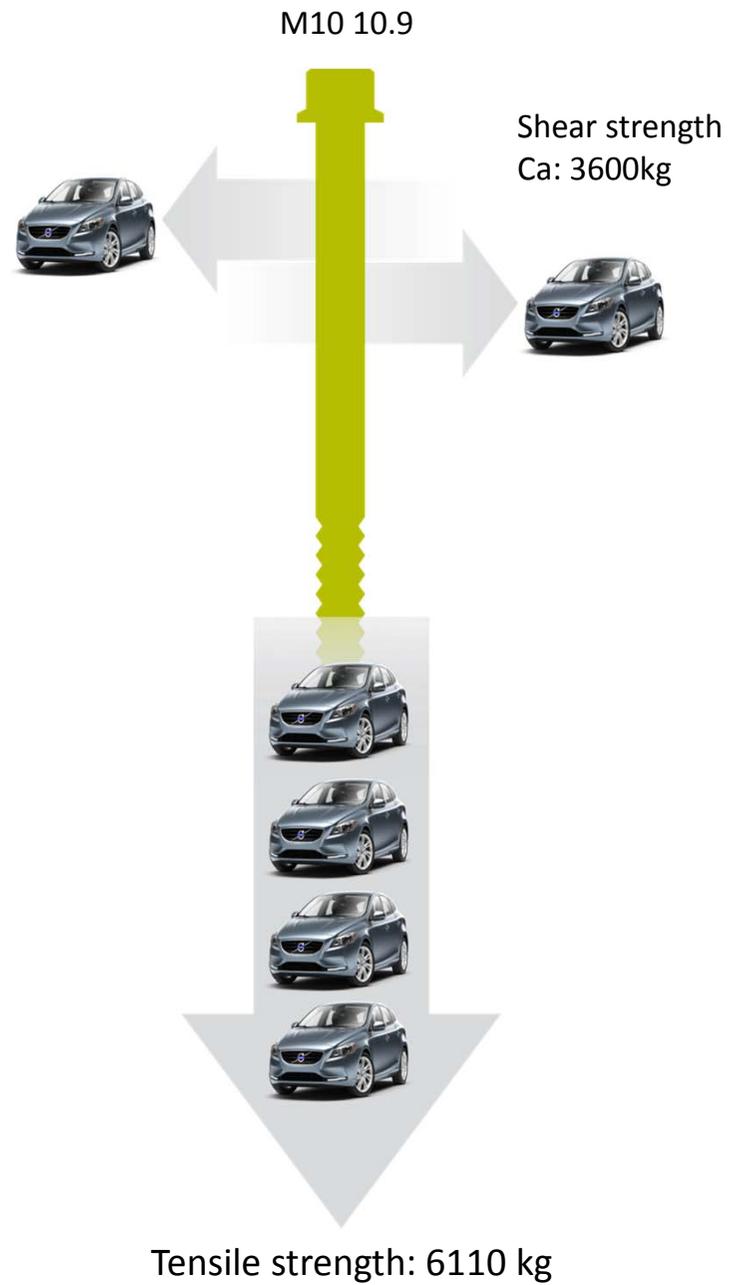
## THE MISSION

- Keep assembled parts from separating
- Keep assembled parts from sliding





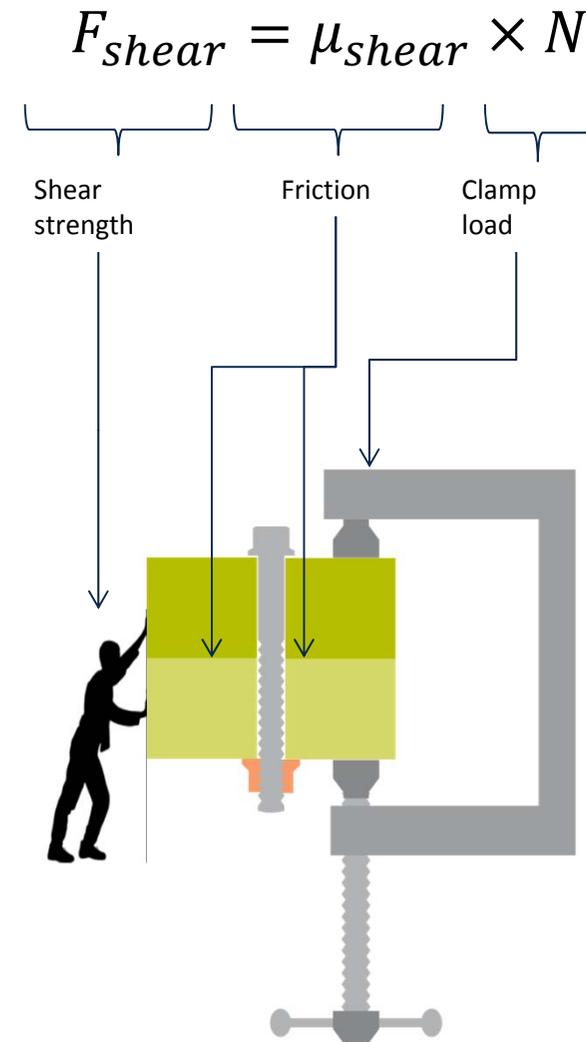
# ULTIMATE STRENGTH





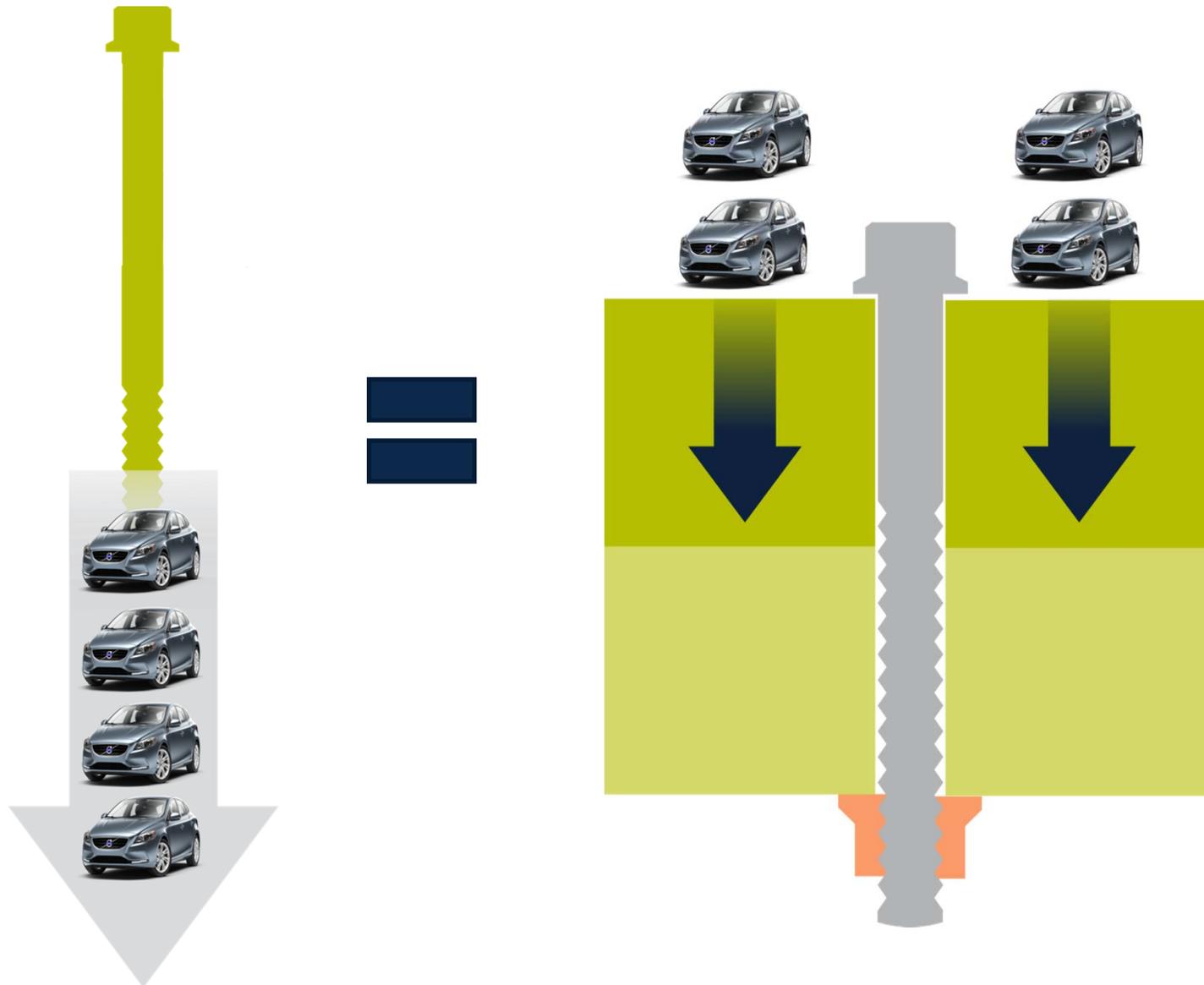
## PREVENT SLIDING

- **Q:** How can one prevent two assembled components from sliding?
- **Amontons' First Law of Friction:** The force of friction is directly proportional to the applied load
- **A:** Simply tighten the screw harder or make sure the friction between the components are high to begin with.





