



**Setting the basis for sustainable growth**

Milan, October 2013

## Building a more proactive Group through:

### 1. Rebalancing the regions' weight:

- weight of extra European activities set to rise from current 35% also thanks to start ups and to growth in LatAm and Nafta

### 2. Leveraging on Innovations:

- Introduction of new innovative products/technologies to respond to manufacturers reduced weight and consumption requirements
- Completing the product offer throughout the different geographies exploiting Sogefi's competitive positioning and competences

### 3. "Always more efficient"

- Optimizing the cost structure to better respond to market demand

### 4. Accelerating Group integration

- Investing on processes and systems improvement
- Coherent development of our people



## Fluid Filtration

**1<sup>st</sup> producer  
in South America**



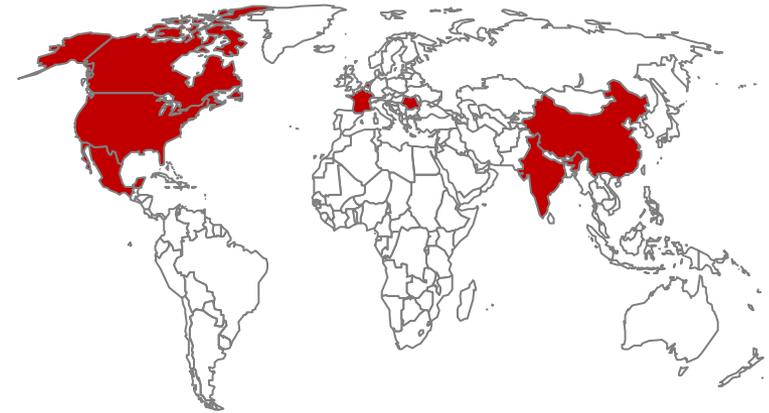
**3<sup>rd</sup> producer  
in Europe**



- South American leadership in **OEM**
- European and LATAM joint leadership in the **aftermarket**
- Ready to exploit opportunities in NAFTA and India
- Continuously enlarging product portfolio to preserve competitive edge

## Air & Cooling

**1<sup>st</sup> producer in Europe and NAFTA**



- Strong positioning in German OE
  - Very strong portfolio in the US
  - High reputation with OE
- Sogefi's thermoplastic components offer advantage over metallic parts as per price, weight and CO2 emissions

**1<sup>st</sup> producer in Mercosur**



**2<sup>nd</sup> producer in Europe**



- High entry barriers
- Well established relationship with OEM
- Leadership in technology and innovation

# SUPPLYING TOP VEHICLES IN EUROPE

- Sogefi Engine Systems are present on 7 of the 10 most sold Passenger Cars in Europe in 2012
- Sogefi Suspensions are in 6 of the top 10 vehicles in Europe in 2012

DIESEL MODULE  
TURBO OUTLET  
THERMOSTAT HOUSING  
INTAKE MANIFOLD  
COILS SPRINGS



N.2 FORD FIESTA

OIL FILTER  
(supply starting from 2013)



N.3 VW POLO

AIR INTAKE MODULE  
INTAKE MANIFOLD  
COOLANT PUMP  
STAB. BARS



N.4 OPEL CORSA

OIL MODULE  
TURBO INLET  
COOLANT PIPE  
THERMOSTAT HOUSING  
STAB. BARS REAR FOR TWIST  
BEAM AXLE



N.5 RENAULT CLIO

DIESEL MODULE  
TURBO OUTLET  
THERMOSTAT HOUSING  
INTAKE MANIFOLD  
COIL SPRINGS



N.6 FORD FOCUS

INTAKE MANIFOLD  
COOLANT PUMP  
DIESEL MODULE



N.7 OPEL ASTRA

OIL MODULE  
COILS SPRINGS  
TURBO INLET  
COOLANT PIPE  
THERMOSTAT HOUSING



N.8 RENAULT MEGANE 3

OIL MODULE  
STAB. BARS  
TURBO INLET  
COOLANT PIPE



N.9 NISSAN QASHQAI

# SUPPLYING TOP VEHICLES IN SOUTH AMERICA

- Sogefi Engine Systems are present on 9 of the 11 most sold Passenger Cars in South America in 2012
- Sogefi Suspensions are in 9 of the top ten vehicles in South America in 2012

**AIR MODULE  
OIL FILTER / FUEL FILTER  
COILS SPRINGS  
STAB. BARS**



**N.1 VW GOL**

**STAB. BARS  
OIL FILTER**



**N.2 FIAT UNO**

**COILS SPRINGS  
STAB. BARS  
AIR FILTER  
OIL FILTER / FUEL FILTER  
CARBON CANISTER**



**N.3 FIAT PALIO**

**CANISTER  
COILS SPRINGS  
OIL FILTER MODULE**



**N.4 FORD FIESTA**

**AIR MODULE & CANISTER  
STAB. BARS**



**CHEVROLET ONIX N°5 IN SALES SINCE ITS LAUNCH**

**AIR MODULE  
OIL FILTER / FUEL FILTER  
COILS SPRINGS  
STAB. BARS**



**N.6 VW FOX**

**AIR MODULE**



**N.7 CHEVROLET CELTA**

**AIR MODULE  
OIL FILTER / FUEL FILTER  
CARBON CANISTER  
STAB. BARS**



**N.8 FIAT STRADA**

**DIESEL FILTER & AIR MODULE  
COILS SPRINGS  
STAB. BARS  
LEAF SPRINGS**



**VW AMAROK : N°4 In LCV sales**

## N°1 in Air Intake Manifold

Sogefi delivers 8 of the top 20 best selling cars with a strong presence in the V6 and V8 engines



