Annual results 2016
Amsterdam, March 3rd 2017

Sharing our DNA
Safe harbor statement

This presentation may include forward-looking statements. Other than reported financial results and historical information, all statements included in this press release, including, without limitation, those regarding our financial position, business strategy and management plans and objectives for future operations, are forward-looking statements. These forward-looking statements are based on our current expectations and projections about future events and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond Neways’ ability to control or estimate precisely, such as future market conditions, the behaviour of other market participants and the actions of governmental regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation and are subject to change without notice. Other than as required by applicable law or the applicable rules of any exchange on which our securities may be traded, we have no intention or obligation to update forward-looking statements.
Agenda

- Main points
- Neways today
- Financials
- Operational
- Management agenda & outlook
Main points
Main points

Strategic and operational highlights

- “Up to the next level” anchored in the organization
  - Pre-conditions in place in all disciplines
  - Central coordination as base for “One Neways”
  - Progress in line with expectations

- Results driven by higher focus and business dedication following “One Neways”

- Clear progress made on procurement initiatives

- Continued roll out “sharing our DNA” in German organisations

- Restructuring NCWS and NME completed

- Substantial orders in e-Mobility

- Expansion development activity
## Main points

### Financial highlights

#### Kerncijfers en prestatie-indicatoren

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>% vs 2015</th>
<th>% vs 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Omaat</strong></td>
<td>393,2</td>
<td></td>
<td></td>
<td>15,1%</td>
</tr>
<tr>
<td><strong>Genormaliseerd bedrijfssucces</strong></td>
<td>12,7</td>
<td></td>
<td></td>
<td>-34,6%</td>
</tr>
<tr>
<td><strong>Genormaliseerde netto winst per aandeel</strong></td>
<td>0,80</td>
<td></td>
<td></td>
<td>+45,3%</td>
</tr>
<tr>
<td><strong>Netto cashflow</strong></td>
<td>9,2</td>
<td></td>
<td>+47,3%</td>
<td></td>
</tr>
<tr>
<td><strong>Eigen vermogen</strong></td>
<td>78,9</td>
<td></td>
<td>+11,9%</td>
<td></td>
</tr>
<tr>
<td><strong>Interest coverage ratio</strong></td>
<td>6,8</td>
<td></td>
<td>+38,8%</td>
<td></td>
</tr>
<tr>
<td><strong>Net Debt/EBITDA-ratio</strong></td>
<td>1,5</td>
<td></td>
<td>-31,1%</td>
<td></td>
</tr>
<tr>
<td><strong>Schulden</strong></td>
<td>41,9</td>
<td></td>
<td>-5,3%</td>
<td></td>
</tr>
</tbody>
</table>

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**Notes:**
- Ecafiel (pogings baren en lenen)
- *Onder netto cashflow wordt verstaan: kosten/penning verkregen - kosten/penning betaald - winst/verlies

### Omzetverdeling per marktsector

#### Omzetverdeling

<table>
<thead>
<tr>
<th>Marktsector</th>
<th>Omzet 2016</th>
<th>% vs 2015</th>
<th>Omzet 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrie 5%</td>
<td>102,3</td>
<td>101,6</td>
<td>103,4</td>
</tr>
<tr>
<td>Automotief 25%</td>
<td>262,2</td>
<td>263,2</td>
<td>264,1</td>
</tr>
<tr>
<td>Vliegtuigen 1%</td>
<td>12,0</td>
<td>12,1</td>
<td>12,2</td>
</tr>
<tr>
<td>Machine 4%</td>
<td>51,0</td>
<td>52,0</td>
<td>53,0</td>
</tr>
<tr>
<td>Overige 5%</td>
<td>13,0</td>
<td>13,0</td>
<td>13,0</td>
</tr>
<tr>
<td>Totali:</td>
<td>432,5</td>
<td>432,2</td>
<td>432,9</td>
</tr>
</tbody>
</table>

