



Investor Call

Q4 2019

Plochingen, April 29, 2020 - public-side information only

CEO – Dr. Hadi Saleh CFO – Eric Oellerer

Investor Call – 2019 Q4 Financial Information

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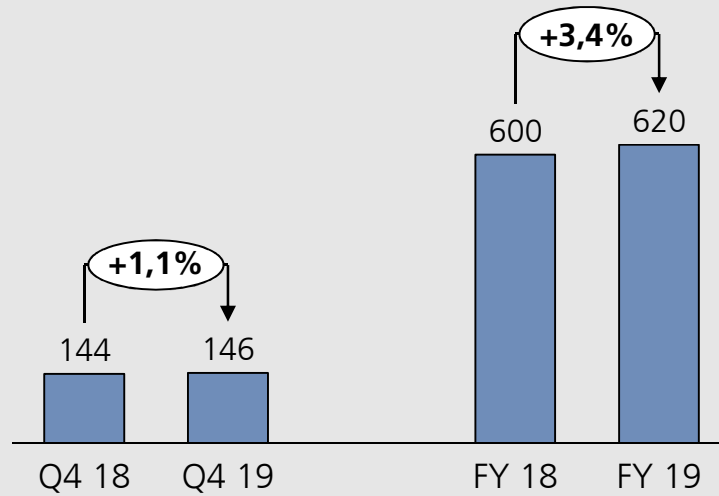
Overview of Q4 Performance



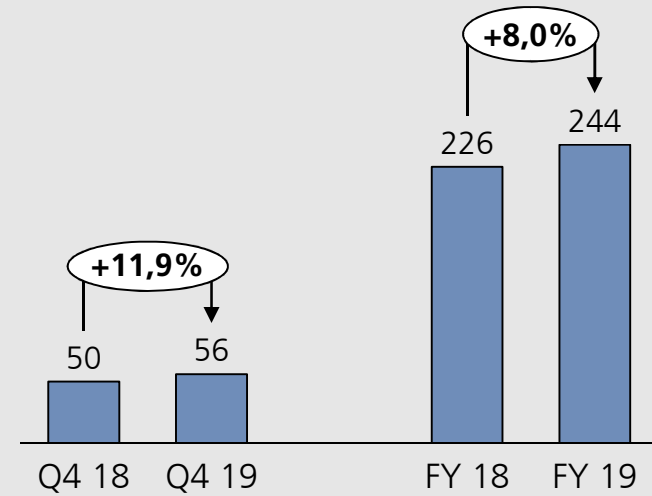
- Group Sales Q4'19: EUR 146m +1.1% vs. PY
- Medical Products Sales Q4'19: EUR 63m +15.0% vs. PY driven by strong volume growth
- Industrial Sales Q4'19: EUR 83m -7.5% vs PY with softer demand mainly in electronics and automotive. Strong performance from overall Piezo business
- Group Adjusted EBITDA Q4'19: EUR 56m +11.9% vs. PY, increase coming from
 - Medical is the driver for the growth (strong volume and tight cost management)
 - Partly offset by Industrial volume
 - Limited price effects Operational cost control and productivity improvements support EBITDA growth
- Adjusted EBITDA margin Q4'19 of 38.7%
- Total net debt leverage ratio Q4'19 at 5.6x with a deleveraging y-o-y of 0.9x

Q4 2019 Performance

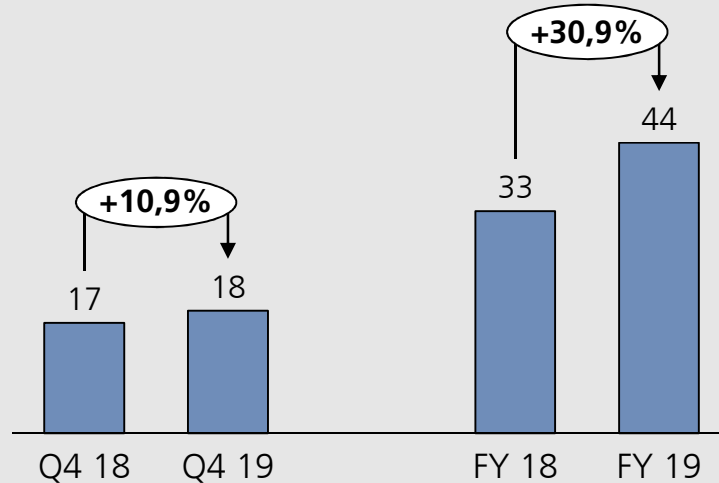
Sales (EURm)



