



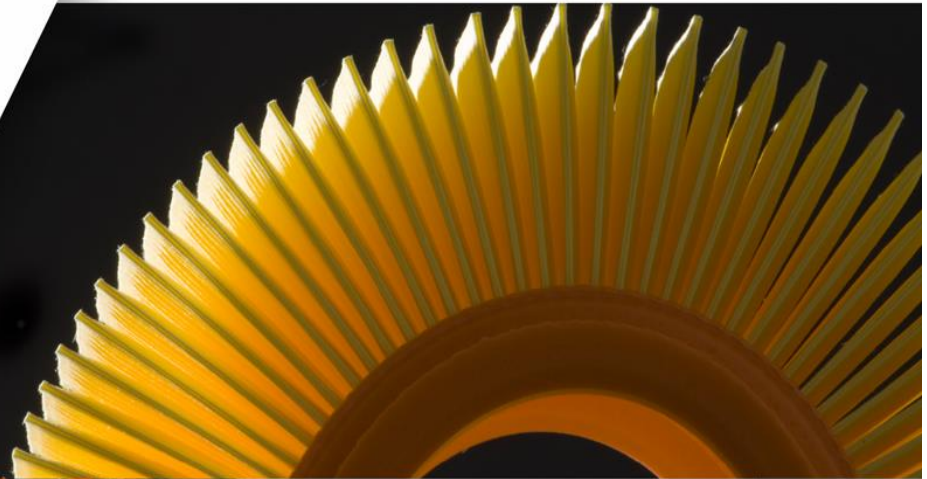
FY 2020 RESULTS

Milano – February 26th, 2020

Mauro FENZI

Frederic SIPAHI

Yann ALBRAND



Agenda

- 1. Q4 2020 Results**
- 2. FY 2020 Results**
- 3. Update on Financing**
- 4. Business Units**
- 5. Perspectives**

Q4 2020 results

Q4 2020 Highlights ¹

Revenues at €364.5m
vs 357.4m in Q4 2019

- Up 2% on a reported basis (+8.9% at constant exchange rate) outperforming in all regions
- In Q4 high growth in China, India and North America

EBITDA at € 39.0m
vs €44.1m in Q4 2019

- 10.7% on sales vs 12.3% in Q4 2019. Higher contribution margin and a lower fixed cost ratio balanced by higher restructuring charges (€ 13m)
- Excluding restructuring costs, margin at 15.4% higher than PY (13.4%)

EBIT at € 4.0m
vs €5.4m in Q4 2019

- EBIT, excluding restructuring costs, at € 21m (5.8%) vs € 9.4m (2.6%) higher than Q4 2019 in amount and in %

Net Income at € -12.0
vs € -5.1m in Q4 2019

- Net income includes activity held for sale of €-7.6 (disposal Brazil and Spain filter) vs €-4.2m in PY and restructuring costs of € 17m vs €4m in Q4 2019

FCF² at € 8.7m
vs €9.9m in Q4 2019

- Free Cash Flow positive at € 8.7m vs +€9.9m in Q4 2019 and +€28 in Q3 2020

Net debt² at € 291.3
vs € 256.2m end of 2019

- Net debt of € 291.3m vs € 256.2m end of 2019 and € 299.0m end September 2020

1. Figures with IFRS 5 - "Non-current assets held for sale and discontinued operations" (Filtration Brazilian/Spanish subsidiaries sold in December 2020/January 2021)

2. FCF and Net debt excluding IFRS 16



Sales by Geographical Area

STRONG OUTPERFORMANCE IN ALL REGIONS

€m	Q4 2019	Q4 2020	reported change	constant exchange rates	reference market production	performance vs market (bps)	weight based on Q4 2020
Europe	222.4	226.5	1.8%	2.4%	1.4%	107	62.1%
North America	67.9	73.7	8.6%	18.5%	0.5%	1800	20.2%
South America	28.1	18.5	-34.1%	28.9%	1.3%	2767	5.1%
Asia	40.9	47.9	17.1%	24.2%	7.5%	1665	13.1%
- of which China	22.4	27.3	21.6%	23.3%	5.9%	1738	7.5%
Intercompany	(1.9)	(2.1)					
Total	357.4	364.5	2.0%	8.9%	2.5%	644	100.0%

Source: Sogefi and IHS data. Passenger cars and Light commercial vehicles only. Europe is Europe 28 and Asia is China + India

