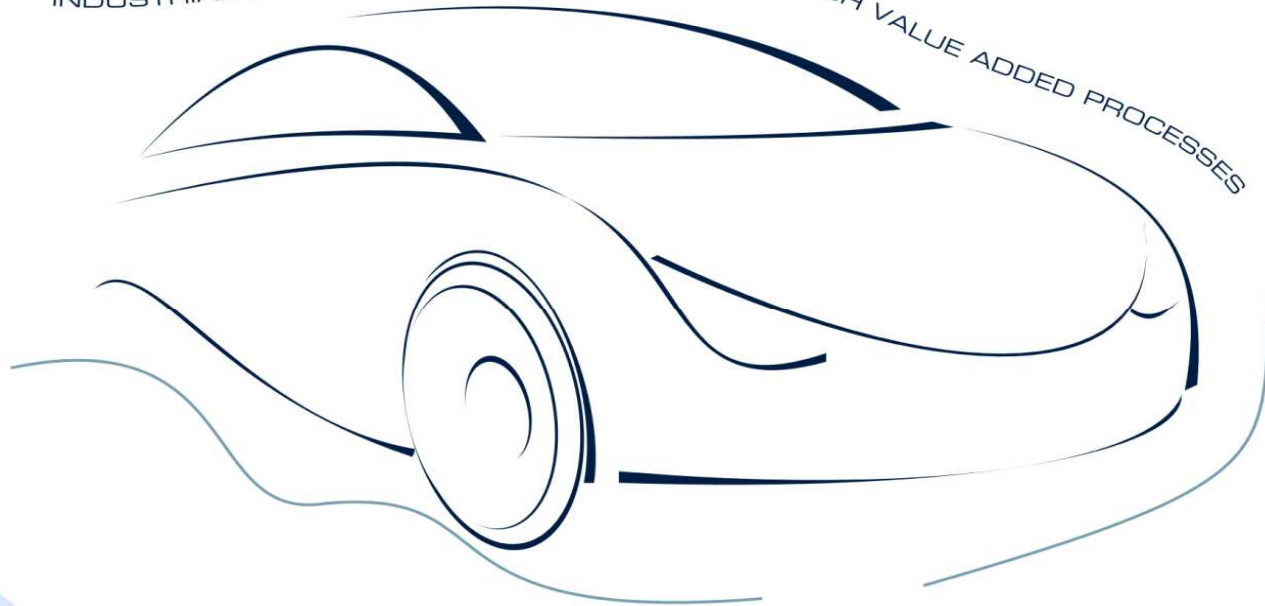




**CIE** *Automotive*

INDUSTRIAL GROUP SPECIALIZED IN MANAGING HIGH VALUE ADDED PROCESSES

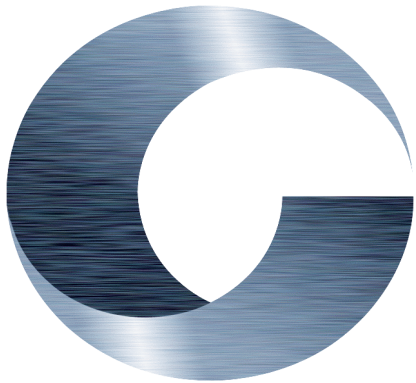


MID TERM FINANCIAL REPORT  
31<sup>st</sup> March 2014

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## CIE Automotive – Results 31 March 2014



# CIE Automotive Group Results 31<sup>st</sup> March 2014

(million Euros)	31/03/13	31/03/14	
Turnover	418,2	530,7	
Adjusted Turnover *	400,3	516,3	29,0%
EBITDA	57,7	70,2	21,6%
% EBITDA on Adjusted Turnover	14,4%	13,6%	
EBIT	36,1	44,0	22%
% EBIT on Adjusted Turnover	9,0%	8,5%	
EBT	27,1	31,3	
Net Income	17,0	19,4	14,2%

Notes: (\*) Proforma value calculated by deducting turnover of diesel oil used for blending