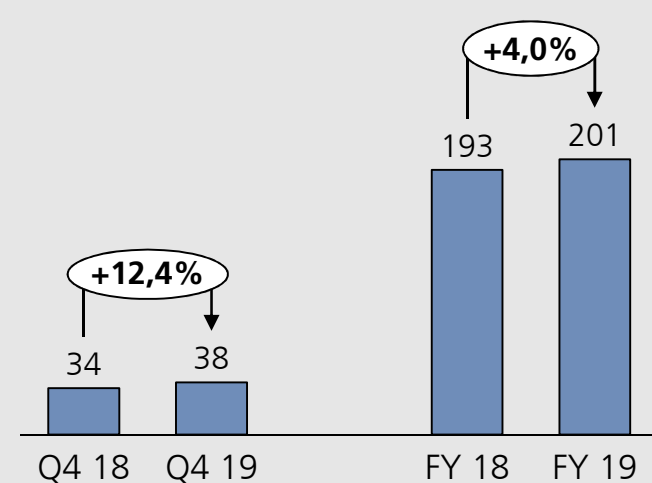
Adjusted EBITDA (EURm)



Net Capex (EURm)

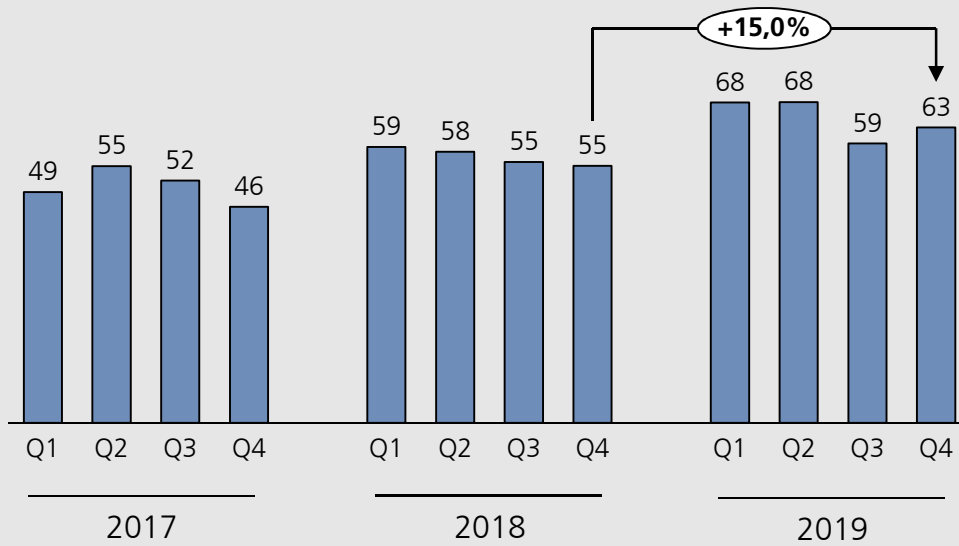


Adjusted EBITDA – Net Capex (EURm)



Medical and Industrial Sales Trend

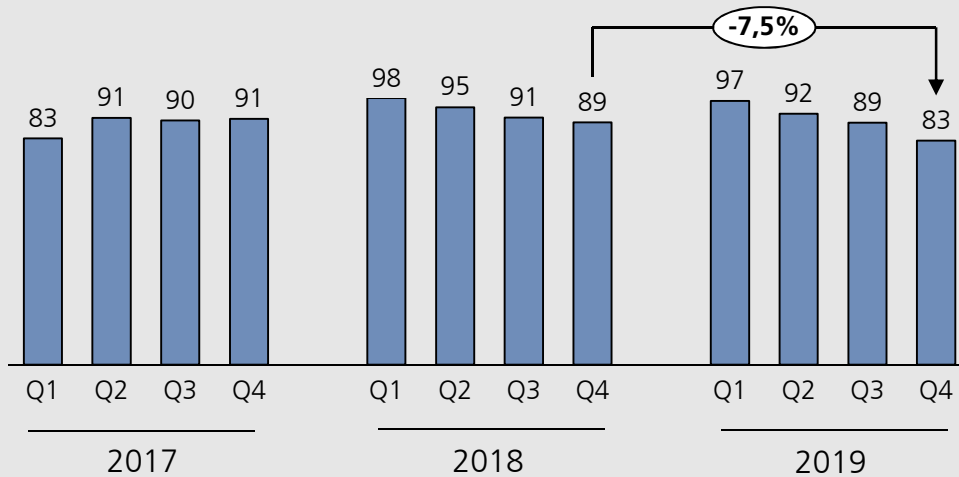
Medical Sales (EURm)



Comments

- Q4'19 Medical Sales +15.0% vs. PY
- Positive development above PY driven by:
 - Strong increase in sales to top customers
 - Unchanged market fundamentals with solid growth across all customers and regions

Industrial Sales (EURm)



Comments

- Q4'19 Industrial Sales -7.5% vs. PY
- Demand slightly below PY driven by:
 - Overall lower volumes for electronics and automotive market
 - Partly offset by strong demand for piezo ceramics for sensor business across different end markets
 - Overall impacted by the slowdown of the industrial cycle

