

## PRESS RELEASE

Trading update third quarter

### Neways books higher turnover in third quarter

**Son, 30 October 2018** – Neways Electronics International N.V. (Euronext: NEWAY) (“Neways”; the “Company”) today publishes the trading update for the third quarter (Q3) and the first nine months (9M) ending 30 September 2018.

#### HIGHLIGHTS

- Net turnover came in at € 126.0 million in Q3-18, an increase of 16.0% compared to Q3 2017. Turnover in the first nine months of 2018 amounted to € 373.0 million, up 15.6% compared to the same period of 2017. Strong demand across the board and especially in the semiconductor and automotive sectors
- Order intake down in Q3 18, but remains at a relatively high level
- Growth potential not fully realised due to persistent shortage of components
- Well-stocked order book and improvements realised in operational management expected to contribute to expected increase in turnover and profitability in the full year 2018 compared to 2017

#### KEY FIGURES

€ mln unless otherwise stated	<b>Q3-18</b>	<b>Q3-17</b>	<b>Δ</b>	<b>9M-18</b>	<b>9M-17</b>	<b>Δ</b>
Net turnover	<b>126.0</b>	108.6	16.0%	<b>373.0</b>	322.7	15.6%
Order intake *	<b>122.9</b>	149.8	-18.0%	<b>407.1</b>	378.1	7.7%
Book-to-bill (ratio) *	<b>0.98</b>	1.37		<b>1.09</b>	1.17	

\* Order intake and book-to-bill have been reclassified and from now on will reflect only external orders (not internal orders). The 2017 figures have been adjusted for comparison purposes.

#### DEVELOPMENTS THIRD QUARTER

Neways recorded fully organic year-on-year growth in net turnover of 16.0%. The semiconductor and automotive sectors made particularly strong contributions to turnover growth. Turnover in the medical and industrial sectors remained unchanged compared to Q3 last year.

Order intake showed a year-on-year decline of 18.0% in the third quarter compared to the very high level in the same period in 2017. The order book stood at € 297.7 million at the end of September 2018, which constitutes a 19.8% increase compared to the end of September 2017. The increase in the order book is the result of stronger demand from clients in the automotive, industrial, semiconductor and medical sectors. The book-to-bill ratio stood at 1.09 at end-September 2018.

#### CEO STATEMENT

Huib van der Vrande: “The positive trend of the first half of the year continued in the third quarter. Turnover and order book once again increased when compared to the third quarter of 2017. We are also making progress in those areas where there is clear room for improvement. Streamlining the operational processes, focus on first-time-right, smarter purchasing and improved inventory management remain key priorities in that respect. Addressing these issues will enable us to do more justice to our role as the technological and logistics partner for large multinationals in the manufacturing industry, while at the same time making better use of our profit potential. There are additional challenges, too, particularly in the form of the continued shortages of certain components and a shortage of technically trained personnel. Nevertheless, the outlook is still positive and we expect to continue to record growth in the remainder of the year. For the full-year 2018, we expect higher turnover and improved profitability.”

**END**



## ABOUT NEWAYS

Neways Electronics International N.V. (Neways) is an international company active in the EMS (Electronic Manufacturing Services) market. Neways offers its clients custom-made solutions for the complete product life cycle (from product development to after-sales service) of both electronic components and complete (box-built) electronic control systems. Neways operates in a niche of the EMS market and focuses primarily on small to medium-sized specialist series, in which quality, flexibility and time-to-market play a crucial role. Neways products are used in sectors such as the semiconductor, medical, automotive, general industry and defence industries. Neways has operating companies in the Netherlands, Germany, the Czech Republic, Slovakia and China, with a total of 2,792 employees at year-end 2017. Neways recorded net turnover of € 438.7 million in 2017. Neways shares are listed on the Euronext Amsterdam stock exchange (symbol: NEWAY).

[www.newayselectronics.com](http://www.newayselectronics.com)

## KEY DATES

30 October 2018 (today)	Publication trading update
21 February 2019	Publication annual results 2018
11 April 2019	Publication trading update
11 April 2019	Annual General Meeting of Shareholders
27 August 2019	Publication interim results 2019

## FOR MORE INFORMATION

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This press release includes 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 press release 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.