

**PRESS RELEASE**

**JOST sales grow by 15% and adjusted EBIT by 38% in the third quarter of 2017**

- **Sales in third quarter grew by 15% to € 171.5 million**
- **Adjusted EBIT increased by 38% to € 19.5 million in third quarter**
- **Net profit in third quarter improved to €6.3 million**
- **JOST confirms the increased outlook for fiscal year 2017**

Neu-Isenburg, November 27, 2017. JOST Werke AG (“JOST”), a leading global producer and supplier of safety-critical systems to the truck and trailer industry, published today its Interim Report for the first nine months of 2017 and confirmed the preliminary results announced on October 23, 2017.

**Strong sales growth in the third quarter**

In the third quarter of 2017, JOST’s total sales rose by 15% to € 171.5 million, compared to the same period of the previous year (Q3 2016: € 149.4 million). In the first nine months of 2017 sales grew by 10% to € 533.3 million (9M 2016: € 487.0 million). The continuous strong sales growth was mainly driven by high activity levels in Asia, Pacific and Africa (APA), where JOST increased sales by 47% to € 108.7 million (9M 2016: € 73.9 million) in the first nine months of 2017. The rapidly recovering truck market in North America also contributed to the positive development, with sales in the region rising by 6% to € 91.6 million (9M 2016: € 86.5 million). In Europe sales increased by 2% to € 333.0 million (9M 2016: € 326.6 million), supporting the overall growth of group’s sales.

Lars Brorsen, CEO of JOST Werke AG, commented: “2017 remains a very strong year for JOST: we continued to grow in all our markets and achieved record sales levels, countering the usual seasonal slowdown typical of the third quarter. This good performance highlights the acceptance of our products by customers and confirms our goal to outperform the market.”

**Continuous improvements in profitability**

As a result of disciplined cost management as well as continuous efficiency gains in all segments and supported by the strong sales performance, JOST was able to increase earnings before interest and taxes (EBIT) – adjusted for exceptional items and PPA

effects – by 38% to € 19.5 million during the third quarter of 2017 (Q3 2016: € 14.1 million) with adjusted EBIT margin expanding to 11.4% (Q3 2016: 9.4%).

In line with this development, adjusted EBIT rose by 24% to € 63.8 million during the first nine months of 2017 (9M 2016: € 51.5 million). The strong sales growth in APA at favorable margins was one of the main reasons for this development – adjusted EBIT in APA grew by 51% to € 17.2 million (9M 2016: € 11.4 million) during the first nine months. In North America adjusted EBIT increased by 17% to € 9.8 million (9M 2016: € 8.3 million) in the same period, despite increases in raw material prices slightly affecting earnings during the third quarter. In the segment Europe, adjusted EBIT grew by 14% to € 35.2 million in the first nine months of the year (9M 2016: € 30.8 million), mostly due to the completed integration of the axle business in addition to general efficiency gains.

### **Balance sheet and financial position strengthened**

JOST continued to demonstrate the strong cash generation of its business model. This was further supported by a good working capital management, which resulted in stable net working capital of € 137.6 million despite the strong sales growth. Consequently, net working capital ratio improved to 20.2% (Sept. 30, 2016: 21.6%) in the reporting period.

The strong cash generation coupled with the capital increase of € 131.6 million as part of the stock listing, helped to substantially reduce net debt to € 123.3 million as at September 30, 2017 (Dec 31, 2016: € 272.8 million). Equity also improved significantly to € 195.1 million (Dec 31, 2016: € -137.4 million), resulting in an equity ratio of 32%.

Net profit in the third quarter 2017 amounted to € 6.3 million, compared to net losses of € 4.4 million in the previous year.

"We are constantly looking for additional efficiencies in the group. The continuous progress in all segments combined with our newly strengthened financial position constitutes a sound foundation on which we can execute our future growth plans," said Christoph Hobo, CFO of JOST Werke AG.

### **JOST confirms the increased outlook for full year 2017**

The Management Board confirmed the outlook announced on October 23: JOST expects sales to grow at a high-single digit rate in 2017 (previous forecast: mid-single digit growth rate) and adjusted EBIT to grow at a moderate-double digit rate (previous forecast: high-single digit growth rate), compared to the fiscal year 2016.

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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 staff worldwide.*