Q4 2019 Management Financials

In EURm	Q4 2019	Q4 2018	Δ
Net Sales	145,5	144,0	1,1%
Medical Products	62,8	54,7	15,0%
Industrial	82,7	89,3	-7,5%
Gross Profit ⁽¹⁾	75,0	73,2	2,5%
<i>as % of Sales</i>	51,6%	50,8%	
SG&A⁽¹⁾	-18,1	-22,9	21,3%
<i>as % of Sales</i>	-12,4%	-15,9%	
Other Inc./Exp.⁽¹⁾	-0,7	0,1	-1.384%
<i>as % of Sales</i>	-0,5%	0,0%	
Adj. EBITDA	56,3	50,3	11,9%
<i>as % of Sales</i>	38,7%	35,0%	

(1) w/o Depreciation and Amortization

Comments

- Q4'19 Sales growth: Overall increase due to strong Medical performance offsetting headwinds in Industrial
- Q4'19 Gross margin: +0,8%pts above PY driven by mix shift towards Medical and ongoing productivity measures, partly offset by a less favorable product mix within Industrial
- Q4'19 SG&A: Significant reduction compared to PY driven by strict cost management and reorganizations
- Adj. EBITDA margin at 38.7%, +3.7%pts above PY based on good cost control and continued margin expansion

YTD 2019 Management Financials

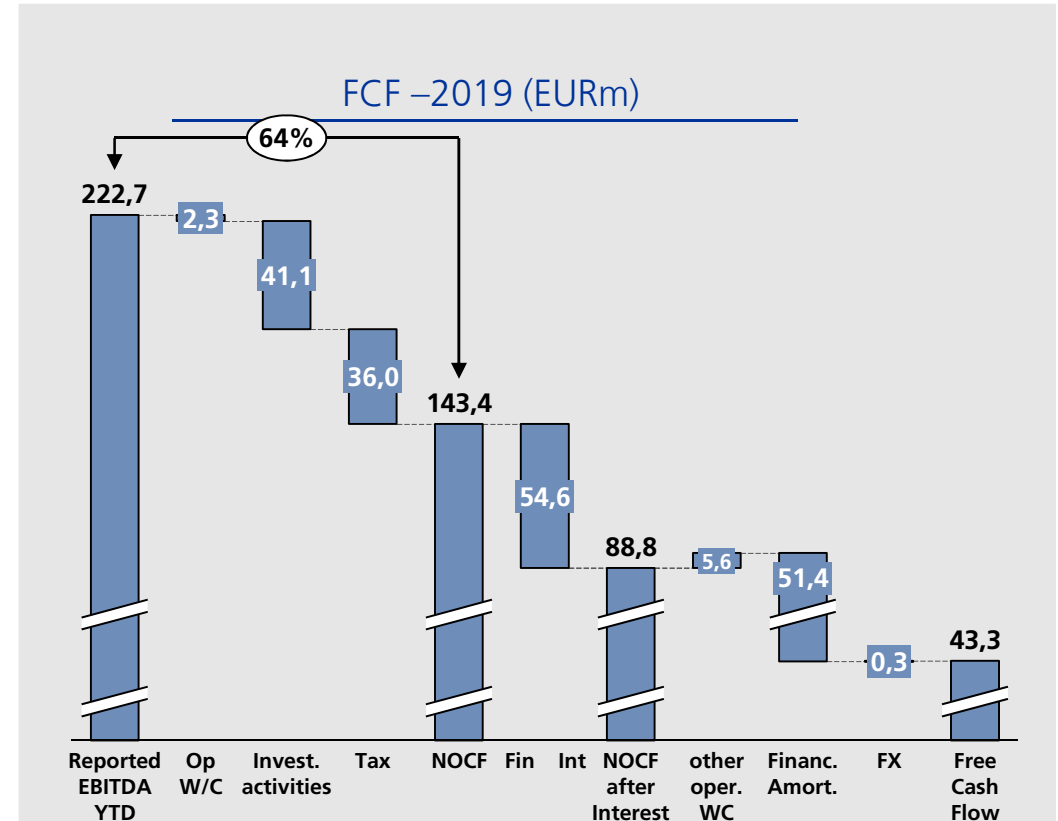
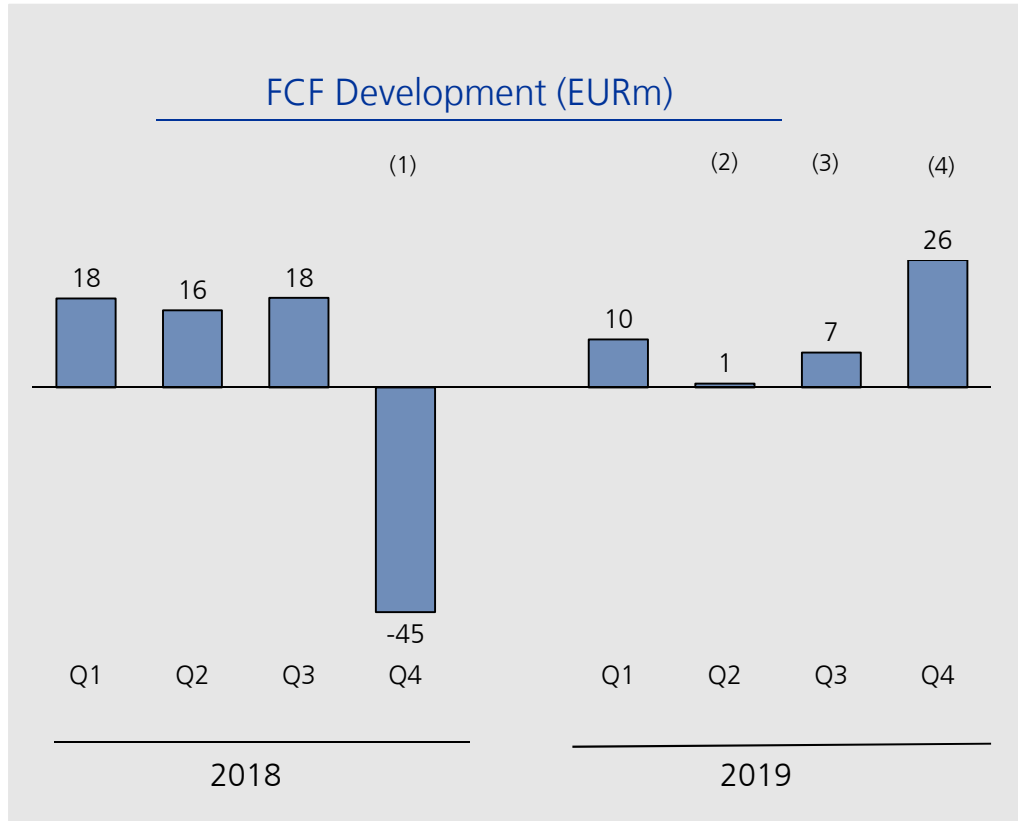
In EURm	YTD 2019	YTD 2018	Δ
Net Sales	620,4	600,2	3,4%
Medical Products	258,7	226,5	14,2%
Industrial	361,7	373,7	-4,4%
Gross Profit ⁽¹⁾	326,8	315,8	3,5%
<i>as % of Sales</i>	52,7%	52,6%	
SG&A⁽¹⁾	-81,9	-89,6	8,6%
<i>as % of Sales</i>	-13,2%	-14,9%	
Other Inc./Exp.⁽¹⁾	-0,6	0,1	-1.318%
<i>as % of Sales</i>	-0,1%	0,0%	
Adj. EBITDA	244,3	226,3	8,0%
<i>as % of Sales</i>	39,4%	37,7%	