(N°3 in USA) FORD F-150



Petrol V6 3.5 L GTDI



(N°9 in USA) FORD ESCAPE



Petrol L4 2.0 L GDI & GTDI



(N°10 in USA) FORD F250/350 Super Duty



Petrol V8 Scorpion 6.7 L

## Serving the N°1 best seller diesel vehicle



FORD F-series Pick-Up:  
N°1 Diesel Vehicle



## Delivering plastic oil module



CHRYSLER-JEEP CHEROKEE



Oil Module  
Petrol Phoenix V6 3.0 L to 3.6L

# ALSO SUPPLYING PREMIUM PLATFORMS

OIL MODULE



FERRARI 599

OIL MODULE  
INTAKE MANIFOLD  
STAB. BARS  
COILS SPRINGS



MERCEDES SLK

OIL MODULE



MASERATI QUATTROPORTE

OIL MODULE  
STAB. BARS



MULSANNE BENTLEY

OIL MODULE



FERRARI CALIFORNIA

INTAKE MANIFOLD  
STAB. BARS



AUDI A8

INTAKE MANIFOLD  
OIL FILTER



MERCEDES S-CLASS V8

INTAKE MANIFOLD  
STAB. BARS



AUDI A6

OIL MODULE  
STAB. BARS  
AIR INTAKE SYSTEM



MERCEDES GLK

OIL MODULE



MASERATI GRAN TURISMO

AIR INTAKE MANIFOLD  
COILS SPRINGS



BMW 5-series

OIL MODULE  
THERMOSTAT HOUSING  
COULANT PUMP



MINI COOPERS

OIL FILTER



DUCATI 1199 PANIGALE

OIL FILTER



DUCATI MONSTER 1100 EVO

## Single largest supplier of Air Filter elements to 2W's in India



## Leveraging on strong positioning in 2W and 3W markets to address 4W market



SUZUKI MARUTI SWIFT  
(N 2 best seller car in 2012)



MAHINDRA BOLERO



MAHINDRA SCORPIO



TATA INDICA  
(N 6 best seller car in 2012)



MAHINDRA XUV 500 :  
SUV of the year 2012



MAHINDRA S101

## Supplying 3W top players in India



TATA SUMO



TATA MANZA



TATA VENTURE

## Market leader on pressure filter for Dual Clutch Transmission for VW DQ250



VW PASSAT



VW MAGOTAN



VW SAGITAR



VW GOLF

## Starting October 2013 will deliver air intake manifold for E- Class



DAIMLER  
C-CLASS AND E-CLASS



PSA C5



FORD FOCUS

## Delivering Stabilizer Bars for:

Customer	Vehicle	Product Range	Axle
PSA	C5 / 508	Stab Bars	FRONT & REAR
DAIMLER	C-Class	Stab Bars	FRONT & REAR
DAIMLER	E-Class	Stab Bars	FRONT & REAR
DAIMLER	GLK	Stab Bars	FRONT & REAR
BMW	3 Series	Stab Bars	FRONT & REAR
BMW	5 Series	Stab Bars	FRONT
BMW	X1	Stab Bars	REAR
FORD	Focus	Stab Bars	FRONT & REAR
FORD	Mondeo	Stab Bars	FRONT & REAR
PSA	C-Elysee / 301	Stab Bars	FRONT
FORD	Kuga	Stab Bars	FRONT & REAR
FIAT	Viaggio	Stab Bars	FRONT



BMW SERIES 5



BMW SERIES 3

## COMMERCIAL VEHICLES HEAVY DUTY



## INDUSTRIAL RAILWAYS AND AGRICULTURE



## Setting the basis for sustainable growth

- Accelerating investments to improve internationalization and Group integration
- Rebalancing customers and regions
- Continuous focus on profitability through efficiencies and mix improvement
- Fostering competitiveness and product innovation
- Processes and Systems improvement
- Development of our people



Building a more proactive Group

## Investments are scheduled according to contracts award

In 2012 and 2013 Sogefi is continuing its expansion strategy:

### China:

- Engine Systems: Start of construction of a new plant in Wujiang
- Suspensions: Start of construction of a new plant in Wujiang. Order portfolio starting progressively production from 2H 2013.

### USA:

- Engine Systems: Production capacity expansion at the Prichard plant

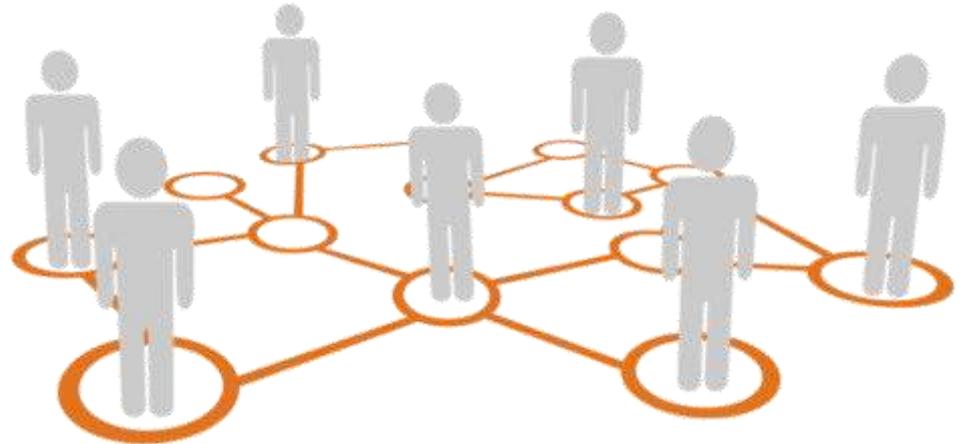
### India:

- Engine Systems: Production capacity expansion at the Bangalore plant
- Engine Systems: Start of construction of a new plant in Pune
- Engine Systems: Production capacity expansion at the Delhi plant
- Suspensions: Inauguration of the new plant in Pune



## Investing on our people

- Developing processes harmonization
- Competences mapping and development
- Talents and critical knowledge management
- Assessment and training programs
- Transfer of people knowledge and best practices