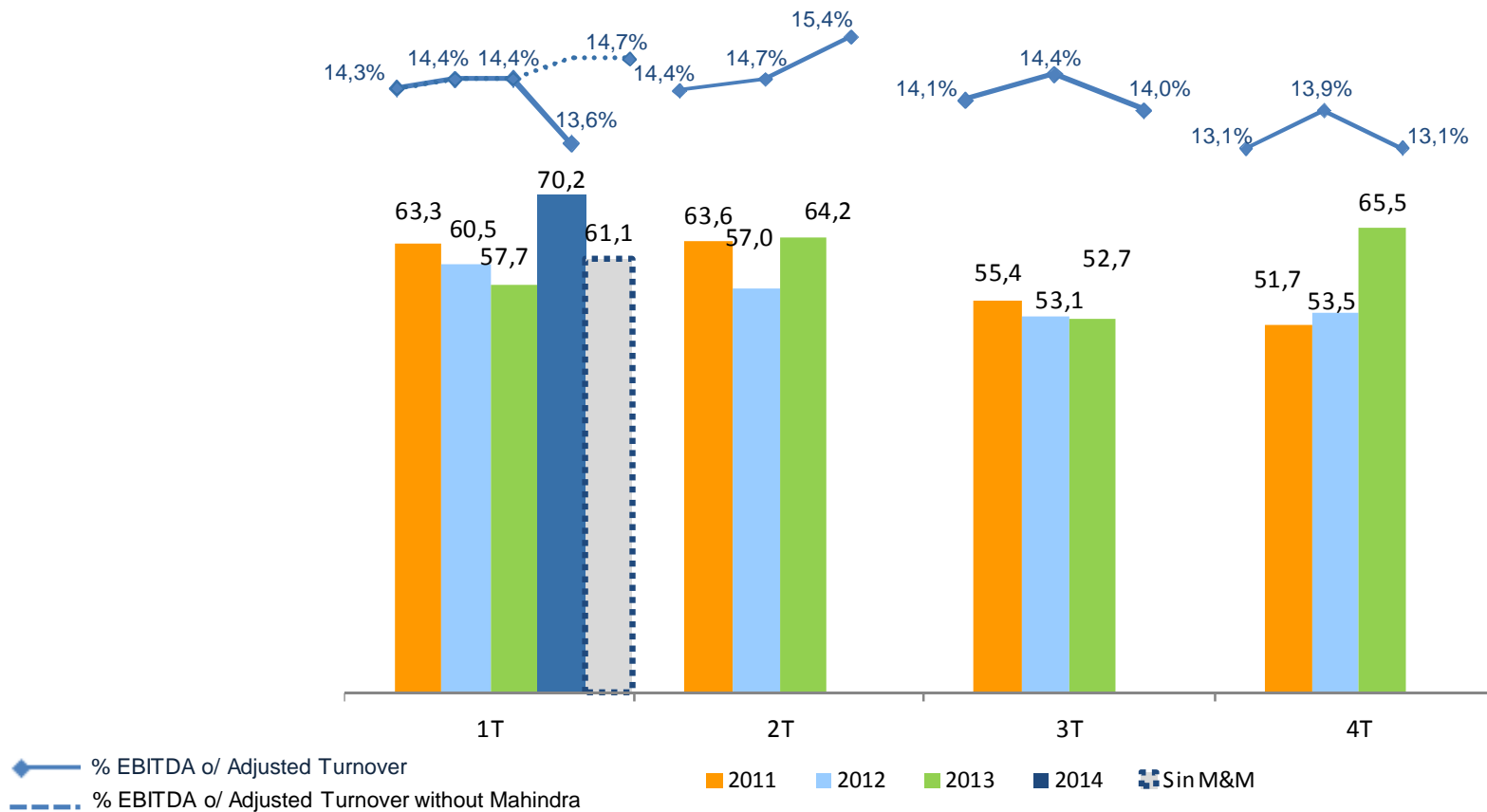
EBITDA: Net Operating Income + Depreciation, EBIT: Net Operating Income; EBT: Profit before taxes from continuous activities; Net Income: Profit attributable to the company's shareholders

- **Notwithstanding the effect if the incorporation of new companies to the scope of consolidation with still low margins, excellent results with sales, EBITDA and Net Income historical record**
- **Very good behaviour in margins in all bussines**
- **Net Income considering same exchange rate would have reached euro 20 million**

