



# ANNUAL GENERAL MEETING 2015

**TOMMY ANDERSSON, PRESIDENT AND CEO**  
**29 APRIL 2015**

# CORPORATE PRESENTATION





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

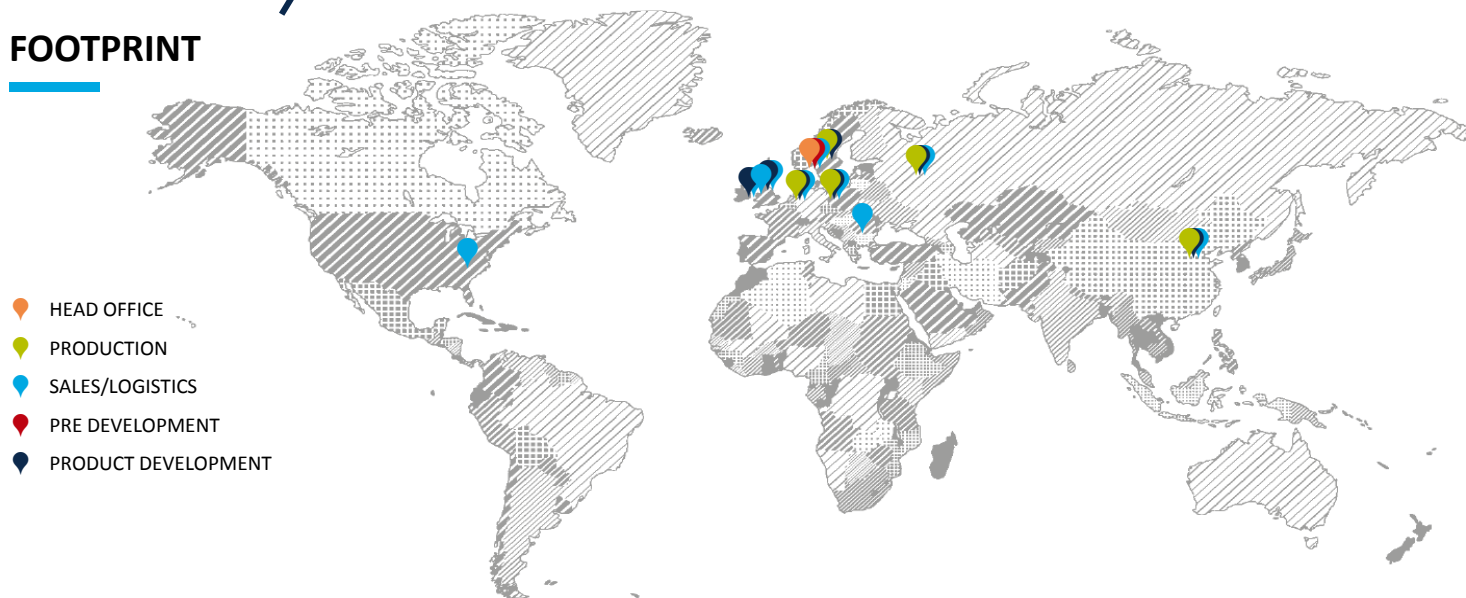
## VISION

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.

## FOOTPRINT





## 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





# 140 YEARS OF FASTENERS EXPERIENCE

## 1873

Bulten was founded.



## 2000's

Bulten started to focus on the FSP concept and won several significant contracts.



## 2014

Bulten has grown with the Swedish automotive industry into a large player in the European automotive industry.

In 1873 Bultfabriks AB was founded in Hallstahammar. Hot-forging machines were bought in England and were driven by water power from the river beside the factory. Ever since the beginning Bulten produced high quality nails, nuts and bolts.

During the 1980's and 1990's, Bulten grow, mainly by acquisitions in Sweden, Germany, Poland and China. In the 1990's Bulten started to focus on the automotive industry.