(1) w/o Depreciation and Amortization

Comments

- YTD 19 Sales growth:
 - Medical with continued strong growth
 - Partly offset by a softer Industrial business affected by slowdown of the industrial cycle and specifically lower demands from electronics and automotive markets
- YTD 19 Gross margin: +0.1 %pts vs PY driven by mix shift towards Medical and ongoing productivity measures, offset by a less favorable product mix within Industrial
- YTD 19 SG&A: Driven by continued strict cost management and positive impacts from the new organizational set up in the Industrial Business
- FY Adj. EBITDA margin at 39.4% which is +1.7%pts above PY
- Closed 2019 with over proportional Adj. EBITDA growth +8.0% vs sales growth of +3.4%

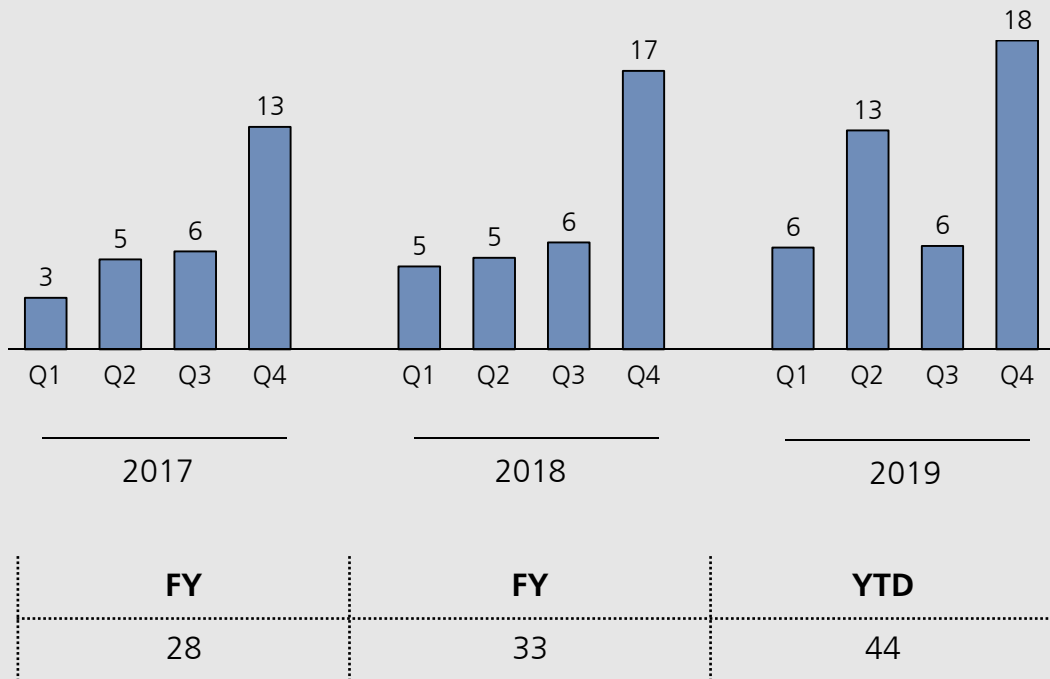
YTD 64% Operational Cash Conversion



- (1) EUR -45,5m cash outflow includes voluntary repayment of EUR 32m and USD 15m and a repurchase of bond with face value of EUR 5m at value 96
- (2) On May 31st, a voluntary prepayment of the term loans was made with EUR 28 million to the Facility B1 and USD 6 million to the Facility B2
- (3) On August 30th, a voluntary prepayment of the term loans was made with EUR 16 million to the Facility B1 and USD 5 million to the Facility B2
- (4) In December 2019, cash inflow of EUR 5,2 million from the sale of bond with face value of EUR 5 million at value 103,25

Net Capex Development

Net Capex (EURm)

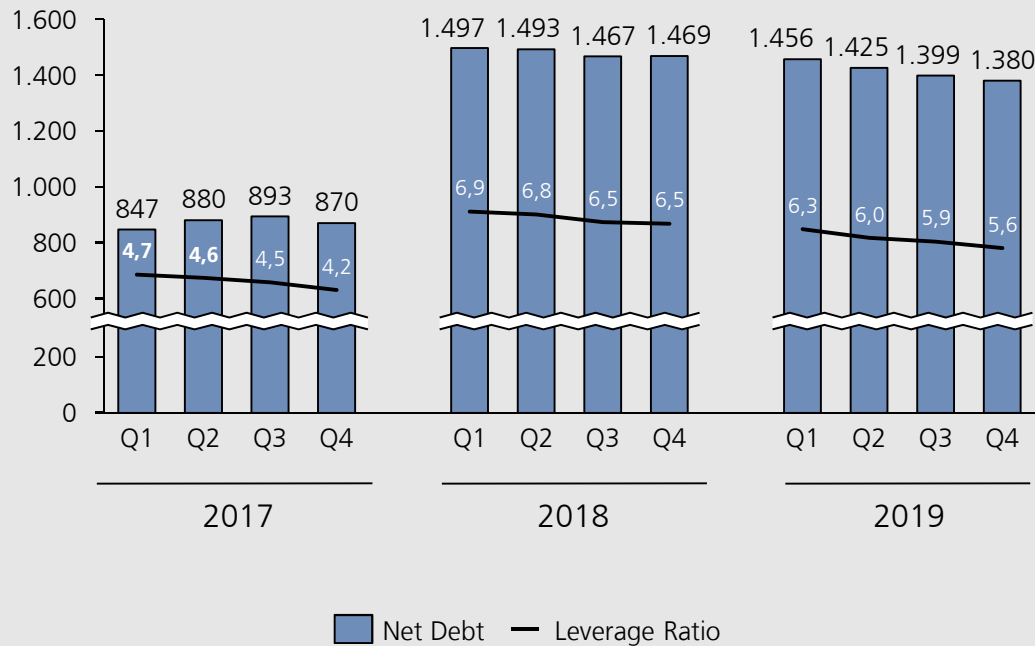


Comments

- Acceleration of net Capex in Q4'19 in line with full year budget
- Capex in 2019 with slightly higher share of investments into growth
- Reflecting project phasing driven by capacity increase projects mainly in our Medical business to support continued market growth

