

NORMA Group Third Quarter Results 2014

Maintal, 5 November 2014

Highlights Q3 2014

Sales	Sales at EUR 165.5 million resp. +3.5% y-o-y (Q3 2013: EUR 159.9 million) Third quarter with organic growth of 2.4% (acquisitions +0.9%; FX +0.2%)
EBITA	Adjusted EBITA of EUR 29.2 million resp. +1.3% y-o-y (Q3 2013: EUR 28.8 million)
Margin	Adjusted EBITA margin on a strong level of 17.6% of sales (Q3 2013: 18.0%)
Equity	Equity ratio at a record high of 47.2%
Net Debt	Net debt* of EUR 149 million slightly higher compared to EUR 138 million per year end 2013 despite dividend payment of EUR 22.3 million
M&A	NORMA Group acquires 100% of National Diversified Sales Inc. (NDS), Woodland Hills, CA, USA
Guidance	Guidance 2014 confirmed

* excludes non cash / non P&L derivative financial liabilities of EUR 18.2 million

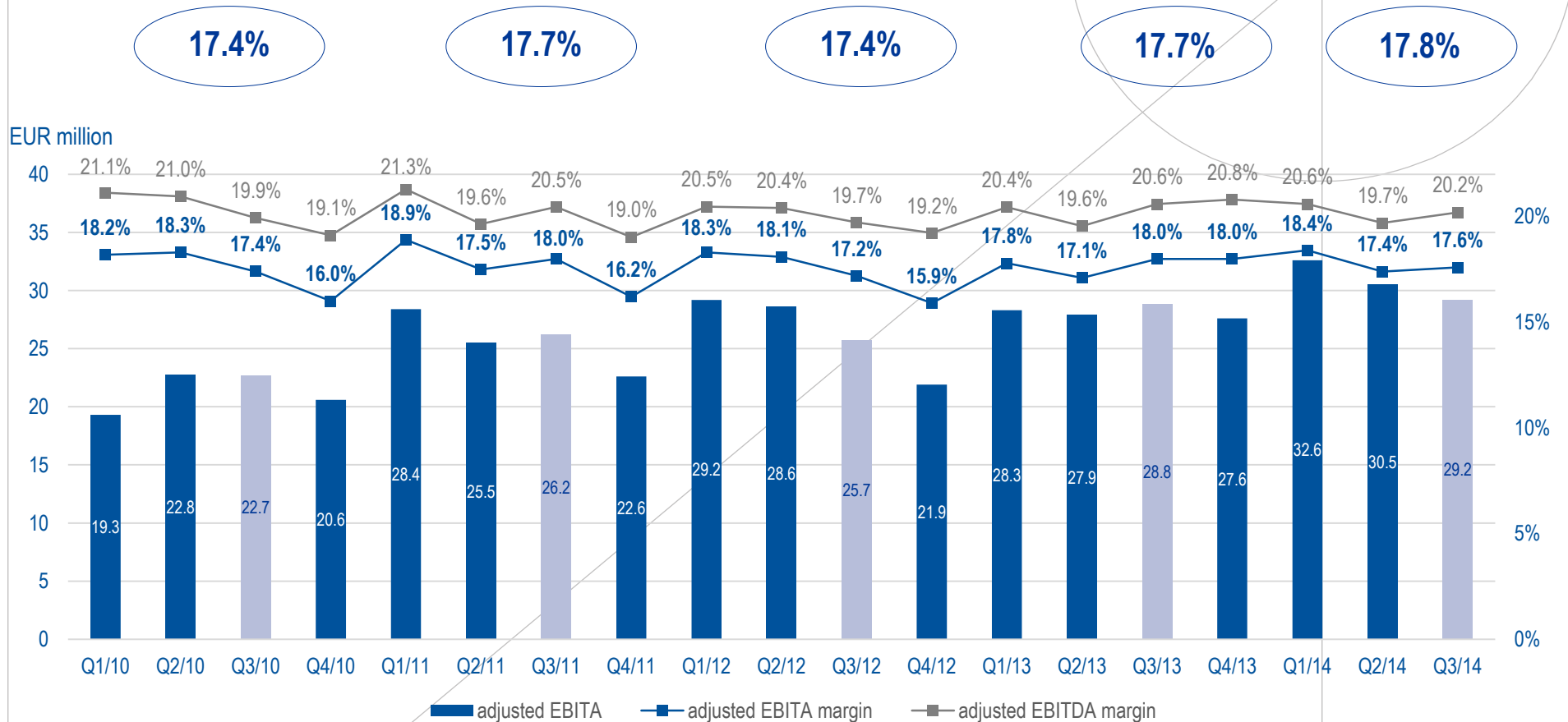
Strong Q1-3 2014 confirms Full Year Guidance

Sales Development in EUR million

Sales	2013	2014	Change	Change in %	thereof organic	thereof acquisitions	thereof currency
Q1	159.3	177.8	+18.5	+11.6%	+12.6%	+1.6%	-2.6%
Q2	163.5	175.2	+11.7	+7.2%	+8.0%	+1.9%	-2.8%
Q3	159.9	165.5	+5.6	+3.5%	+2.4%	+0.9%	+0.2%
Q1-3	482.7	518.5	+35.8	+7.4%	+7.7%	+1.5%	-1.7%

- Solid organic growth of 7.7% confirms guidance of 4% - 7% for the full year 2014
- Decreasing growth rates through the quarters as expected due to higher comparables in the previous year
- Currency headwinds from first half year fortunately stopped in Q3 2014

Nineteen Quarters of Sustainable Margin Development



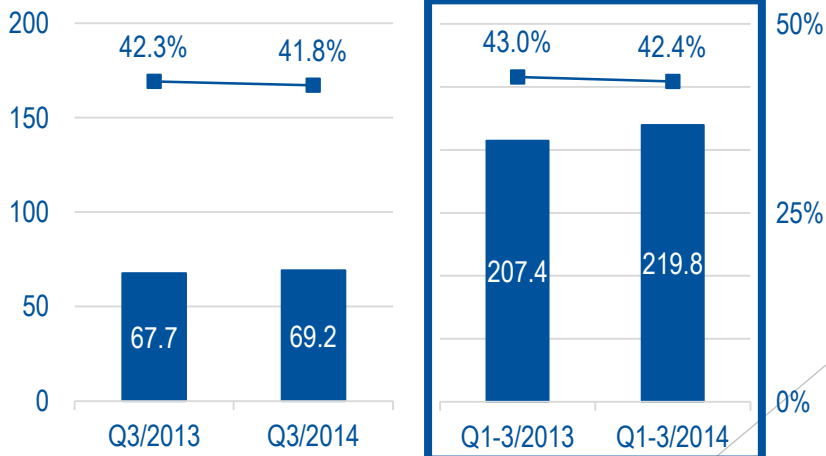
- Again an excellent quarter with EBITDA > 20% and EBITA > 17%
- Q1-3 2014 EBITA margin on very high level of 17.8%

Good Margin Trend despite Costs for Expansion in China & Brazil as well as Plant Closing in Italy

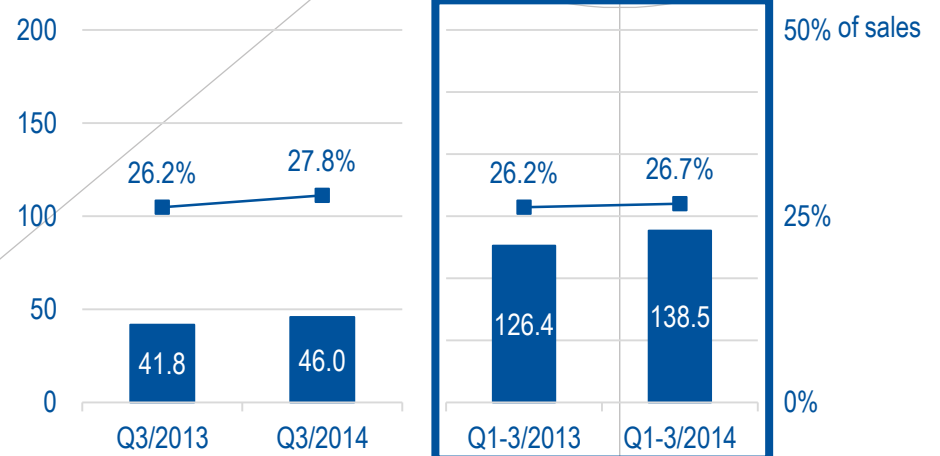


- Excellent material costs ratio in Q3 2014 as well as Q1-3 2014
- Personnel expenses for permanent employees in 2014 slightly higher due to acquisitions and plant closure
- Transaction costs for NDS acquisition of EUR 1.4 million are excluded and adjusted

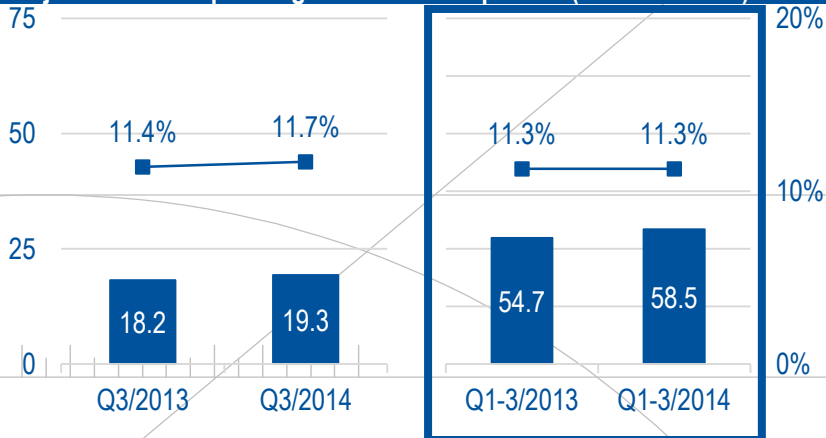
Material Costs (in EUR million)



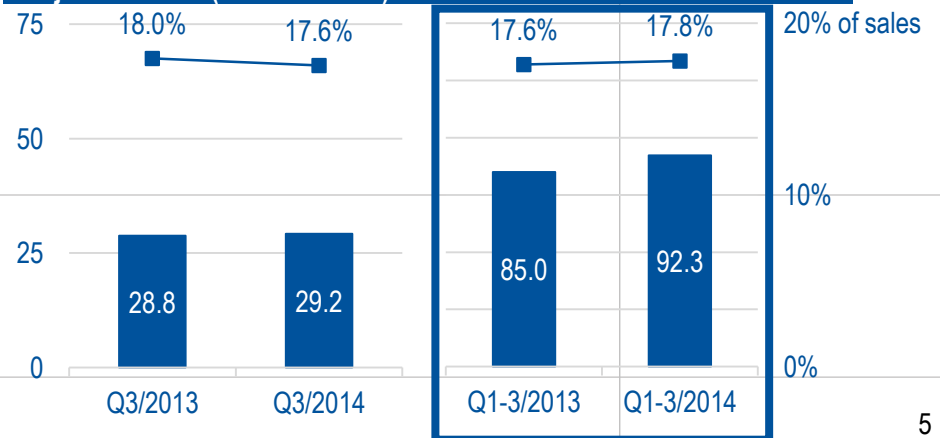
Personnel Expenses (in EUR million)



Adjusted Other Operating Income and Expenses (in EUR million)



Adjusted EBITA (in EUR million)



First operational Adjustment since the IPO due to Successful Large Acquisition of NDS