In the 2000's and 2010's Bulten started to focus on an FSP concept and gain markets shares. Major contracts were signed with Autoliv, Ford, Volvo Car, etc. In 2013 Bulten signed two new significant FSP contracts with annual value of approximately SEK 500 m.

Bulten has grown strongly with a clear focus on organic growth in Europe, Russia and China. In the coming years, Bulten sees good opportunities for continued organic growth on the global automotive market.



## BULTEN'S OVERALL OBJECTIVE REGARDING SUSTAINABILITY 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
  - The code covers all employees and regulates which business principles employees shall observe in contacts with business partners and other parties
  - It also regulates communication and financial reporting, which environmental principles we follow and how the Group strives for fair working conditions and respect for human rights
  - 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

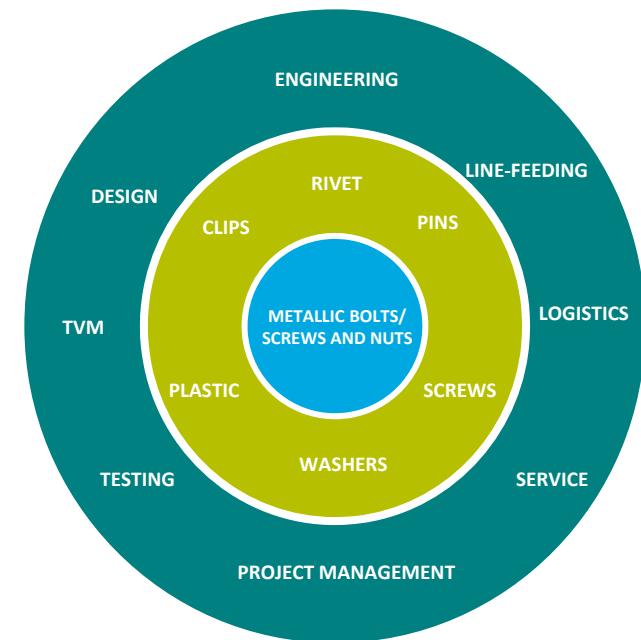


*Bulten was engaged already in the development phase of the fuel-efficient and powerful 1.0-liter EcoBoost engine, available in the Fiesta and nine other models from Ford.*



## 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 Full Service Provider (FSP) concept
  - Leading FSP supplier in Europe
- Number of employees approx. 1,200
- Sales SEK 2,4 billion in 2014

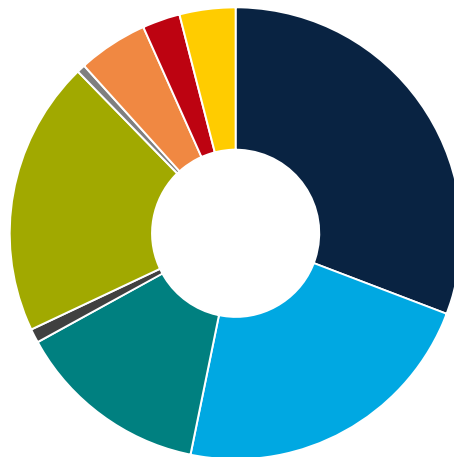


- Core products are metallic screws, bolts and nuts
- There are also other types of fasteners including rivets, washers and clips
- Services linked to fasteners

