

## **Company presentation**

MBB Industries AG | Berlin

**Overview**

Company

Finance

Share & outlook

## **MBB – the medium-sized group of companies**

MBB stands for Messerschmitt-Bölkow-Blohm

Since 1995, MBB has been acquiring and developing small and medium-sized German companies

MBB has been listed on the stock exchange since 2006

MBB is 75% owned by its founders

MBB stands for long-term, value-driven corporate development

MBB has 1,000 employees, and is set to generate sales of more than €200 million in 2012

## **MBB – the business model**

MBB purchases profitable German SMEs

MBB purchases majority stakes

MBB companies remain independent

MBB companies benefit from the advantages of a strong group

MBB seeks and promotes entrepreneurs

MBB finances acquisitions with equity

MBB is growing through sustained, long-term value enhancement

## MBB – Highlights 2012

MBB buys back 144,000 treasury shares

MBB acquires CLAAS Fertigungstechnik GmbH

MBB pays €0.44 dividend

MBB forecasts sales of €200 million for the first time

MBB share price doubles

## MBB – Locations since 1995



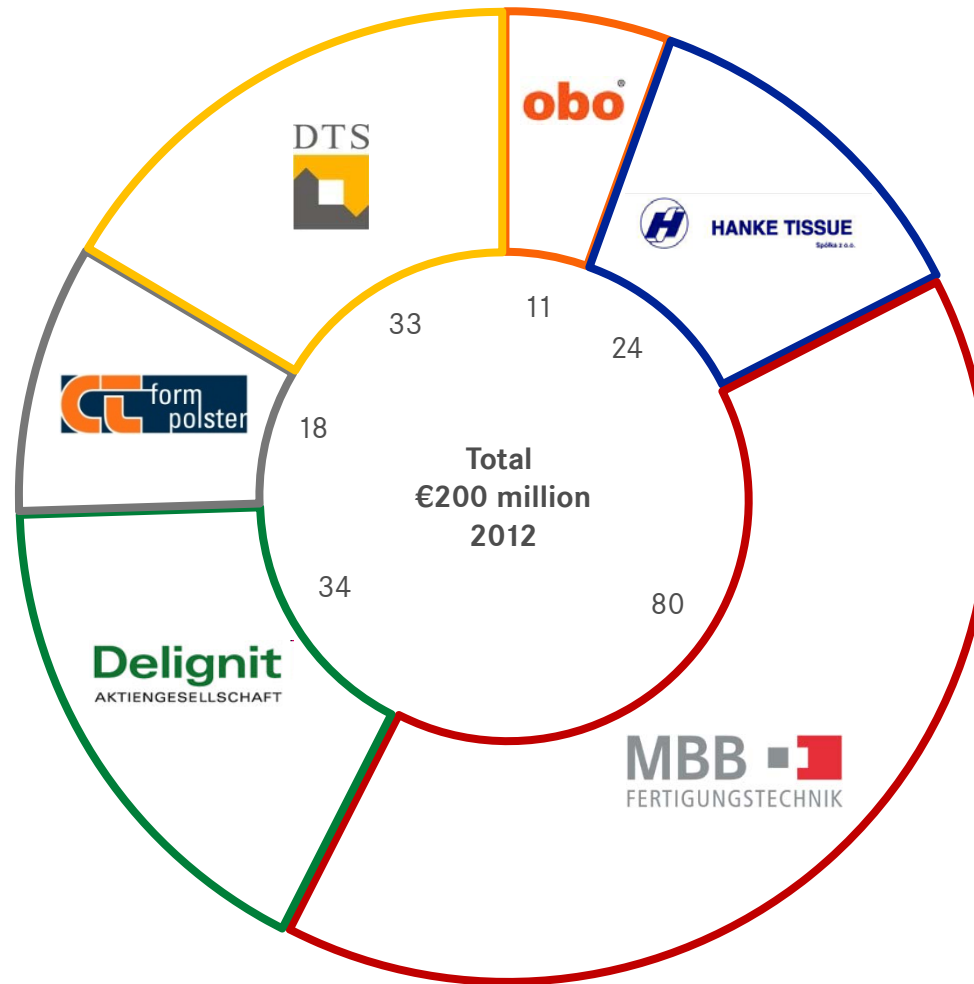
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€200 million revenue in 2012