# MAXIMUM SHEAR STRENGTH





# BULTEN TECHNOLOGIES – ADDING VALUE - CONTRIBUTES TO OPTIMAL IN PLACE COST

- The same basic rules apply to technologies provided by Bulten:

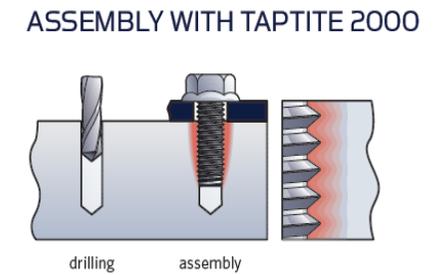
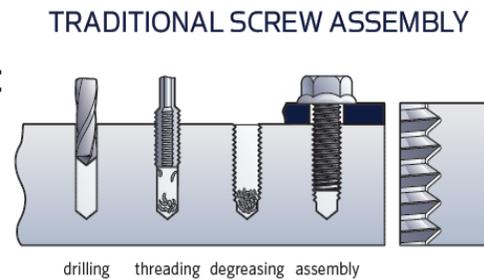
- Taptite®

- MaThread®

- Fastite®

- Torx®

- B14®





# **GEOGRAPHIC PROXIMITY**

**JÖRG NEVELING**

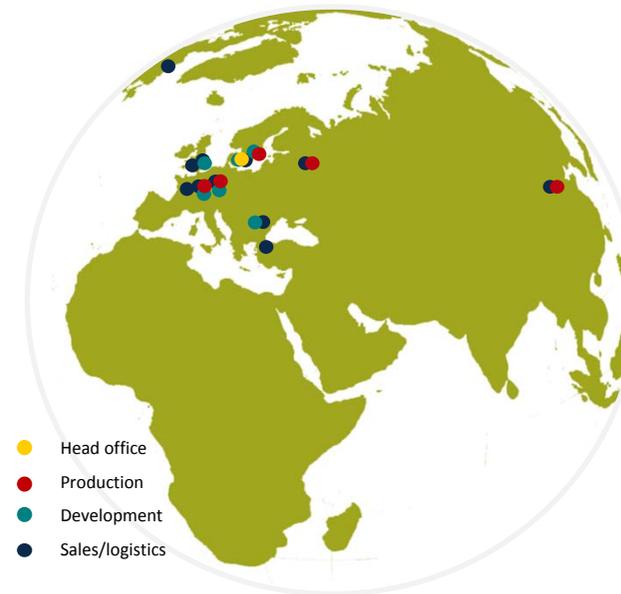
**SENIOR VICE PRESIDENT PRODUCTION**



## BULTEN IS EXPANDING ITS MANUFACTURING AND LOGISTIC FOOTPRINT

- Production mainly in Western and Eastern Europe
- New establishment in Russia and growth in Chinese plant will strengthen future production footprint and support local content
- Strengthened logistic capacity in the US, UK and in Poland

LEAN AND WELL POSITIONED MANUFACTURING FACILITIES  
IN EUROPE AND ASIA





# PRODUCTION UNITS



## HALLSTAHAMMAR, SWEDEN

Capacity: 14 k tons  
Dimension range: M10-M30



## BERGKAMEN, GERMANY

Capacity: 13.5 k tons  
Dimension range: M10-M16



## BIELSKO-BIALA, POLAND

Capacity: 24 k tons  
Dimension range: M6-M22



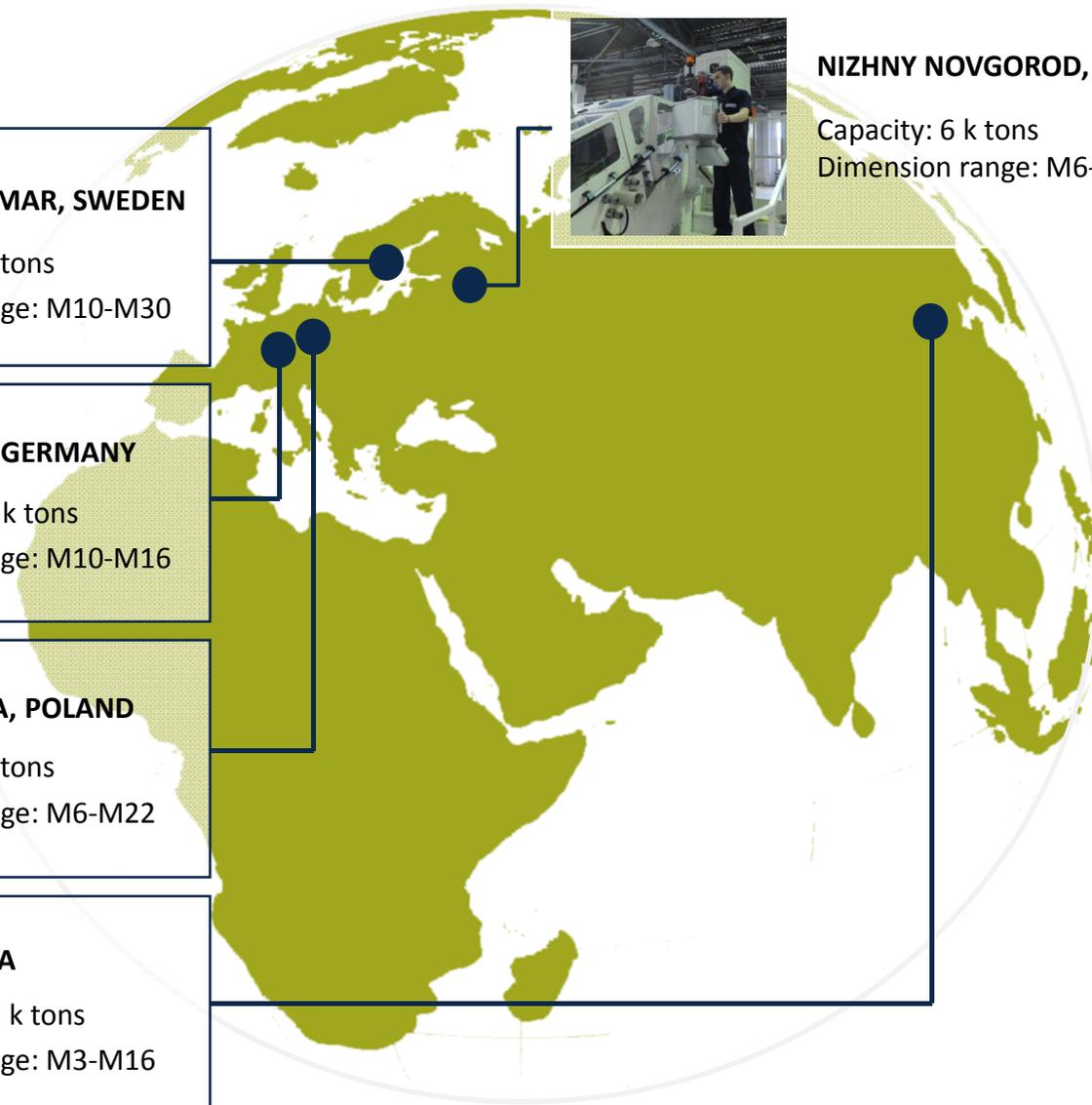
## BEIJING, CHINA

Capacity: > 2,5 k tons  
Dimension range: M3-M16



## NIZHNY NOVGOROD, RUSSIA

Capacity: 6 k tons  
Dimension range: M6-M24





## BULTEN IN HALLSTAHAMMAR, SWEDEN

Established in Hallstahammar **1873**

Located: production, warehouse,  
engineering

Products: Fasteners with high  
demands, stainless, Taptites  
and special fasteners

Facility: 48.000 m<sup>2</sup>

Capacity: 14.000 tonnes

Loading: 13.000 tonnes

Employees: 235

Dimensions: M10 to M30

Length up to: 300 mm

Stainless: M6 to M12

Certificates / awards

- Quality ISO/TS 16949
- Environment ISO 14001
- VQE. Volvo Car
- Q1. Ford





# BULTEN IN BERGKAMEN, GERMANY

Established in Bergkamen 1993  
Located: production, warehouse,  
engineering  
Products: Flange and Torx screws,  
special fasteners

Facility: 13.000m<sup>2</sup> buildings,  
30.000m<sup>2</sup> property  
Capacity: 13.500 tonnes  
Loading: 10.000 tonnes

Employees: 105  
Dimension: M 10 – M 16,  
length up to 120 mm

Certificates:

- ISO/TS 16949
- ISO 14001
- OHSAS 18001
- ISO 50001





## BULTEN IN BEIJING, CHINA

Acquisition from HuaXia in 1996  
100 % owned by Bulten  
Products: Fasteners with high demands,  
stainless, Tapites and  
special fasteners

Facility: 19.000 m<sup>2</sup>  
Processes: CF, THR, HT, plating, sorting,  
packing and storage  
Capacity: 3.000 tonnes

