

zumtobel group

Zumtobel Group

3rd Quarter 2010/11

March 7, 2011

Highlights Q1-Q3 2010/11

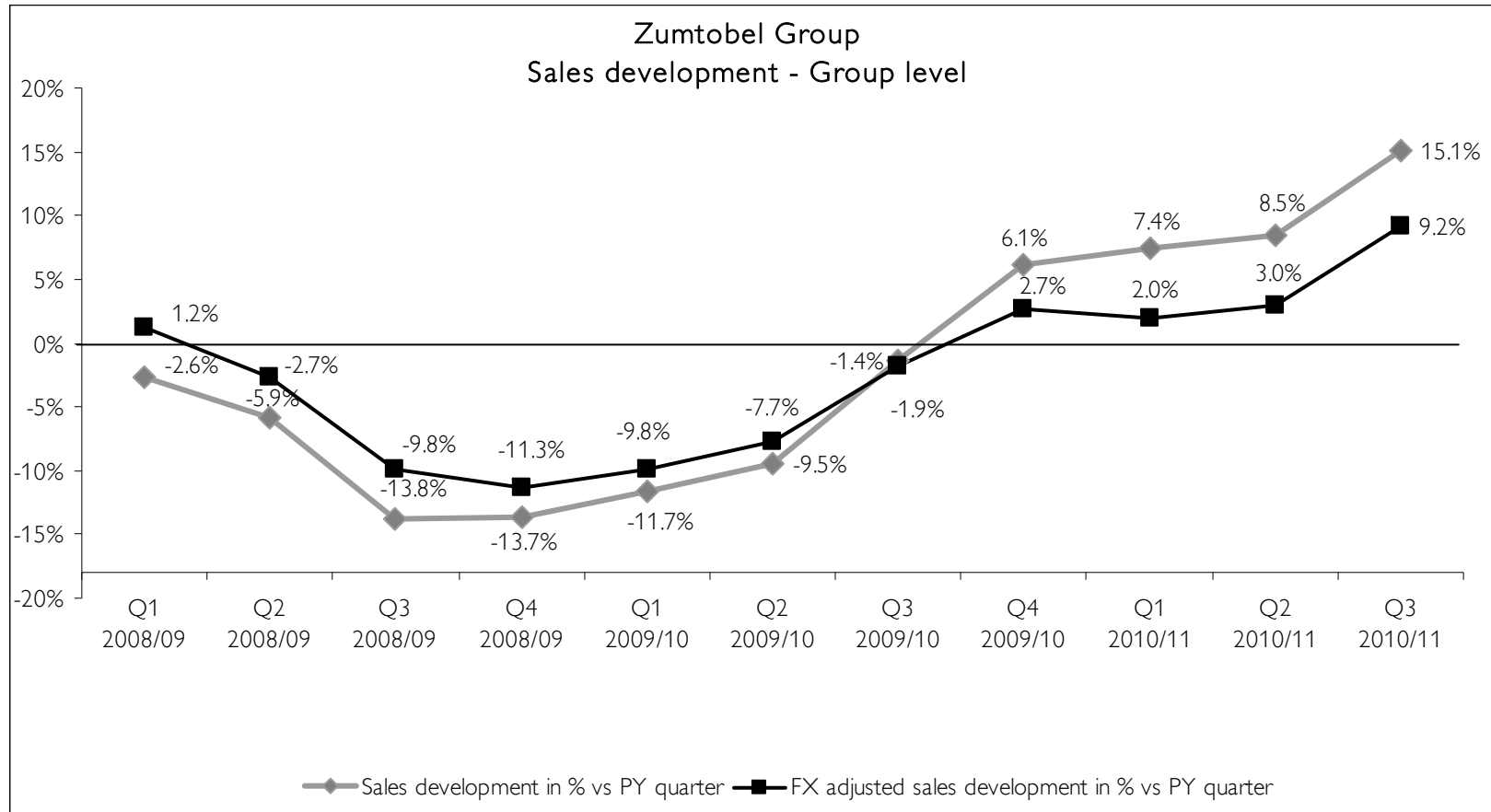
Ongoing recovery of operating environment

- Group revenues increased by 10.2% year-over-year (FX-adjusted +4.6%)
- Late-cyclical Lighting Segment returned to FX-adjusted growth of +0.8% (nominal +6.1%) after 10 quarters, driven by renovation business; Q3: +6% (nominal +11.7%)
- Components Segment continued dynamic sales development with +20.2% (FX-adjusted plus 15.0%), supported by mix shift and extended product portfolio
- LED lighting is gaining increasing traction - revenues of LED-based products at EUR 67.3 million after nine months with dynamic increase of +74.5% in Q3
- Adjusted EBIT rose by around 30% to EUR 64.4 million (EUR 49.8 million) outpacing increase in revenues (10.2%)
- Q3 adjusted EBIT of EUR 15.9 million (PY: EUR 2.0 million) contains non-recurring license income of EUR 3.0 million
- Net profit more than doubled to EUR 52.6 million (PY 21.3 million)