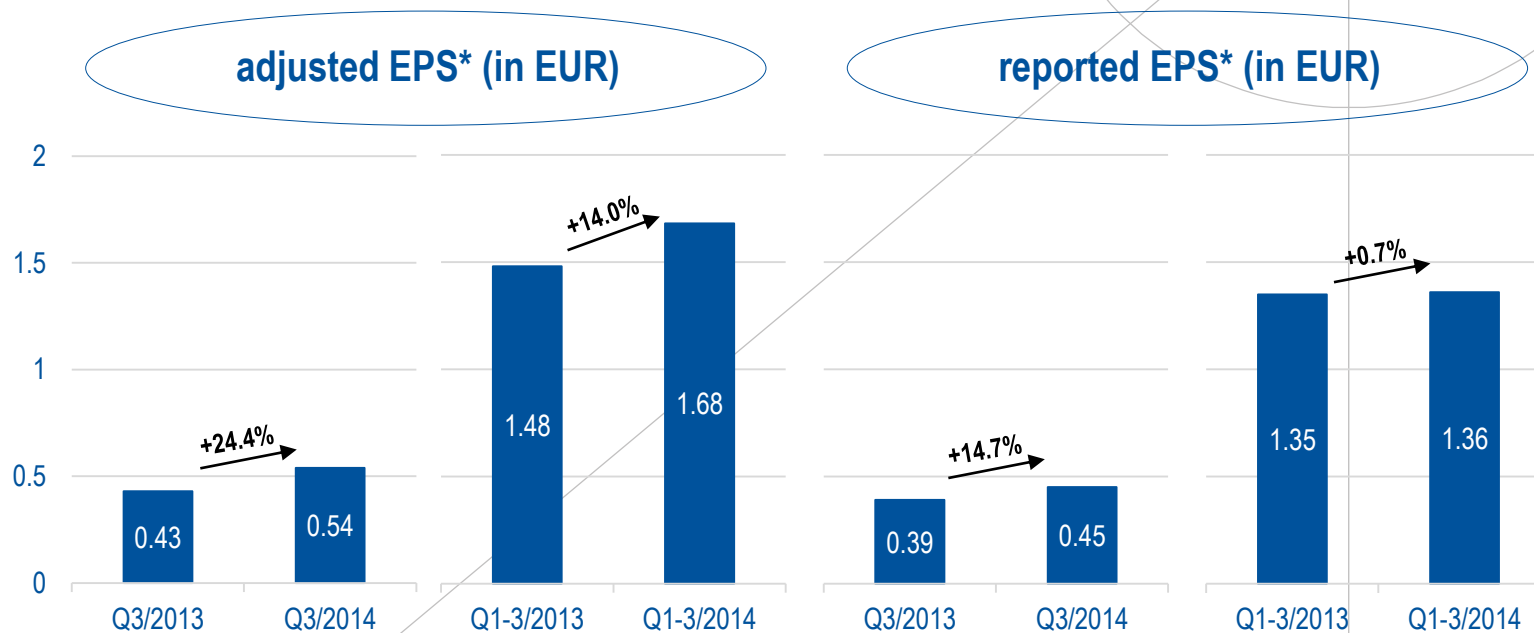
- Costs for new plants in China and Brazil as well as plant closure in Italy are not adjusted
- Financial result adjusted by one-off costs due to favourable repayment of SFA in January 2014

in EUR million	adjusted	PPA adjustments	reported
Sales	518.5	0	518.5
EBITDA	104.6	1.5 (M&A adjustments)	103.1
EBITDA margin	20.2%		19.9%
EBITA	92.3	2.4 (incl. EUR 0.9 million depreciation PPA)	89.9
EBITA margin	17.8%		17.4%
EBIT	88.3	9.0* (incl. EUR 6.6 million amortization PPA)	79.3
EBIT margin	17.0%		15.3%
Financial result	9.6	5.4 (Partial SFA repayment in January 2014)	15.0
Net Profit	53.7	10.5 (Post tax impact)	43.2
Net Profit margin	10.4%		8.3%
EPS (in EUR)	1.68	0.32	1.36

* total PPA adjustments for 2014 at approx. EUR 10 million (plus NDS for November / December)

Strong Development of adjusted EPS in Q1-3 2014

- Excellent growth by 24.4% for adjusted EPS Q3 2014
- Stable reported EPS Q1-3 2014 including historic PPA and transaction costs for NDS



net income in EUR million	Q3/2013	Q3/2014	Q1-3/2013	Q1-3/2014	Q3/2013	Q3/2014	Q1-3/2013	Q1-3/2014
	13.7	17.1	47.1	53.7	12.5	14.3	42.9	43.2

* based on number of shares of 31.9 million

Solid Operating Net Cash Flow

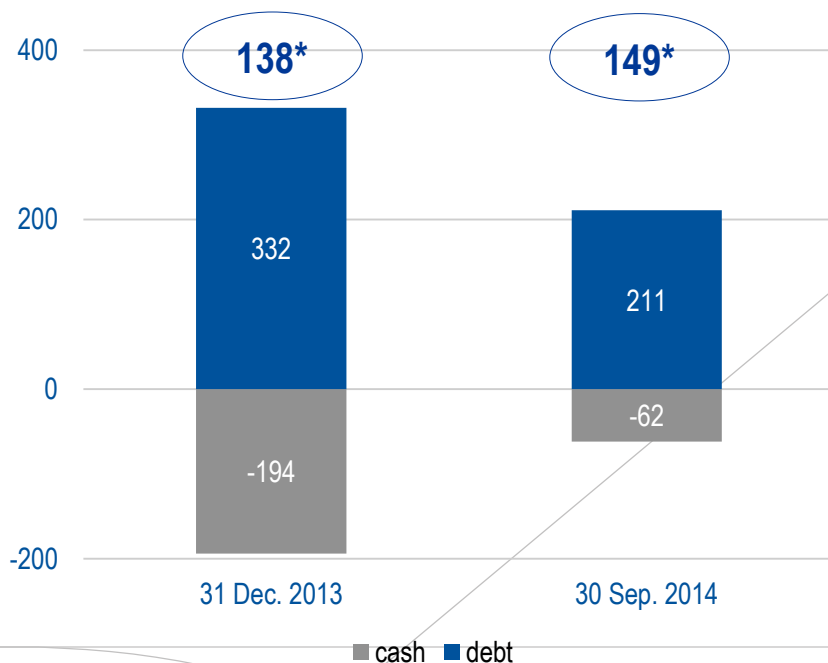
Operating net cash flow			
in EUR million	Q1-3/2013	Q1-3/2014	Variance
EBITDA	97.5	104.6	+7.3%
Δ ± Working capital	-8.7	-19.5	+123.5%
Operating net cash flow before investments from operating business	88.8	85.1	-4.2%
Δ ± Investments from operating business	-16.0	-23.8	+22.1%
Operating net cash flow	72.8	61.3	-15.8%

- Operating net cash flow before investments slightly lower due to growth-related working capital consumption from the excellent growth
- Capex spending increased to EUR 23.8 million mainly due to new plants in China and Brazil

Net Debt, Financing and Equity Ratios

- Net debt only slightly up despite dividend payment of EUR 22.3 million in May 2014
- Repayment of EUR 101.4 million SFA in January 2014 funded by low interest rate promissory note
- Record equity ratio and very solid debt ratios allow for NDS acquisition

Net Debt (in EUR)



Equity Ratio

	30.09.2014	31.12.2013
Equity Ratio (Equity / Balance Sheet Total)	47.2%	38.8%

Debt Ratios

excluding derivatives*	30.09.2014	31.12.2013
Leverage (net debt* / adjusted LTM EBITDA)	1.1 x	1.1 x
Gearing (net debt* / equity)	0.4 x	0.4 x

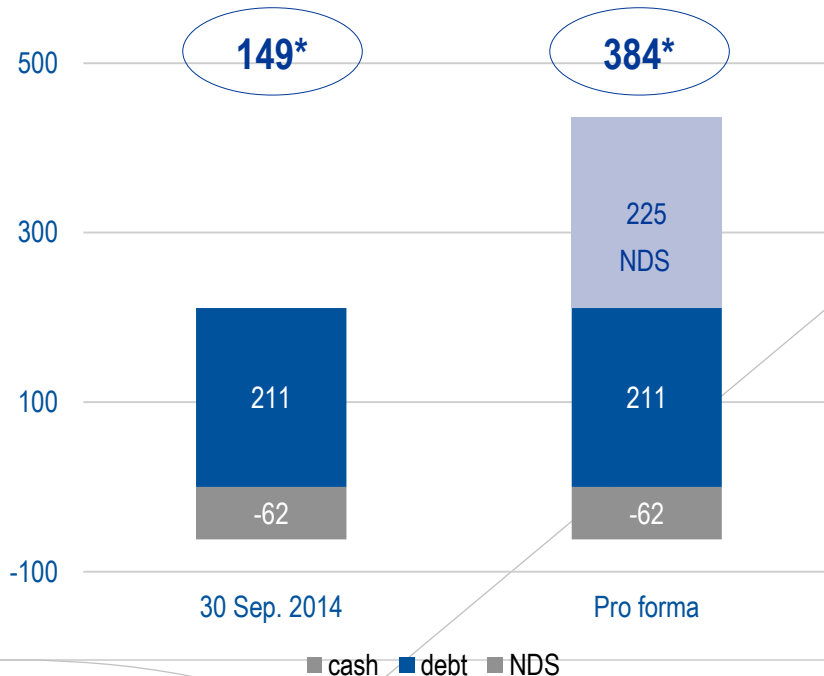
* excludes non cash / non P&L derivative financial liabilities of EUR 18.2 million (31.12.2013: EUR 15.3 million): including leverage = 1.2 x; gearing = 0.5x

Net Debt, Financing and Equity Ratios incl. Pro Forma NDS Acquisition



- Acquisition of NDS adds approx. EUR 225 million debt
- Equity and debt ratio incl. NDS back to IPO levels
- Record equity ratio and very solid debt ratios allow for NDS acquisition

Net Debt (in EUR)



Equity Ratio

	30.09.2014	Pro forma
Equity Ratio (Equity / Balance Sheet Total)	47.2%	> 36%

Debt Ratios

excluding derivatives	30.09.2014	Pro forma
Leverage (net debt / adjusted LTM EBITDA)	1.1 x	< 2.5 x
Gearing (net debt / equity)	0.4 x	~ 1.2 x

* excludes non cash / non P&L derivative financial liabilities of EUR 18.2 million (31.12.2013: EUR 15.3 million)

Outlook 2014 – Company Guidance

Sales

Solid organic growth of approx. 4% to 7%, plus approx. EUR 20 million from recent acquisitions (incl. NDS of up to EUR 12 million for November and December 2014)

EBITA margin

Sustainable margin level as in previous years of more than 17%

Financial Result

Up to EUR 20 million including one-off effect of partial repayment of the syndicated credit line and financing from acquisitions

Dividend

Approx. 30% to 35% of Group adjusted net profit

NORMA Group after NDS acquisition

NDS serves Three Main Application Areas

Stormwater management



- When not permeating properly into the ground, stormwater can lead to severe damage of building foundations and water pollution
- To avoid environmental effects, regulation forces municipalities, businesses and homeowners to implement stormwater management systems

NDS products

NDS provides solutions to collect water and efficiently lead it into municipal water systems

Efficient landscape irrigation



- Increasing fresh water demand due to growing population
- High degree of water wasting due to aging and leaking water infrastructure (especially in the USA)
- Efficient usage of the scarce resource water especially in dry regions

NDS' innovative drip irrigation systems lead to water saving of up to 50% compared to traditional spray irrigation

Flow management



- Construction activity demands for reliable products to control the water flow
- Through the acquisition of KBI's PVC business in December 2012 NDS expanded its suite of flow management systems

NDS provides products to guarantee a leakage-free flow of water in different water systems

