



9M 2015 Operating and Financial Performance

Analysts' Briefing

10 November 2015

South Room C Tower One and Exchange Plaza

Agenda



Business Overview

Section 1



Market Updates

Section 2



Review of 9M 2015 Financial Results

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Key Macro Trends



Strong vehicle production¹

- North America ▲
- Europe ▲



Decline in global growth²

Weak Global Manufacturing Purchasing Managers' Index (PMI)³

Weaker exchange rates (Euro and RMB)

¹ LMC Automotive estimates

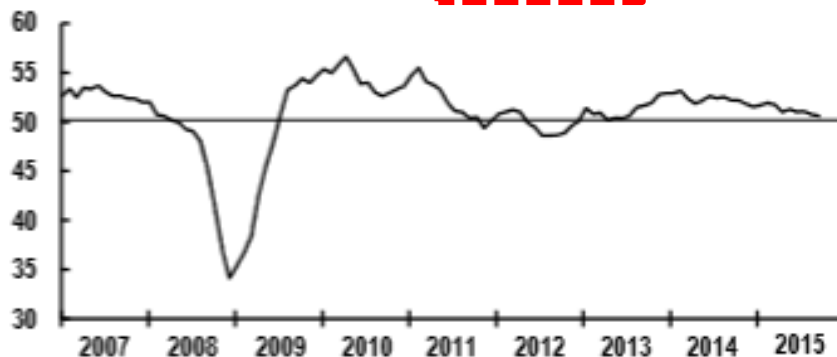
² IMF World Economic Outlook, October

³ Markit Economics Limited, J.P.Morgan

Challenging Macro Environment



Region	2014	2015	2016
World	3.4	3.1	3.6
US	2.4	2.6	2.8
EU	0.9	1.5	1.6
China	7.3	6.8	6.3
Japan	-0.1	0.6	1.0
ASEAN	4.6	4.6	4.9



PMI, Less than 50 = Contraction; More than 50 = Expansion

- Modest global growth due to slowdown in emerging markets and weaker recovery in advanced economies¹
- World economy challenged by
 - China's economic transformation
 - Weakness in commodity prices
 - Impending normalization of US monetary policy
- Global manufacturing PMI continue to approach contraction led by China²

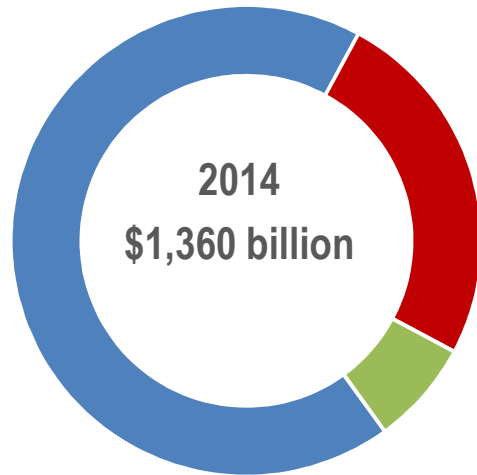
¹ IMF World Economic Outlook, October

² Markit Economics Limited, J.P.Morgan

But Many Opportunities Ahead



Worldwide Electronics Assembly Market¹



- Original Equipment Manufacturer.....67.9%
- Electronic Manufacturing Services.....24.9%
- Original Design Manufacturing.....7.2%

	2000 ²	2014
Market size (in US\$ billion)	\$705	\$1,360
EMS share (%)	15%	25%

Global Automotive Production³ (y-o-y change)

