



Investor Presentation

2015 Consolidated results

Cembre at a Glance

- ① Cembre is Europe's leading manufacturer of electrical crimp type connectors and related installation tools;
- ① The Group has grown its revenues by a **CAGR of 5.7%** in the last 15 years (2001-2015), from €56 mn in 2001 to €121.4 mn in 2015;
- ① It is a dividend-payer with a 15 years **average dividend payout ratio of 37.3%**, and an **average dividend yield of 3.5%** (2001-2015);
- ① In 2015, the Group invested **€7.1 mn**; the total amount of investments made by the company in the last five years (2011-2015) is **€53.5 mn**; at December 31, 2014 investments amounted to **€9.2 mn**;
- ① The product mix (a total of more than 12k end products sold during 2015) is offered to around 8k single clients around the world, with 10-biggest clients' purchases corresponding to **c.16% of the consolidated turnover**.

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Management team

Giovanni Rosani

Chief Executive Officer (CEO)

Aldo Bottini Bongrani

Sales and Marketing Director

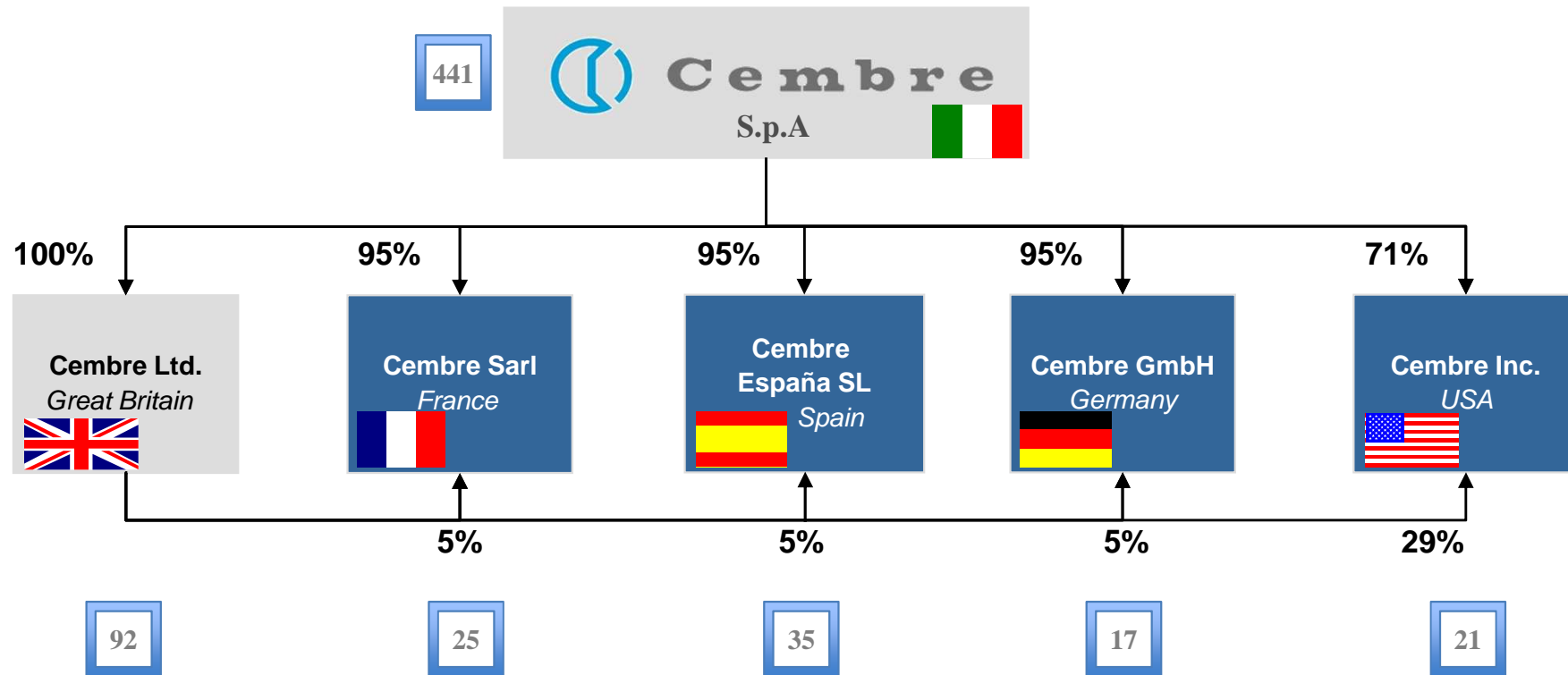
Claudio Bornati



Chief Financial Officer (CFO)

OUR MISSION

Cembre cooperates with the users of its products to find *the best technical and economical solutions* related to electrical connection applications.

Group Structure



-  Production and commercial units
-  Commercial units
-  Number of employees at December 31, 2015

Business Overview

Cembre is Europe's leading manufacturer of electrical crimp type connectors and related installation tools.

Electrical Connectors



Tools



Railway Products



Identification Systems



Cable Glands, Accessories and



Made in Brescia...

Cembre, established in 1969, manufactures its products in its state-of-art production facility located in Brescia. The facility covers an area of 51,000 m² on a total land area of 121,000 m².



... and U.K.