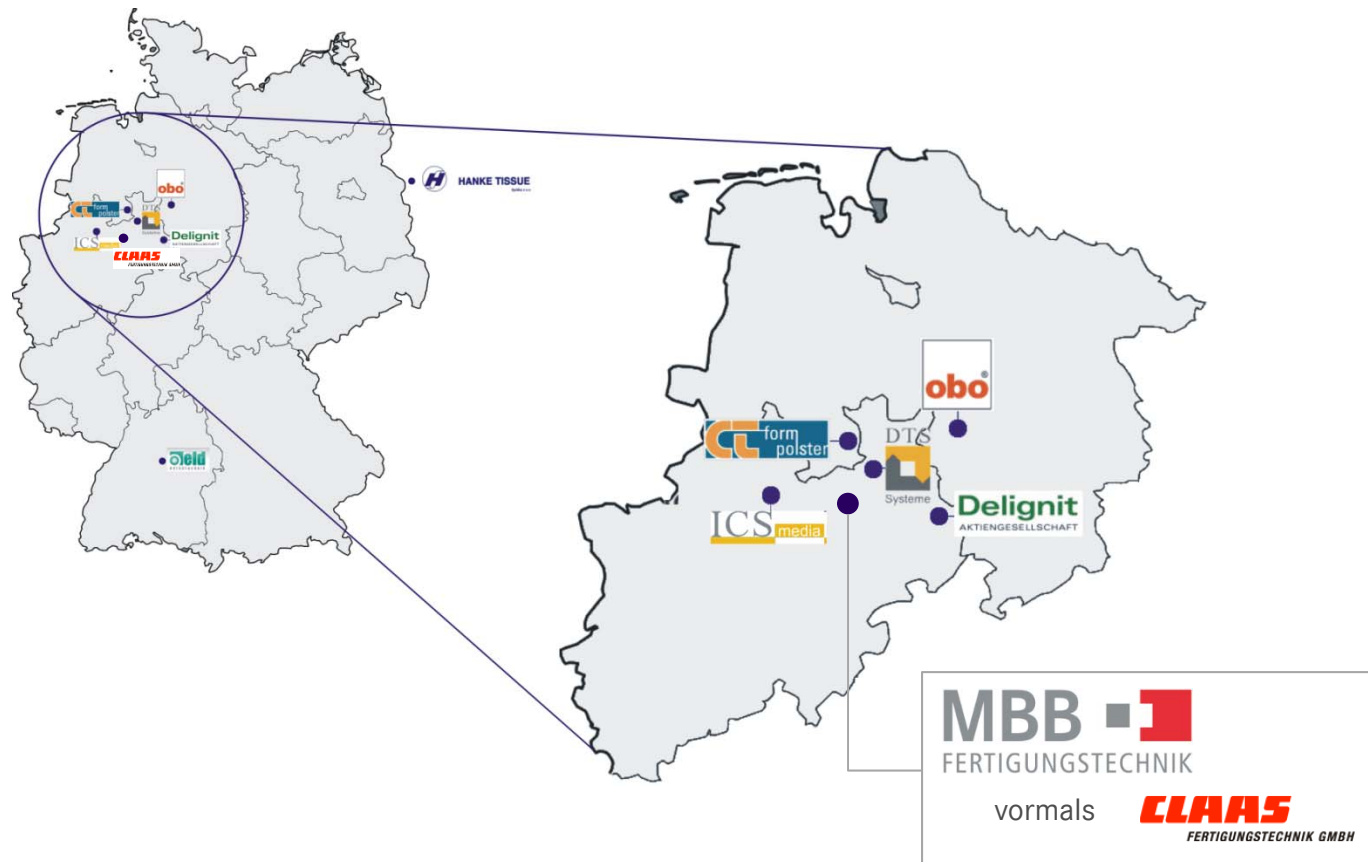




Paper towels, plywood, IT, mattresses,  
polyurethane & special engineering



## 2012: CLAAS Fertigungstechnik becomes MBB Fertigungstechnik



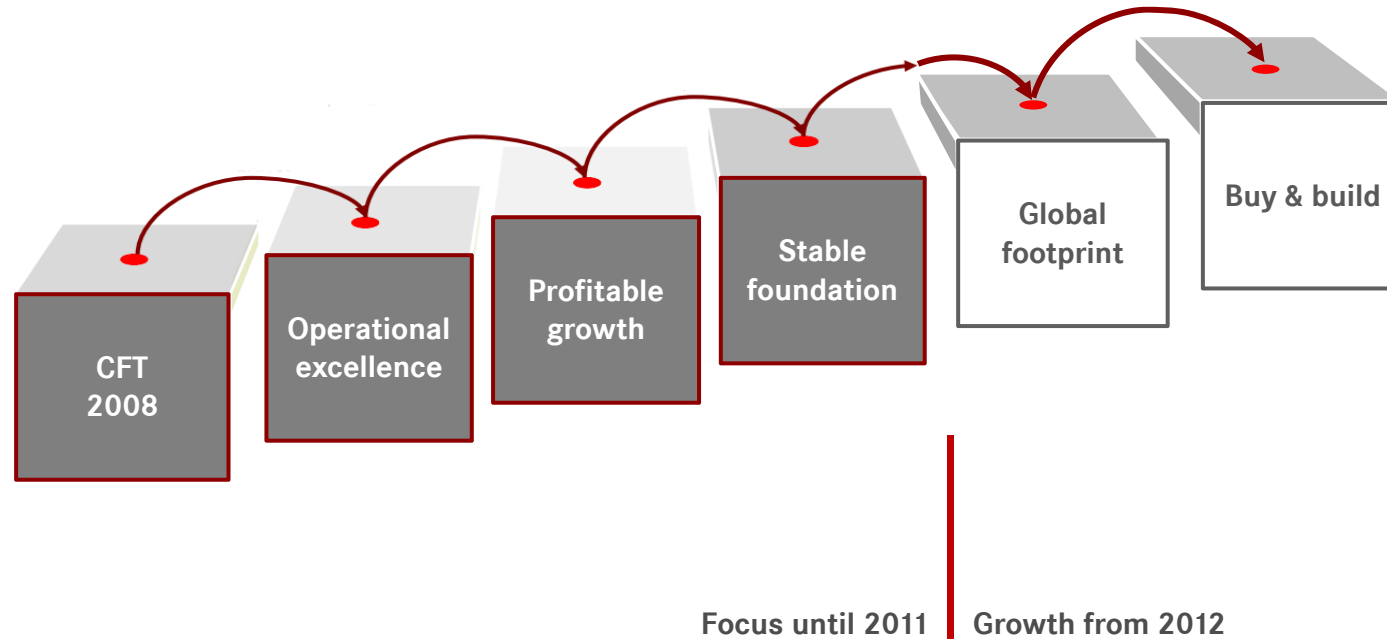
MBB Fertigungstechnik is German mechanical engineering at its finest