	9M 2015
Total	+1%
Europe & Africa	+5%
Asia, Middle East & Oceania	0%
North America	+3%
South America	-18%

vs. IMI 9%
ex-FX 22%⁴

¹ New Venture Research, July 2015

² Electronics Trend Publication

³ LMC Automotive estimates

⁴ Auto-related revenues, y-o-y growth

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Creating Long-Term Demand



Key strengths we are leveraging

1. Long-standing relationships with top-tier customers
2. Diversified lines of businesses
3. Expanded reach

Average customer relationship of 10 years*

*based on weighted average of the top 75% of revenues

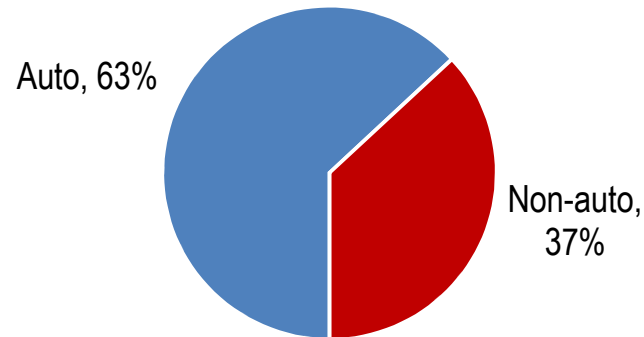
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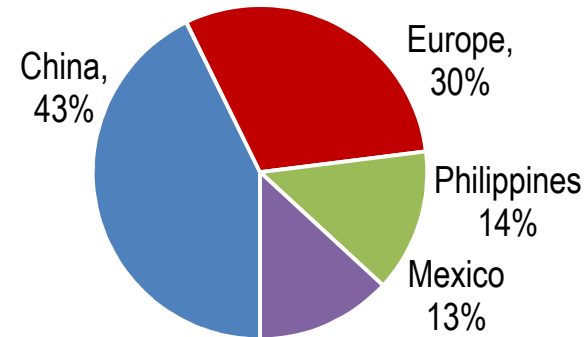
For More Complex Technologies



New Wins (9M 2015)



New Wins by region (9M 2015)



Major wins in 9M15

Nationality	Industry	Application	Production site
Europe	Automotive	Steering	China, Mexico
Europe	Automotive	Embedded control switches and lighting	Europe
China	Industrial	E-Charging Station for Parking Lots	China
America	Industrial	Sentry Biometrics	Philippines
America	Automotive	Driver assistance	Europe

Opportunities pipeline: Active bids under evaluation

Industry	Application	End-application
Automotive	Camera	Rear view camera
Automotive	ADAS	Electronic control unit
Automotive	Camera	Surround and forward views, rear, side-mirror, in-cabin
Automotive	Lighting	Low-beam, high-beam, head light, rear light, ambient, turn signal
Automotive	Telematics	Tracking and vehicle security
Industrial	Security	Access system - RFID
Industrial	Power	Power supply, power module, battery management

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Growing Our Global Automotive Portfolio



Top 15 Global OEM Auto Parts Suppliers

2014 Rank	2013 Rank	Company	Total OEM auto parts sales (in US\$ million)
1	1	Robert Bosch GmbH	\$44,240
2	3	Magna International Inc.	36,325
3	4	Continental AG	34,418
4	2	Denso Corp.	32,365
5	5	Aisin Seiki Co.	28,072
6	6	Hyundai Mobis	27,405
7	7	Faurecia	25,043
8	8	Johnson Controls Inc.	23,589
9	9	ZF Friedrichshafen AG	22,192
10	10	Lear Corp.	17,727
11	14	Valeo SA	16,878
12	11	TRW Automotive Holdings Corp.	16,240
13	13	Delphi Automotive	16,002
14	12	Yazaki Corp.	15,200
15	–	ThyssenKrupp AG	12,801

9 of the top 15
have engagement with IMI

7 are direct customers; and

2 are engaged through Tier 2 customer

Source: Automotive News June 2015 ranked by sales of original equipment parts in 2014

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Through Participation in ADAS



Select Product Portfolio of Top Auto EMS

EMS	Infotainment & Connectivity	Embedded Switches and Controls	Lighting System	Active Safety Automotive Camera	Braking system	Electronic Control Unit	Keyless Entry
Flextronics	✓	✓	✓				✓
Foxconn/ Honhai	✓						
PKC Group						✓	
Jabil	✓		✓				
Zollner		✓	✓				
IMI		✓	✓	✓	✓	✓	✓
TT Electronics			✓		✓		
Kimball Electronics	✓	✓			✓	✓	

IMI remains the only major EMS player in ADAS where the main players are OEM themselves using in-house manufacturing

