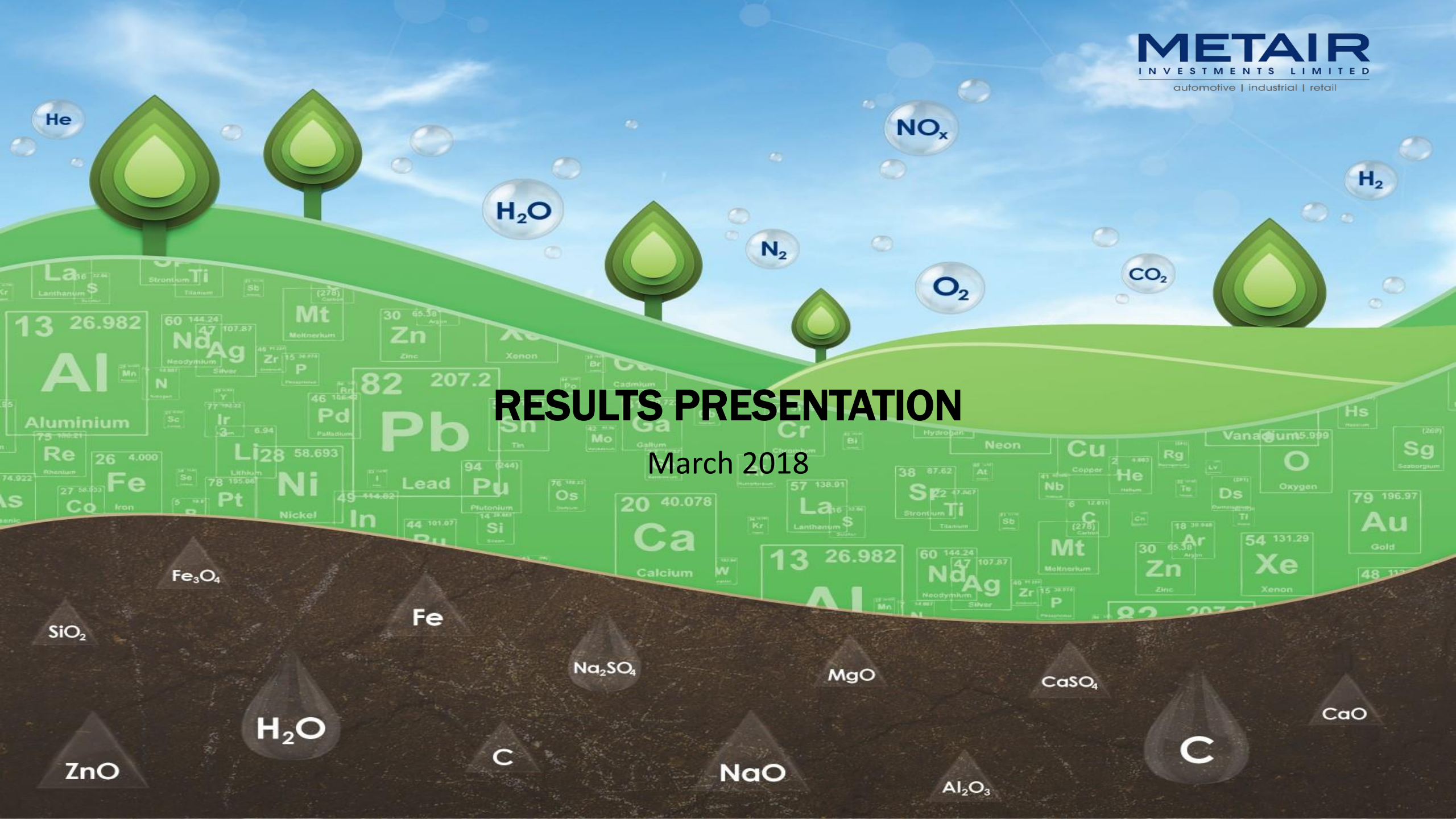


RESULTS PRESENTATION

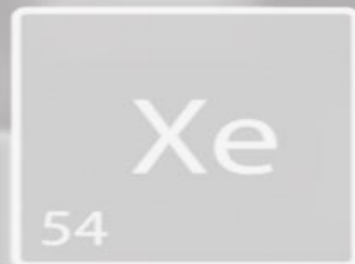
March 2018



- Welcoming and opening observations
- Shareholder requirements
- Metair business vertical design platform
- Individual company performance
- Metair capital allocation performance review
 - Rombat
 - Mutlu
- Brief strategic review
- Financial review
- Prospects
- Q & A
- Supplementary information



WELCOME & OPENING OBSERVATION



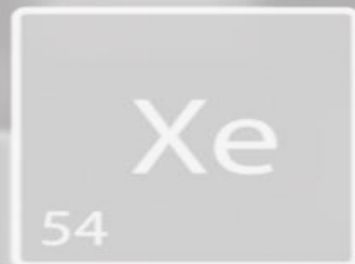
Metair's integrated annual reports are always presented against the backdrop of a theme that aims to reflect the position, or significant circumstances, the company endures at the time



- 2006 Growth, Gain, Enrichment
- 2007 Transformation
- 2008 Transparency
- 2009 Crossroads – Back to Basics
- 2010 Balance
- 2011 Human Focus, Measurement and Adjustment
- 2012 Reflection – Road Ahead
- 2013 Growing our International Footprint
- 2014 Brand Wall
- 2015 Creativity & Innovation
- 2016 Our people
- 2017 Environmental Focus & Effect



METAIR IMAGE 2017



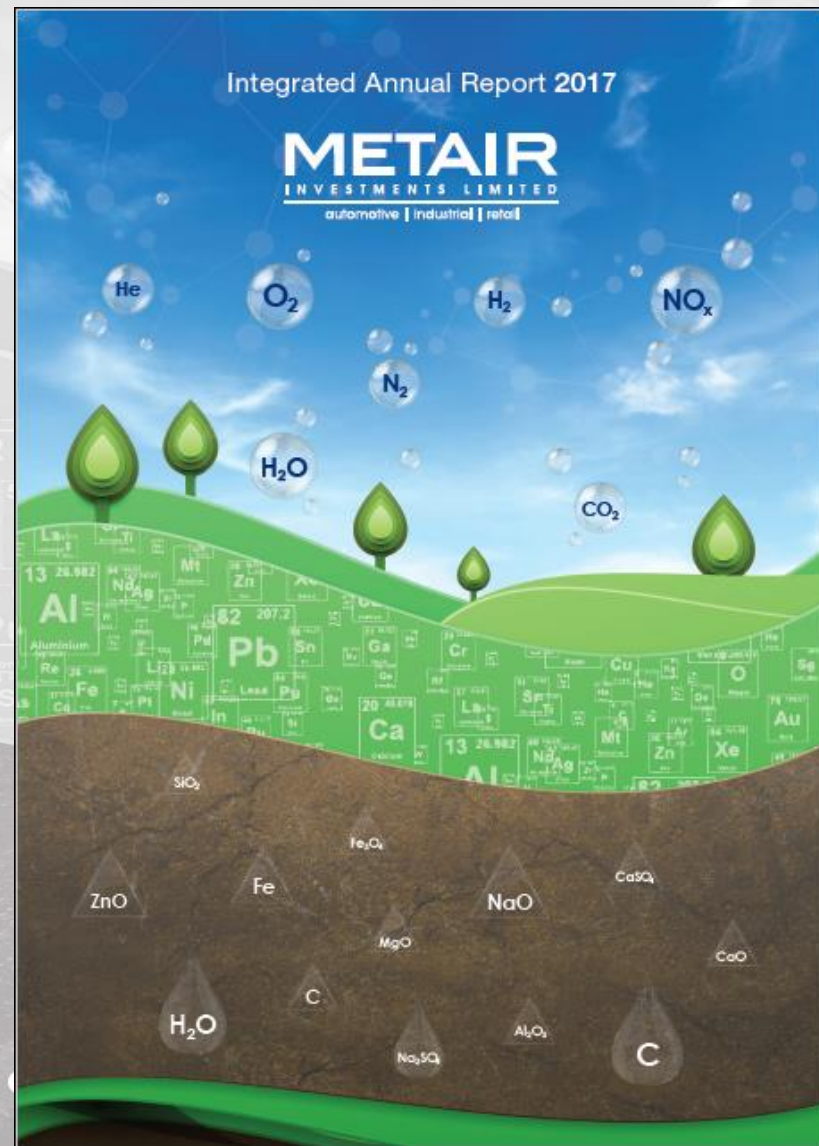


IMAGE FOR 2017

DESCRIPTION & MEANING

Theme

The theme reflects our focus on the environment and green solutions that we use in application of the primary production factor, land (what is on it what is in it and what is above it). Focusing on the most responsible and sustainable practices