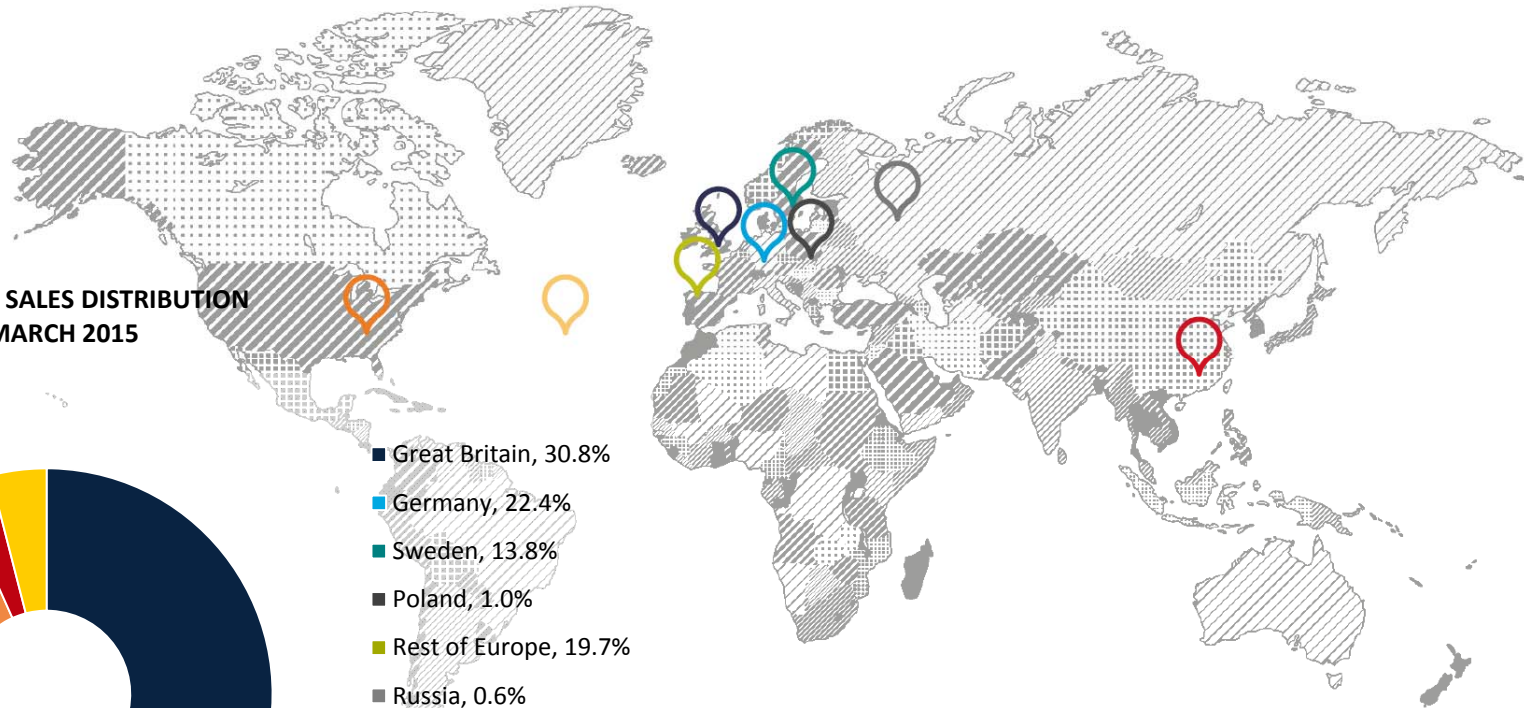


# BULTEN HAS ITS STRONGEST POSITION IN NORTHERN EUROPE BUT WILL GROW ON EMERGING MARKETS

GEOGRAPHIC SALES DISTRIBUTION  
JANUARY – MARCH 2015



- Great Britain, 30.8%
- Germany, 22.4%
- Sweden, 13.8%
- Poland, 1.0%
- Rest of Europe, 19.7%
- Russia, 0.6%
- US, 5.0%
- China, 2.7%
- Rest of the world, 4.0%



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.