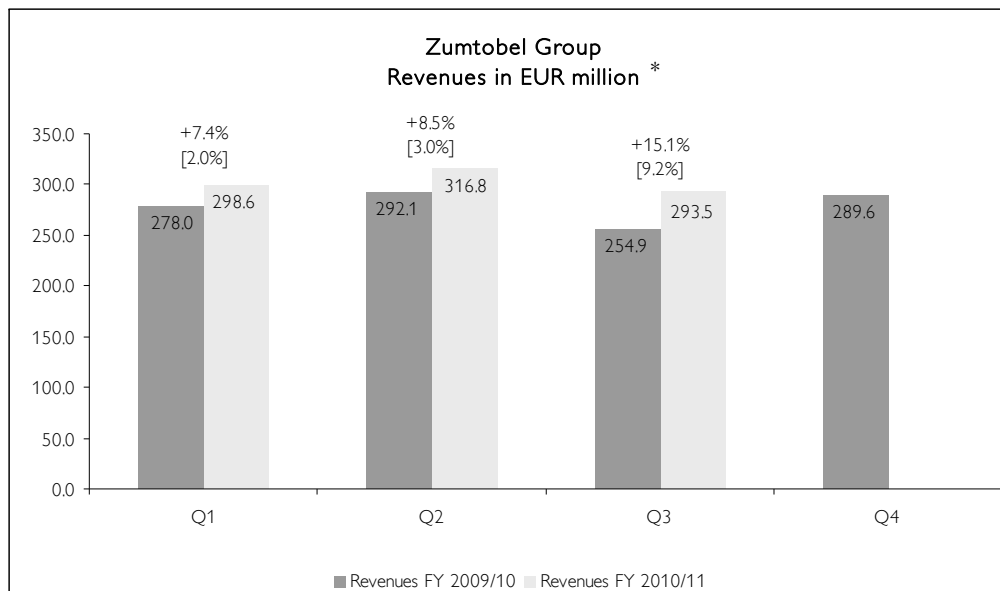
Revenue development

Revenue momentum picked up in Q3

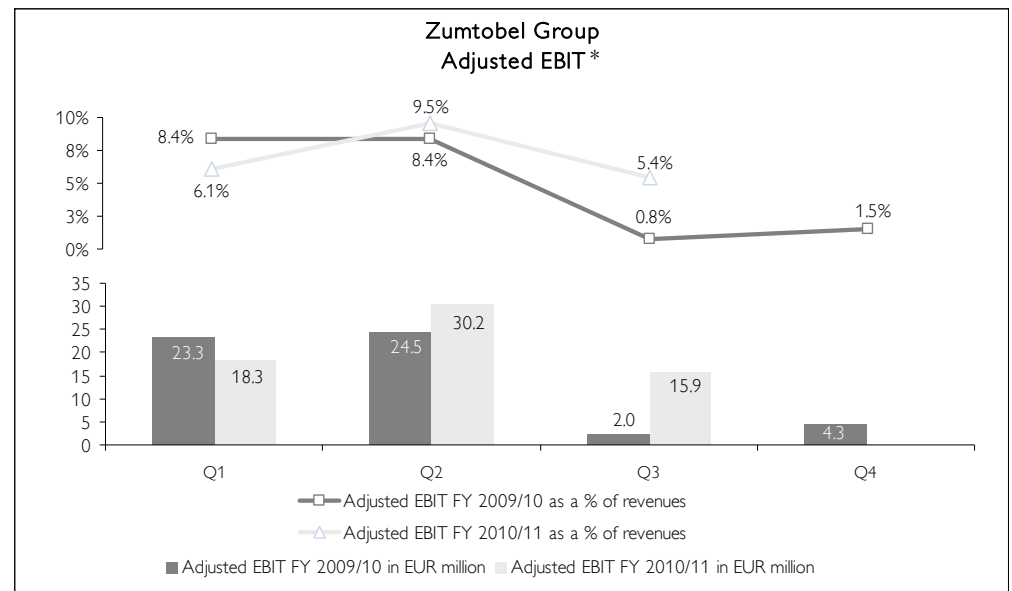


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Adjusted EBIT growth outpaces increase in revenues



Revenues Q1-Q3 2010/11 EUR 908.9 million
 Revenues Q1-Q3 2009/10 EUR 825.0 million



