



FULL YEAR RESULTS 2019

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Business Highlights – Results FY 2019

SALES

- Markets slowed down in Q4, especially in Europe, leading to a slight decline in **group sales** by **-2.5% to €736m** (2018: €755m)
- Sales in **Europe** were down by **-6.9% to €432m**, mostly due to an abrupt slowdown of European truck market accompanied by longer production shutdowns at the end of the year
- **North America** continued with strong momentum **+11.1% to €162m** in 2019
- Sales in **APA** slightly down **-2.1% to €143m** mostly due to weak Indian market. Stronger sales in China and other countries in the region helped to offset the decline.

OPERATING RESULT

- **Adjusted EBIT** down to **€77m** (2018: € 81m)
- **Adjusted EBIT margin** nearly stable at **10.4%** (2018: 10.7%)

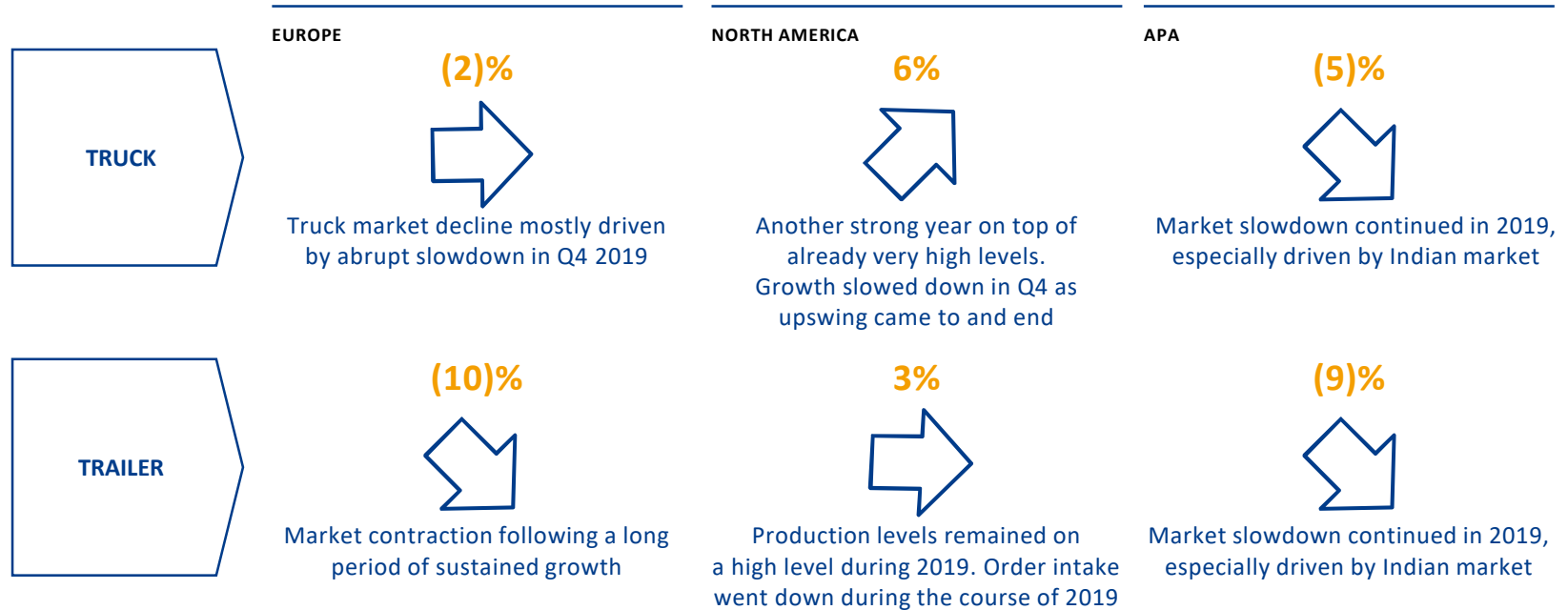
FINANCE

- **Free cash flow** increased to **€60m** (2018: €38m) due to lower working capital and high cash generation of operational business
- **Net Working Capital** as % of LTM sales **down by 0.3pp to 18.2%** (2018: 18.5%)