Employees: 95  
Dimensions: M2 to M16

Certificates / awards

- Quality ISO/TS 16949
- Environment ISO 14001





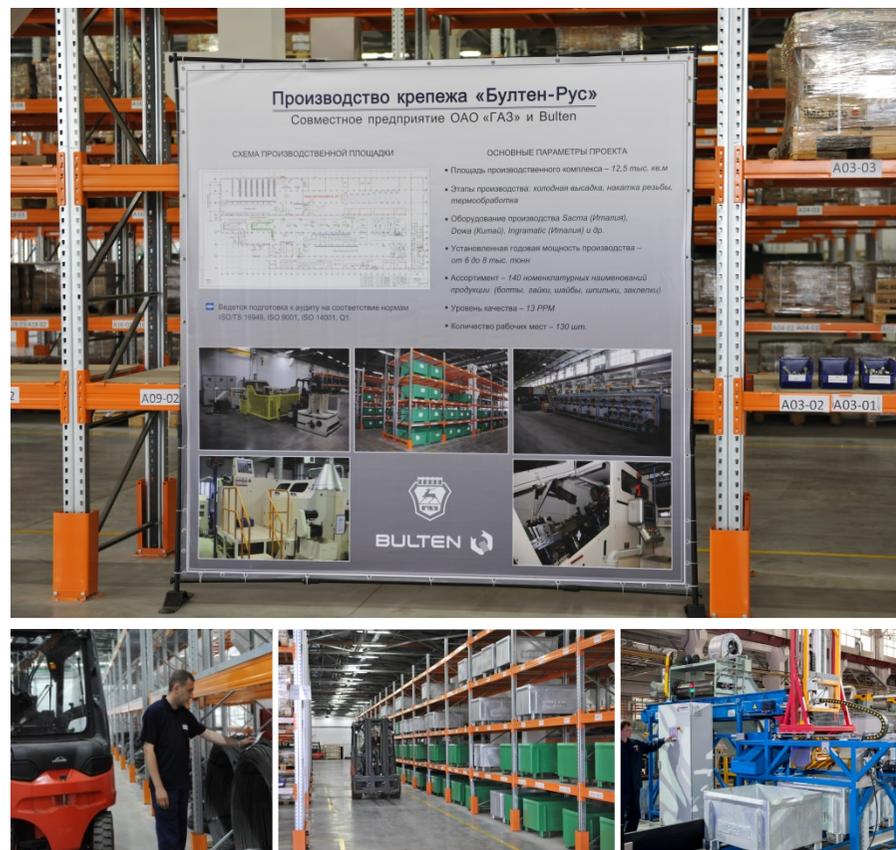
# BULTEN IN NIZHNY NOVGOROD, RUSSIA

Bulten Rus LLC is a JV between Bulten and GAZ Autocomponents Division  
Bulten 63 % and GAZ 37 % shareholding

Production area: 12.500 m<sup>2</sup>  
Office area: 450 m<sup>2</sup>  
Capacity: ut 6-8000 tonnes

Male fasteners  
Dimensional range M5 – M24  
Lengths 4 – 300 mm  
SOP 1st October 2014

“Best Market Newcomer 2014” award from Adam Smith Institute





## BULTEN IN BIELSKO-BIALA, POLAND

Established in Bielsko-Biala 1880

Located: production, warehouse  
engineering

Products: Hexagon bolts, Torx pan head  
screws, flange bolts, welding  
screws, sems screws  
external Torx, Taptite II,  
Taptite 2000, Duo-Taptite,  
Extrudetite, MAThread

Facility: 19.000m<sup>2</sup> buildings,  
58.000m<sup>2</sup> property

Capacity: 24.000 tonnes

Loading: 18.000 tonnes

Employees: 471

Dimension: M6 – M20, Lmax = 140 mm

Certificates:

- ISO/TS 16949
- ISO 14001
- OHSAS 18001





# ONE SPECIFIC ITEM FROM ORDER TO DELIVERIES



Coldforging

Heat treatment



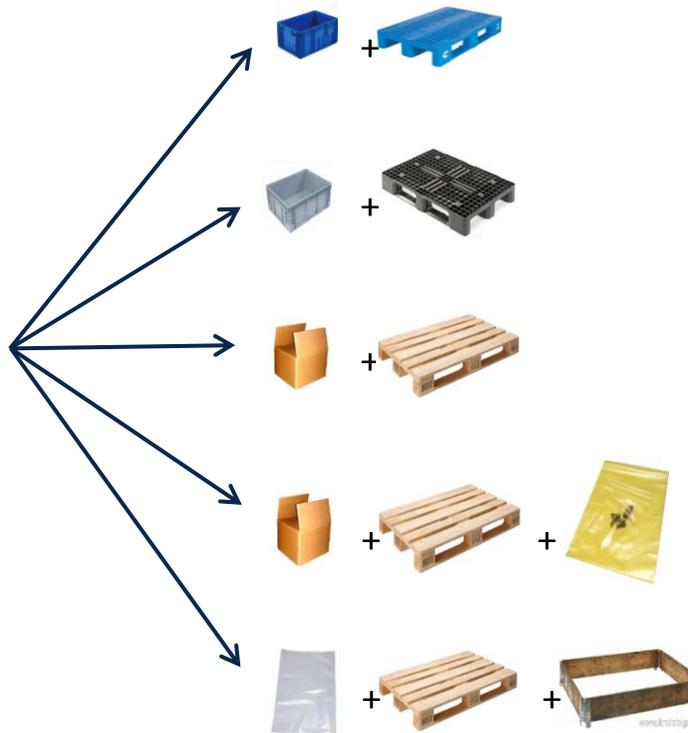
Surface treatment

Patching

Packing

Sorting

Deliveries

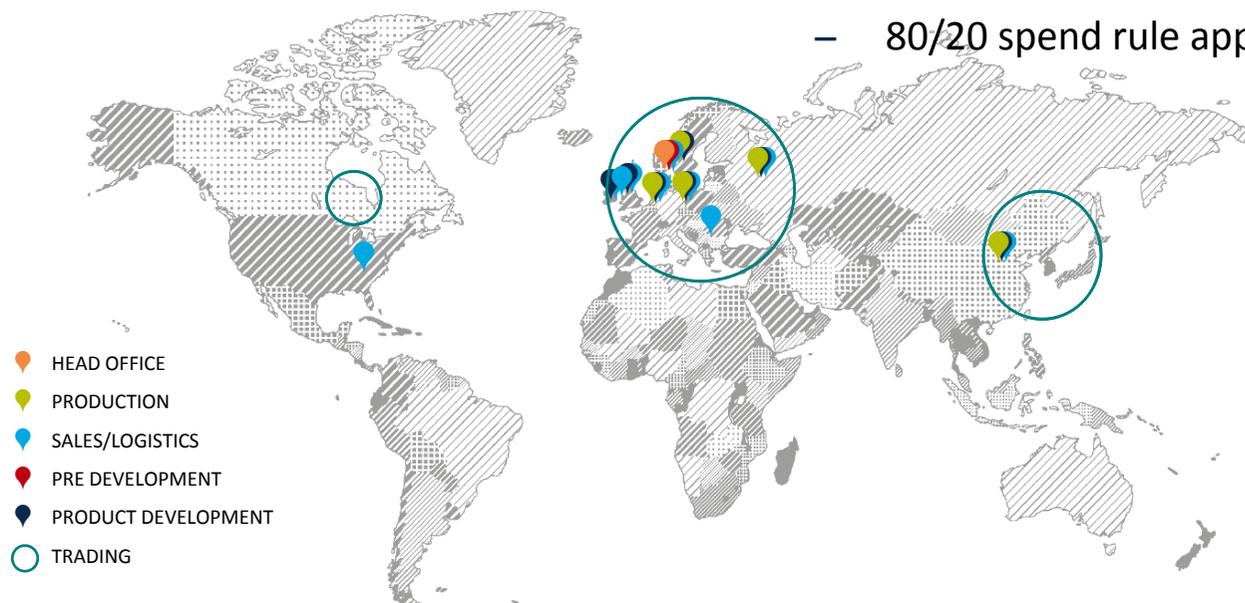


- Cologne / Car model
- Cologne / Engine Plant
- Export
- Export / Far East
- Export / Craiova



## TRADING GIVES US ACCESS TO GLOBAL MANUFACTURING NETWORK OF FASTENERS

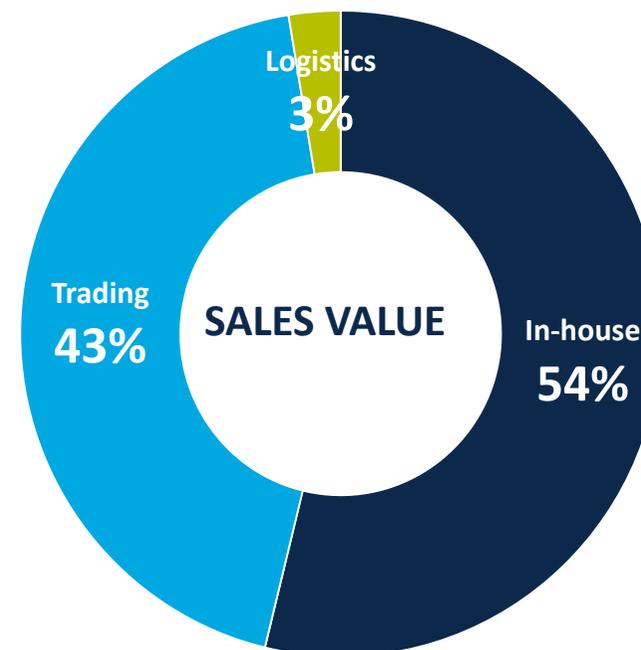
- Bulten shall work with suppliers who understand and meet automotive requirements and expectations
- Bulten Global Purchase
  - Strategic suppliers selection
  - Supplier Quality Assurance
- Supply Base
  - Global supply chain, but Europe and Asia dominated
  - 80/20 spend rule applies