Net Debt And Leverage Ratio

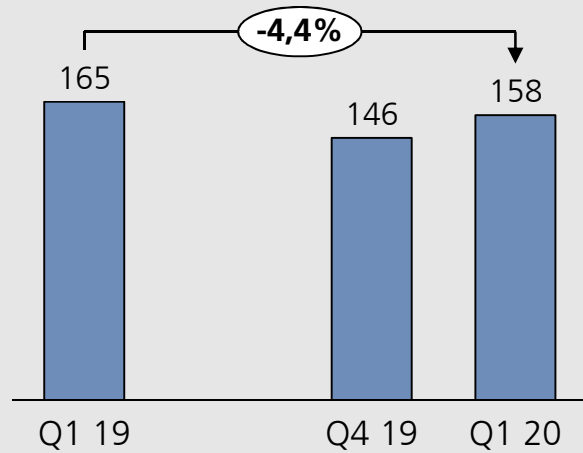
Net Financial Debt (EURm)



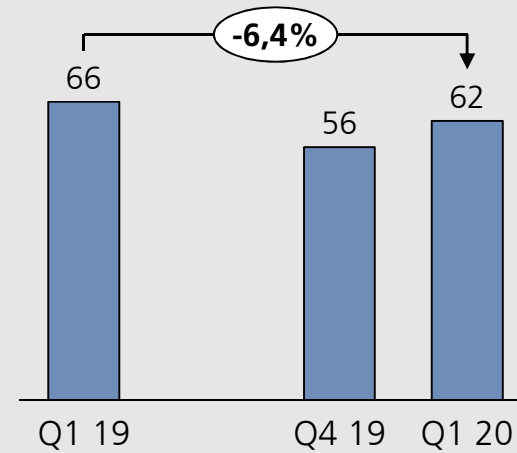
EURm	DEC 31, 2018	DEC 31, 2019
Senior Debt	1077,7	1.027,2
Bonds	401,0	406,0
Other	0,0	0,0
Revolver	0,0	0,0
Accrued Interests	11,0	10,7
Gross Debt	1489,7	1.443,8
- Cash	-21,1	-64,4
Total Net Debt	1468,6	1.379,5
LTM Adj. EBITDA	226,3	244,3
Leverage Ratio	6,5x	5.6x

Q1 2020 Performance - Preliminary

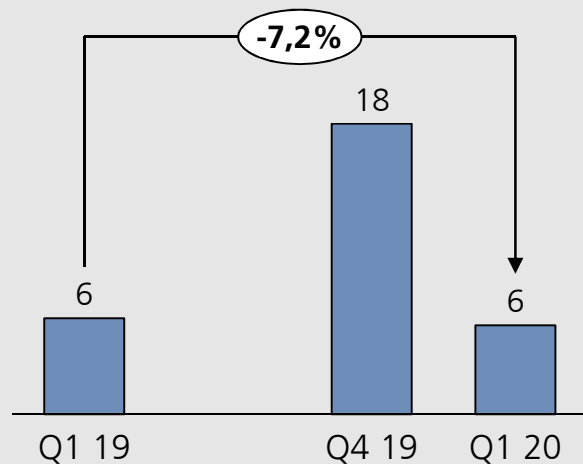
Sales (EURm)



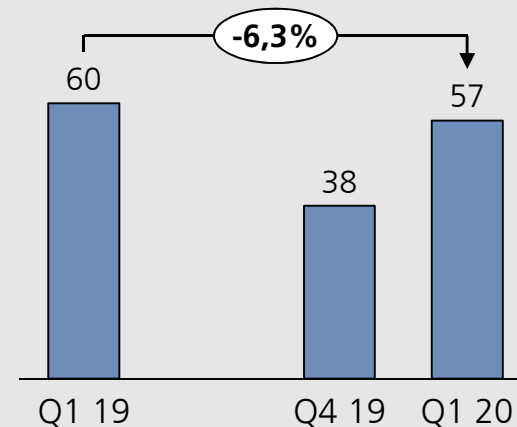
Adjusted EBITDA (EURm)