# Quarterly Results Evolution

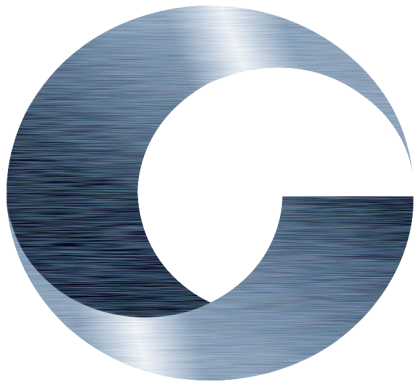
## 2011/2012/2013/2014

### Quarterly Ebitda Margin Evolution



- ***Incorporation of Mahindra Group in 2013 October, despite having positive results, significantly mitigates the improvement of global EBITDA margin. Comparable margin would be 14,7%***
- ***Maintaining good situation in each market and CIE plant, in relation to margins***
- ***These competitiveness improvements allow to face future development from a solid business situation***

Automotive: Market and margins improvement in Europe and good behavior in Nafta



# Automotive Results 31st March 2014

(million Euros)	31/03/13	31/03/14	
Turnover	346,1	460,0	32,9%
EBITDA	55,2	65,9	19,3%
% EBITDA on Turnover	16,0%	14,3%	
EBIT	35,2	41,9	18,7%
% EBIT on Turnover	10,2%	9,1%	

Note: EBITDA: Net Operating Income + Depreciation, EBIT: Net Operating Income

- **Sales increase with global margins affected by 4Q2013 incorporations and Brazilian market behaviour**
- **EBIT above 9%. EBIT margin comparable with 1Q2013 considering same scope of consolidation would be 10,4% (improvement 0,2pp)**
- **Automotive, with €65,9 million EBITDA and 14,3% EBITDA margin, represents 95% of Group's EBITDA**

# Automotive Results 31st March 2014

## Ex - Autometal

(million Euros)	31/03/13	31/03/14
Turnover	170,8	154,9
EBITDA	26,3	25,2
% EBITDA	15,4%	16,3%
EBIT	12,4	13,9
% EBIT	7,3%	9,0%

- Volume drop due to exit of CIE Forging companies from the scope of consolidation in 2S2013
- Sales level increase by 15,6% compared to 2013 same period and same scope of consolidation above market behavior
- Growing margins continue due to operating improvement and productivity. EBITDA and EBIT improvements vs. 2013
- European plants in a high operating profitability level ready to face market recovery

## Autometal

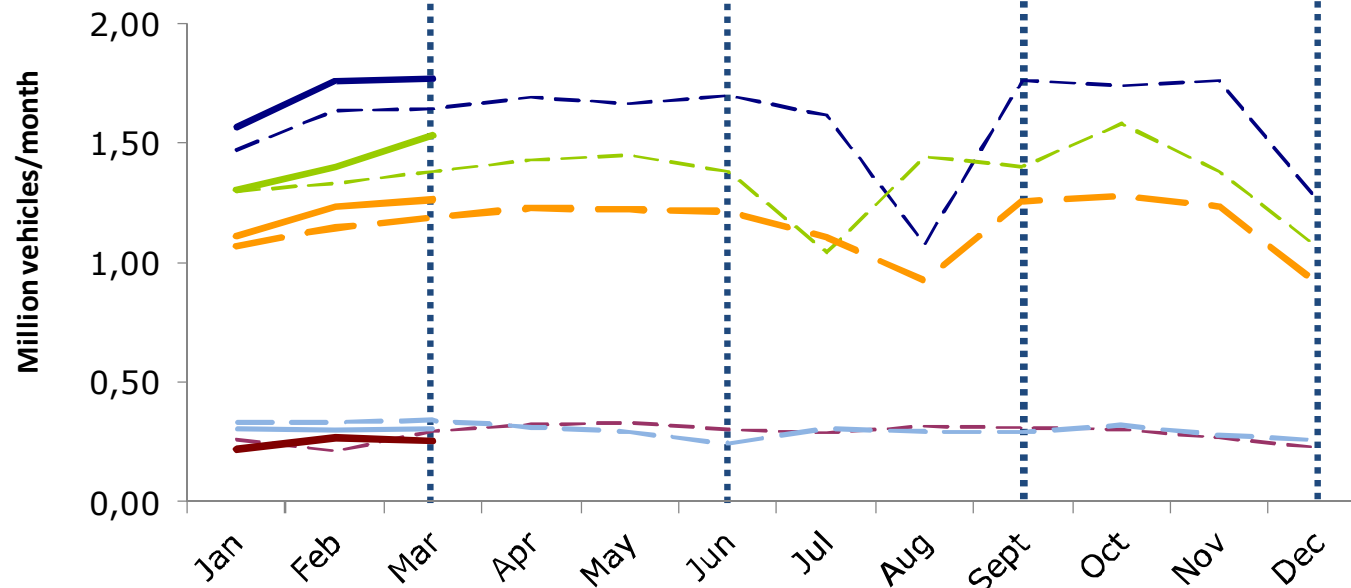
(million Euros)	31/03/13	31/03/14
Turnover	175,3	305,1
EBITDA	29,0	40,7
% EBITDA	16,5%	13,3%
EBIT	22,8	27,9
% EBIT	13,0%	9,1%