NET EARNINGS

- **Adjusted net earnings** declined only by 1.6% to **€51m** (2018: €52m).
- **Current dividend proposal** is **0.80 € per share** (2018: 1.10 € per share). In view of the he highly dynamic development of the coronavirus pandemic, the Management Board reserves the option to reconsider the suitability of the dividend proposal

Truck and Trailer Market Development in 2019



Note: Market figures for heavy truck based on LMC, Clear Consulting and FTR (as of January 2020)

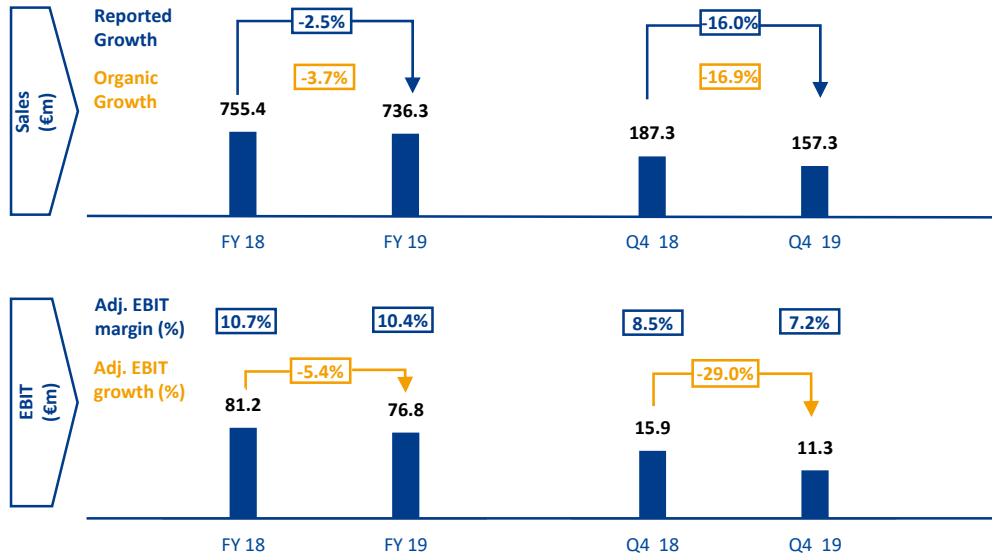
Target Achievement in FY 2019

	FY 2018A	Outlook 2019	Results FY 2019
Sales	€755m	Low single-digit % decline	-3% to €736m
Adjusted EBITDA	€100m	Low single-digit % growth, outperforming sales due to IFRS 16	+1% to €101m
Adjusted EBIT	€81m	Low single-digit % decline	-5% to €77m
Adjusted EBIT margin	10.7%	~ stable	10.4%
Capex ¹	€20m		€18m
<i>in % of sales</i>	2.6%	~ 2.5% of sales	2.4%
Net working capital	€140m		€134m
<i>in % of sales</i>	18.5%	<18.5%	18.2%
Leverage	0.85x	~ 0.5x	0.46x

¹ Capex calculated as payments to acquire property, plant and equipment as well as intangible assets