Image

The image consists of the elements in the periodic table that we use in our manufacturing conversion process to produce our final products as they serve their purpose in use by our customers

Symbols

The symbols dispersing in the air and ground shows our full understanding of the environmental impact of our main and by-products on the environment and the management systems required to deal with their possible negative impacts

The green shoots symbolize the global shift to greener products and solutions as well as the green shoots coming from the shift as opportunities for Metair

SHAREHOLDER REQUIREMENTS

SHAREHOLDER REQUIREMENTS

Metair market value

- *Under valued*
- *Board perspective*
- *Shareholders perspective*
- *Target in whole or part*
- *Management focus required*
- *Working on correcting it*

Activist investor exposure

- *Local / International*
- *Friendly / Hostile*
- *Flawed business model full of insecurities*
- *Act in concert*
- *Arrogant knowledge claims*
- *Learning*

Improved investor relations

- *Site visit to Turkey*
- *Improved disclosure*
- *Less focus on strategy*
- *More operational*
- *Improve narrative*
- *Instructions / Suggestive*
- *Improve capital allocation approach*

Steinhoff event

- *Negative and unacceptable*
- *Fundamental learnings*
- *Rooted in aggressive positions*
- *Leadership approach key*
- *Performance at all cost*
- *Transparent business design key*

Metair approach

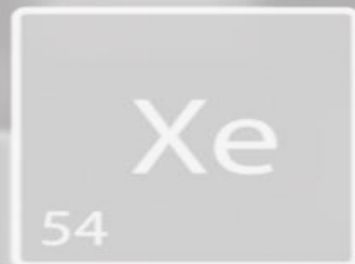
- *Proud tax payer*
- *Aggressive goals*
- *Conservative in execution*
- *Principled and ethical*
- *Clear strategy*
- *Clear business design*

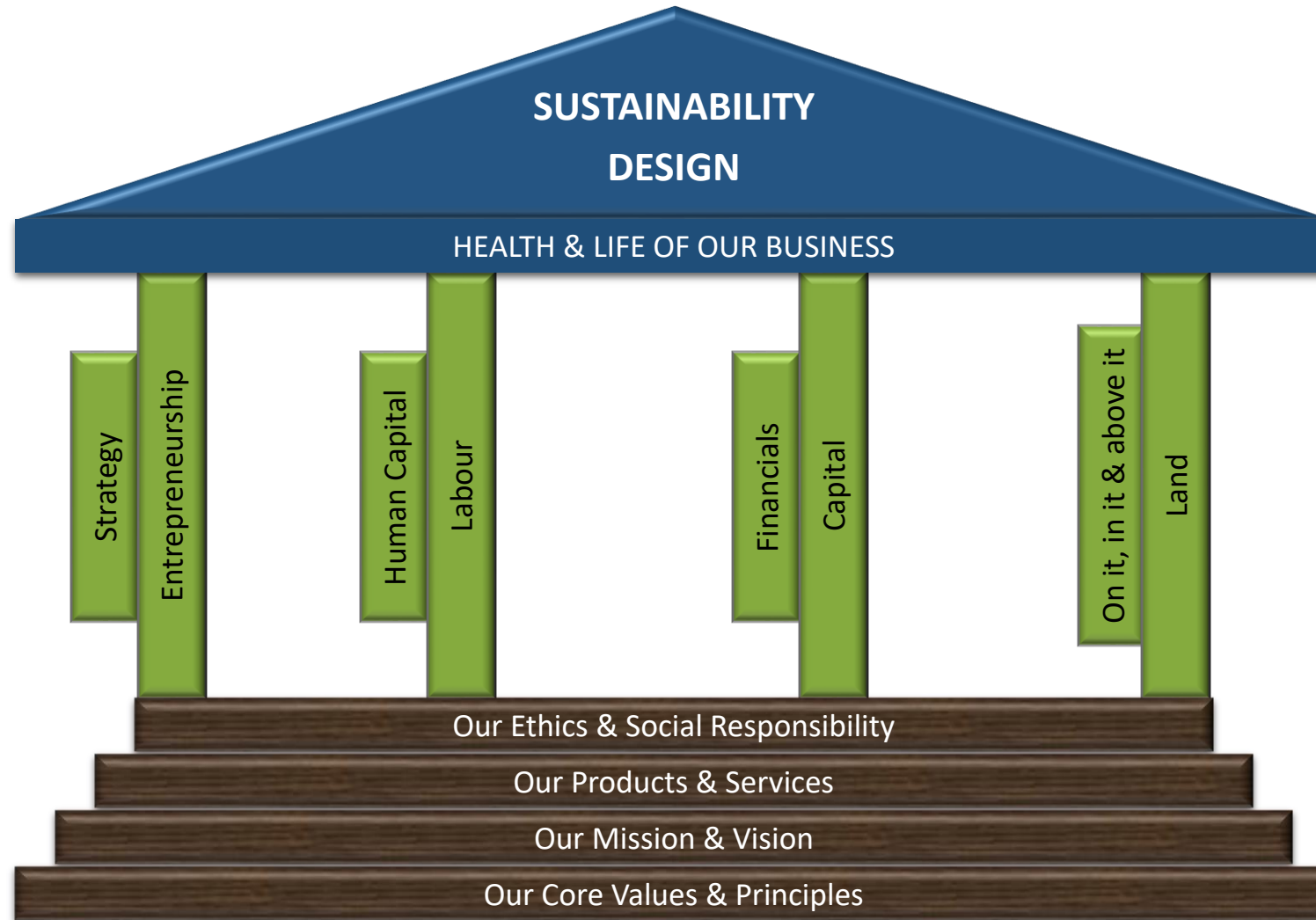
Presentation format

- *Adjusted to shareholder needs*
- *Generic business design platform*
- *Business vertical design platform*
- *Individual company performance*
- *Acquisition Capital Performance review*
- *Brief strategic review*
- *Financial result review*



METAIR BUSINESS VERTICAL DESIGN PLATFORM





Generic Design Layer

ENERGY VERTICAL <i>(based on units sold 2017 incl. Associates)</i>		COMPONENTS VERTICAL <i>(based on units sold 2017)</i>	
9,69 Giga Watt_hrs		Brake system parts – 0,7 m	Lighting units – 1, 1 m
AGM – 0,3 m	EFB – 3,2 m	Plastic moldings –25, 2 m	Harnesses – 2, 7 m
STD – 6,7 m	Other – 0,2 m	Suspension systems – 1, 5 m	Front ends – 0,1m
Industrial – 0,4 m	Total – 10,8 m	HVAC system parts – 6, 1 m	Shock Absorbers – 2,5m
Sell Energy		Sell Parts	
Product specific commodity application		Product specific commodity considering application	
Product specific technology advancement and R & D		Product specific technology advancement and R & D	
12 Volt automotive battery		Ride comfort products	
24 Volt automotive battery		Thermal management products	
48 Volt power units		Wiring harness products	
2 Volt standby systems		Plastic products	Lighting products
ENERGY VERTICAL		COMPONENTS VERTICAL	
Electrical requirement		Component requirement	

Technology Advancement Trends

Propulsion & Application Options

Mobility, Mobility Services & Energy Platform

E-Bike

2-Wheeler

3-Wheeler

4-Wheeler

Truck

Electric Vehicle

Generic Design Layer

ENERGY VERTICAL <i>(based on units sold 2017 incl. Associates)</i>		COMPONENTS VERTICAL <i>(based on units sold 2017)</i>	
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ENERGY VERTICAL		COMPONENTS VERTICAL	
Electrical requirement		Component requirement	

Technology Advancement Trends

Propulsion & Application Options

ICE

Micro Hybrid

Hybrid

Plugin

Full Electric Vehicle

Mobility, Mobility Services & Energy Platform

Generic Design Layer

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ENERGY VERTICAL		COMPONENTS VERTICAL	
Electrical requirement		Component requirement	

Technology Advancement Trends

Pro"Pull"sion

Horse

Donkey

Cow

Strong Man

Strong Women

Mobility, Mobility Services & Energy Platform

Generic Design Layer

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ENERGY VERTICAL		COMPONENTS VERTICAL	
Electrical requirement		Component requirement	