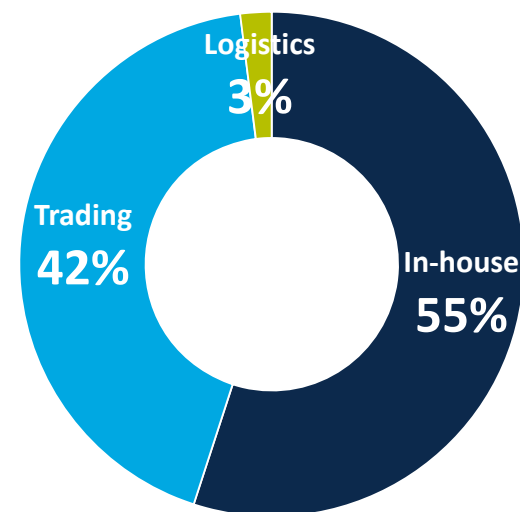
# BULTEN IS EXPANDING ITS MANUFACTURING AND LOGISTIC FOOTPRINT

## LEAN AND WELL POSITIONED MANUFACTURING FACILITIES IN EUROPE AND ASIA



- 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

## IN-HOUSE VS. TRADING (SALES VALUE)



- Bulten produces most products in-house and has a significant trading operation to optimize efficiency
- Strengthened logistic capacity in the US and the UK and planned in Poland



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





# KEY SUCCESS FACTORS FOR BULTEN'S STRONG GROWTH

	<b>Full Service Provider concept</b>	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.
	<b>Geographic proximity</b>	Production takes place mainly in Europe. A significant part is low-cost production with geographical proximity to the customers.
	<b>Financial platform</b>	Bulten has a strong financial platform to support further growth in existing and new markets.
	<b>Quality leader</b>	Quality is the key to Bulten's financial results and strong growth as well as a decisive factor in winning new orders.
	<b>Experienced management and empowered employees</b>	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.
	<b>Technology leader</b>	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.



## SHAREHOLDER INFORMATION

- Listed on Nasdaq Stockholm since 20 May 2011.

– Ticker BULTEN

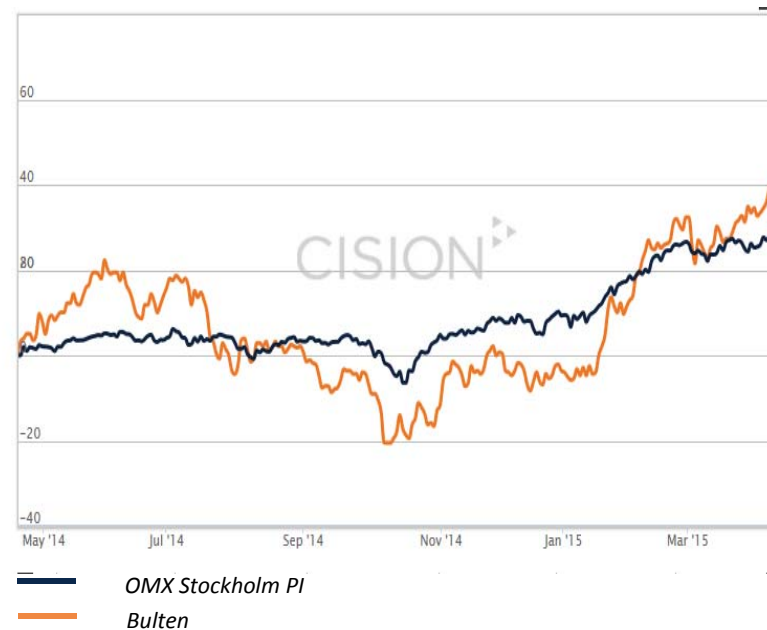
### FIVE LARGEST SHAREHOLDERS, 31 MARCH 2015

Total number of Shareholders 6 031

Owner	No of shares	Votes and capital (%)
Volito AB	4 400 000	20.9
Öresund Investment AB	2 107 587	10.0
JP Morgan (incl Franklin Templeton Inv.)	1 201 225	5.7
Handelsbanken Fonder AB	733 065	3.5
Catella Fondförvaltning	662 137	3.2

