

Zumtobel Group AG

Roadshow presentation

June 2016

zumtobel group

THORN

TRIDONIC

 ZUMTOBEL

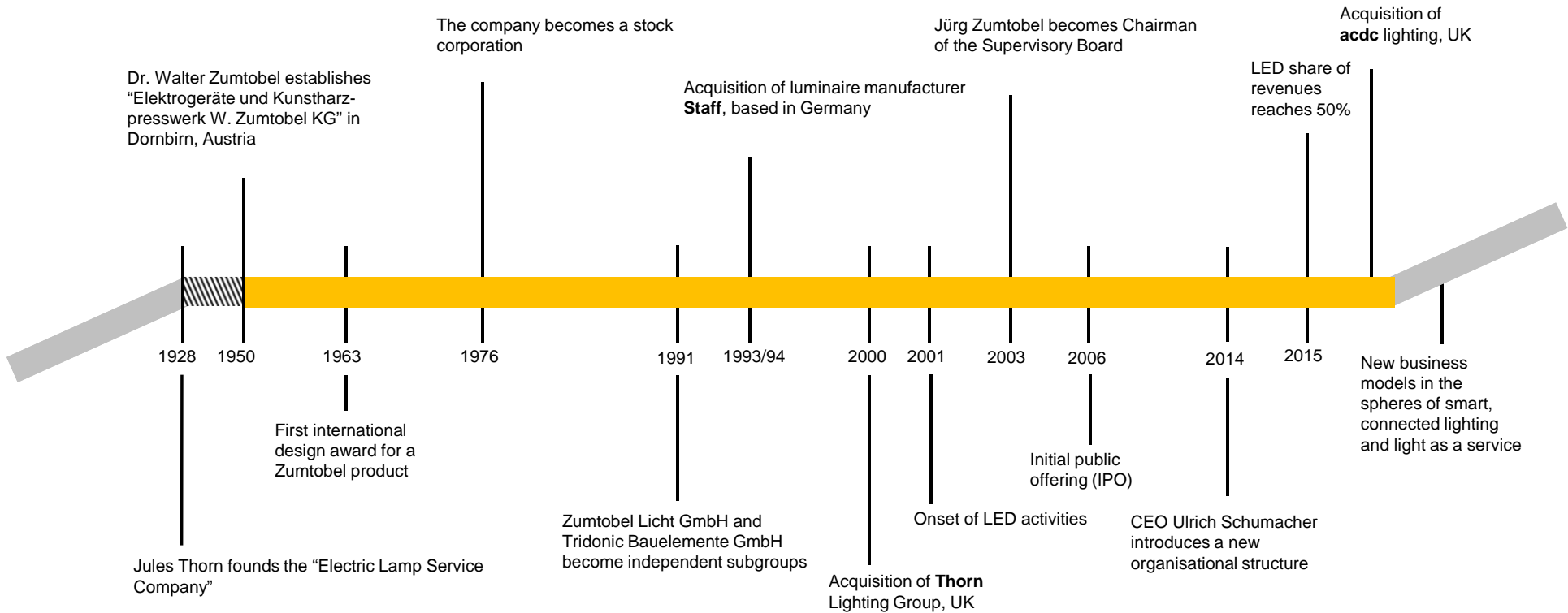
acdc

REISS

AGENDA

- Company description & Positioning of the Zumtobel Group
- Growth drivers & Lighting market dynamics
- Corporate Strategy & Financial targets
- Annual results FY 2015/16

Timeline: from family firm to global lighting group



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REISS

A portrait

The Zumtobel Group: A global player in the lighting industry

- Brands: Thorn, Tridonic, Zumtobel, acdc and Reiss
- A leading position in the European professional lighting market
- Sales in over 100 countries
- € 1,356.5 million in annual revenues *
- € 58.7 million in operating earnings (adjusted EBIT) *
- 14 production plants on four continents
- Around 6,800 employees

* FY 2015/16



zumtobel group

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TRIDONIC

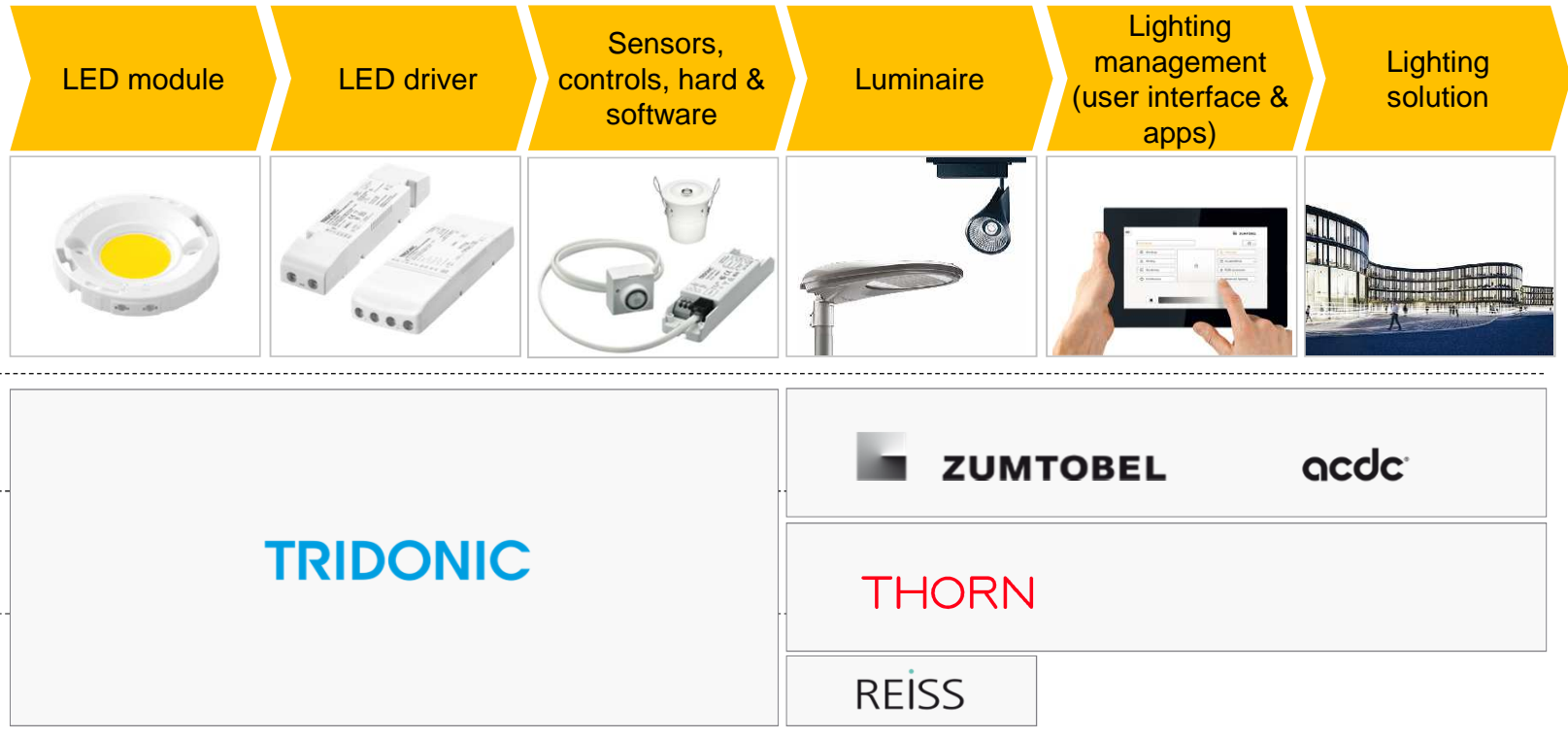
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REISS

The Zumtobel Group covers a major part of the value chain

Strong brands with broad market access



* Market segmentation Europe

Thorn – the performance brand for international volume business



Wembley Stadium
London, UK



Office lighting
Automarocchi Transport, Italy



Toven Tunnel
Nordland, Norway



Emilia School
Sweden

- **Quality supplier** delivering cost effective solutions = value for money.
- Luminaires with **excellent functionality** and proven technology, **easy** to install and use
- Comprehensive portfolio of **indoor and outdoor** lighting (applications include offices, retail, industry, schools, roads, tunnels, sports facilities)
- **Target groups:** electricians and electrical consultants, wholesalers and contractors, businesses and municipalities
- **Strongest market presence:** UK & Ireland, Scandinavia, France, Australia & New Zealand, Hong Kong; **revenues** ca. €400 million
- **Strongest growth potential:** D-A-CH region, Middle East, China

Tridonic – the electronic heart of intelligent, connected lighting

- Tridonic is the **Group-wide specialist** in innovative lighting components and systems
- **Product portfolio:** LED modules, LED drivers, electronic control gear, sensors, lighting control & management, software solutions
- **Complete solutions** for lighting operation and control
- New business potential in IoT – the Internet of Things: **communication, data management and additional services via the lighting infrastructure**
- **Target group:** OEM supplier to luminaire manufacturers worldwide, wholesalers
- **Revenues:** around €400 million thereof approx 80% with customers outside the Zumtobel Group

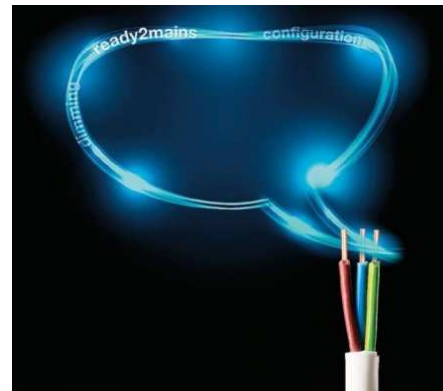


connecDIM

Intelligent lighting management solution for > 250 DALI devices

Configured via the cloud

Accessible online – any time, anywhere



ready2mains

Luminaires can be digitally dimmed via the existing mains system.