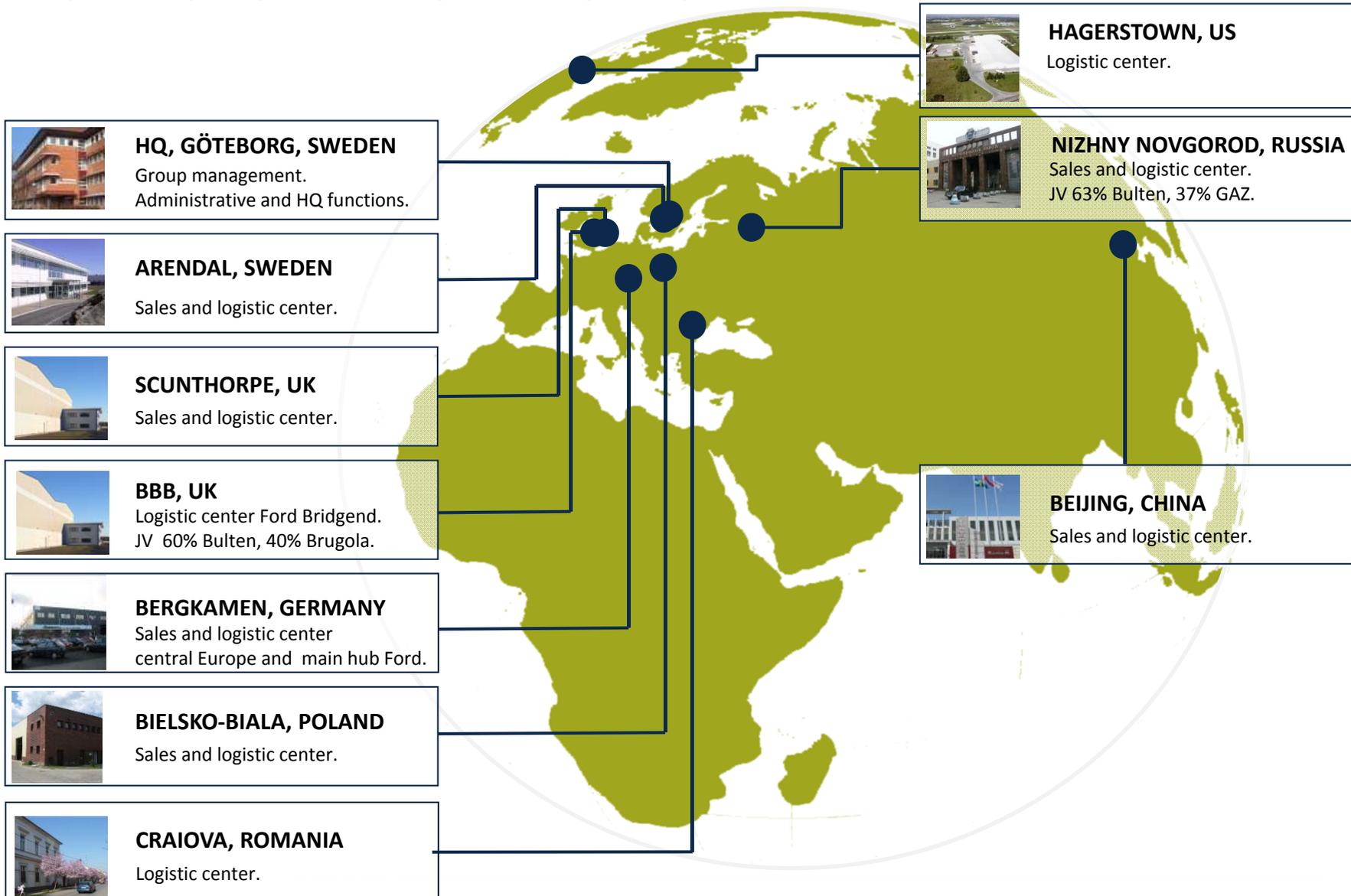
## TRADING GIVES US ACCESS TO GLOBAL MANUFACTURING NETWORK OF FASTENERS

- Bulten produces most products in-house and has a significant trading operation to optimize efficiency
  - Trading makes it possible to have a wider product range
- Flexibility
  - Quick ramp up and down size





# DISTRIBUTION AND OTHER UNITS





# QUALITY LEADER

JÖRG NEVELING

SENIOR VICE PRESIDENT PRODUCTION



## QUALITY ASSURANCE OF FASTENER PRODUCTION

- “It’s just a screw, how difficult can it be?”  
But a screw has to be cold formed, threaded, heat treated, surface treated, packed and shipped
  - Many fasteners suppliers can produce screws according to the drawing but to produce 200 screws per minute with “top notch” quality requires competence and knowledge
  - Bulten produces 2 000 000 000 top notch quality screws per year! On top of that we act as logistics partner of another 2 000 000 000 pcs!





## LACK OF QUALITY CAN LEAD TO SERIOUS AND EXPENSIVE CONSEQUENCES

- Expensive Consequences!
  - Lack of quality (of part and service) in combination with automatic assembly processes will lead to production disturbances at our customers'
- The key to world class quality output lies in robust processes delivering predictable output
  - This will reduce the amount of parts we have to physically check and thus reduce the cost
- The combination of high volume production and world class quality gives Bulten a competitive advantage



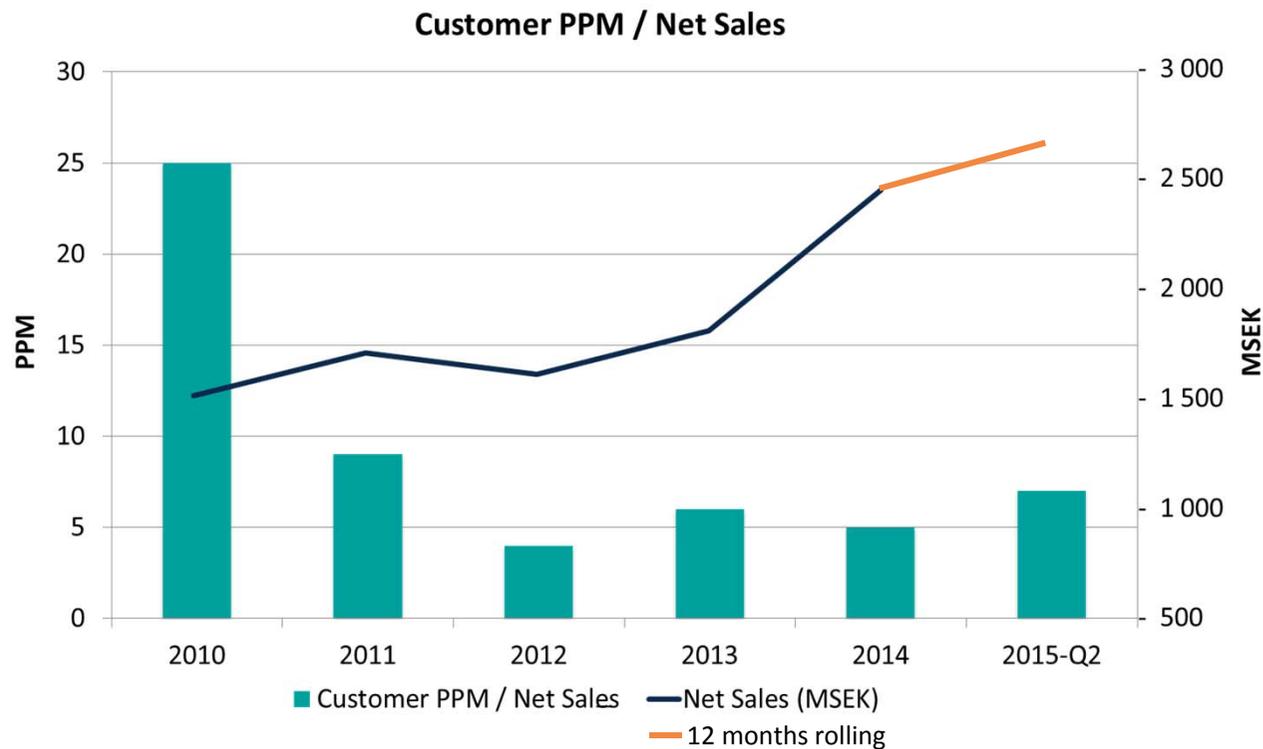


## **CUSTOMER SPECIFIC REQUIREMENTS – A CHALLENGE OF ITS OWN**

- All Bulten production units are certified according to the automotive business' own international standard, ISO/TS 16949
  - On top of this base requirement all OEM manufacturers have their own unique requirements
  - As a global automotive supplier the challenge lies in standardizing the business processes and systems, yet fulfilling all requirements
- Bulten has successfully implemented a Group Quality Management System
  - Bulten Group QMS has secured world class quality



