NORMA Group Half Year Results 2011

NORMA Group AG
Maintal, 10 August 2011

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Disclaimer

This presentation contains certain future-oriented statements. Future-oriented statements include all statements which do not relate to historical facts and events and contain future-oriented expressions such as “believe”, “estimate”, “assume”, “expect”, “forecast”, “intend”, “could” or “should” or expressions of a similar kind. Such future-oriented statements are subject to risks and uncertainties since they relate to future events and are based on the Company’s current assumptions, which may not in the future take place or be fulfilled as expected.

The Company points out that such future-oriented statements provide no guarantee for the future and that actual events including the financial position and profitability of the NORMA Group AG and developments in the economic and regulatory fundamentals may vary substantially (particularly on the down side) from those explicitly or implicitly assumed or described in these statements.

Even if the actual results for the NORMA Group AG, including its financial position and profitability and the economic and regulatory fundamentals, are in accordance with such future-oriented statements in this presentation, no guarantee can be given that this will continue to be the case in the future.

Highlights of Q2/2011

Sales	€ 145.5 million including organic growth of 13.7% and an acquisitive growth of 7.5% (yoy)
Adjusted EBITA	€ 25.5 million or 17.5% of sales
Equity Ratio	Strong equity ratio at 37.1% following the IPO capital increase
Financing	Successful refinancing and syndicate of banks established Net debt reduced to € 224 million (approximately 2 x adjusted last twelve month EBITDA)
Geographic Expansion	New Facility in Serbia New Facility in Thailand
SDAX Listing	SDAX member as of 20 June 2011
Visibility	New customer wins across all regions and order book close to € 200 million
Increased Guidance for FY 2011	Organic growth* for 2011 between 10% and 12% (previously near 10%) Adjusted EBITA margin near 18.0% (previously in the order of last year's 17.4%)

* Plus acquisitive growth of up to EUR 20 million R.G.Ray and Craig Assembly

Excellent Growth in the First Half of 2011: Record Sales with € 296 million

Sales Development in € million

Sales	2011	2010	Change	Change in %
H1	295.9	230.5	+ 65.4	+ 28.3%
Q1	150.3	106.1	+ 44.2	+ 41.7%
Q2	145.5	124.4	+ 21.1	+ 17.0%

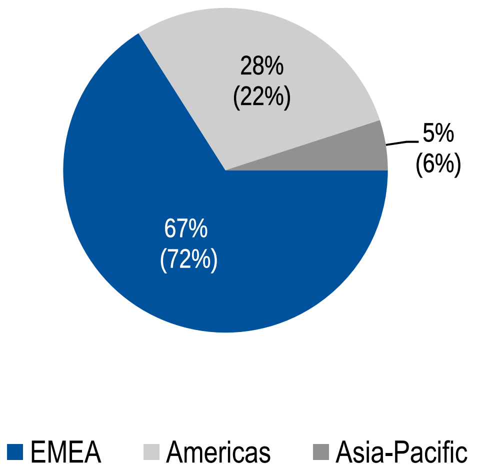
Growth Development

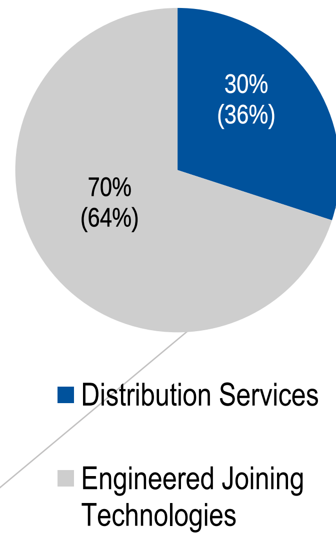
Organic Growth	Acquisitive Growth	Currency Effects
+ 19.9 %	+ 9.7%	- 1.3%
+ 27.1%	+ 12.4%	+ 2.2%
+ 13.7%	+ 7.5%	- 4.2%

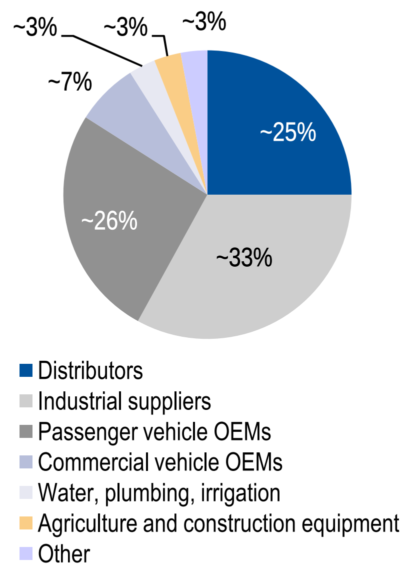
- Strong organic growth of 19.9% in the first half of 2011 achieved
- Fully integrated acquisition of RG Ray and Craig Assembly add 9.7% or € 22.4 million to sales
- Overall growth of 28.3% in the first half despite unfavourable currency effects in Q2/2011 of - 4.2% or - € 5 million

Sales Breakdown

H1/2011 (H1/2010) sales breakdown by reporting segments*	H1/2011 (H1/2010) sales breakdown by way-to-market	FY2010 sales breakdown by end-markets







- NORMA Group's US acquisitions of RG Ray and Craig Assembly increased the share of its reporting segment *Americas* to 28% and its stake of the *EJT* way-to-market to 70% of its total sales
- Reporting segment *Asia-Pacific* recorded direct sales of 5% in H1/2011. The de-facto share including all sales into the *Asian-Pacific* region is estimated at around 9% of our total sales (sales by destination)
- The share of NORMA Group's products to passenger vehicles (~26%) plus indirect sales including aftermarket is estimated at approximately 40% of the total sales

