



ANNUAL GENERAL MEETING 2016

TOMMY ANDERSSON, PRESIDENT AND CEO
26 APRIL 2016

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

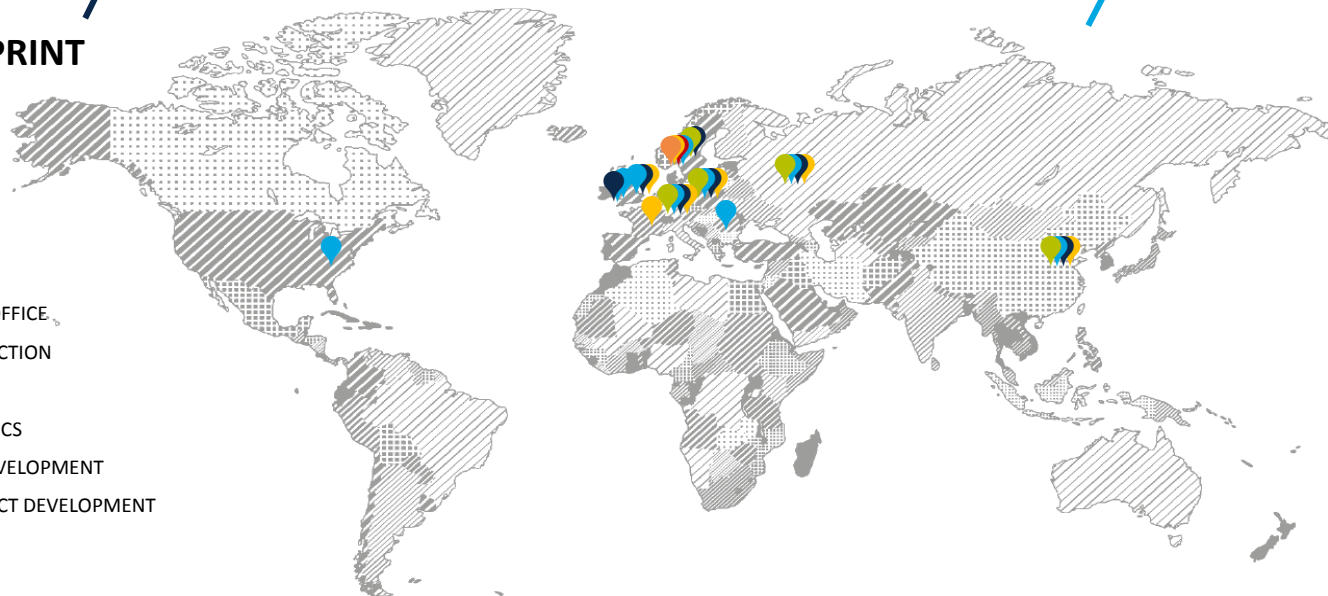
- Bulten shall be the leading business partner and the most cost-effective supplier of fasteners and services to the automotive industry.
- Bulten shall with empowered and dedicated people continuously develop its full service concept and actively launch innovations.
- Bulten shall develop long-term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

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

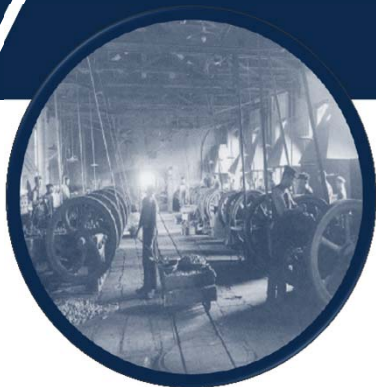
1873

BULTEN WAS FOUNDED.



2015

BULTEN HAS HAD A STRONG GROWTH AND IS NOW A MAJOR PLAYER IN THE EUROPEAN AUTOMOTIVE MARKET



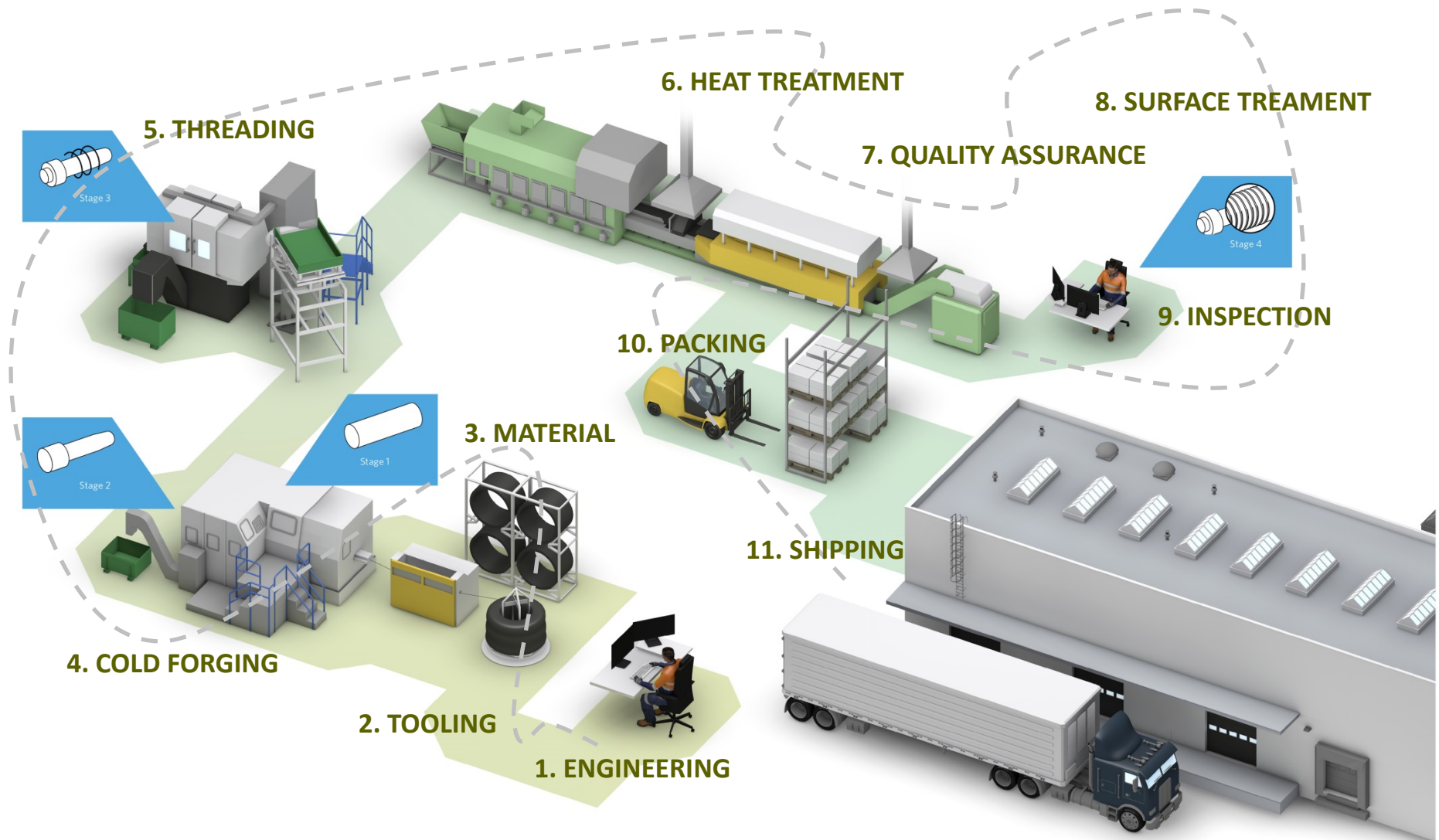
2000's

BULTEN STARTED TO FOCUS ON THE FSP CONCEPT AND WON SEVERAL SIGNIFICANT CONTRACTS.