## Accelerating investments to improve integration within the Sogefi Group

- New ERP system for a unique source of information
- Focusing on common IT platforms
- Shared technical infrastructure for real time communications with our customers
- Leveraging on Business Intelligence internal tools

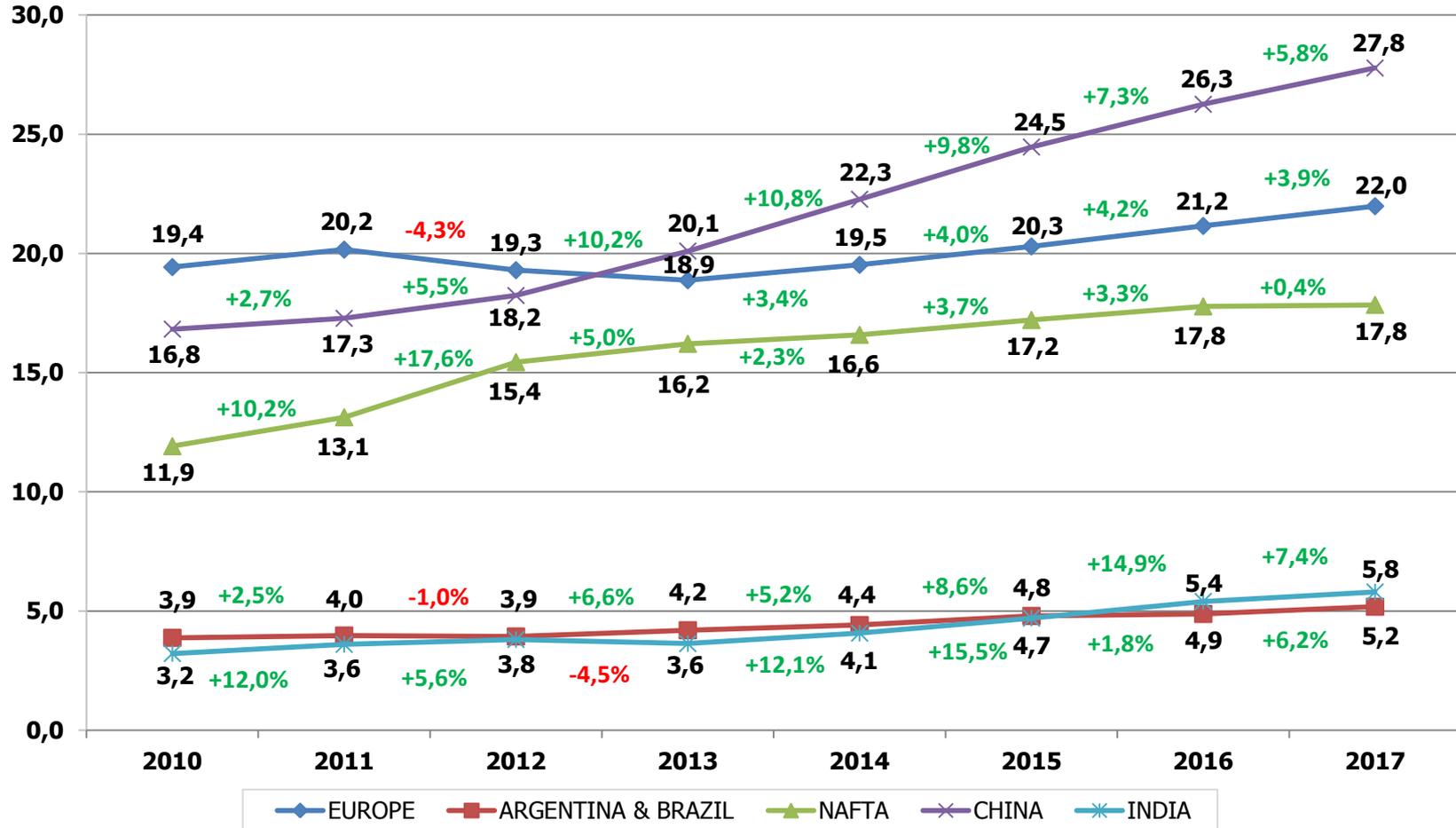


# MARKET TRENDS

## CARS and LCVs BY REGION

### Leveraging on international market growth opportunities: Nafta, Mercosur, India and China

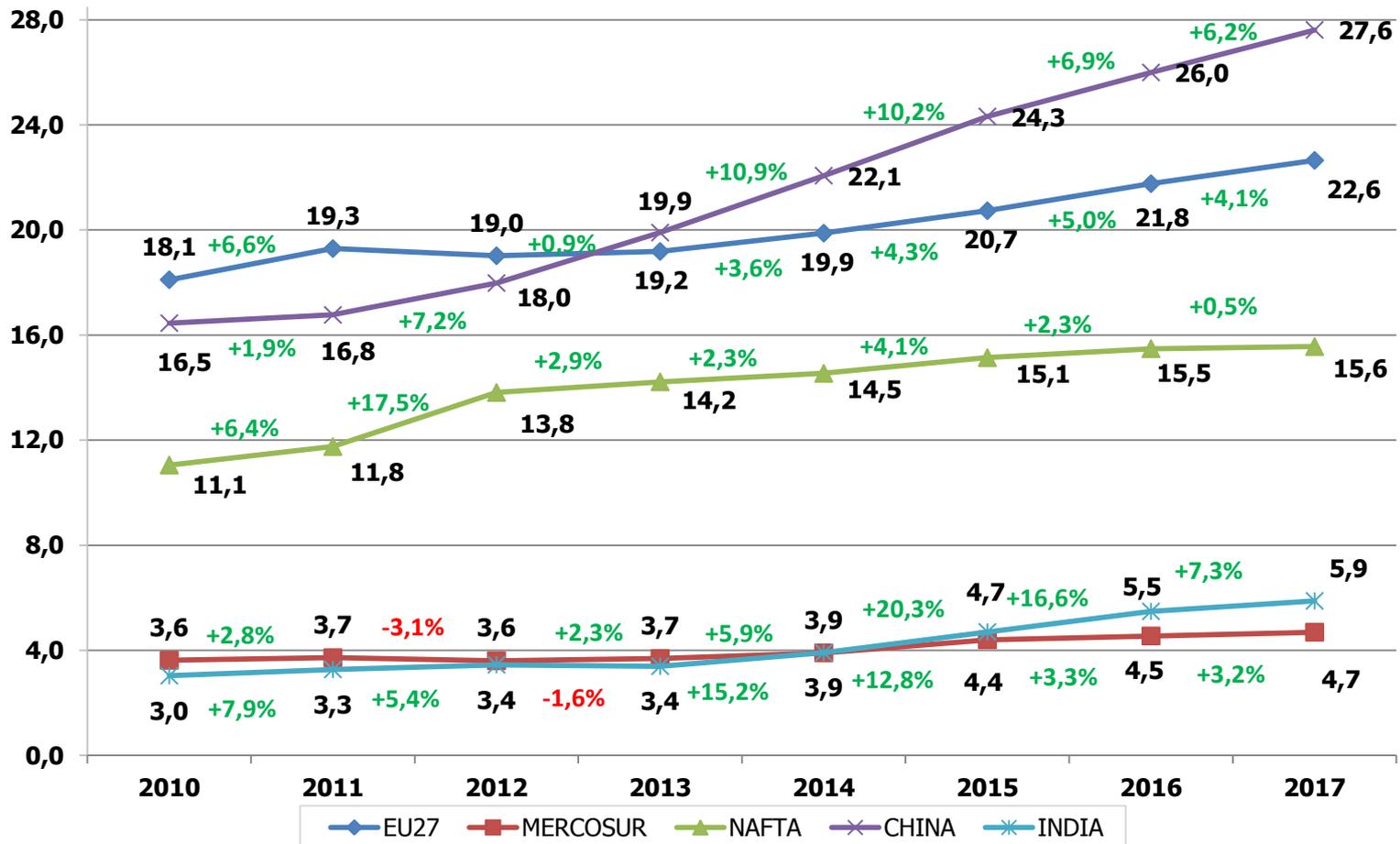
(amounts in M' pcs)



Source: IHS 08/2013

### Leveraging on international market growth opportunities: Nafta, Mercosur, India and China

(amounts in M' pcs)

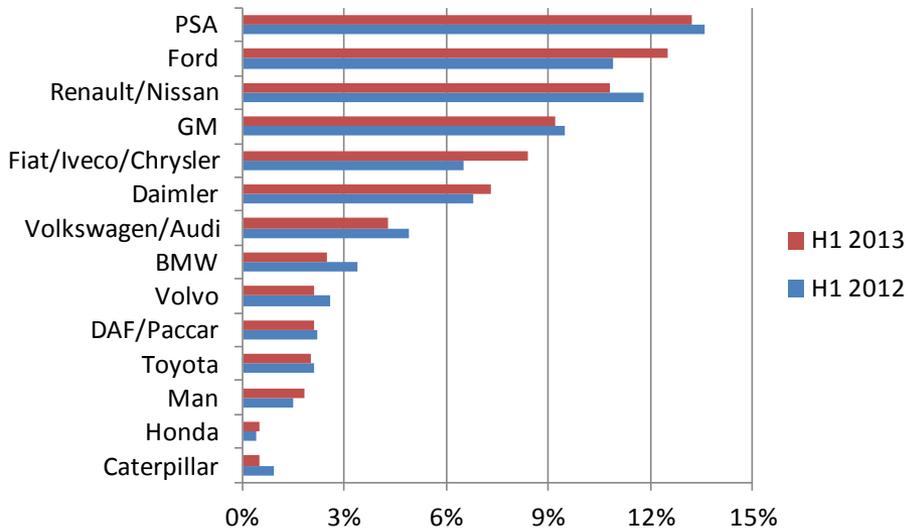


Source: IHS 08/2013

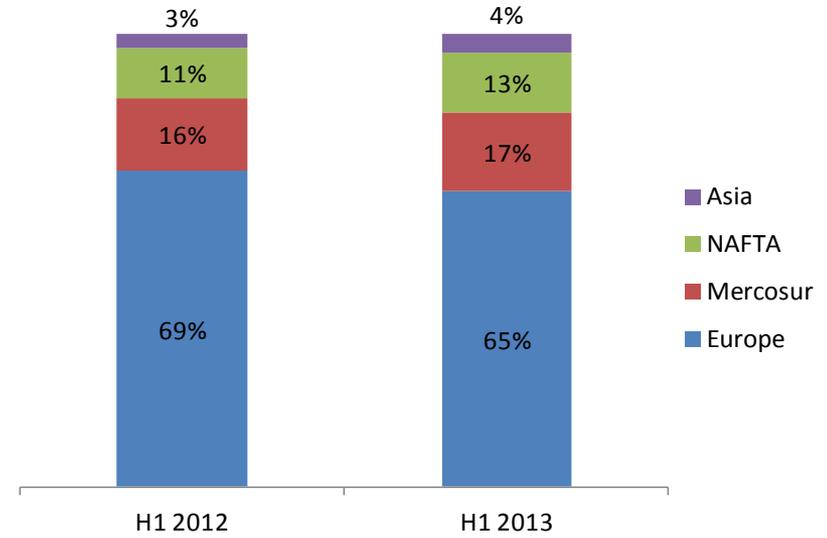
# REBALANCING CUSTOMERS AND REGIONS

(Based on H1 2013 data)

## Sogefi Group main Customers\*



## Breakdown by region



\* In % of total sales

- Ford is now the number two customer of the Group
- Increased weight of US clients

- Europe weights 65% of revenues vs 69% of H1 2012
- < 6% of revenues in H1 2013 come from Italy
- Nafta now represents 13% of the Group revenues and Mercosur 17%

## Benefitting from a better mix

- **Higher value of the products:** from single components to more integrated systems
- **Improving the geographical mix:**
  - In non-European markets margins are better due to the need of technology in a full capacity utilization scenario
- **Platform standardization:**
  - opportunity for global reliable suppliers
  - produce/supply everywhere
- **Tight control of structural costs**
- **Leveraging on past restructuring**

# INNOVATIONS

## E-SIS® : an additive release system in the Diesel fuel filter

→E-SIS® provides a lean, efficient and reliable way of dispensing the additives, enabling latest generations of engine introduction worldwide.