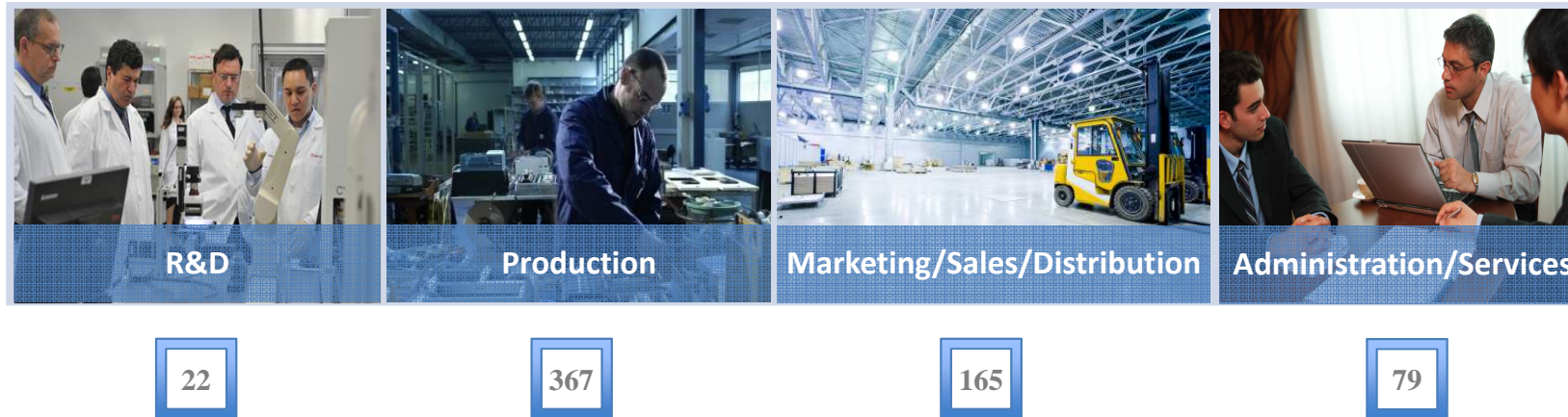
In addition, Cembre has a production facility in the UK which operates on a 8,800 m² land. This plant in Birmingham manufactures mainly for the local market. The sales generated in the UK are 16% of 2015 consolidated turnover.



Cembre Ltd.
Factory in Curdworth Birmingham (UK)

An Integrated Business Partner...

The Group employs 633 employees worldwide.



Cembre has extensive know-how in its operating field, and its strong R&D team allows it to respond quickly to market demands.

Sharp focus on customer needs and the efficient international sales network (93 salesmen) are significant competitive advantages for Cembre.

Very Strong in Europe...

Cembre is present all over the Italian territory through a network of salesmen and representatives who are able to offer fast and constant technical assistance.

Abroad, it operates through 5 subsidiaries in Europe (UK, France, Spain, Germany and Norway) and 1 in the USA.

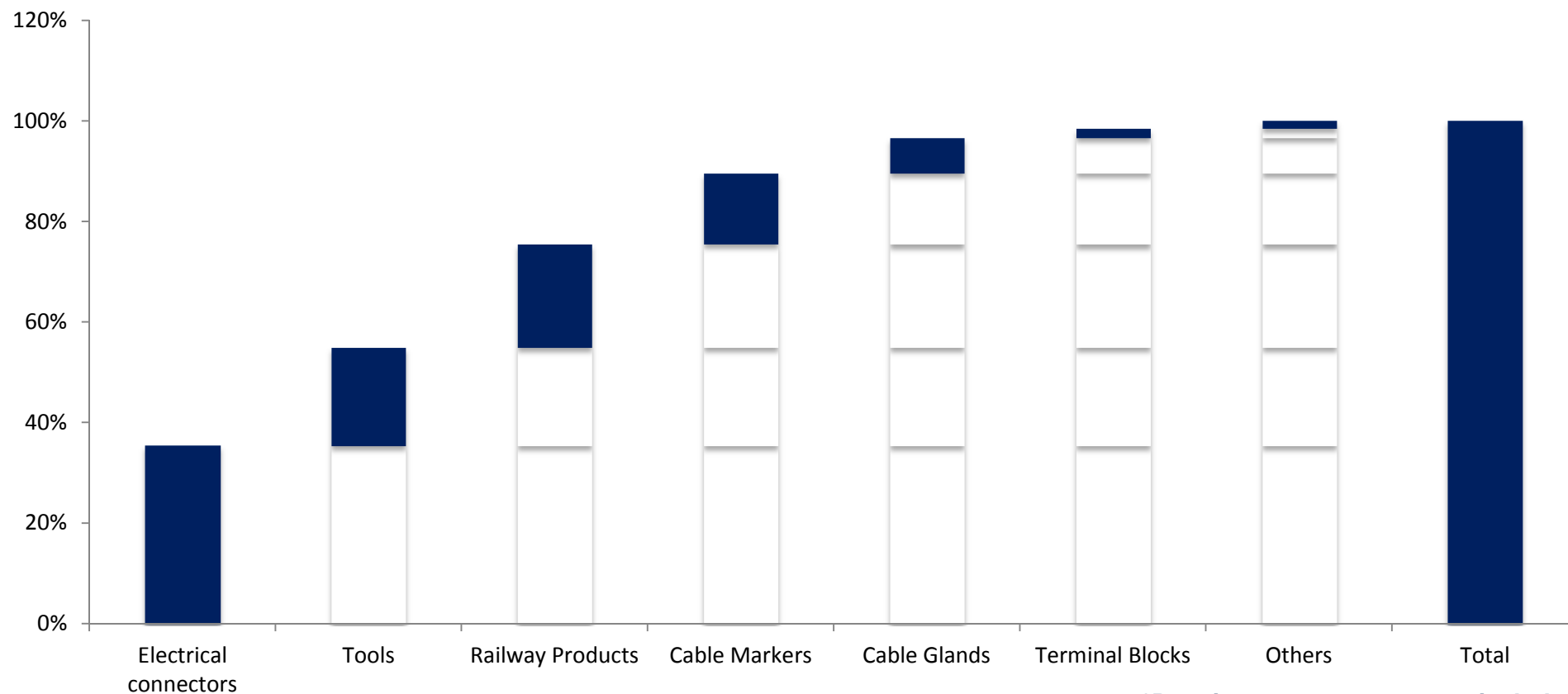


Present All Around the World...

Cembre has a network of importers and agents who provide technical and commercial assistance and rapid delivery all around the world...