Successful Acquisition Track Record Continues with NDS

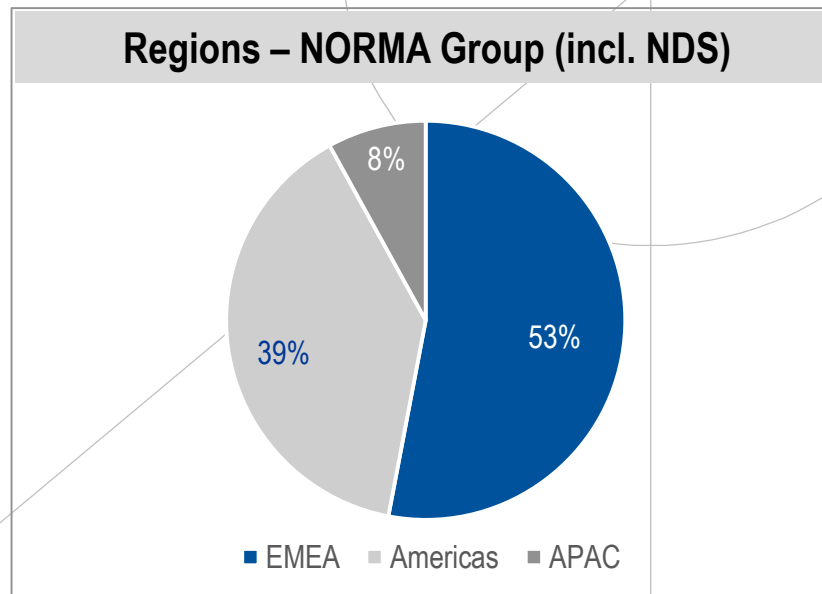
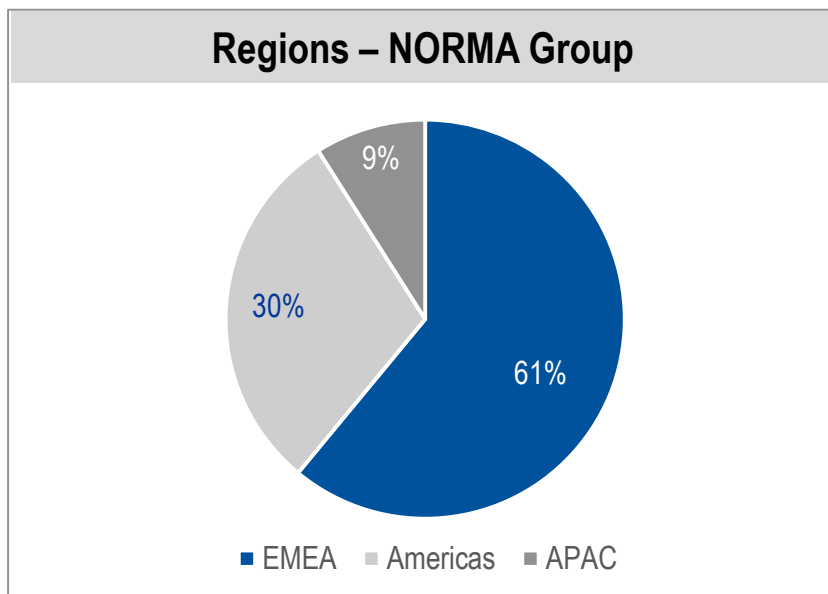


Sales consolidation effects in EUR million	Date of acquisition		Total	Thereof 2014
Connectors Verbindungstechnik AG, Switzerland	04/12	Market entry in connecting technology in Pharma & Biotec	16.6	-
Nordic Metalblok S.r.l., Italy	07/12	Market consolidation heating and air conditioning clamps	5.2	-
Chien Jin Plastic Sdn. Bhd., Malaysia	11/12	Market entry joining elements for water distribution	7.7	-
Groen Bevestigingsmaterialen B.V., Netherlands*	12/12	Securing market with national dealer	3.4	-
Davydick & Co. Pty. Limited, Australia	01/13	Enforce market position with distribution of water & irrigation systems	3.4	0.1
Variant SA, Poland*	06/13	Securing market with national dealer	2.3	1.1
Guyco Pty. Limited, Australia	07/13	Enforce market position with distribution of water & irrigation systems	7.2	3.6
Five Star Clamps Inc., USA	05/14	Consolidation of multi industrial engineered clamps	~4.0	~3.0
National Diversified Sales, Inc., USA	10/14	Expanding water management product portfolio	~96.0**	~12.0
Total			~145.8	~20.0

* External Sales

** 2013 Sales

Regional Split

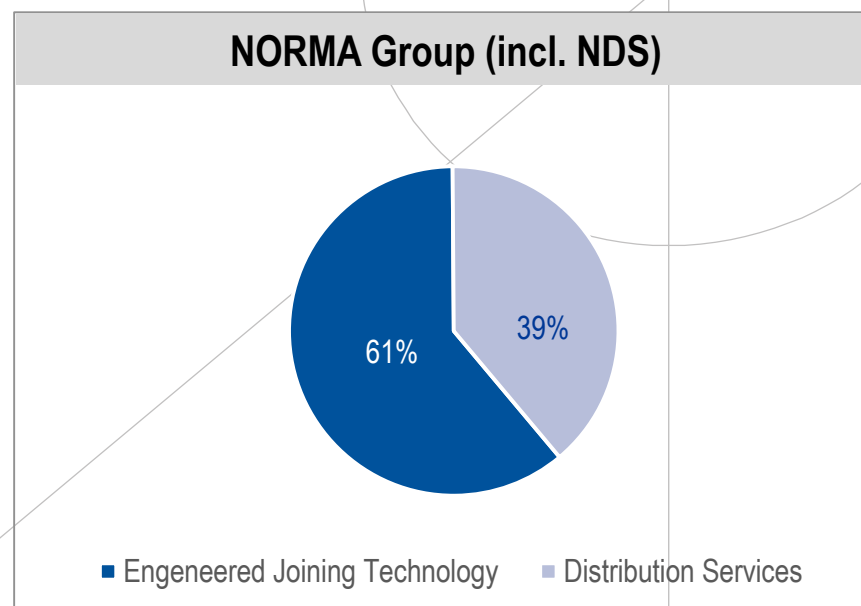
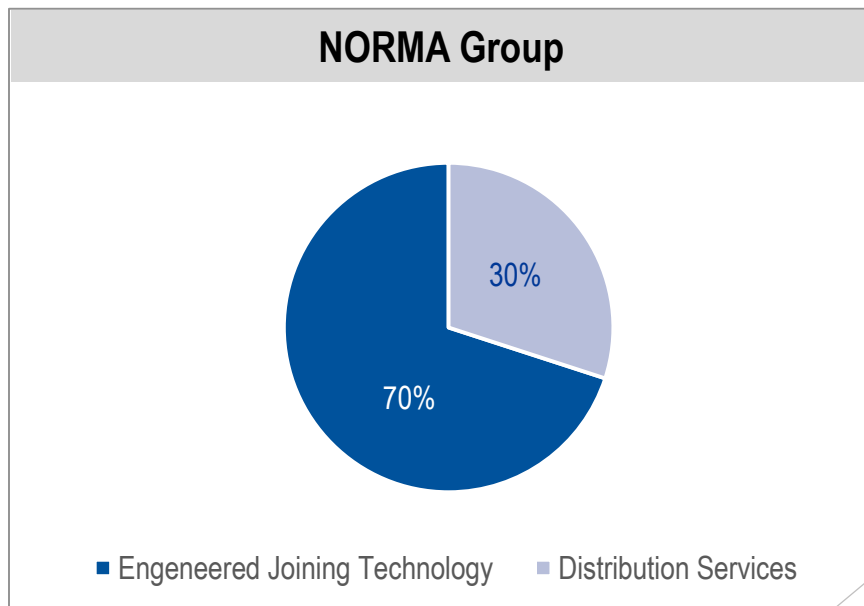


Regional Split (pre M&A)		
2013	Total	%
EMEA	388	61
Americas	192	30
APAC	56	9
Total	636	100

Regional Split (incl. NDS)		
2013	Total	%
EMEA	388	53
Americas	288	39
APAC	56	8
Total	732	100

Assumptions: NORMA Group 2013: EUR 636 million plus NDS: EUR 96 million

Two Strong Distribution Channels



Two strong distribution channels (pre M&A)

in EUR million	EJT	DS	Total
2013	443	193	636
%	70%	30%	100%

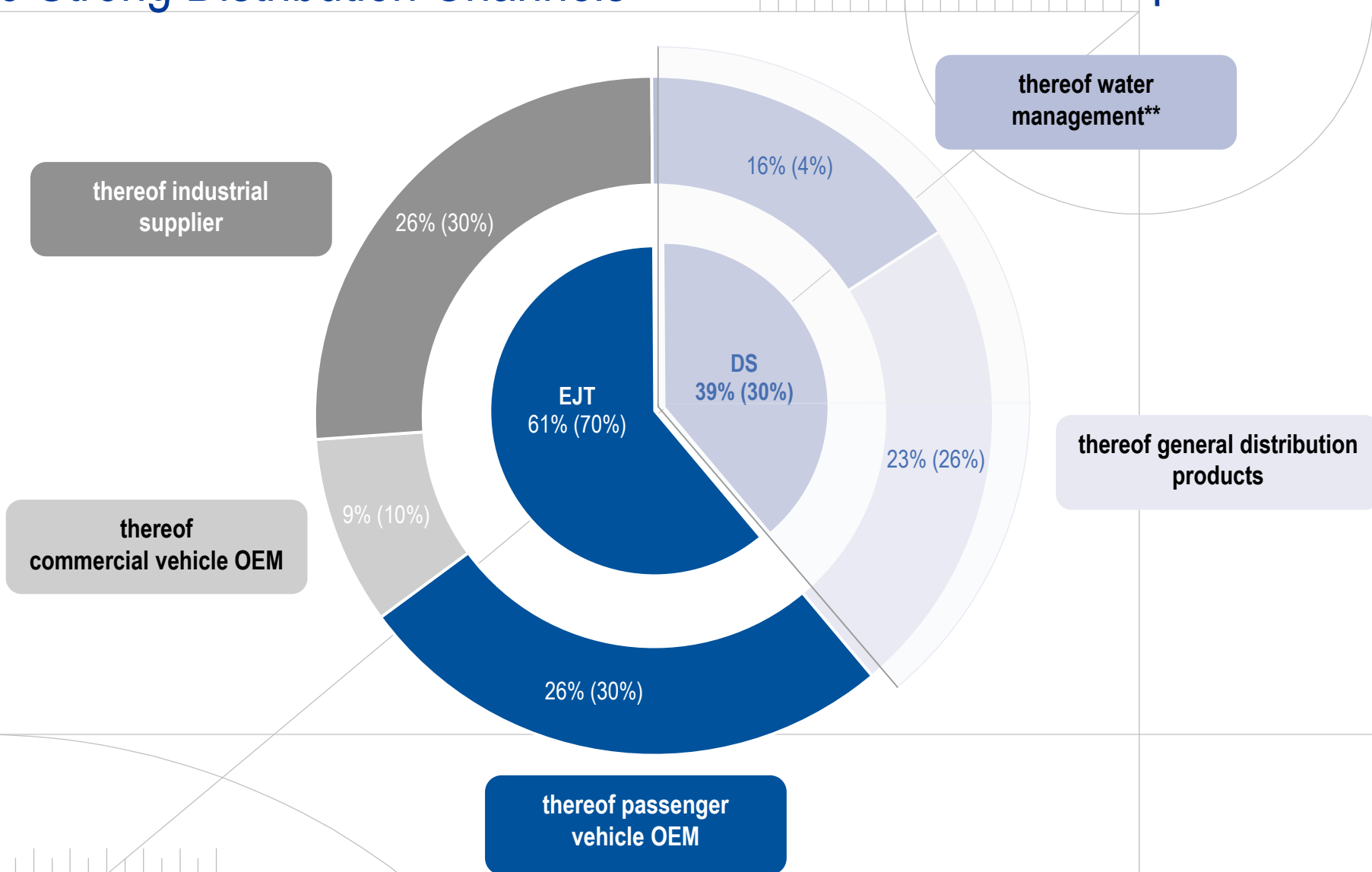
Two strong distribution channels (incl. NDS)

in EUR million	EJT	DS		Total
			thereof water	
2013	443	289	~121*	732
	61%	39%		100%