Group

KEY FINANCIALS OVERVIEW

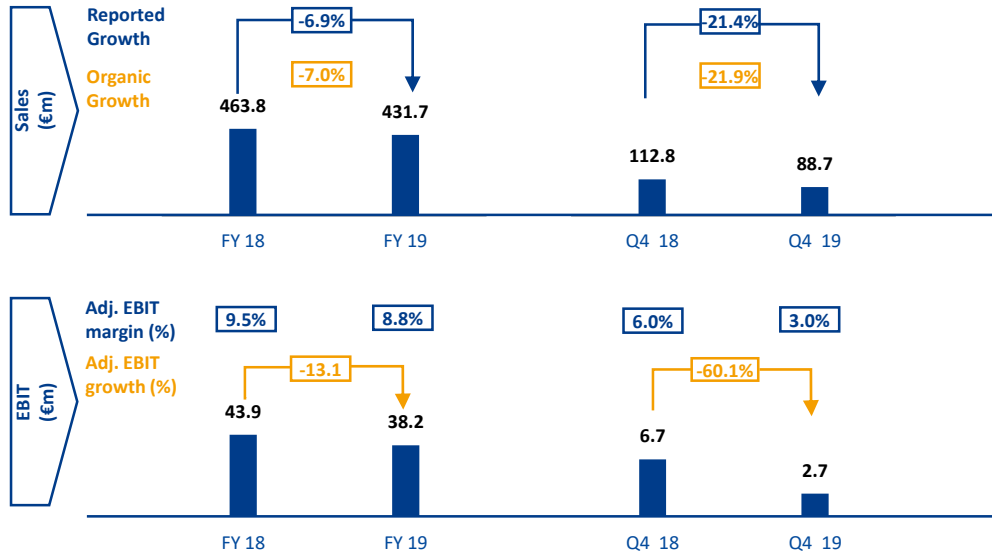


KEY HIGHLIGHTS

- The market for trucks and trailers deteriorated significantly during Q4 2019, especially in Europe, causing sales to fall below prior year's level
- Growing demand for JOST products, especially in China partially offset the negative trend in Q4
- Group margins in 2019 almost stable 10.4%, down only by 30bp, compared to previous year
- Strong decline in Q4 mostly driven by abrupt market slowed down, especially in Europe

Europe

KEY FINANCIALS OVERVIEW

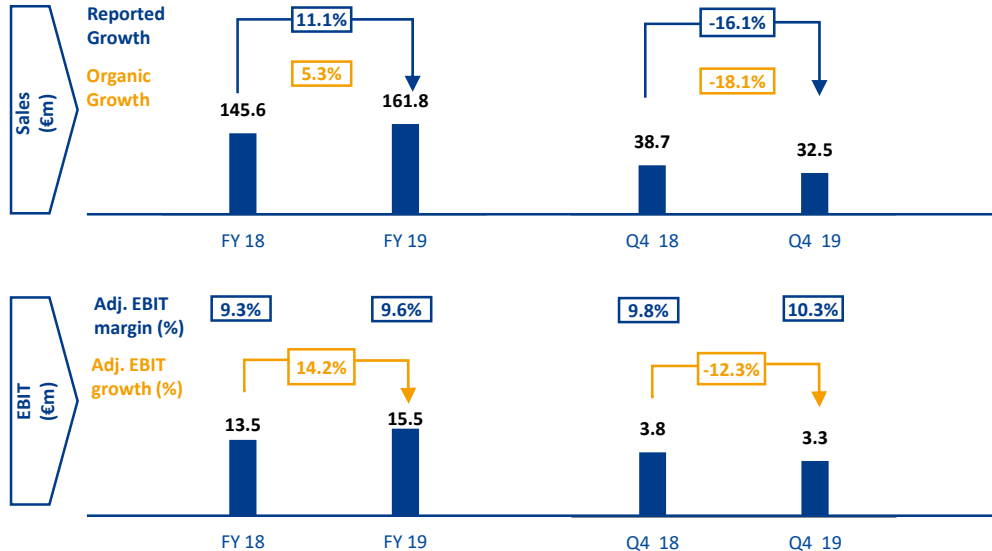


KEY HIGHLIGHTS

- In Europe the market for standard trailers declined significantly since beginning of 2019
- JOST was able to partially compensate the effect through higher sales to specialty trailer builders
- The market for trucks cooled off abruptly in the last two months of 2019, causing an additional sales decline for JOST during Q4
- Margins were under pressure in 2019 due to:
 - lower sales volumes
 - rising personnel costs
- Strong decline in Q4 was driven by abrupt market decline, as the region has the highest proportion of fixed costs for the group because it bears the headquarters' administrative costs