## WORLD CLASS AUTOMOTIVE QUALITY



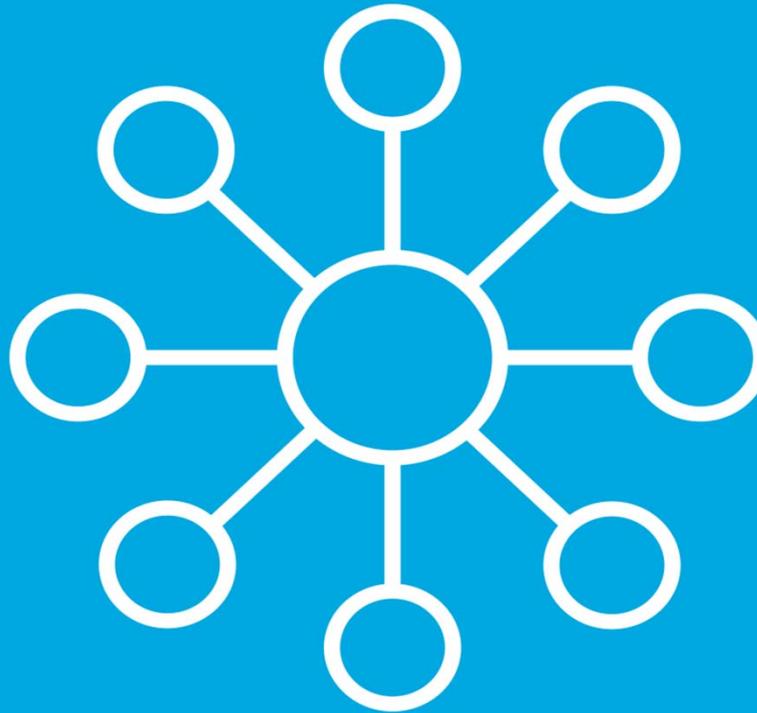
- One KPI in the automotive industry is to measure quality in PPM (failure Parts Per Million)
- Bulten has during the last years been running on a PPM level of less than 10!
  - World class standard according to a leading OEM is 12



## QUALITY LEADING POSITION IN THE AUTOMOTIVE INDUSTRY

- Common Management systems in the group, ISO/TS 16949, ISO 9001, ISO 14001
- PPM level, “World class” well in line with customers demand (7 PPM 12 months rolling)
- Controlled Processes
- Bulten = Fulfills customer’s expectations
- Zero defect critical fasteners
- Continues improvements





# FULL SERVICE PROVIDER CONCEPT

MAGNUS CARLUNGER

SENIOR VICE PRESIDENT TECHNOLOGY AND BUSINESS DEVELOPMENT



## WHAT IS THE COST OF THESE FASTENERS?

**FLANGE SCREW M6 x 10**

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**WHEEL BOLT M14 x 45**

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## FASTENERS IN A PREMIUM CAR

**1,500 SEK VALUE**

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**800 PARTS OF 4,000 IN TOTAL**

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## FASTENERS IN THE GLOBAL AUTOMOTIVE INDUSTRY

- 90,000,000 cars
- 3,300,000 tonnes of fasteners

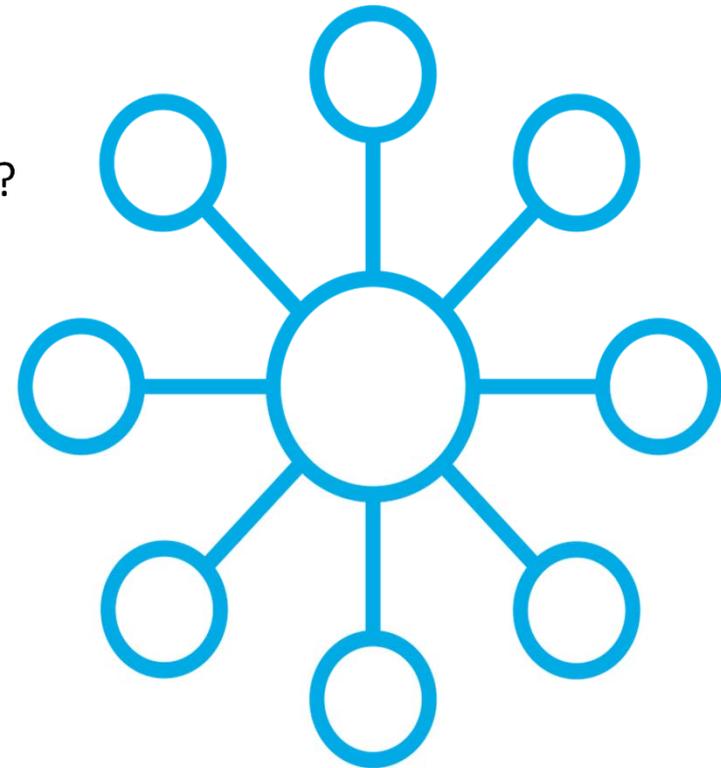




## FULL SERVICE PROVIDER

- A complex structure where smart solutions give competitive advantages
- How to utilize the supplier resources wisely?

### Full Service Provider Solution





# COMPLETE RESPONSIBILITY THROUGHOUT THE ENTIRE VALUE CHAIN OF FASTENERS



Engagement in early concept stage enables optimal fastener solutions to be introduced in the next generation of car platforms

Product development (innovations, tests, quality etc.) to secure cost control and quality throughout the entire process

Fewer component numbers  
Just in time-deliveries (local production or logistic center)  
Line feeding  
Inventory management

In place cost control  
Single point of contact  
Line trial support  
On-site support  
Resident services