Two additives can be used:

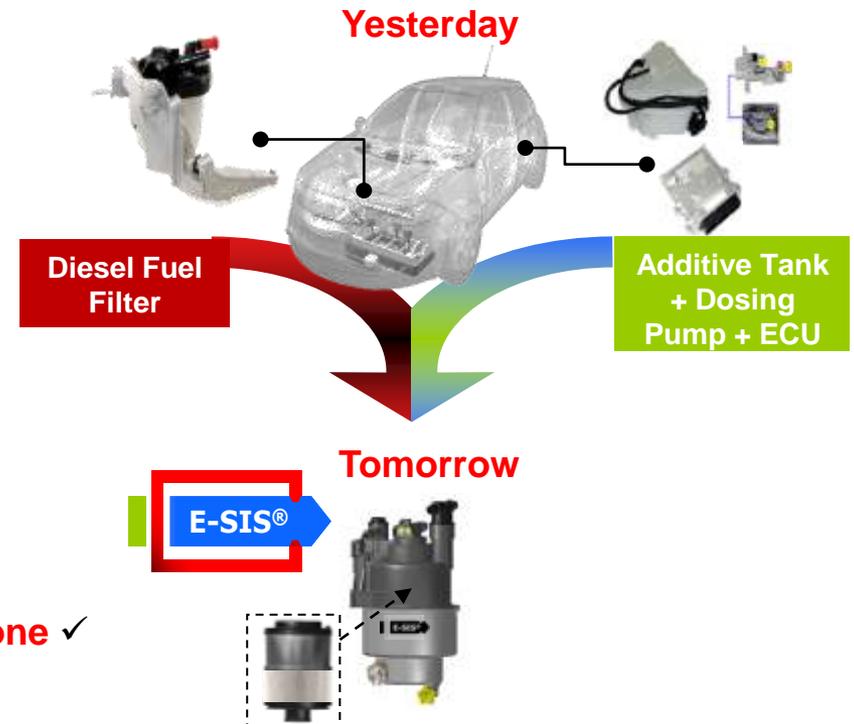
1. Fuel Quality Improver. Markets: *USA, China, India...*
2. Particulate Filter easy regeneration. Markets: *urban Europe and WW*

### Opportunity for Sogefi:

- Allows to share costs and reduce time-to-market
- Gives access to technologies that are not Sogefi core business
- Increases the value-added of product portfolio, including in spare part business

### Development Status

- Major OEM Phase I prototype realized and Validated: **Done** ✓
- Major OEM Phase II prototype: **Launched** ✓



## Active Multi-Ways Valve

### Functional Description:

Active distribution of the coolant according to the thermal needs in 3 outlets thanks to a single actuator and an integrated temperature sensor

### Key Benefits

- Quicker powertrain warm-up (engine zero-flow function) providing reduced friction losses and quicker availability of the Start-Stop system
- **Enhanced engine durability** thanks to quick response time and progressive valve opening

**Foreseen Market Applications:** Mid-size Diesel & Petrol ICE

**Project Status:** Start of Serial Production in Summer 2013

Up to 3% CO<sub>2</sub> emission reduction  
(Versus STD thermostat)



## Active Coolant Pump Module

### Functional Description:

A Coolant Pump Module with a proportional valve in the water pump outlet controlled by an electric actuator (in addition to a controlled thermostat)

### Key Benefits

- Flow adaptation to the engine needs and less mechanical power absorbed
- **Module advantage**
- **Lighter in comparison to clutch WP**

**Foreseen Market Applications:** Mid-size Diesel & Petrol ICE

**Project Status:** Start of Serial Production in 2016-17

Up to 3.5% CO<sub>2</sub> emission reduction  
(Versus STD thermostat)



## Air Intake manifold with integrated WCAC

### Functional Description:

**Compact Air Intake Module** with optimized interface between the AIM and the cooler to warranty the best air-flow distribution cylinder-by-cylinder

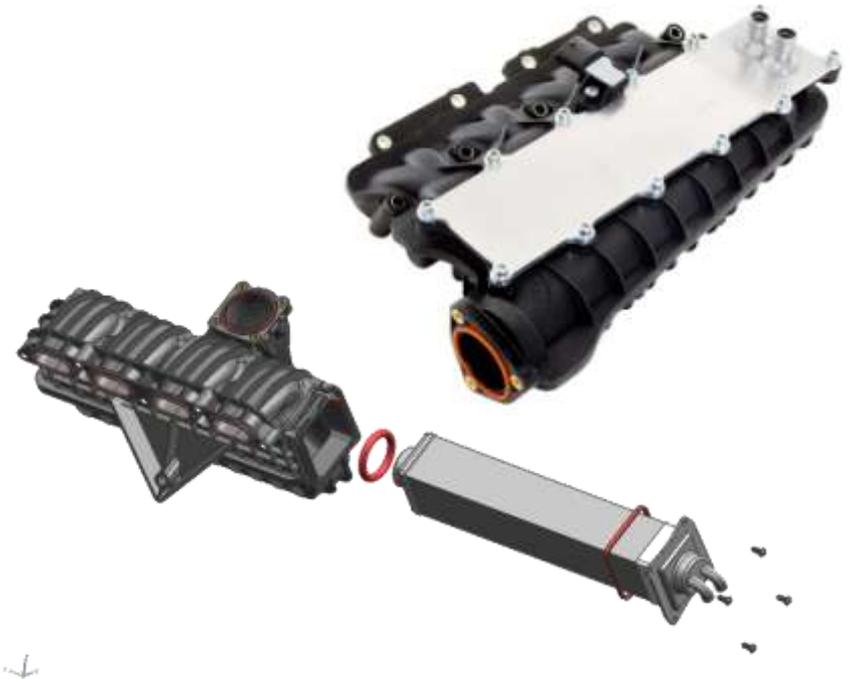
### Key Benefits

- Increased engine performance (torque & dynamic performance) thanks to reduced DP<sub>air</sub>
- Enhanced compactness
- Reduced Weight
- Cross platform standardization