North America

KEY FINANCIALS OVERVIEW

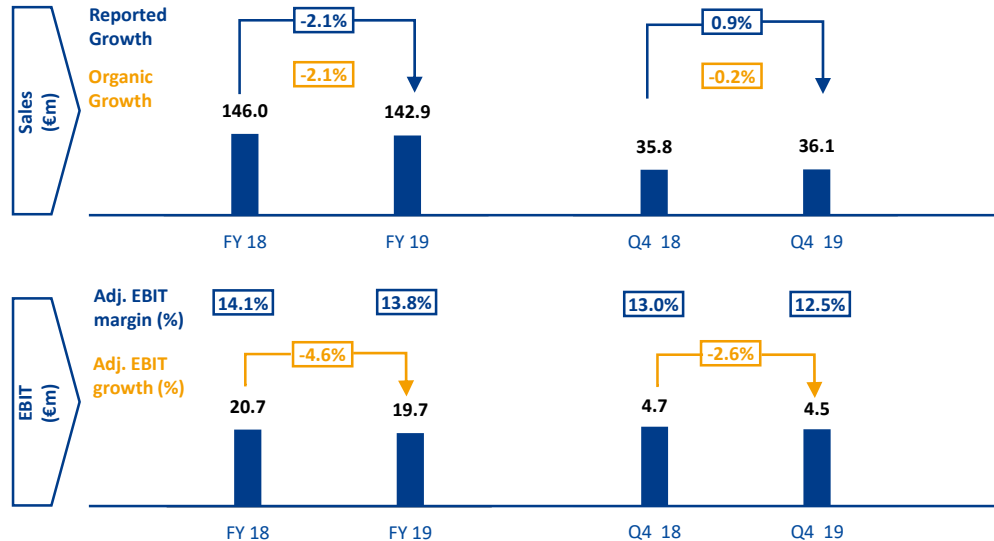


KEY HIGHLIGHTS

- North America was again the main growth driver for the JOST in 2019
- Reported sales went up by 11.1%, supported by FX-tailwinds. Organic sales amounted to +5.3%
- Growth slowed in Q4 as market upswing came to an end and OEMs adjusted capacities in preparation for expected decline in 2020
- Margins improved by 30 bp to 9.6% in 2019 due to:
 - High utilization rates and improved operating performance
 - Increased level of automation, driven by investments in 2018 and 2019

Asia-Pacific-Africa

KEY FINANCIALS OVERVIEW

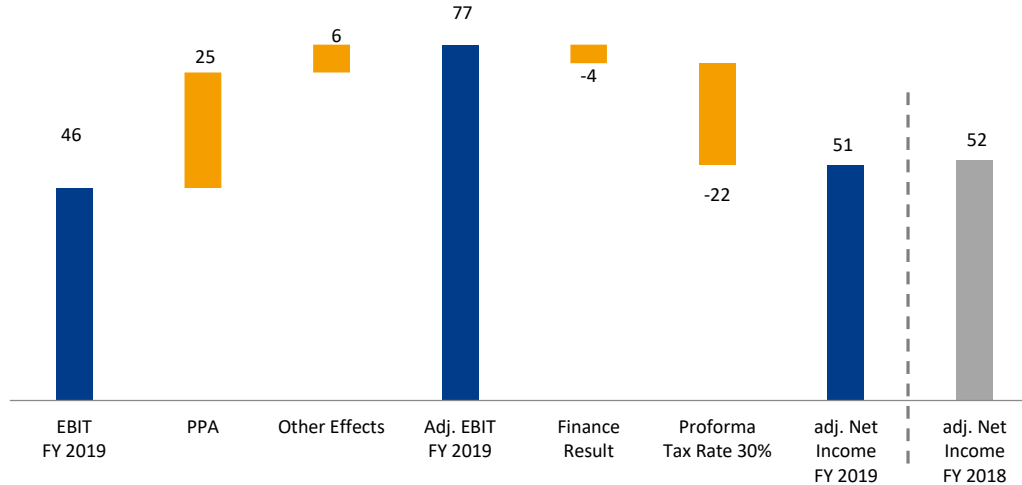


KEY HIGHLIGHTS

- JOST grew strongly in China and other markets in the APA region in 2019, being able to partially offset the strong decline of the Indian market
- Reported sales went only slightly down by 2.1%; FX-effects had no impact on FY figures
- Growth in Q4 was mostly driven by a strong finish in China and small FX-tailwinds.
- In 2019, adj. EBIT margin went down slightly by 30 bp to 13.8% due to lower sales volume and low capacity utilization, especially in India
- Effective cost saving measures and high staff flexibility in the region helped to reduce the impact of lower sales volumes on margins