* Split based on reporting segments, not by destination

Positive Sales Development Across All Reporting Segments

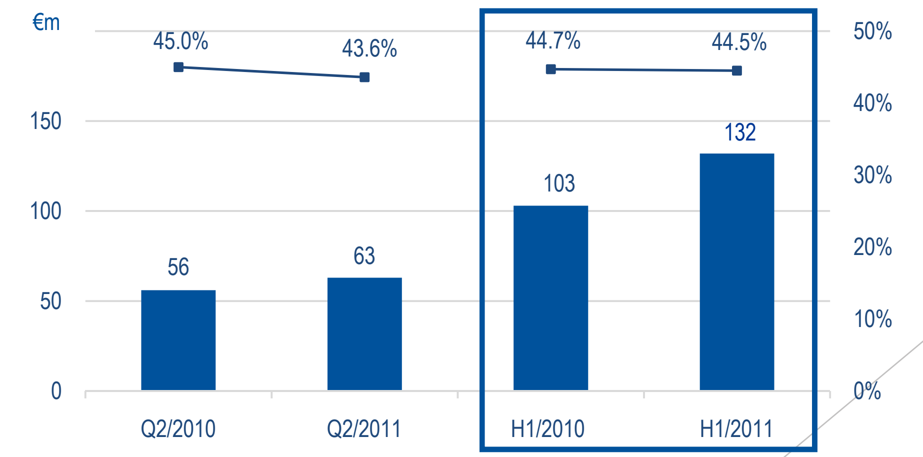
in € million	H1/2011	H1/2010	Change in EUR	Change in %
Sales	295.9	230.5	+ 65.4	+ 28.3 %
EMEA	194.2	165.0	+ 29.2	+ 17.6 %
AMERICAS	85.6	51.5	+ 34.1	+ 66.2 % (including acquisitions)
APAC	16.1	14.0	+ 2.1	+ 15.2 %

in € million	H1/2011	H1/2010	Change in EUR	Change in %
Engineered Joining Technologies	207.3	148.7	+ 58.6	+ 39.4% (including acquisitions)
Distribution Services	89.7	83.2	+ 6.5	+ 7.8%
Other Revenues and Deductions	*- 1,1*	*- 1,4*		

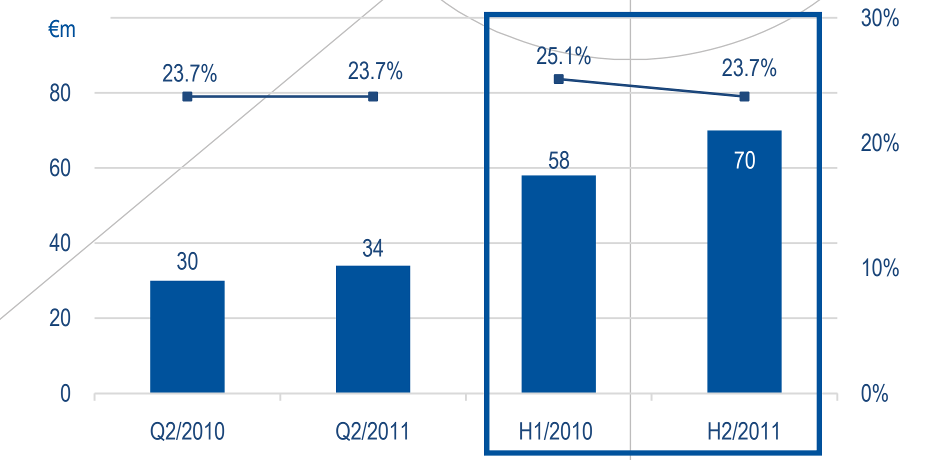
H1/2011 Results and Costs on Target

- Cost ratios improved by Global Excellence program and sales growth
- OPEX temporarily affected by setting up new functions in context of listing
- Adjusted EBITA stable - despite headwind from EURO and material costs

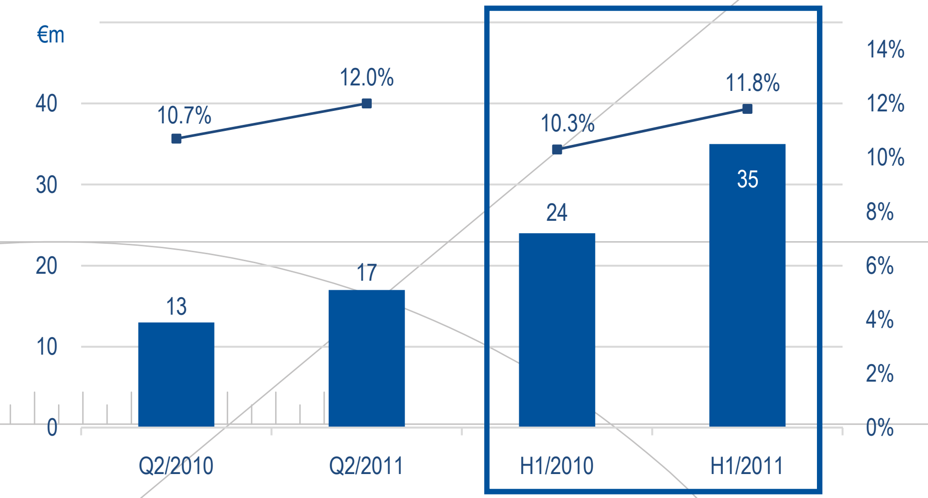
Material Costs



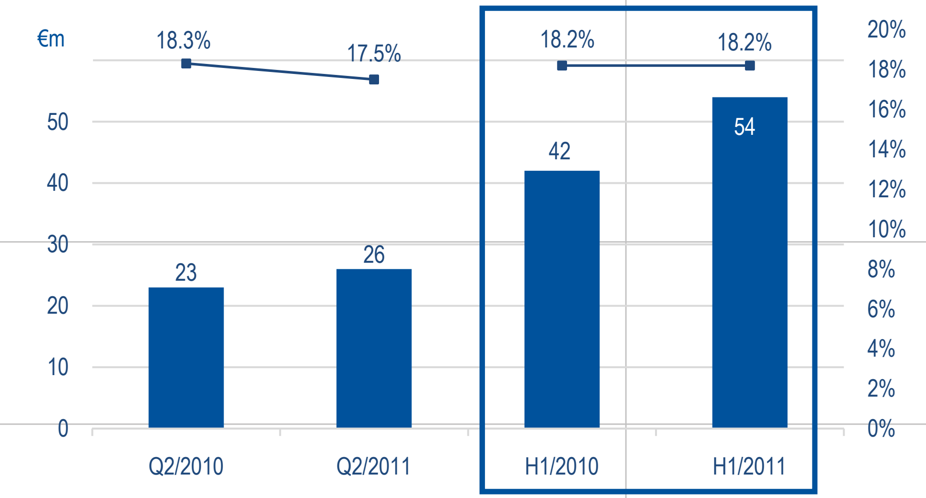
Adjusted Personnel Expenses



Adjusted Other Operating Income and Expenses



Adjusted EBITA



Overview on Adjustments

in € million	Q1/2011	Q2/2011	H1/2011	FY 2010
Reported EBITA	12.1	23.2	35.3	64.9
+ Restructuring Costs	0.7	-	0.7	1.3
+ Non-recurring/non-period-related items*	14.6	2.0	16.6	15.5
+ Other group and normalized items	0.2	-	0.2	0.7
+ PPA depreciation	0.8	0.3	1.1	3.0
Adjusted EBITA	28.4	25.5	53.9	85.4
+ Depreciation (excluding PPA depreciation)	3.6	3.1	6.7	13.8
Adjusted EBITDA	32.0	28.6	60.6	99.2