Assumptions: NORMA Group sales 2013: EUR 636 million plus NDS sales 2013: EUR 96 million

* incl. water related sales APAC EUR 25 million

Two Strong Distribution Channels*



* Pre-transaction numbers in brackets

** NDS, Malaysia & Australia

Acquisition NDS

Overview – Deal Structure

Share	NORMA Group acquires 100% of National Diversified Sales Inc., (NDS), Woodland Hills, CA, USA
Business Model	A leading supplier of water management solutions, including products for storm water management, efficient landscape irrigation and flow management
Sales	Approx. USD 127.6 million in 2013 (EUR ~ 96 million)
Margin	Excellent EBITDA margin of NDS comparable to excellent NORMA Group margin
Consolidation	First time consolidation into NORMA Group starting November 2014
Purchase Price	USD 285 million (EUR ~ 226 million)
Financing	Bridge financing secured until 2015; long-term structure yet to be finalized

NDS addresses Multi Billion Dollar Water Management Market



- One of the US-market leader in innovative water management solutions, headquartered in Woodland Hills, CA, USA
- Robust business model due to broad diversification in terms of end industries, customers and products
- Sustained financial performance and tangible organic growth
- Regulatory initiatives due to increasing environmental concerns, water scarcity and pollution drive demand for water management products
- Highly differentiated national distribution and service model specifically tailored to address customers' needs

NDS Provides Full Breadth of Water Management Solutions



Broad diversification in terms of application areas and products

Stormwater Management



~ 50 %

Efficient Landscape Irrigation



~ 30 %

Flow Management



~ 20 %

Large target markets for all NDS application areas nationwide and international

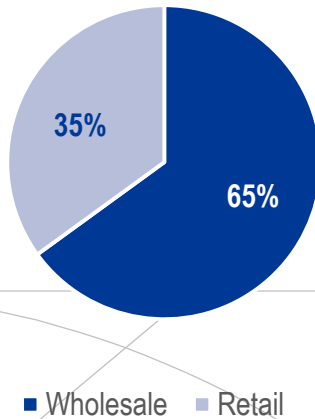
International expansion with mid-term focus

NDS has Deep and Longstanding Customer Relationships

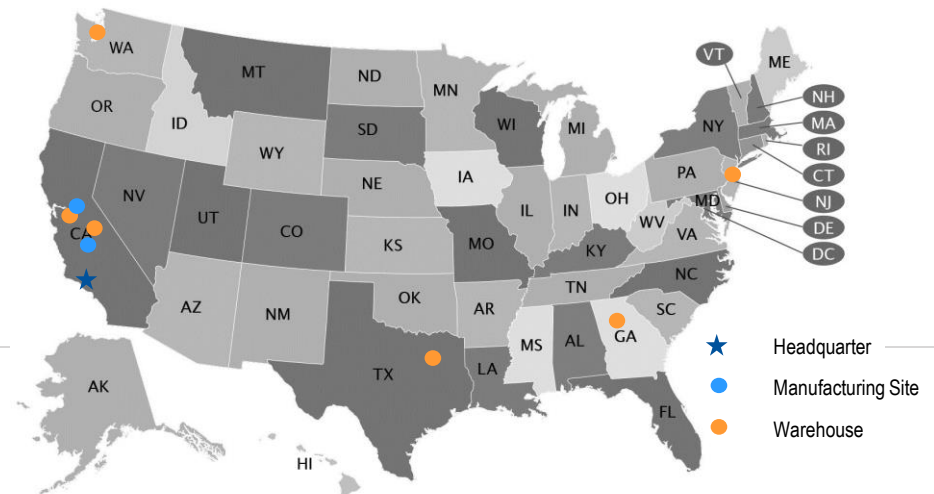
Highly differentiated distribution and service model

- More than 5,000 products
- Over 7,700 customer locations (retail and wholesale customers)
- Two production sites (CA), six warehouses in the US, more than 500 employees
- Overnight shipment for wholesale orders
- 98% on-time delivery

Over 7,700 customer locations



Nation-wide presence



Water Management supports DS Development

- Water management to become a strong column within the NORMA Groups DS business
- Including Malaysia & Australia water management is expected to yield approx. EUR 121 million of Group sales
- Driven by megatrends NORMA Group aims to a mid-term 5 % to 7 % organic growth



- Excellent margin profile comparable to Group margin
- Up to EUR 5 million integration costs within the first 4 quarters expected
- PPA to be published with Q4/2014 results of NORMA Group

New NORMA Group (incl. NDS)




Sales	Pro forma sales 2013 approx. EUR 732 million
Diversification	Pro forma shift of DS share from 30% to 39% (EJT: 61% from 70%)
Regional Split	Pro forma shift of Americas share from 30% to 39% (EMEA: 53% from 61%; APAC: 8% from 9%)
Organic growth	Organic growth profile of 2% to 4% above market growth is strengthened
Growth drivers	Global megatrends as emission regulation, water control, pollution and scarcity
Synergies	Due to broad product portfolio 2015 focus on integration, cross selling & synergy potentials 2016ff.

New NORMA Group (incl. NDS)

Margin profile	Sustainable EBITA margin above 17%
Acquisition costs	Up to EUR 5 million (all in financial year 2014)
Integration costs	Approx. EUR 5 million within the first 4 quarters
Financing costs	Approx. EUR 2 million (one-offs, all in financial year 2014)
PPA	To be published with Q4/2014 results of NORMA Group

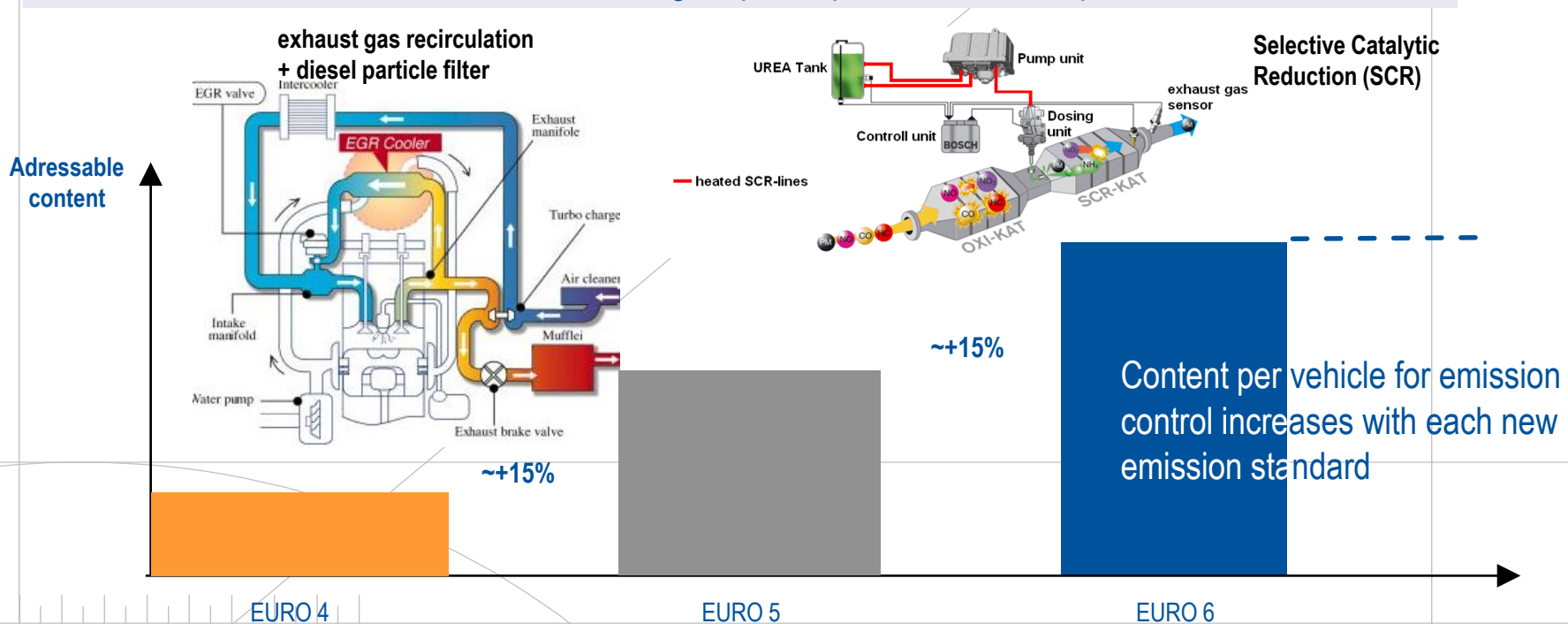
Appendix Strategy

Proven Business Model Addressing Key Megatrends

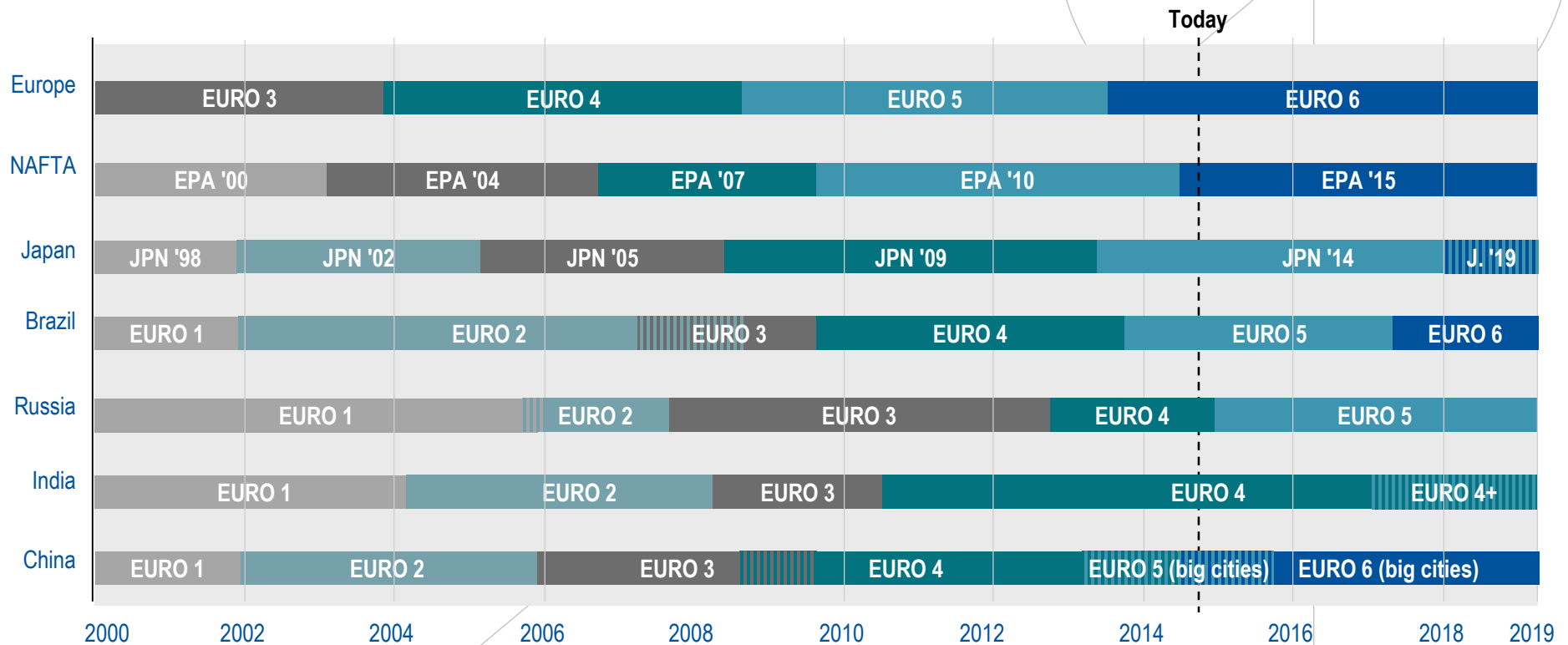
NORMA Group products	Specific customer requirements driven by megatrends
<p data-bbox="182 358 631 396">NORMACLAMP® ~ 52% of sales</p>  <p data-bbox="464 605 679 625">Breeze Constant Torque</p>	<p data-bbox="824 372 986 458">Emission reduction</p> <p data-bbox="1042 372 1935 458">Next global level of emission reduction ramps up in 2013 / 2014 with EURO 6 in Europe and 2014 in USA (EPA 15)</p>
<p data-bbox="155 679 658 718">NORMACONNECT® ~ 22% of sales</p>  <p data-bbox="412 929 679 949">NORMACONNECT Vario-Pipe</p>	<p data-bbox="779 672 1027 758">Weight reduction</p> <p data-bbox="1042 522 1935 608">Ongoing trend in many industries especially addressed by NORMA Fluid products</p>
<p data-bbox="188 986 623 1025">NORMAFLUID® ~ 26% of sales</p>  <p data-bbox="161 1229 348 1249">NORMAQUICK PS 3</p> <p data-bbox="478 1229 602 1249">PVC Coupling</p>	<p data-bbox="779 672 1027 758">Assembly time reduction</p> <p data-bbox="1042 672 1918 758">Easy to assemble NORMA Group products help lowering production costs for customers</p>
	<p data-bbox="824 829 986 915">Leakage reduction</p> <p data-bbox="1042 829 1825 915">Safely sealed products minimise warranty costs for customers through leak free joints</p>
	<p data-bbox="835 1001 975 1086">Product Portfolio</p> <p data-bbox="1042 1001 1856 1086">Comprehensive national product portfolio: One-Stop-Shopping</p>
	<p data-bbox="814 1158 996 1243">Product Availability</p> <p data-bbox="1042 1158 1887 1243">Superior service level through worldwide presence and regional sales hubs</p>