Long term commitment

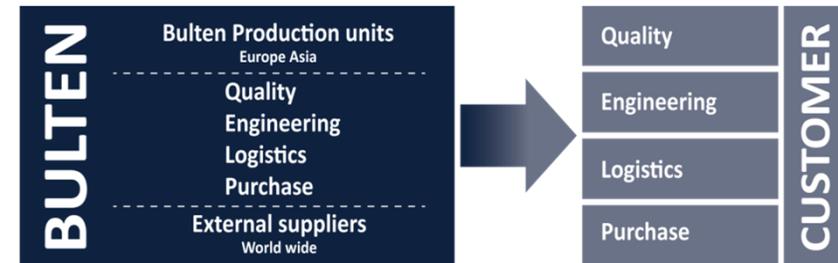


# ONE POINT OF CONTACT

## TRADITIONAL LOGISTICS SOLUTION

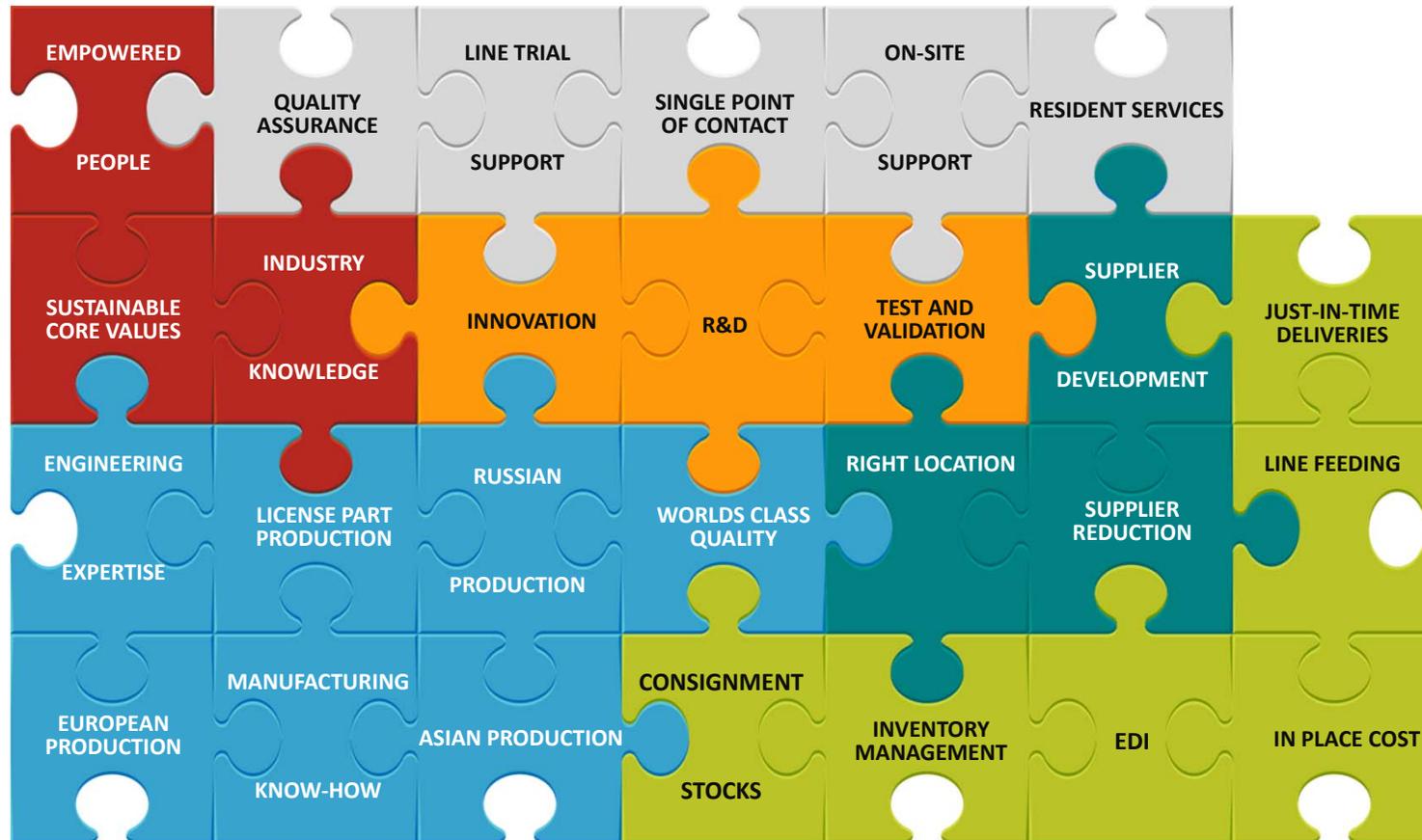


## BULTEN'S LOGISTICS SOLUTION





# A FULL SET OF SERVICES, ALWAYS CUSTOMIZED TO THE CUSTOMERS' OWN REQUIREMENTS





## FSP CONTRACT WITH JAGUAR & LAND ROVER (JLR) – FROM CONCEPT TO LINE FEEDING





# FINANCIAL PLATFORM

HELENA WENNERSTRÖM  
EXECUTIVE VICE PRESIDENT AND CFO



## KEY EVENTS

- Strong financial platform – capture future growth
- Market development - Bulten's mix of customer, a forecasted market growth of 1.7%
- Secured financial agreement, 3+1 year
- Start of share buyback program



## FINANCIAL PLATFORM

- We have a strong financial platform and a position to support further growth
  - Strong organic growth
  - Increased capacity
  - Strong financial position
  - New financial agreement signed
  - Flexible organisation with proven track record



# FINANCIAL TARGET – ORGANIC GROWTH

LONG-TERM

TARGET

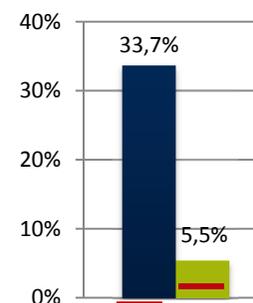
FINANCIAL TARGETS

PERFORMANCE

The Group's target is to achieve profitable organic growth and to grow more strongly than the industry average.

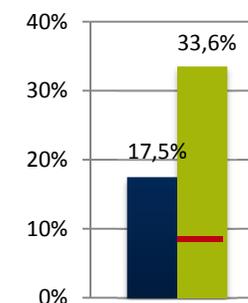
Organic growth in 2014 was 33.7% (5.5). Weighted for Bulten's exposure, average growth in the industry\* was 1.5% (-0.7).

*\*) Average growth in the industry is defined as Production volume in Europe in accordance with LMC Automotive, December 2014.*



■ 2013  
■ 2014

— GOAL



■ H1 2015  
■ H1 2014



## FINANCIAL TARGET – OPERATING MARGIN (ADJUSTED)

LONG-TERM

TARGET

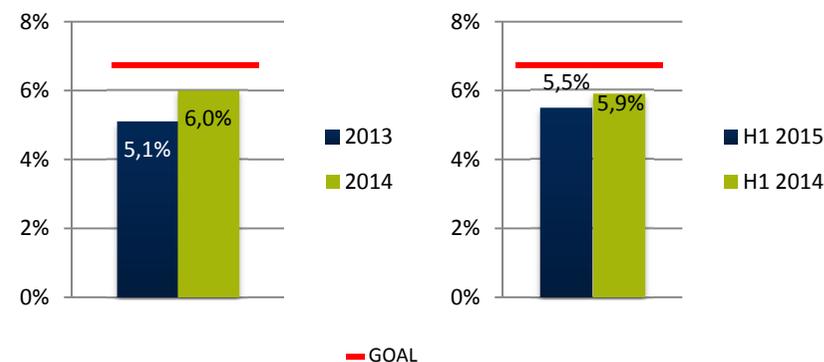
FINANCIAL TARGETS

PERFORMANCE

The Group's target is to achieve an operating margin of at least 7 percent.

The operating margin amounted to 5.5% (6.0) in 2014. The adjusted operating margin\* amounted to 5.1% (6.0) in 2014.

*\*) Adjusted for non-recurring items.*





# FINANCIAL TARGET

## – RETURN ON CAPITAL EMPLOYED (ROCE)

LONG-TERM

TARGET

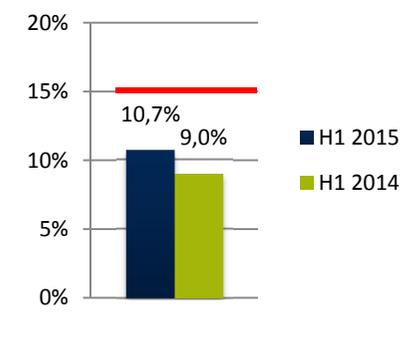
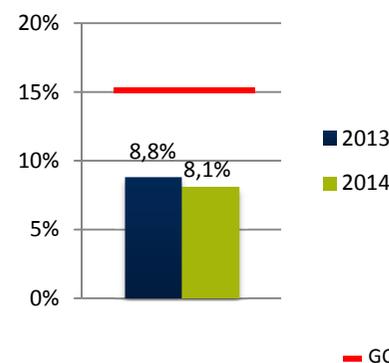
FINANCIAL TARGETS

PERFORMANCE

The Group's target is to achieve a return on average capital employed of at least 15 percent.

Return on capital employed amounted to 9.6% (8.1).  
Adjusted return on capital employed amounted to 8.8% (8.1).

*\*) Adjusted for non-recurring items.*





# FINANCIAL TARGET – DIVIDEND

LONG-TERM

TARGET

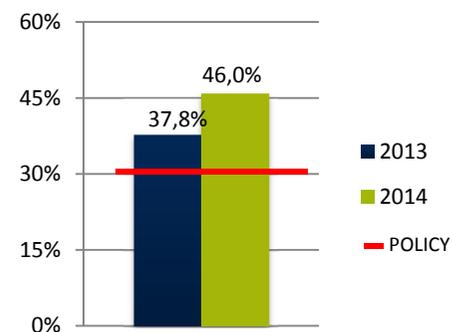
FINANCIAL TARGETS

PERFORMANCE

The Group's policy over time is to pay out a dividend of one third of net earnings after tax. Consideration is given, however, to the company's financial position, cash flow and outlook.

The Board has proposed to the Annual General Meeting a dividend of SEK 3.00 per share for the financial year, representing a dividend of 37.8%\* (46.0)\* of net earnings after tax.

*\*) Adjusted for non-recurring items.*





## QUARTERLY UPDATES

	2014				2015	
	Q1	Q2	Q3	Q4	Q1	Q2
<b>Net sales</b>	SEK 581 m	SEK 618 m	SEK 593 m	SEK 621 m	SEK 713 m	SEK 696 m
<b>Op. earnings</b>	SEK 33 m	SEK 37 m	SEK 25 m	SEK 38 m	SEK 36 m	SEK 45 m
<b>Op. margin</b>	5.7%	6.0%	4.2%	6.2%	5.1%	6.5%
<b>Organic growth</b>	38.8%	29.0%	36.2%	31.6%	22.7%	12.5%
<b>Significant events</b>	<ul style="list-style-type: none"> <li>• Work with a is intensified.</li> <li>• Restructuring of the foundry business is completed</li> <li>• Swedish aluminum business divested</li> <li>• Deliveries to new FSP contract start</li> </ul>	<ul style="list-style-type: none"> <li>• Total focus on the automotive industry</li> <li>• Finnveden Metal Structures divested to American Shiloh Industries Inc.</li> <li>• Deliveries to another significant FSP contract start</li> </ul>	<ul style="list-style-type: none"> <li>• Name change to Bulten AB.</li> <li>• New President and CEO.</li> <li>• Production in Russia starts.</li> </ul>	<ul style="list-style-type: none"> <li>• Additional volumes from existing customer worth SEK 150 m</li> <li>• Factory in Russia inaugurated.</li> <li>• Board proposes dividend of SEK 3.00 per share (+50%)</li> <li>• Share buyback program worth up to SEK 150 m</li> </ul>	<ul style="list-style-type: none"> <li>• New contracts in Russia outside GAZ business.</li> <li>• Adam Smith Institute appointed Russian unit "Best International Newcomer"</li> </ul>	<ul style="list-style-type: none"> <li>• New order worth SEK 17 m from leading European HCV</li> <li>• Continued capacity expansion in Poland</li> <li>• New financing agreement</li> </ul>