* mostly IPO related costs in 2010/2011

IPO Capital Increase Strengthened the Balance Sheet

IPO Capital Increase		
Total Volume	€ 147 million from Capital Increase from 7 million new shares	
Use of Proceeds	Repayment of € 54 million mezzanine debt, € 12 million shareholder loan and further reduction of existing debt to strengthen NORMA Group's financial flexibility	
	30 June 2011	*31 December 2010*
Equity Ratio	37.1% (€ 228.5 m)	13.5% (€ 78.4 m)
Net Debt	€ 223.9 m	€ 344.1 m
Net Debt / Adjusted last twelve month EBITDA	approx. 2.0 x	approx. 3.5 x
Gearing (Net Debt / Equity)	1.0 x	4.4 x
Refinancing	Comprehensive new refinancing scheme with a credit facility consisting of a term debt of € 250 million until 2016 and a revolving credit facility of €125 million = € 375 million	
Syndication	In July 2011, NORMA Group's term debt and its revolving credit facility have been successfully syndicated by 15 financial institutions.	

- Solid Balance Sheet as Basis for Funding further Expansion and Acquisitive Growth

Positive Effects of the IPO Visible on Balance Sheet

(all amounts in € million)	30 June 2011	31 Dec 2010
Assets		
Non-current assets		
Goodwill	216.4	221.7
Other intangible assets	71.1	79.3
Property, plant and equipment	96.8	89.4
Other and derivative financial assets	0.6	0.4
Income tax assets	2.4	2.4
Deferred income tax assets	6.0	6.0
	393.3	399.2
Current assets		
Inventories	68.1	64.7
Other non-financial assets	9.5	9.2
Income tax assets	7.8	4.9
Trade and other receivables	100.3	70.3
Cash and cash equivalents	36.2	30.5
	221.9	179.5
Total assets	615.2	578.8

(all amounts in € million)	30 June 2011	31 Dec 2010
Equity and liabilities		
Equity		
Subscribed capital	31.9	0.1
Capital reserves	212.3	96.7
Other reserves	-1.3	-1.4
Retained earnings	-14.8	-20.1
Equity attributable to shareholders	228.0	75.3
Non-controlling interests	0.4	3.1
Total equity	228.5	78.4
Non-current and current Liabilities		
Retirement benefit obligations	8.9	9.1
Provisions	12.7	7.8
Borrowings and other financial liabilities	255.3	369.0
Other non-financial liabilities	21.9	21.8
Tax liabilities and derivative financial liabilities	38.7	44.4
Trade payables	49.2	48.3
Total liabilities	386.7	500.4
Total equity and liabilities	615.2	578.8

Significant Adjusted Operating Net Cash Flow Improvement

Adjusted operating net cash flow			
in € million	H1/2011	H1/2010	FY 2010
Adjusted EBITDA*	60.6	48.5	99.2
Δ ± Working capital	- 32.4	- 37.7	- 26.4
Adjusted operating net cash flow before investments from operating business	28.2	10.8	72.8
Δ ± Investments from operating business	- 18.0	- 6.5	- 21.1
Adjusted operating net cash flow	10.2	4.3	51.7

- Adjusted operating net cash flow significantly increased by € 17 million to a total of € 28 million before investments form operating business
- Higher adjusted EBITDA and less working capital consumption as major positive factors
- Investments for further expansion of business activities (e.g. opening of Serbia + Thailand plant)

* adjustments of EBITDA on 2011 mostly relate to IPO costs and other non-recurring / nonperiod related items

Proven Business Model Addressing Key Megatrends

NORMA Group products	Specific customer requirements driven by megatrends

NORMACLAMP®

NORMACONNECT®

NORMAFLUID®

- Emission reduction
- Leakage reduction
- Weight reduction
- Space reduction
- Modularisation
- Assembly time reduction / ease of assembly
- Product availability / local presence

Guidance for FY2011 Increased

	FY 2010	Old Guidance 2011	New Guidance 2011
Sales	€ 490 million	Organic growth of 10% + € 20 million from acquisitions (€ ~560 million)	Organic growth of 10% - 12% + € 20 million from acquisitions (€ ~560 million to € 570 million)
Adjusted EBITA Margin	17.4%	17.4%	near 18.0%

- We expect **organic growth for the financial year 2011 between 10% and 12%** (previously in the order of near to 10%)*
- On top, the consolidation of the Group's two US acquisitions, R.G.Ray and Craig Assembly, will result in **additional sales of € 20 million** in 2011 (US dollar depending) as compared with the previous year.
- The Group is aiming to achieve an adjusted **EBITA ratio near 18.0%** (previously in the order of 17.4%)**
- The Global Excellence Program and other measures for **increasing productivity** will back this profit margin.

* provided the global economic development continues unchanged and the euro does not get any stronger against NORMA Group's trading currencies – particularly the US dollar

** adjusted for one-off expenses in the first quarter of 2011 resulting from the integration of our US acquisitions and adjusted for one-off expenses related to the IPO in the first half of the year, as well as full-year adjustments resulting from purchase price allocations for intangible assets. This forecast assumes that the price of materials will develop in-line with the trend established in the first half of the year.