Adjusted net income and adjusted EPS slightly below previous year

RECONCILIATION OF ADJUSTED EARNINGS FY 2019 (IN M€)

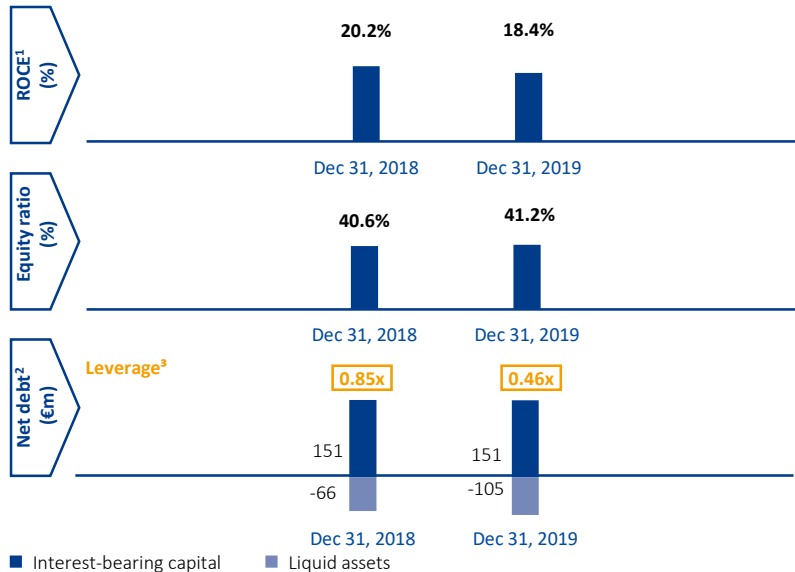


COMMENTARY

- Adjustments to EBIT mainly from amortization of PPA (non-operating) amounting to 25m€
- Further adjustments derived mostly from one-off costs associated with the acquisition of Ålö as well as costs in relation to personnel expenses and the harmonization of global IT infrastructures
- Reported earnings after taxes declined to €33.5m (2018: €53.4m) due to a positive one-off tax effect in the previous year amounting to €17.2m. Accordingly EPS in 2019 amounted to €2.25 (2018: €3.59).
- Adjusted net income declined only by 1.5% to €50.8m (2018: €51.6m).
- Adjusted EPS amounted to €3.41 (2018: €3.46).

Equity Ratio and Net Debt Stable on an Excellent Level

BALANCE SHEET OVERVIEW AS AT DECEMBER 31, 2019



FY 2019 COMMENTARY

- ROCE only slightly down to 18.4% despite increase of other financial liabilities following the first-time adoption of IFRS 16
- Equity ratio increased compared to year end, despite negative impact of first-time adoption of IFRS 16, which resulted in an increase of short- and long-term financial liabilities, and dividend payments of €16.4m.
- Leverage improved to 0.46x
- Liquid assets grew by €38.7m reaching €104.8m
- Net debt was further reduced to €46.3m because of the strong increase of liquid assets