- Excellent behavior of Nafta market
- Brazilian market weakness, and new mix due to last incorporations made in 2013 with growing margins but still below of company´s standards, makes global margin to be lower
- Exchange rate to Euro has a negative impact in the comparison of this period of €2,5 mill approximately in EBITDA, but a decreasing effect is expected along the year



# Vehicle production evolution 2013/2014

## MONTHLY VEHICLE PRODUCTION BY GEOGRAPHIC AREA



Source: IHS March 2014

**Europe** — **Brazil** — **NAFTA** — **India** — **Mix CIE** —

(Year 2013 figures in dotted lines)

### 2014 vs. 2013 YTD Production

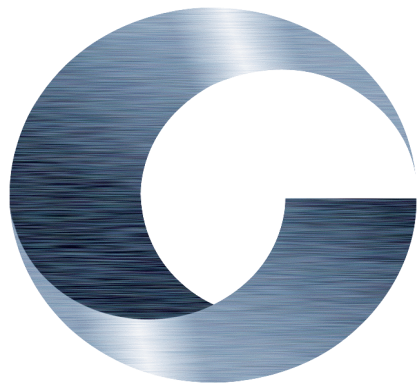
Europe +7%  
 Brazil -4%  
 NAFTA +6%  
 India -9%

### 2014 vs. 2013 YTD Sales

Europe +5%  
 Brazil -2%  
 NAFTA +1%  
 India -9,9%

- **Brazil:** Total market recovery is not expected until 2016
- **NAFTA:** For 2014 growth expected from 3% to 4% vs. 2013
- **Europe:** In 2014 we are feeling European economy regeneration
- **India:** For 2014 a 3% growth level is expected vs. 2013

## Dominion and Biofuels



# Dominion Results 31st March 2014

(million Euros)	31/03/13	31/03/14	
Turnover	33,9	39,2	+15,3%
EBITDA	2,2	3,5	+55,2%
% EBITDA on Turnover	6,6%	8,8%	
EBIT	1,4	2,1	
% EBIT on Turnover	4,2%	5,5%	

EBITDA: Net Operating Income + Depreciation, EBIT: Net Operating Income

- **Sales improvement by 15% and by 55% EBITDA continue based mainly on Latin American growth. Specially worthy mentioning organic growth in Mexico and in EPC's integration in Honduras and Chile**
- **Latin America (México, Brazil, Perú, Chile, Honduras) reforzes its position as business engine representing a percentage higher than 85% of Contribution Margin of total Dominion**

# Biofuels Results 31<sup>st</sup> March 2014

(millones de euros)	31/03/13	31/03/14
Cifra de negocio	38,2	31,5
Cifra de negocio ajustada *	20,2	17,2
EBITDA	0,3	0,8
EBIT	(0,6)	0

Notes: (\*) Proforma value calculated by deducting turnover of diesel oil used for blending  
EBITDA: Net Operating Income + Depreciation, EBIT: Net Operating Income

- ***CIE Automotive environmental commitment; Focusing on recycled oils segments searching for efficiency and profitability through biofuels commercialitation, production from recycled oils and oils collection***
- ***Minimum planned investment, associated with growth. EBIT near to nil that will allow assets recovery***



## Delisting Autometal



## Delisting Autometal: Main Details

On April 8, 2014 CIE Automotive made public its intention to formalize an offer for the acquisition of 25.24% of Autometal.

Offer consideration: R\$19,11 Brazilian reais per share, adjusted on settlement by IPCA (*Índice de Preços ao Consumidor Amplo*). All Autometal shareholders shall also receive a complementary dividend of R\$0,2292 Brazilian reais per share against FY2103 results.

# Delisting Autometal: Main Details

Maximum consideration to the Offer amounts (at current forex) to approximately 197 million euros.

50% of the Offer consideration is expected to be funded through a share issue of CIE Automotive excluding the preferential right of subscription. Remaining 50% to be funded against financial resources of the CIE Automotive Group.