PRODUCTION PROCESS





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 2.7 billion in 2015

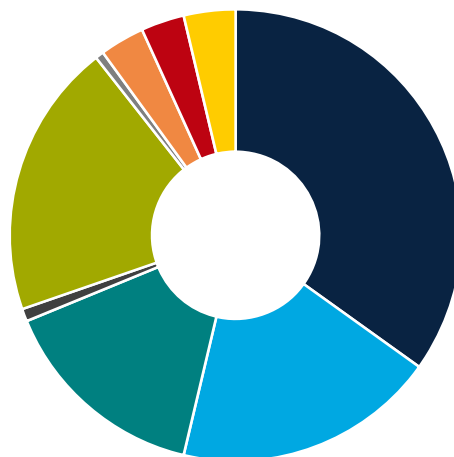
Bulten's offer

| | | |
|--|---|---------------------------|
| Core products are metallic screws, bolts and nuts | METALLIC BOLTS/SCREWS AND NUTS | |
| Other types of fasteners including rivets, washers and clips | PINS WASHERS SCREWS | RIVET CLIPS PLASTIC |
| Services linked to fasteners | PROJECT MANAGEMENT ENGINEERING SERVICE LINE-FEEDING LOGISTICS | TESTING TVM DESIGN |

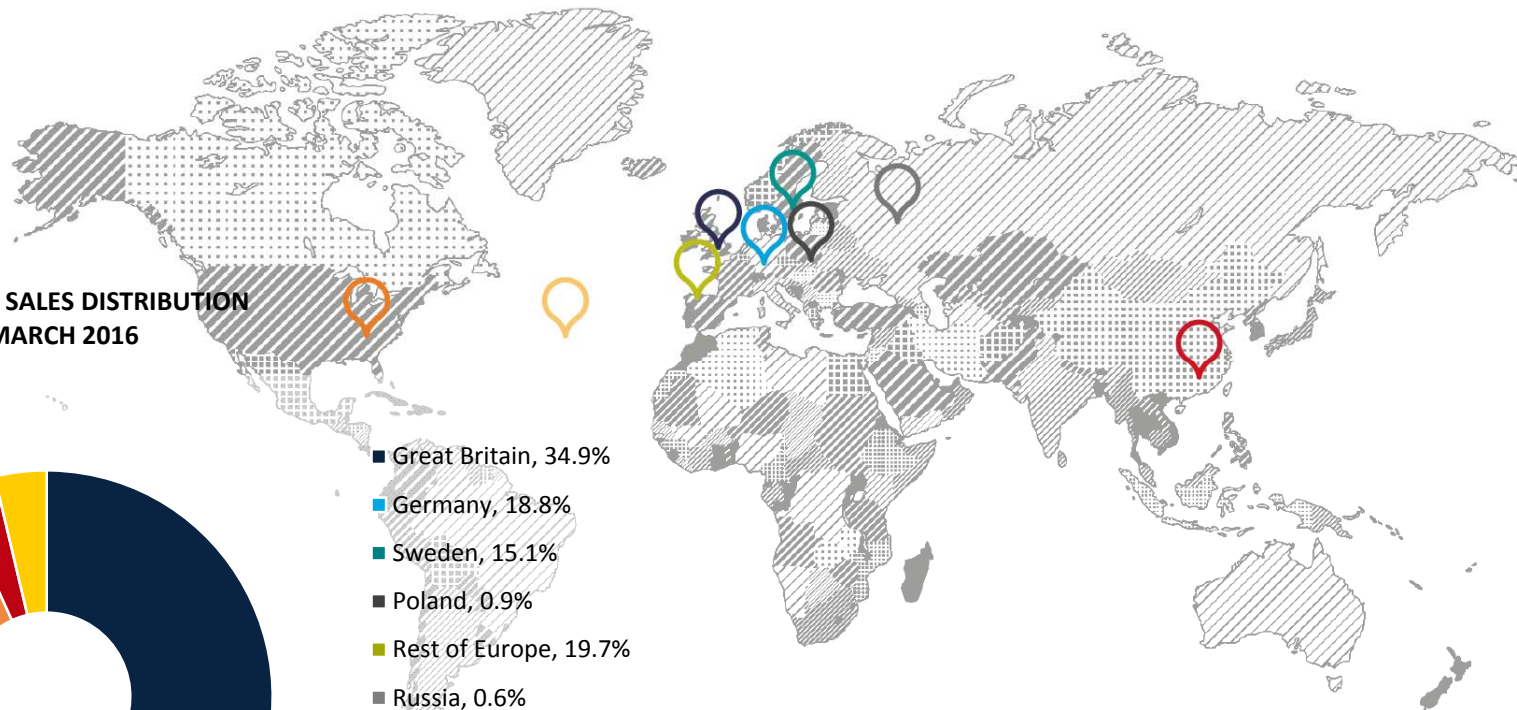


BULTEN HAS ITS STRONGEST POSITION IN NORTHERN EUROPE BUT WILL GROW ON EMERGING MARKETS

**GEOGRAPHIC SALES DISTRIBUTION
JANUARY – MARCH 2016**



- Great Britain, 34.9%
- Germany, 18.8%
- Sweden, 15.1%
- Poland, 0.9%
- Rest of Europe, 19.7%
- Russia, 0.6%
- US, 3.2%
- China, 3.1%
- Rest of the world, 3.7%

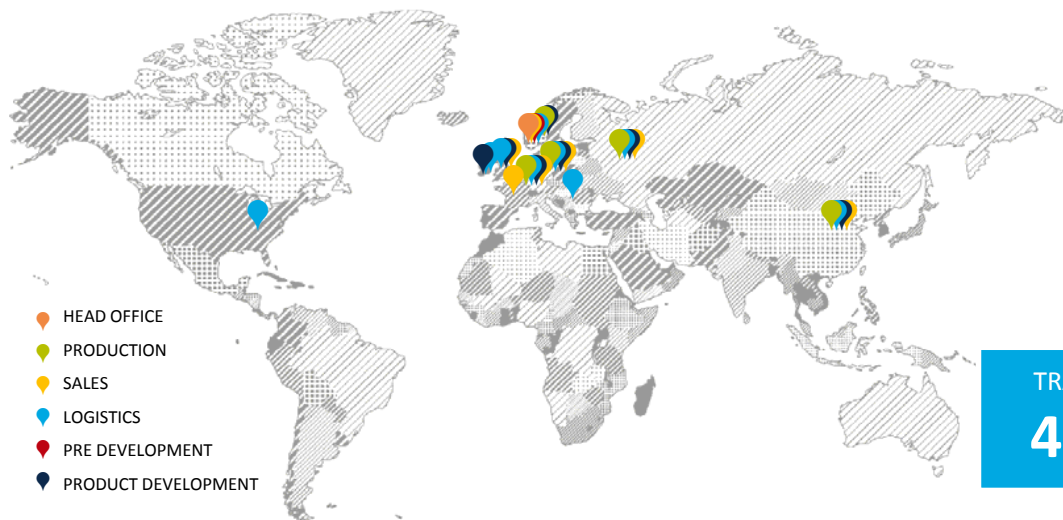


Turnover refers to where the customer's delivery point is located. The major part of sales goes to production of vehicles in Europe, of which a portion is exported to other markets in for example North America and BRIC.

