



ANNUAL GENERAL MEETING 2019

ANDERS NYSTRÖM, PRESIDENT AND CEO
25 APRIL 2019



MY FIRST IMPRESSION – Anders Nyström new CEO as of February 8, 2019



“A truly solid company”



COMPANY SPIRIT

- Integrity
- Pride
- Continuity

CUSTOMERS

- Strong brands
- Confidence
- Potential for expansion

STRONG FINANCIALS

- Security for customers
- Long-term strategy
- Growth investments



OFFERING EDGE

- FSP excellence
- Global production
- Track record



2018 IN SUMMARY

- Good growth thanks to ramping-up of previously won FSP contracts which, at anticipated full production in 2021, are expected to contribute an annual sales value of EUR 65 million
- Continued increase in market shares
- New FSP contracts for electric cars
- Continuing to invest in higher production capacity to deliver received orders, and to further strengthen our operation

A PASSENGER CAR CONSISTS OF 25 TO 50 KILOS OF FASTENERS



Of Bulten's sales, approximately
25% goes to powertrain and
75% to chassis



The **weight** of
all fasteners in a car is between
20-50 kg

The **cost** of
all fasteners in a car is between
70-250 EUR



Of which the cost
per engine is between
20-40 EUR



STRONG CUSTOMER BASE AND RELATIONSHIPS WITH MAJOR VEHICLE OEMS AS WELL AS TIER 1 SUPPLIERS

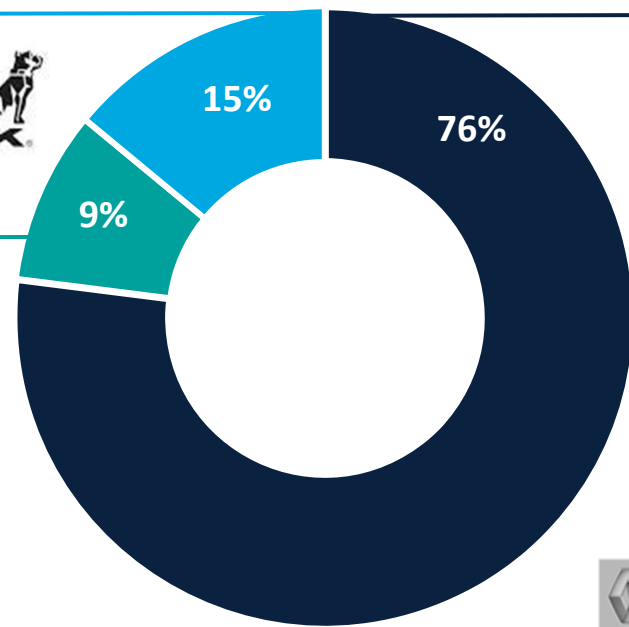
HEAVY VEHICLE OEM'S



LIGHT VEHICLE OEM'S



SUPPLIERS

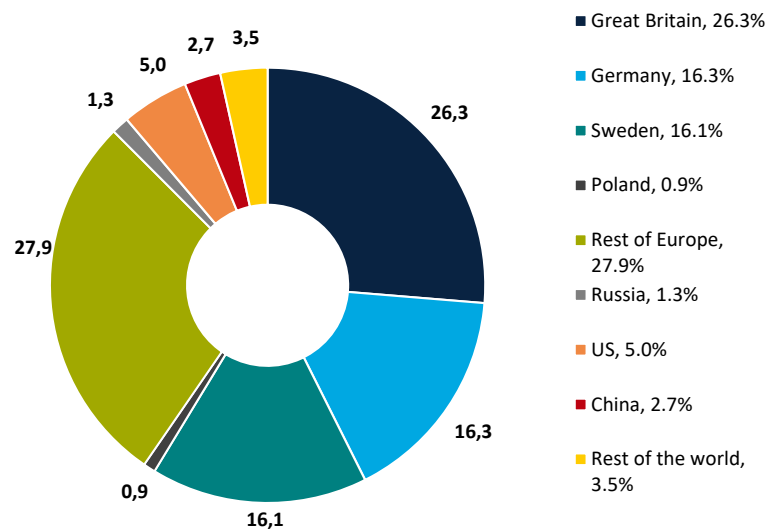


- Selection of customers.
- Share of Bulten's sales YTD



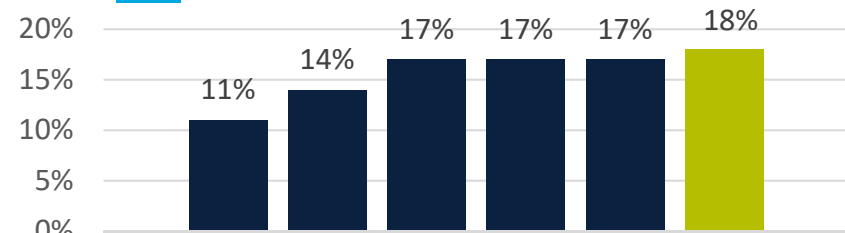
BULTEN HAS ITS STRONGEST POSITION IN NORTHERN EUROPE BUT WILL GROW IN EMERGING MARKETS

**GEOGRAPHIC SALES DISTRIBUTION
JANUARY – MARCH 2019**



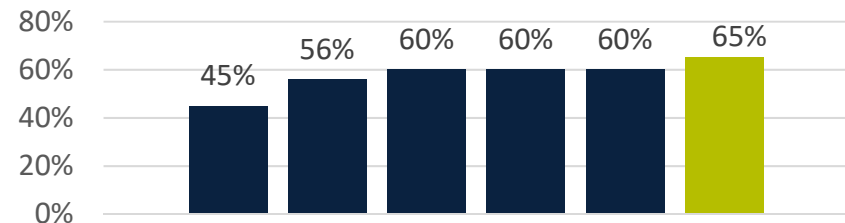
The major part of sales go to production of vehicles in Europe, of which a portion is exported to other markets in for example North America and BRIC.

BULTEN MARKET SHARE DEVELOPMENT



Market share of total European fasteners

■ 2013 ■ 2014 ■ 2015 ■ 2016 ■ 2017 ■ 2018



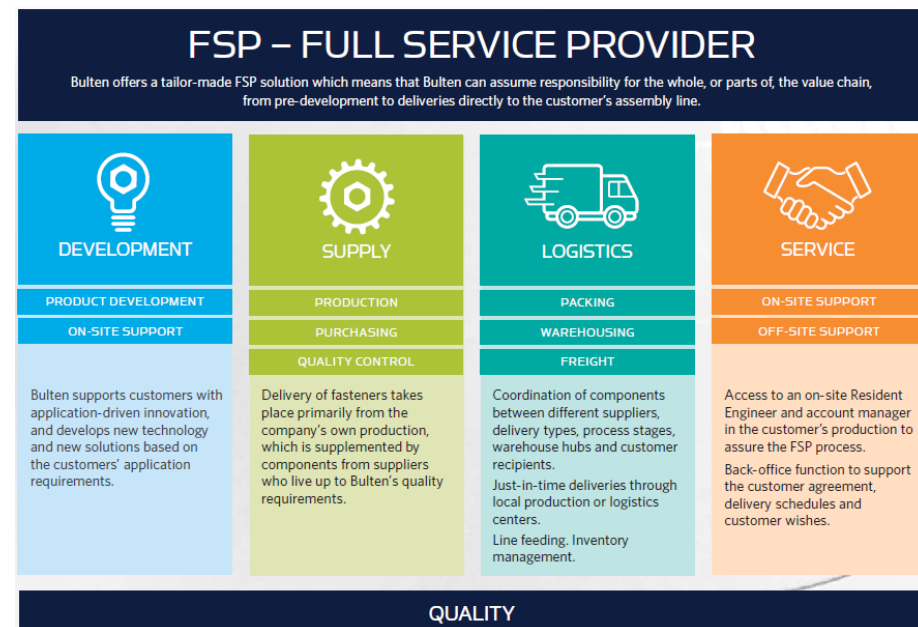
Market share of European fastener FSP contracts