Based on publicly available information from various company websites

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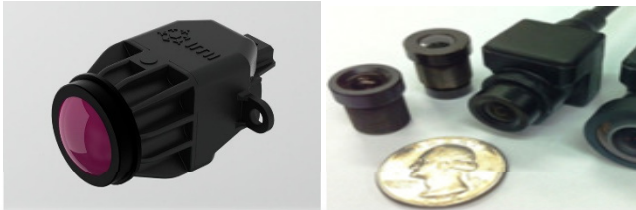
Market Updates

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Our camera platform applications in Advanced Driver Assistance Systems

ADAS
14.9% CAGR
2015-2020



[Click to show video](#)

- Lane-Departure Warning
- Lane-Keep Support
- Lane-Change Assist
- Intelligent Headlamp Control
- Road Sign Recognition
- Driver Alertness Monitoring
- Adaptive Cruise Control
- Predictive Safety System
- Collision Warning
- Pedestrian Protection

Source: IndustryARC

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Our Recent Success in Automation



VIDEO



Custom Automation by IMI

Click to show video



Handlers for
Plastic Injection Molding

*Industrial
Controls &
Factory
Automation*

6.7%
CAGR
2015-2020

IMI robot was developed by a Filipino-Swede and a Catalan at IMI Czech Republic, supported by a Swiss supplier, handling a German-made machine manufactured in China. It was installed at IMI Mexico, a company owned by Filipinos, for an American customer.