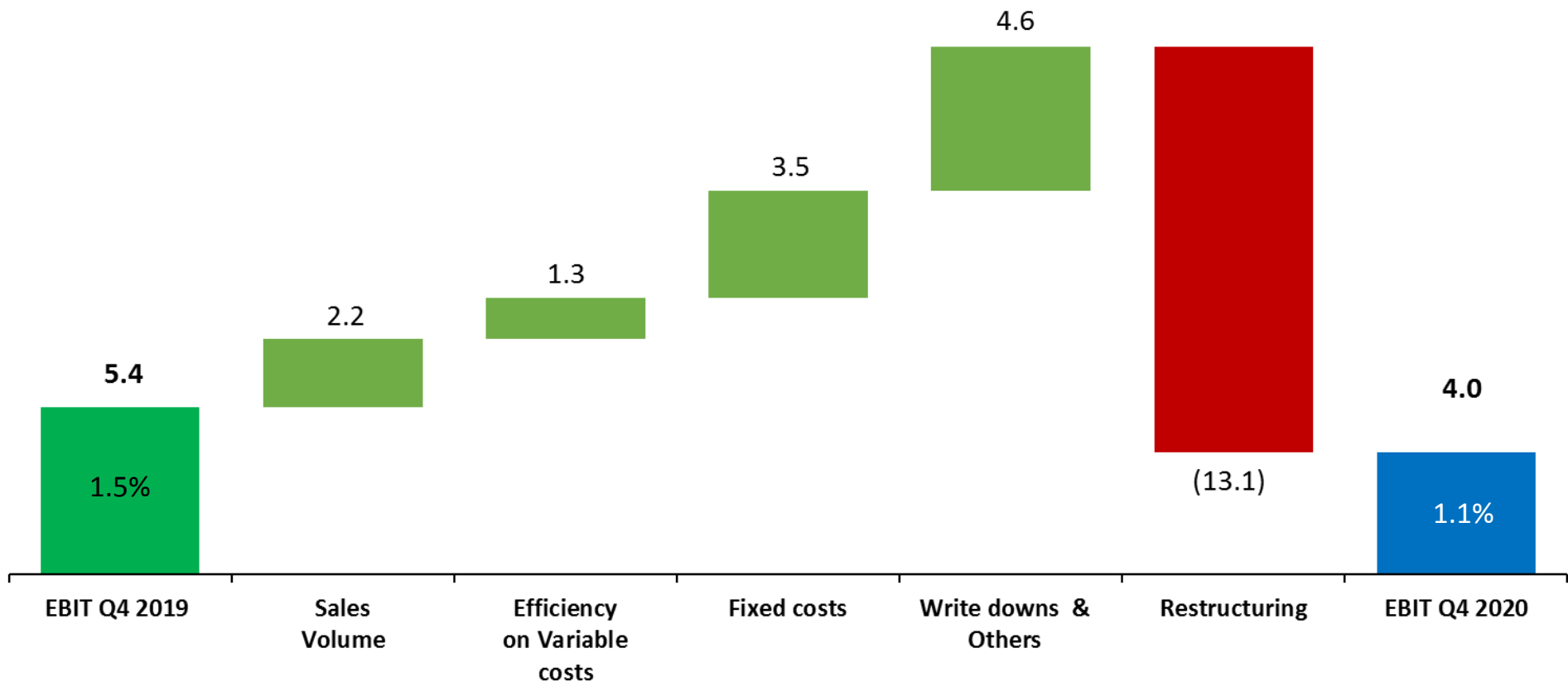


Sales by Business Unit

€m	Q4 2019	Q4 2020	reported change	constant exchange rates change
Air&Cooling	106.4	113.6	6.8%	11.2%
Filtration	125.0	129.8	3.8%	11.4%
Suspensions	126.8	121.7	-4.0%	4.4%
Intercompany	(0.8)	(0.6)		
<i>Total</i>	357.4	364.5	2.0%	8.9%