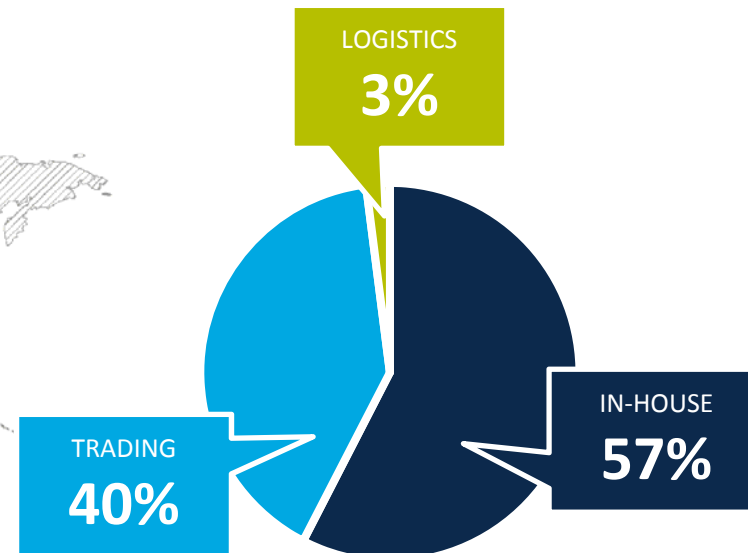


BULTEN IS EXPANDING ITS MANUFACTURING AND LOGISTIC FOOTPRINT

LEAN AND WELL POSITIONED MANUFACTURING FACILITIES IN EUROPE AND ASIA



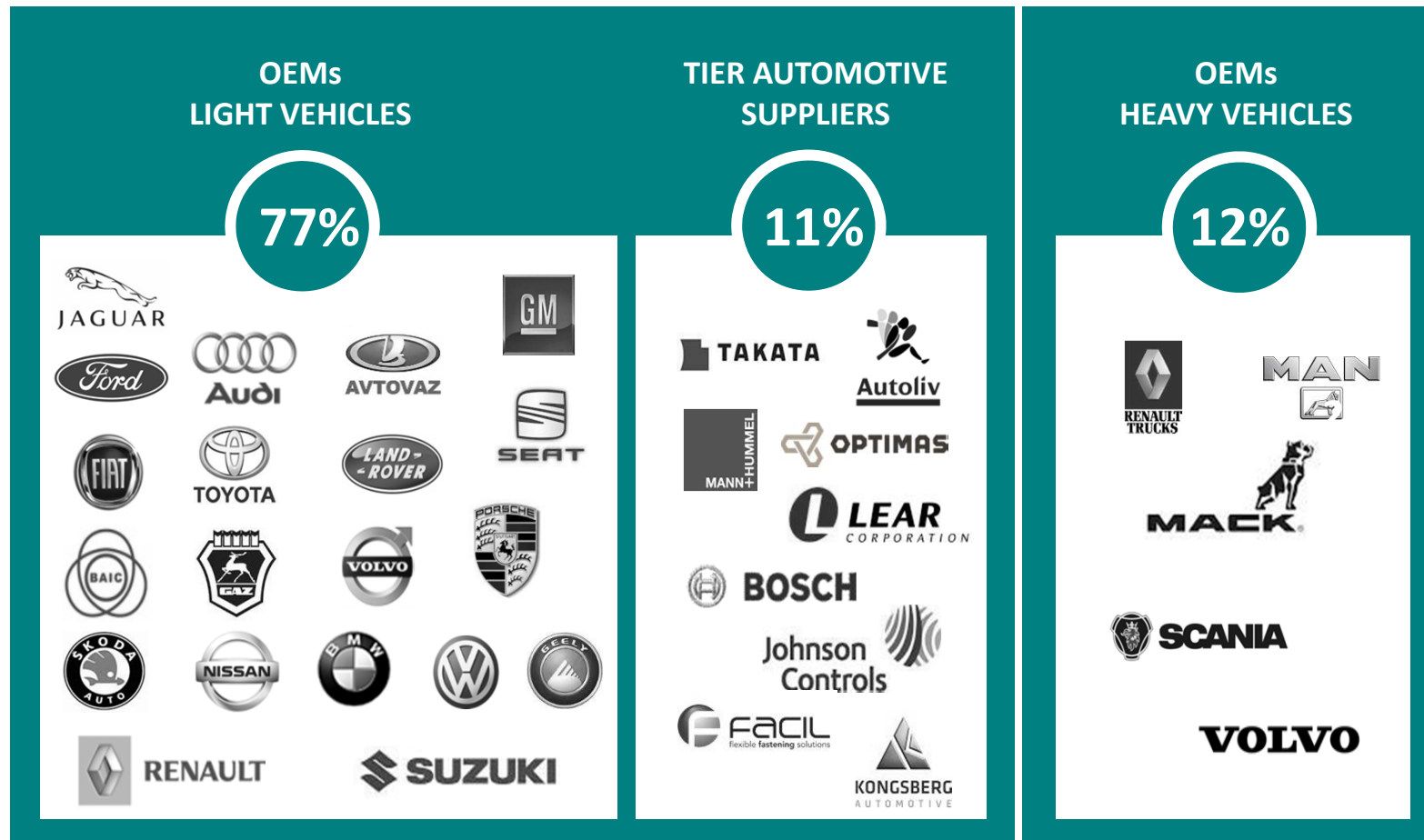
IN-HOUSE VS. TRADING (SALES VALUE)



- Production mainly in Western and Eastern Europe
- Establishment in Russia and growth in Chinese plant will strengthen future production footprint and support local content
- Bulten produces most products in-house and has a significant trading operation to optimize efficiency
 - Trading - flexibility
- Strengthened logistic capacity in the US, UK and Poland