Source: Markets and Market, September 2015

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9M 2015 Highlights



Net income of \$22 million; gross profit margin of 11.6%

Strong automotive segment

Full utilization of Bulgaria facilities

Higher contribution of Mexico

Increasing turnkey business in the Philippines



Weak Euro

Devaluation of RMB

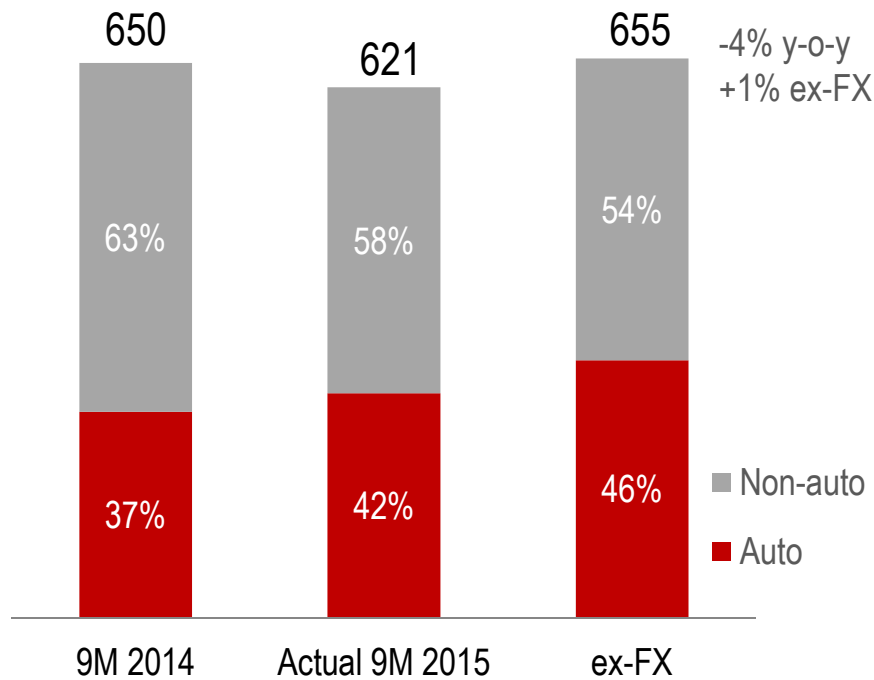
Normalization of 4G deployment

Accelerated slowdown of consumer segments due to China's weak economy

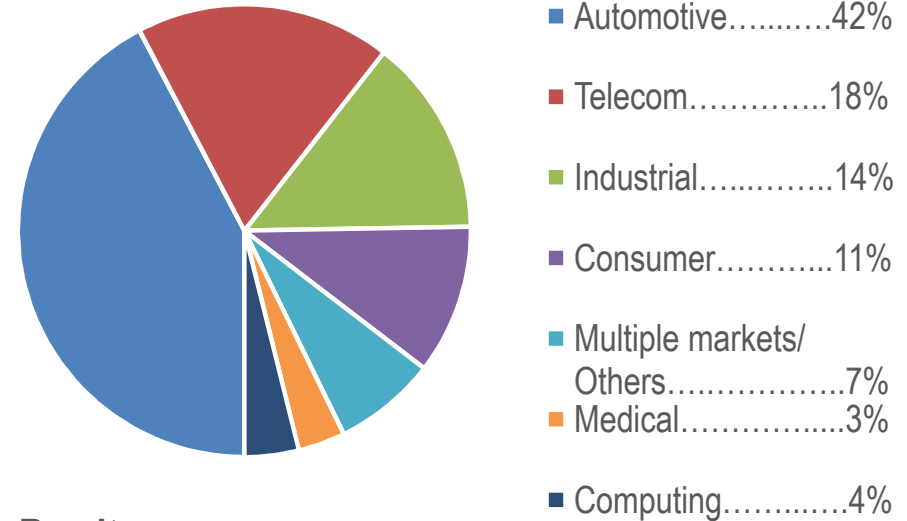
Diversified with Solid Auto Growth



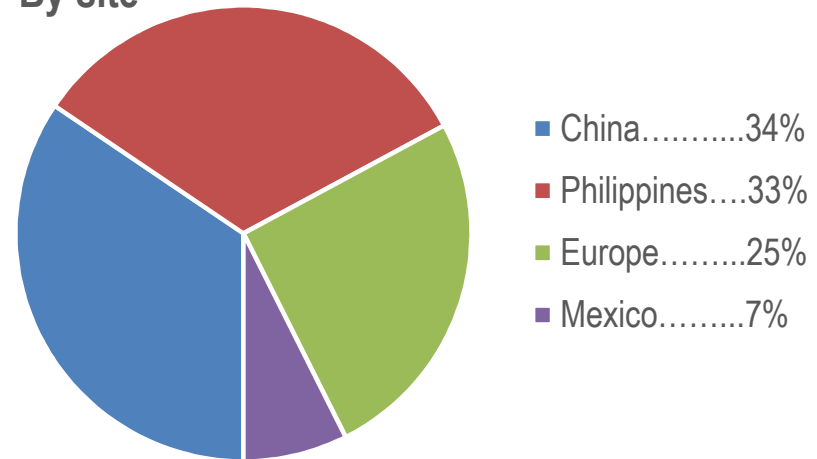
Revenues (in US\$ million)



By segment



By site



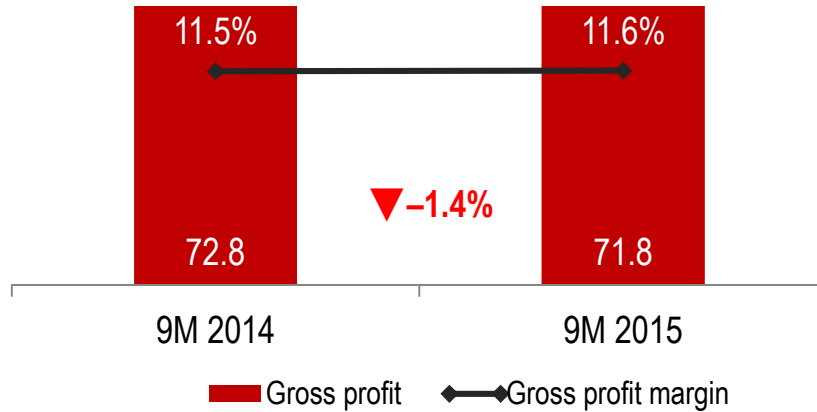
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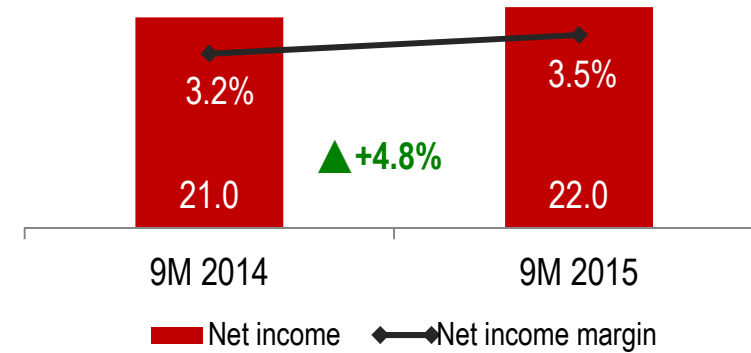
Operating Performance