Q4 EBIT performance breakdown €m / % sales



Q4 2020 P&L - Sogefi Group - €m / % sales



€m	Q4 2019	%	Q4 2020	%
REVENUES	357.4	100.0%	364.5	100.0%
Costs of sales / Variable costs	245.8	68.8%	249.4	68.4%
Gross Fixed Costs	66.8	18.7%	60.4	16.6%
Restructuring	4.0	1.1%	17.0	4.7%
EBITDA	44.1	12.3%	39.0	10.7%
D&A	31.6	8.8%	29.7	8.1%
Write downs	7.1	2.0%	5.4	1.5%
EBIT	5.4	1.5%	4.0	1.1%
EBIT excluding restructuring	9.4	2.6%	21.0	5.8%
Financial results	5.1	1.4%	6.5	1.8%
Income Tax	1.1	0.3%	0.7	0.2%
Minority Interest	0.1	0.0%	1.1	0.3%
NET INCOME OF OPERATING ACTIVITIES	(0.8)	-0.2%	(4.4)	-1.2%
Net income from discontinued operations	(4.2)	-1.2%	(7.6)	-2.1%
NET INCOME	(5.1)	-1.4%	(12.0)	-3.3%

+2%

Lower incidence of variable and fixed costs
Restructuring related to planned closure of a German Suspension plant and ongoing social plan in Filtration
Excluding structural one-off rationalization costs EBITDA at 14.5% vs 12.3%

After €17m of restructuring



Q4 2020 FCF Highlights - Cash Flow generation

• Figures excluding IFRS16

€m	Q4 2019	Q4 2020
FUNDS PROVIDED BY OPERATIONS	35.7	26.1
Working Capital	23.3	17.5
Capex (Tangible, Intangibles & IFRS15)	(46.3)	(33.7)
Others	(2.9)	(1.2)
FREE CASH FLOW (NET)	9.9	8.7
NET DEBT	256.2	291.3
FACTORING	94.2	97.7



FY 2020 results

FY 2020 Highlights ¹

Revenues at €1203.2m
vs 1463.8m in FY 2019

- Down 17.8% on a reported basis (-14.2% at constant exchange rate) outperforming in all regions
- Europe at -18.1% at constant exchange rate vs a market drop of -23.3%

EBITDA at € 137.6m
vs €177.4m in FY 2019

- 11.4% on sales vs 12.1% in PY, mainly volume impact mitigated by reduction of gross fixed costs and including € 30.4m in restructuring costs vs € 9.2m in 2019
- Excluding restructuring EBITDA of € 168.0m vs € 186.6m. In 2020 at 14.0%, higher than 2019 (12.7%)

EBIT at € +7.2m
vs €48.4m in 2019

- Reduction in EBIT reflects the reduction in revenues and higher non-recurring charges: restructuring costs and write-downs of fixed assets for €13.6m (€ 9.2m in 2019)

Net Income at € -23.2
vs € 8.3m end 9M 2019

- After tax charges for € -3.6m vs € -13.5m in 2019 and results of activity held for sale of € -15.5 (disposal Brazil and Spain filter) vs € -7.9m in PY and higher restructuring

FCF² at -€ 34.1m
vs €+9.3m in 2019

- Free Cash Flow positive in Q3 +€ 28m and Q4 + € 8.7m after a cash burn of €70.8m in H1

Net debt² at € 291.3
vs € 256.2m end of 2019

- Net debt to € 291.3m vs € 256.2m end of 2019 and € 299.0m end September 2020

1. Figures with IFRS 5 - "Non-current assets held for sale and discontinued operations" (Filtration Brazilian/Spanish subsidiaries sold in December 2020/January 2021)

2. FCF and Net debt excluding IFRS 16



- Ongoing footprint optimization
- Constant fixed costs reduction
- Secured medium-term new financing
- Confirmed total investment for Suspensions in Eastern Europe
- Focus on new powertrain developments