Appendix

NORMA Group – Key Investment Highlights

1	Market leader in attractive engineering niche markets with strong growth prospects
2	Premium pricing through technology and innovation leadership in mission-critical components
3	Enhanced stability through broad diversification across products, end-markets and regions
4	Two distinct ways-to-market providing unique customer access and market intelligence
5	Significant growth and value creation opportunity through synergistic acquisitions
6	Proven track record of operational excellence

NORMA Group Provides Mission-Critical Products and Solutions with Clear Added-Value

A world without NORMA Group

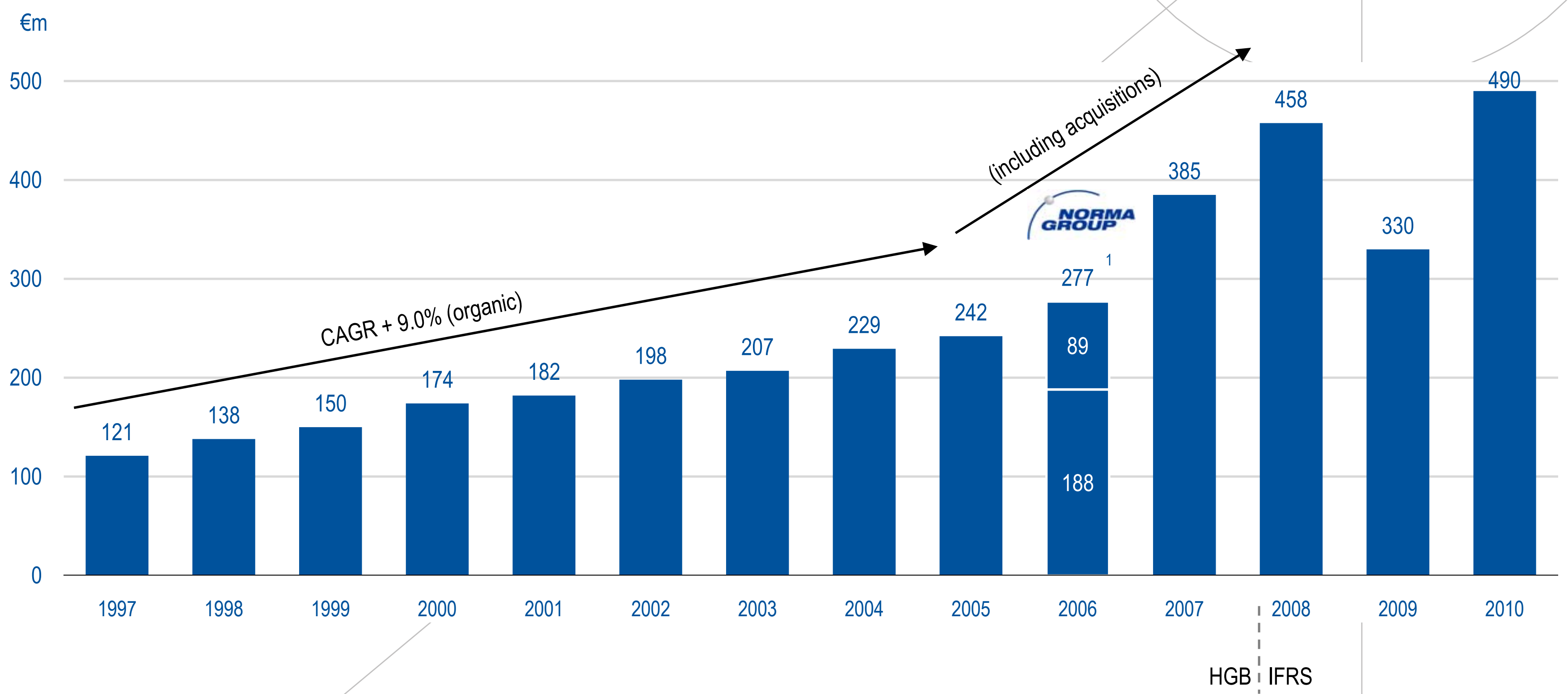
Customer impact

- Reputation loss
- Image loss
- Warranty costs
- Non-compliance with legal requirements/regulations

Loss of end-customers

Historic Organic Growth Track Record

Historic revenue development (1997 – 2010)



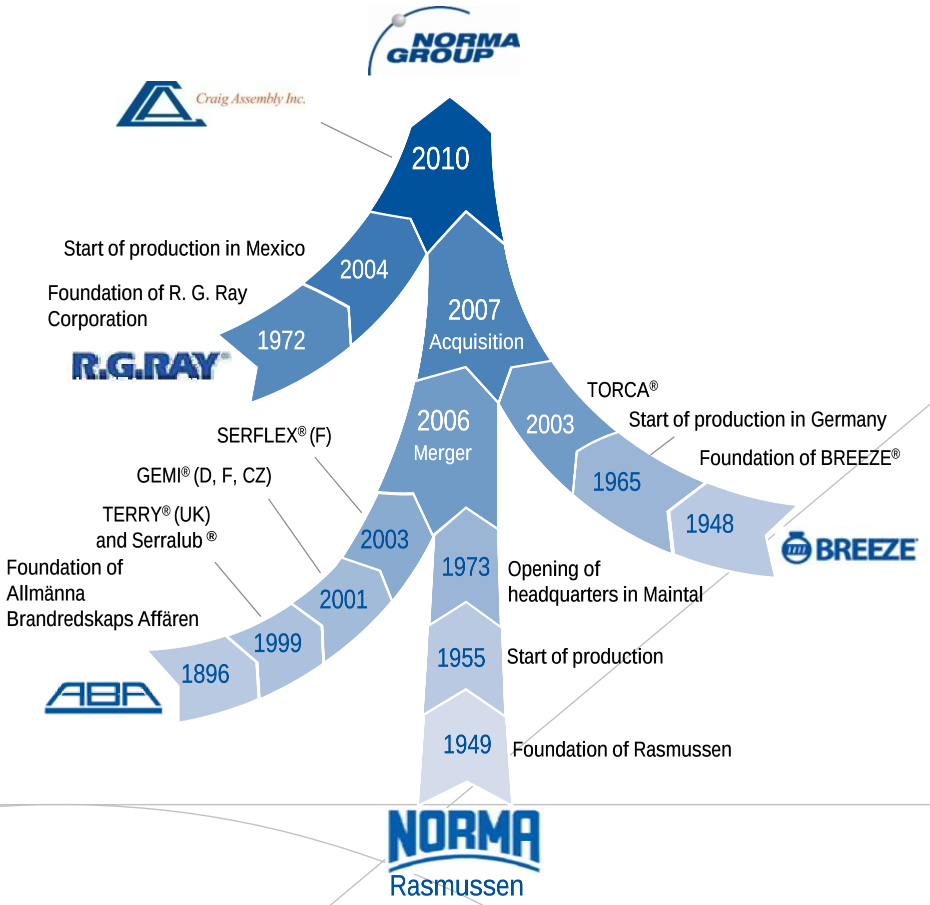
Rasmussen as the predecessor of the NORMA Group has shown a solid historical organic growth of 9.0% between 1997 and 2005. With the formation of the new group, NORMA Group switched gears into acquisition mode following the merger with ABA in 2006

1 NORMA Old pro forma stub financial year 1.1.-30.4.2006 (€89m) and NORMA New pro forma stub financial year 1.5.-31.12.2006 (€188m; including ABA for the period 17.11.-31.12.2006)