Strong Content Growth based on EURO 6

- EURO 6 introduction for trucks and passenger vehicles in 2014 triggers new engine generations and ramp-up in 2013
 - Market for joining technology is expected to outgrow the respective end-markets, driven by megatrends including
 - Additional components in new engines
 - Higher value of joining technology content
- > Lead to increased number of units and higher prices per customer end product



Tighter Emission Regulations Drive Increased Joining Technology Content



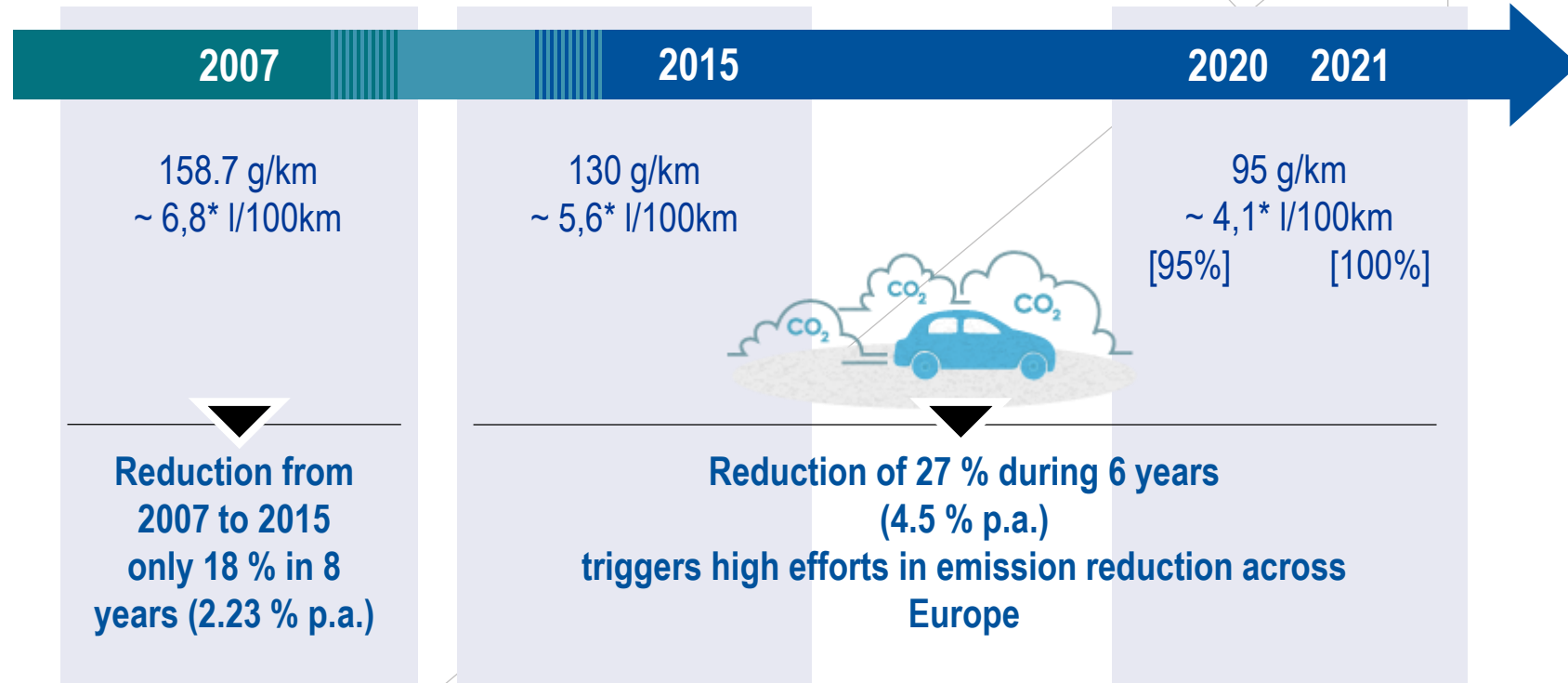
- Environmental awareness continues to drive tightening emission regulations globally
- Increasingly tighter emission regulations, including in emerging markets
- Low-emission alternatives require significantly higher joining technology content at a substantially increased complexity compared to existing/past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

Note: Chart shows emission regulation roadmap for passenger vehicles

Source: Integer Research, DieselNet, ACEA, NORMA Group

Fleet Efficiency Europe: Innovation Rate must Double

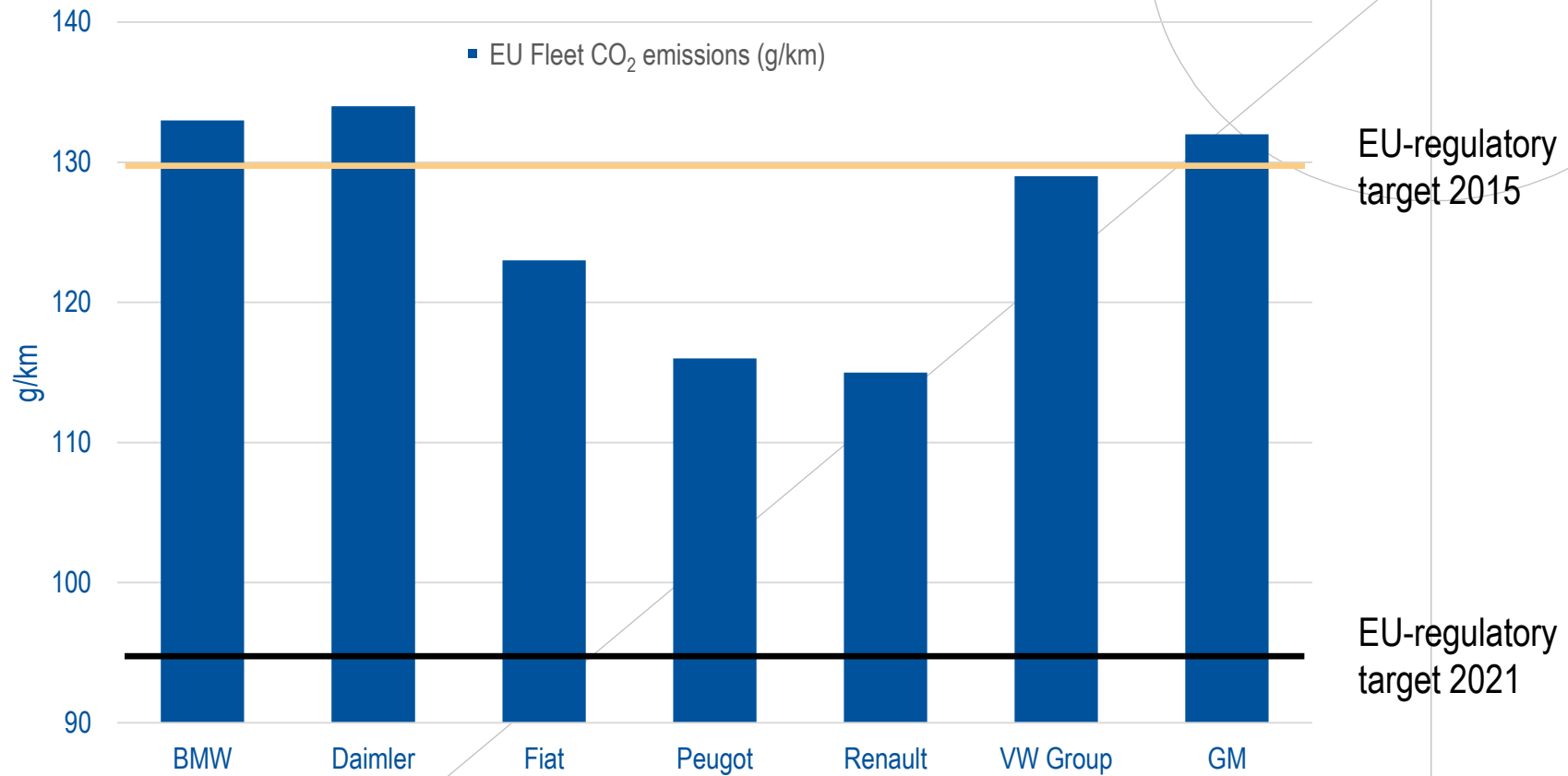
EU legislation required CO₂ fleet average limits



- Low emitting cars (below 50 g/km CO₂) will count as 1.5 vehicles in 2015
- During second stage from 2020 onwards low-emitting cars will be counted as 2 (1.67) in 2020 (2021)

* Chart shows emission regulation roadmap for passenger vehicles calculated for gasoline cars
 Source: European Commission

OEMs Well on Track to Meet CO₂ Emission Targets



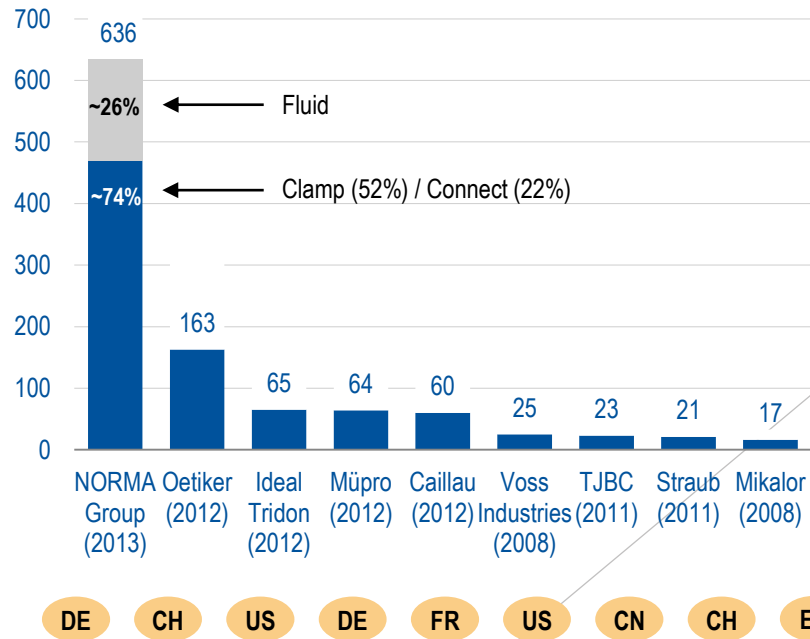
- From 2019 manufacturers have to pay an excess emissions premium for each car registered which amounts to EUR 95.00 from the first gram CO₂ of exceedance onwards