Technology Advancement Trends

Infotainment

Assisted Drive

Autonomous Drive

Accident Free Drive

Shared Ownership

Artificial Intelligence

Propulsion & Application Options

Mobility, Mobility Services & Energy Platform

Generic Design Layer

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ENERGY VERTICAL		COMPONENTS VERTICAL	
Electrical requirement		Component requirement	

Technology Advancement Trends

Wheel

Brake Systems

ICE

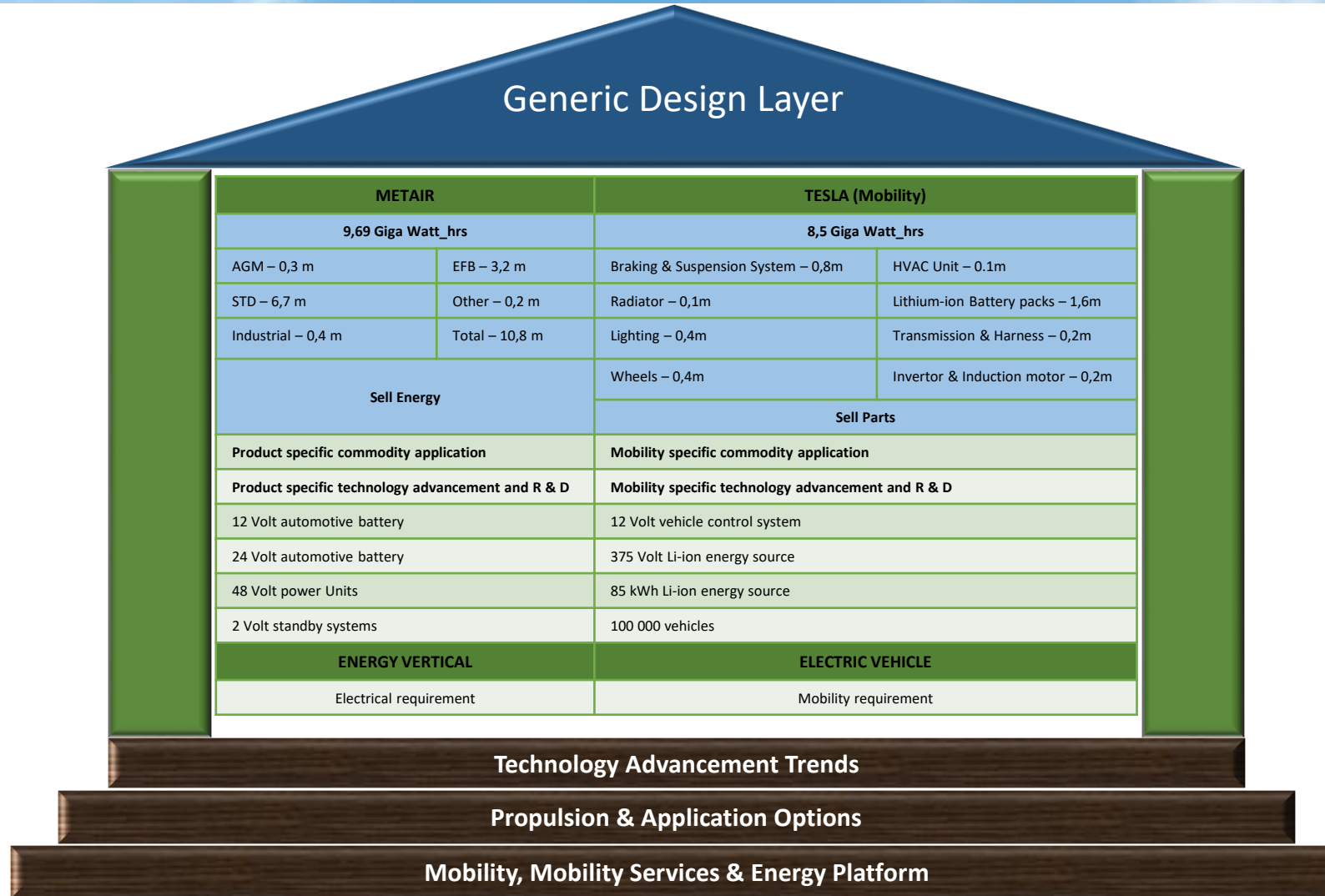
Hydraulics

Starter Motor

Electrical Circuit

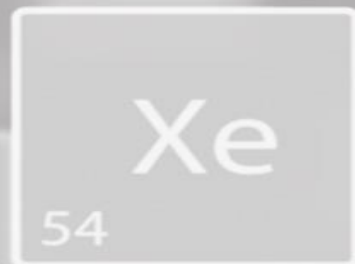
Propulsion & Application Options

Mobility, Mobility Services & Energy Platform





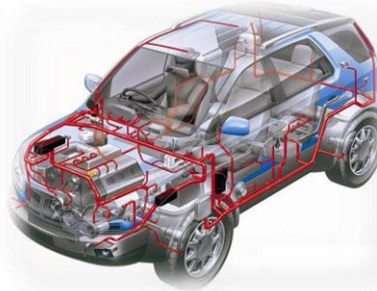
INDIVIDUAL COMPANY PERFORMANCE



1. Company History

- 1989 - Operations commenced in Isithebe
- 1996 - New Factory in KwaDukuza
- 2006 - Isithebe Factory Closed
- 2006 - Kwa-Dukuza Factory Extended
- 2006 – Entered Joint Venture with Yazaki
- 2015 - Factory Extension for Quantum
- 2015 - Instr. Cluster Factory completed

2. Products

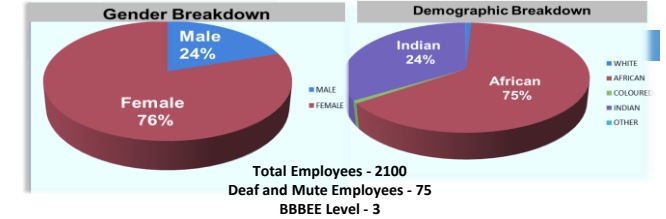


Electrical Distribution Systems (Wiring Harnesses)



Instrument Clusters

3. Employee Information



4. Customers and Models



Toyota Fortuner



Toyota Hilux



Isuzu KB 1 Ton



Toyota Corolla Quest



Toyota Corolla



Toyota Quantum

5. Financial

	2016	2017
Cash Conversion ratio *	-479%	123%
Depreciation (R'm)	37,557	37,600
Capex (R'm)	51,786	48,941
Invested Capital (R'm)	276,612	239,031
ROIC (R'm)	-3,05%	28,1%

* Cash generated from operations / PBIT

6. Capital Allocation Review

Capex for 2018

R 16 453 685

Major capex review narrative

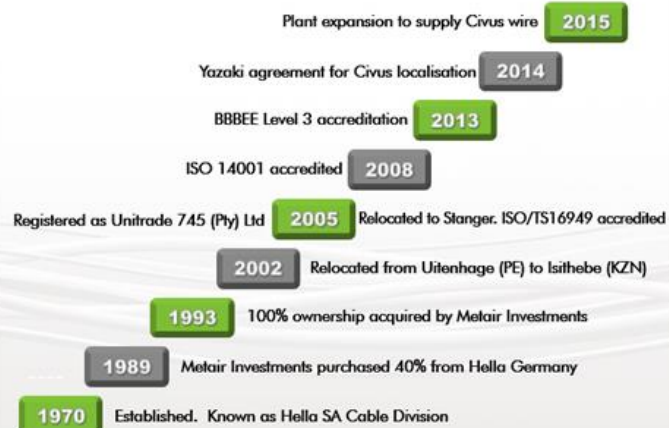
Latest wiring harness project

R 89 747 890

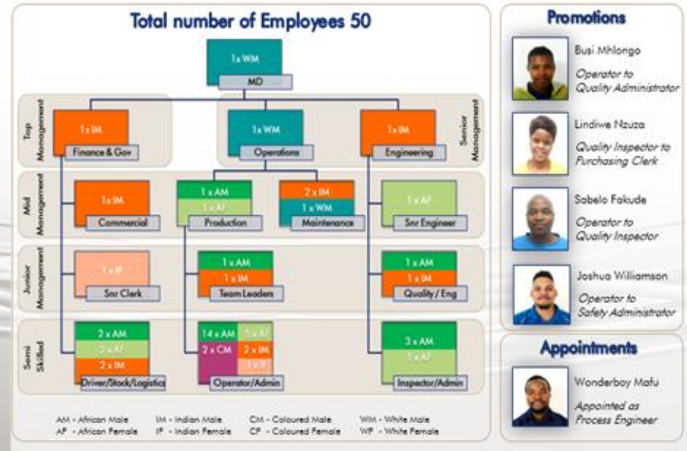
Plant and machinery

	Planned	Actual
ROIC	25.0%	25.1%
IRR	18.0%	19.9%

① COMPANY HISTORY



② EMPLOYEE INFO



③ CUSTOMERS & MODELS



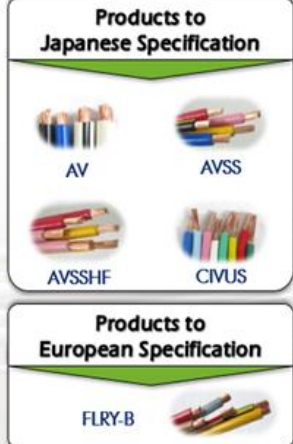
④ PRODUCTS

Manufacturers of Automotive PVC Insulated Cable

- 22 Cable Sizes from 0.3mm² to 8.0mm² (cross section)