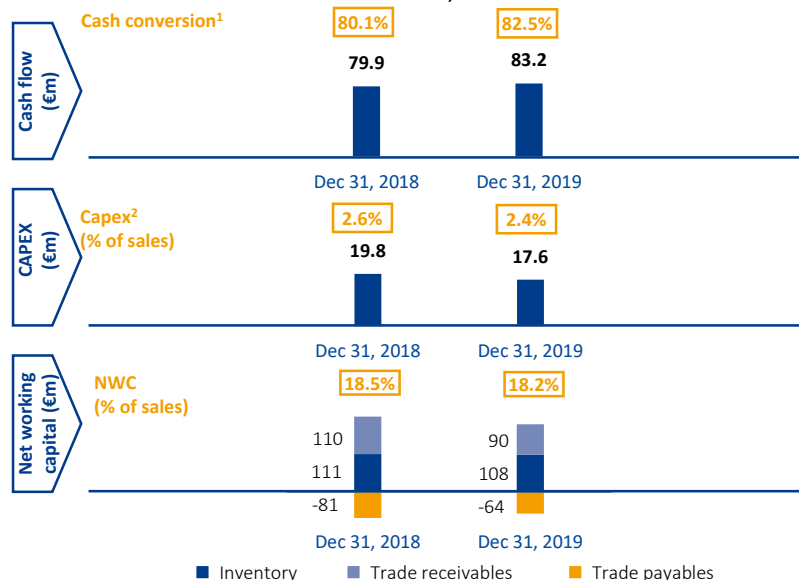
¹ ROCE=LTM adj. EBIT / interest-bearing capital employed (interest-bearing capital: equity + financial liabilities [excl. refinancing costs] – liquid assets + provisions for pensions)

² Net debt = Interest-bearing capital (excl. refinancing costs) – liquid assets

³ Leverage = Net debt/LTM adj. EBITDA [LTM EBITDA FY 2019= €101m ; EBITDA FY 2018 = €100m]

Strong Cash Generation Profile Supported by Low Capex Spend

BALANCE SHEET OVERVIEW AS AT DECEMBER 31, 2019



FY 2019 COMMENTARY

- Cash conversion rate rose 2019 to 82.5% as a result of better working capital management as well as slightly lower capex expenditures, compared to previous year
- Capex in FY 2019 amounted to 17.6m€ or 2.4% of total sales, thus within expected range of approx. 2.5% of sales
- NWC as % of sales improved to 18.2% mostly due to lower trade receivables and slightly lower inventories, falling below prior year's level (2018: 18.5%)

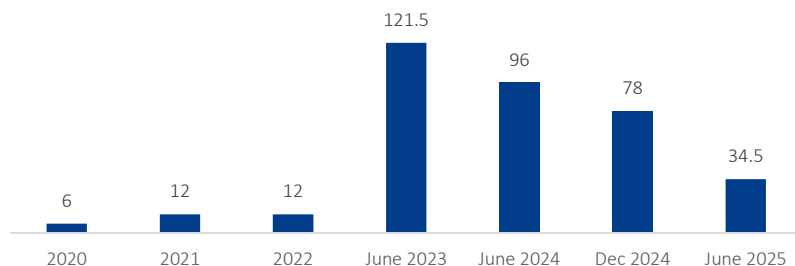
¹ Cash flow defined as adjusted EBITDA – capex; cash conversion defined as (adjusted EBITDA – capex)/adjusted EBITDA

² Capex calculated as payments to acquire property, plant and equipment as well as intangible assets

New financing structure after closing acquisition of Ålö

DEBT REPAYMENT TIMELINE

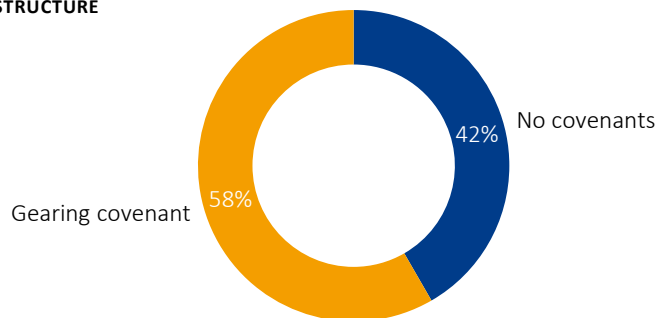
(€m)



COMMENTARY

- Long-term and well balanced maturity profile for all current loans
- 100% of debt is free of a leverage covenants
 - 42% of debt is completely covenant free
 - 58% of debt has a gearing covenant with plenty of headroom (gearing = equity / net debt)
- Gearing KPI is less susceptible to short- and mid-term decline of economic performance as it is not directly affected by short-term changes to EBITDA
- JOST still has undrawn credit lines in its revolving credit facility, which gives the group further flexibility