### Geografische omzetverdeling

#### Geografische omzetverdeling

<table>
<thead>
<tr>
<th>Continent</th>
<th>Omzet 2016</th>
<th>% vs 2015</th>
<th>Omzet 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Noord-Amerika 62%</td>
<td>262,2</td>
<td>263,2</td>
<td>264,1</td>
</tr>
<tr>
<td>Zuid-Amerika 1%</td>
<td>12,0</td>
<td>12,1</td>
<td>12,2</td>
</tr>
<tr>
<td>Europa 15%</td>
<td>51,0</td>
<td>52,0</td>
<td>53,0</td>
</tr>
<tr>
<td>Azië 4%</td>
<td>13,0</td>
<td>13,0</td>
<td>13,0</td>
</tr>
<tr>
<td>Australië 2%</td>
<td>5,0</td>
<td>5,0</td>
<td>5,0</td>
</tr>
</tbody>
</table>

### Geografische verdeling medewerkers

#### Verdeling medewerkers

<table>
<thead>
<tr>
<th>Continent</th>
<th>Medewerkers 2016</th>
<th>% vs 2015</th>
<th>Medewerkers 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Noord-Amerika 62%</td>
<td>312,2</td>
<td>313,2</td>
<td>314,1</td>
</tr>
<tr>
<td>Zuid-Amerika 1%</td>
<td>12,0</td>
<td>12,1</td>
<td>12,2</td>
</tr>
<tr>
<td>Europa 15%</td>
<td>51,0</td>
<td>52,0</td>
<td>53,0</td>
</tr>
<tr>
<td>Azië 4%</td>
<td>13,0</td>
<td>13,0</td>
<td>13,0</td>
</tr>
<tr>
<td>Australië 2%</td>
<td>5,0</td>
<td>5,0</td>
<td>5,0</td>
</tr>
</tbody>
</table>
Neways Today
## Company overview

### PROFILE
- Offers custom-made total solutions for product life cycle management of advanced and integrated electronic applications
- Operates in select growth sectors of the Electronic Manufacturing Services (EMS) market
- Products range from electronic components to complete (box-built) control systems

### CORE ACTIVITIES
- Engineering
- Connectivity
- Micro electronics
- PCB assembly
- System integration

### KEY FIGURES
- **€ 393,2m** FY 2016 net turnover
- **€ 9,2m** FY 2016 normalized net income
- **2.565** FY-16 # of staff
Product portfolio and product applications
Global presence

**Netherlands**
- Son
- Echt
- Leeuwarden
- Enschede

**Germany**
- Riesa
- Erfurt
- Neunkirchen

**Slovakia**
- Nová Dubnica

**Czech Republik**
- Děčín

**China**
- Wuxi
Internet of Things drives global demand for electronic applications

- Devices already used
- Devices using connectivity in new ways
- Devices previously inactive, but now intelligent
- Completely new special purpose smart devices

Favorable underlying demographic and tech megatrends for Neways in years to come
Our focus on market sectors

EMS MARKET SECTORS

COMMUNICATIONS
AUTOMOTIVE
SEMICONDUCTOR
MEDICAL
COMPUTER
ENERGY & RENEWABLES
INDUSTRIAL
AEROSPACE & DEFENSE

NEWAYS FOCUS GROWTH SECTORS

AUTOMOTIVE
SEMICONDUCTOR
MEDICAL
INDUSTRIAL
DEFENSE

SPECIALIST NICHE PLAYER

MARKETS: Industrial and professional growth sectors
CUSTOMER BASE: Primarily Western Europe-based OEMs
KEY PRESENCE: Industrial & technology regions
RELATIONSHIP: OEM & First tier partnerships
SCOPE: Full product life cycle management
ADDED VALUE: High
SERIES PRODUCTION: Low and medium up to high volume series
ASSEMBLY COMPLEXITY: Medium to high mix
Customers require us to step up in the supply chain

**MARKET CHALLENGES**

- Globalisation and innovation drive down prices
- Increasing supply chain complexity
- Ever denser / smaller components and shorter product life cycles
- Fluctuations in demand due to economic volatility and cyclicality
- More emphasis on sustainability and liability

**KEY DETERMINANTS**

- Engineering expertise
- Product life cycle management
- System integration knowhow
- Quality and delivery reliability
- Supply chain management support
- Flexibility in planning and production
- Short lines and open communication
- Close proximity to market / customer
- Regulation and standards compliance
- Product traceability
- Ability to follow where they go
- Ability to share risk and co-invest

**NEWAYS CAPABILITIES**

- OEMs
  - Growing need for agile market response and focus on core
  - Increase outsourcing to trusted, value adding partners
Neways Today