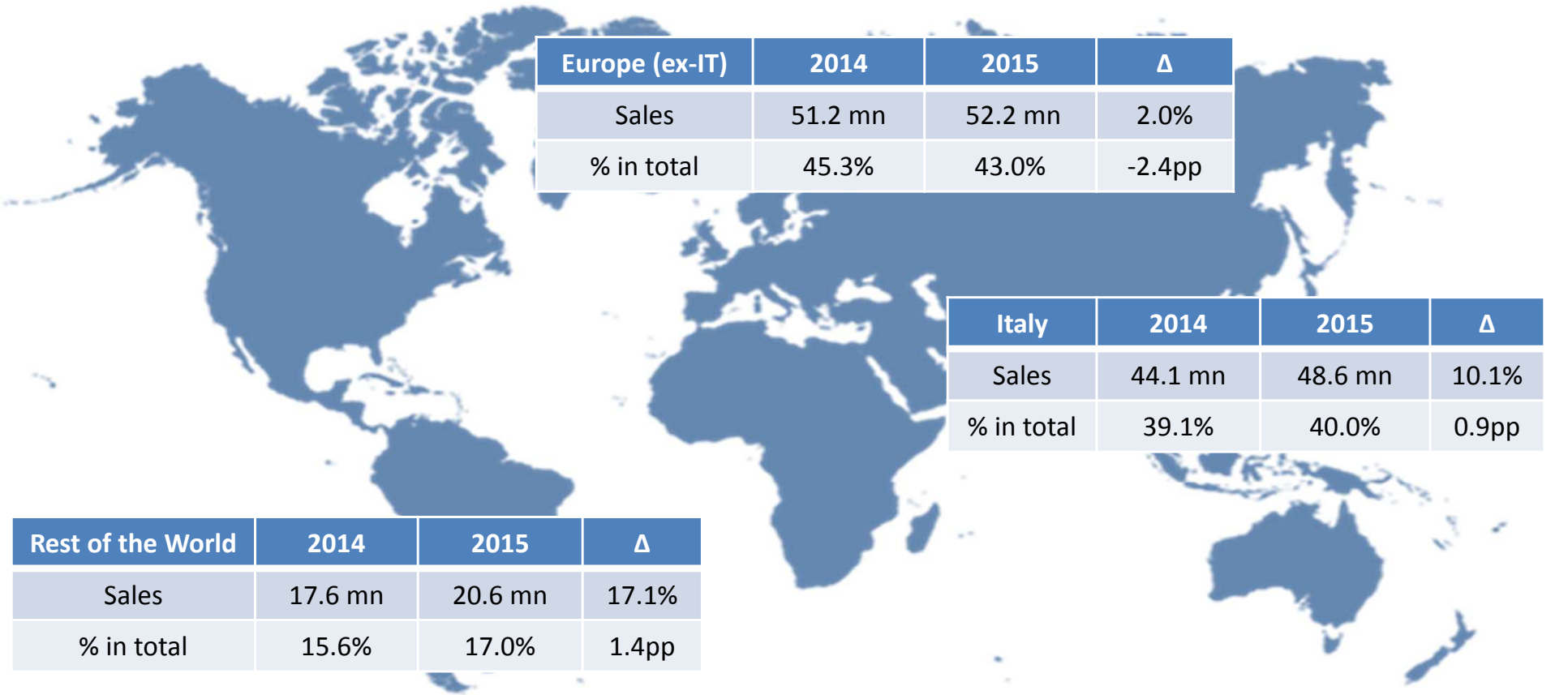
Revenues* Composition by Product Family (€ '000)



**Premiums to customers not included*

| 2015 | 43,787 | 24,050 | 25,340 | 17,414 | 8,777 | 2,238 | 1,946 | 123,552 |
|------|--------|--------|--------|--------|-------|-------|-------|---------|
| | 35.4% | 19.5% | 20.5% | 14.1% | 7.1% | 1.8% | 1.6% | 100% |
| 2014 | 41,759 | 21,521 | 24,468 | 14,817 | 7,737 | 2,261 | 1,955 | 114,518 |
| | 36.5% | 18.8% | 21.4% | 12.9% | 6.8% | 2.0% | 1.7% | 100% |