■ 2013 ■ 2014 ■ 2015 ■ 2016 ■ 2017 ■ 2018



FULL SERVICE PROVIDER (FSP) TO INTERNATIONAL AUTOMOTIVE INDUSTRY

- Bulten is one of few players in Europe that has a proven track record and can handle complex full service contracts for the automotive industry
- Complete responsibility throughout the entire value chain of fasteners
- Offers a full set of services, always customized to the customers' own requirements with one point of contact

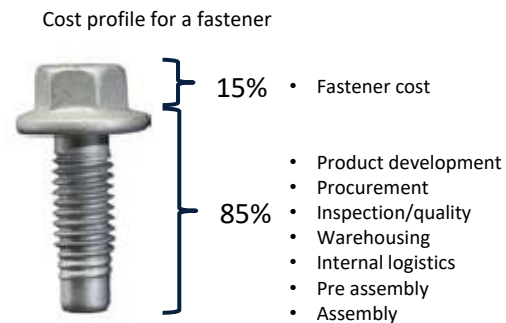




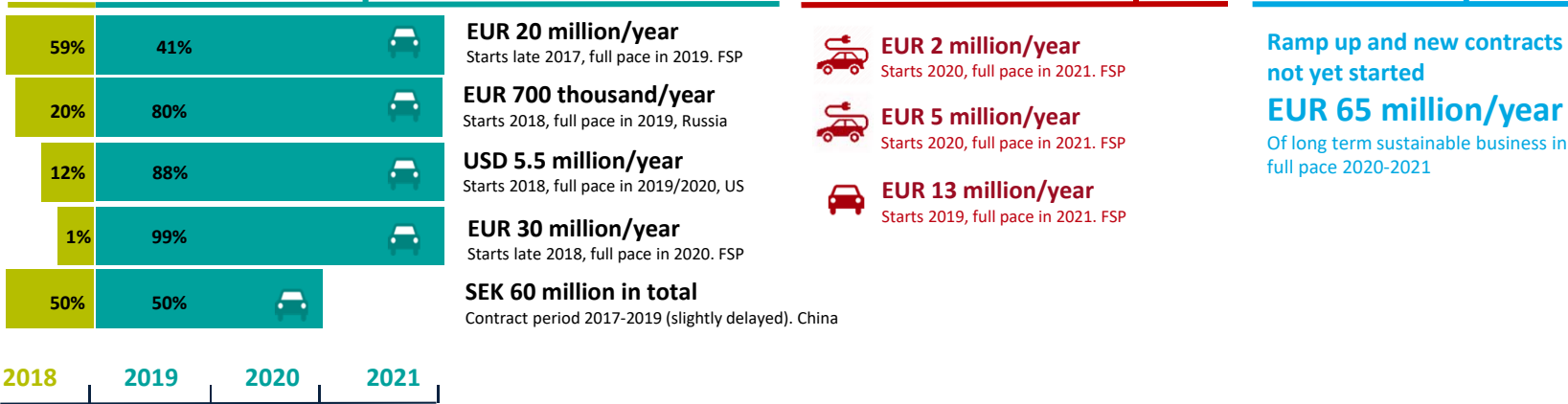
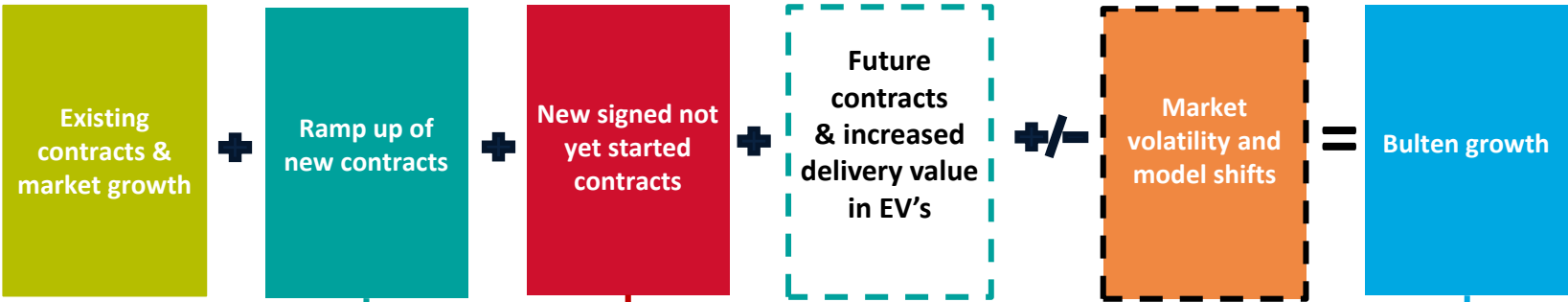
LOWER IN PLACE COST (IPC)