Neways offers full product life cycle management

- Partner with customers to develop higher quality and lower cost products during product design phase
- Provide technical engineers for value-added product and production method development support to customers.
- Secure series production orders on the back of co-development
- Offer a one stop-shop to customers based on full life cycle management from product birth to burial or second life

EARLY INVOLVEMENT IN PRODUCT DESIGN IS KEY TO BUSINESS MODEL
Business strategy

AMBITION

The technology and life cycle partner of choice

CONDITION

Understanding customer views, dilemmas and ideas

MEANS

Serve select market sectors and PMCs
Build long term partnerships
Maximize customer value

FOCUS

Enlarge competitive edge
Fuel organic growth
Increase operating leverage
Standardize way of working
Optimise production footprint utilisation
Push local-for-local business in China
Make add-on acquisitions

Leverage three-pillar improvement program (2016 – 2019)
Three-pillar improvement program: ‘Up to the next level’

- Moving up the value chain
- Driving growth
- Improving profitability

UNLOCKING GROUP POTENTIAL

CUSTOMER INTIMACY

TECHNOLOGY LEADERSHIP

OPERATIONAL EXCELLENCE
Neways Today

Customer intimacy

- Create culture and attitude fit; Lean Leadership approach
- Roll out DNA Leadership program throughout the group
- Refocus operating companies to limited number of product/market combinations
- Training competences for sales and account management teams
- Requires frequent and deeper customer interaction, taking responsibility, commitment and willingness to go the extra mile

FIRM ANCHOR FOR LONG TERM TRUSTED PARTNERSHIPS
giving outsourcing a new dimension
Technology leadership

- Ensure early involvement in new product roadmap design
- Design for eXcellence; high quality at low cost with fast-time-to-market
- Improve testing and manufacturing standards for zero defect product deliveries - first time right
- Strengthen life cycle management capabilities through full product ownership
- Select and build attractive in-house areas of expertise; focus on winning product-market combinations (PMCs)

BEST TOTAL COST OF OWNERSHIP
Operational excellence

- Improve productivity of opco’s via (1) organisational changes, (2) a standard way of working and (3) sharing best practices
- Optimise central sourcing through supplier reduction and component selection
- Optimise supply chain by decreasing complexity and increasing mutual responsibility
- Strengthen group IT backbone and common platforms
- Better leverage geographical manufacturing footprint; production at most suitable opco

Efficient operating model

Strengthen central control
Financials
## Profit & Loss Account

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
<th>2H 2016</th>
<th>2H 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net turnover</td>
<td>393.2</td>
<td>374.1</td>
<td>195.3</td>
<td>185.0</td>
</tr>
<tr>
<td>- nominal growth in %</td>
<td>5.1%</td>
<td>21.2%</td>
<td>5.6%</td>
<td>5.7%</td>
</tr>
<tr>
<td>- comparable growth in %</td>
<td>5.1%</td>
<td>-1.3%</td>
<td>5.6%</td>
<td>5.7%</td>
</tr>
<tr>
<td>Operating result *</td>
<td>11.8</td>
<td>5.9</td>
<td>5.1</td>
<td>0.0</td>
</tr>
<tr>
<td>Normalized operating result **</td>
<td>12.7</td>
<td>10.1</td>
<td>5.5</td>
<td>3.5</td>
</tr>
<tr>
<td>Normalized net result **</td>
<td>9.2</td>
<td>6.2</td>
<td>4.5</td>
<td>2.7</td>
</tr>
<tr>
<td>Extraordinary income/expenditure</td>
<td>0.5</td>
<td>-3.0</td>
<td>0.8</td>
<td>-2.9</td>
</tr>
<tr>
<td>Net result</td>
<td>9.7</td>
<td>3.2</td>
<td>5.3</td>
<td>-0.2</td>
</tr>
<tr>
<td>Gross margin/net turnover</td>
<td>39.1%</td>
<td>39.4%</td>
<td>39.0%</td>
<td>38.9%</td>
</tr>
<tr>
<td>Operational margin **</td>
<td>3.2%</td>
<td>2.7%</td>
<td>2.8%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Net margin **</td>
<td>2.3%</td>
<td>1.7%</td>
<td>2.3%</td>
<td>1.5%</td>
</tr>
<tr>
<td>EPS (€)</td>
<td>0.85</td>
<td>0.28</td>
<td>0.46</td>
<td>-0.02</td>
</tr>
</tbody>
</table>