Geographical Revenue Breakdown

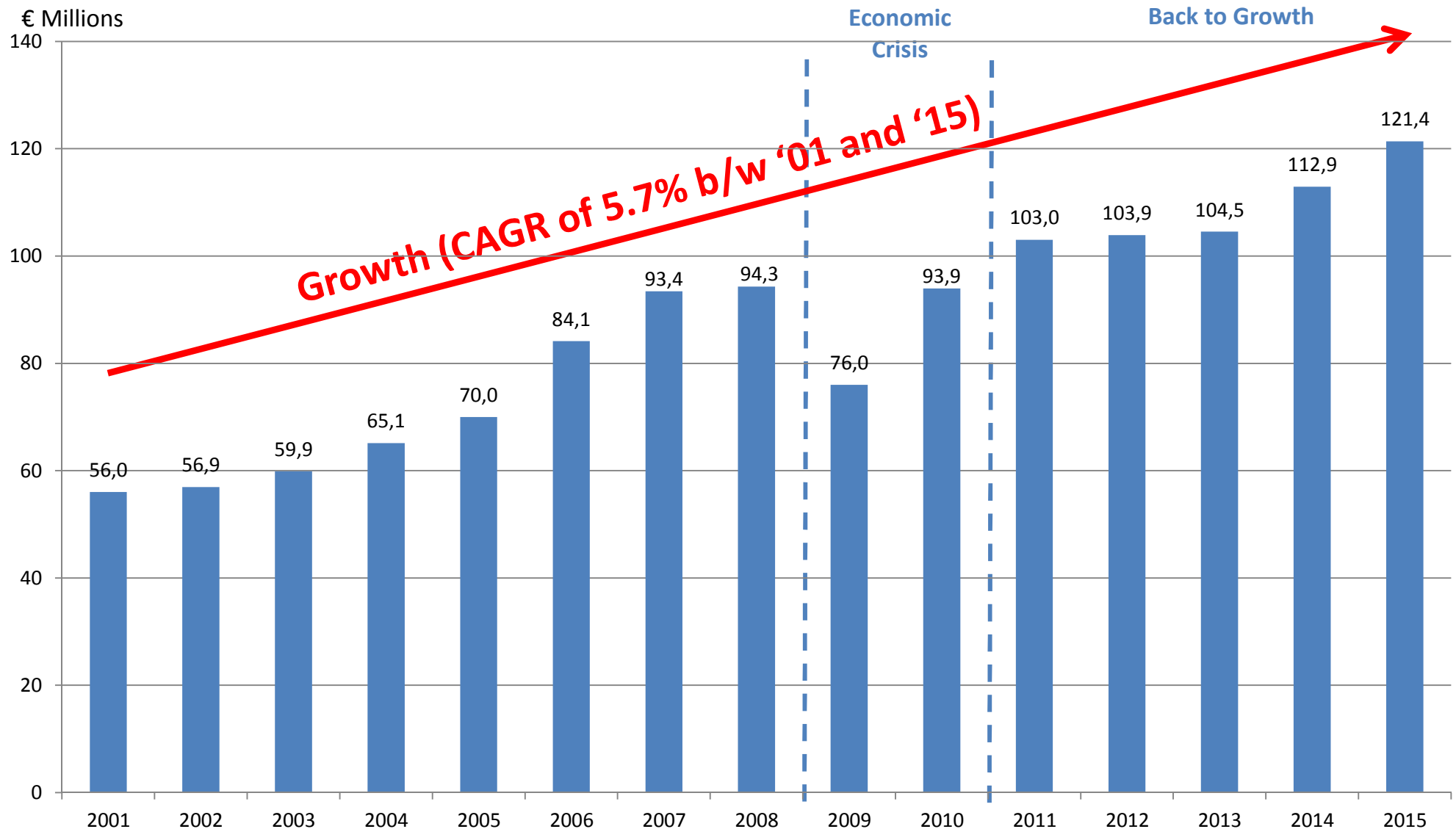


| Europe (ex-IT) | 2014 | 2015 | Δ |
|----------------|---------|---------|--------|
| Sales | 51.2 mn | 52.2 mn | 2.0% |
| % in total | 45.3% | 43.0% | -2.4pp |

| Italy | 2014 | 2015 | Δ |
|------------|---------|---------|-------|
| Sales | 44.1 mn | 48.6 mn | 10.1% |
| % in total | 39.1% | 40.0% | 0.9pp |

| Rest of the World | 2014 | 2015 | Δ |
|-------------------|---------|---------|-------|
| Sales | 17.6 mn | 20.6 mn | 17.1% |
| % in total | 15.6% | 17.0% | 1.4pp |

15-Year Revenue Evolution



A Wide Product-Mix

In order to maintain its leading position and increase the penetration of market, Cembre had sensibly enlarged the range of products offered through:

- **Research activities** mainly focused on the development of innovative products for the sectors with the highest growth potential (rail transportation, civil and industrial plant engineering),
- **Improvement and update of existing products** to get them easier to use and more efficient in their performances,
- **Introduction of complementary products** (e.g. cable markers).

Electrical Connectors: 4.9% increase in Sales



| Electrical Connectors: | 2015 | 2014 | Δ |
|---------------------------------|-------------------|-------------------|------|
| Total Sales | 43.8 € mn | 41.8 € mn | 4.9% |
| Sales in Italy (% share) | 20.0 € mn (16.2%) | 19.2 € mn (16.8%) | 4.3% |
| Sales in Europe ex-IT (% share) | 20.0 € mn (16.2%) | 19.2 € mn (16.7%) | 4.6% |
| Sales in RoW (% share) | 3.7 € mn (3.0%) | 3.4 € mn (3.0%) | 9.6% |

Characteristics:

- high and safe performance guaranteed by effective Quality Control during production process
- high level automation of manufacturing process and consequent costs reduction
- quick adaptation of products to clients' needs, thanks to its high flexible productivity

Tools:

11.7% increase in Sales



| Tools: | 2015 | 2014 | Δ |
|---------------------------------|-----------------|-----------------|-------|
| Total Sales | 24.0 € mn | 21.5 € mn | 11.7% |
| Sales in Italy (% share) | 5.4 € mn (4.4%) | 4.3 € mn (3.7%) | 26.1% |
| Sales in Europe ex-IT (% share) | 9.6 € mn (7.8%) | 9.3 € mn (8.2%) | 2.8% |
| Sales in RoW (% share) | 9.1 € mn (7.3%) | 7.9 € mn (6.9%) | 14.5% |

Characteristics:

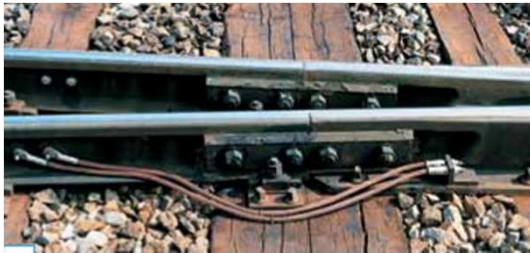
- quick installation of connectors thanks to tools used for compressing and cutting the conductors
- wide products range: mechanical, pneumatic, hydraulic and battery operated tools

Development of new products in last years:

- B15-B54 battery operated “in line” hand-tools
- hydraulic battery operated pump already marketed in Italy and Europe
- the new generation of battery tools is intended to progressively substitute the traditional ones, as they are more appreciated thanks to the elimination of physical endeavour

Railway Products:

3.6% increase in Sales



| Railway Products: | 2015 | 2014 | Δ |
|---------------------------------|-------------------|-------------------|-------|
| Total Sales | 25.3 € mn | 24.5 € mn | 3.6% |
| Sales in Italy (% share) | 2.8 € mn (2.3%) | 2.0 € mn (1.8%) | 38.7% |
| Sales in Europe ex-IT (% share) | 16.1 € mn (13.0%) | 17.3 € mn (15.1%) | -6.8% |
| Sales in RoW (% share) | 6.5 € mn (5.2%) | 5.2 € mn (4.5%) | 24.3% |

Characteristics:

- high quality products
- constant R&D activities
- high potential growth

Development of new products:

- Nut Runner - NR-11P
- Automatic Rail Cutter (with better safety standards for workers)

Both the products are very competitive on the market since they offer superior flexibility, lightness and velocity against alternative products



Cable Markers:

17.5% increase in Sales









| Cable Markers: | 2015 | 2014 | Δ |
|---------------------------------|------------------|-----------------|-------|
| Total Sales | 17.4 € mn | 14.8 € mn | 17.5% |
| Sales in Italy (% share) | 11.3 € mn (9.1%) | 9.7 € mn (8.5%) | 16.1% |
| Sales in Europe ex-IT (% share) | 5.4 € mn (4.3%) | 4.5 € mn (3.9%) | 18.6% |
| Sales in RoW (% share) | 0.8 € mn (0.6%) | 0.6 € mn (0.5%) | 32.4% |