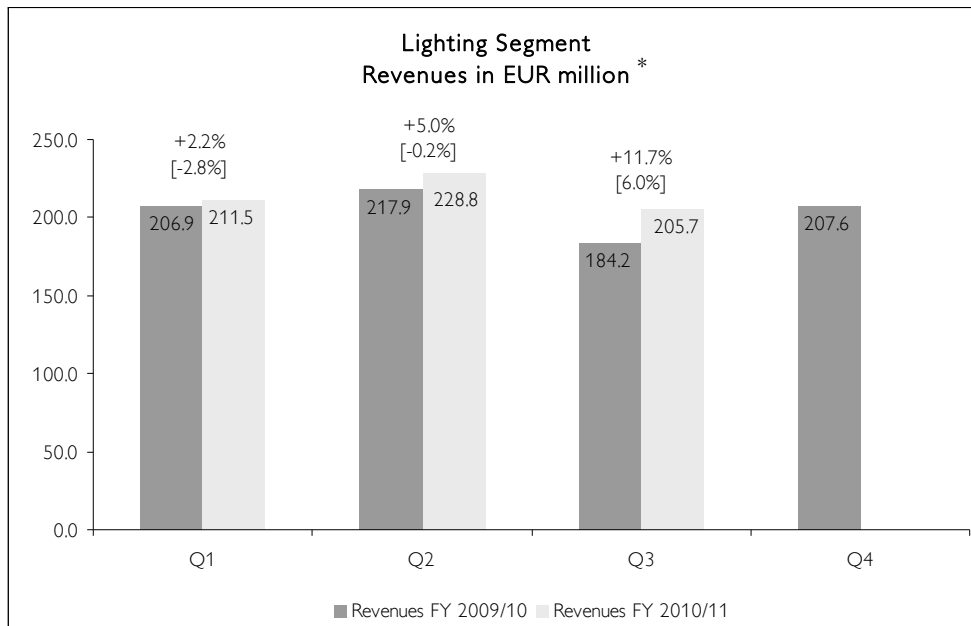
Adjusted EBIT Q1-Q3 2010/11 EUR 64.4 million (margin of 7.1%)
 Adjusted EBIT Q1-Q3 2009/10 EUR 49.8 million (margin of 6.0%)

[] = FX – adjusted figures

*) Figures adjusted for discontinuation of SpaceCannon. Reported EBIT adjusted for special effects.

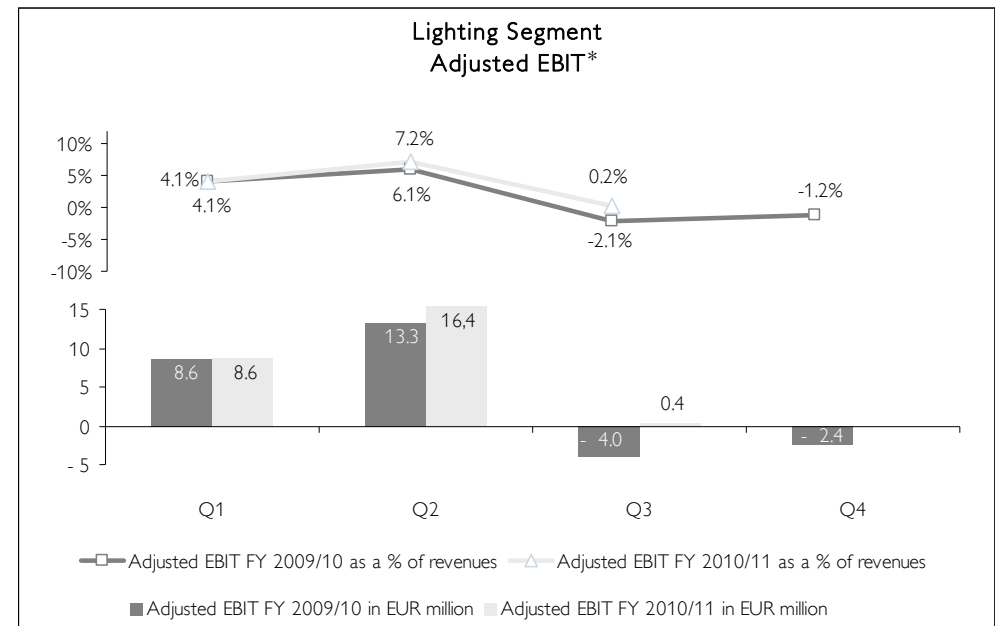
Lighting Segment

Improving operating environment resulted in FX-adj. sales growth of +6.0% in Q3



Revenues Q1-Q3 2010/11 EUR 646.0 million

Revenues Q1-Q3 2009/10 EUR 609.1 million



Adjusted EBIT Q1-Q3 2010/11 EUR 25.4 million (margin of 3.9%)