The capital increase is expected to be offered, -through an accelerated book building under market standards- to institutional investors and minority shareholders of Autometal who so wish, in the way and deadlines that will be communicated timely

Gavea Investimentos Ltda (main minority shareholder of Autometal) has disclosed its intention to accept the Offer.

# Delisting Autometal: Milestones

The normal period of the process is 4/5 months

The Shareholders meeting to determine the independent valuator was held on April 28, 2014

With an acceptance of 95% of share capital, a squeeze-out may be carried out.

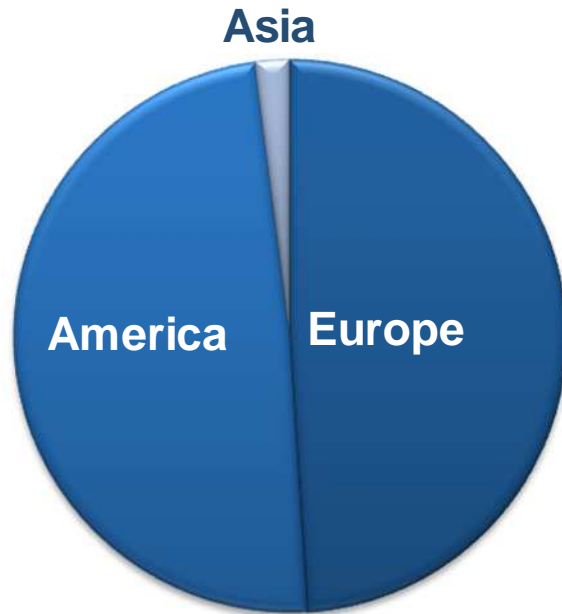
A fair treatment is guaranteed as the transaction is going to be valued by an independent valuator and analyzed by CVM.



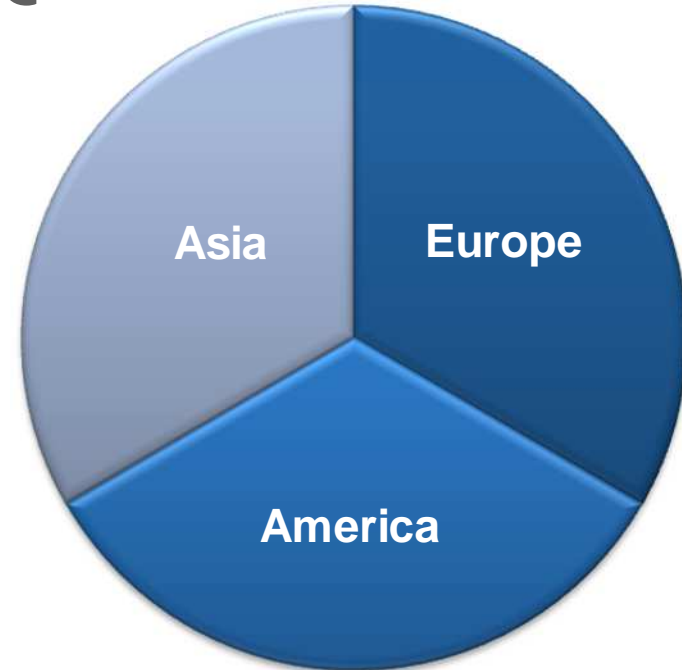
Due to all of the foregoing: we confirm our commitment  
2013-2017