With the introduction of these new products Cembre:

- further enriched its offer with thousand of new articles (electrical equipment wholesalers prefer supplier with a wide catalogue)
- strengthened its competitive position in Italy and created big opportunities to enter the European markets
- entered a market, worth of Euro 25 million considering only Italy
- improved the production structure

Development and production, in Brescia (Italy), of thermal printer MG3

Cable Glands:

13.4% increase in Sales



| Cable Glands: | 2015 | 2014 | Δ |
|---------------------------------|-----------------|-----------------|-------|
| Total Sales | 8.8 € mn | 7.7 € mn | 13.4% |
| Sales in Italy (% share) | 7.5 € mn (6.1%) | 6.7 € mn (5.8%) | 12.4% |
| Sales in Europe ex-IT (% share) | 1.1 € mn (0.9%) | 1.0 € mn (0.8%) | 13.6% |
| Sales in RoW (% share) | 0.2 € mn (0.2%) | 0.1 € mn (0.1%) | 69.6% |



| Terminal Blocks: | 2015 | 2014 | Δ |
|---------------------------------|-----------------|-----------------|-------|
| Total Sales | 2.2 € mn | 2.3 € mn | -1.0% |
| Sales in Italy (% share) | 1.9 € mn (1.6%) | 1.9 € mn (1.7%) | 0.7% |
| Sales in Europe ex-IT (% share) | 0.3 € mn (0.2%) | 0.3 € mn (0.3%) | -8.7% |

2015 Consolidated Results

| Euro Millions | 2015 | 2014 | Changes % | 2013 |
|------------------------------------|----------------------|----------------------|--------------|----------------------|
| Sales | 121.4 | 112.9 | 7.5% | 104.5 |
| EBITDA <i>In % of sales</i> | 28.5 <i>23.5%</i> | 24.4 <i>21.6%</i> | 17.2% | 20.4 <i>19.5%</i> |
| EBIT <i>In % of sales</i> | 22.8 <i>18.8%</i> | 19.4 <i>17.2%</i> | 17.5% | 15.8 <i>15.1%</i> |
| EBT <i>In % of sales</i> | 22.9 <i>18.8%</i> | 19.7 <i>17.5%</i> | 16.1% | 15.6 <i>14.9%</i> |
| Net Profit <i>In % of Sales</i> | 15.9 <i>13.1%</i> | 13.5 <i>12.0%</i> | 17.7% | 10.5 <i>10.0%</i> |
| Tax rate % | 30.4% | 31.3% | | 32.6% |