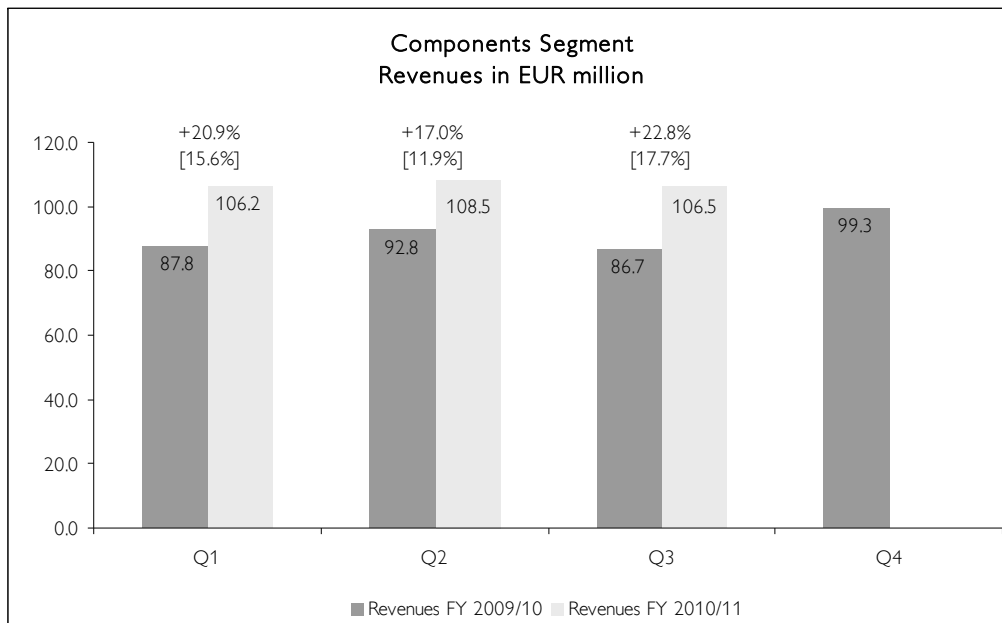
Adjusted EBIT Q1-Q3 2009/10 EUR 17.9 million (margin of 2.9%)

[] = FX – adjusted figures

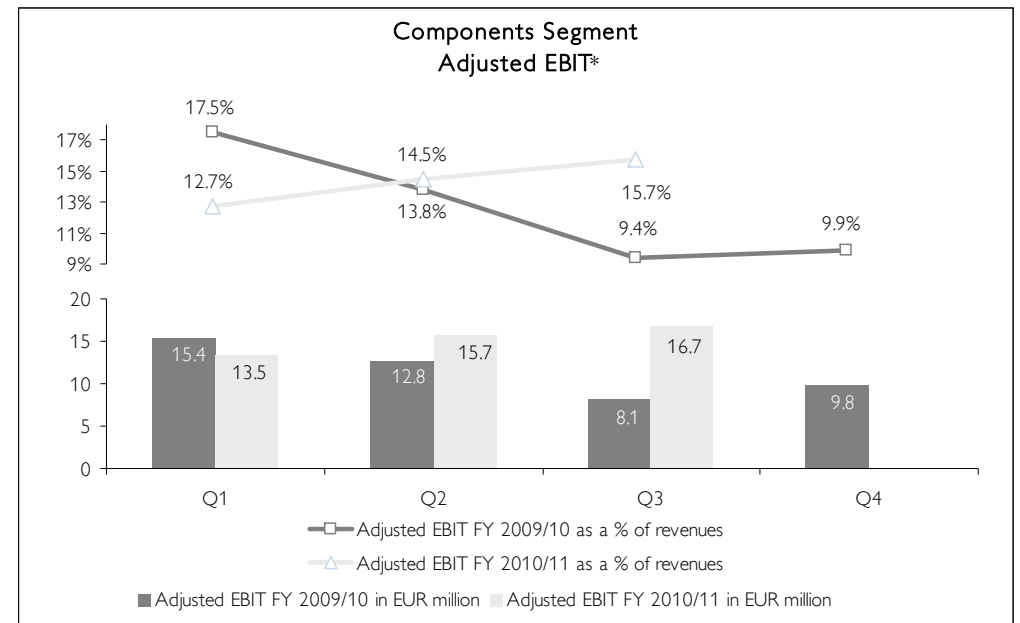
*) Figures adjusted for discontinuation of SpaceCannon. Reported EBIT adjusted for special effects.