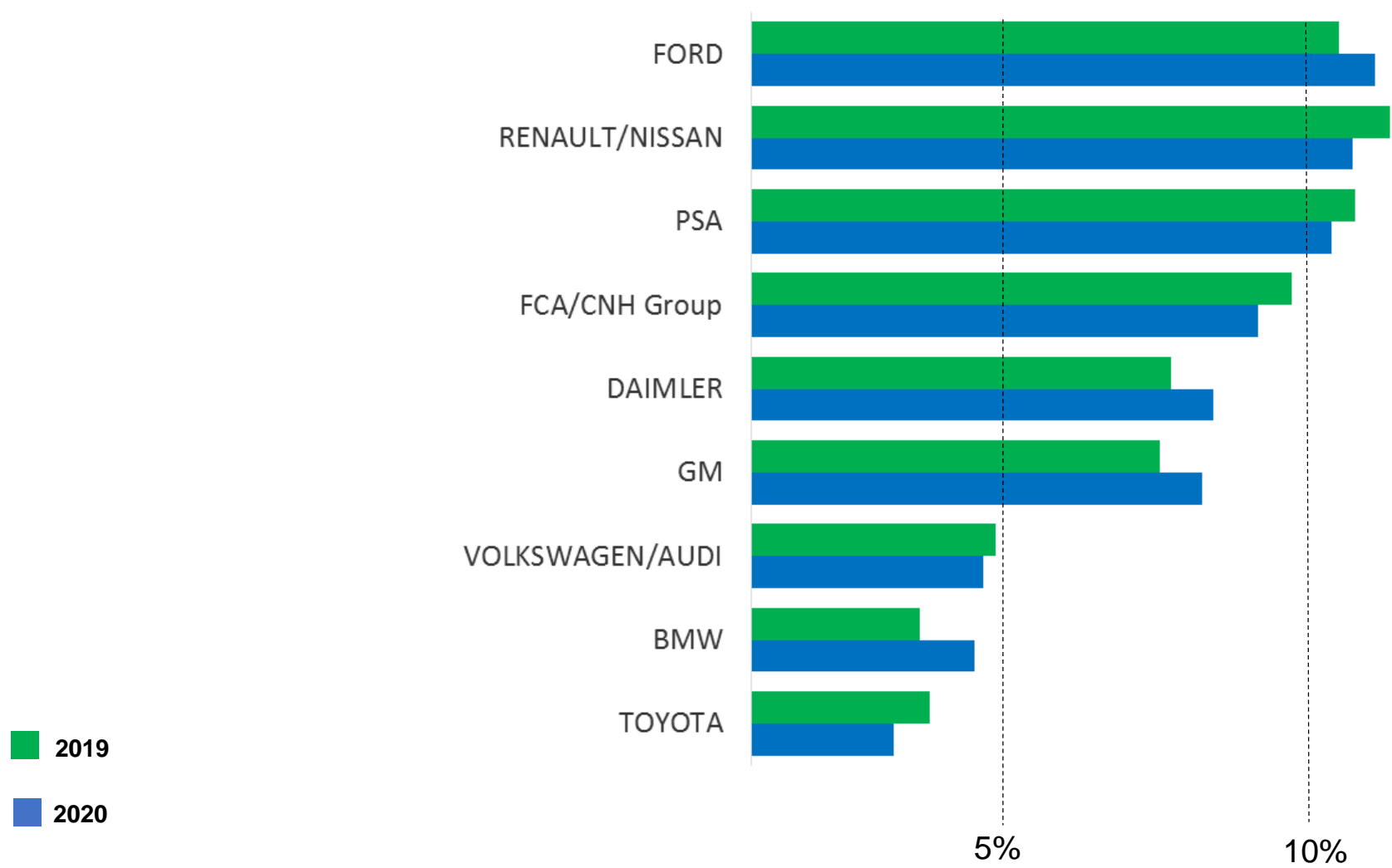


Sales by Geographical Area

€m	FY 2019	FY 2020	reported change	constant exchange rates	reference market production	performance vs market (bps)	weight based on FY 2020
Europe	923.5	754.9	-18.3%	-18.1%	-23.3%	521	62.7%
North America	288.7	250.8	-13.1%	-9.8%	-20.1%	1035	20.8%
South America	110.2	59.5	-46.0%	-12.1%	-30.7%	1856	4.9%
Asia	149.9	145.0	-3.3%	0.9%	-7.0%	788	12.1%
- of which China	75.5	86.0	13.8%	15.8%	-4.2%	1995	7.1%
Intercompany	(8.5)	(7.0)					
Total	1463.8	1203.2	-17.8%	-14.2%	-16.2%	205	100.0%

Source: Sogefi and IHS data. Passenger cars and Light commercial vehicles only. Europe is Europe 28 and Asia is China + India