**Foreseen Market Applications:** Whole range of Highly Downsized Petrol ICE

**Project Status:** Scheduled SOP in 2016

Fun-to-drive  
of highly downsized (low CO<sub>2</sub>) engines



## Composite Coil Springs

### Functional Description:

Fiber Glass reinforced plastic Coil Springs (FRP)

### Key Benefits

- From -40% to -70% weight reduction
- Higher durability
- Improved comfort
- Increased safety

### Environmentally-friendly

- No heat treatment
- Reduction of CO2 emissions
- Fewer steps in process
- No surface treatment

**Foreseen Market Applications:** Passenger Cars and Commercial Vehicles

From -40% to -70% weight reductions

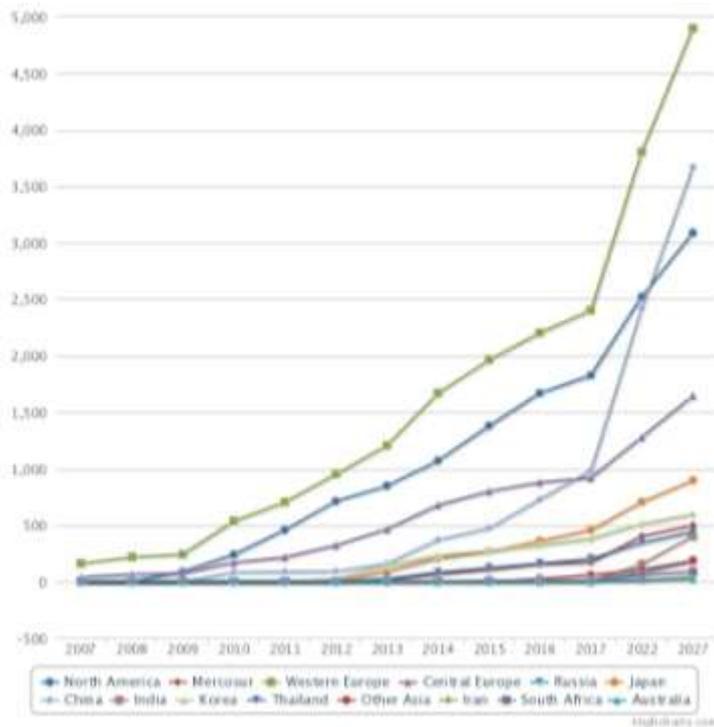


# FILTRATION

## PRODUCT PORTFOLIO EXTENSION

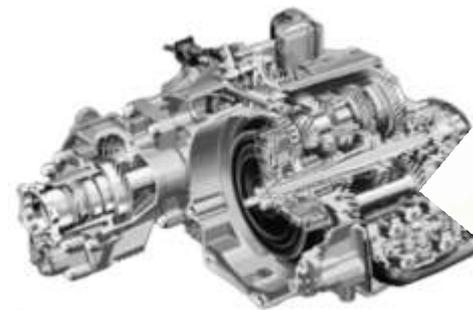
- ✓ Transmission greatly contributes to CO2 emission control, but also personalises the driving feeling linked to a car brand
- ✓ OEMs greatly invest in Transmission designs, leading to a variety of transmission, from Manual to Automatic or Continuous Variable Transmission
- ✓ DCTs – Dual Clutch Transmission - are widely recognized amongst automotive transmission engineers as representing the optimal transmission solution for the future.

Worldwide DCT Production (Mu)



QUBE March 2013

- Protection of high-precision clutch and hydraulic components by high efficient filters
- Sogefi successful development and production in progress



Sogefi High efficient Filter



DUAL CLUTCH TRANSMISSION (VW DQ250)

# SUMMING UP

# Q2 2013 RESULTS HIGHLIGHT GROUP POTENTIALS

(€m)	Q2 2012	Q2 2013	YOY
<b>Revenues</b>	<b>340</b>	<b>353</b>	+3.7%
<i>Excluding forex effect</i>			+6.7%
<b>Operating profit</b>	<b>24.4</b>	<b>29.3</b>	+20.1%
<i>Margin</i>	7.2%	8.3%	
<i>Ebitda before Restructuring restructuring Costs</i>	34.8 <b>-0.8</b>	40.1 <b>-1.0</b>	+15.2%
<b>EBITDA</b>	<b>34.0</b>	<b>39.1</b>	+15.0%
<i>Margin</i>	10.0%	11.1%	
<b>EBIT</b>	<b>16.8</b>	<b>25.0</b>	+49.4%
<i>Margin</i>	4.9%	7.1%	
<b>Net Income</b>	<b>6.6</b>	<b>9.2</b>	+39.1%
<i>Margin</i>	1.9%	2.6%	
<b>Investments</b>	<b>21.5</b>	<b>18.7</b>	-13.0%
<i>capex/sales</i>	6.3%	5.3%	
<b>Net Debt vs 31/3/2013</b>	<b>311.9</b>	<b>341.1</b>	+9.4%
<b>Free Cash Flow</b>	<b>12.3</b>	<b>-9.8</b>	