- Bulten's full service offer aims to optimize the total cost (IPC) for the customer
- The cost of the physical fastener normally amounts to 15% of the total cost
- Bulten's innovative technologies and value-added services can achieve cost reductions by e.g.
 - Standardization
 - Simplified assembly
 - Reduction of peripheral costs such as e.g. development and logistics

IPC EQUALS THE TOTAL COST,
THE SO CALLED IN PLACE COST



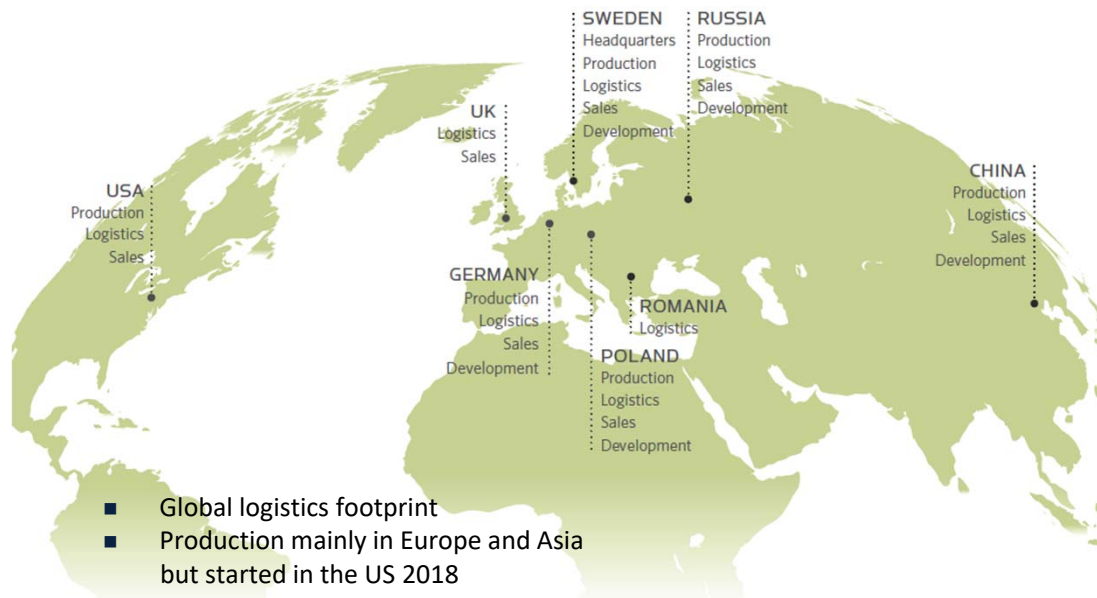
PREDICTED STRONGER BULTEN GROWTH VS THE MARKET