* Source: Company data, European Commission

Convincing Growth Prospects

Clear global market leader in clamp/connect

Sales EUR million (year)



Excellent additional growth across EJT market

Additional growth for Joining technology market above market growth

Passenger vehicles	add. 2-4%
Commercial vehicles	add. 2-4%
Agricultural equipment	add. 2-4%
Construction equipment	add. 2-4%
Engines	add. 2-4%
White goods	Same level
Water management	add. 2-4%

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

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

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



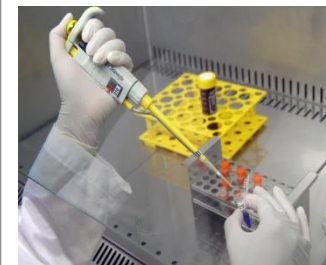
Shipbuilding



White goods



Pharma & Biotech



Wholesalers & Technical distributors



- More than 30,000 products, manufactured in 21 locations and sold to more than 10,000 customers in 100 countries
- Top 5 customers account for only ~18% of 2013 sales

Good Balance in the Two Distinct Ways-to-Market

Unique business model with two distinct ways-to-market

- Significant economies of scale in production
- Resident engineers with close contact to international EJT customers
- No. 1 national and international DS service level and DS product portfolio

Engineered Joining Technology (EJT) ~70% of 2013 sales

Innovation and product solution partner for customers, focused on engineering expertise **with high value-add**



- Customised, engineered solutions
- Patents in nearly 200 patent families
- B2B

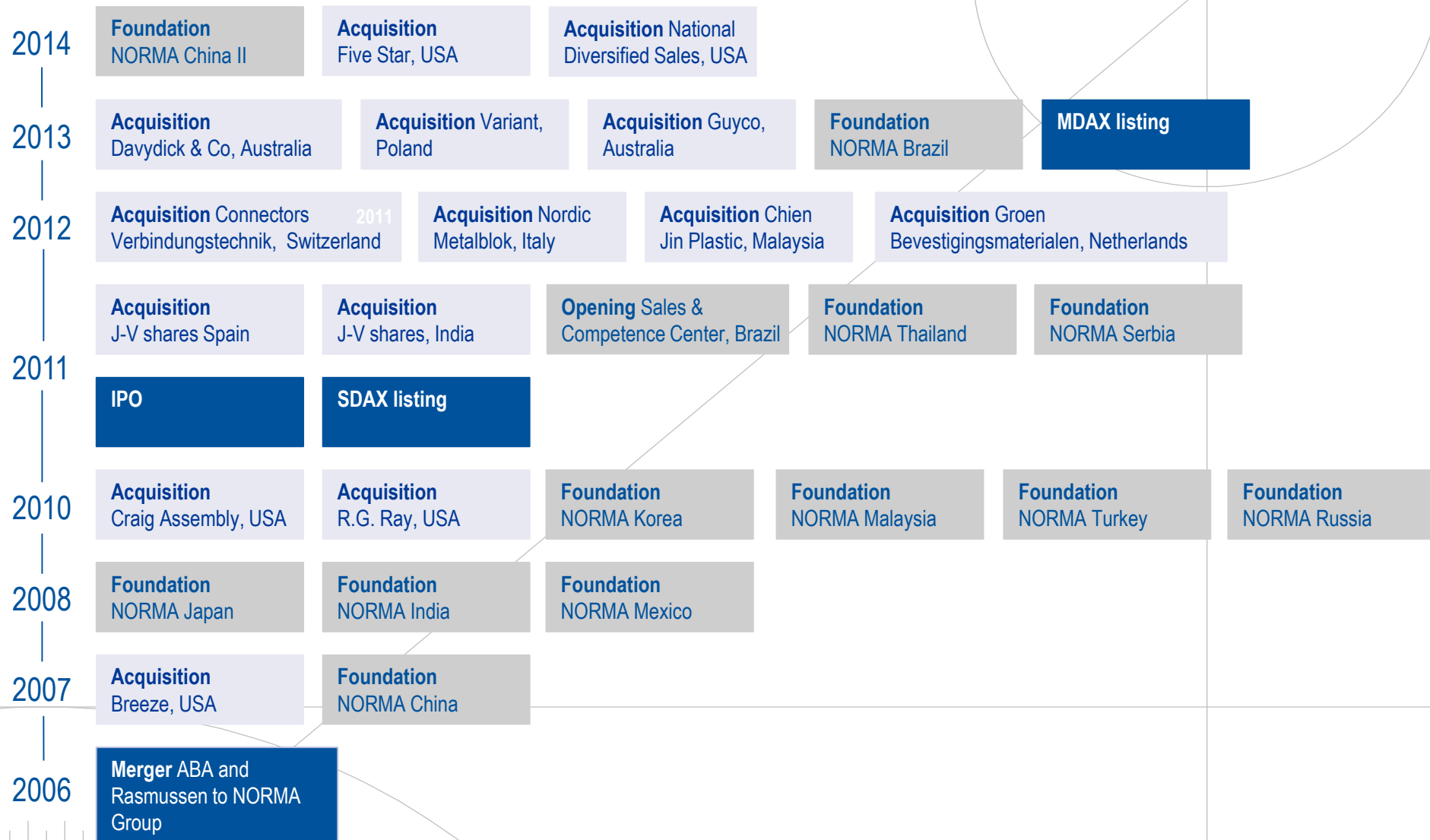
Distribution Services (DS) ~30% of 2013 sales

High quality, branded and standardised joining products provided at competitive prices to broad range of customers



- High quality, standardised joining technology products
- No. 1 product portfolio & service level
- B2C

Building NORMA Group



NORMA Group Worldwide

EMEA

- Czech Republic (P)
- France (P, D)
- Germany (P, D)
- Italy (D)
- Netherlands (D)
- Poland (P)
- Russia (P, D)
- Serbia (P, D)
- Spain (D)
- Sweden (P, D)
- Switzerland (D)
- Turkey (D)
- United Kingdom (P, D)

Americas

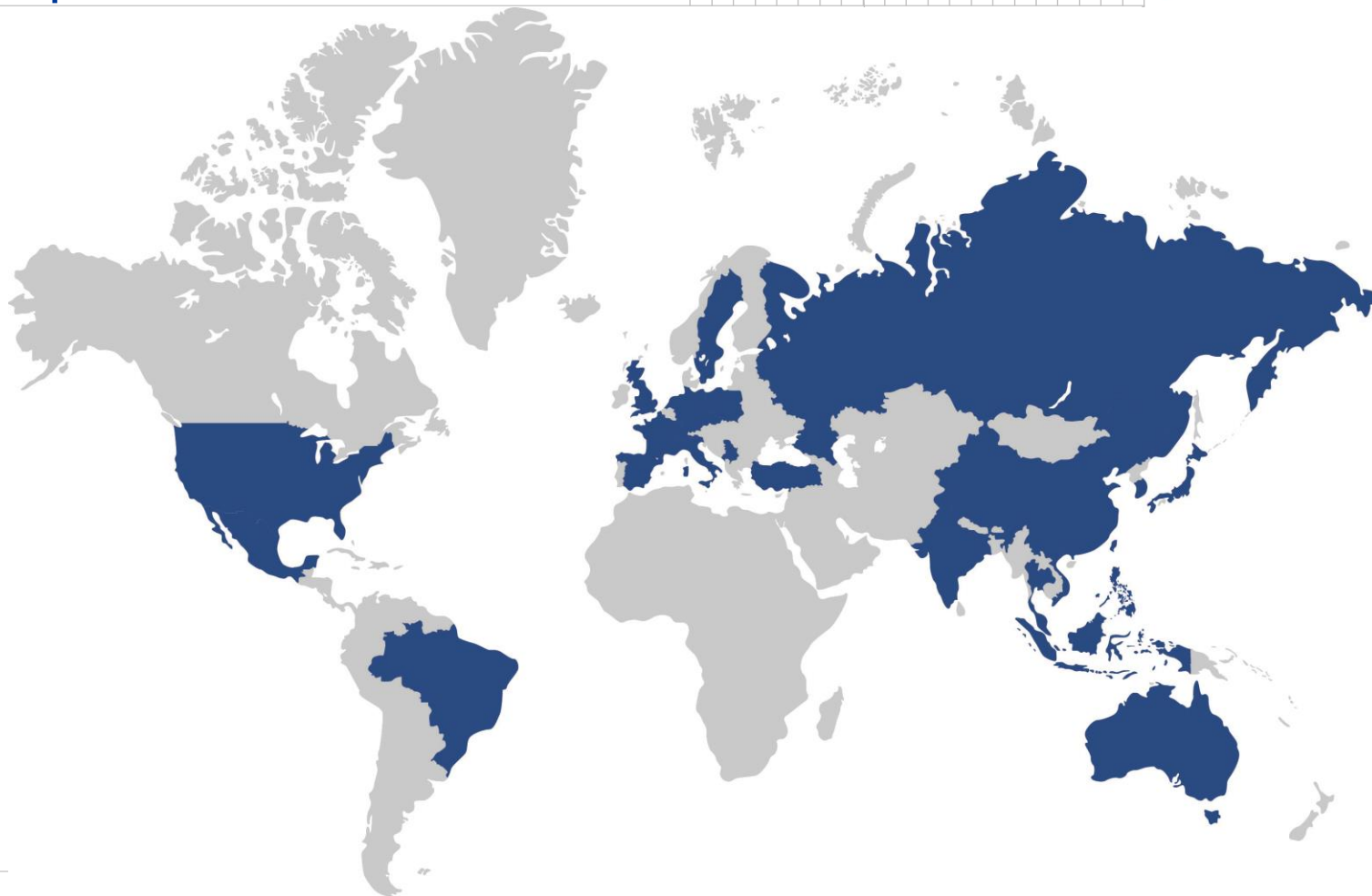
- Brazil (P, D)
- Mexico (P)
- USA (P, D)

Asia-Pacific

- Australia (D)
- China (P, D)
- India (P, D)
- Indonesia (D)
- Japan (D)
- Korea (D)
- Malaysia (P, D)
- Philippines (D)
- Singapore (D)
- Thailand (P)
- Vietnam (D)

