



April 2, 2020

Press Communication

Tristone Flowtech Group with partial unemployment across Europe, NAFTA and India Public and industrial shut down measures in Europe and especially in Germany due to COVID-19 pandemic need to be lifted soon

Tristone Flowtech Group, Frankfurt/M. Germany: The company reports implementation of substantial partial unemployment and plant shutdowns measures since end of March in five out of seven production plants across Europe. This includes the company's plants in Italy, Spain, France, Poland and Slovakia. Beginning this week, both plants in the NAFTA region, in Mexico and US, are also in shutdown. Tristone's plant in India has been also in shutdown since mid-March due to the Corona pandemic forced a public nation-wide lock down. The plant shutdowns will continue for at least one to two weeks, and as long as four weeks depending on the customer portfolio and the location of the plant. Both of the company's plants in China are running again nearly on the planned level which is helping in the current situation.

In addition, partial unemployment and similar measures could be also agreed with the workers council in Germany for the group headquarter, as well as in the Shared Service Center in Czech Republic, the Engineering Center in France and the Sales and Engineering Center in the USA.

"This means, that at the moment roughly 4.000 employees are on forced vacation and partial unemployment out of the 5.200 employees in our 12 production plants and 17 legal entities around the world. At the moment we are not considering to release temporary staff in our production plants and central service companies, but this would be the next step if the situation would continue" so Günter Frölich, CEO & President of the Group.

"Now it is important, that clear decisions will be taken soon from the different governments in some European countries, mainly in Germany, but also in Italy, Spain and France to lift the public shutdown measures soon. Looking especially at the situation in Italy, where four weeks of rigorous public shutdowns and curfews have only yielded minimal reductions in the number of new infection with the virus. I can't imagine, that this is in any relation to the economic damage for the public communities and states in the different countries, as well as the financial damage of our company," so Günter Frölich CEO & President of the Group. It is also interesting to see, that some countries in Europe, like Switzerland, Netherland and Sweden are dealing with this situation more pragmatically and avoiding a public shutdown, as is the case in Korea, Japan and Taiwan."



The Group has reached year-to-date February 9,2 % organic sales growth versus prior year in line with plan. Including the recent acquisition in China, year to date February sales are 18,3 % higher versus prior year. After the sharp drop on sales due to the public shutdown measures and the shutdown of most of the OEM plants in Europe since Mid of March, we have reached ytd March now still a small increase of sales of 2,0 % versus prior year instead of the planned 12,0 % higher sales, including the recent taken acquisition sales are 9,5 % higher versus previous year.

“Originally the Group has foreseen a sales growth in 2020 of 33% versus prior year to 400 Mio EUR including the recent acquisition. It is at the moment hard to predict the impact of the next weeks, but we assume at the moment that there will be a slow recovery of the economy starting end of April in Europe and beginning of May in NAFTA. With our Group equity ratio of 40 % and the solid cash position, we expect to manage the current crisis without financing support of the German government excluding usage of extended partial unemployment and tax regulations.”, so Sonja Rossteuscher-Schütze, CFO of the Group.

Effective January 1, 2020 a share purchase transaction has been completed with the purchase of Anhui Zhongding Rubber Hose Products Co. Ltd, Ningguo from Anhui Zhongding Sealing Co. Ltd., Ningguo contributing roughly 38 Mio Euro additional sales with roughly 500 employees. In the meantime the company has been already integrated in the Group and had been renamed in Anhui Tristone Flowtech Ltd., located in Ningguo/China.

Tristone Flowtech Group is highly specialized on fluid applications in the areas of motor and battery cooling as well as air charge systems for the automotive passenger car industry. The Group is benefiting from the trend towards a reduction of space and fuel consumption with the introduction of polyamide materials as well as the introduction of new powertrain concepts with hybrid and electrical cars and the integration of fluid motor and battery cooling systems.

Frankfurt/ Germany: TRISTONE Flowtech Group has reached 2019 an annual turnover of 300 M€ with 4.195 employees and is one of the leading automotive supplier groups worldwide for fluid applications in the area of engine cooling, battery cooling as well as turbochargers with manufacturing and development locations in Germany, Poland, Czech Republic, Slovakia, Turkey, Spain, France, Italy, Mexico, USA, India and China.

The Group was established based on a spin-off of the former Fluid Automotive Business Unit of Trelleborg AB in July 2010 and is supplying to the automotive customers Renault with Dacia, Nissan, PSA with Peugeot, Citroen, DS, Opel and Vauxhall, FiatChrysler, Ford, Changan Ford, Volvo, General Motors, VW Group with Audi, Seat, Skoda, Porsche, Bentley and Bugatti, BMW Group with Mini, Rolls-Royce, Daimler with Mercedes, Smart, JaguarLandrover, Suzuki, Mahindra-Mahindra, Hyundai Kia, Bosch as well as further Tier I suppliers.

Effective February 22, 2017, the Group is part of the chinese Zhongding Group, Ningguo and is continuing to be managed under the same name and corporate structure.



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