- 156 COLOURS

- Multi Core for Aftermarket



⑤ FINANCIAL

	2016	2017
Cash Conversion ratio *	124%	45%
Depreciation (R'm)	3,270	3,224
Capex (R'm)	5,887	277
Invested Capital (R'm)	41,195	48,068
ROIC (R'm)	20%	26%

Decline in cash conversion for 2017 was primarily as a result of cash held in inventory due to the build up of stock for a major machine overhaul at year end.

* Cash Generated from Operations / PBIT

⑥ CAPITAL ALLOCATION REVIEW

	R'000	
Capex 2018	12 095	
<i>Major Capex Review</i>		
Project – CIVUS LOCALISATION	28 168	
Land	-	
Building	1 836	
Tools & Machinery	26 332	
	Planned	Actual
ROIC	24.10%	25.54%
IRR *	28.60%	37.65%

* IRR calculation for actual is based on actual results for 2016 and 2017 as well as 3 years forecasted results thereafter (Project began in 2016)

1. Company History

- Formed in 1963 as Powerlines Forging and Spring Division.
- Moved into automotive springs in 1970's.
- Purchased by Metair in 1984 and changed name to Supreme Spring.
- Signed technical agreement with Chuo Spring (Japan) in 1984.
- Purchased assets of National Spring in 1999 and closed industrial spring line.
- Introduced cold form technology in 2006.
- Quality accreditations: ISO/TS16949, ISO14001, ISO18001, ISO150001.
- Currently largest O.E. spring maker in Sub Saharan Africa.

4. Human Capital

Number of employees	530
Shop floor	391
Office	139
Percentage of black managers	70%
Employees from unemployed youth base	48
Number of apprentices processed in 3 year cycle	32
Safety rep's linked to WhatsApp group	20
Employees identified for "Talent Wall" Management training	19

BBBEE Level 3 Company

2. Product Range



Plant 1

Hot & Cold Formed coil springs



Torsion Bar



Plant 2

Hot and Cold Formed Stabiliser Bar



Plant 3

Multi-Leaf Springs



5. Finance

	2016	2017
Cash Conversion ratio *	94,5%	159,8%
Depreciation (R'm)	13,4	13,5
Capex (R'm)	6,1	6,3
Invested Capital (R'm)	141,0	130,8
ROIC (R'm)	25,9%	32,4%

* Cash Generated from operations / PBIT

3. Customers



ISUZU



Mahindra



6. Future Focus Areas

- Environmental compliance to changing regulations
- International partners and alliances
- Black supplier development
- Hybrid spring designs – composite materials
- Internal management growth opportunities
- Expanding employee wellness programme
- Growing export markets – International trade shows
- Preventative maintenance

1. Company History

- Established in 1968 as a subsidiary of Alfred Teves Germany (ITT Corporation)
- 1987 purchased by an independent South African company
- 2005 purchased by Management and a BEE consortium (PIC)
- 2008 purchased by Metair Investments Ltd

Location

- Boksburg North – 35 km east of Johannesburg

Property

- 40,000 m² land, ±16,500 m² under cover
- Property leased from Cavaleros

2. Products

Braking Products under the Ate Brand

- Brake Pads For Passenger; LCV & HCV
- Brake Discs & Drums For Passenger & LCV
- Brake Shoes For Passenger & LCV
- Brake Wheel Cylinders For Passenger & LCV
- Plastilube

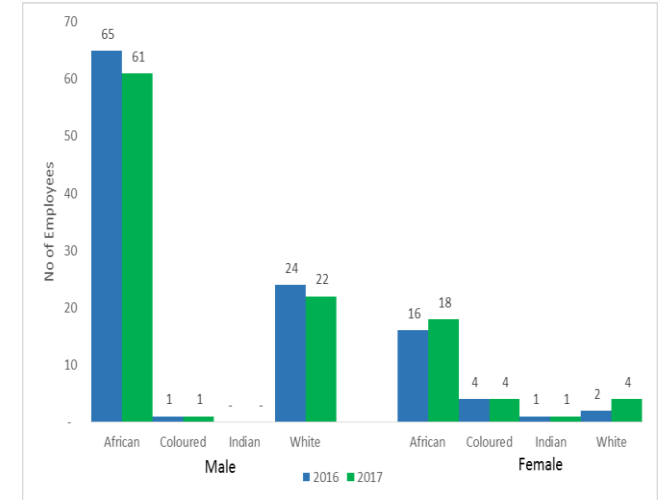
Trademark Agreement with Continental Automotive, Germany

(ATE and Teves are registered trademarks of Continental Teves AG & Co. oHG in Germany and other countries)

Suspension Products under the Votto Brand

- Ball Joints
- Bushings
- Control Arms
- Stabilizer Links
- Tie rod Ends

3. Employee Information



4. Customers

Major Aftermarket Distributors/Retailers in SA

- AAAS (Midas) Group (PIA; NAPA; NAPA WD)
- Autozone (Femo)
- Worldwide Automotive Group (WAG)
- Desamark (Diesel Electric)
- Valid Trade
- Grandmark
- Kapico
- Allparts
- Protea Truck & Bus Parts Cc
- Babcock Africa Services

Cross Border Exports

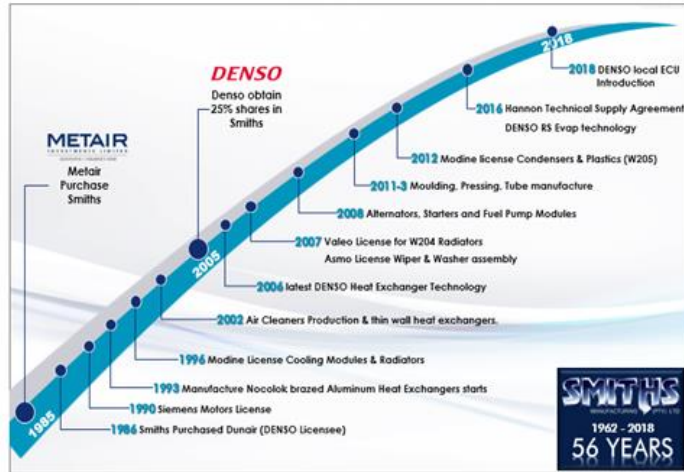
- Cymot (Namibia)
- Auto Acessotios Grande Premio (Mozambique)
- Jardims Trading International (Mozambique)
- Croco Motors (Zimbabwe)

5. Financial

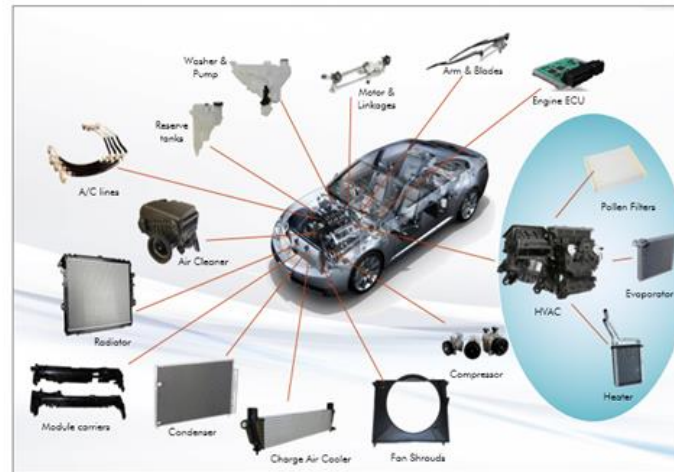
	2016	2017
Cash Conversion ratio *	46,6%	80,0% *
Depreciation (R'm)	1, 509	1, 439
Capex (R'm)	1, 931	3, 103
Invested Capital (R'm)	29, 289	24, 625
ROIC (R'm)	32,77%	47,90%