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



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



KEY SUCCESS FACTORS

**TECHNOLOGY
LEADER**



**GEOGRAPHIC
PROXIMITY**



**FINANCIAL
PLATFORM**



**QUALITY
LEADER**



**EXPERIENCED
MANAGEMENT
AND EMPOWERED
EMPLOYEES**



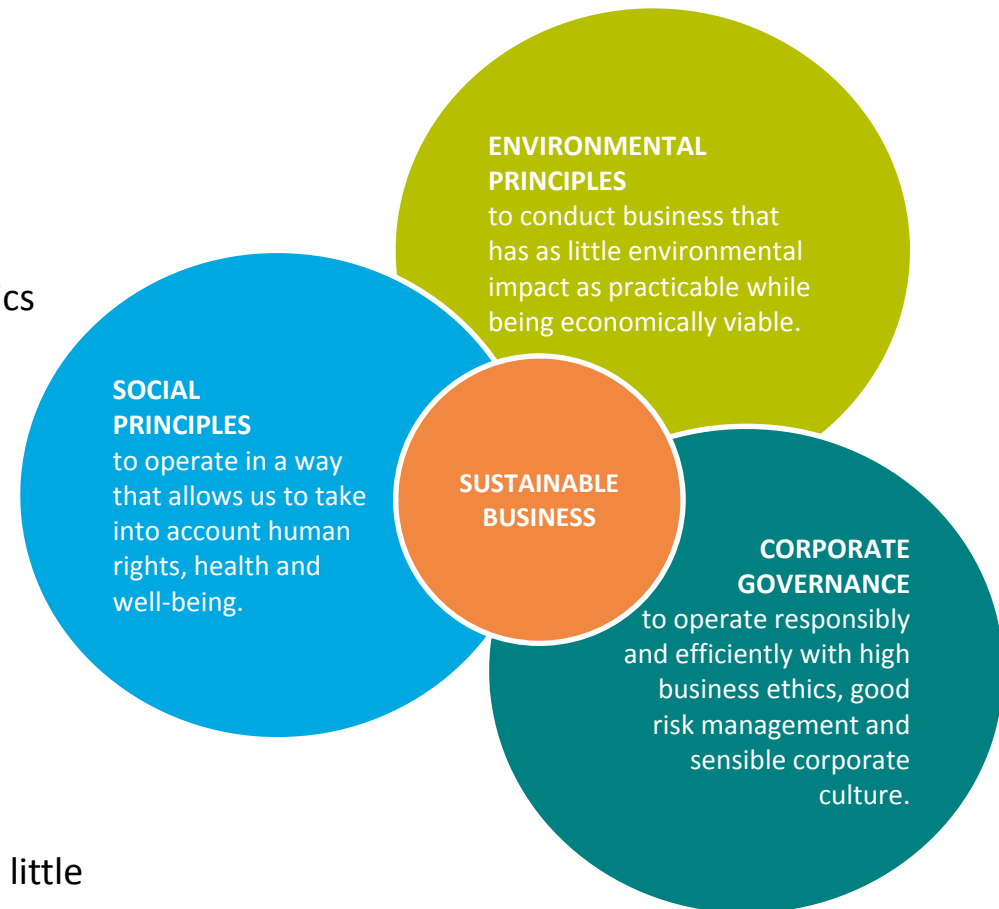
**FULL SERVICE
PROVIDER (FSP)**





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

- Social responsibility
 - Consideration to human rights
 - Treat people with respect and good ethics
 - Work methods based on core values
- Corporate governance
 - High business ethics, good risk management and sensible corporate culture
 - Follow rules and regulations
 - Code of Conduct and other policies
- Environmental principles
 - Production shall be carried out with as little environmental impact that is practically possible and economically viable



Bulten operates its business with regard to corporate governance, environmental and social principles.



TRENDS AND DRIVING FORCES

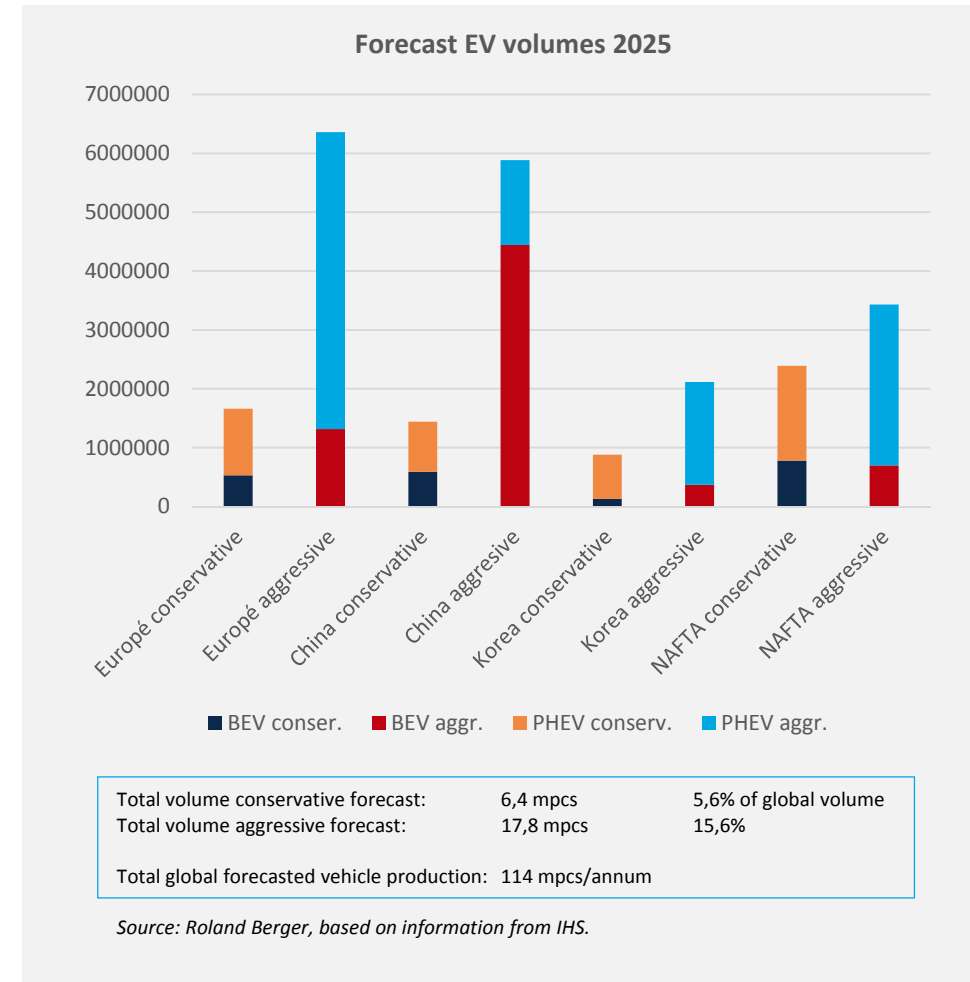
- Global platforms
 - Realising economy of scale
 - Opportunity for variation reduction, thus greater volumes per variant
 - Bulten is one of few suppliers that can handle the large full service contracts
- High demands on suppliers
 - OEMs are reducing their number of suppliers
 - Weight reduction in combination with more efficient drivelines
 - Suppliers are taking a more integrated and complete responsibility
 - Bulten's FSP offer
- Production in growth markets – local content
 - Bulten has factories in Poland, Russia and China





THE AUTOMOTIVE INDUSTRY IS FACING MAJOR CHALLENGES WITH ELECTRIFICATION AND AUTONOMOUS CARS MOST IN FOCUS

- The electrification trend is driven by both regulatory requirements and consumer demand
- The world's car manufacturers have investment focus on new technologies as a replacement for combustion engines
- Developing segment Electric Vehicles are defined as
 - PHEV – Plug-in hybrid electric vehicles
 - BEV – Battery electric vehicles and
 - FCEV – Fuel Cell electric vehicles
- Hybrid engines are already becoming increasingly common
- Breakthrough for the electrification technology is expected when the cost of battery technology has been reduced
- High pace of development of autonomous cars





BULTEN AS A CONTRIBUTOR IN THE SUSTAINABLE DEVELOPMENT

- Bulten is involved in electrification projects with various automotive manufacturers and is helping to drive developments concerning fastener shape and material to create optimal conditions for the new technology.
- Participation in Chalmers program – Future Powertrain, Electrification
- Various customer projects
 - Tesla
 - NEVS
 - American Axle
 - PowerCell



National
Electric Vehicle
Sweden





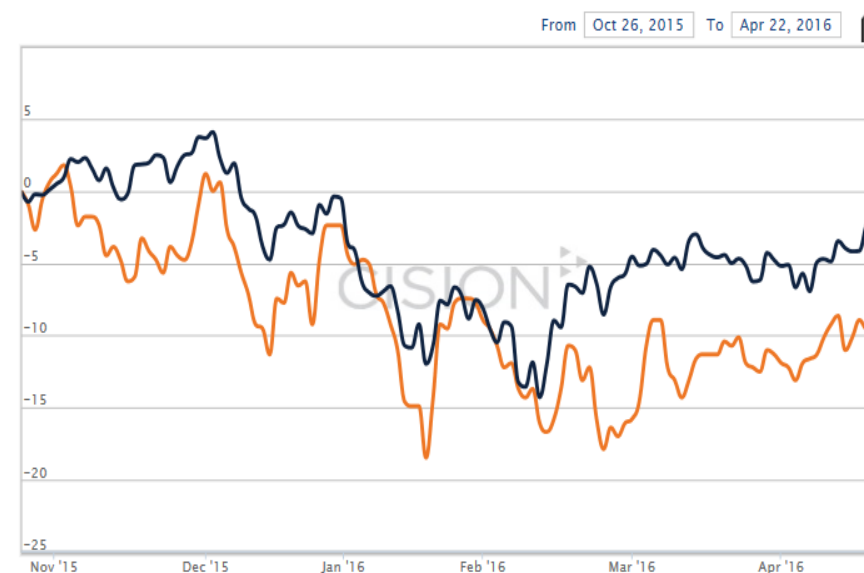
SHAREHOLDER INFORMATION

| TEN LARGEST SHAREHOLDERS, 31 MARCH 2016 | NO. OF SHARES | SHARE OF VOTES & CAPITAL (%) |
|--|------------------|---------------------------------------|
| Volito AB | 4 435 686 | 21.1 |
| Öresund Investment AB | 2 263 535 | 10.8 |
| Lannebo fonder | 1 877 631 | 8.9 |
| JP Morgan | 1 060 537 | 5.0 |
| Spiltan Fonder AB | 752 479 | 3.6 |
| Bulten AB | 680 500 | 3.2 |
| CBLDN-OM GLBAL INVESTORS SERIES PLC | 457 000 | 2.2 |
| CLIENTS ACCOUNT-DCS (Foreign trustee Deutsche Bank) | 457 000 | 2.2 |
| Sjöbergstiftelsen | 400 000 | 1.9 |
| Swedbank Robur fonder | 361 000 | 1.7 |