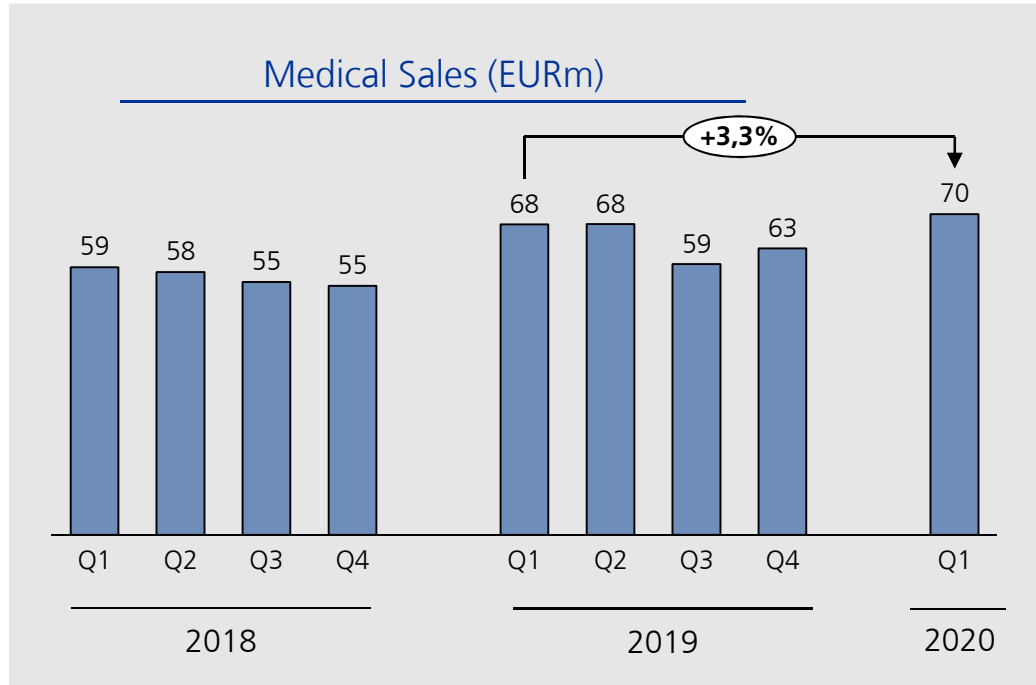
Net Capex (EURm)



Adjusted EBITDA – Net Capex (EURm)

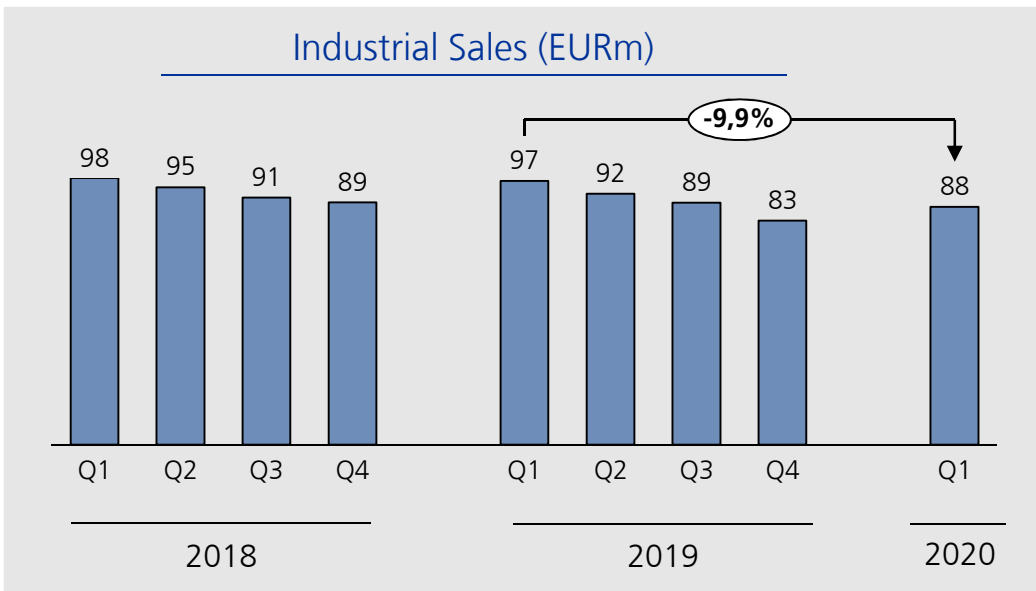


Medical and Industrial Sales Trend - Preliminary



Comments

- Q1'20 Medical Sales +3.3% vs. PY
- Growth slower than in previous quarters as certain Chinese customers reduced their orders in the context of Covid-19
 - In Q1, no meaningful impact on volumes from orders outside of China



Comments

- Q1'20 Industrial Sales -9.9% vs. PY
- Demand below PY driven by:
 - Overall lower volumes for electronics and automotive market, in line with the macro trend that has been observed in the previous quarters; in addition, Q1 sales impacted by Covid-19
 - Partly offset by good volumes for piezo ceramics for sensors for different end markets, esp. medical equipment

Q1 2020 Management Financials - Preliminary

In EURm	Q1 2020	Q1 2019	Δ
Net Sales	158.1	165.5	-4.4%
Medical Products	70.4	68.1	+3.3%
Industrial	87.7	97.3	-9.9%
Gross Profit ⁽¹⁾	83.6	88.1	-5.2%
<i>as % of Sales</i>	52.9%	53.3%	
SG&A⁽¹⁾	-21.7	-21.7	0.0%
<i>as % of Sales</i>	-13.8%	-13.1%	
Other Inc./Exp.⁽¹⁾	0.3	0.0	+ > 100%
<i>as % of Sales</i>	0.2%	0.0%	
Adj. EBITDA	62.2	66.4	-6.4%
<i>as % of Sales</i>	39.3%	40.1%	