* Cash generated from operations / PBIT

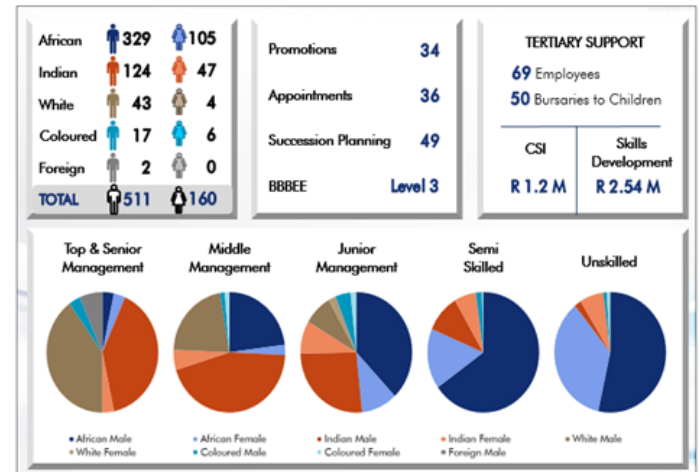
1. HISTORY



2. PRODUCTS



3. EMPLOYEES



4. CUSTOMERS

CUSTOMER	MODEL	% OF SALES
Toyota SA	LCV & Sedan	77.6%
Ford Motor Co SA	LCV	10.3%
Mercedes Benz	Sedan	4.4%
Isuzu	LCV	1.5%
Nissan	LCV	1.1%
NEOVIA <small>Long lasting systems</small>	Various	1.3%
KAPICO <small>Aftermarket</small>	Various	3.3%
BELL <small>Non Automotive</small>	Off Highway Vehicles	0.4%

5. FINANCIAL

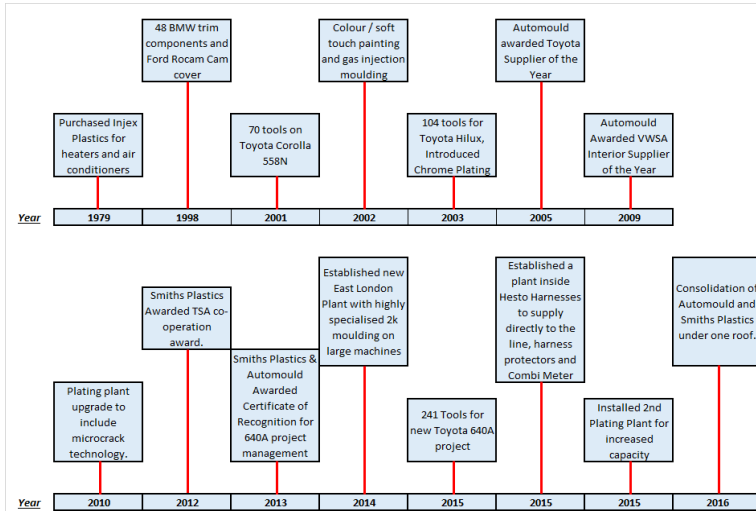
	R'000	R'000
	2016	2017
Cash Conversion Ratio(*)	94.55%	123.00%
Depreciation	23 719	23 772
Capex	16 794	9 051
Invested Capital	369 189	339 346
ROIC	22.6%	35.8%

(*) Cash Generated from Operations / PBIT

6. CAPITAL ALLOCATION REVIEW

	R'000	
Capex 2018	14 380	
<i>Major Capex Review</i>		
Land	-	
Building	5 985	
Tools & Machinery	86 201	
	Planned	Actual
ROIC	22.6%	28.9%
IRR	52.0%	

1. Company History



2. Products

	Interior Trim	Engine Compartment
	2016	2017
Cash Conversion Ratio	48%	153%
Depreciation	7,135	9,981
Capex	21,667	21,092
IC	167,852	180,084
ROIC	16.2%	9.6%
Cash Generated from Operations	14,011	37,303
PBIT	29,455	24,344

* Tumble Drier Doors,
* Frezzer Hinges,
* Swimming Pool Brushes.

3. Group Employee Information

TOTAL MALE	=	292	TOTAL FEMALE	=	86
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AFRICAN MALE	AFRICAN FEMALE	COLOURED MALE	COLOURED FEMALE	INDIAN MALE	INDIAN FEMALE	WHITE MALE	WHITE FEMALE
232	73	9	2	42	9	9	2

BBBEE SCORE = LEVEL 4

4. Customers

REGION: EASTERN CAPE			REGION: GAUTENG			REGION: KZN		
Customer	Tier 1	Tier 2	Customer	Tier 1	Tier 2	Customer	Tier 1	Tier 2
Mercedes-Benz		✓	BMW		✓	TOYOTA	✓	✓
montaplast	✓		brose	✓		SMITHS	✓	
brose	✓		MAHLE	✓		MBSL GLOBAL WSA	✓	
LEAR	✓		Ford	✓		JUYS	✓	
IAC	✓		RENAULT NISSAN	✓		DEFY	✓	
INTEVA	✓							
Karl Etzel GmbH	✓							
VW	✓	✓						
brose	✓							

5. Financial

	2016	2017
Cash Conversion ratio *	48%	153%
Depreciation (R'm)	7,135	9,981
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ROIC (R'm)	16,2%	9,6%
Cash generated from Operations	14,011	37,303
PBIT	29,455	24,344

6. Capital Allocation Review

Capex for 2018	9,939
Project - BMW G01 (X3) at East London Facility	
Land	0
Building	
Tools and Machinery	15,114
	Planned
ROIC	43%
IRR	38%

* Based on the MBSA project and Automoulds relationship with Montaplast and BROSE, Automould has secured the Water Management System and Carrier Plate business on the new model,
* Program volume is 317 548 vehicles produced from 2018 - 2024,
* Peak volume is 50 000 vehicles per year, LHD/RHD split of 40 000 & 10 000 vehicles respectively,
* SOP Timing is 1 April 2018,
* Volumes used for calculations are 10% below Metair Volumes - 317548 vs 354500 life time.

1. Company History

Oct	1957	Established as Derek Riley & Company (Pty) Ltd located in Johannesburg
Nov	1961	Name changed to Automotive Lamps and Warning Signals (Pty) Ltd known as Alaws
Jan	1962	Hella Germany's Holding Company "Reinhold Poersch GmbH" invested in Alaws
Mar	1967	Name changed to Hella SA (Pty) Ltd and relocated to Uitenhage in Eastern Cape
Mar	1989	Metairs acquires 40% shareholding in Hella SA (Pty) Ltd
Jun	1993	Metair acquires 100% shareholding in Hella SA (Pty) Ltd
Mar	2009	Name changed to Lumotech (Pty) Ltd

- Lumotech is currently the only local supplier of Automotive Lighting and 2017 was the year of Lumotech's 60th Anniversary

4. Customers

Name	Models
FORD	Ranger 
TOYOTA	Hilux & Corolla 
VW	Polo 

- Lumotech Market Share last recorded was 34,3% of Total Local Vehicles manufactured, 12,1% for Passenger Vehicles and 66,2% for LCV.

2. Products

Headlights	
Tail Lights	
Plastic Assemblies	
Street Lights & Warehouse Lights	

5. Financial

	2016	2017
Cash Conversion ratio	-%	135%
Depreciation (R'mil)	16	13
Capex (R'mil)	48	27
IC (R'mil)	151	158
ROIC (R'mil)	19,6%	24,6%

- Overall Turnover has remained the same however there is a major improvement in quality of earnings as ROIC improved by 5ppt to 24,6% in 2017.

3. Employee Information

- Lumotech currently has 525 employees.
- Lumotech's workforce is represented as follows: 23% African Male, 18% African Female, 16% Coloured Male, 25% Coloured Female & 13% White Male. Focus is being placed on transformation to balance senior occupation levels as we currently score 8.99 points in management control of 19 for the BBBEE scorecard.
- Training is a major focus having trained 407 of the 525 employees in 2017. 23.58 Points were achieved of 25 for the BBBEE scorecard.
- Lumotech also contribute to employee wellness by conducting annual medicals, access to a psychologist and we host an annual wellness week.