Source: Euroclear Sweden AB

### SHARE DEVELOPMENT



# 2014 IN BRIEF





## 2014 WAS A SIGNIFICANT YEAR WHEN BULTEN TOOK A BIG STEP FORWARD

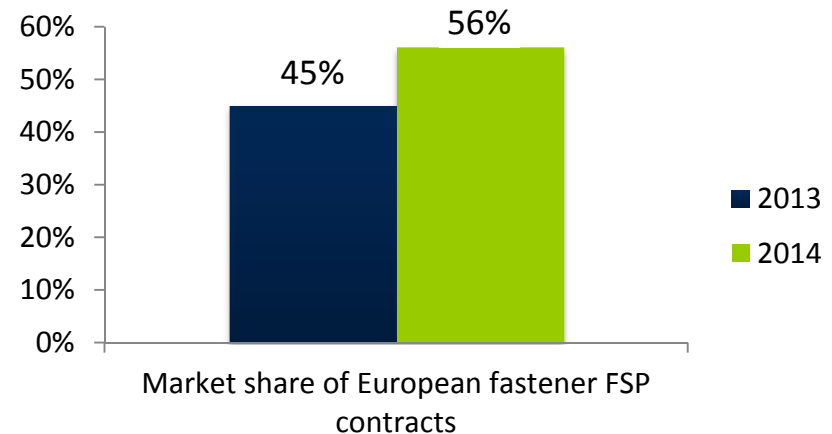
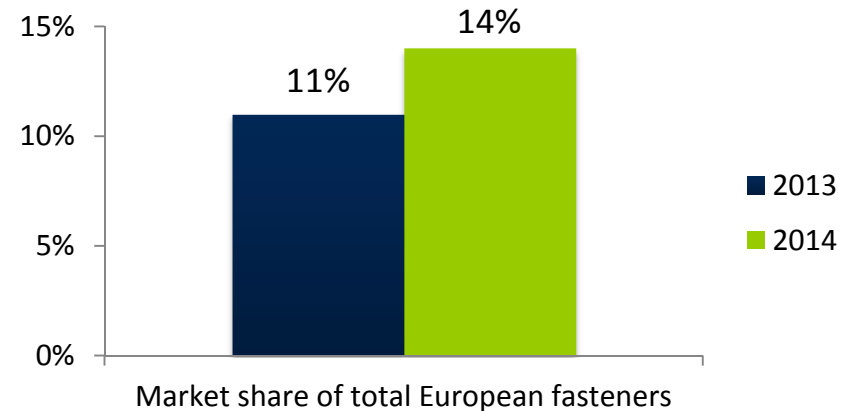
- Focus on fasteners for the automotive industry
  - Division Finnveden Metal Structures was sold to Shiloh Industries Inc.
  - The continuing business focused on the fast growing and international fastener business
- A new organization was implemented and the Group changed name to Bulten
  - Tommy Andersson became President and CEO of the Bulten Group
  - Company name changed from FinnvedenBulten AB to Bulten AB
- Strengthened position
  - Financially,
    - The financial position for Bulten was strengthened after the divestment of division Finnveden Metal Structures and improved the conditions to seize opportunities the coming years
  - Geographically,
    - Production started in Russia with a continued large interest from customers
  - and in terms of confidence among international automotive customers
    - Successful ramp up of two major FSP contracts
    - Additional business from existing customer
- Strong growth of 34%
- Increased market shares
- Good share price development



## BULTEN MARKET SHARE DEVELOPMENT

- Management estimates\*:
  - Bultens market share to be 14% of the European market of fasteners for the automotive industry 2014, up 3 pp. since 2013
  - Bulten 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 Q1

BULTEN MARKET SHARE DEVELOPMENT







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



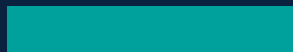
## FINANCIAL TARGETS

### Bulten FY 2014

- Profitable organic growth in excess of the market  34%
- EBIT margin of at least 7%  5.5%
- ROCE exceeding 15%  9.6%
- Dividend: 1/3 of net income after tax  36%



## 4. FIRST QUARTER 2015





## OPERATIONAL HIGHLIGHTS DURING THE QUARTER

- The two FSP contracts signed in 2013 and the supplementary order received during the autumn 2014 represents a large portion of sales growth
- General improvement in demand for light vehicles in Europe
- Signed a couple of smaller contracts in Russia – outside the GAZ business
  - The Adam Smith Institute appointed the Russian unit to “Best International Newcomer” for the best new project in the Russian automotive component market in 2014