COVENANT STRUCTURE











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Outlook 2020

Truck and Trailer Market Outlook for 2020

These market forecasts DO NOT include impact from Coronavirus pandemic

	EUROPE	NORTH AMERICA	APA
TRUCK	<p>(15) – (10)% </p> <p>OEMs expect a strong decline of new-build rate in 2020</p>	<p>(30) – (25)% </p> <p>Significant decline after 3 years of strong growth</p>	<p>(5) – 0 % </p> <p>Market decline expected to continue</p>
TRAILER	<p>(5) – 0% </p> <p>Slight decline following an already weak 2019</p>	<p>(15) – (10)% </p> <p>Market slowdown expected after years of strong growth</p>	<p>(5) – 0 % </p> <p>Slight decline following an already weak 2018-2019</p>
TRACTORS	<p>(5) – 0% </p> <p>Agricultural tractor market should remain stable or contract slightly</p>	<p>(5) – 0% </p> <p>Agricultural tractor market expected to decline slightly</p>	

Note: Market estimates for heavy truck based on LMC, Clear Consulting and FTR and OEMs announcements (as of January 2020)

Corona pandemic impact on our markets

JOST current observations – situation is extremely dynamic and changes quickly

EUROPE

TRUCK

All European truck OEMs have announced shut-downs of up to four weeks. JOST has started short-time work in its Neu-Isenburg plant. Other plants might follow. JOST will continue aftermarket shipments to ensure critical transport needs.

TRAILER

So far, only some trailer OEMs have announced short-time work. Demand is slowing down. Shut-downs might be announced shortly. JOST will continue aftermarket shipments to ensure critical transport needs.

TRACTORS

Ålö production plant in France was forced to close due to the pandemic.

NORTH AMERICA

Most truck OEMs have announced shut-downs of up to three weeks. JOST is reducing production volumes accordingly. JOST is allowed to continue aftermarket shipments as part of critical transport needs in the US.

Trailer OEMs have continue to operate at reduced levels and volumes are expected to go down further. JOST is allowed to continue aftermarket shipments as part of critical transport needs in the US.

Dealers and most OEMs have not yet announced shut-downs. This might change.

APA

Production plant in Wuhan was affected by shut-down in February and March. It started ramping up mid March. The situation in China is normalizing. Plants in India and South Africa have been closed.

Production plant in Wuhan was affected by the shut-down in February and March. It started ramping up mid March. The situation in China is normalizing. Plants in India and South Africa have been closed.

Ålö production plant in Ningbo, China, was affected by closures too, but could recommence production mid February. Situation is back to normal.

Outlook for 2020 temporarily suspended

- The underlying assumptions on which the outlook in the Annual Group Report 2019 was based are no longer valid. Accordingly, the outlook for the 2020 fiscal year, which is reproduced on pages 55 and 56 of the Annual Group Report 2019, does not reflect the current situation.
- Due to the speed with which the coronavirus pandemic is spreading and the lack of visibility over the duration and severity of the measures implemented in response, it is not currently possible to reliably estimate the economic impact on JOST.
- A dependable update of the outlook is not feasible under these rapidly changing circumstances.
- The Management Board is closely monitoring global developments and their influence on JOST's business and will provide a new forecast as soon as possible.

Important note: JOST will continue to maintain service and spare parts supply for customers in order to support delivery traffic on the roads. This is critical to ensure that the logistics industry, which is particularly important at the moment, can continue to operate safely so that people and hospitals can be supplied with all necessary goods.

Executive Summary

2019 was another successful year for JOST. We strengthened our financial position and balance sheet structure, which allows us to better cope with the economic impact of the coronavirus pandemic


Current debt structure has a long-term maturity profile and is well balanced. The debt has no leverage covenant and is thus less susceptible to short- and mid-term declines in economic performance

Agricultural business and aftermarket should be slightly less affected as transportation of goods and food production are critical needs

JOST will use all instruments available to reduce impact of the pandemic to its business. We have already implemented cost saving measures in response

A dependable update of the outlook is not feasible under these rapidly changing circumstances. Management will provide a new forecast as soon as possible.