6. Capital Allocation Review

Capex for 2018 14.6

Project - VW270 Polo (Mouldings & Tail Lights) 57.9

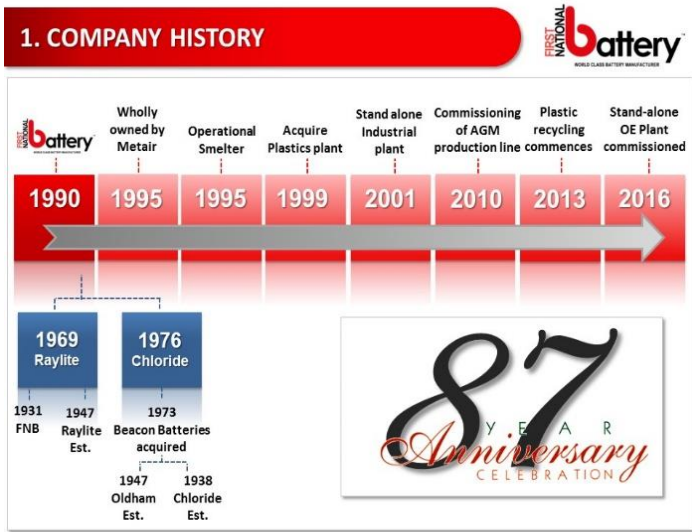
Land 0

Building 11.4

Tools & Machinery 46.6

	Planned	Actual
ROIC	24.4%	24.6%
IRR	24.5%	

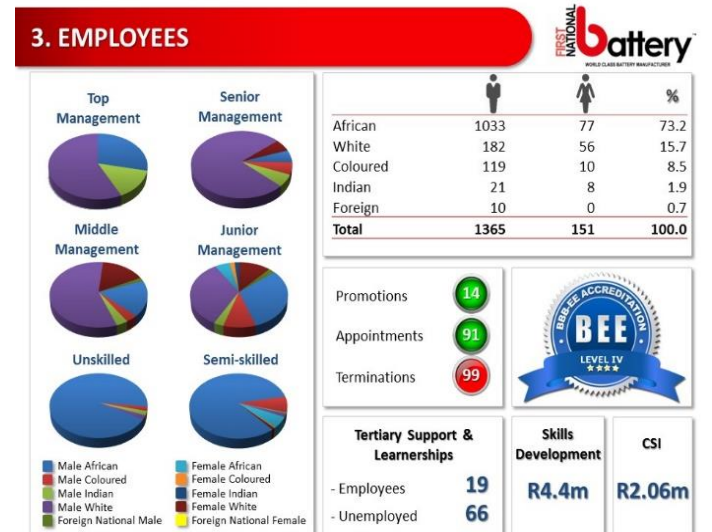
1. COMPANY HISTORY



2. PRODUCTS



3. EMPLOYEES



4. CUSTOMERS



5. FINANCIAL INFORMATION

	R'000	R'000
	2016	2017
Cash Conversion Ratio (*)	169.38%	111.74%
Depreciation	35,597	44,166
Capex	71,394	28,695
Invested Capital	863,671	901,603
ROIC	7.31%	12.11%

(*) Cash Generated from Operations/PBIT

6. CAPITAL ALLOCATION REVIEW

	R'000
CAPEX 2018	42,576
- Land & Buildings	1,205
- Plant & Machinery	32,947
- Other	8,424
ROIC	13.49%
	Budget 18
	Actual 17
	12.11%

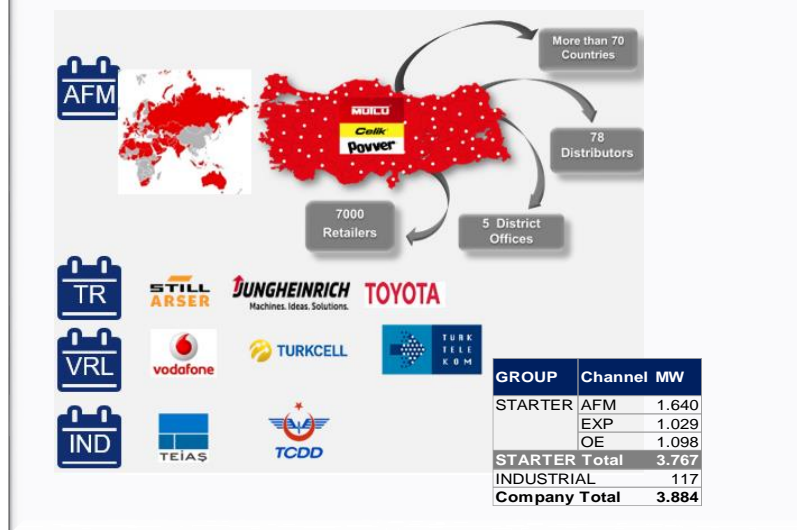
1. Company History



2. Products



3. Customers & Coverage



4. Employee Information 2017-2018



5. Financial

	2016	2017
Turnover	586.381.372	841.603.829
Cash Conversion ratio	31,4%	28,5%
Depreciation	16.559.458	19.585.939
Capex	30.725.416	14.642.178
IC	286.024.637	365.932.978
ROIC	23,0%	23,3%

1 Company History

•1980 Founded under the name of 'Acumulatorul Bistrita'

•1991 Becomes SC. Rombat SA, joint stock company state owned



•1996 Privatized - the first owners, both management and employees



•1996 Rombat becomes sole supplier for Dacia-Renault Pitesti



- 1997 Becomes leader on the Romanian After Market
- 2008 Qualified supplier for PSA Peugeot - Citroen Slovakia.
- 2009 Enters in technical relationship with First National Batteries
- 2011 Appointed as official supplier for Nissan Russia
- Appointed as official supplier for OES Motrio brand
- 2012 Acquired by Metair Investments Ltd
- 2013 Official Opening of advanced batteries facility - Plant



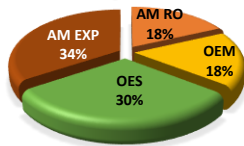
- 2015 Nomination as qualified supplier for EFB Dacia-Renault
- Nomination as supplier for Renault APV Hi-Life and Motrio brands
- Nomination as supplier for Peugeot Aftermarket
- 2017 Appointed as supplier for Ford Craiova
- Appointed as supplier for international spare parts company

2 Products

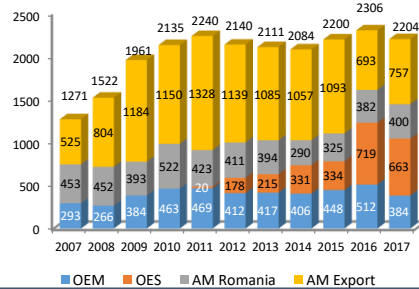


4 Customers & models

Market segmentation



Sales history



Dacia Renault Romania – since 1996- 4.509.411 pcs



Peugeot - Trnava, Slovakia – since 2008 – 774.420 pcs



Nissan Russia – since 2012 – 79.613 pcs



OES FR, RO, TR – since 2005 – 2.282.324 pcs

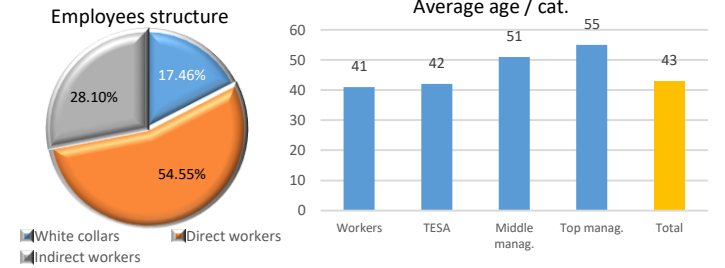


5 Financial

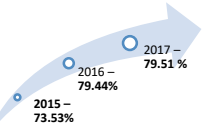
	2016	2017
Turnover Ron	350.450.695	385.599.565
Cash Conversion ratio*	201%	120%
Depreciation Ron	13.597.912	13.951.437
Capex Ron	5.735.912	2.974.867
IC Ron	222.728.177	215.811.571
ROIC	9.81%	9.64%