Sales by Customer



2019
2020

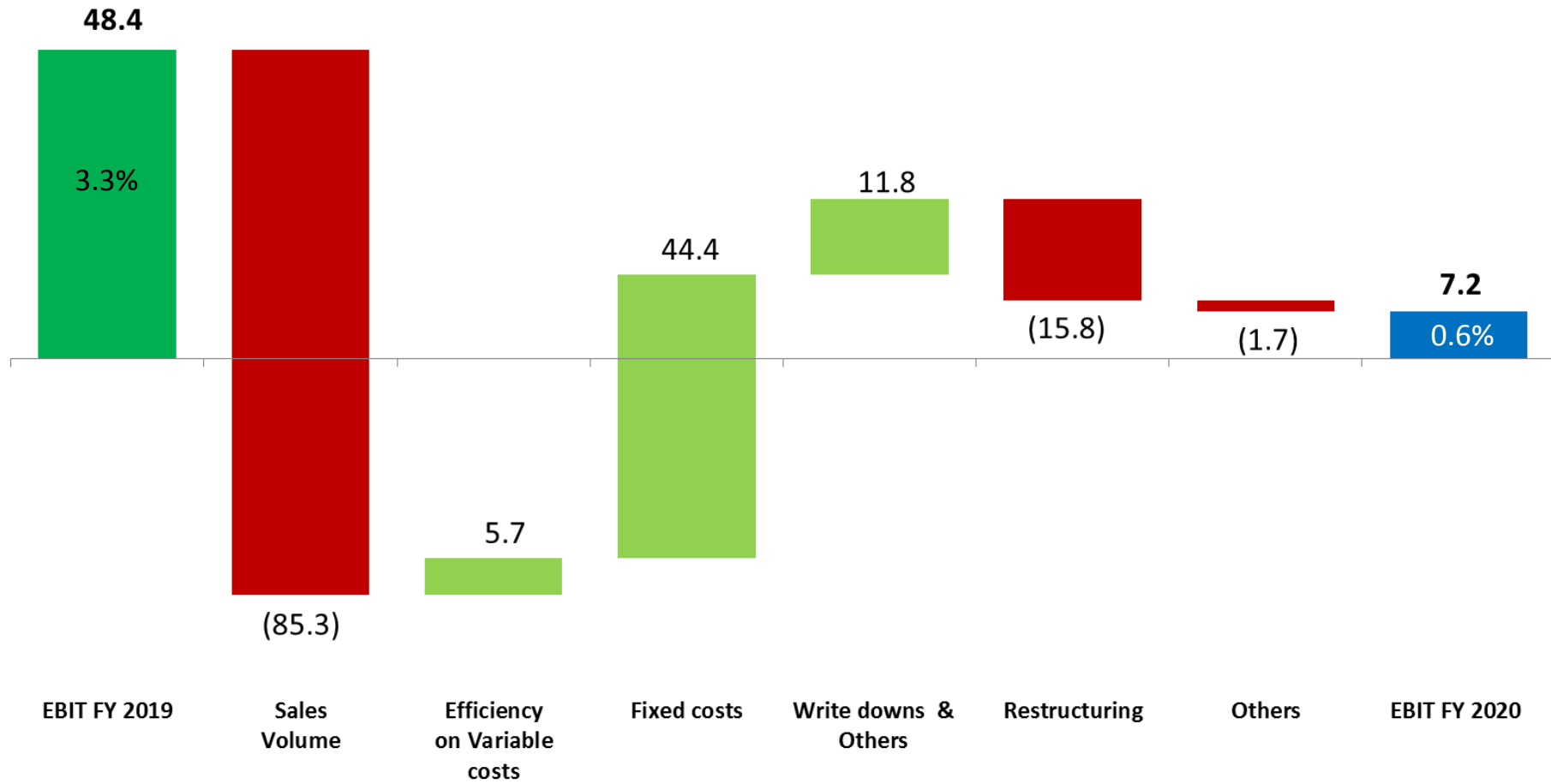
Sales by Business Unit

€m	FY 2019	FY 2020	reported change	constant exchange rates change
Air&Cooling	425.9	371.8	-12.7%	-10.7%
Filtration	491.5	434.2	-11.7%	-8.1%
Suspensions	549.7	399.6	-27.3%	-22.7%
Intercompany	(3.3)	(2.4)		
<i>Total</i>	1463.8	1203.2	-17.8%	-14.2%



- Sogefi has signed new contracts for a total amount in line with previous years and with the objectives of maintaining / increasing market shares
- A premium German OEM awarded Air & Cooling a € 100 million contract to deliver aluminum manifolds, a material that introduces a new product line in a sector in which the division is already market leader
- 25% of Air & Cooling contracts acquired in the FY 2020 are for Hybrid and Full Electric applications
- Suspension awarded by a North American full EV OEM
- 35% of Suspension contracts acquired in the FY 2020 are for Hybrid and Full Electric applications