## MBB Fertigungstechnik: Focus on the automobile industry



## MBB Fertigungstechnik is growing



## 2013 MFT goes to China

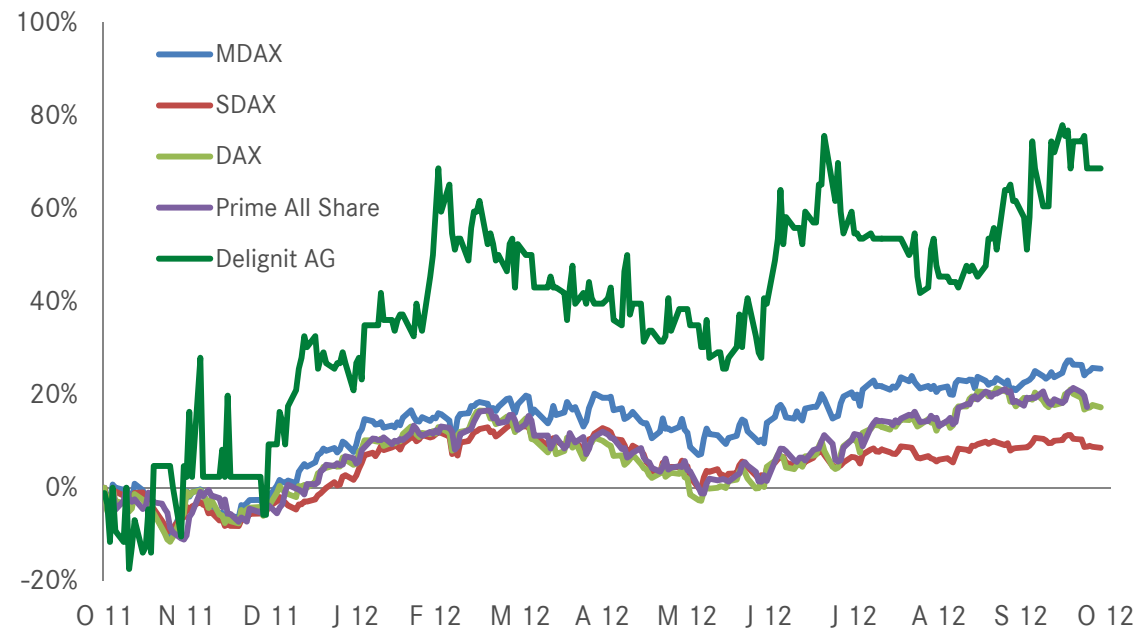




## Delignit reduces debts & grows



## Delignit share price rising





## DTS IT AG

2008 MBB entry - €20 Mio. revenue

2009 Bremen

2009 Hannover

2009 ICSmedia, Münster