* Cash Generated from operations / PBIT

3 Employee information



Employees' satisfaction survey



6 Capital allocation review

Capex for 2018	3.903.000 euro	
• Upgrading manufacturing lines	3.100.000 euro	
Major Capex Review	New formation Inbatec systems C1	
Project - Project name	Tools & Machinery	
	Planned	Actual
ROIC	9.3%	8.4% (2.415.000Ron)
Narrative		

- 7 Inbatec systems : 3 truck batteries, 4 automotive batteries
 - Total capacity 6000 bat / day
 - Environmental friendly – no sulfuric acid vapors
 - The most updated formation equipment
- 16 battery testers

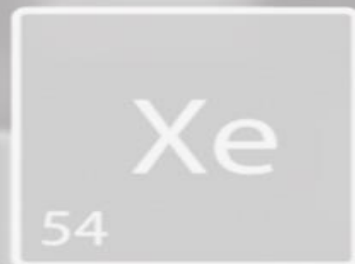


Before

After



METAIR CAPITAL ALLOCATION PERFORMANCE REVIEW



METAIR CAPITAL ALLOCATION PERFORMANCE REVIEW

ROMBAT

ROMBAT



2012

In country	LEI ('m)	ZAR ('m)
Revenue	243	576
EBIT	22	53
EBITDA	27	57
Volumes		2.1
ROIC %		8.1%
PBIT %		9.1%



2017

LEI ('m)	ZAR ('m)	MVT
385	1 271	58%/121%
25	82	14%/55%
39	128	44%/125%
	2.3	0.2
	9.6%	1.5ppt
	6.5%	(2.6ppt)

Acquisition Metrics

- EBITDA multiples 7.9
- Exchange rate LEI/ZAR: 2.38
- Acquisition price: ZAR 449.8m

Acquisition Performance

- ROIC 15.3%
- Headline earnings contribution R66m

Comments:

- RON:ZAR moved from 2.38 to 3.30, a 39% improvement in translation

MUTLU



2012

In country	TRY ('m)	ZAR ('m)
Revenue	430	1 978
EBIT	53	242
EBITDA	68	308
Volumes (auto)		3.6
ROIC %		14.2%
PBIT %		12.3%



2017

TRY ('m)	ZAR ('m)	MVT
841	3 077	96%/56%
99	362	87%/50%
119	434	75%/41%
	4.1	0.5
	22.3%	8.1ppt
	11.8%	(0.5ppt)

Acquisition Metrics

- EV/EBITDA multiples: 8.0x
- Exchange rate ZAR/USD: 10.07
- Acquisition price: ZAR 2 890.7m

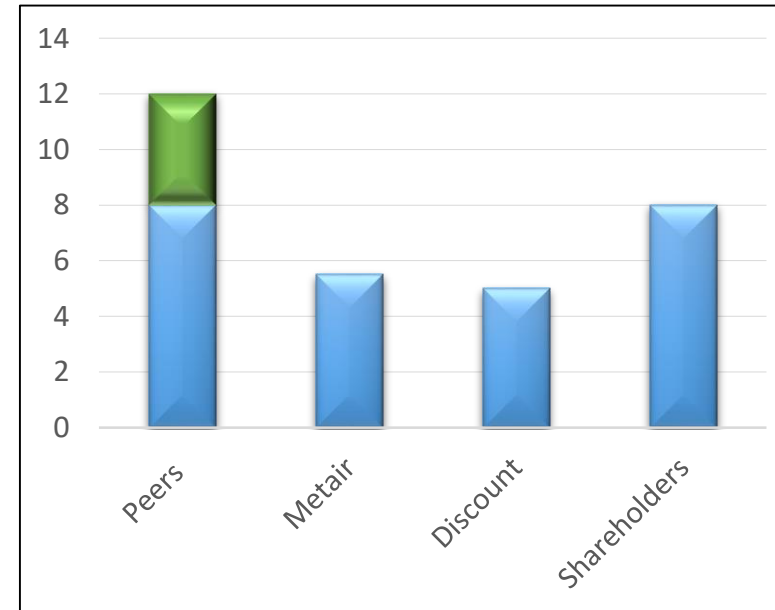
Acquisition Performance

- ROIC: 10%
- Headline earnings contribution: 342cps

Comments:

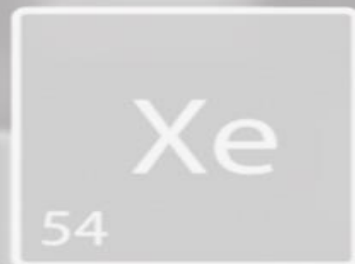
- Mutlu export volumes to Russia reduced by 50% due to Ruble devaluation
- TRY:ZAR moved from 5.16 to 3.7 in FY17, a 28% decline from Dec 2013
- Despite the currency impact, investment performance overall has been accretive

- Market multiple - 1st Guide
- Metair multiple - 2nd Guide
- IPO basis - 3rd Guide
- Discount leverage
 - Technology
 - Approach
 - Strategic investor





BRIEF STRATEGIC REVIEW



To generate value for all stakeholders by managing and controlling business in the mobility and energy sectors that deliver quality and cost competitive products through manufacturing, marketing and logistical excellence where technology driven innovation is key.



- First 3 X 5 strategy
- 2005 - 2010
- R5 billion turnover
- R500 million PBIT

DELIVERED



- Second 3 X 5 strategy
- 2011 - 2014
- 50% Aftermarket
- 50% OE
- 50% Batteries

DELIVERED



- Third 3 X 5 strategy
- 2 Stage process
- 5 Continents
- 50 Million batteries
- In 5 years

Two distinct business verticals established

Energy Storage

Automotive
Components

- Energy Vertical takes strategic dominance
- Foundation laid to build on



- First 3 X 5 strategy
- 2005 - 2010
- R5 billion turnover
- R500 million PBIT



- 2,5 Giga Watt_hrs

Delivered



- Second 3 X 5 strategy
- 2011 - 2014
- 50% Aftermarket
- 50% OE
- 50% Batteries



- 7,5 Giga Watt_hrs

Delivered



- Third 3 X 5 strategy
- 2 Stage process
- 5 Continents
- 50 Million batteries
- In 5 years

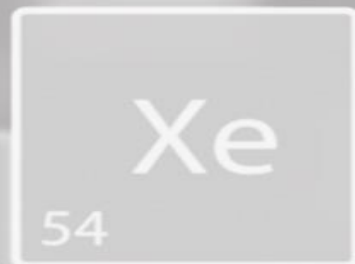


- Step 1 20 Giga Watt_hrs
- Step 2 35 Giga Watt_hrs

In Progress



FINANCIAL OVERVIEW



Metair

- ✓ Continue to drive returns on invested capital
- ✓ Focus on share price: site visit to Mutlu, increased disclosure by region, shareholder communication
- ✓ Capital allocation strategy, meeting and exceeding return targets

Automotive components

- ✓ Improve and correct Automotive Components Vertical performance
- ✓ Ensure Hesto (wiring harnesses) returns to profitability

Energy Storage

- ✓ Improve and correct FNB's performance within SA
- ✓ Improve access to German OEM's and market
- ✓ Adjust to new exchange rate position in Turkey
- ✓ Manage impact of commodity price fluctuations

Metair

- ✓ >20% HEPS improvement from 229cps in FY16 to 281cps in FY17
- ✓ Considering currency translation impact (TRY/ZAR down 25%), pleasing group PBIT of R848m, 14% up overall and 6% up in Energy Storage
- ✓ Operating margin up 0.7ppt to 8.9% from 8.2% as Auto Components achieved 10,0%
- ✓ Net cash position affected by higher working capital investment in Energy Storage due to increased commodity prices
- ✓ Capital restricted to Germany investment (MOLL) and operational capital limited to strict return requirements
- ✓ Group PAT increase of 20% to R588m mainly as a result of Auto Components improvement, incl. Hesto
- ✓ Balance sheet remains strong, net D:E ratio of 44%
- ✓ Dividend of 70cps declared and paid (2016: 70cps)
- ✓ Dividend of 80cps declared
- ✓ Continue to drive returns on invested capital to 12.3% (target is minimum of 11%) from 9.2% in 2016, a 3.1ppt improvement

Automotive components

- ✓ Improved and corrected vertical performance, PBIT % increase to 10.0% from 6.0%, above market guidance of 7 - 9%
- ✓ One-off items include c. R20m operational forex gains in 1H17 and GM exit settlements of c. R10m
- ✓ Auto production down by 8k units from 2016 due to model changes, but stronger than expected
- ✓ Metair's two major customers production up 16k units from FY16, mainly on exports and good market positioning
- ✓ Hesto improved from PBIT **(R12m)** loss in FY16 to **R99m** PBIT in FY17 as the business settled post FY16 launch of Hilux
- ✓ All other businesses continued to improve efficiencies