Components Segment

Value-enhancing mix shift and extended product portfolio as growth driver



Revenues Q1-Q3 2010/11 EUR 321.2 million
 Revenues Q1-Q3 2009/10 EUR 267.3 million



Adjusted EBIT Q1-Q3 2010/11 EUR 45.9 million (margin of 14.3%)
 Adjusted EBIT Q1-Q3 2009/10 EUR 36.3 million (margin of 13.6%)

[] = FX – adjusted figures

*) Reported EBIT excluding special effects

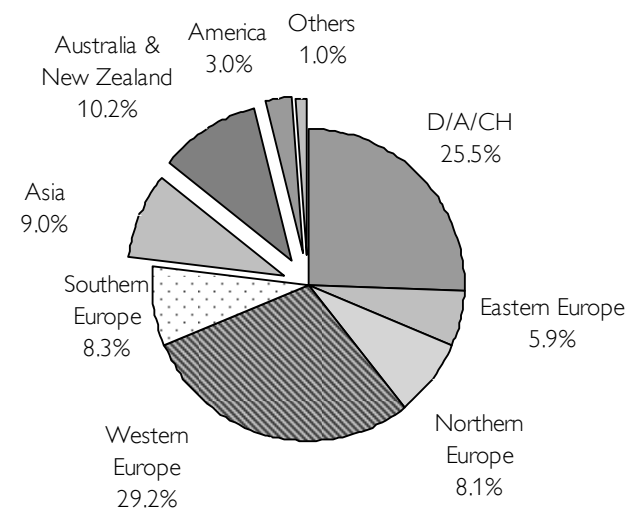
Regional revenue development

All regions returned to growth path

Distribution of regional revenues

	Q3 2010/11		Q1-Q3 2010/11	
	Revenues in EUR million	Change in %	Revenues in EUR million	Change in %
D/A/CH	75.6	19.7	231.9	8.9
Eastern Europe	17.2	38.4	53.2	20.3
Northern Europe	24.4	10.4	73.2	7.5
Western Europe	85.9	5.9	265.0	2.1
Southern Europe	25.0	11.8	75.3	13.4
Europe	228.1	13.4	698.5	7.3
Asia	26.4	13.8	81.7	14.2
Australia & New Zealand	27.0	21.1	92.7	27.2
America	9.3	48.7	27.0	23.0
Others	2.6	34.5	9.0	19.1
Total	293.5	15.1	908.9	10.2