## Q2 2013 RESULTS KEY DRIVERS

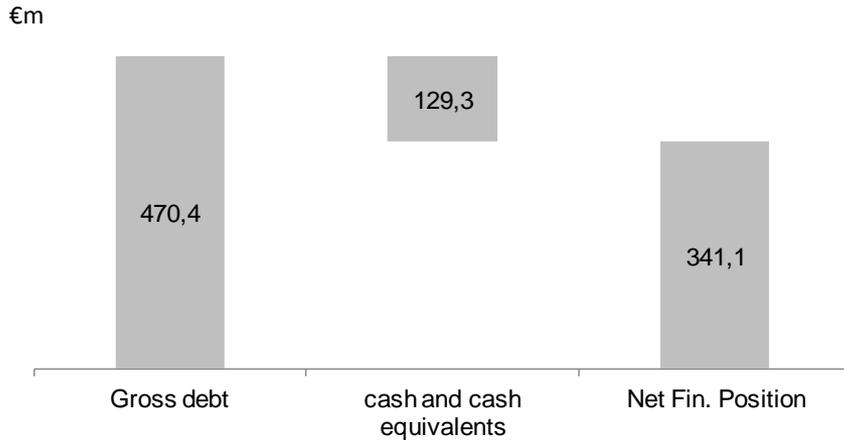
- Revenues in Q2 2013 excluding forex effect grew by +6.7% YOY (+3.7% on a reported basis)
- Weight of revenues outside Europe grew to 35% on total revenues vs 31% in Q2 2012. Revenues in NAFTA increased 14% YOY and in Asia 33% YOY
- The better geographical mix led to a strong increase (+20% YOY) in Q2 operating result with a ratio to sales rising to 8.3% vs 7.2% of Q2 2012.
- Q2 EBIT margin increased to 7.1% versus 4.9% in the same period of 2012
- Net income affected by higher financial charges as the recent refinancing of the debt replaced credit facilities signed before 2008 with new facilities at current market rates. Margin increased to 2.6% +0.7 p.p. YOY.
- Net debt stood at €341.1m (€311.9m at end March 2013 and €295.8m at end December 2012) due to the distribution of dividends for €17.2m and to the increase in working capital linked to the expansion of business activity in non-European countries.

(€m)	H1 2012	H1 2013	YOY
<b>Revenues</b>	<b>687</b>	<b>682</b>	-0.7%
<i>Excluding forex effect</i>			+2.2%
<b>Operating profit</b>	<b>49.0</b>	<b>51.3</b>	+4.7%
<i>Margin</i>	7.1%	7.5%	
<i>Ebitda before Restructuring restructuring Costs</i>	69.9 -1.4	72.6 -1.4	+3.9%
<b>EBITDA</b>	<b>68.5</b>	<b>71.2</b>	+3.9%
<i>Margin</i>	10.0%	10.4%	
<b>EBIT</b>	<b>37.1</b>	<b>43.2</b>	+16.6%
<i>Margin</i>	5.4%	6.3%	
<b>Net Income</b>	<b>15.6</b>	<b>16.2</b>	+3.9%
<i>Margin</i>	2.3%	2.4%	
<b>Investments</b>	<b>37.9</b>	<b>36.8</b>	-2.9%
<i>capex/sales</i>	5.5%	5.4%	
<b>Net Debt vs 31/3/2013</b>	<b>311.9</b>	<b>341.1</b>	+9.4%
<b>Free Cash Flow</b>	<b>13.3</b>	<b>-25.9</b>	

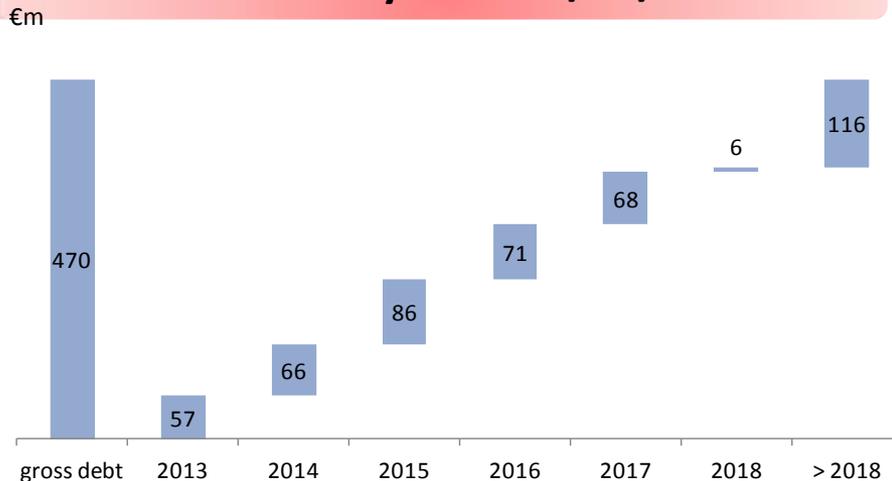
## H1 2013 RESULTS KEY TRENDS

- Revenues grew +2.2% at constant exchange rates (substantially in line with H1 2012 on a reported basis)
- Strong Q2 results allowed to invert the trend of the first quarter
- Operating profit margin at 7.5% in H1 2013 +0.4 p.p and +4.7% YOY
- Margin expansion benefited also from the better geographical mix as Non-European countries now weigh 35% of Group revenues (30% in H1 2012)
- Higher Net Debt mainly due to dividends payment and working capital absorption related to non-European start ups
- Investments in H1 2013 slightly below H1 2012, could imply more capital intensity in H2 2013

## Net Financial position as of 30/06/2013



## Debt maturity as of 30/06/2013



## Debt Refinancing

- In December 2012 a €215m of debt refinancing was settled:
  - Mainly through a five-year credit facility for €200m (of which €80m revolving and €120m amortizing)
- In May 2013 two US private placements for €115m were signed :
  - a US\$115m bond with a 10 year duration
  - a €25m bond with a 7 year duration
- Cost of debt: signed at current market price replacing lines signed before the crisis at significantly more favorable rates