2020 EBIT performance breakdown €m / % sales



2020 P&L - Sogefi Group - €m / % sales

€m	FY 2019	%	FY 2020	%	
REVENUES	1,463.8	100.0%	1,203.2	100.0%	-17.8%
Costs of sales / Variable costs	1021.4	69.8%	832.4	69.2%	
Gross Fixed Costs	269.4	18.4%	215.0	17.9%	-20.2%
Restructuring	9.2	0.6%	30.4	2.5%	Excluding restructuring EBITDA of € 168.0m vs € 186.6m. 14.0% vs 12.7%
EBITDA	177.4	12.1%	137.6	11.4%	Excluding structural one-off rationalization costs EBITDA at 13.0% vs 12.1%
D&A	119.7	8.2%	116.7	9.7%	
Write downs	9.2	0.6%	13.6	1.1%	
EBIT	48.4	3.3%	7.2	0.6%	Excluding write downs EBIT of €51.2 m vs € 66.8m. 4.3% vs 4.6%
EBIT excluding restructuring	57.6	3.9%	37.6	3.1%	
Financial results	20.9	1.4%	22.8	1.9%	
Income Tax	13.5	0.9%	3.6	0.3%	
Minority Interest	3.0	0.2%	0.5	0.0%	
NET INCOME OF OPERATING ACTIVITIES	11.1	0.8%	(19.7)	-1.6%	After € 30.4m restructuring and € 13.6m of write-downs
Net income from discontinued operations	(7.9)	-0.5%	(15.5)	-1.3%	
NET INCOME	3.2	0.2%	(35.1)	-2.9%	



2020 H1 vs Q3 and Q4 results

€m	H1 2020	%	Q3 2020	%	Q4 2020	%
REVENUES	506.0	100.0%	332.7	100.0%	364.5	100.0%
Costs of sales / Variable costs	353.2	69.8%	229.8	69.1%	249.4	68.4%
Gross Fixed Costs	103.0	20.4%	51.6	15.5%	60.4	16.6%
Restructuring	6.4	1.3%	7.0	2.1%	17.0	4.7%
EBITDA	52.1	10.3%	46.4	13.9%	39.0	10.7%
D&A	57.7	11.4%	29.4	8.8%	29.7	8.1%
Write downs	6.4	1.3%	1.8	0.5%	5.4	1.5%
EBIT	(12.0)	-2.4%	15.2	4.6%	4.0	1.1%
EBIT excluding restructuring	(5.6)	-1.1%	22.2	6.7%	21.0	5.8%
Financial results	10.4	2.1%	5.9	1.8%	6.5	1.8%
Income Tax	(1.0)	-0.2%	3.9	1.2%	0.7	0.2%
Minority Interest	(0.6)	-0.1%	(0.1)	0.0%	1.1	0.3%
NET INCOME OF OPERATING ACTIVITIES	(20.8)	-4.1%	5.4	1.6%	(4.4)	-1.2%
Net income from discontinued operations	(8.0)	-1.6%	0.2	0.1%	(7.6)	-2.1%
NET INCOME	28.8	5.7%	5.6	1.7%	(12.0)	-3.3%
FCF (excluding IFRS 16)	(70.8)		28.0		8.7	



2020 FCF Highlights - Cash Flow generation

- Figures excluding IFRS16

€m	2019	2020
FUNDS PROVIDED BY OPERATIONS	137.0	95.0
Working Capital	(2.1)	(32.1)
Capex (Tangible, Intangibles & IFRS15)	(127.7)	(108.3)
Others	2.1	11.3
FREE CASH FLOW (NET)	9.3	(34.1)
NET DEBT	256.2	291.3
FACTORING	94.2	97.7