Source: Rasmussen GmbH consolidated financial statements for 1997-2005 (German GAAP); DNL 1. Beteiligungsgesellschaft mbH pro forma consolidated financial statements for 2006 and consolidated financial statement for 2007 (German GAAP); NORMA Group GmbH IFRS consolidated financial statements for 2008, 2009 and 2010

Significant Growth and Value Creation Opportunity through Synergistic Acquisitions

Taken advantage of market fragmentation

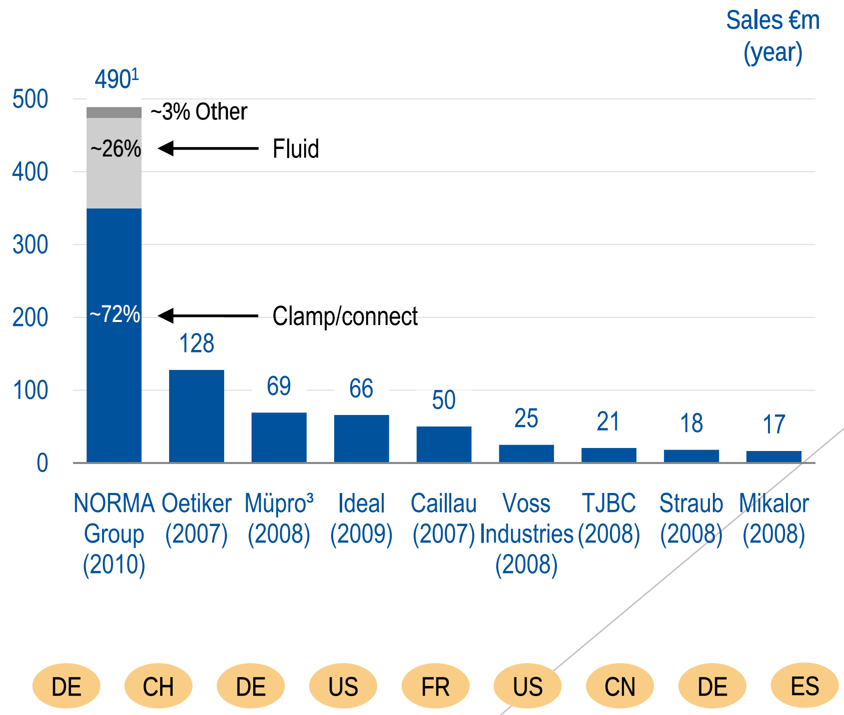


Focus on operational excellence

- "Global Excellence" program
  - Continuous focus on optimisation of cost structure
  - Significant cost savings achieved in 2010, with higher cost saving potential identified for 2011
- Manufacturing footprint substantially streamlined and optimised since 2007
  - Closure of 13 sites, mainly in the US and EMEA
  - Foundation/acquisition of 7 new sites, mainly in high growth markets

Convincing Growth Prospects

Clear global market leader in clamp/connect[2]



Excellent growth outlook across end-markets

(2010-15 CAGR)	End-market production unit growth	Joining technology market growth
Passenger vehicles	+6%	9%
Commercial vehicles	+6%	10%
Agricultural equipment	+1%	3%
Construction equipment	+13%	15%
Engines[4]	+5%	9%
White goods[5]	+5%	5%
Drainage systems[6]	+6%	6%

- NORMA Group expects to grow even faster than its end-markets

Note: Non-EUR sales converted using average exchange rates of the respective year. Use of different financial years for companies shown above may impact comparability
1 €490m refers to 2010 revenue. Split is based on third party gross revenue as per management accounts
2 Chart does not include competitors in fluid segment
3 Sales based on filing from Secura Industriebeteiligungen, which owns 100% in Müpro
4 Includes engines for industrial, power generation, marine and lawn and garden use
5 Includes only dishwashers and home laundry appliances
6 Construction / infrastructure / water management

Premium Pricing through Technology and Innovation Leadership in Mission-Critical Components

Mission-criticality: Small relative cost – high impact

Example: Harvester	Approx. value of joining technology content
Cooling water	c. € 21-26
Charged air	c. € 20-25
Fuel and oil system	c. € 49-60
Exhaust system	c. € 62-101
Standard clamps and connectors	c. € 36-44

Total
c. € 188-256
(< 0.1%)

