

PRESS RELEASE

UNI WHEELS AG presents financial results for 2016 Fourth record year in a row in terms of volume and earnings

- Significant volume growth: +12% to 8.8 mln wheels
- Revenues up by 6.3 % to EUR 464.1 mln
- EBITDA grows by 19.6% to EUR 70.2 mln
- Net profit for the period – EUR 64.1 mln, an increase of 57.5%
- Proposed dividend of EUR 2.00 per share
- Outlook for 2017: wheel sales growth of 10%-15% yoy, revenue growth of 14%-19%, EBITDA growth of 15% - 20%

Bad Dürkheim, March 23, 2017: Germany-based alloy wheels manufacturer UNI WHEELS AG, listed on the Warsaw Stock Exchange, presented its financial results for financial year 2016.

2016 summary

In 2016 UNI WHEELS Group sold 8.761 million wheels in both segments: Automotive and Accessory (in total an increase of 12% in comparison to 2015).

“The UNI WHEELS Group has once again set new records in terms of unit sales, revenue and EBITDA. Double-digit growth was seen in the business of both the Accessory and the Automotive divisions. Group revenues increased by 6.3% in comparison to 2015. EBITDA even grew by 19.6%, well above the forecast, on account of stringent cost control and despite the ramp-up costs at the new plant in Poland” – says Dr. Thomas Buchholz, UNI WHEELS AG CEO.

“In the Automotive division, UNI WHEELS was able to build on its extremely successful customer relationships, with a focus on the premium segment, and continue diversifying its customer base. The product mix generated more value added: a greater number of larger wheels, due to the trend towards SUVs, coupled with more wheels with sophisticated surface and greater use of lightweight technology for leading premium models.” – says Dr. Thomas Buchholz, UNI WHEELS AG CEO.

“In the Accessory division unit volume rose by 11.7%. New products and applications were successfully placed on the market and enjoyed a great reception from our customers” – says Dr. Wolfgang Hiller, UNI WHEELS AG COO.

In 2016 construction works of new plant in Stalowa Wola (4th Group’s plant) accelerated, and construction has been completed ahead of schedule.

“After just 12 months of construction, we were able to fit out our fourth plant in line with the schedule that we committed to when we went public. Thanks to strong customer demand for our

wheels, we completed the second stage (ramp-up of production) one year earlier than planned, resulting in the full annual production capacity of 2 million wheels coming online in spring 2017 already“ – says Dr. Hiller.

2016 financial results and dividend

In 2016 UNIWHEELS generated EUR 464.1 mln in revenues, an increase of 6.3% yoy, mainly influenced by wheels sales increase (+12 % yoy), product mix with higher value added and quarterly aluminum price adjustments.

“2016 were affected by ramp-up cost of our new plant in Stalowa Wola. But operational costs grew moderately - material costs dropped by 2.4%, reflecting lower LME aluminum price. Increase of sales, better product mix and price adjustments, along with stringent cost control allowed for EBITDA to grow to EUR 70.2 million, an increase of 19.6%, comparing to 2015. Also EBITDA margin improved by 1.7 pp to 15.1%” – says Dr. Karsten Obenaus, UNIWHEELS AG CFO.

“Net profit increased to EUR 64.8 mln (+57.5% yoy), but was influenced by a positive non-recurring and non-cash effect from fx derivative valuation and from an income from capitalized deferred taxes” – adds Dr. Obenaus.

“We would like to warmly thank our shareholders for the trust they have shown in our company. To allow them to appropriately share in the fruits of our success, we propose a dividend of EUR 2.00 per share to the annual general meeting.” – says Dr. Thomas Buchholz.

Payout of EUR 2.00 per share corresponds to dividend yield of over 4%.

Outlook

“2017 is expected to face an ongoing demand from European car manufacturers. With the availability of the full capacity of new Stalowa Wola plant, economies of scale should be achieved. We expect wheels sales to increase in 2017 between 10% - 15% yoy. UNIWHEELS Group revenues are forecasted to grow between 14% and 19%. Taking into consideration expected economies of scale at new plant in Stalowa Wola, we expect an EBITDA growth of 15% to 20% yoy.” – says Dr. Karsten Obenaus.

Key financial figures of UNI WHEELS Group for 2016:

(in € mln unless otherwise stated)	2016	2015	+/-
Revenue	464.1	436.5	+6.3%
Sales volume (thousand units)	8,761	7,822	+12,0%
EBITDA	70.2	58.7	+19.6%
<i>EBITDA margin (% of revenue)</i>	15.1%	13.4%	+1.7PP
EBIT	52.1	43.9	+18.7%
<i>EBIT margin (% of revenue)</i>	11.2%	10.1%	+1.1PP
Net profit	64.1	40.7	+57.5%
Capital expenditures and investments	84.1	48.3	+74.2%
Personnel (headcount)	2,918	2,539	+14.9%

	as of 31.12.2016	as of 31.12.2015	+/-
Equity ratio*	62.3%	61.6%	+0.7PP
Net debt	42.5	10.6	x4
Net debt/EBITDA	0.6	0.2	+0.4PP

Financial highlights 2016:

- Revenues increased by 6.3%, influenced by:
 - wheels sales increase of 12%
 - product mix with higher value added
 - aluminum price adjustments
- Material costs drop by 2.4%, reflecting lower LME aluminum prices in total in 2016
- Personnel costs (+15.2%) impacted by staff recruitments for new plant, ramp-up costs and wage increases
- EBITDA increased by 19.6% to EUR 70.2 mln
- EBIT up by 18.7% to EUR 52.1 mln
- Both EBITDA and EBIT margins improved (to 15.1% and 11.2% respectively)
- Finance: reduced interest expense (-30% yoy), net debt at EUR 42.5 mln, net debt/EBITDA ratio at 0.6x
- Net profit (+57.5%) amounts to EUR 64.1 mln, benefited from a non-cash income from capitalized deferred taxes (EUR 15 mln)
- Dividend proposal increased to EUR 2.00 per share from EUR 1.65 for 2015



About UNIWHEELS:

The UNIWHEELS Group is one of the leading manufacturers of aluminum wheels for cars in Europe and is one of the few technology leaders worldwide in the aluminum wheel industry. UNIWHEELS is the third largest European supplier of OEM wheels for the automotive industry as well as the market-leading manufacturer of alloy wheels for the accessories market (AM) in Europe. Well-known Group brands include ATS, RIAL, ALUTEC and ANZIO. The Group currently has four production plants, three of which are in Poland (Stalowa Wola) and one in Germany (Werdohl).

UNIWHEELS sees itself as one of the leading partners of the automotive industry for the optimum reduction of CO2 emissions by reducing the weight of alloy wheels. As well as weight-optimized construction methods, the following procedures are primarily used: Flow Forming, Lightforming, undercutting and forging. Since 2015, UNIWHEELS AG is publicly listed on Main Market of Warsaw Stock Exchange. The UNIWHEELS stock is floated under security identification number A13STW, ISIN DE000A13STW4 and ticker symbol UNW.

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