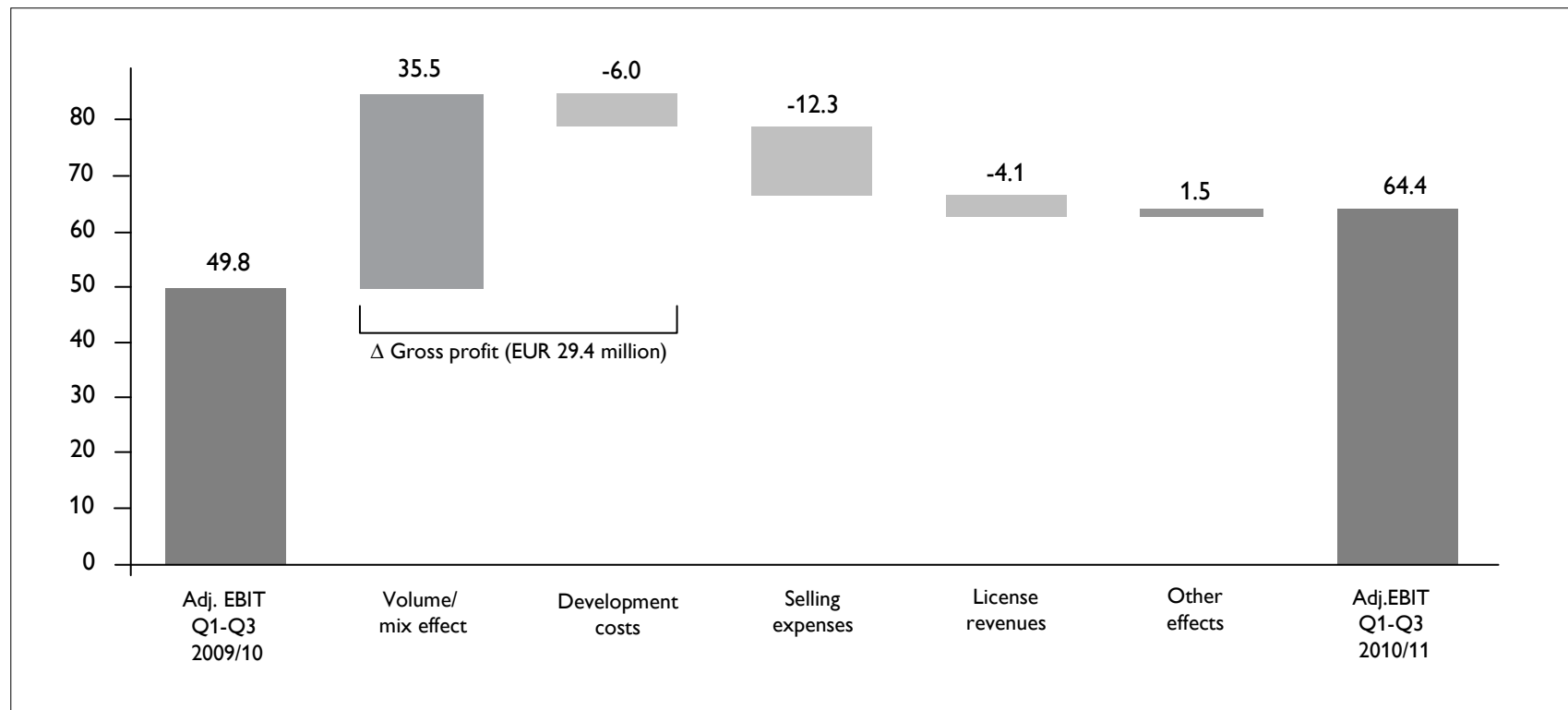
Distribution of regional revenues



Europe 76.9% (prior year: 78.9%)

Adj. EBIT development Q1-Q3 2010/11

Positive adjusted EBIT development driven by volume/mix effect



Figures in EUR million

Income Statement

Net profit more than doubled supported by positive special effects and improved financial results

Income statement

Income statement in EUR million	Q3 2010/11	Q3 2009/10	Change in %	Q1-Q3 2010/11	Q1-Q3 2009/10	Change in %
Revenues	293.5	254.9	15.1	908.9	825.0	10.2
Cost of goods sold	-196.9	-174.4	-12.9	-600.9	-546.5	-10.0
Gross profit	96.5	80.6	19.8	308.0	278.6	10.6
as a % of revenues	32.9	31.6		33.9	33.8	
SG&A expenses adjusted for special effects	-80.7	-78.5	-2.7	-243.6	-228.8	-6.5
Adjusted EBIT	15.9	2.0	>100	64.4	49.8	29.2
as a % of revenues	5.4	0.8		7.1	6.0	
Special effects	-0.9	-2.2	61.3	2.3	-9.3	>100
EBIT	15.0	-0.2	>100	66.7	40.5	64.6
as a % of revenues	5.1	-0.1		7.3	4.9	
Financial results	-1.9	-1.8	-10.3	-7.8	-13.8	43.3
Profit before tax	13.1	-1.9	>100	58.9	26.7	>100
Income taxes	-1.2	-1.1	-6.6	-5.2	-3.5	-45.6
Net profit/loss from discontinued operations	1.2	-0.5	>100	-1.1	-1.9	42.4
Net profit/loss for the period	13.0	-3.6	>100	52.6	21.3	>100
Depreciation and amortisation	12.7	11.0	15.9	34.3	33.4	2.5
Earnings per share (in EUR)	0.30	-0.09	>100	1.23	0.49	>100

Special effects Q1-Q3 2010/11:

Revaluation of building: EUR 2.0m
Release of legal provision: EUR 3.1m
Restructuring: EUR -2.8m

Special effects Q1-3 2009/10:

Mainly measures for cost optimization

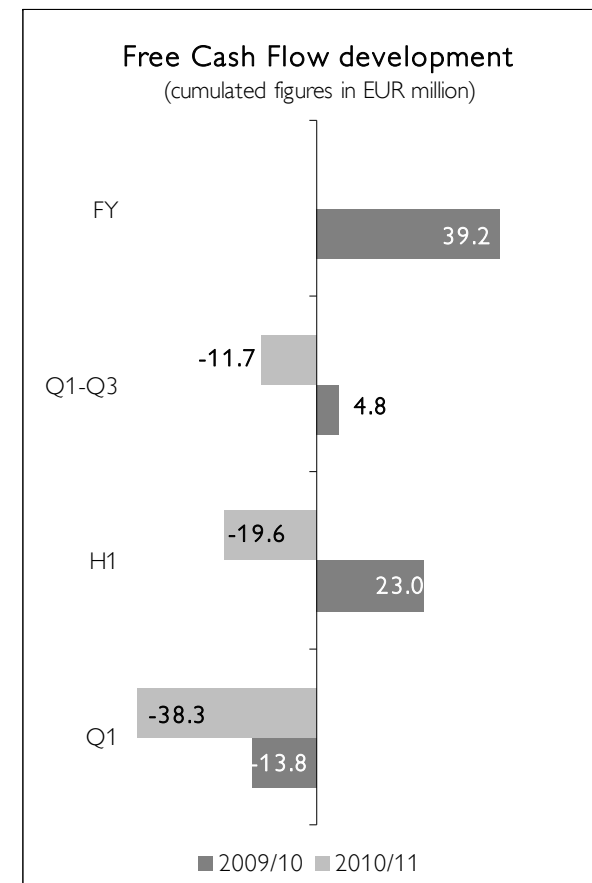
Q1-Q3 2010/11:

Improvement driven by effects from the market valuation of financial instruments (improved by EUR 4.2m) and a better interest result (by EUR 0.6m)