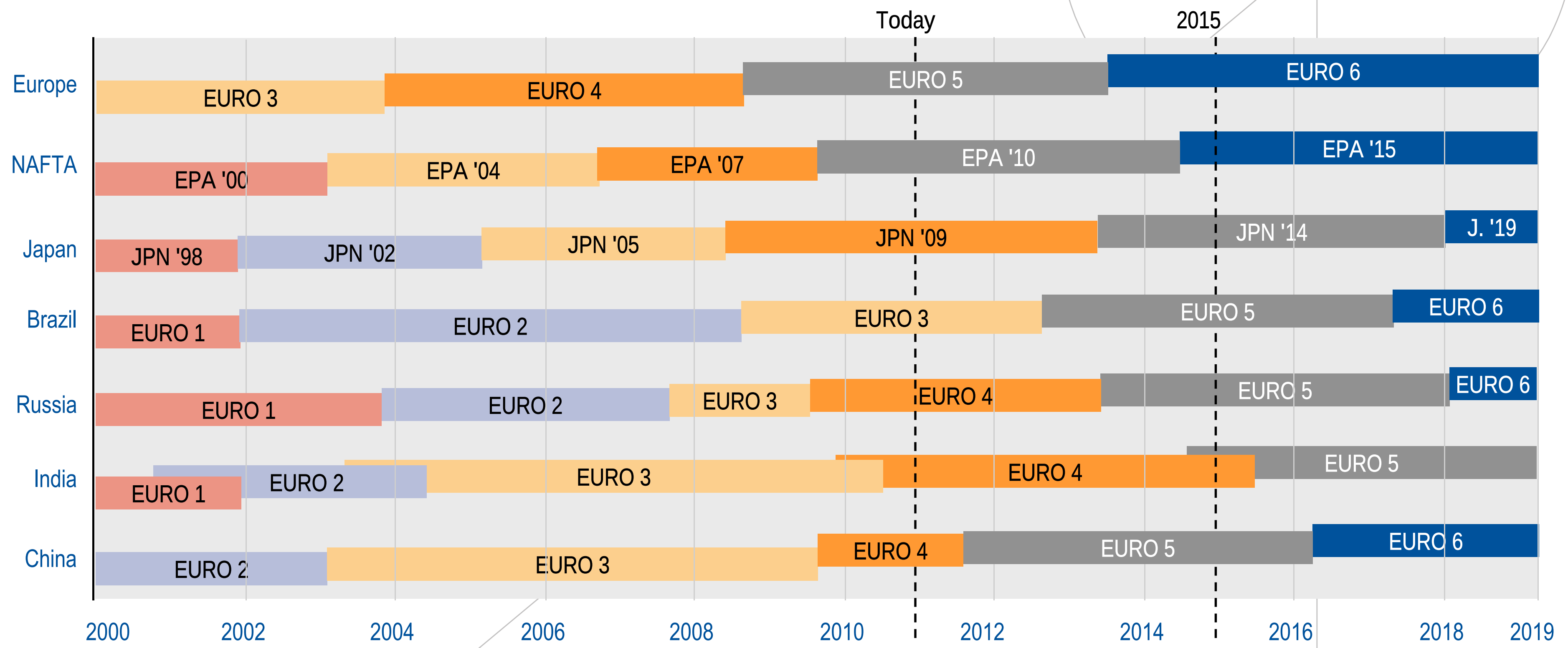
↔

Price of harvester:
€ 350,000

Ability to achieve premium pricing

- Basis for premium pricing:
  - Market leadership
  - Technology
  - Quality
  - Innovation
  - Tailor-made solutions
- High switching costs for customers
  - Savings potential for customer mismatches risk of switching supplier

Tighter Emission Regulations Drive Increased Joining Technology Content



- Environmental awareness continues to drive tightening emission regulations globally
- Increasingly tighter emission regulations, including in emerging markets
- Low-emission alternatives require significantly higher joining technology content at a substantially increased complexity compared to existing/past technologies

Note: Chart shows emission regulation roadmap for passenger vehicles
Source: DieselNet, NORMA Group

Enhanced Stability through Broad Diversification Across Products, End-Markets and Regions

Examples of NORMA Group's key end-markets

Engines

Commercial vehicles

Construction / infrastructure / water management

Passenger vehicles

Construction equipment

Agricultural equipment

Shipbuilding

White goods

Wholesalers

Technical distributors

- More than 35,000 products, manufactured in 17 locations and sold to more than 10,000 customers in 80+ countries
- Presence in China, India, Russia, Brazil and South Korea already established
- Top 5 customers account for only ~18% of 2010 sales

Note: Split based on third party gross revenue as per management accounts

Good Balance in the Two Distinct Ways-to-Market

Unique business model with two distinct ways-to-market

- Significant economies of scale in production
- Close contact to international EJT customers
- Knowledge transfer from EJT to DS

Engineered Joining Technology (EJT) ~70% of H1/2011 sales[1]	Distribution Services (DS) ~30% of H1/2011 sales[1]
Innovation and product solution partner for customers, focused on engineering expertise **with high value-add**	**High quality, branded and standardised joining products** provided at competitive prices to broad range of customers

EJT:
- Customised, engineered solutions
- Over 250 innovations patented, >100 applications pending
- B2B

DS:
- High quality, standardised joining technology products
- B2C

NORMA Group Management Team

Werner Deggim
Chief Executive Officer

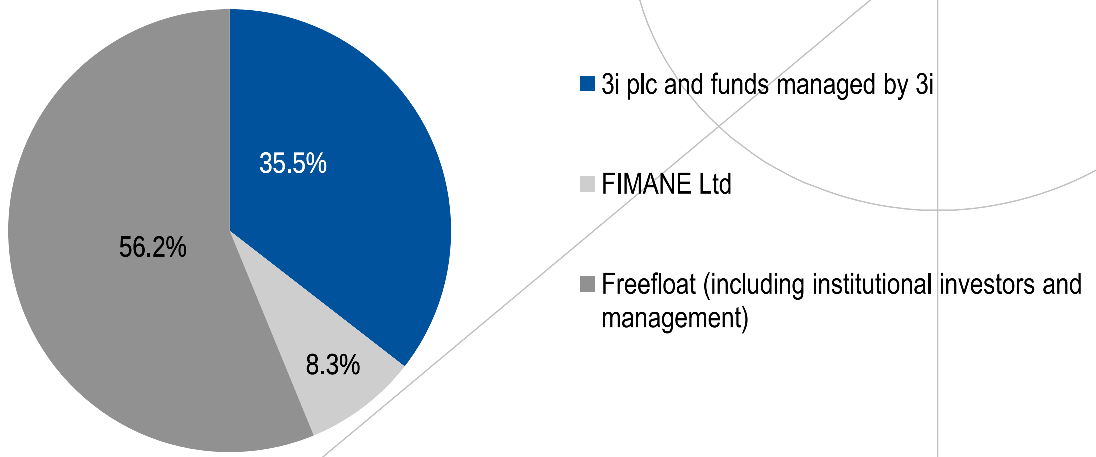
Dr. Othmar Belker
Chief Financial Officer