2015 Group's Companies Turnover*

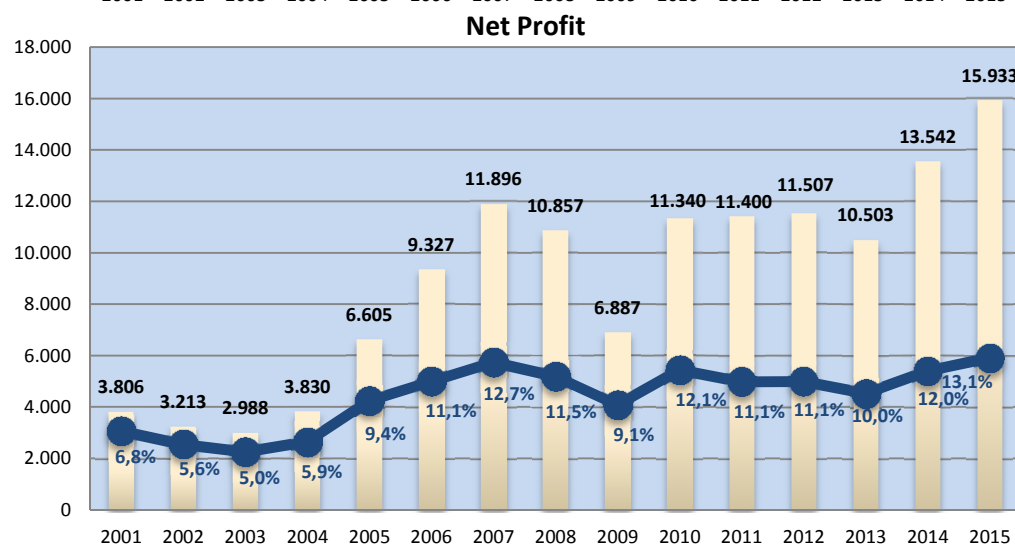
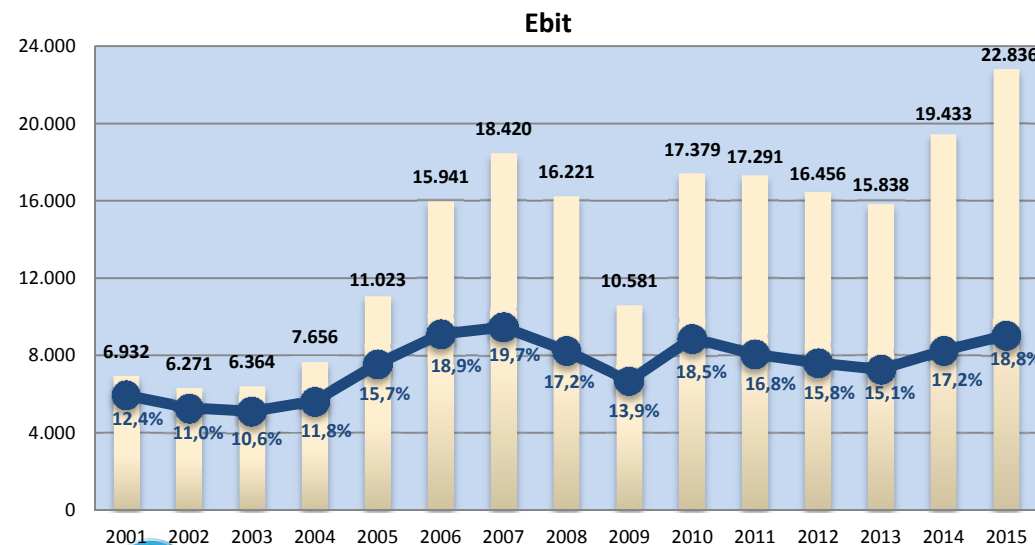
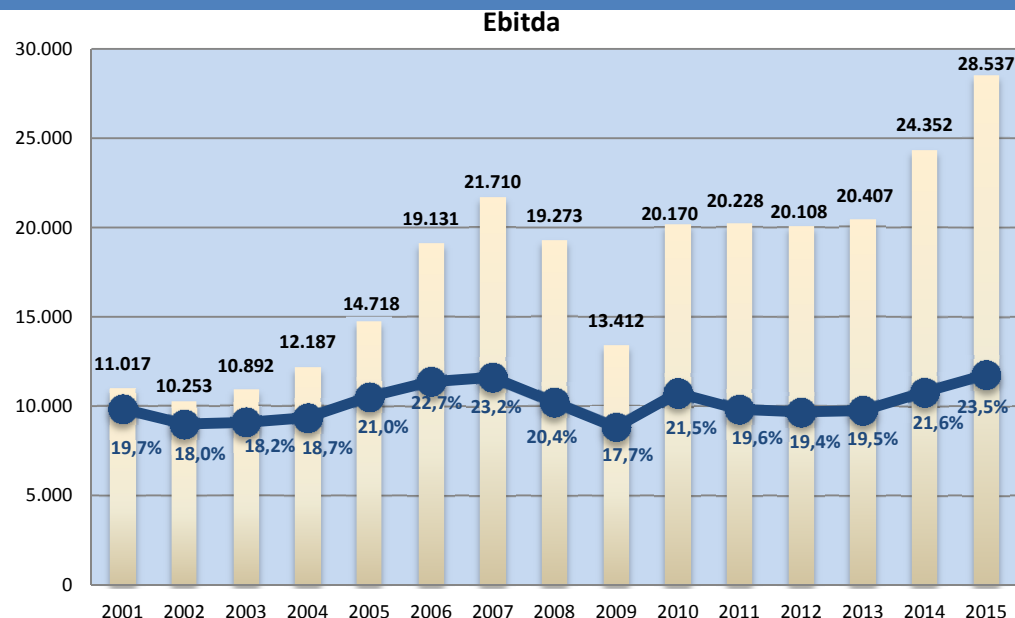
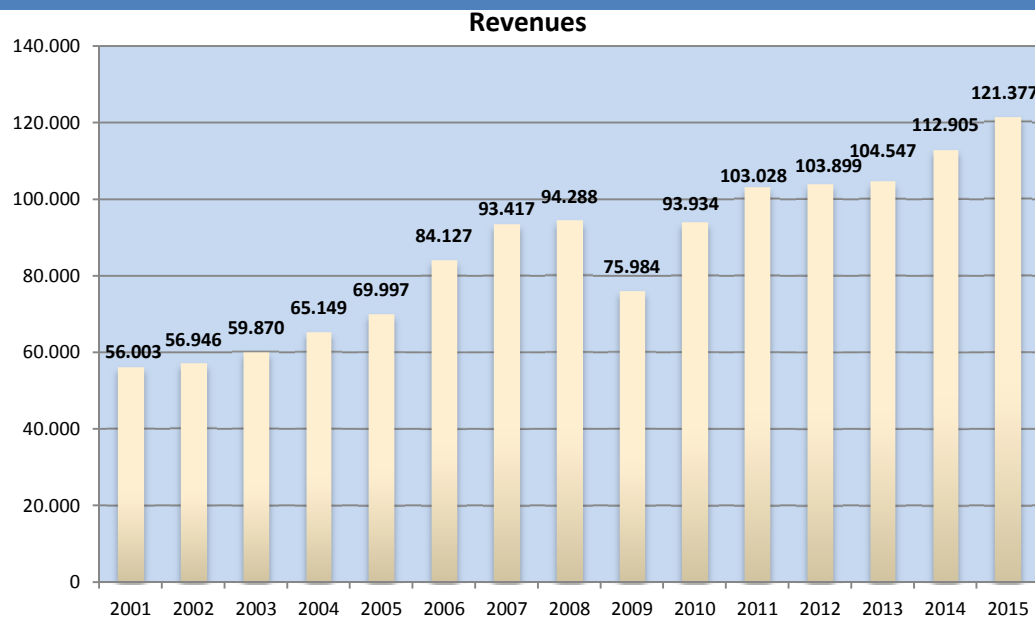
| Company (Euro thousands) | 2015 | 2014 | Change % | 2013 |
|-----------------------------|----------------|----------------|-------------|----------------|
| Cembre S.p.A. (Italy) | 65,725 | 58,554 | 12.2% | 53,814 |
| Cembre Ltd. (UK) | 19,710 | 20,577 | -4.2% | 19,390 |
| Cembre S.a.r.l. (France) | 8,677 | 8,354 | 3.9% | 7,763 |
| Cembre España S.L. (Spain) | 8,200 | 7,016 | 16.9% | 6,139 |
| Cembre GmbH (Germany) | 7,775 | 7,558 | 2.9% | 7,238 |
| Cembre AS (Norway) | 1,080 | 960 | 12.5% | 791 |
| Cembre Inc. (US) | 10,210 | 9,886 | 3.3% | 9,412 |
| Cembre Group | 121,377 | 112,905 | 7.5% | 104,547 |