Cash Flow Statement

Free cash flow improved by EUR + 7.9 million in Q3

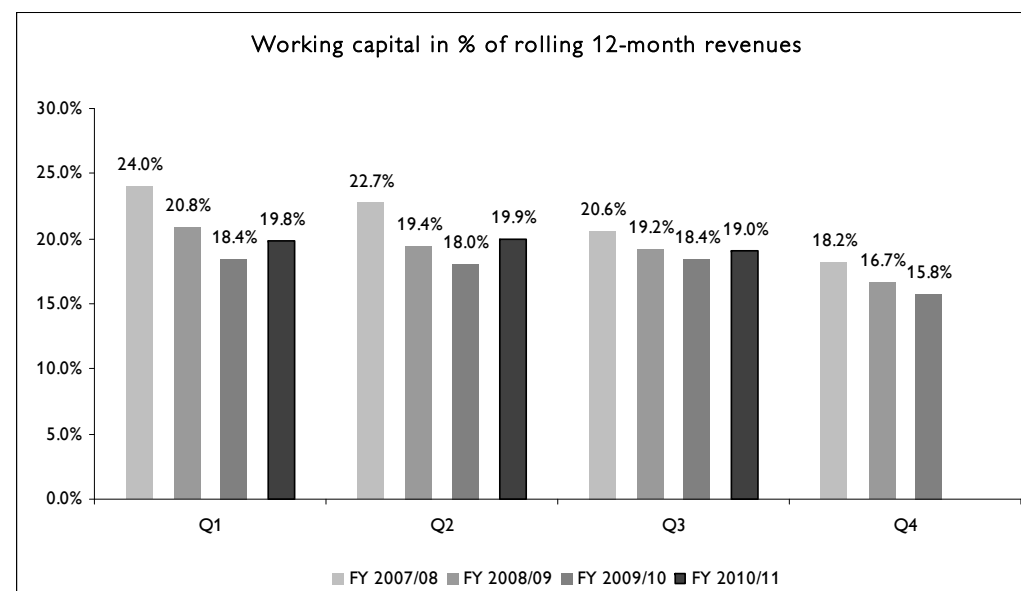
Cash Flow Statement in EUR million	Q1-Q3 2010/11	Q1-Q3 2009/10
Cash flow from operating results	96.8	70.8
Change in working capital	-50.0	4.5
Change in other operating items	-22.5	-36.0
Taxes paid	-0.5	-4.4
Cash flow from operating activities	23.8	35.0
Proceeds from the sale of non-current assets	0.5	1.8
Capital expenditures on non-current assets	-33.0	-29.0
Change in non-current and current financial assets	-1.4	-3.2
Change in liquid funds from changes in the consolidation range	-1.6	0.0
Cash flow from investing activities	-35.4	-30.4
FREE CASH FLOW	-11.7	4.5
Cash flow from financing activities	6.9	-2.3
Effects of exchange rate changes on cash and cash equivalents	1.1	3.1
CHANGE IN CASH AND CASH EQUIVALENTS	-3.7	5.4



Balance Sheet

Equity ratio improved on positive operating performance

Balance sheet data in EUR million	31 January 2011	30 April 2010
Total assets	1,009.5	983.5
Net debt	144.6	121.9
Equity	401.9	351.6
<i>Equity ratio in %</i>	<i>39.8</i>	<i>35.8</i>
<i>Gearing in %</i>	<i>36.0</i>	<i>34.7</i>
Average capital employed	537.6	587.5
<i>ROCE in %</i>	<i>12.6</i>	<i>8.8</i>
Investments	33.0	49.4
Working capital	227.8	176.2
<i>As a % of rolling 12 month revenues</i>	<i>19.0</i>	<i>15.8</i>



Zumtobel Group Outlook

Risks and opportunities for the short and medium term

Risks

- Non-residential construction in core markets still weak (especially new construction)
- Rising material prices and wage inflation (e.g. especially raw materials such as Copper, Steel, Plastics)
- Risks concerning economic recovery
- Risks associated with mastering the change to LED technology (new market entrants, R&D, Capex, LED chip supply & price development, etc.)
- Upfront costs associated with growth strategy

Opportunities

- Cyclical recovery of non-residential construction end markets (renovation AND new construction)
- Exploiting energy efficiency and LED opportunities
- Focus to grow market share in established markets as well as emerging markets
- Continuation of value enhancing substitution process in components business
- Product portfolio extension