Source: Euroclear Sweden AB

- Total number of shareholders: 6,521

SHARE DEVELOPMENT



— OMX Stockholm PI
— Bulten

- Listed on Nasdaq Stockholm since 20 May 2011.
- Ticker BULTEN

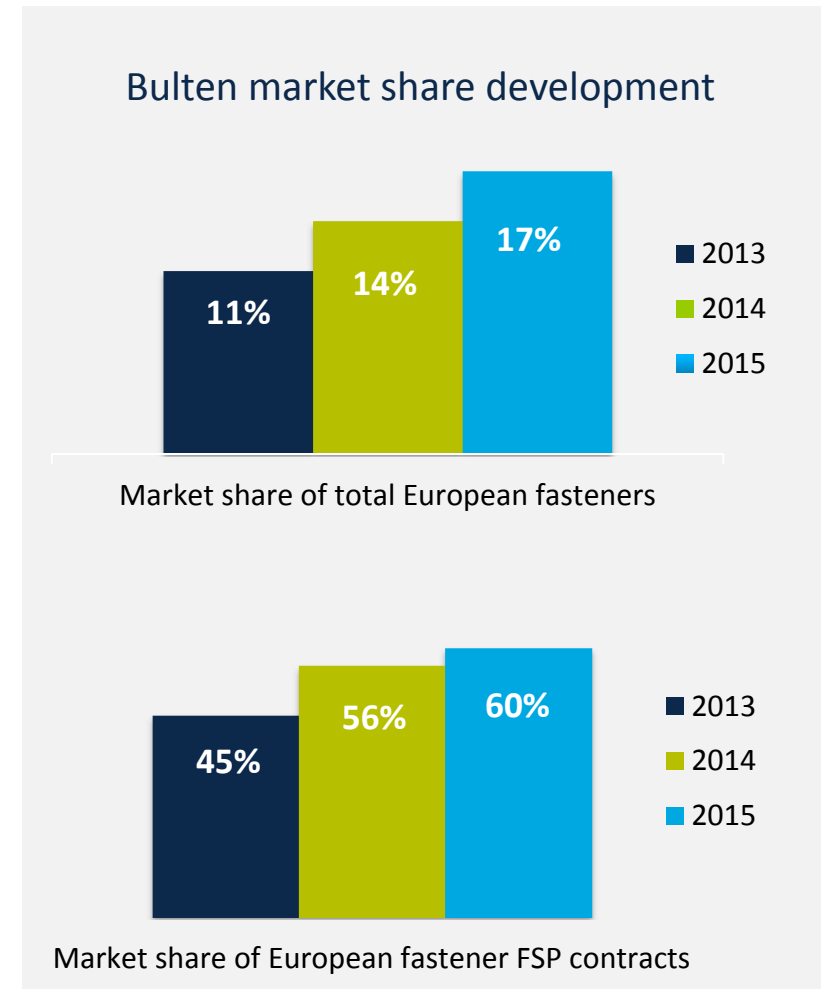
2015 IN BRIEF





BULTEN MARKET SHARE DEVELOPMENT

- Management estimates*:
 - Bulten market share to be 17% of the European market of fasteners for the automotive industry 2015, up 3 pp. since 2014
 - Bulten market share of FSP contracts for the same market to be 60% 2015, up 4 pp from 2014
- New FSP contract wins
 - Contract signed in Q3 2015 with an annual value of 20 MEUR
 - Contract signed in January 2016 with a new customer, a Chinese automotive manufacturer. The total order value is appr. EUR 6.5 million over two years - start 2017



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



SUMMARY OF 2015

- Continued sales growth;
 - The FSP contracts signed in 2013-2014 now fully in production
 - New FSP contracts wins
 - Recovery of European car market
- Improved profitability; optimization activities and higher volumes
- Capacity investments; Poland and Sweden
- Share buy-back program
- The Board proposes a dividend of SEK 3.25 (3.00), which correspond to 60% of earnings after tax adjusted for non recurring items

Financial targets

- target performance 2015

Profitable organic growth in excess of the market

11.6%

EBIT margin of at least 7%

6.1%

ROCE exceeding 15%

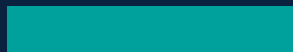
11.5%

Dividend: 1/3 of net income after tax

59.9%

Proposed to the AGM

2. MARKET DEVELOPMENT





MARKET DEVELOPMENT

- LMC Automotive reports for automotive production in Europe, 2016:
 - Production of LV in 2016 up by 2.4% compared to 2015
 - Production of HCV (>15 t) in 2016 up by 1.3% compared to 2015
 - For Bulten's mix, up 2.3%
 - LV stands for ~88% of sales
 - HCV stands ~12% of sales

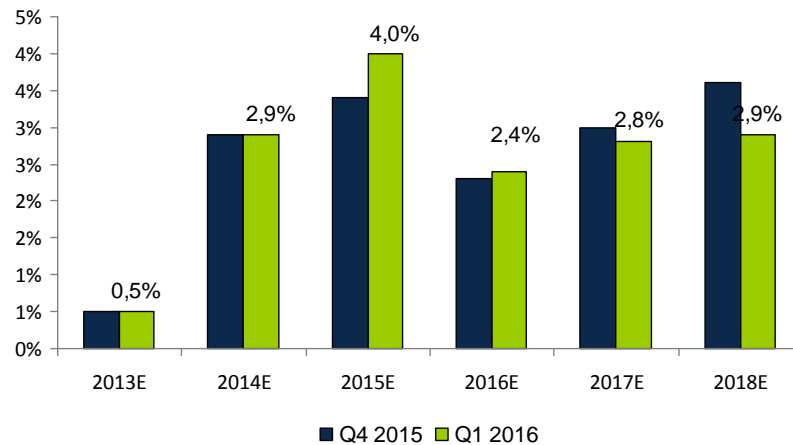
- ACEA reports for LV sales in Europe for the first quarter, 2016
 - European LV sales up 8.2% compared to same period last year

Source: LMC Automotive Q1, 2016. ACEA Q1, 2016



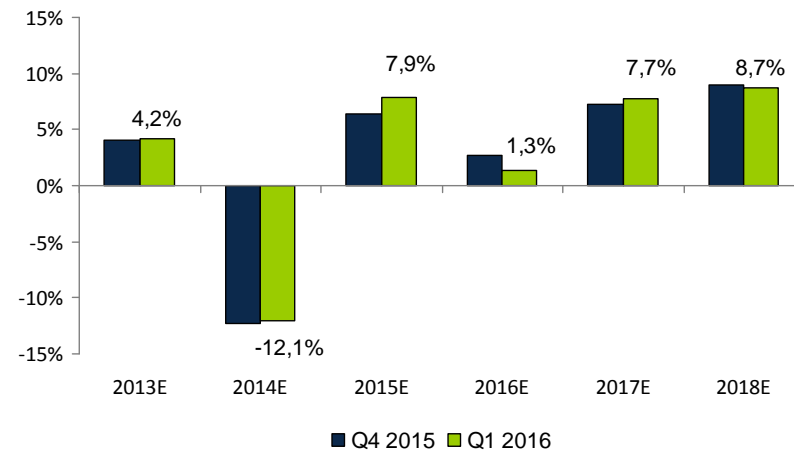
LMC AUTOMOTIVE REPORTS FOR AUTOMOTIVE PRODUCTION IN EUROPE

PRODUCTION GROWTH RATE (YEAR ON YEAR)
LIGHT VEHICLES EUROPE



- LMC Automotive (Q1 2016 report) has increased its forecast of LV production 2016 to an increase of 2.4% compared to 2015