Turnover over 3.000 Mio€  
CAGR > 15%



**Sales 2012**

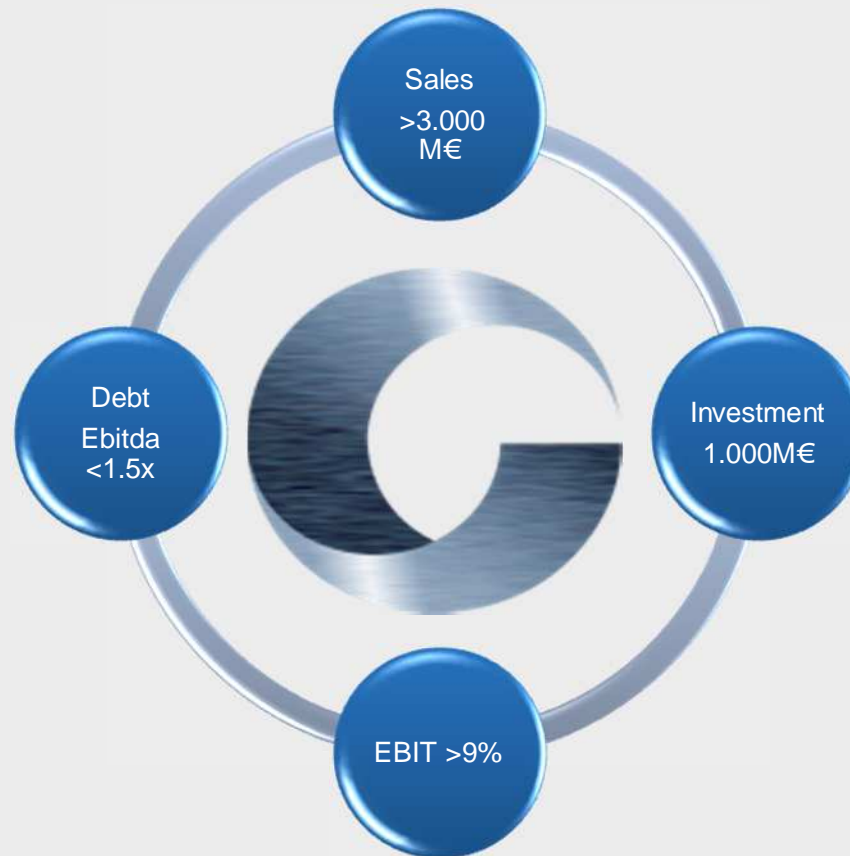


**Sales 2017**

*Consolidating a significant market share in the Asian market, continuing with the strategy of emerging markets growth*

Strategic thinking of CIE have as objective

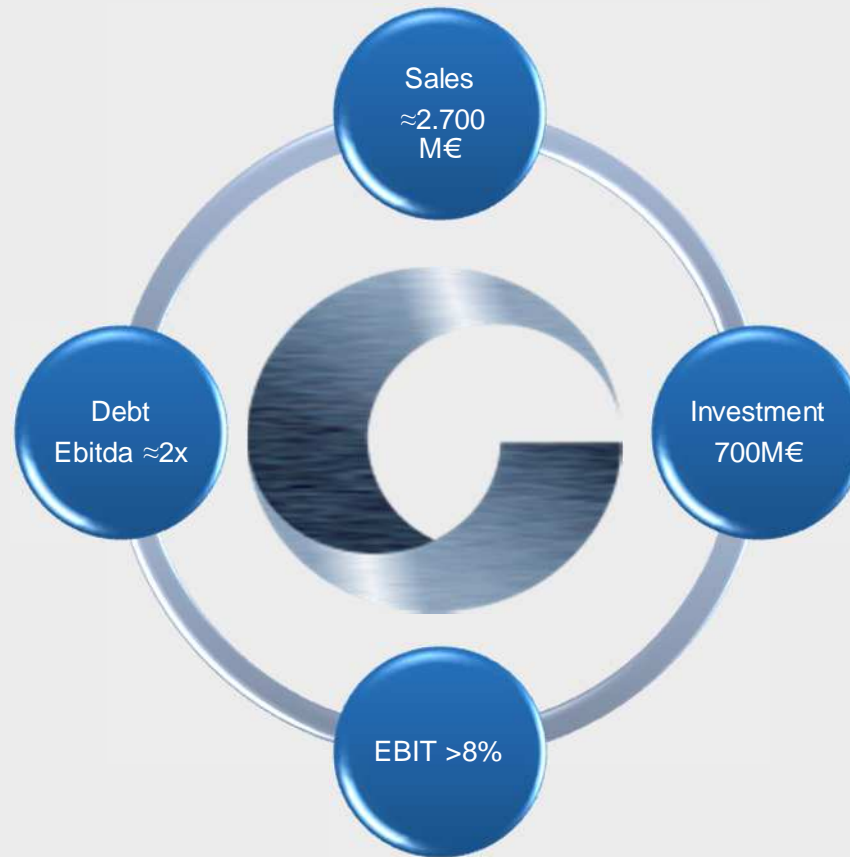
profitable growth of Group creating value for shareholder



*As well, this situation allows forecast maintenance of current dividend policy*

...we will be very near to 2013-2017 commitment

In a shorter period, in 2015 year...



### Key factors for 2015 objectives

1.- European market growth achieving operational excellence

2.- Nafta Greenfields performance

3.- Results of the action plan in Germany and gradual improvement in India

4.- Productive means adaptation in Brazil

5.- Launch of Applied Innovation project



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