## Liquidity profile 30/06/2013

€m

Liquidity position	129.3
Total committed lines not drawn	110.0
<b>Liquidity margin</b>	<b>239.3</b>

- **Results confirm our ability to maintain resilient results through:**
  - Quick reaction to tough market conditions
  - Restructuring actions in Europe
  - Flexible cost structure
  - Flat and reactive organization
  - Tight control of costs
  - Use of temporary workers (ca 20% of blue collars)
  
- **Building a more proactive Group**
  - 2013 Results are on track
  - Managing the weak European market environment, while expanding in Non-European markets
  - Benefitting from an increased financial flexibility
  - Development projects and start ups are proceeding as planned

BACK UP

# 2012 KEY FINANCIAL RESULTS

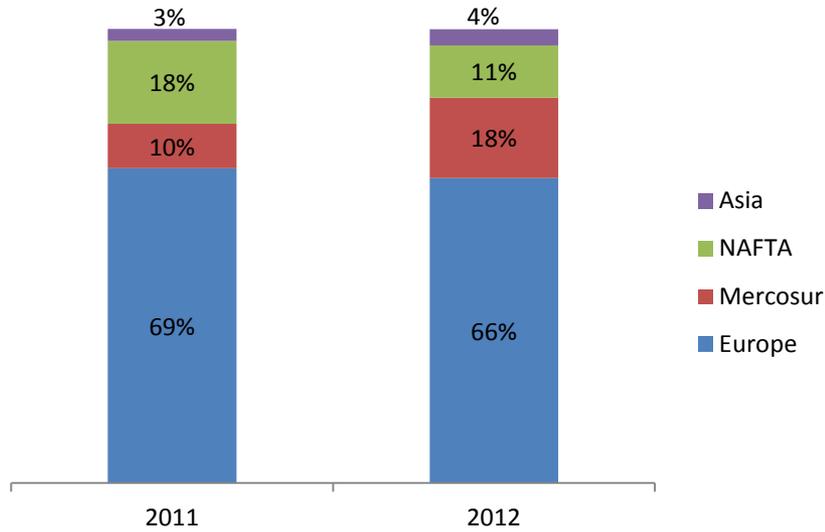
(€m)	FY 2011	FY 2012	YOY
<b>Revenues</b>	<b>1,158</b>	<b>1,319</b>	<b>+13.9%</b>
<i>Organic Growth*</i>			-4.2%
<b>Operating profit</b>	<b>89.1</b>	<b>92.7</b>	<b>+4.0%</b>
<i>Margin</i>	7.7%	7.0%	
<i>Ebitda before Restructuring restructuring Costs</i>	120.6 -8.7	138.2 -12.2	+14.7%
<b>EBITDA</b>	<b>111.9</b>	<b>126.0</b>	<b>+12.7%</b>
<i>Margin</i>	9.7%	9.6%	
<b>EBIT</b>	<b>59.5</b>	<b>62.8</b>	<b>+5.5%</b>
<i>Margin</i>	5.1%	4.8%	
<b>Net Income</b>	<b>24.7</b>	<b>29.3</b>	<b>+18.6%</b>
<i>Margin</i>	2.1%	2.2%	
<b>Investments</b>	<b>56.8</b>	<b>82.1</b>	<b>+44.5%</b>
<i>capex/sales</i>	4.9%	6.2%	
<b>Net Debt</b>	<b>299.8</b>	<b>295.8</b>	<b>-1.3%</b>
<b>Free Cash Flow</b>	<b>-116.4</b>	<b>22.3</b>	

## 2012 RESULTS KEY DRIVERS

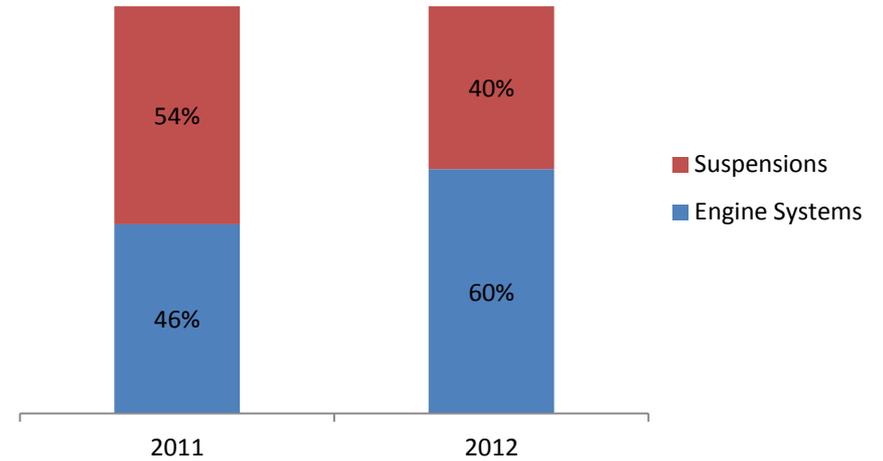
- Revenues outside Europe grew to 33.5% on total revenues vs 30.5% in 2011
- Revenues in NAFTA increased 107.6% YOY and in Asia 35.8% YOY
- Higher impact of the cost of materials (52% versus 49.8% in 2011) due to a change in the mix following Systèmes Moteurs acquisition
- Labour costs weight unchanged at 22.9% of total revenues
- Earnings affected by strong restructuring (€12.2m in 2012 vs €8.8m in 2011)
- €2.2m of non-recurring non operating costs related to consultancy services in 2012
- Lower tax rate due to positive deferred taxes in NAFTA
- Net debt at €295.8m after dividend payment for €17.2m

\* Systemès Moteurs consolidated as of August 1° 2011

## Breakdown by region



## Breakdown by divisions



Giancarlo Coppa, Group CFO  
Laura Pennino, Investor Relations

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