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Q&A

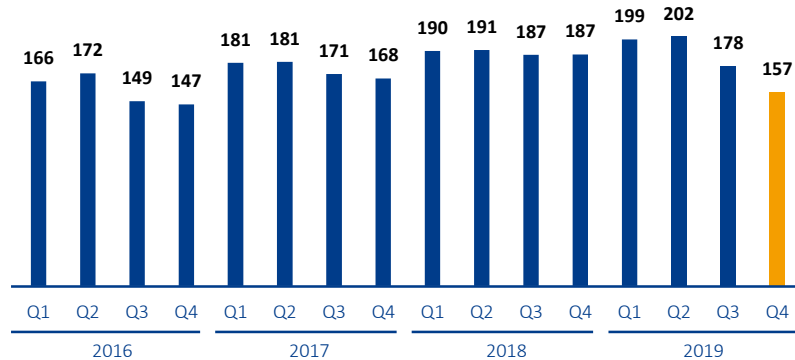
Appendix

Further information

Development of JOST's Sales and Adjusted EBIT by Quarter

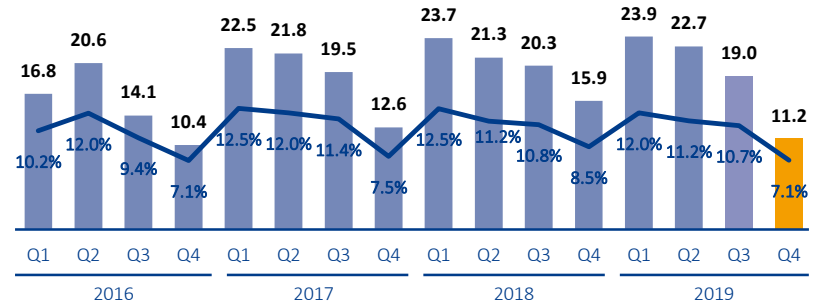
SALES

(€m)



ADJ. EBIT

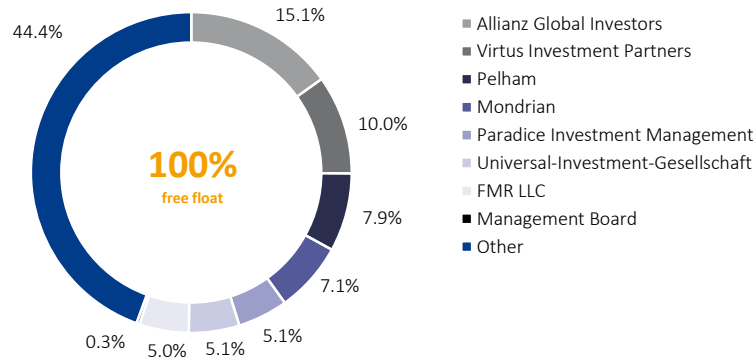
(€m)



Typical seasonality for Q3 and Q4 influenced by reduced numbers of working days due to summer holidays in Q3 and holiday season in Q4. In 2019 slowdown in Q4 exceeded typical seasonality.

Shareholder Structure and Share Information

SHAREHOLDER STRUCTURE AS OF MARCH 13, 2020¹



¹ According to German stock exchange definition 100% of shares qualify as free float

EARNINGS PER SHARE

(€)	2018	2019
EPS	3.59	2.25
Adj. EPS	3.46	3.41
Proposed dividend per share*	1.10	0.80
Payout ratio*	30.6%	35.6%

*In view of the current economic situation and the highly dynamic development of the Coronavirus pandemic, the Management Board continually reviews the suitability of the dividend proposal.

SHARE INFORMATION

ISIN	DE000JST4000
Trading symbol	JST
German Sec. Code Number (WKN)	JST400
Shares in issue	14,900,000
Index	SDAX
Listed since	July 20, 2017

Financial Calendar 2020

Mar. 25	Publication of Annual Group Report FY 2019
May 14	Publication of Q1 2020 Report
Aug. 13	Publication of H1 2020 Report
Nov. 12	Publication of 9M 2020 Report

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