* net of intragroup sales

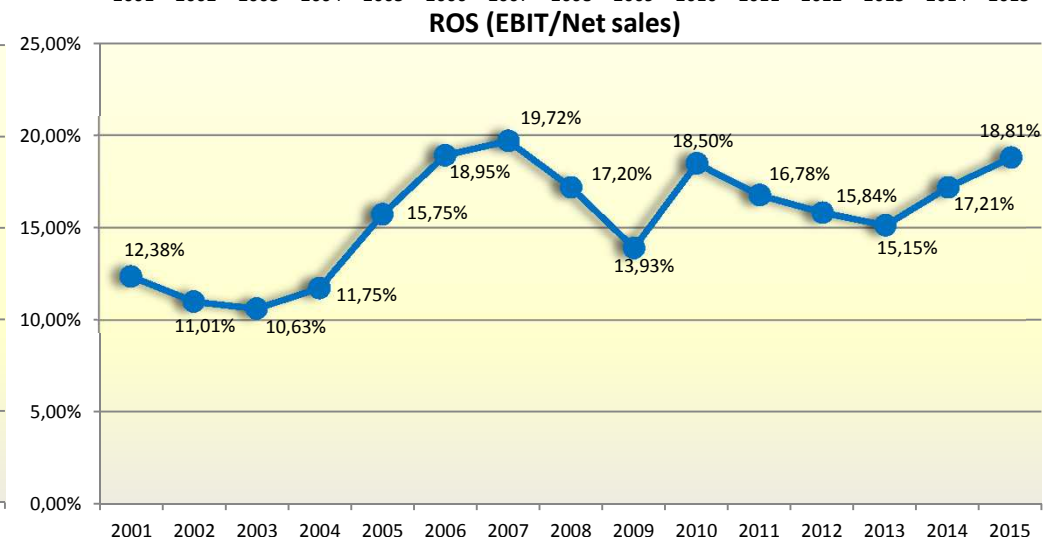
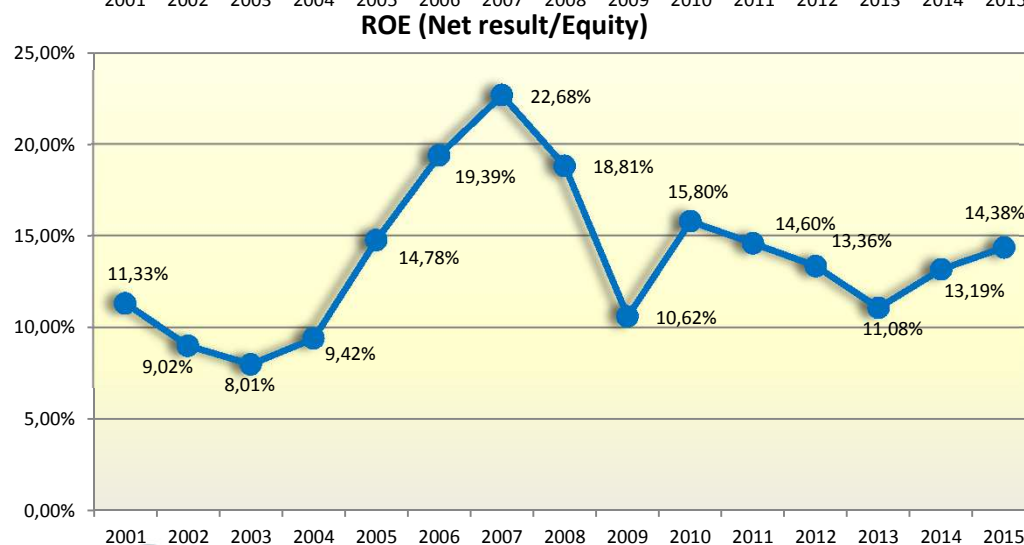
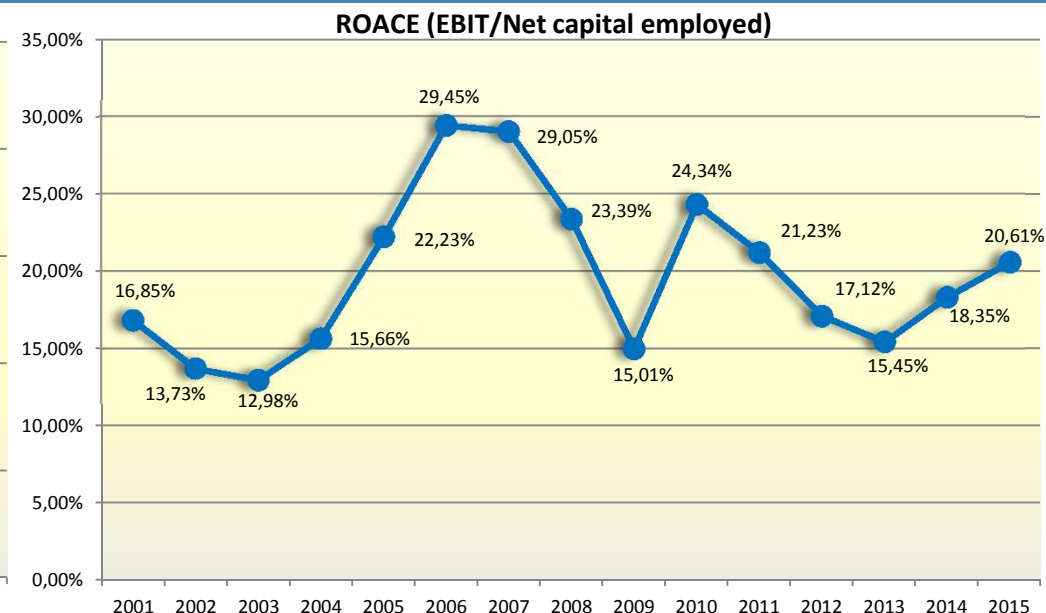
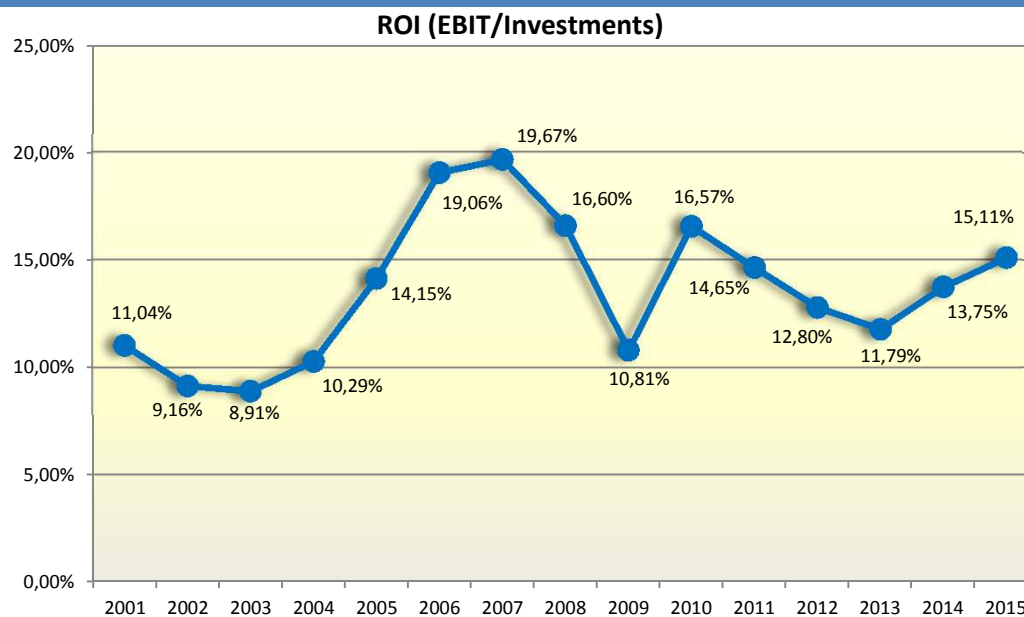
December 31, 2015 Consolidated Balance Sheet