* Including extraordinary income and expenditure

** Excluding extraordinary income and expenditure
Financials

**order intake and total sales trends**

€m

<table>
<thead>
<tr>
<th>Year</th>
<th>Order intake</th>
<th>Total sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>293.4</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>298.1</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>299.2</td>
<td>336.7</td>
</tr>
<tr>
<td>2015</td>
<td>293.1</td>
<td>416.8</td>
</tr>
<tr>
<td>2016</td>
<td>337.2</td>
<td>458.8</td>
</tr>
</tbody>
</table>

- Continued strong order intake underpinning FY sales growth
- Total sales (which includes internal group sales) growth broadly supported by different sectors
- Both H1 and H2 deliver y-o-y sales growth

Note: H1 14 prior to BuS Group acquisition
Financials

net revenue and gross margin trends

€m

--- | --- | --- | --- | --- |
274.3 | 265.0 | 308.6 | 374.1 | 393.2 |
109.2 | 105.7 | 124.9 | 147.5 | 153.8 |

Note: H1 14 prior to BuS Group acquisition

- Gradual increase of net revenue over the past years; organic growth of 5.1% in 16 vs 15
- Gross margin increases in line with activity level, virtual stable in 2016 vs 2015 when measured as % of net revenue
- Gross margin improvement 2H largely driven by improved stability organization compared to 2015
- Increased material components given higher complexity of products; continuing shift to more box-build and system integration
- Initiated improvements in corporate procurement as part of operational excellence; to enhance gross margin development in the next 2 years
Financials

- Order and revenue streams have become more stable and better predictable throughout the years
- Awareness around cyclical parts of EMS market, in particular Semiconductor
- Stability of revenue base strengthened by acquisition of BuS Group in H2 14; strong exposure in Industrial, Automotive and Semiconductors
- Focus on further expansion in more stable EMS market sectors as Medical, Automotive and Defense.
HY opex and operational income trends

- Normalized operating cost base fairly stable; decreased as % of net revenue due to improved cost control
- Y-o-y EBIT improvement on the back of higher revenues, operational control and improved capacity utilization
- Limited operating leverage so far; potential to be unlocked in years to come via implementation of improvement program

<table>
<thead>
<tr>
<th>Year</th>
<th>Opex (€m)</th>
<th>Normalized EBIT (€m)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>106.8</td>
<td>2.4</td>
</tr>
<tr>
<td>2013</td>
<td>99.4</td>
<td>6.3</td>
</tr>
<tr>
<td>2014</td>
<td>115.9</td>
<td>9.0</td>
</tr>
<tr>
<td>2015</td>
<td>137.4</td>
<td>10.1</td>
</tr>
<tr>
<td>2016</td>
<td>141.1</td>
<td>12.7</td>
</tr>
</tbody>
</table>

Note: H1 14 prior to BuS Group acquisition
## Financials

### Headcount trends

<table>
<thead>
<tr>
<th>Year</th>
<th>Western Europe</th>
<th>Eastern Europe &amp; China</th>
<th>Of which flex pool:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>1360</td>
<td>692</td>
<td>254</td>
</tr>
<tr>
<td>2013</td>
<td>1277</td>
<td>632</td>
<td>184</td>
</tr>
<tr>
<td>2014</td>
<td>1614</td>
<td>674</td>
<td>235</td>
</tr>
<tr>
<td>2015</td>
<td>1924</td>
<td>669</td>
<td>186</td>
</tr>
<tr>
<td>2016</td>
<td>1940</td>
<td>625</td>
<td>227</td>
</tr>
</tbody>
</table>

- Gradual shift in workforce mix; # of engineers further increased, representing currently ~8% of total staff.
- Confirms our intention to create a resource mix which fully supports and enables the product life cycle partner proposition.
- Total reduction headcount reflecting productivity increase organisation.
- Many years of gradual capacity build up in Eastern Europe and China followed by stagnation in past few years; impacted by BuS Group acquisition and relocation to Europe of one China-based opco.
- Improved fixed vs temporary staff mix; flexible pool of ~200-300 to manage short term fluctuations in customer demand; as per end 16: ~10% temps.
Financials