An efficient solution for retrofitting existing installations

Zumtobel – the premium brand for architectural lighting



Museo Jumex
Mexico City, Mexico



Spar flagship store Budapest,
Hungary



Façade and ambient lighting
Lech am Arlberg, Austria



Audi production lighting
Győr, Hungary

- **Integrated lighting solutions** including lighting management – with the focus on project business
- **Outstanding design**, innovative technology and comprehensive **applications expertise**
- Working in close **collaboration** with leading international architects, lighting designers and artists
- **Portfolio** covers all applications in and around buildings; currently expanding into the outdoor and residential sectors
- **Target groups:** lighting designers and electrical consultants, architects, electricians, major businesses, private and public investors
- **Strongest market presence:** Austria, Switzerland, UK & Ireland, Benelux and Italy; **revenues** ca. €550 million
- **Strongest growth potential:** Germany, USA, Middle East, Asia

acdc – the innovative, dynamic brand for high-end LED projects



Knightsbridge Estate London, UK



The Woodland Spa Burnley, UK



The Regent Bridge Edinburgh, UK



Atlantis Palm Hotel Dubai, UAE

- Supplier of **LED** luminaires – specialising in **façade lighting** and lighting solutions for hotels and restaurants
- Creative, **dynamic** architectural lighting for high-prestige settings; specialist in colour change and dynamic lighting
- Established in the UK in 2001, acquired by the Zumtobel Group in 2015: the ideal addition to the Group's brand and product portfolio, for the project business in particular
- **Outstanding client relationships** with lighting designers, architects and interior designers
- Strongest **market presence**: UK, Middle East; **revenues** €17 million in 2015
- Strongest **growth potential**: international, via the Zumtobel Group sales organisation

Reiss – the specialist for luminaires with higher protection

- Supplier of luminaires and luminaire components, primarily for industrial applications
- **Product portfolio:** moisture-proof luminaires and battens, compact luminaires, surface-mounted and recessed luminaires, trunking systems and diffusers
- Focus on modern lighting technology, **higher protection**
- **International OEM supplier** to luminaire manufacturers worldwide; **revenues** approx. €20 million in 2015

FAD LED
Moisture-proof luminaire



LIP-E
Recessed luminaire



RCO
Compact surface- and wall-mounted luminaire

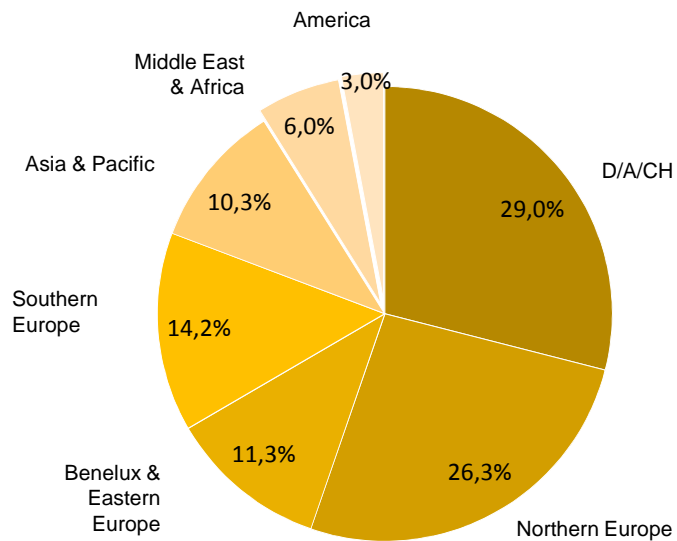


RLS
Surface-mounted luminaire

Market share analysis - Lighting Segment of Zumtobel Group:

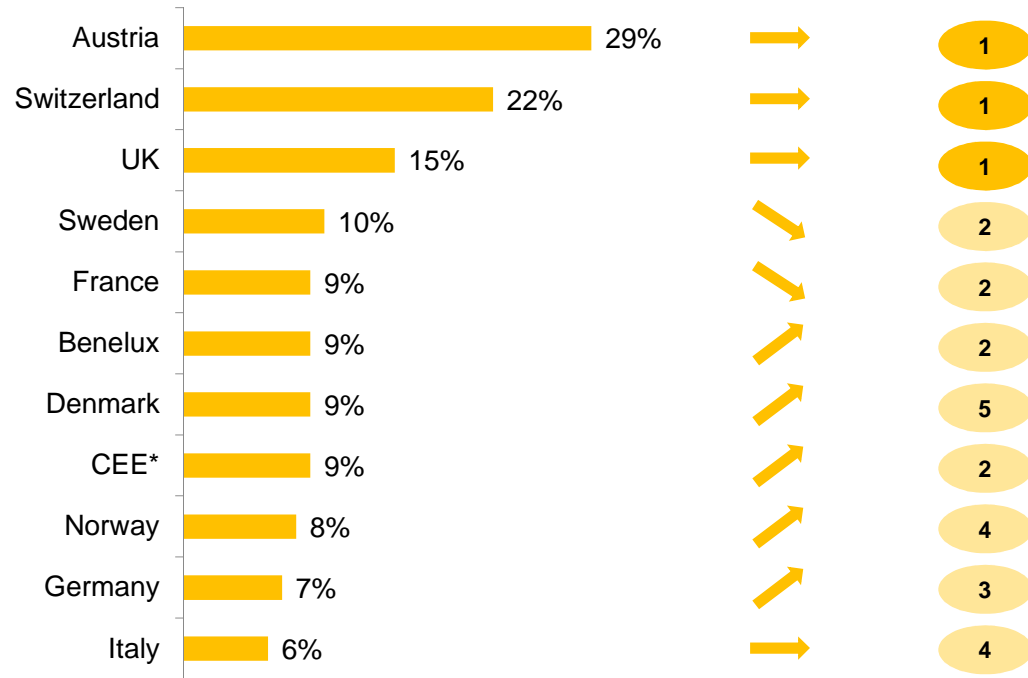
Leading shares in European markets (ca 80% of Lighting Brand revenues)

Regional revenue distribution*



* FY 2015/16 figures

Market Share



* CEE includes PL, CZ, SK, HU, CRO, SI, RO

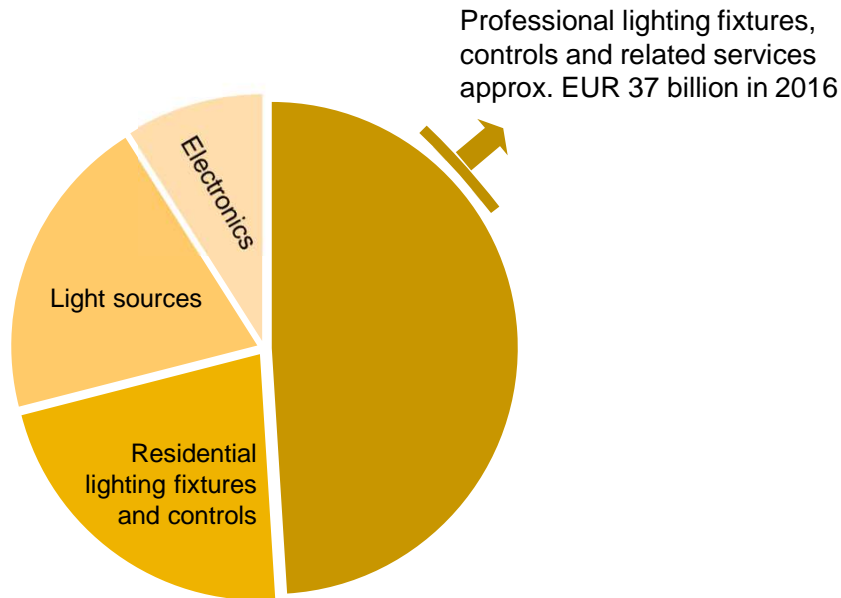
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The professional lighting market is experiencing growth throughout 2020

Strong brands cover all customer segments

Global general lighting market*:
EUR 70-80 billion

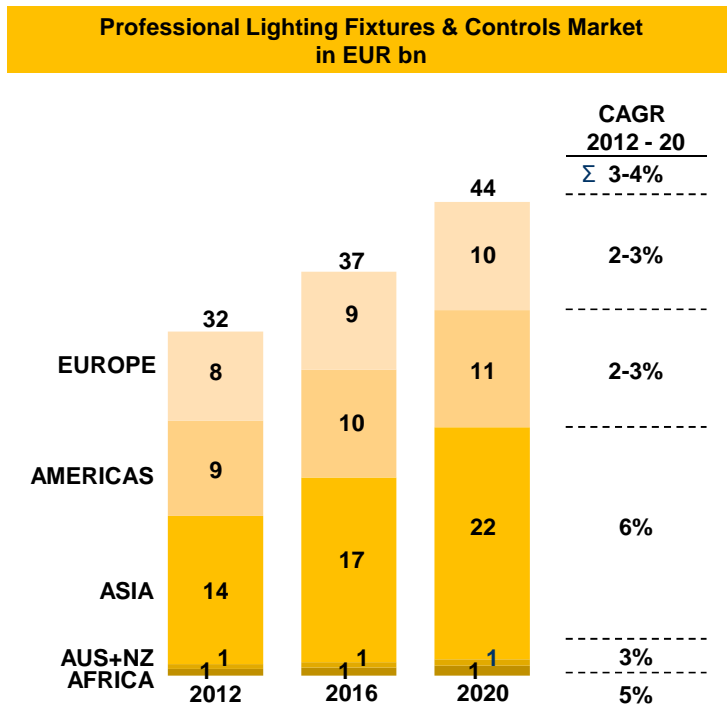


- Total global general lighting market estimated at EUR 70-80 billion
 - Zumtobel Group is focused in the market for professional lighting fixtures and controls (exception: Tridonic LED modules)
 - Global market size for professional lighting fixtures and controls and related services is estimated at approx. EUR 37 billion in 2016
- **This market (professional lighting fixtures & controls & services) is estimated to grow globally by 3-4% from 2015 to 2020**

*Global general lighting market excluding Automotive and Backlighting
Source: Growth expectation and market size based on BCG and Zumtobel Group market intelligence 2015

Regional development of global lighting market:

Asia is the fastest growing market, driven by high LEDization



- In Europe and Americas modest growth expected
- Asia is strengthening its position as the largest regional market

→ **The Asian market is vital for global players' growth**

→ **Competitive players (local and international) increasingly developing in Asia, leading to cost pressure globally**

Source: Zumtobel Group Market Research (based on BCG and McKinsey reports) & Investor Relations

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Key trends

Major developments through 2020

- Global professional lighting market is expected to **grow** by 3-4% through 2020
- **Cost pressure** globally expected due to increasingly competitive players, e.g., from the cost-sensitive Asian markets
- By 2020, at least 80% of professional luminaires sold will be **LED**
- By 2020, 25% of professional luminaires sold will be part of a connected lighting system
- The growth of professional connected-lighting systems will create new opportunities for high-end professional **services**

What it takes to stay competitive ...