2010 eld datentechnik, Fellbach

2011 Berlin

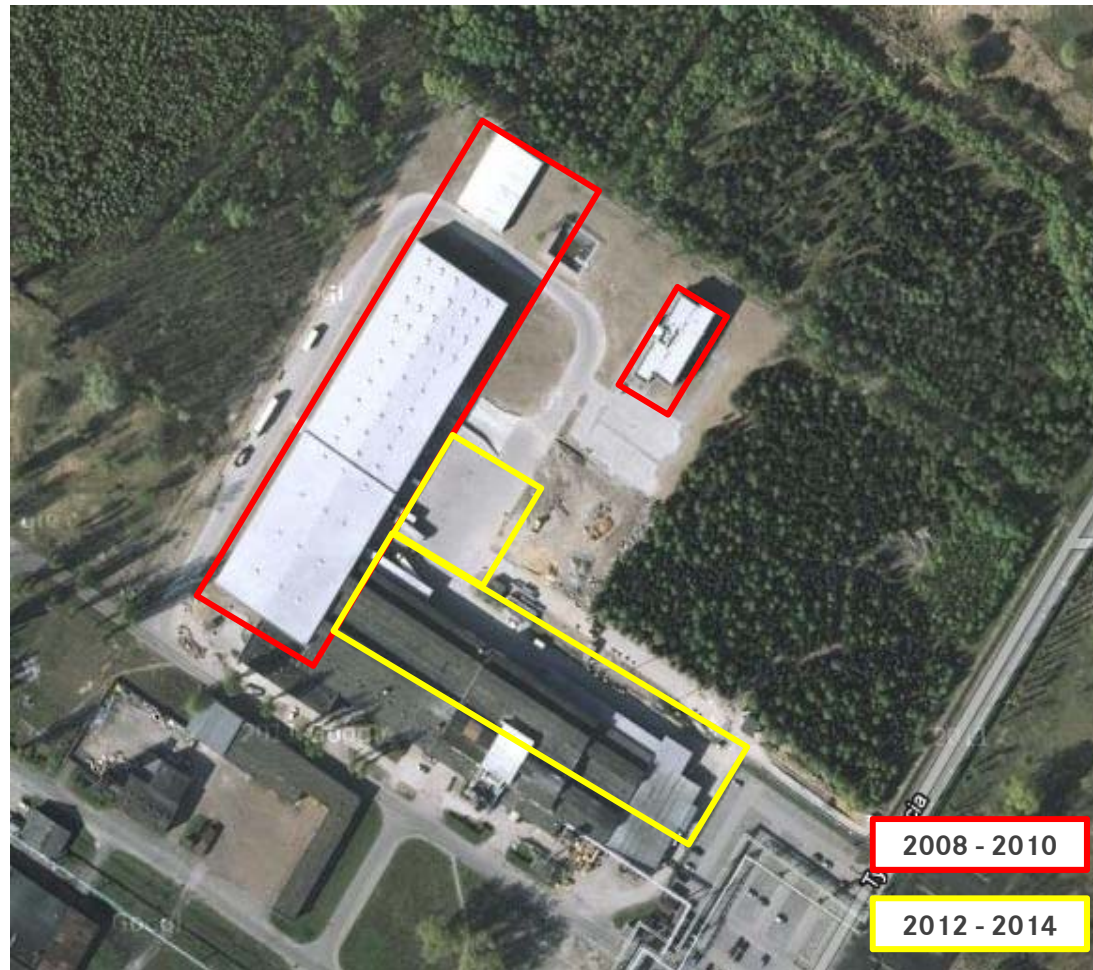
2012 ...

2013 ...

2014 ...

2015 planned revenue of €100 Mio.

Hanke to invest €10 million by 2014



Overview

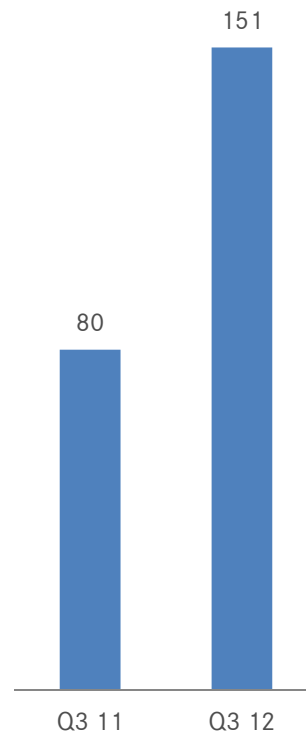
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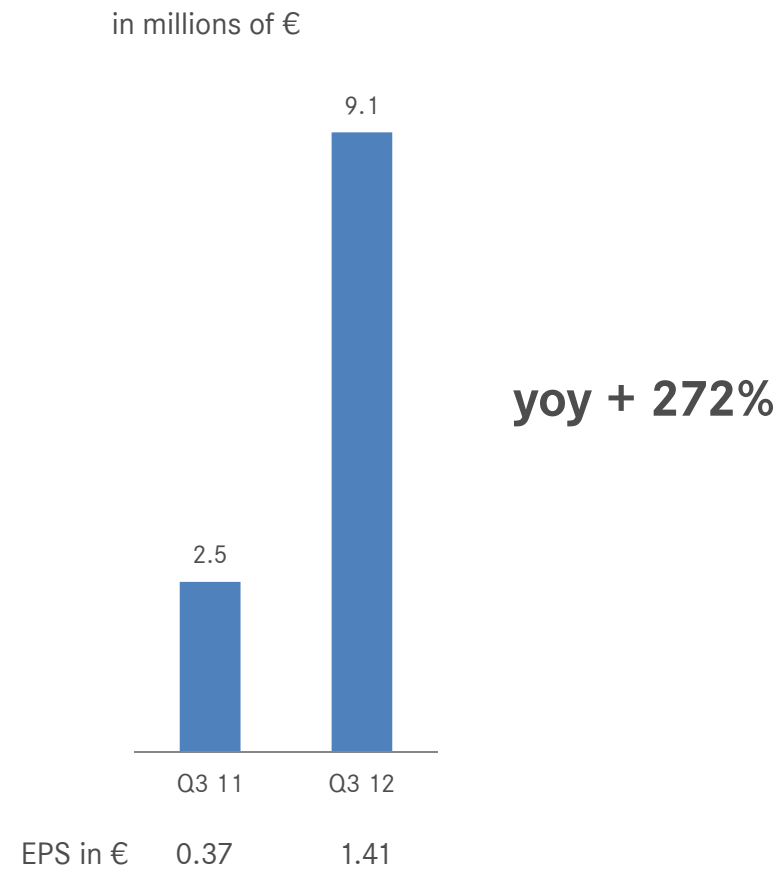
## MBB 9-month revenue