## RISK FACTORS

- The aim of the risk management is to identify risk and prevent risk arising as well as limiting any damage that arises from risks.
- Risk can be categorised as
  - external and business cycle risk
  - operational risk
  - financial risk





## MARKET DEVELOPMENT

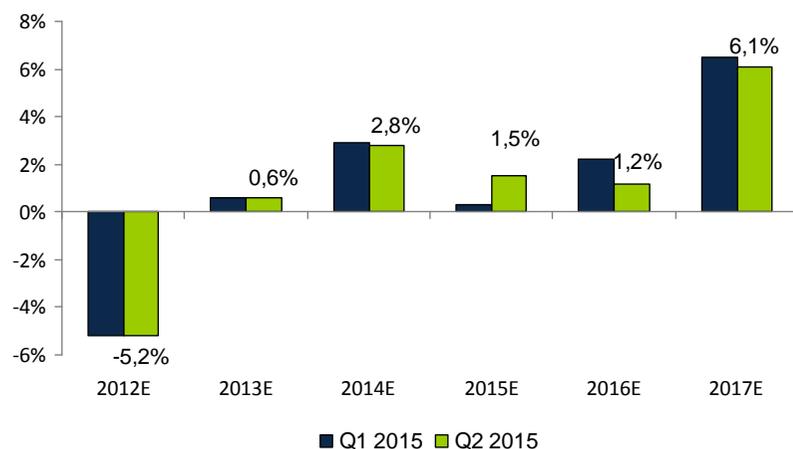
- LMC Automotive reports for automotive production in Europe, 2015:
  - Production of LV in 2015 expected up by 1.5% compared to 2014
  - Production of HCV (>15 t) in 2015 expected up by 2.3% compared to 2014
  - For Bulten's mix, up 1.7%
    - LV stands for ~85% of sales
    - HCV stands ~15% of sales
  
- ACEA reports for LV sales in Europe for the first half year 2015
  - As of June 30, 2015 European LV sales up 8.2% compared to 2014

*Source: LMC Automotive Q2, 2015. ACEA LV 6m, 2015*



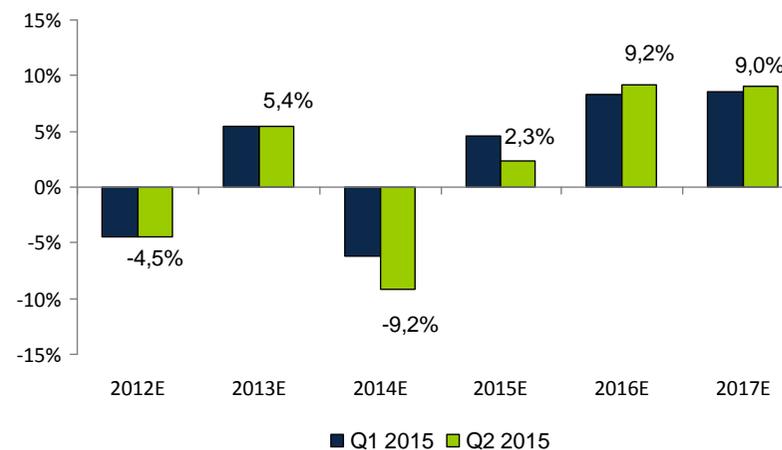
# LMC AUTOMOTIVE REPORTS FOR AUTOMOTIVE PRODUCTION IN EUROPE

PRODUCTION GROWTH RATE (YEAR ON YEAR)  
LIGHT VEHICLES EUROPE



- LMC Automotive (Q2 2015 report) has increased its forecast of LV production 2015 to an increase of 1.5% compared to 2014

PRODUCTION GROWTH RATE (YEAR ON YEAR)  
HEAVY COMMERCIAL VEHICLES (>15t) EUROPE



- LMC Automotive (Q2 2015 report) has decreased its forecast of HCV production 2015 to an increase of 2.3% compared to 2014

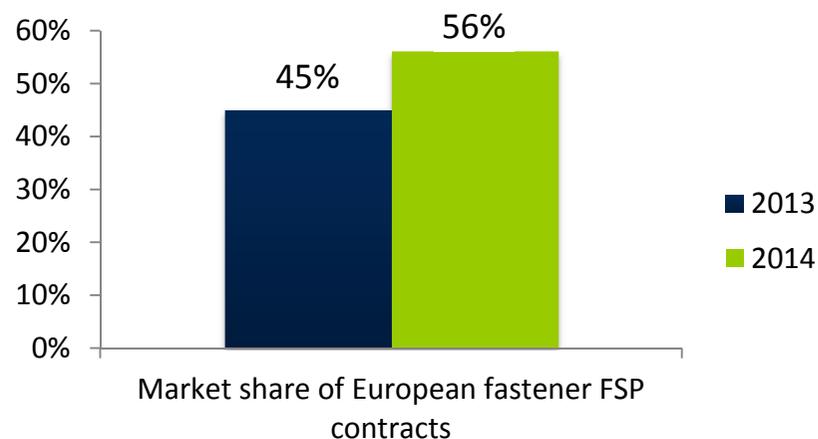
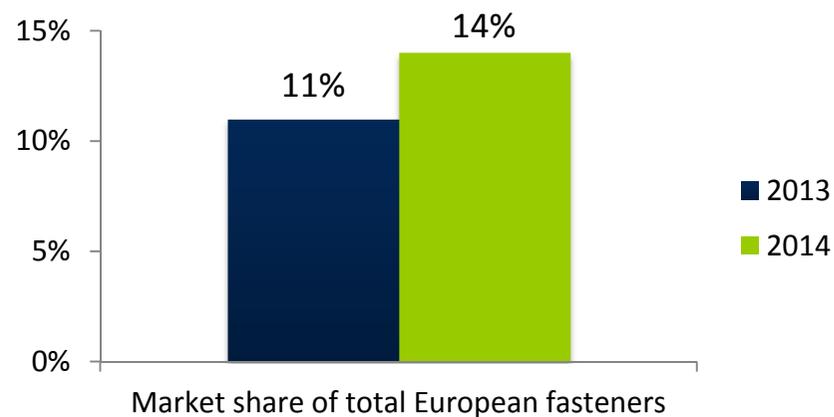
Source: LMC Automotive Q2, 2015



## BULTEN MARKET SHARE DEVELOPMENT

- Management estimates\*:
  - Bulten’s market share to be 14% of the European market of fasteners for the automotive industry 2014, up 3 pp. since 2013
  - Bulten’s market share of FSP contracts for the same market to be 56% 2014, up 11 pp from 2013
  
- Continued strong demand and gained market share in H1

BULTEN MARKET SHARE DEVELOPMENT



\* Based on data from EIFI (European Industrial Fasteners Institute)



## FINANCIAL GUIDELINES

THE GROUP	12 M ROLLING	FULL YEAR 2014	GUIDELINES
Average net working capital as % of sales	19.9	20.9	20.0
CAPEX as % of sales	4.2	4.7	2.0–3.0
Depreciation as % of sales	2.0	1.9	2.0–3.0
Tax rate	26.0	28.8	27.0–29.0

- The improvement of NWC is a result of the optimization activities but also due to the divestment of Finnveden Metal Structures
- Capex and depreciation mirrored by the high activity this year
- Tax rate going forward is estimated to 27–29%. The tax rate will fluctuate between quarters
- Our ambition is to continue to grow, improve our earnings and return on capital



## SHAREHOLDER INFORMATION

- Listed on Nasdaq Stockholm since 20 May 2011
- On September 1, 2014 the company formally changed name from FinnvedenBulten AB to Bulten AB (new ticker BULTEN)
- The largest shareholders are Volito and Öresund and they are also representative in the board
- Bulten is among the top ten owners

### TEN LARGEST SHAREHOLDERS, 31 AUGUST 2015

Total number of Shareholders 6 372

Shareholder	No. of shares	Share of votes and capital (%)
Volito AB	4 412 757	21.0
Öresund Investment AB	2 263 535	10.8
JP Morgan	1 156 392	5.5
Catella Fondförvaltning	1 012 179	4.8
Handelsbanken Fonder AB	848 599	4.0
Spiltan Fonder AB	571 234	2.7
Skandinaviska Enskilda Banken S.A.	420 600	2.0
Clients Account-DCS	401 084	1.9
Swedbank Robur fonder	361 000	1.7
Bulten AB	357 600	1.7

Source: Euroclear Sweden AB



## SUMMARY

- Strong financial platform – to support further growth
  - Bulten’s mix of customer, a forecasted market growth of 1.7%
  - Strong balance sheet with an equity ratio of 68.2% and a net cash of m 12 SEK
- Secured financial agreement, 3+1 year
- Flexible organisation – with proven track records
- Increased dividend and start of share buyback program
- Our ambition is to continue to grow, improve our earnings and return on capital

# CONCLUSIONS AND GOING FORWARD

TOMMY ANDERSSON  
PRESIDENT AND CEO



## KEY SUCCESS FACTORS



### Experienced management and empowered employees

Bulten has a strong corporate culture with an open and creative environment. The co-workers are dedicated with great driving force to create new business opportunities and innovative solutions.