Competitive cost base

Continuous work on the cost base is required to stay competitive

Speed

Strong need to substantially reduce the time from product idea to concrete offering (“time to market”)

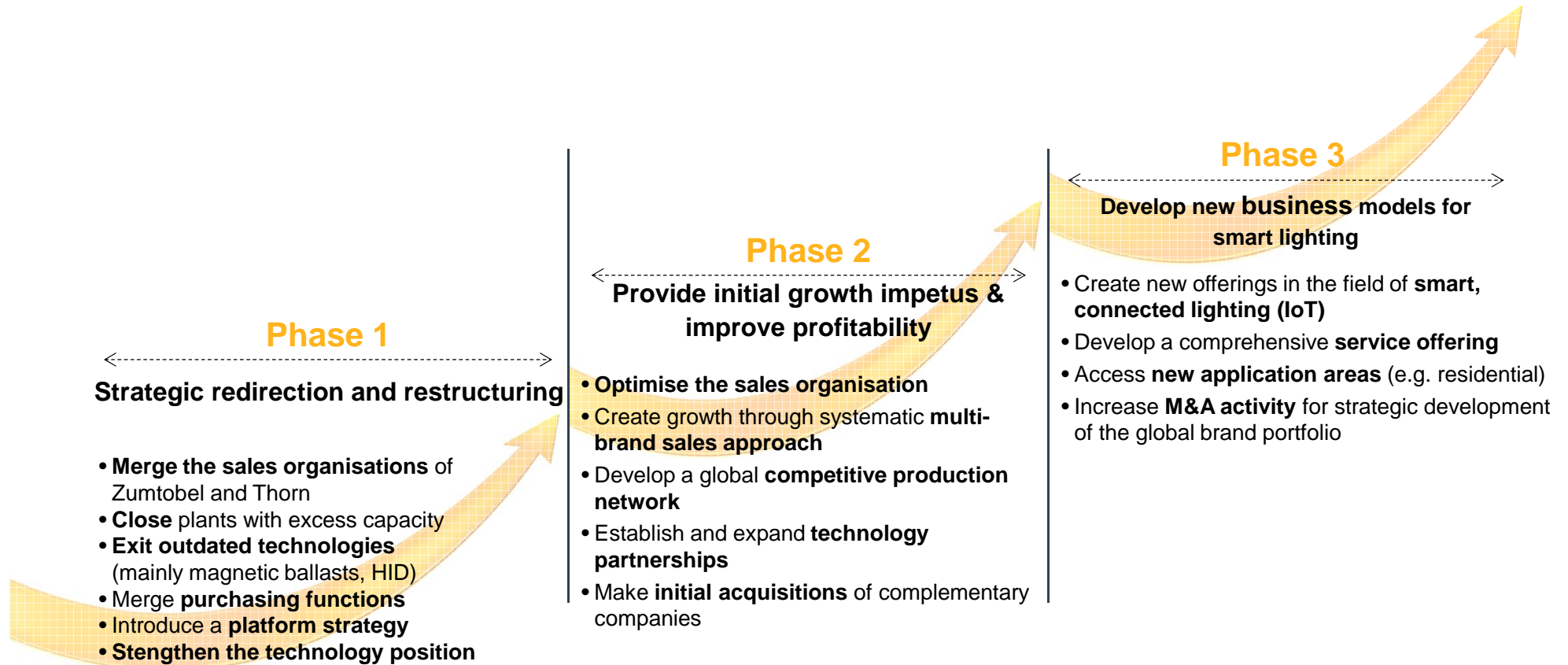
Innovation

Innovation is a key driver to stay ahead of commoditization

Connectivity and Services

Connected lighting systems and services increasingly become game changer in the industry

Corporate strategy: 3 phases for profitable growth



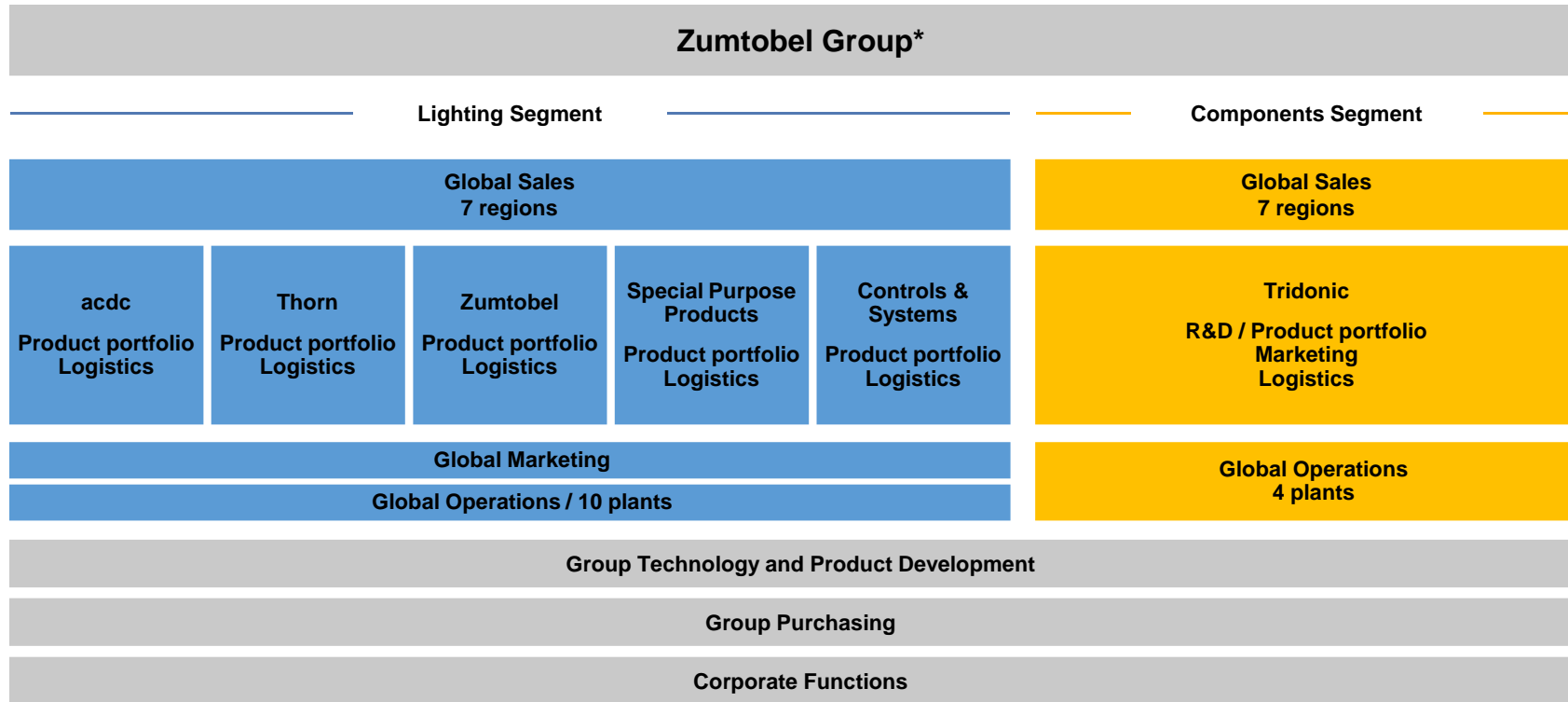
Strategic focus topics

- 1 Efficient, lean corporate structures
- 2 Multi-brand strategy / Sales channels aligned with customer target groups
- 3 Global, competitive production network
- 4 Establishment of innovative business models in the Internet of Things
- 5 Establishment of a service business: Light as a service

Efficient structures - Clearly defined brand profiles, max. synergies

Zumtobel Group organizational structure

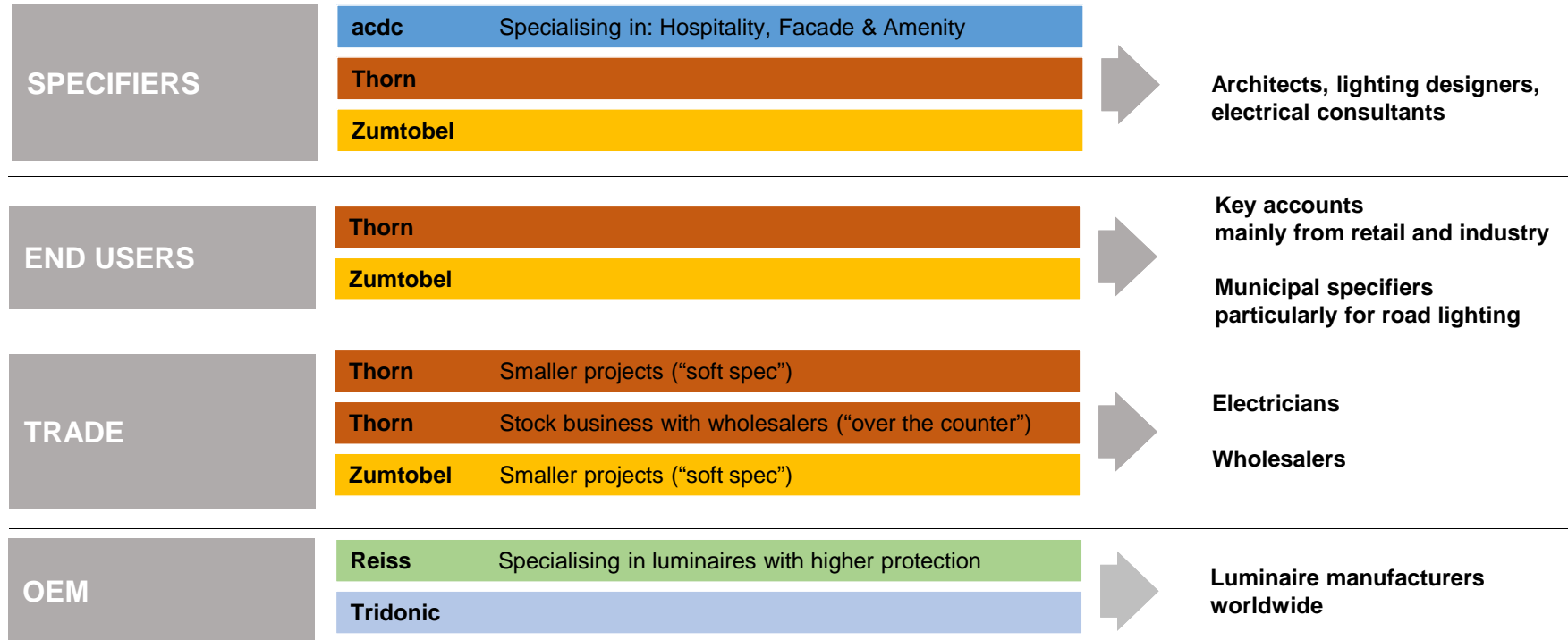
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*simplified illustration

Clear customer focus through 4-channel sales

2



Success factor multi-brand projects

Greater customer satisfaction and larger-volume projects

2



MICHELIN URBALAD
Ladoux, France

Thorn for offices and conference rooms

Zumtobel for corridors and foyer

Total volume: EUR 390,000



ARAB CENTER FOR RESEARCH AND POLICY STUDIES (ACRPS)
Qatar

Thorn for back office, car park and outdoor areas

Zumtobel for offices and classrooms

Total volume: EUR 2.4 million



ACADEMIC HOSPITAL MARIA MIDDELARES
Ghent, Belgium

Thorn for offices, treatment rooms and corridors

Zumtobel for recreation rooms, underground car park and corridors

Total volume: EUR 1.28 million



SKYLAB
Geneva, Switzerland

Thorn for corridors, sanitary facilities and utility rooms

Zumtobel for foyer, corridors, underground car park, emergency lighting, conference rooms and offices

Total volume: EUR 578,000

Determined to further unlock full potential in Global Operations

Progress report Global Operations

3

Restructuring measures

2013

- Closure of Fürstenfeld, AUT
- Closure of Melbourne, AUS

2014

- Closure of Tianjin, CN
- Closure of Landskrona, SWE
- Closure of Ennenda, CH
- Sale of connection technology business, Innsbruck, AUT