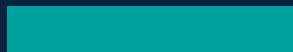
PRODUCTION GROWTH RATE (YEAR ON YEAR)
HEAVY COMMERCIAL VEHICLES (>15t) EUROPE



- LMC Automotive (Q1 2016 report) has decreased its forecast of HCV production 2016 to an increase of 1.3% compared to 2015

Source: LMC Automotive Q1, 2016

3. FIRST QUARTER 2016





OPERATIONAL HIGHLIGHTS

- Improved earnings with effects from optimization and smooth and steady production and good order intake of +5.9%
- Strong cash flow as a result of good profitability and reduction in working capital
- Several new small orders in Russia - total initial value of approximately SEK 5 million with good growth potential
 - One of the orders from the largest automotive manufacturer in Russia
- New FSP contract signed in Jan 2016 with a new customer, a Chinese automotive manufacturer
 - The total order value is appr. SEK 60 million over two years initially with a start 2017



Bulten has been awarded Volvo Cars Quality Excellence (VQE) Award. The award was presented during a ceremony at Volvo Cars on January 28, 2016 .



GROUP SUMMARY

FIRST QUARTER

- Net sales up 0.3%
- EBIT margin 7.7% (5.1)
- Earnings after tax SEK 40.4 m (29.5)
- EPS 2.03 SEK (1.44)

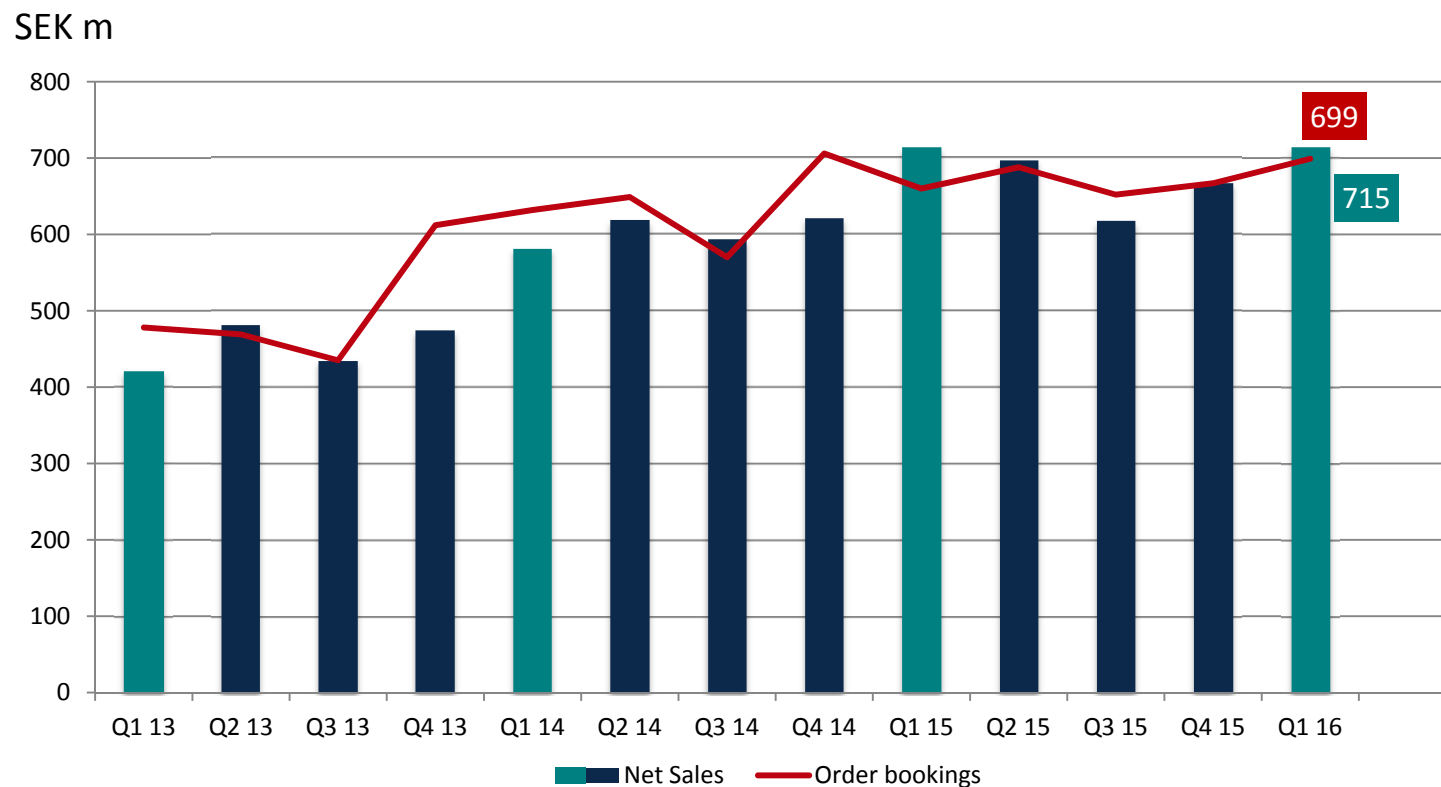
COMMENTS

- Good sales to customers with a focus in the premium segment and strong order booking
- Stronger EBIT margin; optimization, smooth and steady production

| FINANCIAL SUMMARY (MSEK) | Q1 | | | 12M ROLLING | FULL YEAR | Δ |
|---------------------------------------|-------|-------|------|-----------------------|-----------|------|
| | 2016 | 2015 | Δ | Apr 2014- Mar 2015 | 2015 | |
| Net sales | 715.3 | 713.5 | 0.3% | 2,695.3 | 2,693.5 | 0.1% |
| Gross profit | 135.9 | 130.6 | 5.3 | 515.4 | 510.1 | 5.3 |
| Earnings before depreciation (EBITDA) | 72.0 | 50.5 | 21.5 | 246.5 | 225.0 | 21.5 |
| Operating earnings (EBIT) | 55.3 | 36.4 | 18.9 | 183.9 | 165.0 | 18.9 |
| Operating margin, % | 7.7 | 5.1 | 2.6 | 6.8 | 6.1 | 0.7 |
| Adjusted operating earnings (EBIT) | 55.3 | 36.4 | 18.9 | 176.1 | 157.2 | 18.9 |
| Adjusted operating margin, % | 7.7 | 5.1 | 2.6 | 6.5 | 5.8 | 0.7 |
| Earnings after tax | 40.4 | 29.5 | 10.9 | 121.8 | 110.9 | 10.9 |
| Adjusted Earnings after tax | 40.4 | 29.5 | 10.9 | 114.0 | 103.1 | 10.9 |
| Order bookings | 698.6 | 659.6 | 5.9% | 2,712.5 | 2,673.5 | 1.5% |
| Return on capital employed, % | - | - | - | 12.3 | 11.5 | 0.8 |