Bernd Kleinhens
Sales & Business Development

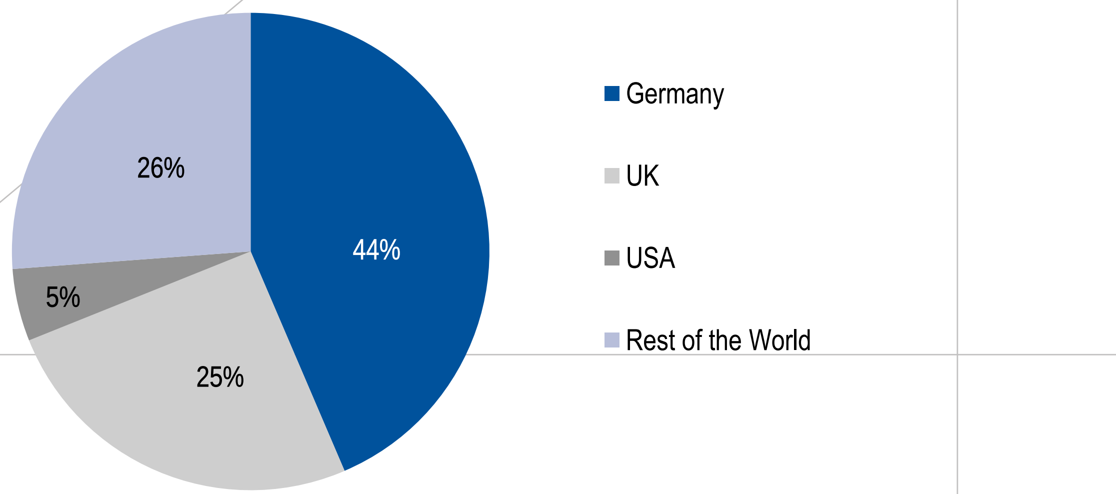
John Stephenson
Chief Operating Officer

Shareholder Structure

Split by investors



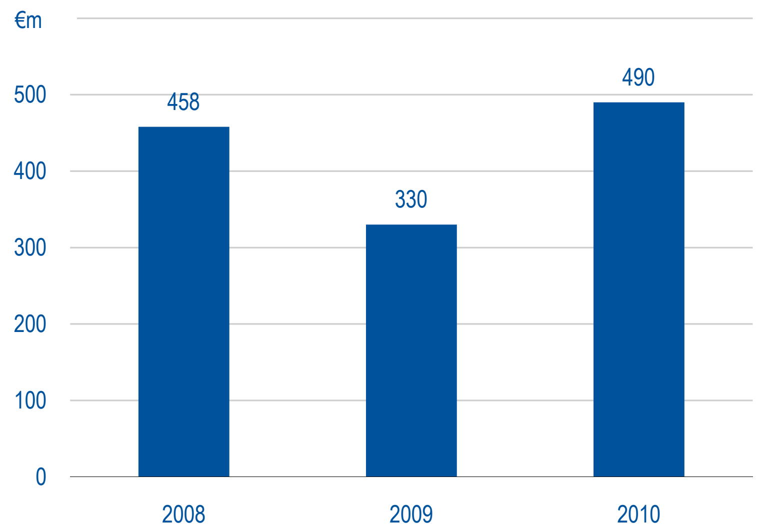
Free float split by regions*



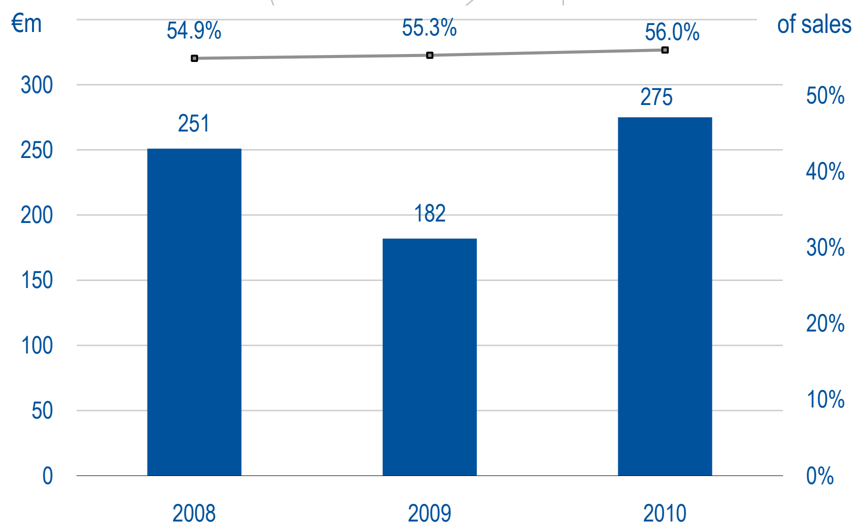
* Source: Share register as of June 30th, 2011

Continuation of Growth Track after Successful Management of the Economic Downturn in 2009