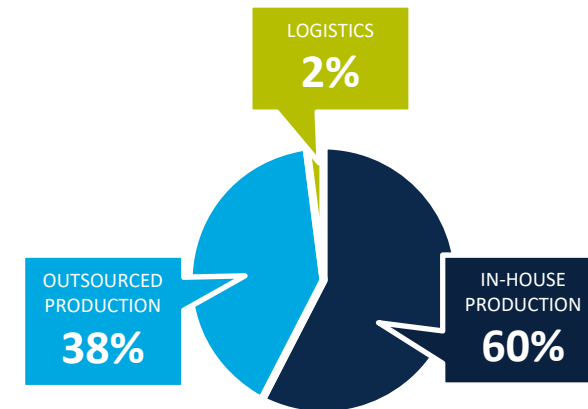


BULTEN HAS A LEAN AND WELL POSITIONED LOGISTICS AND MANUFACTURING FOOTPRINT AND FLEXIBLE SUPPLY CHAIN

LEAN AND WELL POSITIONED LOGISTICS AND MANUFACTURING FACILITIES



IN-HOUSE VS. TRADING (SALES VALUE)



- Bulten produces most products in-house and has but has also production outsourced to optimize efficiency and flexibility

SUSTAINABILITY – A NATURAL PART OF OUR BUSINESS



SUSTAINABILITY FOCUS AREAS BASED ON BULTEN'S VALUE CHAIN

New solutions that have an environmental and economic impact throughout the value chain; choice of materials, waste generation, surface treatment, production, pollution, transport, recycling opportunities.

Sustainable, responsible purchasing and logistics: raw materials and conflict minerals, human rights and working conditions in the supply chain and logistics, greenhouse gas emissions from transports and manufacturing, energy use, waste, business ethics and compliance.



Continuous development of products, processes and technology: Enabling customer to improve the sustainability performance for their products and processes (materials, weight, energy use in production, surface treatment).

Delivering sustainable solutions: Product quality, packaging, logistics and transport emissions.

Sustainable, responsible production: energy, waste/ scrap and chemicals, greenhouse gas emissions, health and safety, employee well-being, lifelong development and commitment, reduce the use of non-renewable energy sources and increase recycling, impact on local community.



TRENDS THAT AFFECT BULTEN

TREND	IMPLICATIONS FOR BULTEN	BULTEN ACTIONS
GLOBALIZATION	Vehicle manufacturers are increasing their production in emerging countries and in new markets.	➤ Follow customers and establish on selected markets.
SUSTAINABILITY	Expectations and higher demands on contributing to increased sustainability.	➤ Systematic work to increase sustainability where the company can influence.
CONTINUED COMPETITION IN AUTOMOTIVE INDUSTRY	New disruptive technology can lead to increased exclusion and brand new manufacturers.	➤ Bulten focuses on offering the most cost-effective full service solutions and monitors changes in the market in order to have a customer base with the right customer.
CONSOLIDATION	Fewer suppliers are expected to be more involved in the customer's development.	➤ FSP offer, Bulten can be involved already from the development stage to delivery on the customer line.
ELECTRIFICATION	Hybrids and electric cars are on the increase and are expected to make a commercial breakthrough.	➤ Collaboration with customers on the development of fasteners for hybrid and electric vehicles.
MOBILITY	How people and goods are moved will change, driven by new technology and social trends.	➤ Bulten works systematically to review how value can be created in this new environment.
DIGITALIZATION	Greater computerization, e.g. driverless cars, entails an increasing number of electronics boxes, sensors, transmitters, etc. Requires more fasteners for installation.	➤ Increased offer and supply bespoke fasteners for in-vehicle installation.