P = production

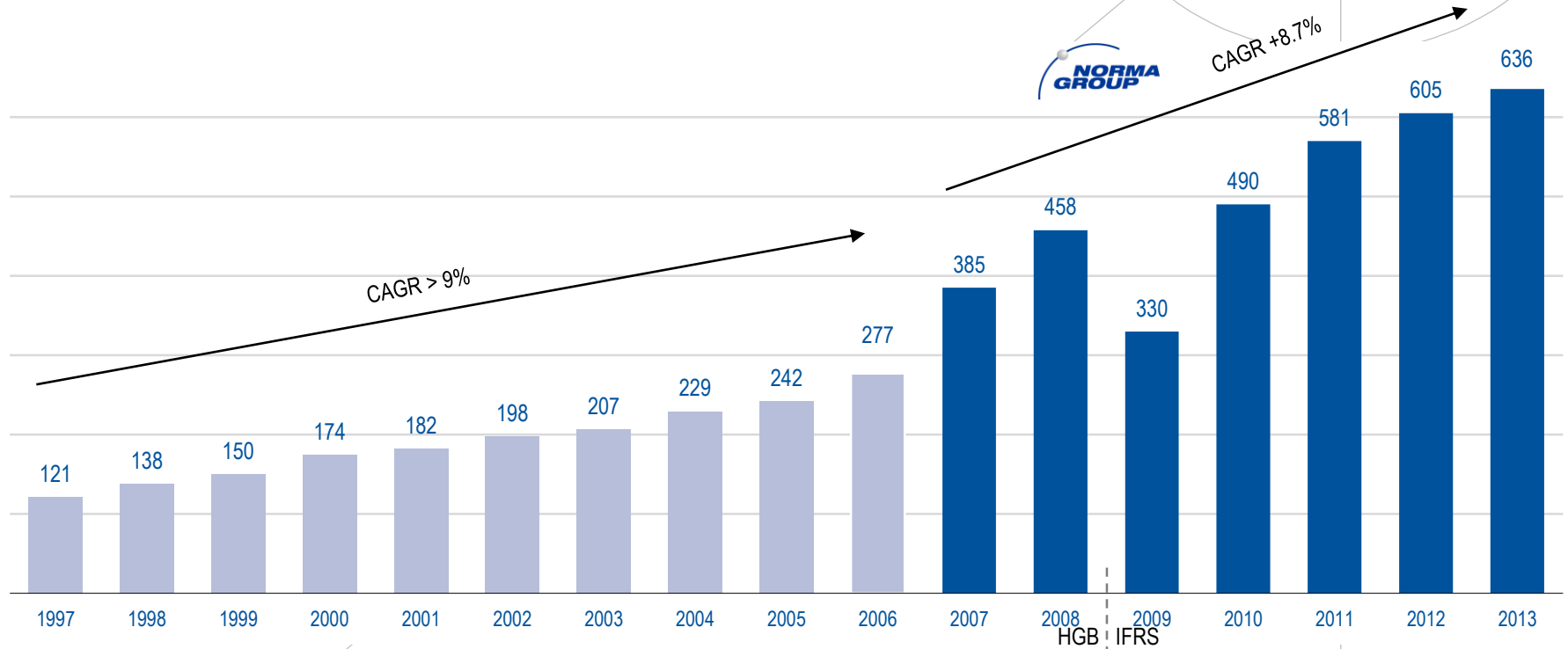
D = distribution, sales, competence center



- 21 Production sites
- 23 Countries with Distribution, Sales & Competence Centres
- Sales into 100 countries

Historic Growth Track Record

Historic revenue development in EUR million



1997 to 2013: 17 years of a successful growth story

Outlook 2014 - Strategy

- 1 Continue international expansion of sales network and production footprint
- 2 Continue to explore business opportunities in APAC
- 3 Open second China plant to enable expansion into domestic and APAC markets
- 4 Open plant in Brazil to serve local customers
- 5 Increase business opportunities in new industries
- 6 Continue dialogue with potential M&A targets

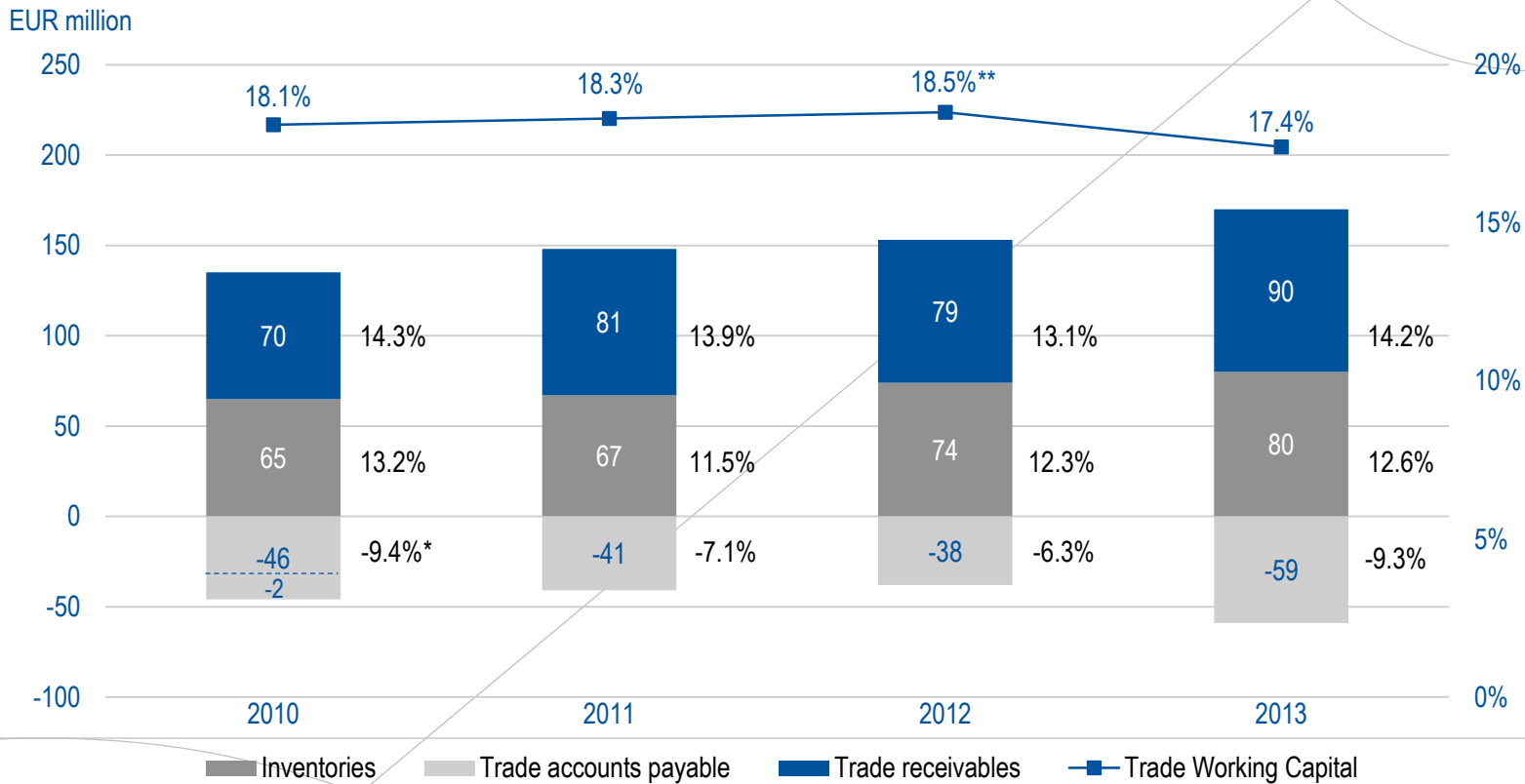
NORMA Group – Key Investment Highlights

- 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

Appendix Financials

Working Capital - Historical Low Level of 17.4% of Sales

- Successful implementation of reverse factoring and optimizing TWC processes boosts trade accounts payables
- Trade receivables on a slightly higher level due to excellent sales in Q4 2013



* excluding payments related to IPO costs (EUR 2 million)

** in % of sales run rate of EUR 625 million (reported at 19.1%)

Another Record Operating Net Cash Flow in 2013

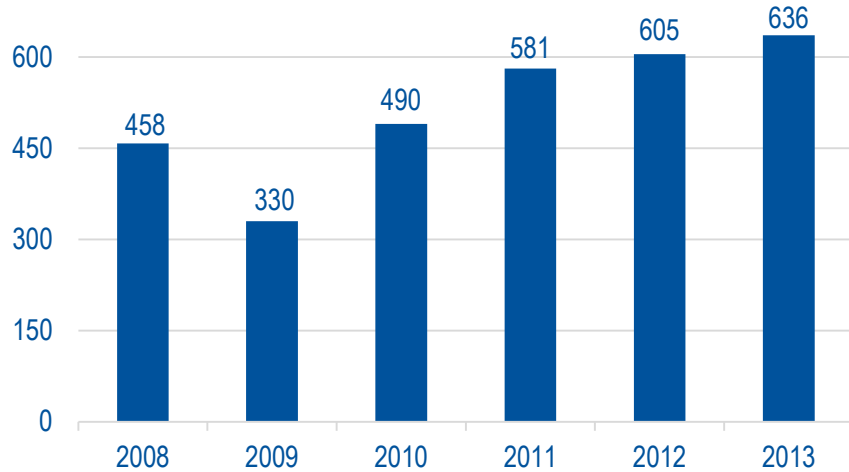
Operating net cash flow				
in EUR million	2011	2012	2013	Variance
EBITDA	117.0	120.8	129.3	+7.0%
Δ ± Working capital	-19.5	-9.8	5.1	n.a.
Operating net cash flow before investments from operating business	97.5	111.0	134.4	21.0%
Δ ± Investments from operating business	-30.7	-30.0	-30.5	+1.6%
Operating net cash flow	66.8	81.0	103.9	28.2%

- Operating net cash flow before investments significantly increased by EUR 23.3 million to a total of EUR 134.4 million in 2013 due to higher EBITDA and working capital in flow
- 2013 CAPEX spending on the same level as in 2012 leads in total to a record cash flow of EUR 103.9 million

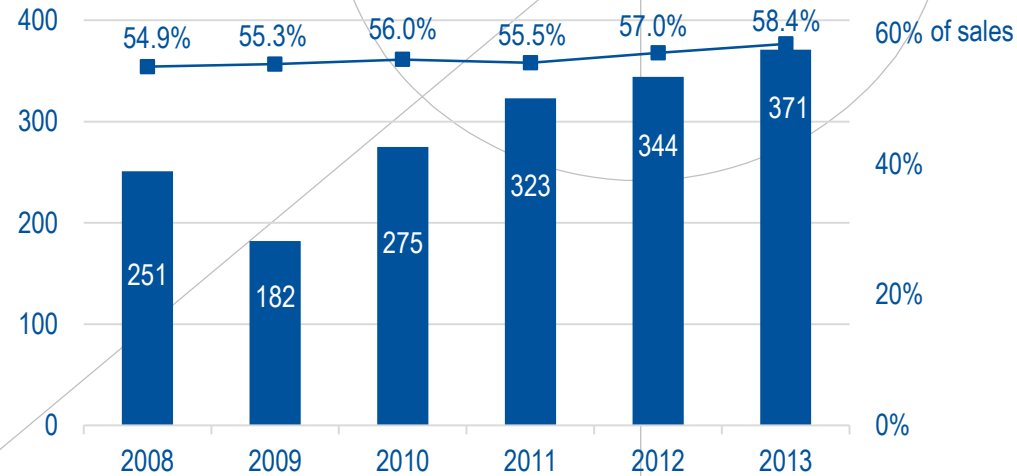
Continuation of Growth Track and Sustainable Margin into 2013



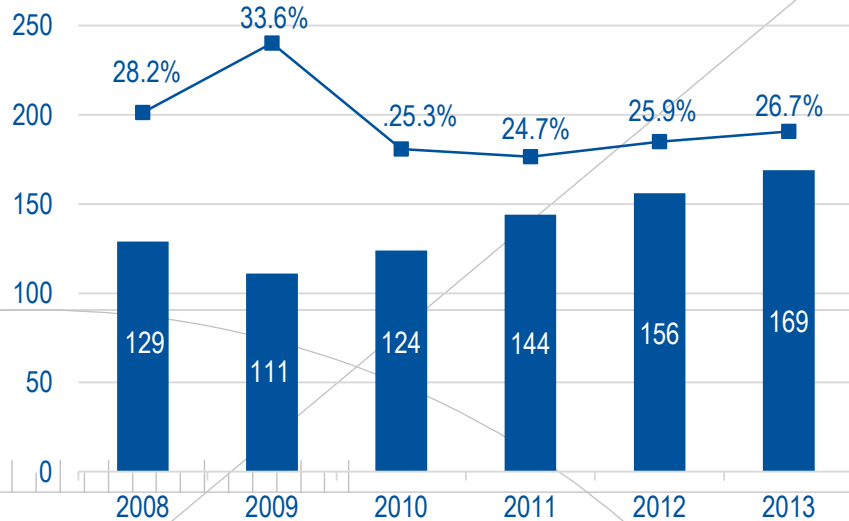
Revenue (in EUR million)