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

Zumtobel Group Outlook

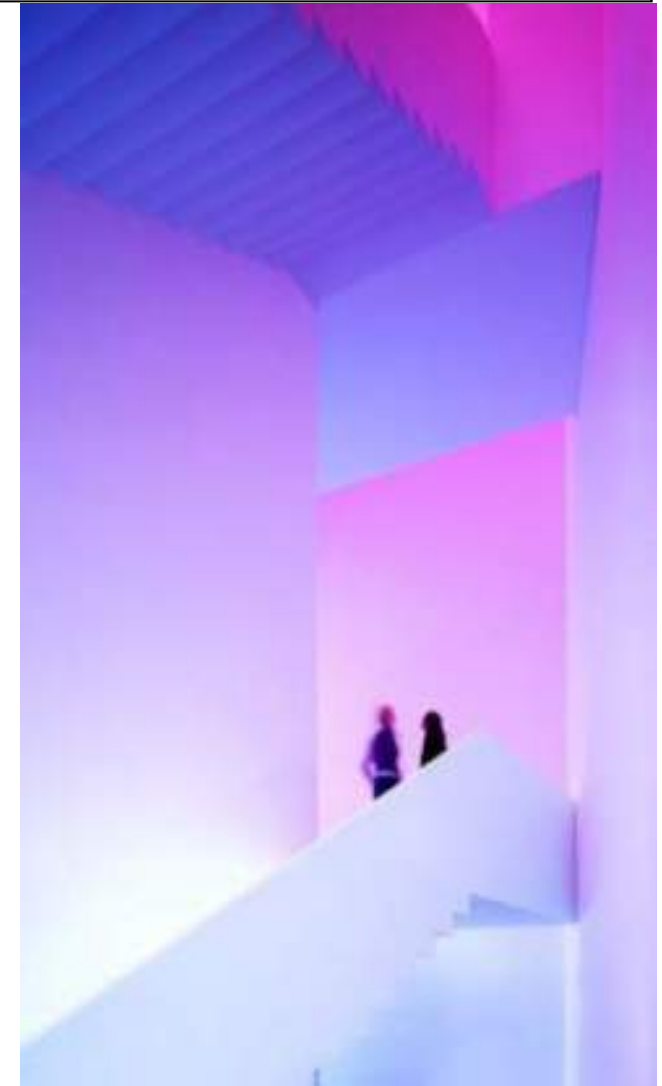
Improving guidance in FY 2010/11

- Expectations based on solid business development and positive economic signals
- **Group revenues of around EUR 1.2 bn** (prior year: EUR 1.114,6 million*)
 - Components Segment: growth momentum to slow in Q4 2010/11 due to base effect
 - Lighting Segment: Continuing stabilisation in revenues
 - LED revenues of up to EUR 100 million in 2010/11
- **Adjusted Group EBIT margin over 6%** (prior year: 4.9%*)
- **Corporate Strategy Update 2011:** to be presented on April 27, 2011

*) Prior year figures adjusted for discontinuation of Space Cannon.

Financial Calendar

- Mon, June 27, 2011 Financial Results 2010/11
- Fri, July 22, 2011 35th ordinary Shareholders' Meeting
- Tues, July 26, 2011 Ex-dividend day
- Fri, July 29, 2011 Dividend payout day
- Tues, Sept. 6, 2011 1st Quarterly Report 2011/12
(1 May – 31 July 2011)
- Tues, Dec. 6, 2011 Interim Financial Report 2011/12
(1 May – 31 Oct. 2011)
- Tues, Mar. 6, 2012 3rd Quarterly Report 2011/12
(1 May – 31 Jan. 2012)
- Mon, July 2, 2012 Financial Results 2011/12



Five-Year Overview

in EUR million	2009/10**	2008/09 ¹ **	2007/08 ¹	2006/07 ¹	2005/06 ¹⁻²
Revenues	1,114.6	1,169.0	1,282.3	1,234.0	1,168.0
Adjusted EBIT	54.1	78.9	123.0	112.3	99.1
<i>as a % of revenues</i>	4.9	6.7	9.6	9.1	8.5
Net profit/loss for the period	-67.0	13.3	93.5	103.6	49.5
<i>as a % of revenues</i>	-6.0	1.1	7.3	8.4	4.2
Total assets	983.5	1,018.8	1,082.4	1,132.5	1,072.2 *
Equity	351.6	420.9	490.7	428.7	174.2 *
<i>Equity ratio in %</i>	35.8	41.3	45.3	37.9	16.2 *
Net debt	121.9	163.5	129.0	185.7	356.1
Cash flow from operating results	77.6	107.3	166.0	173.8	128.8
Investments	49.4	64.7	66.0	54.3	49.6
<i>as a % of revenues</i>	4.4	5.5	5.1	4.4	4.2
Headcount incl. contract worker (full-time equivalent)	7,329	7,165	7,908	7,911	7,384

¹ figures were adjusted for FX-effect on goodwill (retrospective application of IAS 21)

² figures were adjusted to reflect the application of IFRS 5 and IAS 19

** figures adjusted for discontinuation of SpaceCannon

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