ELECTRIFICATION – AN OPPORTUNITY FOR BULTEN



- The growing electrification is a favorable development for Bulten
- Today, it is primarily hybrids, cars with combined combustion and electric engines, introduced on the market with a growing demand
- With double powertrains, the number of fasteners in these cars is much higher compared to a traditional car
- Electrification places new demands and Bulten is involved in projects with several different vehicle manufacturers
- Today's products can meet the new requirements, but it is the knowledge of how to use them in new ways that make a difference



Two new FSP contracts for electric cars

During the fourth quarter of 2018, Bulten signed two new full-service contracts (FSP) for powertrain for electric cars with significant European vehicle manufacturers



SHAREHOLDER INFORMATION

10 LARGEST HOLDERS (2019-02-28 – 2018-03-29)

	Shareholder	No. of shares	Share of votes and capital (%)
1.	Volito AB	4 750 000	22.6
2.	Öresund Investment AB	2 900 000	13.8
3.	Lannebo fonder	2 648 433	12.6
4.	Bulten AB	964 311	4.6
5.	Lazard Freres Banque, W8imy	440 000	2.1
6.	Spiltan Fonder AB	419 320	2.0
7.	CBNY-DFA-INT SML CAP V	419 320	1.8
8.	Tredje AP-fonden	377 902	1.8
9.	State Street Bank & Trust Com., Boston	372 528	1.8
10.	Handelsbanken fonder	360 062	1.7

Source: Euroclear Sweden AB

- Total number of shareholders: 7,013

SHARE DEVELOPMENT

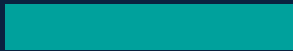


— OMX Stockholm PI
— Bulten

- Listed on Nasdaq Stockholm since 20 May 2011.

— Ticker BULTEN

Q1 IN SUMMARY



OPERATIONAL HIGHLIGHTS FOR THE QUARTER



- Net sales SEK 810 m (853)
- Operating earnings amounted to SEK 58 m (67)
- EBIT margin 7.1%
 - Lower sales volumes
 - High raw material prices
 - Positive currency effect
 - Restructuring costs, adj EBIT margin 7.3%
- Bulten awarded new FSP contract with an annual value of appr EUR 13 million in the quarter

FINANCIAL SUMMARY (MSEK)	Q1		
	2019	2018	Δ
Net sales	810	853	-5.1%
Gross profit	159	159	-4
Earnings before depreciation (EBITDA)	91	88	3
Operating earnings (EBIT)	58	67	-9
Operating margin, %	7.1	7.8	-0.7
Earnings after tax	44	48	-4
Earnings per share before dilution, SEK	2.12	2.43	-0.31
Order bookings	733	779	-5.9%
Return on capital employed, %	--	--	--
Return on capital employed excluding lease liabilities, %	--	--	--

New accounting principles, IFRS 16, as of January 1, 2019

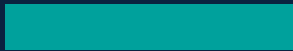
VOLUMES AND RAW MATERIAL PRICES AFFECTED THE TARGETS



	Growth		Margin		ROCE		EPS		Dividend
	Profitable organic growth more strongly than the industry average.		Operating margin of at least 7%.		At least 15%.		EPS development		At least one third of net earnings after tax.
	Q1	R12	Q1	R12	Q1	R12	Q1	R12	PROPOSED
REPORTED	-5.1%	5.4%	7.1%	6.5%	n.a.	10.9%	2.12	6.87	4.00 SEK/share
ADJUSTED*	-5.1%	5.4%	7.2%	6.5%	n.a.	11.6%	2.20	7.00	55,1 % (adj 54,7%) for 2018 (3.75 SEK /share)
R12 TARGET STATUS*		✓		✗		✗		↘	↗

* Excluding lease liabilities (IFRS16) and restructuring costs in China

4 IN FOCUS 2019



IN FOCUS 2019



- Continue ramping up won contracts
- Secure continued efficient, profitable production
- Begin capacity investments in Poland
- Relocate the production plant in China
- Cultivate the American market further
- Win new FSP contracts
- Continue to promote and develop innovation and sustainability work
- Build on our already strong corporate culture





BULTEN - A STRONGER SOLUTION