**Financial condition**

**Net debt / EBITDA (ratio)**

- YE12: 1.1
- YE13: 0.1
- YE14: 1.7
- YE15: 1.9
- YE16: 1.5

**Solvency (Guaranteed) %**

- YE12: 47.4%
- YE13: 41.5%
- YE14: 40.5%
- YE15: 42.6%
- YE16: 44.6%

**EBITDA**

- YE12: 6.9
- YE13: 10.1
- YE14: 13.7
- YE15: 16.9
- YE16: 20.0

- Solid financial position throughout the years
- New expanded group facility €57.5 mln arranged in H2 16 with better conditions; fits company characteristics, provides for more flexibility, supports growth strategy and improvement program execution
- EBITDA improved to € 20,0 mln level
- Equity increased from € 70,6 mln to € 78,9 mln; Guaranteed capital € 83,9 mln.
- Solvency including convertibles and corrected for intangible assets and deferred tax assets at € 66,1 mln
Financials

Working capital trends

Net working capital (€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Inventories</th>
<th>Inventory days</th>
<th>Debtors</th>
<th>Debtor days</th>
<th>Creditors</th>
<th>Creditor days</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>53,5</td>
<td>70</td>
<td>25,9</td>
<td>38</td>
<td>27,4</td>
<td>61</td>
</tr>
<tr>
<td>2013</td>
<td>47,4</td>
<td>59</td>
<td>27,9</td>
<td>34</td>
<td>35,8</td>
<td>62</td>
</tr>
<tr>
<td>2014</td>
<td>79,4</td>
<td>76</td>
<td>35,0</td>
<td>36</td>
<td>43,2</td>
<td>58</td>
</tr>
<tr>
<td>2015</td>
<td>81,6</td>
<td>81</td>
<td>38,1</td>
<td>36</td>
<td>40,4</td>
<td>53</td>
</tr>
<tr>
<td>2016</td>
<td>86,3</td>
<td>79</td>
<td>47,0</td>
<td>38</td>
<td>46,8</td>
<td>63</td>
</tr>
</tbody>
</table>

- Increase in working capital caused by higher activity level, supplier finance agreements
- Debtors and inventory impacted by high activity level last quarter
- Supply chain complexity typical for EMS industry; many components and high delivery reliability
- Project started to optimize group supply chain model, central and at opco level; implementation of revised logistic concept to improve productivity and throughput time for high volume customers
- Initiatives need to contribute to a considerable inventory reduction; first effects anticipated to become visible as of 2017
- Debtors fairly stable over past years at a healthy level
Financials

Cash flow and capex trends

Operational and net cash flow (€m)

- Operating cash flow improved by 43% mainly due to higher operating income, partly offset by (restructuring) provisions
- Regular capex levels currently around 1.5%-2.0% of total sales, more or less in line with depreciation
- Move to OEM partnerships requires more capex and increasing investments
## Financials

### Data per share

<table>
<thead>
<tr>
<th>(€)</th>
<th>2016</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating result</td>
<td>1,03</td>
<td>0,52</td>
<td>0,60</td>
<td>0,26</td>
<td>0,24</td>
</tr>
<tr>
<td>Net result</td>
<td>0,85</td>
<td>0,28</td>
<td>0,63</td>
<td>0,19</td>
<td>-0,04</td>
</tr>
<tr>
<td>Dividend</td>
<td>0,34</td>
<td>0,11</td>
<td>0,25</td>
<td>0,06</td>
<td>0,01</td>
</tr>
<tr>
<td>Shareholders' equity</td>
<td>6,89</td>
<td>6,19</td>
<td>6,01</td>
<td>5,03</td>
<td>4,90</td>
</tr>
<tr>
<td>Number of issued shares (x 1.000 year-end)</td>
<td>11.459</td>
<td>11.401</td>
<td>10.986</td>
<td>9.946</td>
<td>9.943</td>
</tr>
</tbody>
</table>
## Financial condition