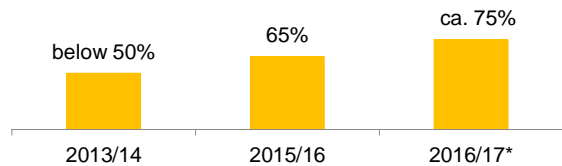
2015

- Sale of magnetics business, Auckland, NZL
- Restructuring of Lemgo, GER

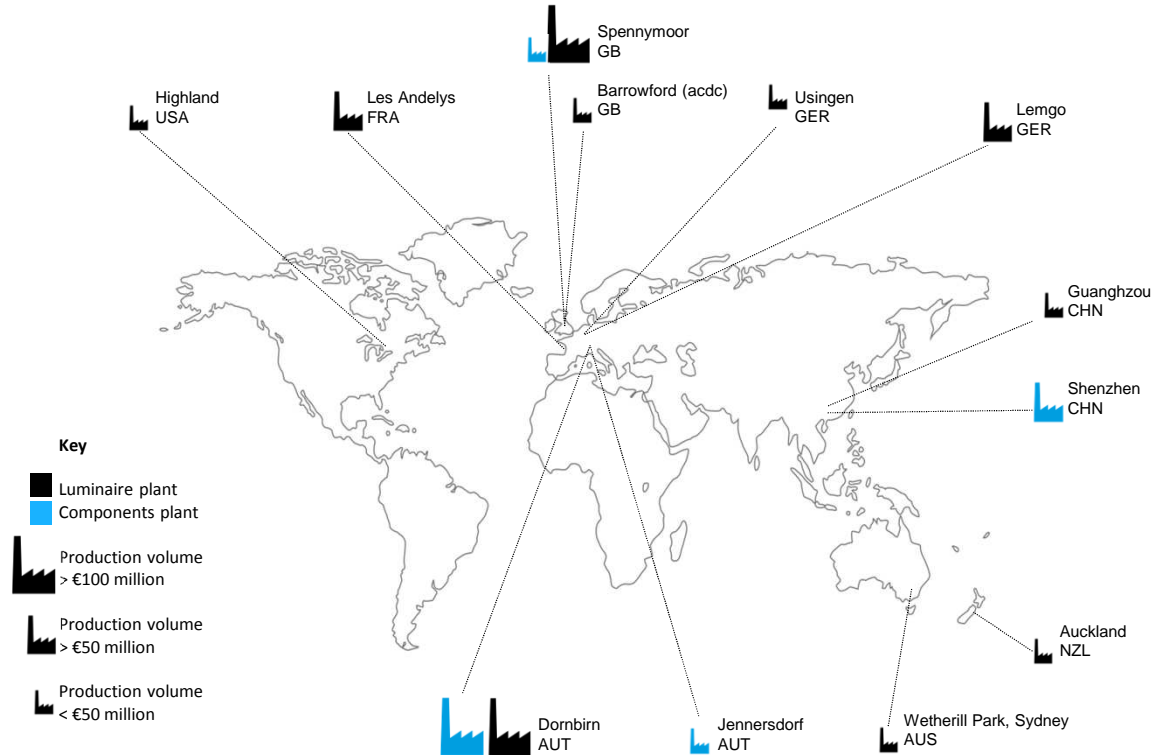
2016

- Announcement of closure of Usingen, GER

Utilization rate in Luminaire plants

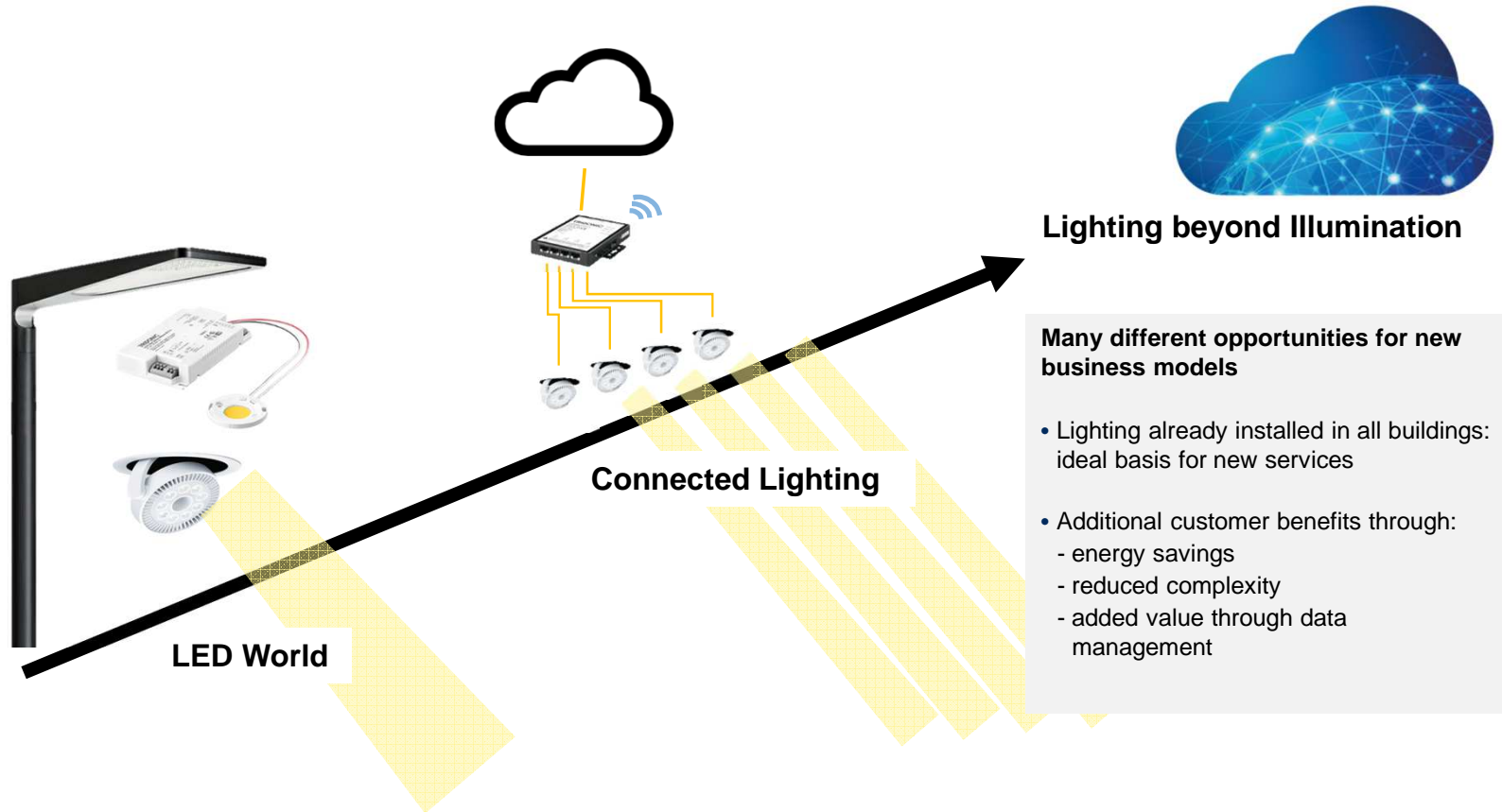


* Estimated figures



Establishing innovative business models in the Internet of Things

4



Three core application areas for smart, connected lighting

4

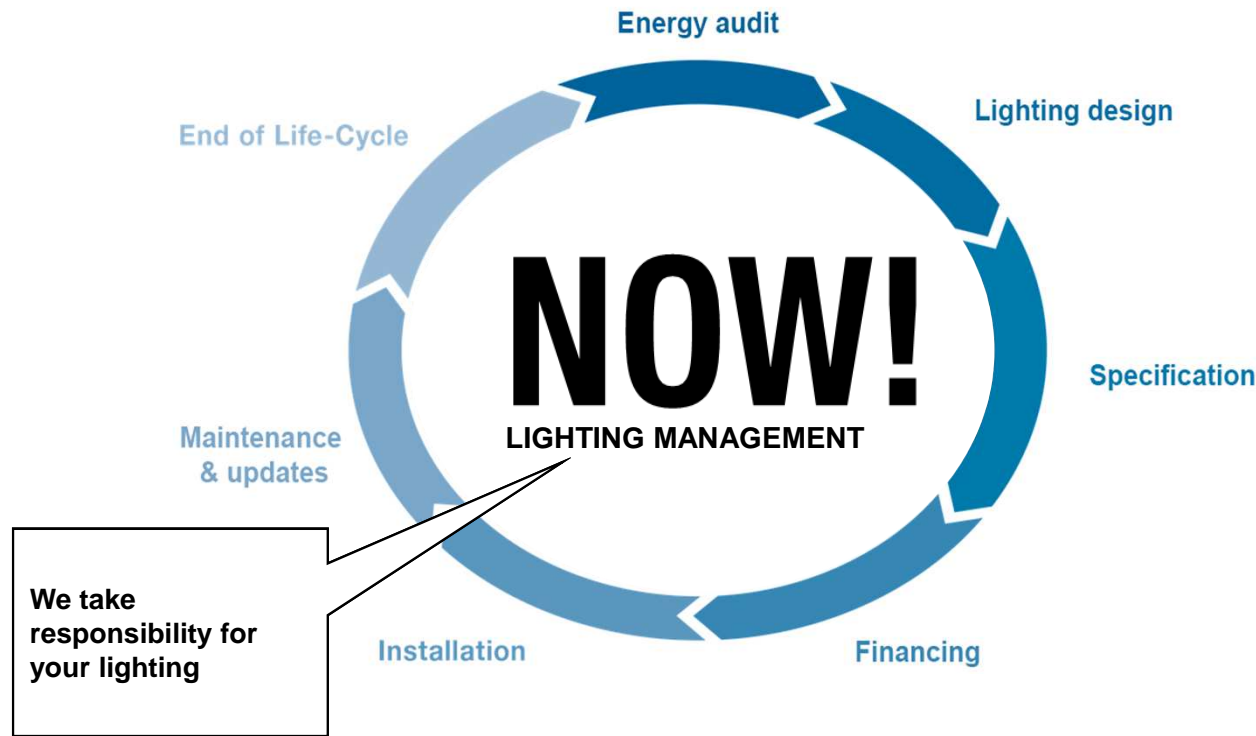
<p>Connected Commerce</p>	<p>Connected Building</p>	<p>Connected City</p>
<div style="display: flex; justify-content: space-around;"> <div data-bbox="353 837 461 943"> </div> <div data-bbox="607 837 714 943"> </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div data-bbox="324 981 542 1093"> <p>Indoor Navigation Easily guide user to selected area via the user's mobile device</p> </div> <div data-bbox="564 981 792 1093"> <p>People Tracking Track customer shopping behaviour and presence in-store</p> </div> </div>	<div style="display: flex; justify-content: space-around;"> <div data-bbox="929 837 1037 943"> </div> <div data-bbox="1196 837 1303 943"> </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div data-bbox="884 981 1102 1093"> <p>Remote Monitoring Monitor the performance of the lighting infrastructure</p> </div> <div data-bbox="1137 981 1355 1093"> <p>Space Management Track building user behaviour and presence in building</p> </div> </div>	<div style="display: flex; justify-content: space-around;"> <div data-bbox="1438 837 1630 943"> </div> <div data-bbox="1738 837 1845 943"> </div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div data-bbox="1431 981 1635 1117"> <p>Dynamic Lighting Optimised street lighting in line with traffic and weather conditions</p> </div> <div data-bbox="1691 981 1921 1093"> <p>Advanced Parking Lighting infrastructure used to guide drivers to free parking spaces</p> </div> </div>

- In phase one the Zumtobel Group is concentrating on Connected Commerce and Connected Building
- Cross-brand project group:
 - Technology development via Tridonic
 - Applications expertise and pilot projects via Thorn and Zumtobel