€ 12.8m for new Romanian plant
€ 6.6m related to Brazil

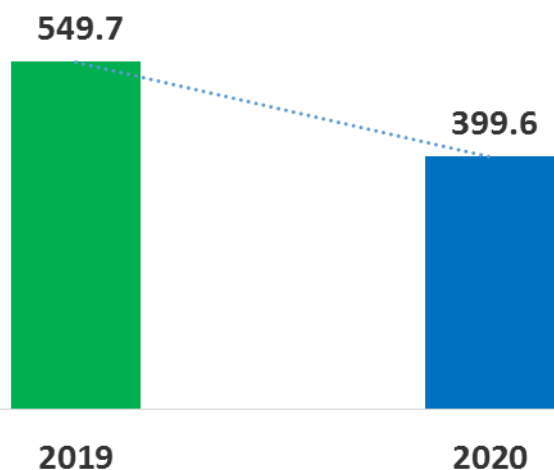


- In October, the Group signed and cashed € 134.5m of new medium-term loans of which:
 - € 80m of SACE loans, final maturity June 2026, quarterly amortizable from Sept. 2023.
 - € 20m of RCF expiring in Feb. 2021 converted into a medium-term loan with a final maturity in October 2026.
 - € 34.5m€ of PGE¹ loans guaranteed by BPI France. 1-year loan convertible into a medium-term (up to 5 years) at borrower's initiative.
- At 31 December 2020, the Group has committed credit lines in excess of €340.1m
- As of reminder of €100m of bond will be repaid in May 2021



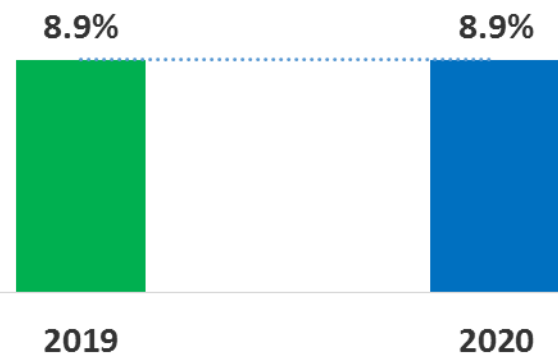
Business Units

Sales (€m)



- Down 27.3% (-22.7% at constant exchange)
- Affected by higher presence in Europe and in the most difficult markets (i.e. South America)

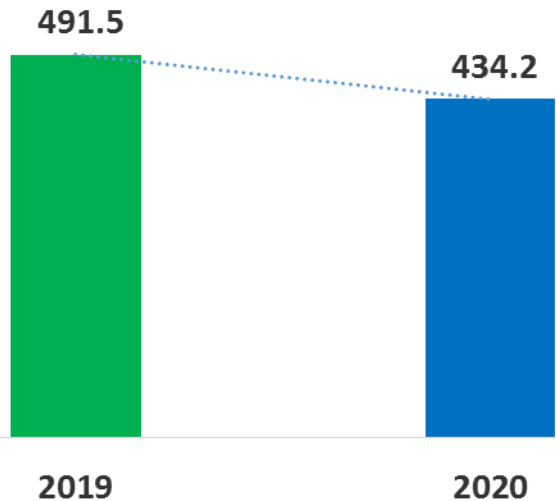
EBITDA %
excluding restructuring



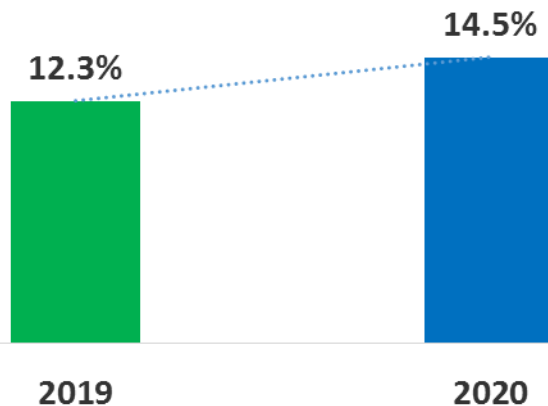
- EBITDA benefiting lower material costs in % of revenues and excluding restructuring stable at 8.9%
- Restructuring related to planned closure of a German plant
- Including new Romania plant (EBITDA € -2.5 million)
- € 22.9m of total gross cost reduction but increase in % due to volumes decline



Sales (€m)



EBITDA %
excluding restructuring

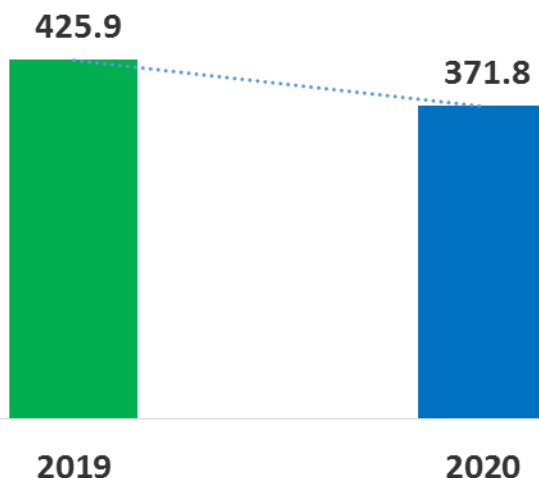


- Revenues down 11.7% at current exchange rates (-8.1% at constant exchange rates)
- Europe performed better than the market thanks to OES and to Aftermarket
- Major decline registered in South America and India