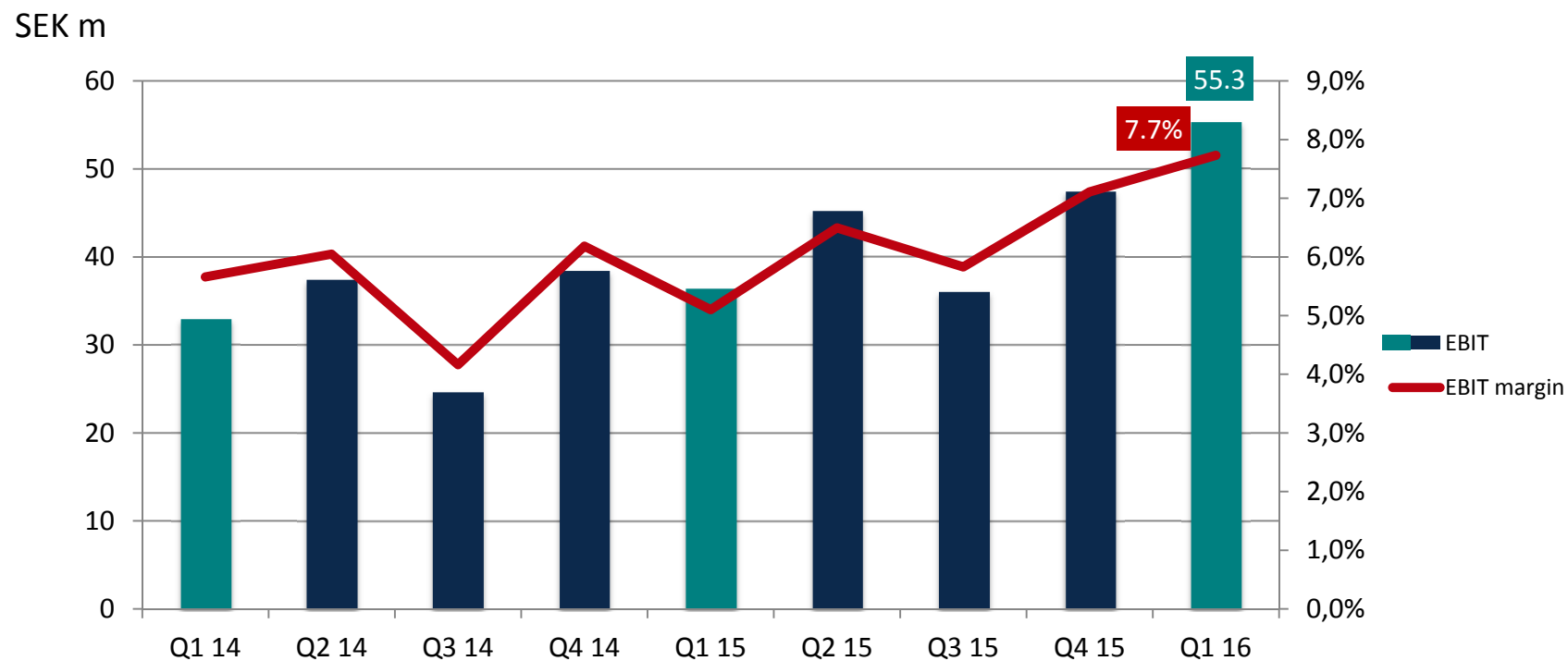
CONTINUED INCREASE IN SALES AND ORDER INTAKE



- Sales up 0.3% in Q1 vs last year and 1% currency adjusted
- Order intake up 5.9% in Q1 vs last year



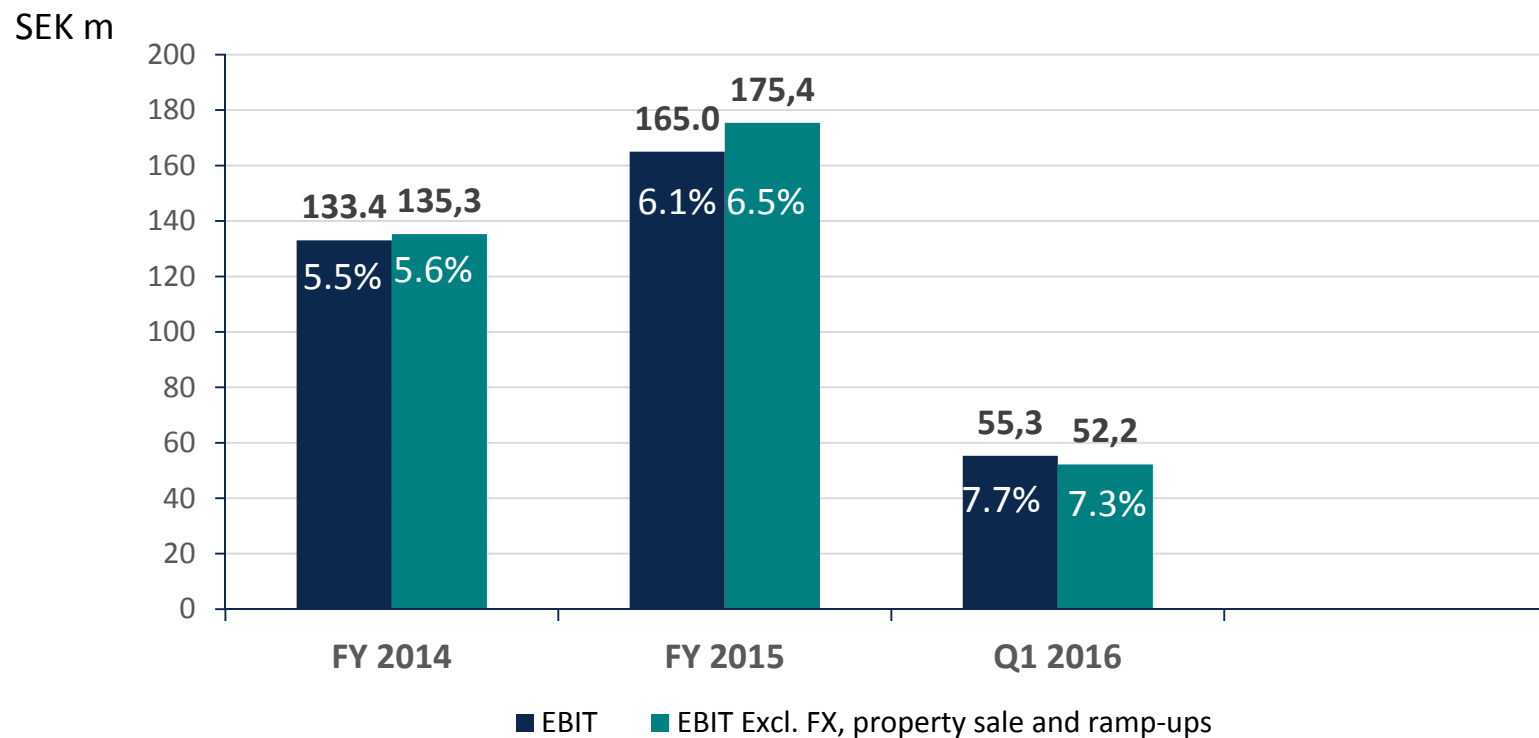
IMPROVED EBIT TREND CONTINUED IN Q1



- Improved EBIT of SEK 55.3 m (36.4), EBIT margin of 7.7% (5.1%)
 - Positive effect of optimization and smooth and steady production.
 - Slightly positive currency effect of SEK 3.1 m in Q1 compared to last year negative effect of SEK -13.1 m



EBIT IMPROVEMENTS – OPTIMIZATION AND STEADY PRODUCTION



- Q1 2016 EBIT affected by
 - Pos. FX-effect SEK +3.1 m (-13.1)