Becoming a full service provider: Light as a service



5



Benefits for the customer

- Benefit from **energy savings** from the outset
- **Financing** extends over full term of contract
- Zumtobel Group looks after all aspects
- Benefit from technological progress through **regular updates** in the lighting solution
- Flexibility through **service upgrade** option within existing contract

Medium term EBIT target confirmed but more time and effort needed

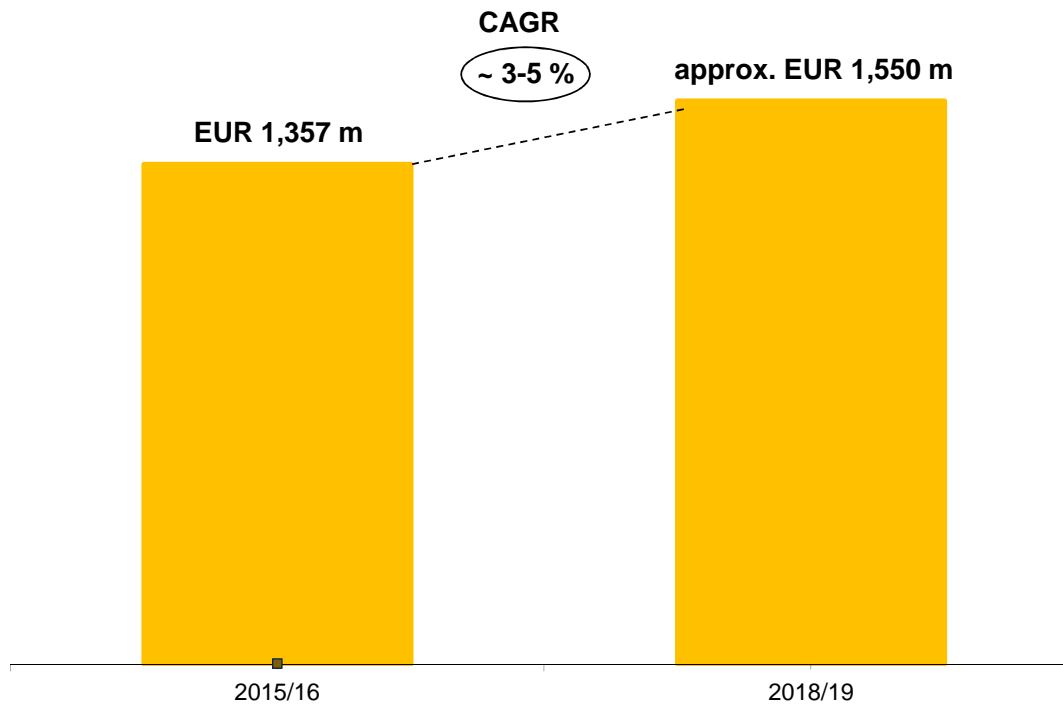
Further increase in profitability driven by additional efficiency improvements in Operations and Sales

EBIT adj. margin 2015/16		4.3%
	Categories & Measures	Targeted margin impact
Costs of Goods sold	<ul style="list-style-type: none"> • Further adjustments in manufacturing footprint (2nd phase) • Harvesting full benefits from 1st phase of restructuring • Platform approach (standardisation & modularisation) 	+ 2-2.5%
R&D	<ul style="list-style-type: none"> • R&D spending (through P&L) as % of sales will remain at similar level 	
SG&A	<ul style="list-style-type: none"> • Further increasing sales efficiency (France, Australia, Asia, etc.) – operating leverage by topline growth 	+ 2-3%
EBIT margin medium term target		8 -10%

EBIT margin medium term target assuming sales growth CAGR of 3-5% p.a (fx adjusted).

Organic sales growth target of approx. 3-5% p.a. (fx adjusted)

Zumtobel Group: Medium-term revenue objectives



- Construction activity in Europe is improving
- Market share gains through
 - Multi-brand & multi channel sales approach
 - Closing of product portfolio gaps
 - Innovations in controls & system

Key takeaways – Entering the second stage of transformation

Zumtobel Group Capital Markets Day

Uniquely positioned	A global player with a leading position in the fragmented professional lighting and components market. We leverage our multi-brand portfolio to create unique value for our customer.
Restructuring Story	In response to the lost decade: complete reset of the Group's strategy and structure to realise maximum synergies between all brands and functions. Ongoing extensive restructuring & transformation program.
European Recovery Story	Cycle bottom in European construction is touched as well as concept for multi-brand approach gains momentum.
Digitalisation & Connectivity	New business opportunities created by the uptake of connected lighting.
Management Incentivisation	Share price development is key performance indicator.
EBIT margin target of 8-10%	Mid-term EBIT margin target of 8-10% provides significant upside potential in shareholder value.

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Zumtobel Group AG

Annual Financial Results 2015/16

22 June 2016

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Net profit at prior year level and strong cash flow generation

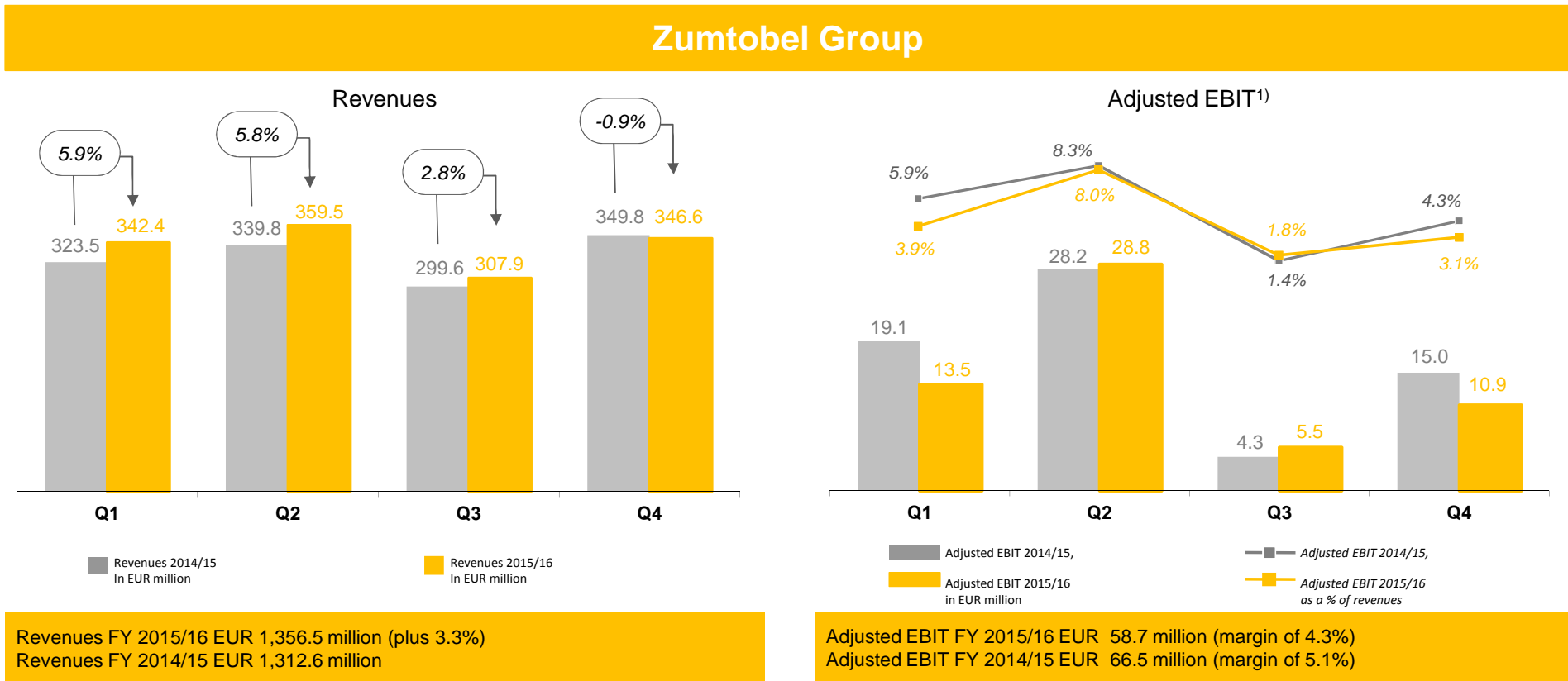
Financials FY 2015/16 at a glance

- Group revenues increase by 3.3% year-on-year to EUR 1,356.5 million
- LED share of group revenues increases to 63.4% in FY 2015/16 (FY 2014/15: 49.8%)
- Group adj. EBIT decreases to EUR 58.7 million (PY EUR 66.5 million) due to an increase in R&D-expenditures, negative FX transaction effects (USD/CHF), ongoing price pressure as well as delays in restructuring benefits
- Net profit totaled EUR 11.9 million in FY 2015/16 and matched the prior year level
- Strict working capital management and a reduction in capital expenditure led to strong positive free cash flow of EUR 49.8 million (2014/15: minus EUR 15.2 million)
- In view of the solid operating development, the Management Board will make a recommendation calling for a dividend of EUR 0.20 per share for the 2015/16 financial year (FY 2014/15 EUR 0.22)



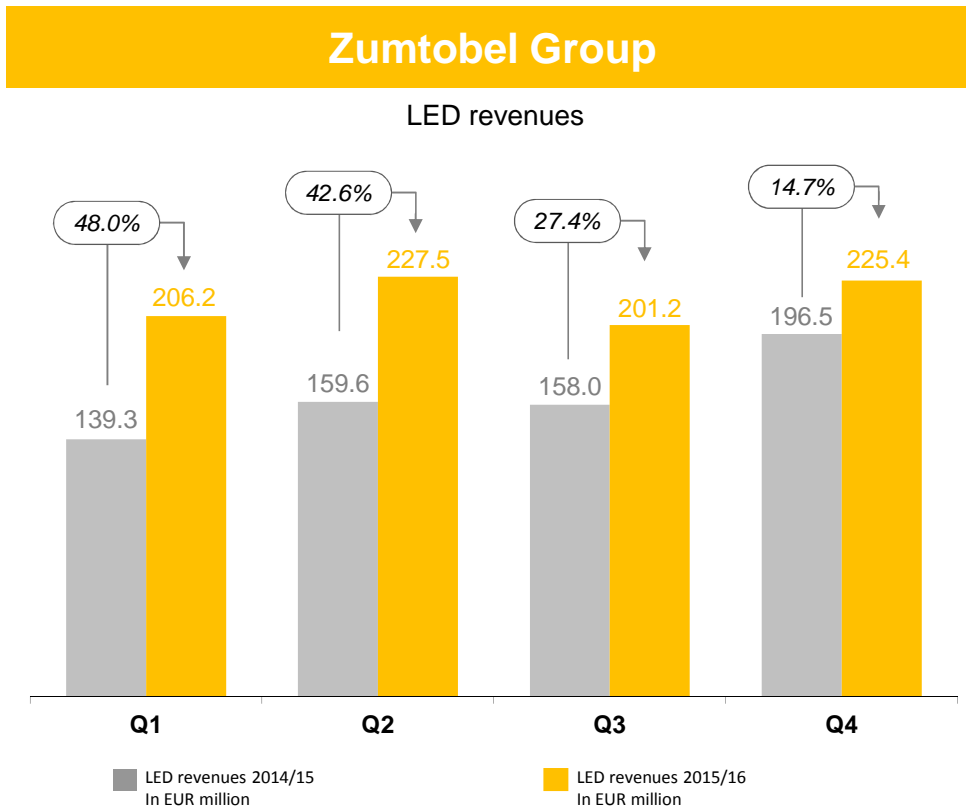
Group revenues supported by significant positive currency-effects