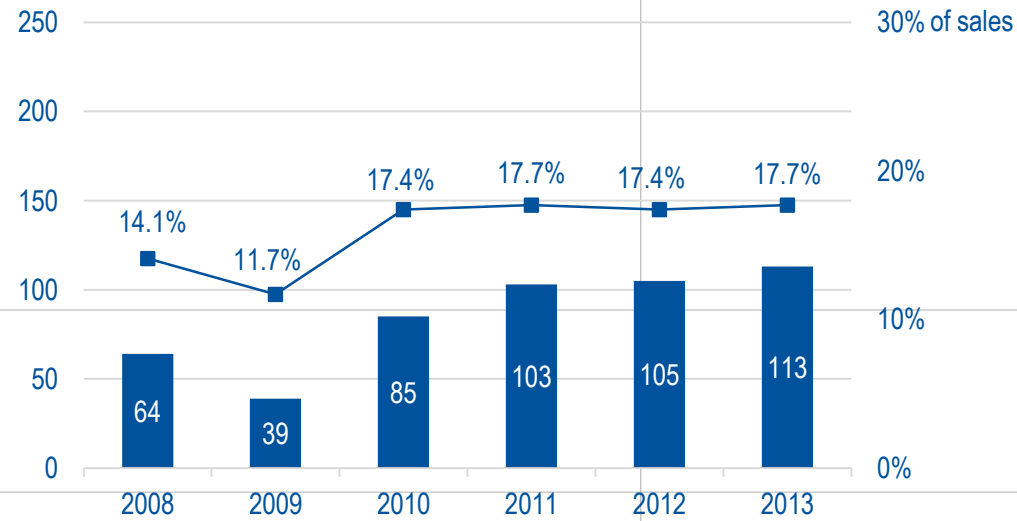
Gross profit (in EUR million)



Personnel expenses (in EUR million)

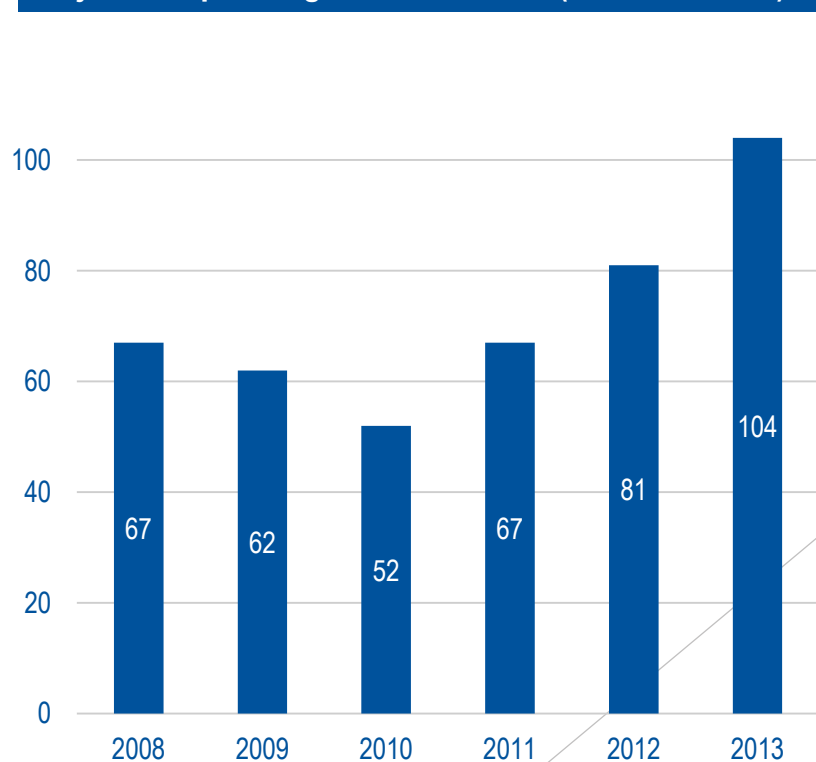


Adjusted EBITA (in EUR million)

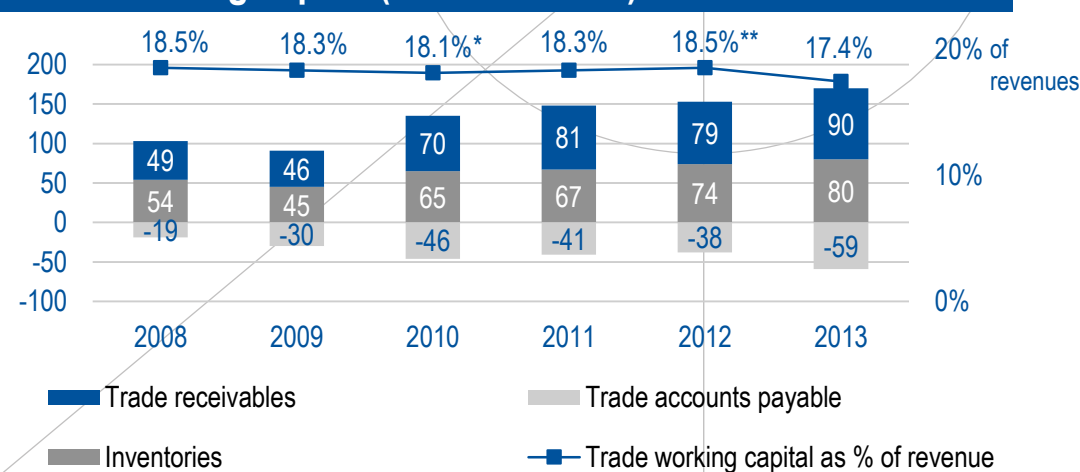


Pro-active FCF Management to be Continued

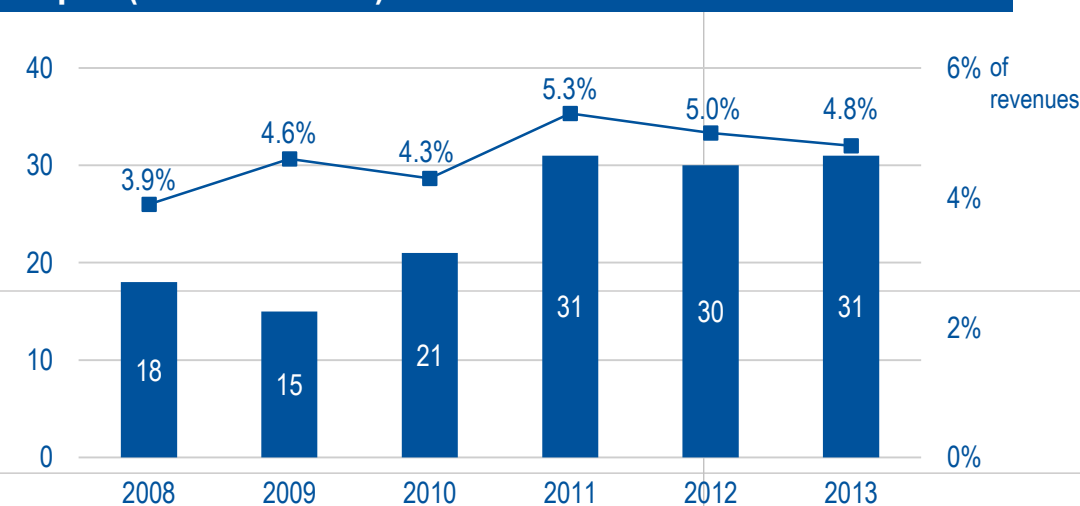
Adjusted Operating Net Cash Flow (in EUR million)



Trade working capital (in EUR million)



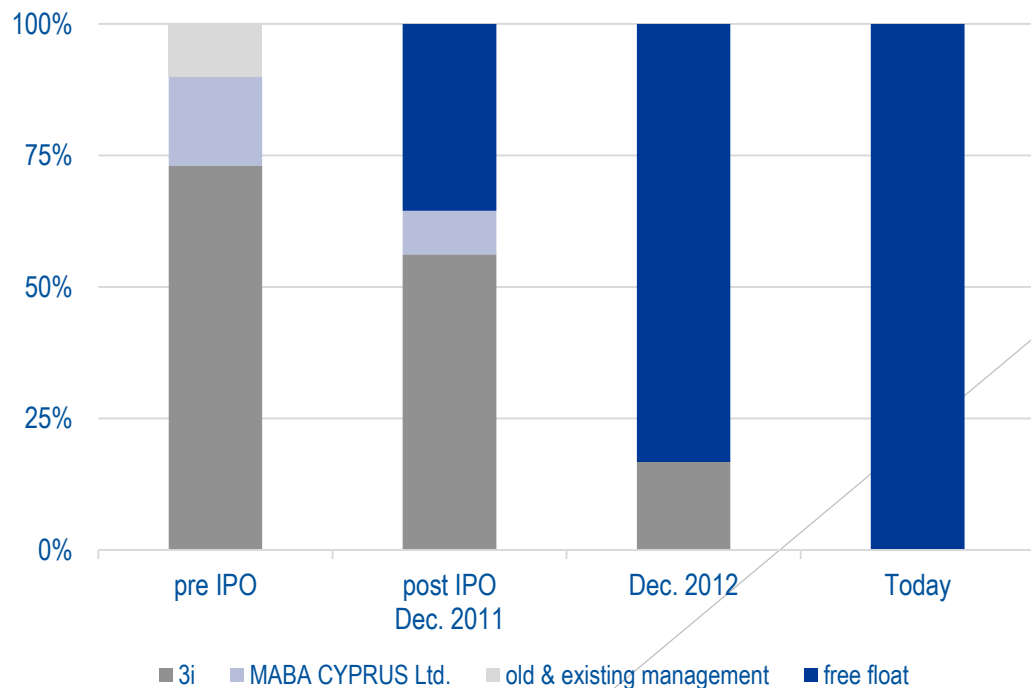
Capex (in EUR million)



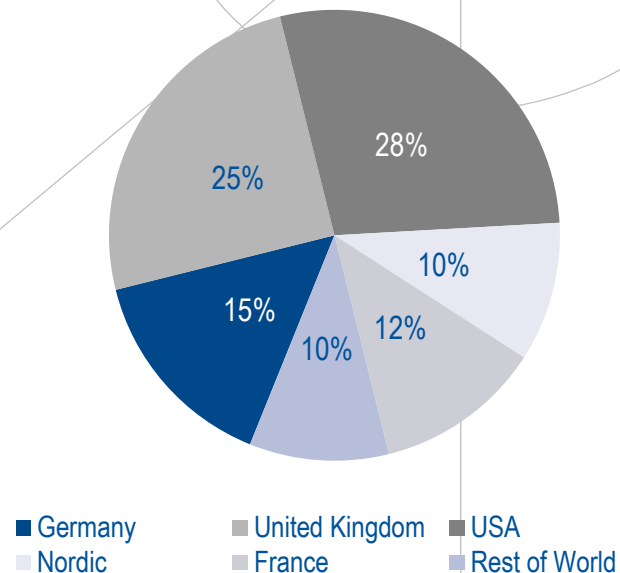
* excluding payments related to IPO costs (EUR 2 million)

** at sales run rate of EUR 625 million

Shareholder Structure



Identified institutional Shareholders



Free float per September, 2014 includes:

Ameriprise, USA incl. Threadneedle	9.96%
Blackrock, USA	5.7%
Mondrian, London	5.3%
Allianz Global Investors, Frankfurt	5.0%
BNP Paribas, Paris	3.2%
Capital Research	3.1%
T. Rowe Price, London	3.0%
Management	~2.5%

Event	Date
Preliminary Financial Figures 2014	18 February 2015
Publication Full Year Results 2014	25 March 2015
Publication Interim Results Q1 2014	06 May 2015
Annual General Meeting in Frankfurt / Main	20 May 2015
Publication Interim Results Q2 2014	05 August 2015
Publication Interim Results Q3 2014	04 November 2015

Contact

Andreas Troesch

Vice President Investor Relations

Phone: +49 6181 6102-741

Fax: +49 6181 6102-7641

Email: Andreas.Troesch@normagroup.com

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 SE 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 SE, 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.

Non audited data is based on management information systems and/or publicly available information. Both sources of data are for illustrative purposes only.