# GROUP SUMMARY

## FIRST QUARTER

- Net sales up 22.7%
- EBIT margin 5.1% (5.7)
- Earnings after tax SEK 29 m (23)
- EPS 1.44 SEK (1.09)

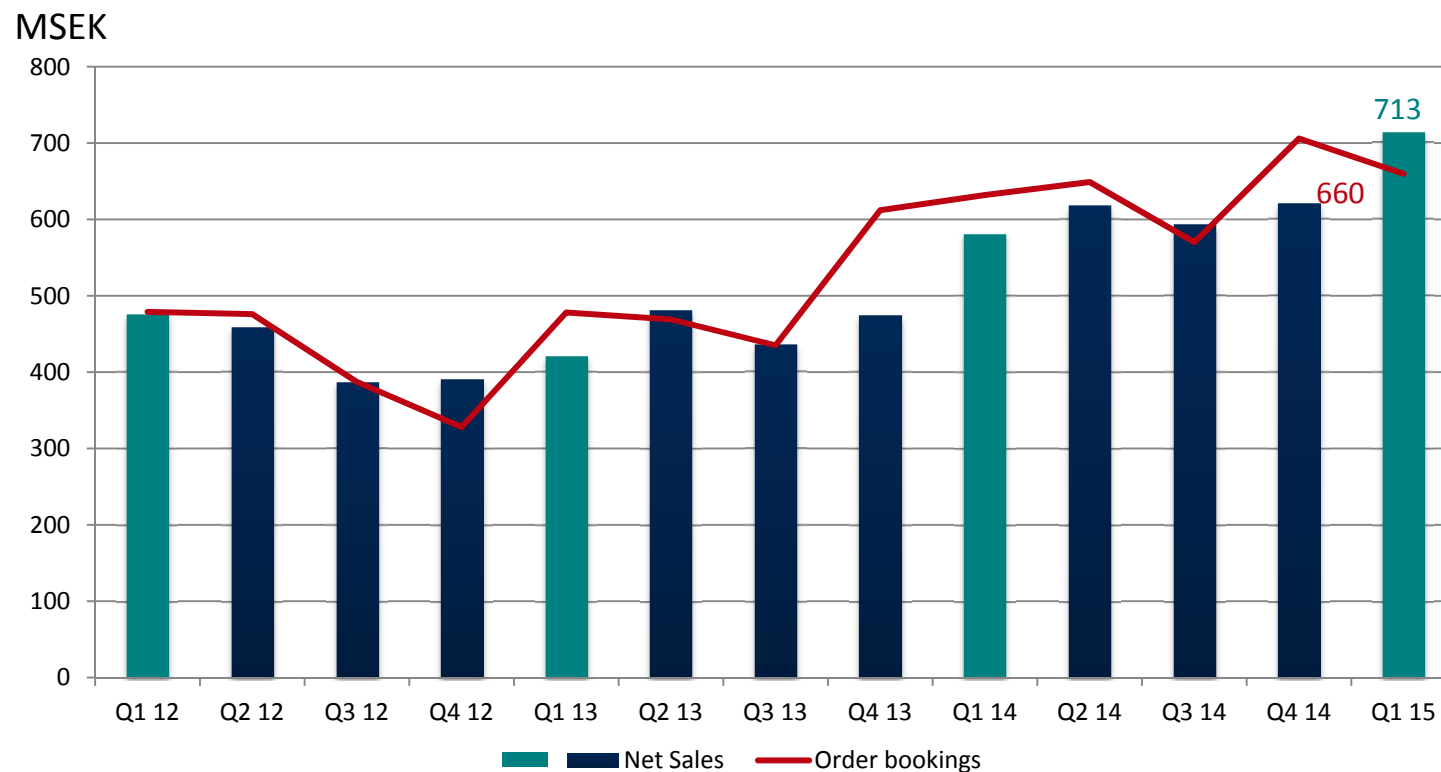
## COMMENTS

- Positive trend in sales and order intake continued in the first quarter
  - FSP and supplementary order + a couple of smaller contracts
- Improved EBIT, but neg effects of currency translation of SEK 13 m
  - Optimization of new contracts gradually improve profitability