Zumtobel Group – Revenues and EBIT development



LED share of group revenues increases to 63.4% (FY 2014/15: 49.8%)

Zumtobel Group – LED revenue development



- LED revenues in FY 2015/16 grow by 31.7% to EUR 860.3 million
- LED share of group revenues increases to 63.4% (FY 2014/15: 49.8%)
- Lighting Segment increases sales with LED products by 32.7% to EUR 640.1 million (LED Penetration 62.2%)
- LED sales in Components Segment rise by 33.7% to EUR 283.9 million (LED Penetration 69.2%)

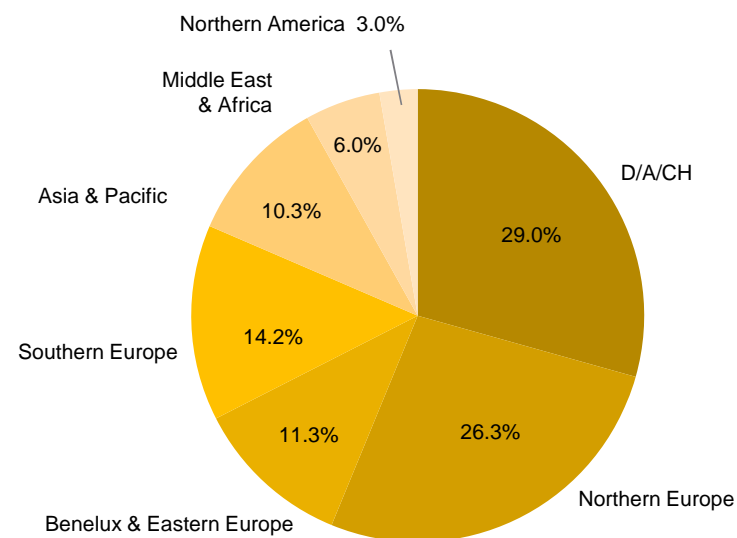
Weak markets in France, Australia, Asia and Middle East

Zumtobel Group – Regional revenue distribution

	Q4 2015/16		FY 2015/16		
	Revenues in EUR million	Change in %	Revenues in EUR million	Change in % nominal	Change in % FX adjusted
D/A/CH	96.5	2.4	393.0	6.1	3.8
Northern Europe	85.7	-6.2	356.7	3.9	0.6
Benelux & Eastern Europe	39.7	32.7	153.8	13.9	15.3
Southern Europe	51.0	-1.2	192.0	-2.6	-2.6
Asia & Pacific	34.7	-9.6	140.0	-6.5	-7.9
Middle East & Africa	26.3	-23.3	80.7	-0.4	-2.7
America	12.8	27.7	40.3	11.3	0.7
Total	346.6	-0.9	1,356.5	3.3	1.3

Zumtobel Group

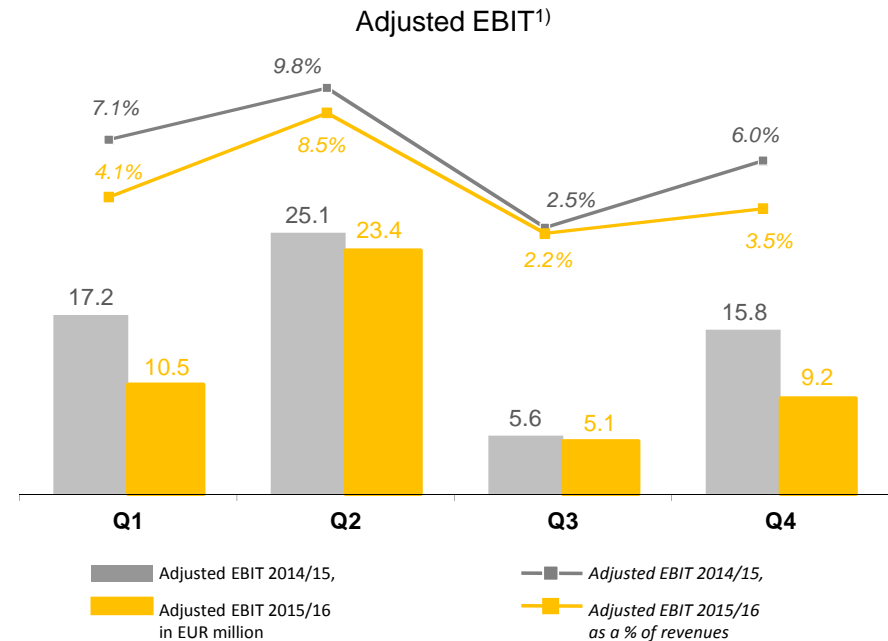
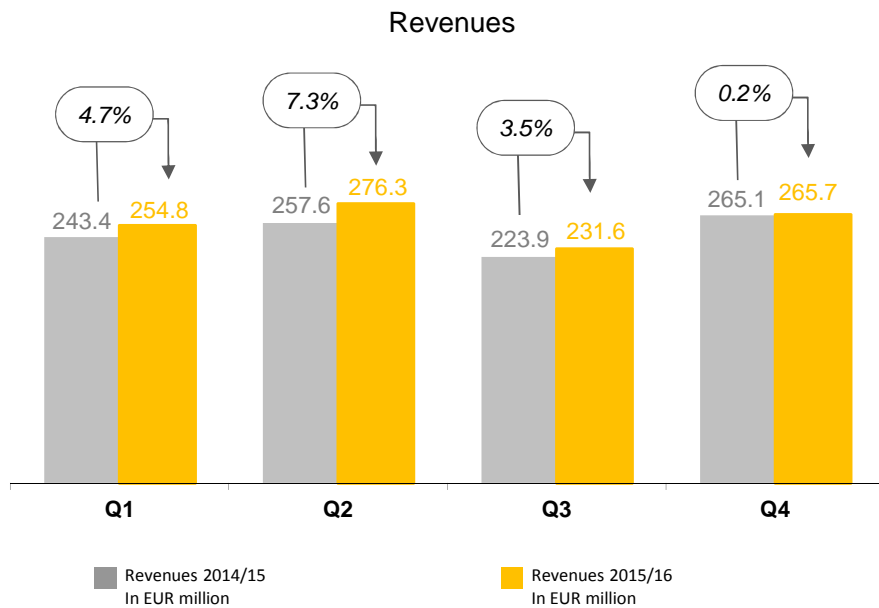
Regional revenue distribution



Lighting Segment passed the one billion EUR mark for the first time

Lighting Segment – Revenue and EBIT development

Lighting Segment



Revenues FY 2015/16 EUR 1,028.4 million (plus 3.9%)
 Revenues FY 2014/15 EUR 989.9 million

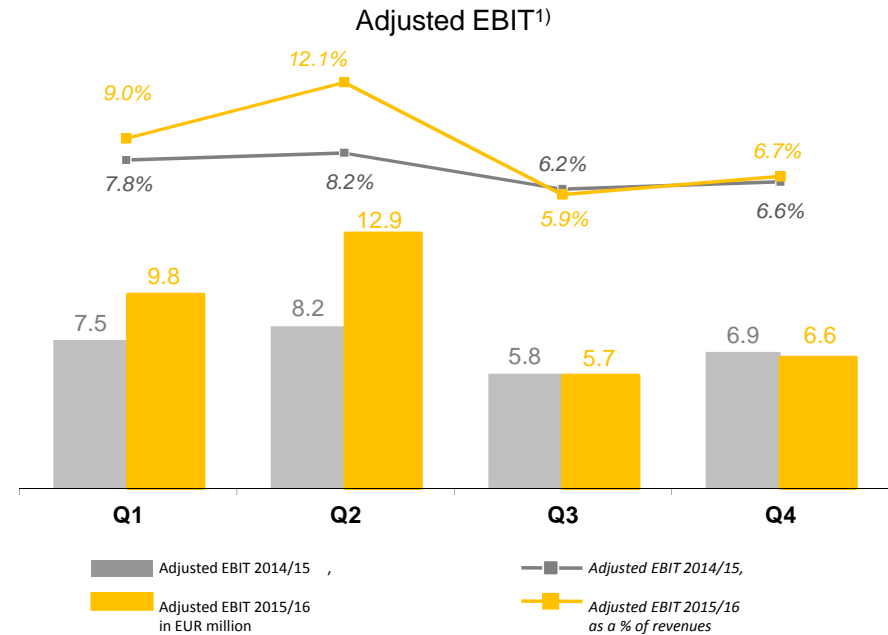
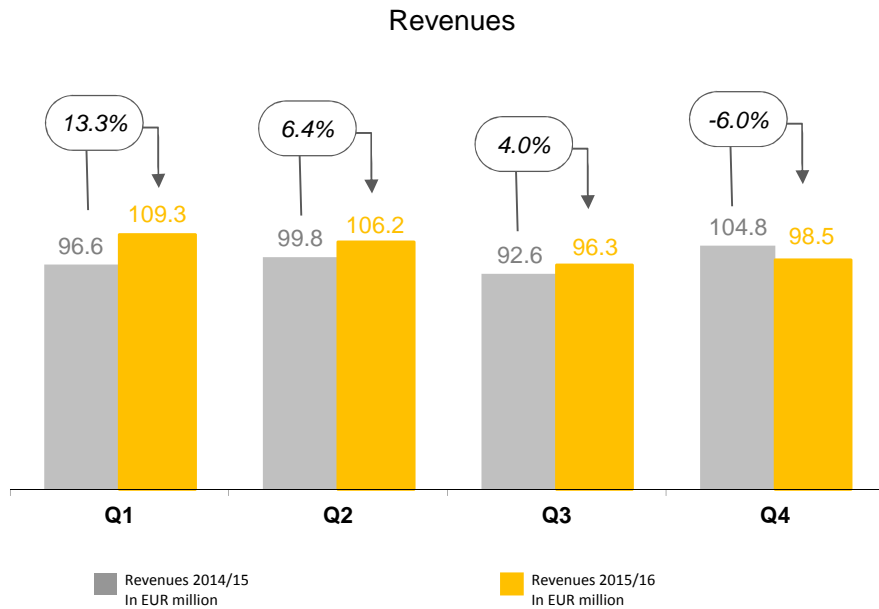
Adjusted EBIT FY 2015/16 EUR 48.2 million (margin of 4.7%)
 Adjusted EBIT FY 2014/15 EUR 63.7 million (margin of 6.4%)