### Technology leader

Bulten produces everything from standardized to technologically advanced fasteners for the automotive industry. The products are customer specifically designed and in some cases also developed together with the customer.



### Geographic proximity

Production takes place mainly in Europe. A significant part is low-cost production with geographical proximity to the customers.



### Quality leader

Quality is the key to Bulten's financial results and strong growth as well as a decisive factor in winning new orders.



### Full Service Provider concept

Bulten is one of few in Europe that offers complete responsibility throughout the entire value chain for fasteners, from product development to final delivery to the customers' production lines.



### Financial platform

Bulten has a strong financial platform to support further growth in existing and new markets.



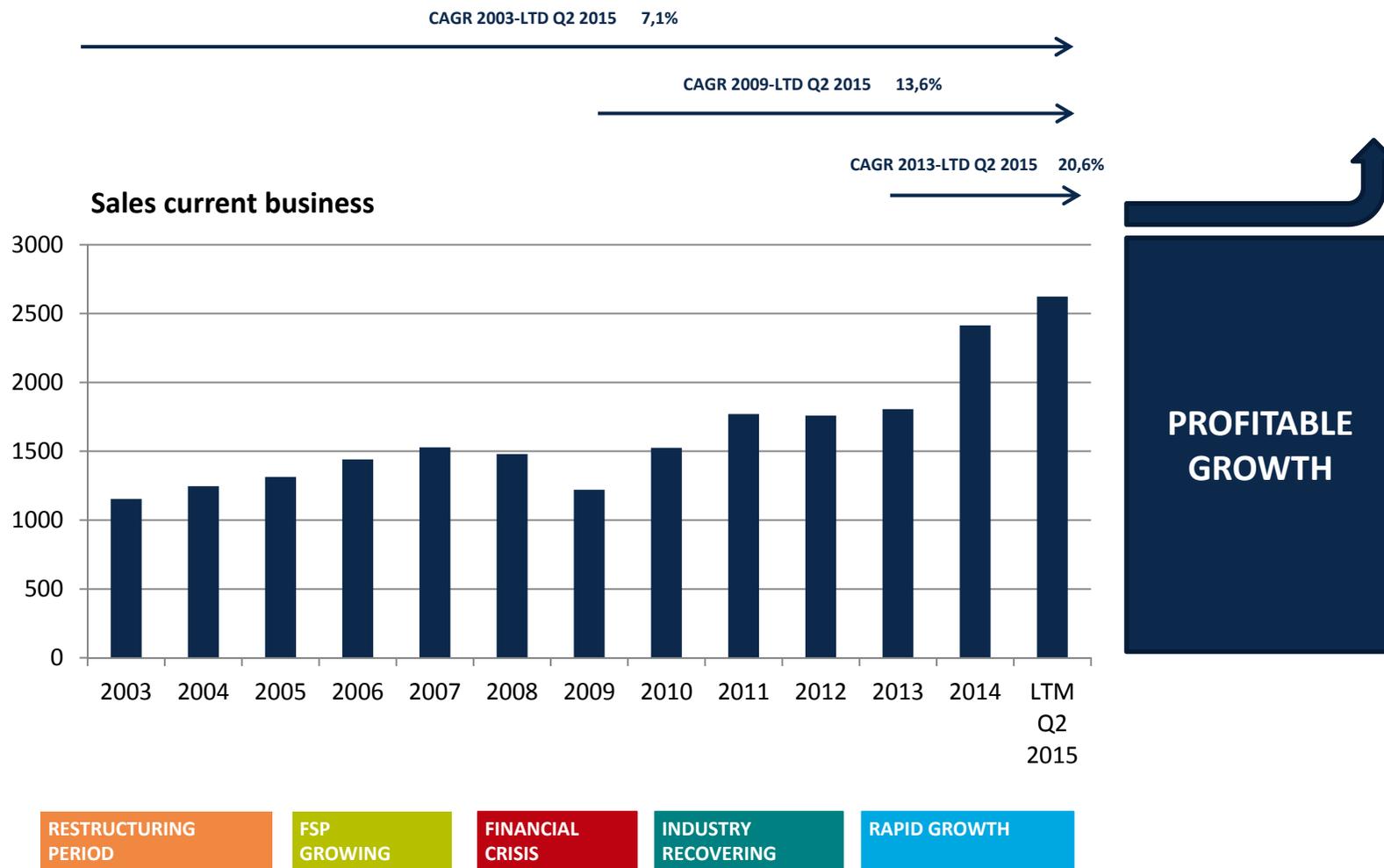
## OPPORTUNITIES AHEAD

- Bulten's opportunities ahead are:
  - Continued organic growth potential
    - New FSP contracts and supplementary order drives growth
    - Continued path of gaining market share in Western Europe
    - Significant opportunities in emerging markets
    - Minor impact from drop in China
  - Ongoing optimization gives improvements in EBIT
  - Platform for production and logistics continues to improve, building the most cost effective production unit
  - Strong financial position
    - Current cash positions opens up for further growth initiatives
    - Prospects of growth with solid operating margins



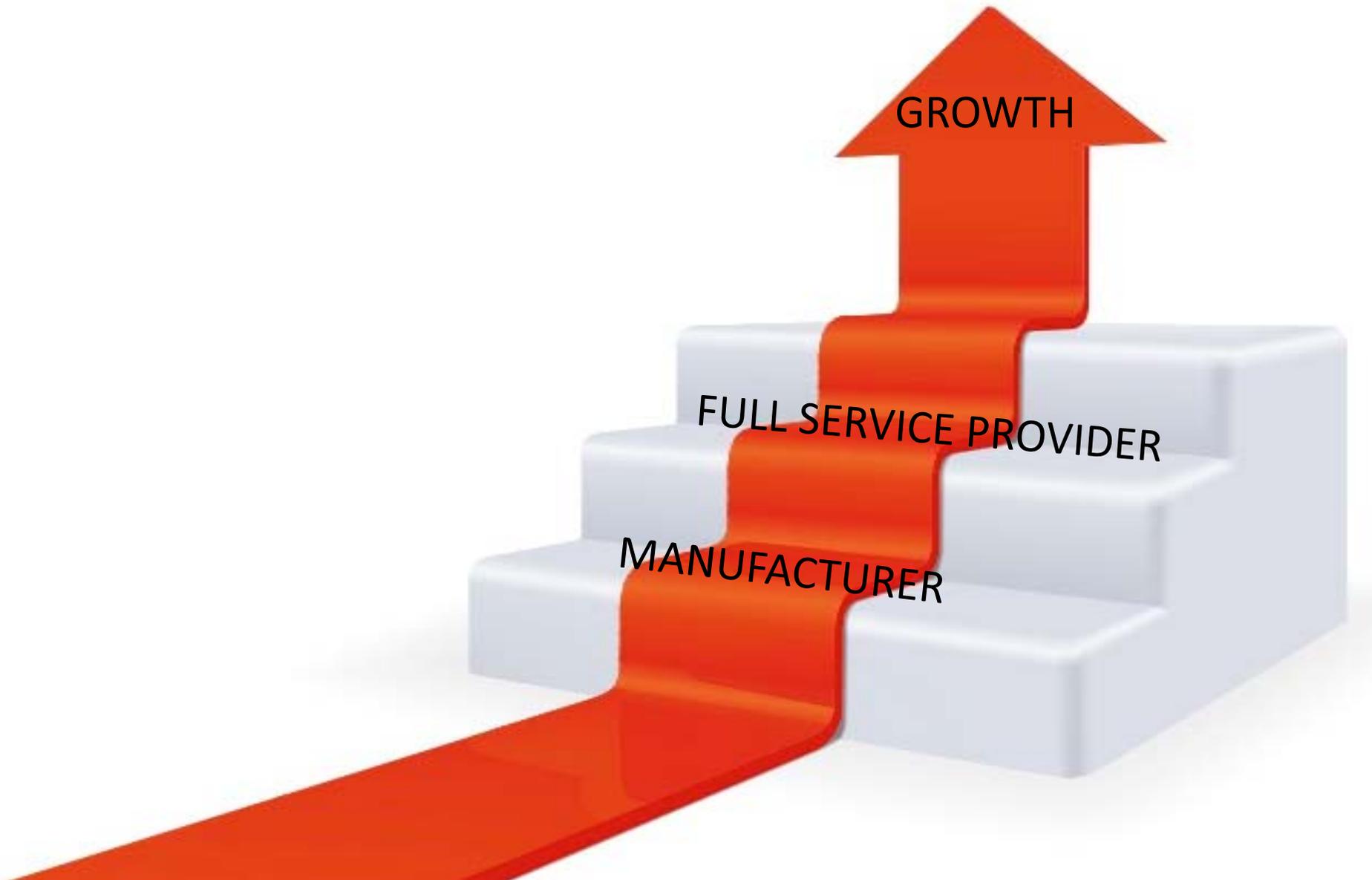


# CAPTURE FUTURE GROWTH





## MOVING UP IN THE VALUE CHAIN





# **BULTEN – A STRONGER SOLUTION**