(1) w/o Depreciation and Amortization

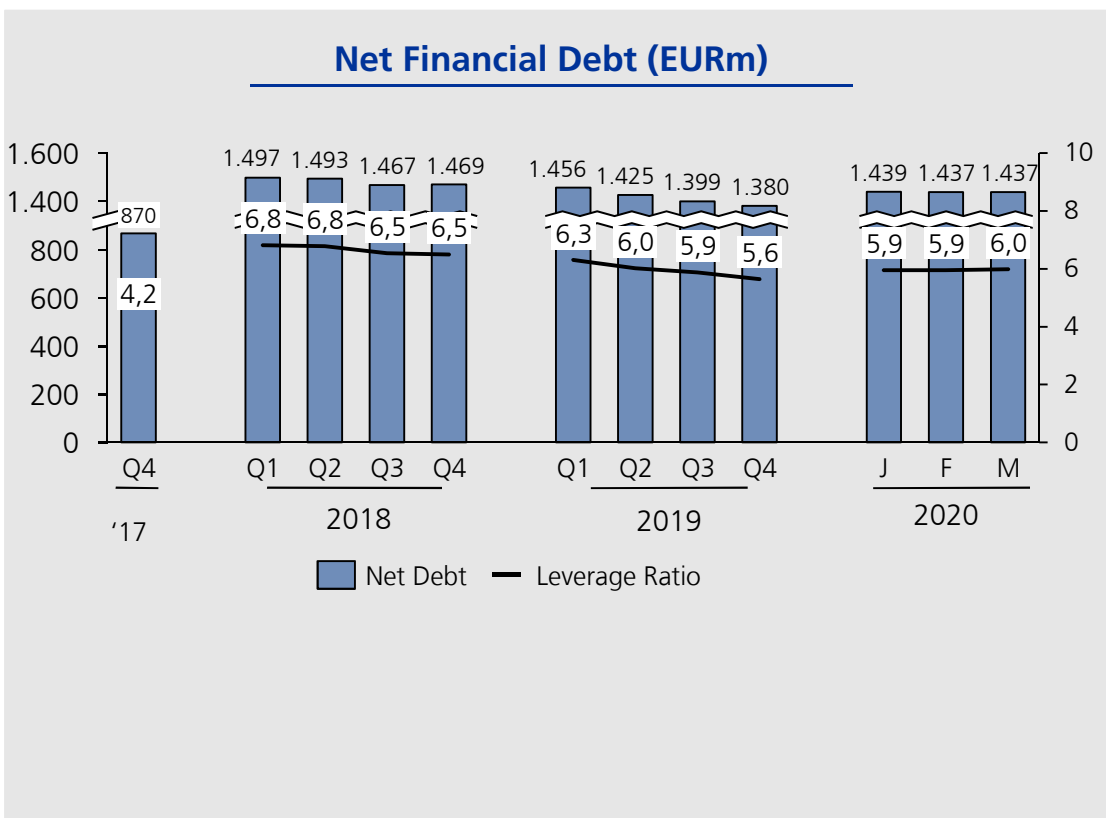
Comments for preliminary P&L

- Q1'20 Sales:
 - Medical increased by +3.3% offset by overall lower Industrial markets -9.9%, both businesses affected by Covid-19
- Q1'20 Gross margin: -0.4%pts below PY suffering from a lower fixed cost absorption despite ongoing Medical growth. Impact from lower productivity due to various Covid-19 impacts such as temporary shifts in demand, temp. closures of smaller factories and increase in illness rate
- Q1'20 SG&A: stable due to continued strict cost management
- Due to Covid-19 outbreak SG&A, Capex and Cash outflows to the extent possible reduced or postponed
- Q1' 20 Adj. EBITDA margin at 39.3% with -0.8%pts holding up relatively well in difficult market environment

Note: All figures in EURm at actual FX rates including normalization adjustments

CT GROUP DEBT AND LEVERAGE – MARCH 2020 (PRELIM.)

Continued Deleveraging, new Financing Structure Since March 2018



EURm	DEC 31, 2019	MAR 31, 2020
Senior Debt	1.027,2	1.030,0
Bonds	406,0	406,0
Other	0,0	7,3
Revolver	0,0	67,0
Accrued Interests	10,7	5,4
Gross Debt	1.443,8	1.515,6
- Cash	-64,4	-78,8
Total Net Debt	1.379,5	1.436,8
LTM Adj. EBITDA	244,3	240,1
Leverage Ratio	5.6x	6.0x

- In January 2020, a distribution of EUR 55 million has been made from the group as a repayment on the shareholder loan
- RCF of EUR 18 million drawn in FEB 2020 and further EUR 49m drawn in MAR 2020
- "Other" shows the usage of EUR 7.3 million of the ancillary line in March 2020
- Total Leverage of 6x and Senior net debt leverage at appr. 4.3x (final calculation pending)



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