1) Reported EBIT adjusted for special effects

Revenue growth dynamics in H2 burdened by sale of signage business

Components Segment – Revenue and EBIT development

Components Segment



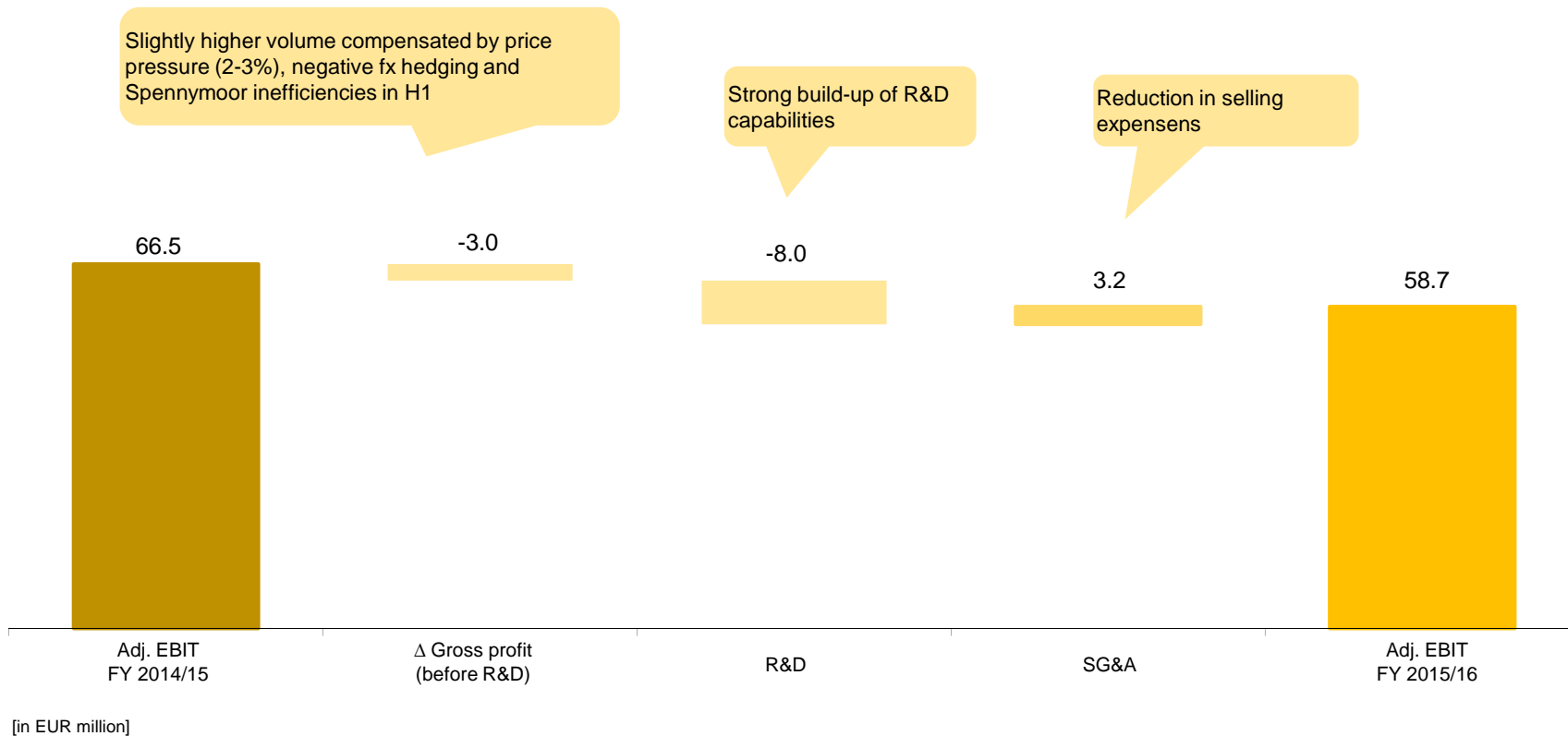
Revenues FY 2015/16 EUR 410.4 million (plus 4.2%)
 Revenues FY 2014/15 EUR 393.8 million

Adjusted EBIT FY 2015/16 EUR 35.0 million (margin of 8.5%)
 Adjusted EBIT FY 2014/15 EUR 28.4 million (margin of 7.2%)

1) Reported EBIT adjusted for special effects

Simplified illustration to highlight main building blocks of the adj. EBIT development

Zumtobel Group – adj. EBIT FY 2014/15 vs. FY 2015/16 adjusted for fx-translation effects



Further expanding the outstanding technology position of the Zumtobel Group

Zumtobel Group – Investments into Research and Development

R&D Expenses

Research & Development in EUR million	FY 2015/16	FY 2014/15	Change in %
Development costs	83.9	75.3	11.4
Research costs	4.0	3.7	7.8
R&D total	87.9	79.0	11.2
<i>as a % of revenues</i>	6.5	6.0	

- In line with medium term guidance
- Focus on energy efficiency, light quality and intelligent controls
- Higher expenditures for system architecture, software development and data management

Restructuring on track - EUR 34.9 million special effects in FY 2015/16

Zumtobel Group – special effects

Special Effects

Adjusted EBIT in EUR million	FY 2015/16	FY 2014/15	Change in %
Reported EBIT	23.8	41.1	-42.0
Thereof special effects	-34.9	-25.4	-37.3
Adjusted EBIT	58.7	66.5	-11.7

- Adjustments in the sales organisation (EUR -13.1 million)
- Adjustments in Global Operations (EUR -22.7 million), thereof EUR -15.5 million close down Usingen
- Property sale Landskrona (EUR +3.3 million)
- Deconsolidation-effect of Tridonic NZ (EUR +1.1 million)
- Sale Signage Business Tridonic (EUR +2.8 million)
- Adjustments Business Division Zumtobel (EUR -1.3 million)
- Adjustments in product portfolio (EUR -2.7 million)
- Miscellaneous (EUR -2.2 million)

Net result for the period at EUR 11.9 million

Zumtobel Group – Income statement

in EUR million	FY 2015/16	FY 2014/15	Change in %
Revenues	1,356.5	1,312.6	3.3
Cost of goods sold	-841.5	-802.8	4.8
Gross profit (w/o development)	515.0	509.8	1.0
<i>as a % of revenues</i>	38.0	38.8	
R&D	-87.9	-79.0	11.2
SG&A expenses adjusted for special effects	-368.5	-364.4	1.1
Adjusted EBIT	58.7	66.5	-11.7
<i>as a % of revenues</i>	4.3	5.1	
Special effects	-34.9	-25.4	37.3
EBIT	23.8	41.1	-42.0
<i>as a % of revenues</i>	1.8	3.1	
Financial results	-8.2	-25.4	67.6
Profit before tax	15.6	15.7	-0.7
Income taxes	-3.7	-3.7	-1.2
Net profit or loss for the period	11.9	11.9	-0.2
Earnings per share (in EUR)	0.28	0.28	

Increase in Special effects;
further details on slide 18

Improving financial result
mainly driven by

- financial instruments with positive mark-to-market valuation
- realization of foreign currency transactions with a negative market value

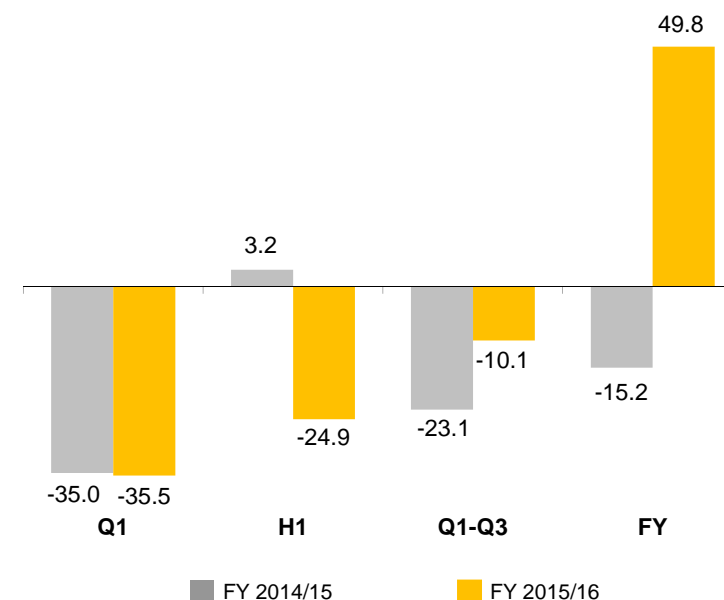
Strong positive Free Cash Flow of EUR 49.8 million

Zumtobel Group – Cash flow statement

in EUR million	FY 2015/16	FY 2014/15
Cash flow from operating results	84.8	103.1
Change in working capital	-4.1	-22.6
Change in other operating items	17.8	-11.7
Taxes paid/received	-5.9	-5.9
Cash flow from operating activities	92.6	62.8
Proceeds from the sale of non-current assets	7.6	3.7
Capital expenditures on non-current assets	-58.4	-76.6
Change in current and non-current financial assets	3.3	-10.0
Change in liquid funds from changes in the consolidation range	-2.6	9.5
Assets held for sale	7.4	-4.6
Cash flow from investing activities	-42.7	-78.0
Free cash flow	49.8	-15.2
Cash flow from financing activities	-14.9	-17.1
Effects of exchange rate changes on cash and cash equivalents	-2.8	4.8
Change in cash and cash equivalents	32.2	-27.4

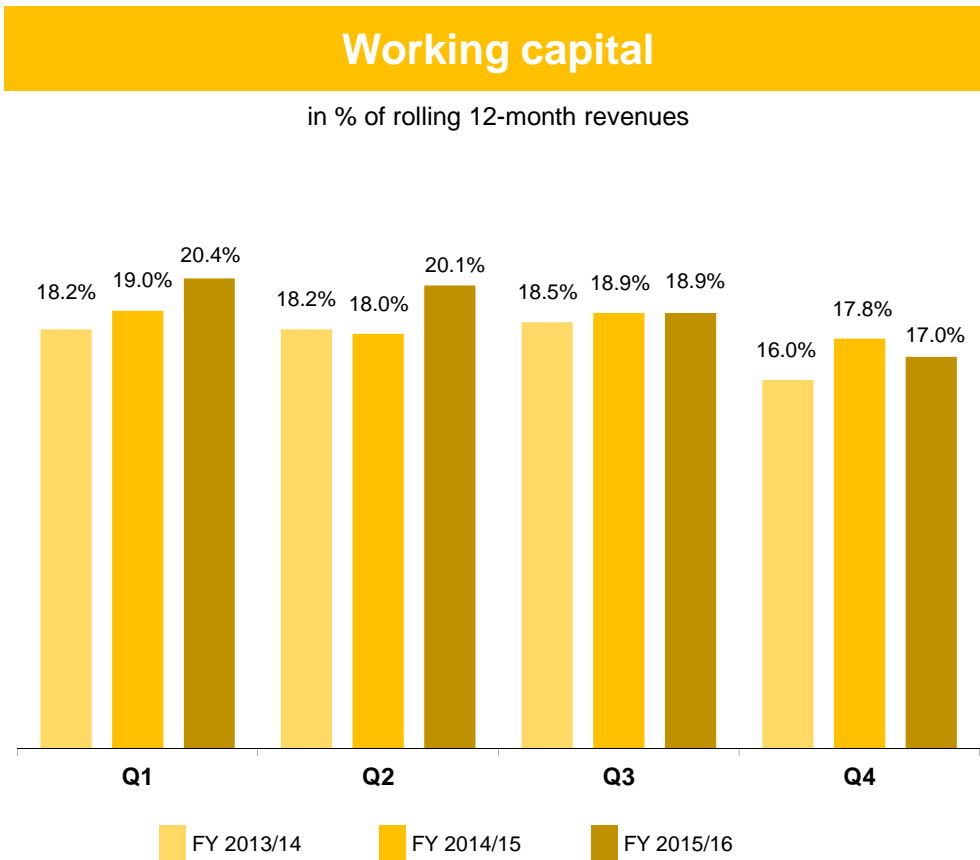
Free cash flow development

(cumulative figures in EUR million)