in millions of €



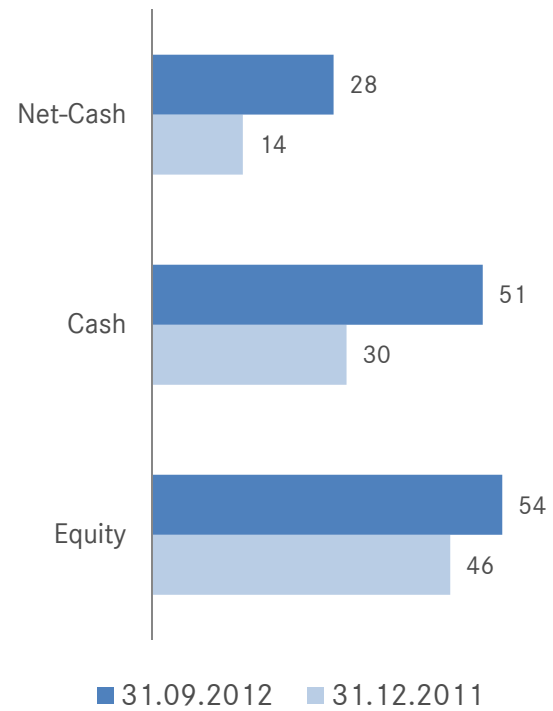
**yoy + 90%**

## MBB 9-month earnings

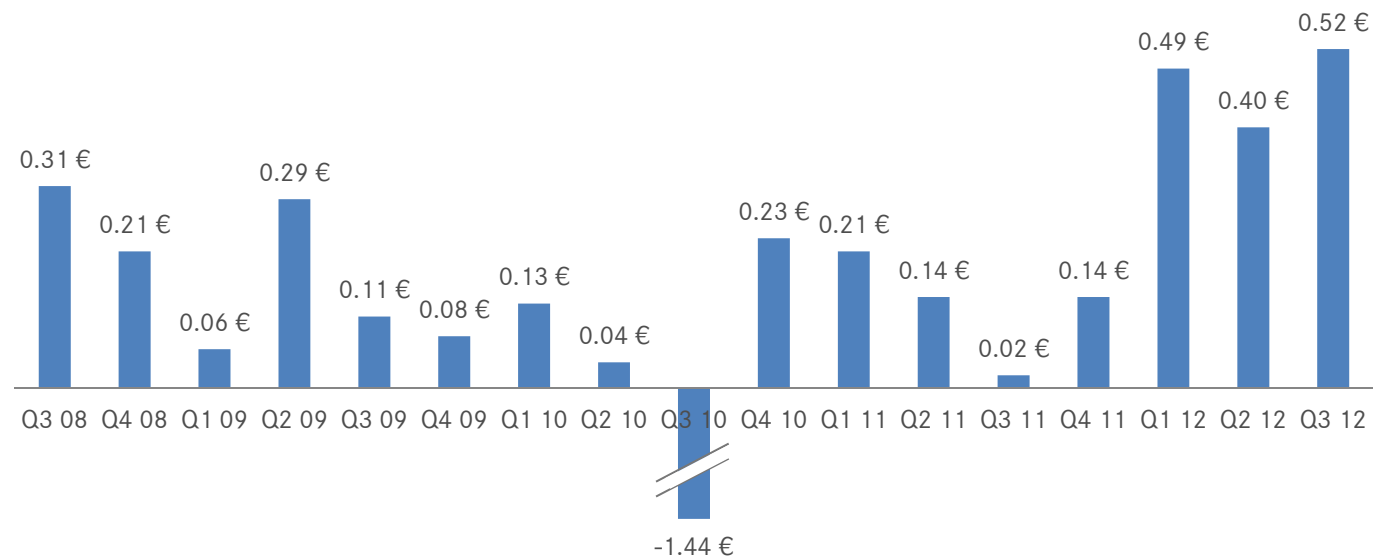


## Assets growing

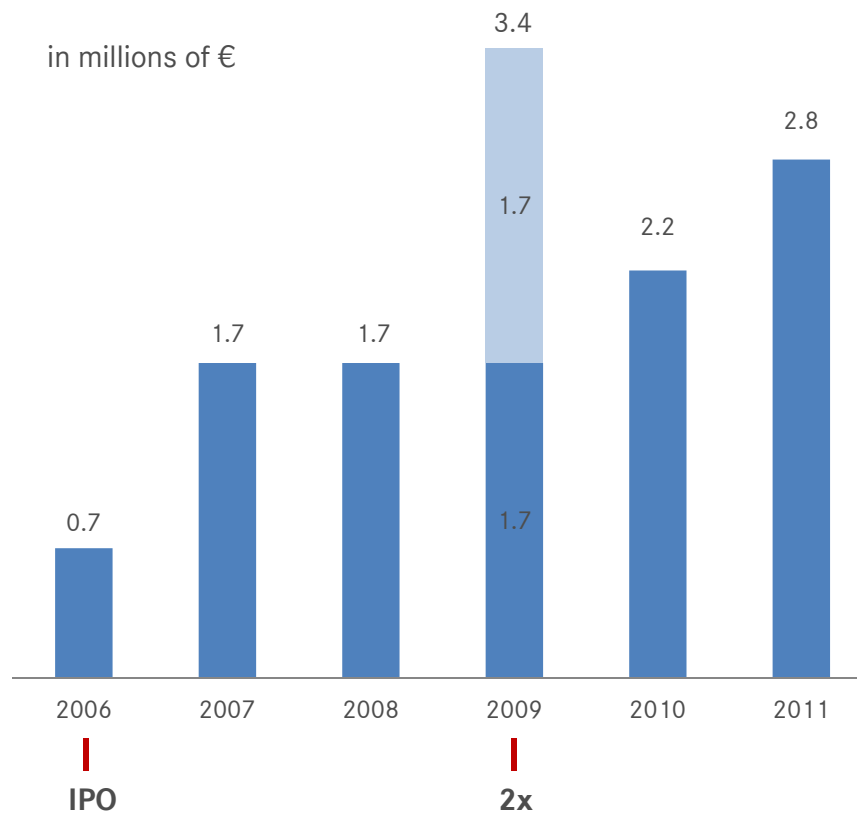
in millions of €



## Positive quarterly trend



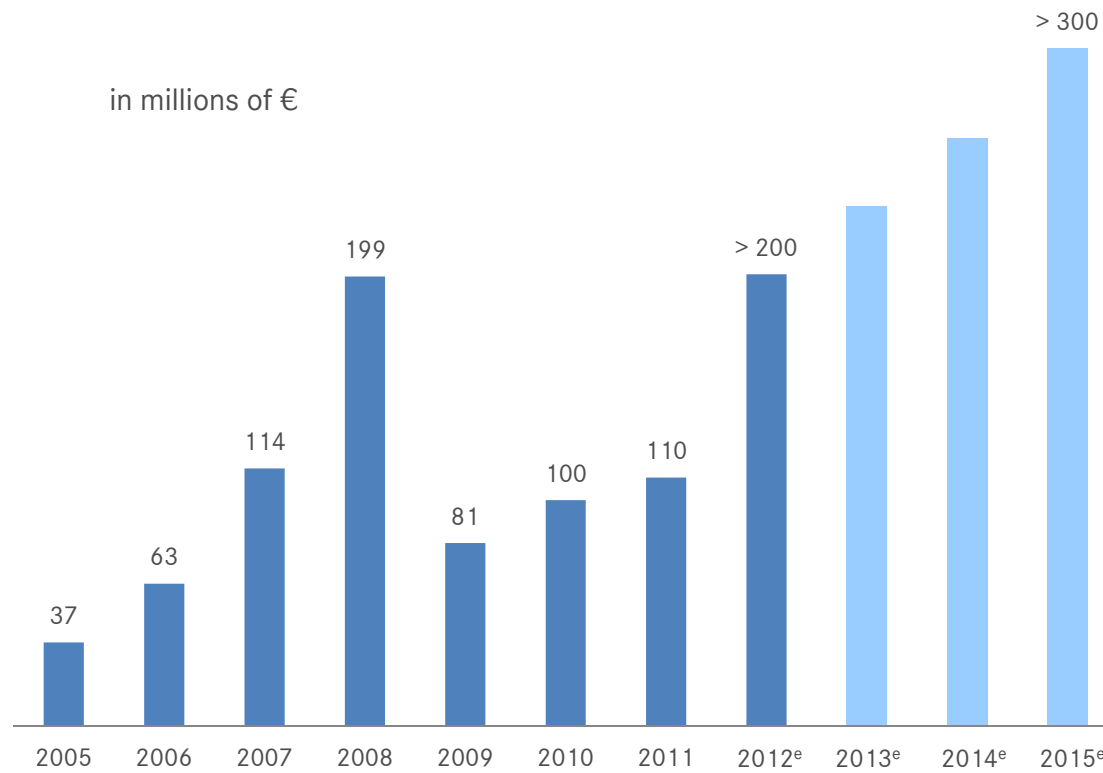
## Dividend on the rise



**CAGR + 32%**



## Revenue grows further



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## Positive feedback for MBB's work...

### Napkins, not fighter aircraft

**Messerschmitt-Bölkow-Blohm was once an aviation and aerospace company. There is little trace of that now.**

by Björn Finke  
Munich – in the end there were only two used Mercedes from their own fleet. The men in Stuttgart were just glad that two men in their early 30s bought the subsidiary. And they were glad about the cars – otherwise, they would have been two entrepreneurs stuck taking the bus or train.