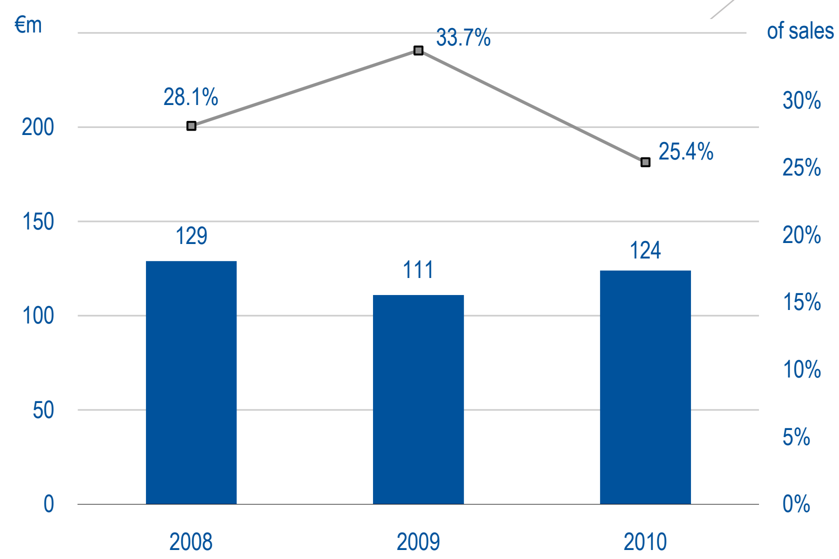
Revenue



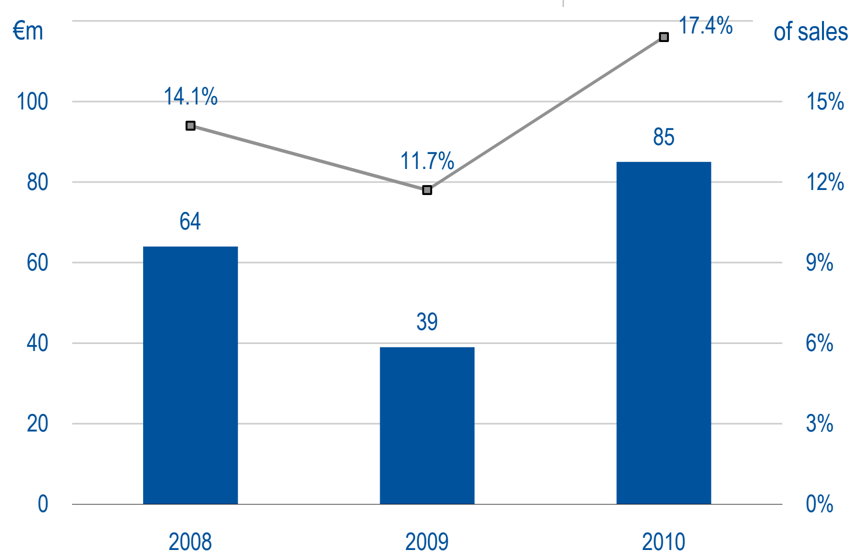
Gross profit



Personnel expenses

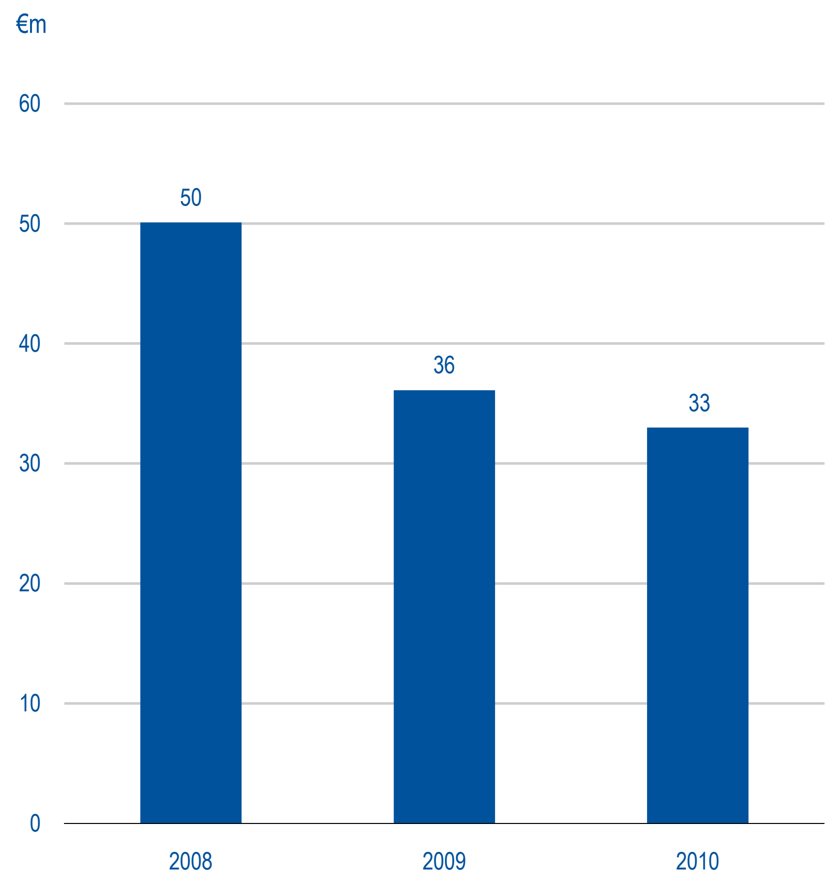


Adjusted EBITA

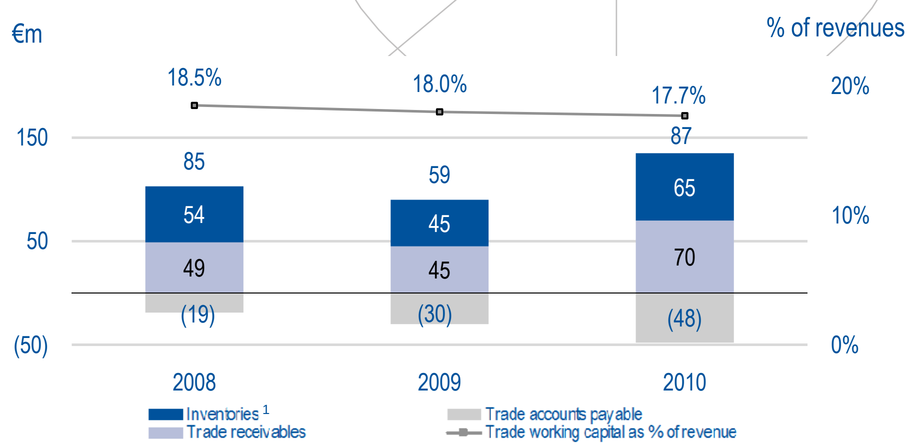


Pro-active FCF Management to be Continued

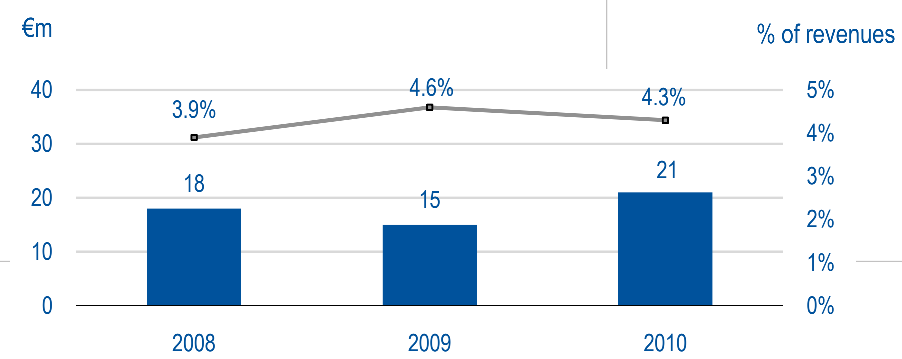
Operating free cash flow (FCF)



Trade working capital



Capex



1 Including non-trade inventories, eg spare parts
Source: NORMA Group GmbH IFRS consolidated financial statements 2008, 2009 and 2010

Strong Growth and Strict Cost Management Lead to Stable Margin Development

Adjusted[1] EBITA and EBITDA

in € million	H1/2011	percent of revenue	H1/2010	percent of revenue
Revenue	295.9	100%	230.5	100%
Changes in inventories of finished goods and work in progress	1.2		2.6	
Raw materials and consumables used	- 131.6		-103.1	
Gross profit	165.5	55.9%	130.0	56.4%
Adjusted other operating income and expenses	-34.8		-23.7	
Adjusted employee benefit expenses	-70.2		-57.9	
Adjusted EBITDA	60.6	20.5%	48.5	21.0%
Depreciation without PPA depreciation	- 6.7		-6.4	
Adjusted EBITA	53.9	18.2%	42.1	18.2%
Amortisation without PPA amortization	-1.4		-1.0	
Adjusted operating profit (EBIT)	52.5	17.7%	41.1	17.8%
Adjusted financial costs – net	-10.8		-6.7	
Adjusted profit before income tax	41.7	14.1%	34.4	14.9%
Adjusted income taxes	-11.5		-5.5	
Adjusted profit for the quarter	30.2	10.2%	28.9	12.5%

1 Adjusted for one-off expenses in the first quarter of 2011 resulting from the integration of our US acquisitions and adjusted for one-off expenses related to the IPO in the first half of the year, as well as full-year adjustments resulting from purchase price allocations for intangible assets

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