Working capital slightly below prior year level

Zumtobel Group – Working capital



- Working capital at EUR 231.2 million for April 2015/16 (April 2014/15: EUR 233.8 million)
- In % of rolling 12-month revenues, working capital was below PY-level: 17.0%
- Decrease in inventories (~ EUR 14 million vs. PY), decrease in receivables (~ EUR 15 million vs. PY) and decrease in payables (~ EUR 27 million vs. PY)

Continued solid balance sheet structure and secured liquidity position

Zumtobel Group – Key balance sheet data

in EUR million	30 April 2016	30 April 2015
Total assets	1,068.6	1,086.3
Net debt	134.8	148.2
<i>Debt coverage ratio</i>	<i>1.48</i>	<i>1.48</i>
Equity	333.2	322.6
<i>Equity ratio in %</i>	<i>31.2</i>	<i>29.7</i>
<i>Gearing in %</i>	<i>40.5</i>	<i>46.0</i>
Investments	58.4	76.6
Working capital	231.2	233.8
<i>As a % of rolling 12 months revenues</i>	<i>17.0</i>	<i>17.8</i>

- Net debt totalled EUR 134.8 million as of 30 Apr 2016 (30 Apr 2015 : EUR 148.2 million)
- Secure liquidity position backed by:
 - Consortium credit agreement with a term ending November 2020 and a max. volume of EUR 300 million (EUR 100 million drawn by 30 Apr 2016)
 - Two bilateral credit agreements with a term extending to September 2018 respectively January 2020
 - Unsecured lines of credit totalling EUR 88.4 million as of 30 Apr 2016

New credit agreement secures long-term liquidity and financing capabilities

Zumtobel Group – Solid financial foundation

- Syndicated loan agreement with a max. line of EUR 300 m, step-up clause for additional EUR 200 m
- Five-year term ending on November 30th 2020, plus two one-year extension options (5+1+1 ruling)
- Usage of funds: refinance Zumtobel Group's existing EUR 350 million loan which would have expired in October 2016 and for general corporate purposes
- Agreement requires compliance with financial covenants (a debt coverage ratio of less than 3.5 and an equity ratio of 25%)
- Bank consortium with Commerzbank AG, Raiffeisenbank International AG, UniCredit Bank Austria AG, Bank für Tirol und Vorarlberg AG, HSBC Trinkaus & Burkhardt AG, SEB AG, Vorarlberger Landes- und Hypothekenbank AG

Tridonic sells commercial signage business to AgiLight

Transaction overview

- Buyer: U.S.-based AgiLight Inc. headquartered in San Antonio. With this transaction AgiLight becomes a global player in the LED signage market
- Deal rationale: Tridonic strengthens focus on connected LED components and systems in general lighting / Signage business has a different customer base and sales approach
- Transaction structure: Asset Deal
- Closing date: 30 Nov 2015
- Employees affected: around 10
- Tridonic's annual revenues with commercial signage: ca. 20 Mio EUR in 2014/15 (12% market share in Europe)
- The Tridonic plant in Jennersdorf (Austria) will continue to supply LED components in AgiLight's signage product portfolio
- Transaction amount: not disclosed

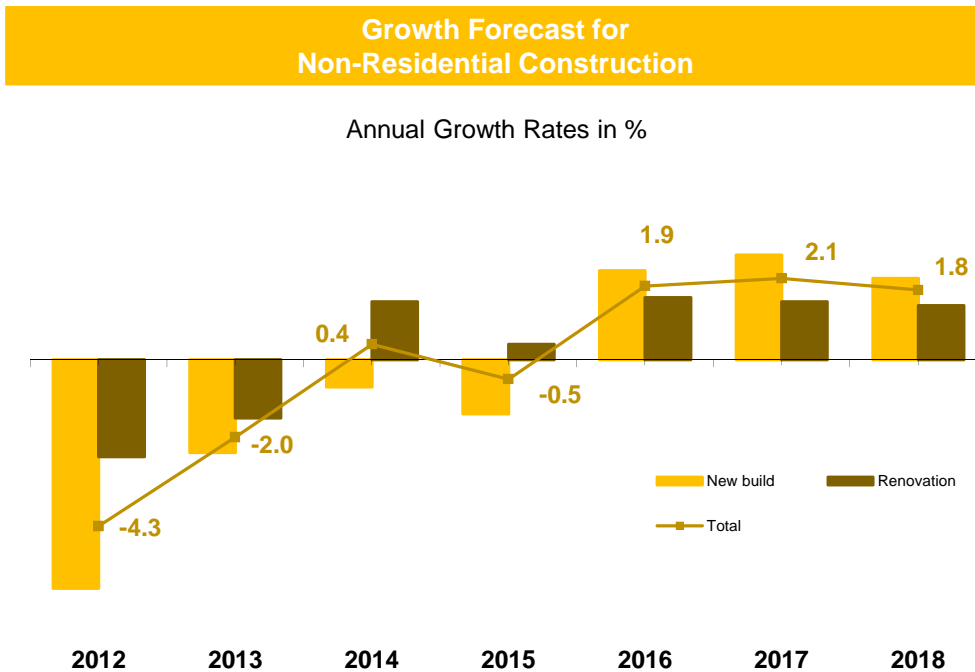
Closure of production plant in Usingen (Germany)

Progress Report: Manufacturing footprint optimisation

- Number of people affected in Usingen: ca. 150 FTEs
- Required build-up of FTEs in other factories to swallow additional load: ca. 20 FTEs
- Third party revenues of Usingen plant: ca. 40 Mio EUR (thereof 6 Mio EUR “medicals”) – product portfolio will be mainly transferred to Dornbirn (Austria) and Lemgo (Germany)
- Restructuring costs associated with closure: 15 – 20 Mio EUR
- Pay-back: around 2 years (once the negotiation with respect to the social plan is settled)

Euroconstruct June forecast: good market environment for the next two years confirmed

Market environment / trends



Source: Euroconstruct, June 2016
 Total based on Austria, Belgium, Switzerland, Germany, France, Italy, UK and Nordic

- For 2016 downwards revision from 2.9% growth to 2.5% decline but forecasts for 2016 to 2018 confirm sound market growth
- DACH countries show modest growth for 2017: Austria (+1.8), Germany (+0.5%), Switzerland (+0.8%)
- UK (+3.1%) remains strong, although forecast for 2017 has been revised downwards
- France and Italy expected to grow further in 2017: (+2.8% and +2.0%)
- Stronger expected growth for new build compared to renovation

Cautious optimism

Zumtobel Group – Chances and Risks

Chances in FY 2016/17

- European construction market environment slightly improved (but remains at subdued level)
- Market share gains through multi-brand approach
- Encouraging growth dynamic in Germany, CEE, USA
- No further build up of R&D expenses
- Harvesting full benefits of previous restructuring
- Spennymoor (UK) plant efficiency issue solved
- Ongoing price reductions in sourced LED components

Risks in FY 2016/17

- Challenging market environment in France, Australia, Middle East and Switzerland
- Consequences of the BREXIT referendum
- Development of price pressure in Lighting and Components
- Execution of restructuring measures may lead to short term disruptions
- Continuing low visibility and high volatility

- Continuing exposure to volatile FX rates (USD / GBP / CHF)

Development in 2016/17 currently characterised by substantial uncertainty

Zumtobel Group Outlook

- Market environment connected with above-average uncertainty
- No specific statements will be issued at the present time concerning the development of revenues and earnings in financial year 2016/17
- Activities for 2016/17 will focus on continuation of strategic reorientation and implementation of all necessary restructuring measures

Financial Calendar

- | | | |
|---------------------|--|--------------------------------|
| ▪ July 12, 2016 | Record Date Annual General Meeting | |
| ▪ July 22, 2016 | 40 th Annual General Meeting of Zumtobel Group AG | |
| ▪ July 29, 2016 | Ex-Dividend Day | |
| ▪ August 1, 2016 | Record Date Dividend | |
| ▪ August 2, 2016 | Dividend Payout Day | |
| ▪ September 6, 2016 | Report on the First Quarter 2016/17 | (1 May 2016 – 31 July 2016) |
| ▪ December 6, 2016 | Report on the First Half-Year 2016/17 | (1 May 2016 – 31 October 2016) |
| ▪ March 7, 2017 | Report on the First Three Quarter 2016/17 | (1 May 2016 - 31 January 2017) |

Thank you for your attention!

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Five-Year Overview

in EUR million	2015/16	2014/15	2013/14	2012/13	2011/12
Revenues	1,356.5	1,312.6	1,246.8	1,243.6	1,280.3
Adjusted EBIT	58.7	66.5	47.6	35.7	35.0
<i>as a % of revenues</i>	4.3	5.1	3.8	2.9	2.7
Net profit/loss for the period	11.9	11.9	-4.8	6.1	15.2
<i>as a % of revenues</i>	0.9	0.9	-0.4	0.5	1.2
Total assets	1,068.6	1,086.3	1,006.6	994.8	1,036.3
Equity	333.2	322.6	327.6	357.4	370.6
<i>Equity ratio in %</i>	31.2	29.7	32.5	35.9	35.8
Net debt	134.8	148.2	126.2	113.2	141.4
Cash flow from operating results	84.8	103.1	79.5	79.8	88.1
Investments	58.4	76.6	65.6	59.5	57.2
<i>as a % of revenues</i>	4.3	5.8	5.3	4.8	4.5
R&D total	87.9	79.0	71.8	69.1	58.7
<i>as a % of revenues</i>	6.5	6.0	5.8	5.6	4.6
Headcount incl. contract worker (full-time equivalent)	6,761	7,234	7,291	7,162	7,456

Disclaimer

The facts and information contained herein constitute forward-looking statements as of the date they were made and based upon assumptions as to future events or circumstances that may not prove to be complete or accurate. By their nature, these statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and are difficult to predict. Therefore, actual outcomes or results may differ materially from what is expressed, implied or forecasted in these statements. Neither Zumtobel Group AG nor any of its directors, officers, employees or advisors nor any other person makes any representation or warranty, expressed or implied, as to the accuracy or completeness of the facts and information contained in this document or the related oral presentation thereof, including responses to questions following the presentation. Neither Zumtobel Group AG nor any of its directors, officers, employees and advisors nor any other person shall have any liability whatsoever for loss howsoever arising, directly or indirectly, from any use of this document, the facts and/or information.

Whilst all reasonable care has been taken to ensure the facts stated herein are accurate and that the assumptions and opinions contained herein are fair and reasonable, this document is selective in nature and is intended to provide an introduction to, and overview of, the business of Zumtobel Group AG as of the date this document was made. Where any information and statistics are quoted from any external source, such information or statistics should not be interpreted as having been adopted or endorsed by Zumtobel Group AG as being accurate.

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