| | Euro Millions | Dec. 31, 2015 | Dec. 31, 2014 | Dec. 31, 2013 |
|----------|--|----------------------|----------------------|----------------------|
| <i>a</i> | Net operating working capital <i>% of sales</i> | 47.6 <i>39.2%</i> | 43.9 <i>38.9%</i> | 43.8 <i>41.9%</i> |
| <i>b</i> | Net fixed assets | 71.0 | 69.6 | 64.7 |
| <i>c</i> | Assets available for sales | - | - | - |
| <i>d</i> | Severance indemnities | 2.6 | 2.6 | 2.4 |
| <i>e</i> | Provisions for risks and charges | 0.4 | 0.3 | 0.1 |
| <i>F</i> | Deferred taxes | 2.2 | 2.4 | 2.4 |
| | Net invested capital (a+b+c-d-e-f) | 113.4 | 108.2 | 103.6 |
| <i>g</i> | Equity | 131.2 | 119.9 | 109.5 |
| <i>H</i> | Net financial position | (17.8) | (11.7) | (5.9) |
| | Total sources (g+h) | 113.4 | 108.2 | 103.6 |

Cembre's Revenue and Profitability Trend (€ '000)



Index analysis



2015 and onwards...

Cembre focused on these targets:

Increase of turnover thanks to:

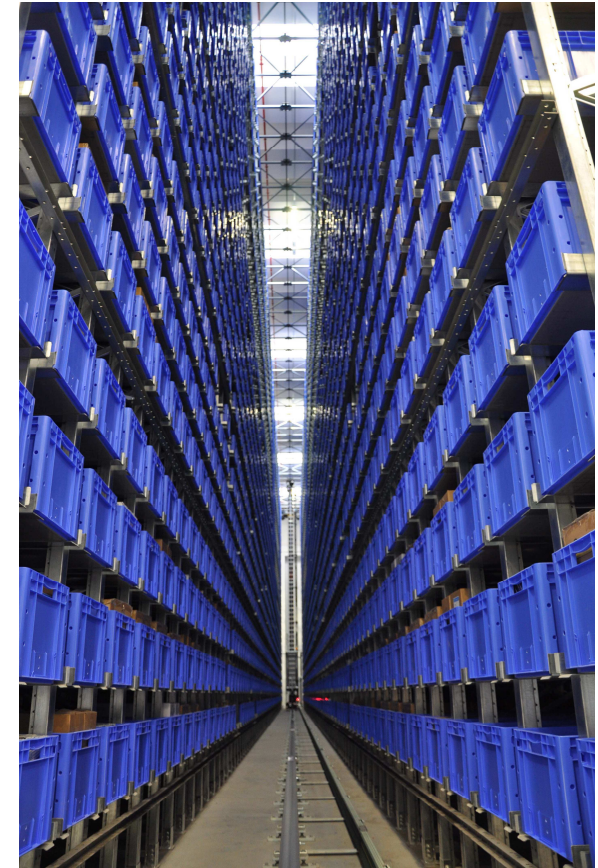
- A strengthening of Cembre competitive advantage by developing new products and continuous product range renewing by an intense R&D activity,
- An higher penetration in the foreign markets, especially in the US,
- A commercial commitment focus on high growing potential products.

Cost management by a better operative efficiency obtained from economies of scale and process innovations;

Enforcing the manufacturing structure by investing in high-tech, highly-automated machinery:

- The purchase of the 13,500 m² industrial area next to its plant (dec – 2011), by investing €9.7 mn (Brescia plant and offices today cover a floor-space of 51,000 m² while the total plant area reached 121,000 m²), this area will be dedicated to production enforcement.

2015 and onwards...



- The construction of a new 4,800 m² industrial building which is the new logistic center. This center includes an automated warehouse with 16-metre-high shelves. The construction started in March 2012, and the new automatic warehouse is operative since January 2013. This warehouse is 3 times more efficient, and has a 50% increase in end-product capacity warehousing.

Stock Data & Shareholding Structure



| Shareholders: | Share: |
|-------------------|--------|
| LYSNE Spa | 55.04% |
| Anna Maria Onofri | 8.35% |
| Sara Rosani | 4.82% |
| Giovanni Rosani | 4.71% |
| Other | 26.38% |

Cembre has been listed since December 1997, and is a part of the Star Index since September 2001.

| | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 | 2004 | 2003 | 2002 | 2001 |
|--------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| Dividendi per azione (€) | 0.46 | 0.36 | 0.26 | 0.16 | 0.16 | 0.26 | 0.12 | 0.16 | 0.26 | 0.22 | 0.15 | 0.10 | 0.07 | 0.08 | 0.10 |
| Payout Ratio* | 49% | 45% | 42% | 24% | 24% | 39% | 30% | 25% | 37% | 40% | 39% | 41% | 41% | 42% | 44% |
| Dividend Yield** | 3.3% | 3.5% | 2.9% | 2.5% | 2.9% | 4.2% | 2.6% | 4.8% | 4.2% | 3.6% | 3.2% | 3.3% | 2.9% | 4.4% | 4.1% |



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The manager responsible for preparing the Company's financial reports, Claudio Bornati, declares, pursuant to paragraph 2 of Article 154 bis of the Consolidated Law on Finance, that the accounting information contained in this presentation corresponds to the document results, books and accounting records.