That was 1997. And it was the beginning of a new life for traditional German industrial group Messerschmitt-Bölkow-Blohm (MBB). MBB's first life was a conglomerate of armaments, aviation and aerospace companies that worked on the Tornado fighter jet, for instance, and was bought by Daimler-Benz in 1989. Today, MBB is a conglomerate of six German SMEs listed on the stock market with total sales of more than €200 million and around 1,000 employees. The group, which has been known as MBB Industries since 2005,

owns the market leader for printed napkins in Poland, a welding systems manufacturer for the automotive industry from the Münster region and a mattress factory from eastern Westphalia. Not really cutting edge technology. However, the purchase of MBB in 1989 was a key pawn in Daimler's strategy for becoming an "integrated technology group", as it said at the time. Poor results left the Stuttgart company unwilling to continue. Thus, MBB's core business went to European aviation and aerospace holding EADS in 2000. There would not even be an independent industrial company named MBB today if Daimler had not sold a marginal business from the group in 1997: unspectacular subsidiary MBB Gelma to two would-be entrepreneurs. The team of Christof Nesemeier and Gert-Maria Freimuth had met twelve years earlier as students in Münster.

After graduation, they worked for consulting companies, but they were looking to purchase a company. "We wanted to be entrepreneurs. We wanted to buy a company that the old owner wasn't interested in any more and that didn't cost much", remembers Nesemeier, now 46 and CEO of MBB Industries, headquartered in Berlin. MBB Gelma was a provider of time entry systems for companies. With sales of 20 million marks, it was not profitable. Daimler wanted a price in the low millions; the men in Stuttgart would not have kept it, but rather used it as a "dowry" for Gelma, says Nesemeier, who has a PhD in economics. The two men didn't have the money anyway, so a silent partner provided the funds and was later bought out by them. Customers' fears that the old time entry system would fall prey to the Y2K bug was a boon for business, says Nesemeier. "We could have imagined retiring on the time entry business",

recalls the married father of three children. But in 2000, competitor Dorma made a takeover bid that they couldn't refuse. The business was gone but the MBB name stayed. The men invested Dorma's money by buying out other SMEs. However, MBB has sold subsidiaries time and again. Still, "We don't see ourselves as a holding company that dumps other companies after a couple of years", says the CEO. Unlike financial investors, the companies are also not bought on credit. MBB is more of an industrial group. "We don't say no if someone offers us a good price for a subsidiary, but we've never initiated the sale process ourselves." And if there is a lack of funds for an attractive takeover, MBB doesn't have to worry – it can just get capital from the stock market. The holding has been listed on the stock exchange for six years; both founders hold 75 per cent of the shares.

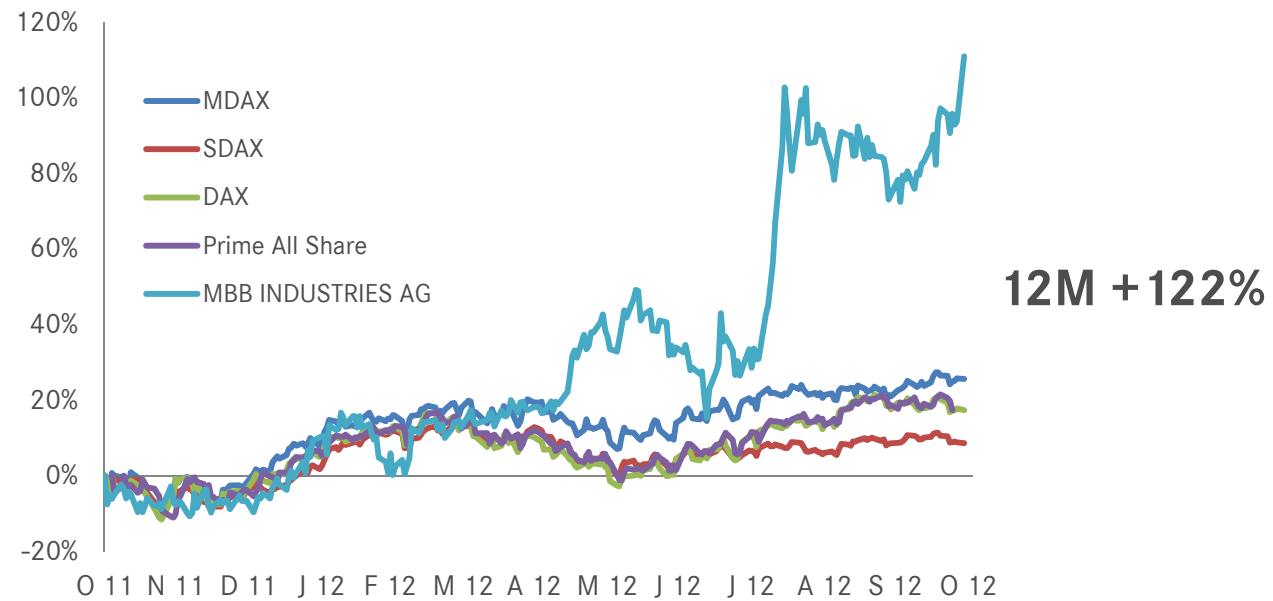
The issue price was €9.50; during the financial crisis of 2009, it dropped to €3.50, and now the price is about €7.