CASH FLOW, BALANCE SHEET AND NET DEBT

| CASH FLOW STATEMENT, MSEK | JAN-MARCH | | FULL YEAR |
|---|-----------|-------|-----------|
| | 2016 | 2015 | 2015 |
| Cash flow from operating activities before changes in working capital | 67.6 | 48.8 | 186.8 |
| Cash flow from operating activities | 77.9 | 48.7 | 141.3 |
| Cash flow from investing activities | -16.0 | -87.6 | -306.9 |
| Cash flow for the period from continued operations | 53.6 | -43.0 | -209.6 |
| Cash flow for the period | 53.6 | -45.5 | -212.1 |
| Cash and cash equivalents at end of period | 94.0 | 209.5 | 40.5 |

| BALANCE SHEET, MSEK | 2016-03-31 | 2015-03-31 | 2015-12-31 |
|-------------------------------|------------|------------|------------|
| ASSETS | | | |
| Total assets | 1,970.0 | 1,938.2 | 1,944.5 |
| EQUITY AND LIABILITIES | | | |
| Equity | 1,283.5 | 1,312.6 | 1,245.2 |
| Total equity and liabilities | 1,970.0 | 1,938.2 | 1,944.5 |

| MSEK | 2016-03-31 | 2015-03-31 | 2015-12-31 |
|---------------------------|------------|------------|------------|
| Net debt (-) Net cash (+) | -114.0 | 95.2 | -176.0 |



KEY INDICATORS – CAPITAL STRUCTURE AND RETURN INDICATORS

| THE GROUP, 12 MONTHS | 12 M ROLLING | | FULL YEAR |
|------------------------------------|-----------------------|-----------------------|-------------------|
| | Apr 2015- Mar 2016 | Apr 2015- Mar 2016 | 2015 |
| RETURN INDICATORS | | | |
| Return on capital employed, % | 12.3 | 9.6 | 11.5 |
| Return on equity % | 10.0 | 13.3 | 9.4 |
| Return on equity, adjusted % | 9.5 | 12.6 | 8.9 |
| CAPITAL STRUCTURE | | | |
| Capital turnover, times | 1.8 | 1.7 | 1.9 |
| Net debt (-) Net cash (+) / EBITDA | -0.5 | 0.5 | -0.8 |
| THE GROUP | 2016-03-31 | | 2015-12-31 |
| CAPITAL STRUCTURE | | | |
| Net debt/equity ratio, times | -0.1 | 0.1 | -0.1 |
| Equity/assets ratio, % | 65.2 | 67.7 | 64.0 |

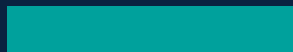


FINANCIAL GUIDELINES

| THE GROUP | 12 M ROLLING Q1 | FULL YEAR 2015 | GUIDELINES |
|---|-----------------|----------------|------------|
| Average net working capital as % of sales | 19.6 | 19.8 | 20 |
| CAPEX as % of sales | 8.9 | 9.3 | 2-3 |
| Depreciation as % of sales | 2.3 | 2.2 | 2-3 |
| Tax rate | 27.8 | 27.8 | 26-29 |

- NWC is in line with our guidelines
- Capex and depreciation mirrored by the high activity this year
 - Capex excluding acquisition of property in Hallstahammar 4.7%
- Tax rate going forward is estimated to 26-29%. The tax rate will fluctuate between quarters

4. GOING FORWARD





SUMMARY OF Q1 2016

During Q1 2016 Bulten:

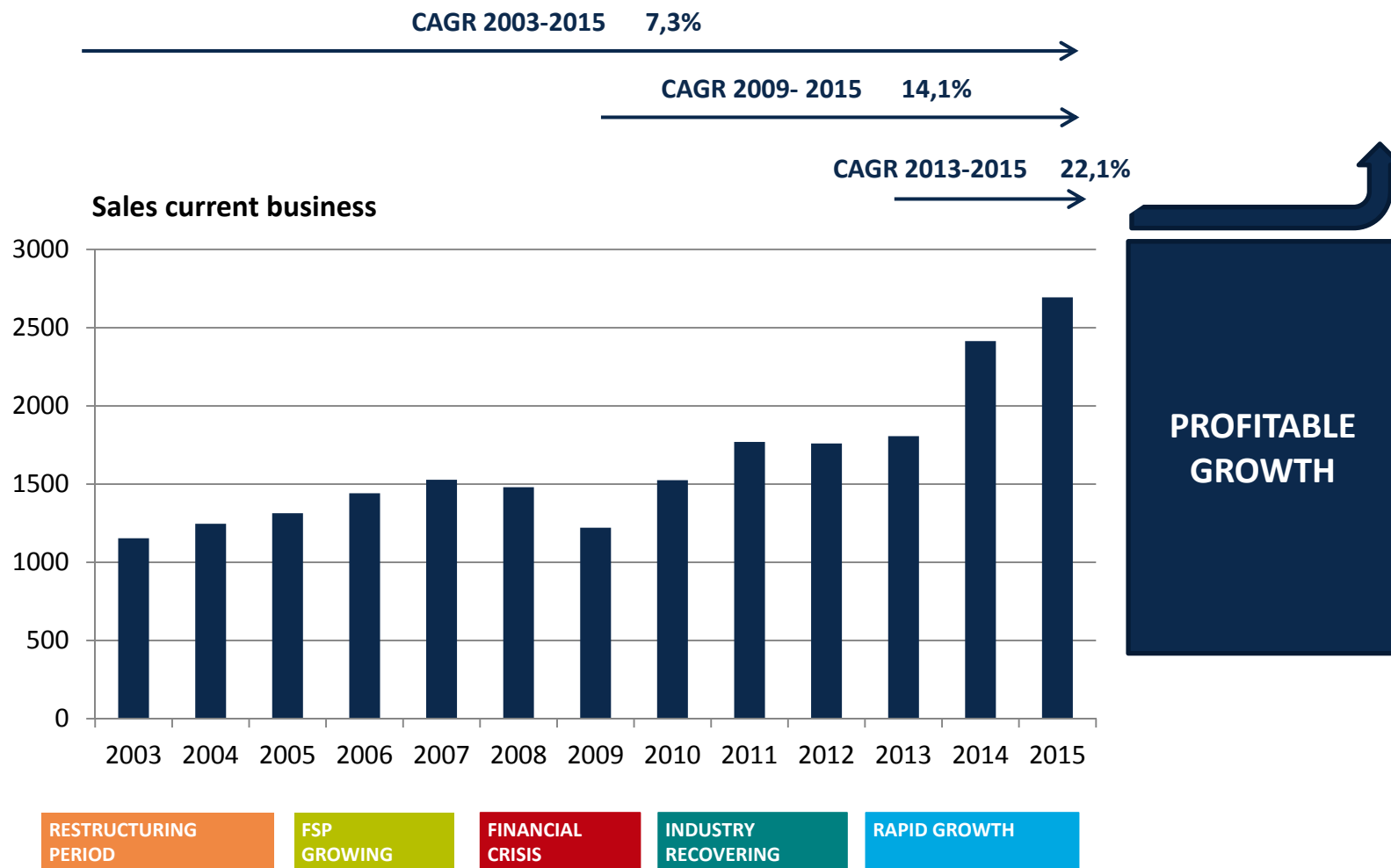
- Strong result and cash flow
- Sales slightly below market growth but good order intake
- New FSP contract win in China
- Expanding the customer base in Russia
- Focus on operation with improved profitability and strong cash flow
- Preparation for launch of new FSP contracts in 2017



Machinery in the factory in Russia.



CAPTURE FUTURE GROWTH





OPPORTUNITIES AHEAD

- Bulten's opportunities ahead are:
- Continued long-term organic growth potential
 - 2016 a year in line with market growth
 - Very good possibilities for market share gains the years thereafter, based on already won contracts and discussions with customers
 - Opportunities in emerging markets,
- Strong financial position

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



BULTEN

– A STRONGER SOLUTION