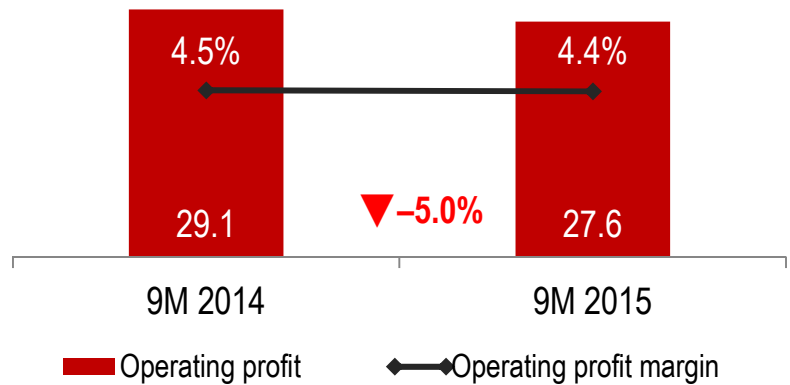
Gross Profit



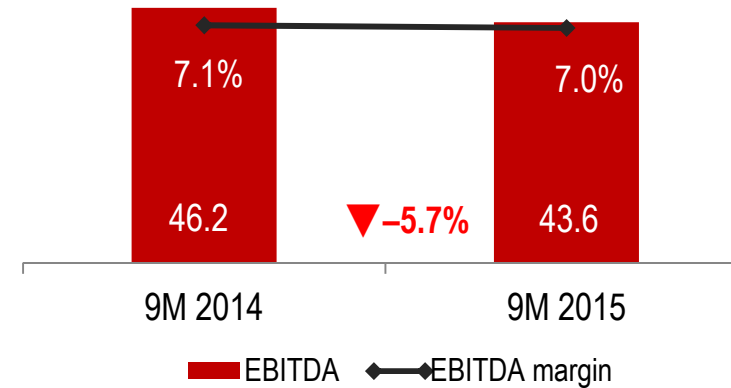
Net Income



Operating Income



EBITDA



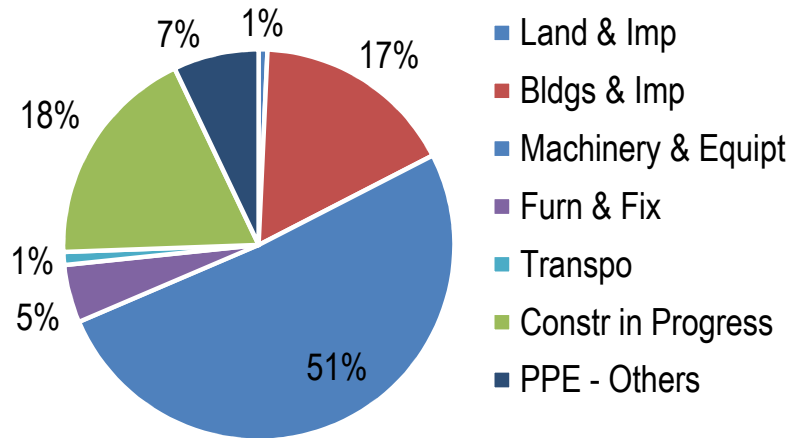
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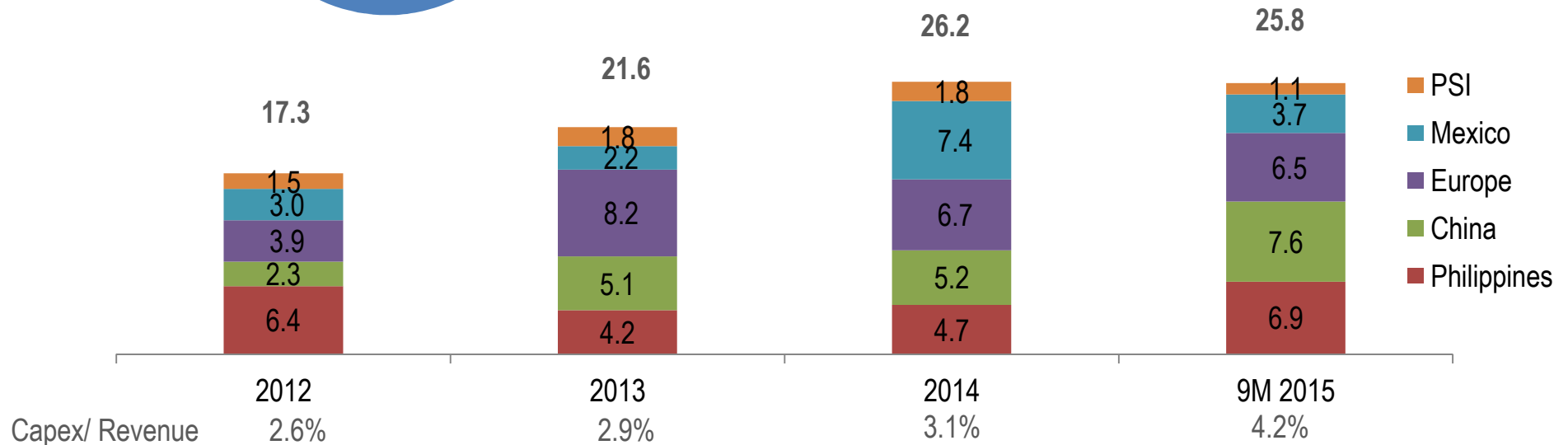
Disciplined Capital Investments



9M 2015 CAPEX



- Key investments:
 - > Power module
 - > Automotive expansion in China
 - > Property acquisition in Bulgaria
 - > Additional lines in Mexico



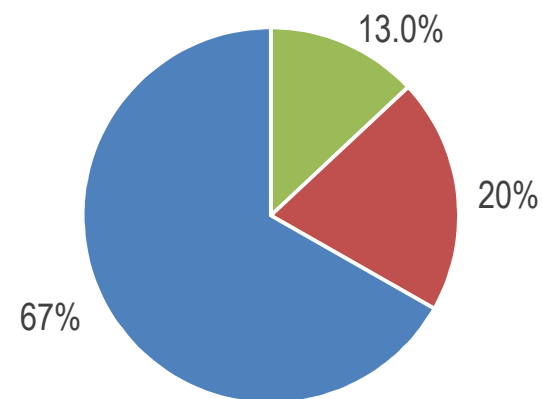
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Liquidity Position



(US\$ Millions)	September 2015
Short-term debt	44.5
Long-term debt	69.0
Total Bank Debts	113.5
Cash	98.7
Net Cash	-14.8
Common Equity	228.0

Capital Structure



■ Short-term debt ■ Long-term debt ■ Common shares

Key financial ratios	September 2015
Current ratio	1.76
Debt/Equity	0.50
Book value/share	0.12
Return on capital employed (ROCE)	13.2%

Our Multi-Year Journey



2012-2014	2015	2016 onwards
Realigned	Refocused	Re-energized
<ul style="list-style-type: none">• Full integration of acquisitions• Rationalization of factories, cost, systems and processes• Optimization of capital structure	<ul style="list-style-type: none">• Margin improvement through shift in portfolio mix• Strong pipeline of bigger, multi-site, more complex projects	<ul style="list-style-type: none">• Strong pipeline of bigger, multi-site, more complex projects• Cost efficiencies from automation and robotics• Growth acceleration through partnerships/acquisitions



Thank you.

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