MBB plans to make further acquisitions; it is interested in companies "that the owners didn't care to develop, and that we can help to achieve more growth". In 2015, sales are expected to be €300 million; the profit of €3.3 million in 2012 is also expected to rise. The key to success is "getting the euro for 70 cents", meaning to wait for good opportunities. For instance, if a company wants to sell a division. Or if a company owner has no successor. "But we don't buy anything we don't understand", says Nesemeier. "We prefer printed napkins to biotech."

Süddeutsche Zeitung, 26 March 2012

The original text is in German, translation by MBB

## MBB share



OVER 1,000 EMPLOYEES

€300 MILLION IN REVENUE

2015e

EXPERIENCE

ASSETS

GROWTH

DIVIDEND

NET CASH

DIVERSIFICATION

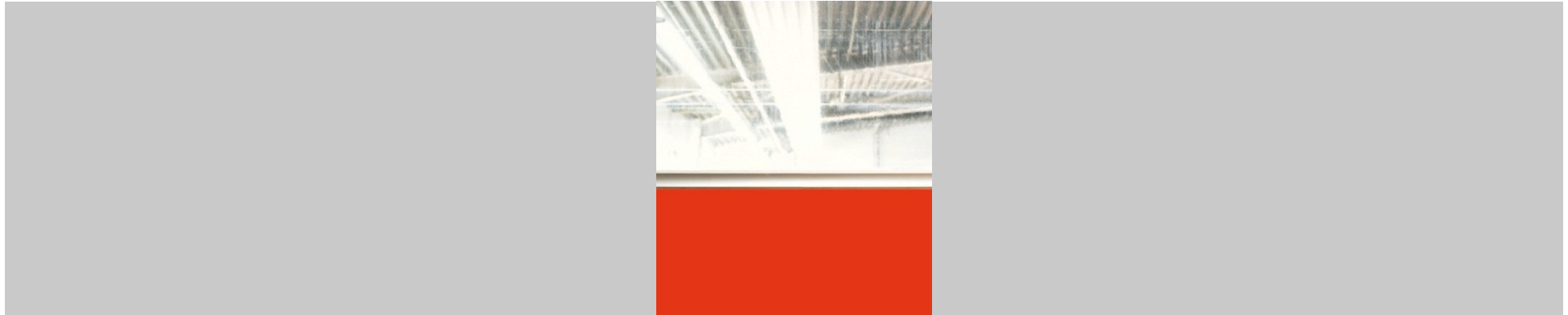
REFERENCES

CONTINUITY

REPUTATION

CASH FLOW

## FINANCIAL CALENDAR



Q3 report

30 November 2012

End of financial year

31 December 2012

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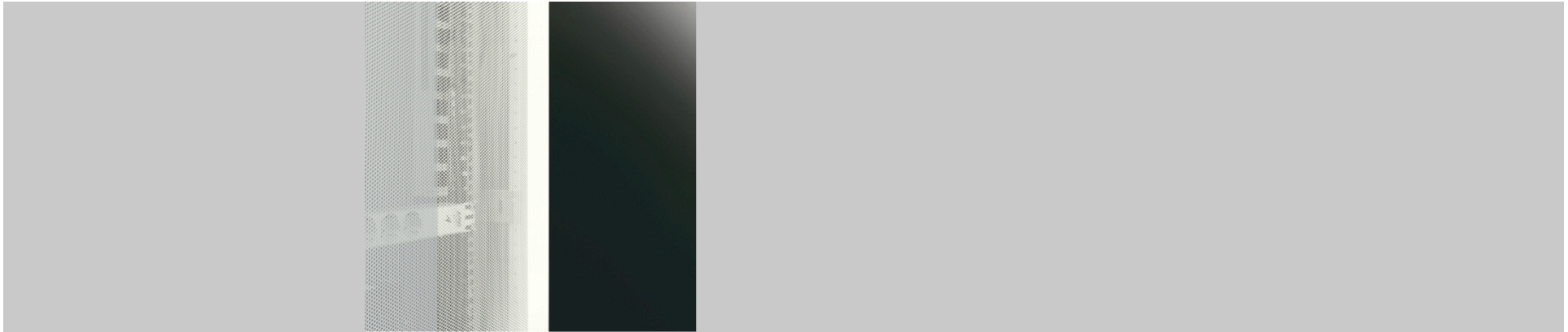
Shares of growth companies can offer major opportunities, but also carry related risks. Shares of growth companies are thus always a risky financial investment. A loss of the investment cannot be ruled out. Therefore, this form of investment is more suited to diversification as part of a portfolio strategy.

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