FINANCIAL SUMMARY (MSEK)	Q1			12 M ROLLING	FULL YEAR	Δ
	2015	2014	Δ	Apr 2014- Mar 2015	2014	
Net sales	713.5	581.5	22.7%	2,546.3	2,414.3	5.5%
Gross profit	130.6	110.3	20.3	474.9	454.6	20.3
Earnings before depreciation(EBITDA)	50.5	43.9	6.6	186.4	179.8	6.6
Operating earnings (EBIT)	36.4	32.9	3.5	136.9	133.4	3.5
Operating margin, %	5.1	5.7	-0.6	5.4	5.5	-0.1
Adjusted operating earnings (EBIT)	36.4	32.9	3.5	125.7	122.2	3.5
Adjusted operating margin, %	5.1	5.7	-0.6	5.4	5.1	0.3
Earnings after tax	29.5	22.5	7.0	91.4	84.4	7.0
Adjusted earnings after tax	29.5	22.5	7.0	82.7	75.7	7.0
Order bookings	659.6	632.0	4.4%	2,584.4	2,556.8	1.1%
Return on capital employed, %	--	-	-	9.6	9.6	-



## SIGNIFICANT INCREASE IN SALES AND ORDER INTAKE



- Sales up 23% in Q1 vs last year
- Order intake up 4% in Q1 vs last year



## BALANCE SHEET

<b>BALANCE SHEET, MSEK</b>	<b>2015-03-31</b>	<b>2014-03-31</b>	<b>2014-12-31</b>
<b>ASSETS</b>			
Total fixed assets	699.3	815.5	622.9
Total current assets	1,238.9	1,400.1	1,262.0
Total assets	1,938.2	2,215.5	1,884.9
<b>EQUITY AND LIABILITIES</b>			
Total equity	1,312.6	1,150.9	1,272.7
Total non-current liabilities	115.9	342.0	119.7
Total current liabilities	509.7	722.6	492.5
Total equity and liabilities	1,938.2	2,215.5	1,884.9
<b>MSEK</b>	<b>2015-03-31</b>	<b>2014-03-31</b>	<b>2014-12-31</b>
Net cash (+)/Net debt (-), MSEK	95.2	-250.2	137.3

- Net cash of SEK 95.2 million by the end of the quarter
- A strong financial position to support further growth



## KEY INDICATORS – CAPITAL STRUCTURE AND RETURN INDICATORS

THE GROUP, 12 MONTHS	12 M ROLLING		FULL YEAR
	Apr 2014- Mar 2015	Apr 2013- Mar 2014	2014
<b>RETURN INDICATORS</b>			
Return on capital employed, %	9.6	8.6	9.6
Return on equity %	13.3	11.8	15.0
Return on equity, adjusted %	12.6	10.8	13.1
<b>CAPITAL STRUCTURE</b>			
Capital turnover, times	1.7	2.3	1.7
Net cash (+)/Net debt (-)/EBITDA	0.5	-1.5	0.8

THE GROUP	2015-03-31	2014-03-31	2014-12-31
<b>CAPITAL STRUCTURE</b>			
Net debt/equity ratio, times	0.1	-0.2	0.1
Equity/assets ratio, %	67.7	51.9	67.5

- Balance sheet not recalculated

### 3. GOING FORWARD





## 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
  - Ongoing optimization gives improvements in EBIT
  - Platform for production and logistics continues to improve
  - Strong financial position
    - Current cash positions opens up for further growth initiatives
    - Prospects of growth with solid operating margins

**Bulten has taken significant steps forward in the market and has created a high credibility in the automotive industry.**





# **BULTEN**

## **– A STRONGER SOLUTION**

