

PRESS RELEASE

JOST achieves record first half-year with strong sales and earnings growth

- **Increase in sales by 7% to a record level of €361.9 million**
- **Adjusted EBIT grows by 18% to €44.3 million**
- **Adjusted EBIT margin increased to 12.2%**
- **Outlook 2017 confirmed: Mid-single digit growth rate in terms of sales and accelerated EBIT growth**

Neu-Isenburg, 29 August 2017. JOST Werke AG, a leading global producer and supplier of safety-critical systems to the truck and trailer industry, posted a record first half-year. Demand in the Asia, Pacific and Africa segment was particularly strong. In North America the company gained further market shares and increased sales despite a weaker truck market. Accompanied by a stable development in Europe, first half-year resulted in total sales of €361.9 million (H1 2016: €337.6 million), a plus of 7% yoy. Earnings before interest and taxes (EBIT), adjusted for exceptional items and PPA effects, grew significantly by 18% to €44.3 million (H1 2016: €37.4 million). This positive development was the result of the successful integration of the acquired axles business, further efficiency gains and leverage effects from higher sales. The adjusted EBIT margin rose to 12.2% compared to 11.1% in the previous year.

"Our strong performance in the first half-year confirms our strategic priorities. We increased sales in North America despite declining truck production figures, improved margins in a stable top line environment in Europe and grew significantly in Asia, Pacific and Africa at good margins. This first half-year underscores our target to continue to grow the company and further increase profitability," says Lars Brorsen, CEO of JOST Werke AG. "Since 20 July our shares are listed on the Frankfurt Stock Exchange, opening a new chapter in JOST's 65-year history. With our branded quality products and our investment in future technologies, we are confident to contribute successfully to the increasing sophistication of commercial vehicles."

Segments: Strong growth in Asia, Pacific and Africa

Supported by positive market dynamics on the back of regulatory changes in China as well as a positive contribution from other countries in the region, the APA segment grew significantly with a sales increase of 42% to €71.7 million (H1 2016: €50.6 million). Adjusted EBIT rose by 33% to €10.8 million (H1 2016: €8.1 million).

In North America, sales increased by 5% to €61.6 million (H1 2016: €58.6 million) as a result of further market share gains and a favourable FX (3%) development, despite a cyclically weaker truck production. Adjusted EBIT for the segment rose significantly by 33% to €6.6 million (H1 2016: €5.0 million) due to the successful implementation of efficiency measures and a positive customer mix.

Within a stable top-line environment in Europe (sales reached €228.6 million after €228.4 million in the first half 2016), adjusted EBIT rose by 9% to €25.8 million (H1 2016: €23.6 million), resulting in a margin increase of one percentage point.

Strong cash generation

As a result of its asset light and flexible business model, JOST continued to be very cash generative with 90% cash conversion of adjusted EBITDA to cash flow in the first half 2017. Capex was €5.3 million (only 1.5% of sales) partially due to phasing. Good working capital management resulted in a reduction of net working capital by €5.0 million compared to the first half of 2016 despite growing sales.

Christoph Hobo, CFO of JOST Werke AG, commented: "Our attractive cash generation profile will be even stronger going forward as we were able to significantly reduce our interest costs due to the elimination of a shareholder loan and a refinancing of our existing bank loans at very favourable terms. With the successful capital increase of €132 million as part of the stock listing we moreover significantly strengthened our balance sheet by reducing our debt. This is a strong foundation on which we can execute our growth plans going forward."

JOST confirms optimistic outlook for the year

After a record first half year, JOST looks confidently at the remaining months of 2017. Assuming no major changes to market forecasts and FX effects, the Management Board continues to expect mid-single digit sales growth rates. On the back of margin improvements adjusted EBIT is expected to increase by high-single digit growth rates.

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About JOST:

JOST is a leading global producer and supplier of safety-critical systems to the truck and trailer industry. The Company offers branded quality products clustered in three systems: Vehicle Interface (focusing on products required to operate a commercial vehicle combination of trucks and trailers such as fifth wheels and landing gears), Handling Solutions (including container technology and hydraulic cylinders products) and Maneuvering (focusing on truck and trailer axles and forced steering). As the number one supplier of fifth wheels and landing gears globally, JOST is the market leader for Vehicle Interface systems. JOST's global leadership position is driven by the strength of its brands, by its long-standing client relationships serviced through its global distribution network as well as by its efficient and asset-light business model. The Company's core brands "JOST", "Rockinger", "TRIDEC" and "Edbro" are well-recognized in the industry and highly regarded for their quality and continuous innovation. With its global distribution network and production facilities in thirteen countries across five continents, JOST has direct access to all major truck and trailer manufacturers and relevant end customers. JOST currently employs about 2,700 members of staff worldwide.