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net debt / EBITDA ratio *)</td>
<td>1,5</td>
<td>1,9</td>
<td>1,7</td>
<td>0,1</td>
<td>1,1</td>
</tr>
<tr>
<td>Interest coverage ratio</td>
<td>6,8</td>
<td>4,9</td>
<td>6,9</td>
<td>11,2</td>
<td>3,2</td>
</tr>
<tr>
<td>Solvency (Guaranteed) %</td>
<td>44,6%</td>
<td>42,6%</td>
<td>40,5%</td>
<td>41,5%</td>
<td>47,4%</td>
</tr>
<tr>
<td>Solvency</td>
<td>78,9</td>
<td>70,6</td>
<td>66,0</td>
<td>50,1</td>
<td>48,7</td>
</tr>
<tr>
<td>Solvency **)</td>
<td>66,1</td>
<td>56,9</td>
<td>52,0</td>
<td>42,6</td>
<td>42,8</td>
</tr>
<tr>
<td>EBITDA</td>
<td>20,0</td>
<td>16,9</td>
<td>13,7</td>
<td>10,1</td>
<td>6,9</td>
</tr>
</tbody>
</table>

*) excl senior net debt  
**) incl convertible loans and corrected for intangible assets and deferred tax assets
Operational
Operational

Content

- From EMS to Life Cycle Partner
- Procurement and supply chain
- Progress in IT
- Other points
Operational

From EMS to Life Cycle Partner

- Full focus on strategy deployment
  - Customer intimacy as anchor point
  - Technology and operational excellence as enabler

- Ambition is to get deeper understanding of our customers’ real requirements and demands.
  - Behavior to be deployed broader into the organization

- Leaders trained in our DNA

- Further roll-out DNA program Slovakia and Czech Republic scheduled for 2017
Operational

Procurement & supply chain

- Supplier program on track to “Get in Control”
  - Categories Passive, PCB and Semiconductor deployed

- Logistical roadmap defined
  - Plan 2017 appointed to reduce DOI
    - VMI
    - Data management improvement
    - Streamline Order Process
  - Supplier CLIP and RLIP improvement program running
Operational

Strong concentration spend achieved in Passive Category

- Category consists ~19,500 articles (~7% of total spend)
- Critical success factor is reducing handling
- 3 Key & performance suppliers selected in this category
- Currently almost 90% of the articles are bought from the 3 Key & Performance suppliers
- Consequence supplier intimacy
  - Conditions VMI deployed
  - Logistic performance is improving
  - Technology involvement started
Operational

Steady progress on Printed Circuit Boards Category

- Category consists ~6600 articles (~12% of total spend) divided over 71 suppliers
- Drawing parts so transfer are not easy e.g. changes in supply chain by automotive, defense and medical is not allowed
- Critical success factor is right technology per supplier
- Currently 8 Key & performance suppliers selected in this category
- Currently 61% of the spend is bought from the 8 Key & Performance suppliers
- Consequence supplier intimacy
  - Conditions VMI deployed
  - Logistic performance is improving
  - Technology involvement started
Operational

Strategy execution started Q4 2016 on Semicon Category

- Category consists ~16,500 articles (~30% of total spend)
- Currently 350 manufacturers and 280 suppliers
- 7 key & performance suppliers selected in this category
- Critical success factor is consolidation, operational excellence and technology
- Q4 2016 started with this category
- Goal for 2017 is to concentrate spend with 7 key & Performance suppliers
- Consequence supplier intimacy
  - Conditions VMI deployed
  - Logistic performance will improve
  - Technology involvement started
Ready for next step in IT

- Successful go-live next generation ERP
- Completion Office Automation in the Netherlands
- Strengthened leadership and organisation ICT
- Business process and ICT governance established
- Roadmap ICT aligned for coming 3 years across the organization
- ICT “Up to next level“ with One Neways (e.g., network, office automation)
- Further integration and improvement ICT organisations
- Streamlining architecture across Neways organisations
Operational

Other

- Organizational adjustments completed
  - China, Wuxi NME site sold
  - Products transferred
  - Technology roadmap micro electronics defined

- Production automotive China delayed till end 2017 (market delay)

- Energy product successfully ramped-up in Slovakia
Management agenda & outlook
Management agenda & outlook

2017 priorities

- Ensure the whole company breathes customer Intimacy
- Reach next level in customer oriented organization
- Enhance connection between production and developments, early involvement
- Improve and optimize work processes through the chain reducing working capital
- Further deepen deployment of DNA program throughout Neways
- Bring quality and delivery performance to the next level
Based on strategic progress made in 2016 and current order book, we expect a higher net turnover and normalized operating result for FY17.
Questions & Answers

Striving for TCO partnerships