- Decline in absolute value mainly related to volumes
- € 20.2m of gross fixed cost reduction

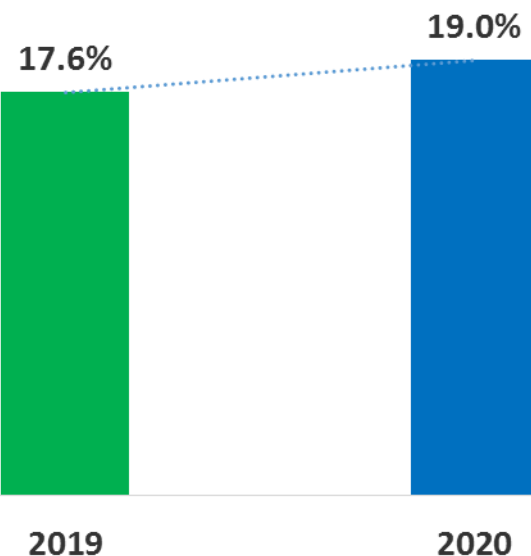


Sales (€m)



- Down 12.7% (-10.7% at constant exchange)
- Core Europe / North America markets hit by Covid, but Sogefi over-performed
- China at + 25.2% thanks to new SOPs

EBITDA %
excluding restructuring



- Higher EBITDA in all regions
- € 11.4m of gross fixed cost reduction
- EBIT margin at 5.4% despite the volumes drop (vs 5.8% in 2019)



Perspectives

Market production evolution

€m	4Q 2020E	FY 2020	IHS Forecast (Febr. 2021)					
			2021 vs 2020	2021 vs 2019	2022 vs 2021	2023 vs 2022	2024 vs 2023	2024 vs 2019
Europe	1.4%	-23.3%	16.4%	-10.9%	6.2%	2.2%	0.9%	-2.4%
North America	0.5%	-20.1%	24.4%	-0.7%	3.4%	-0.6%	-0.7%	1.3%
South America	1.3%	-30.7%	33.2%	-7.7%	8.3%	5.8%	2.3%	8.3%
Asia	7.5%	-7.0%	8.0%	0.4%	4.9%	4.5%	4.4%	14.9%
- of which China	5.9%	-4.2%	6.0%	1.4%	4.0%	4.1%	4.5%	14.6%
Total	2.5%	-16.2%	13.4%	-4.9%	4.8%	2.7%	2.4%	4.8%

Source: Sogefi and IHS data. Passenger cars and Light commercial vehicles only. Europe is Europe 28 and Asia is China + India



- Impact of the pandemic still very uncertain
- Additional uncertainties exist on raw materials prices (mainly steel) and their availability (semiconductors) as well as logistical difficulties involving transport and sourcing from Asian markets
- For the year 2021, IHS expects world production to show a rebound of 13.7% compared to 2020, remaining however lower than in 2019 (-4.8%)
- Thanks to the effects of the incisive actions implemented in 2020, to reduce incidence of fixed costs and to structurally improve profitability, Sogefi plans to return to a positive result in 2021



Yann Albrand, Sogefi Group CFO
Stefano Canu, Investor Relations

Tel: +39 02 46750214

Fax: +39 02 43511348

Mail: ir@sogefigroup.com



- This document has been prepared by SOGEFI S.p.A. for information purposes only and for use in presentations of the Group's results and strategies.
- For further details on the SOGEFI Group, reference should be made to publicly available information, including the Annual Report, the Semi-Annual and Quarterly Reports.
- Statements contained in this document, particularly the ones regarding any SOGEFI Group possible or assumed future performance are or may be forward looking statements and in this respect they involve some risks and uncertainties.
- Any reference to past performance of the SOGEFI Group shall not be taken as an indication of future performance.
- This document does not constitute an offer or invitation to purchase or subscribe for any shares and no part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.



so/gefi