Energy Storage

- ✓ Operating profit improved 6% to R592m
- ✓ Currency impact was negative 25% on TRY/ZAR translation, but Lira profits grew by 25% due to volumes
- ✓ Managed to offset much of the ZAR appreciation with strong local currency performance
- ✓ FNB's PBIT improved from **R88m** to **R152m** and PBIT margins improved to 8.2%
- ✓ Elimination of non-recurring cost of OEM and AFM factory separation from FY16 and price increases corrected margins, albeit at the expense of some marginal volumes
- ✓ Lead prices increased c.20-25%, requiring additional working capital investment, reducing cash generation
- ✓ Price recoveries from market delayed during the commodity up-cycle. Despite this, PBIT margins remained stable at 9.5%

FINANCIAL HIGHLIGHTS

INCOME STATEMENT

1. Revenue up 6% due to good volume growth. Recoveries from FNB and Hesto (after difficult FY16) contributed significantly to the increase in EBITDA and PBIT. As a result, operating margins improved to 8.9% despite high commodity prices

Item	Dec 16 R'million	Dec 17 R'million	Mvt.
Revenue	8 954	9 517	6%
EBITDA (incl. share of assoc.)	1 034	1 216	18%
Operating profit	731	848	15,9%
Operating profit margin	8,2%	8,9%	1,7ppt
Profit after tax / effective tax rate	468 / 22,8%	588 / 24,3%	26% / 1,5ppt
ROA	9,8%	12,9%	3,1ppt
ROE	10,2%	14,0%	3,8ppt
ROIC	9.2%	12,3%	3,1ppt

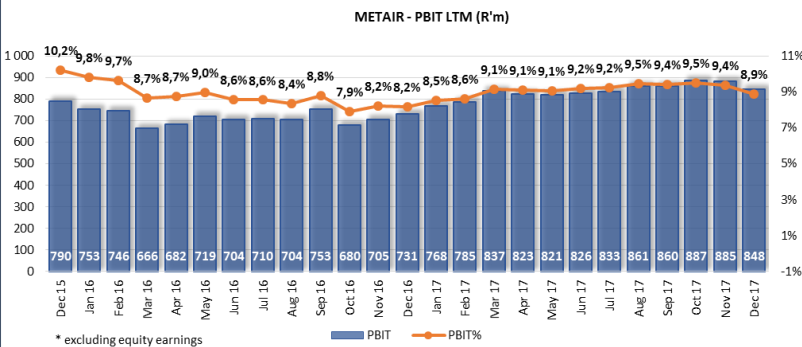
2. ROA, ROE and ROIC improved after major capital investments over the past 3-4 years. Effective tax rate of 24.3% may be impacted by increase in Turkish corporate tax rates. Increases by 2% for the next 3 years, then returning to 20%

Item	Dec 16 R'million	Dec 17 R'million	Mvt.
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Operating profit	731	848	15,9%
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Profit after tax / effective tax rate	468 / 22,8%	588 / 24,3%	26% / 1,5ppt
ROA	9,8%	12,9%	3,1ppt
ROE	10,2%	14,0%	3,8ppt
ROIC	9.2%	12,3%	3,1ppt

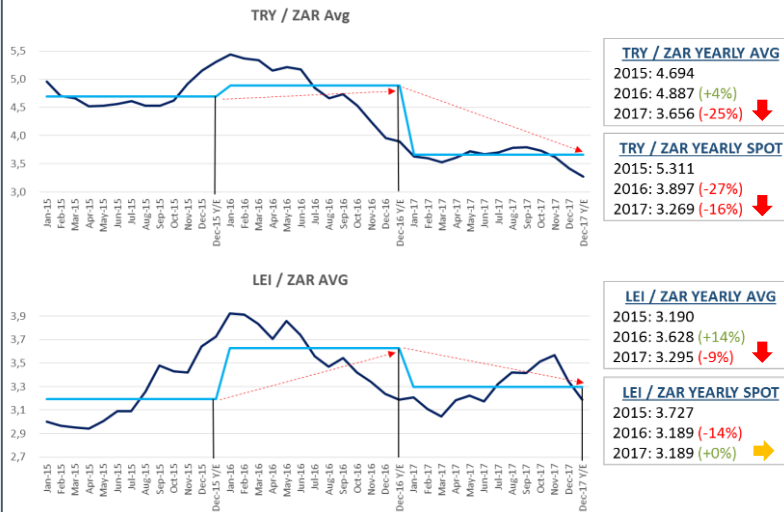
3. EPS and HEPS up 23% and 25% respectively, while net-debt improved to R1.2bn. Dividend of 80cps declared

Item	Dec 16 R'million	Dec 17 R'million	Mvt.
Attributable profit	448	556	24%
Earnings per share	227	281	24%
Weighted avg. number of shares	197 784	197 987	0%
Headline earnings per share	229	281	23%
Net debt	(1 281)	(1 204)	6%
Dividend per share declared (gross of WHT)	70	80	14%

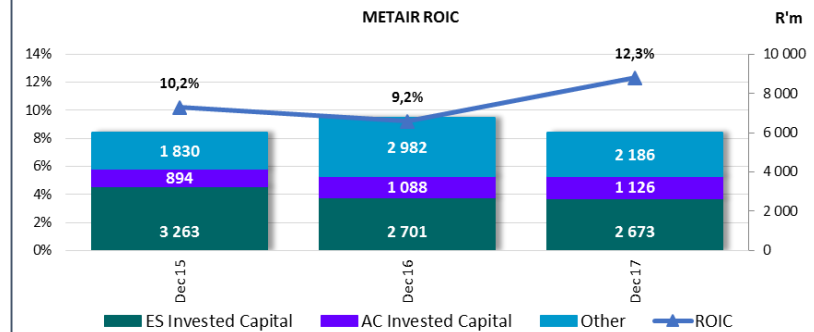
4. Group consolidated PBIT shows stabilising trend, strong recovery in Auto Components supported by stable Energy Storage margins



5. Strong ZAR impacted translation of foreign profits



6. ROIC & invested capital trends keep improving, in line with our strategy for capital allocations



FINANCIAL HIGHLIGHTS

BALANCE SHEET

1. Balance sheet remained quite stable, with the exception of currency translation impact, other non-current assets increased due to the MOLL investment

Item	Dec 16 R'million	Dec 17 R'million
Non-current assets	4 250	4 033
Property, plant and equipment	2 857	2 606
Intangible assets	1 001	835
Other non-current assets	392	592
Current assets	3 781	4 071
Inventory	1 609	1 698
Trade and other receivables	1 395	1 670
Cash and cash equivalents	744	671
Other current assets	33	32
Total assets	8 031	8 104

2. Equity stable, with earnings offset by R444m FCTR mvt

Item	Dec 16 R'million	Dec 17 R'million
Total equity	4 180	4 196
Non-current liabilities	1 608	1 754
Borrowings	987	1 149
Post employment benefits	89	79
Deferred taxation	336	298
Deferred grant income	148	175
Provision for liabilities and charges	48	53
Current liabilities	2 243	2 154
Trade and other payables	1 065	1 236
Borrowings	911	653
Provision for liabilities and charges	108	136
Bank overdrafts	127	73
Other current liabilities	32	56
Total liabilities	3 851	3 908

3. Debt and capital structure remains stable while debt ratios improve

Item	2013	2014	2015	2016	2017
Debt* : Equity	33%	42%	40%	47%	44%
Net debt** : Equity	22%	31%	29%	31%	30%

Item	2013	2014	2015	2016	2017
Net debt**	795,3	1 267,4	1 398,3	1 280,6	1 204,2
Net debt** : EBITDA	1,09	1,09	1,28	1,24	0,99

- ✓ Over time our target remains c.25% D:E
- ✓ May fluctuate short-term during redesign phase
- ✓ Our debt levels not to exceed 2 or 2.5 X EBITDA

- * Interest bearing borrowings
- ** Includes overdrafts and cash equivalents

4. Working capital relatively stable in days but additional investment in ES - sales growth and commodity prices

Item	Dec 16 R'million	Dec 17 R'million
Inventory	1 609	1 698
Trade and other receivables	1 395	1 670
Trade and other payables	(1 065)	(1 236)
Total working capital	1 939	2 132

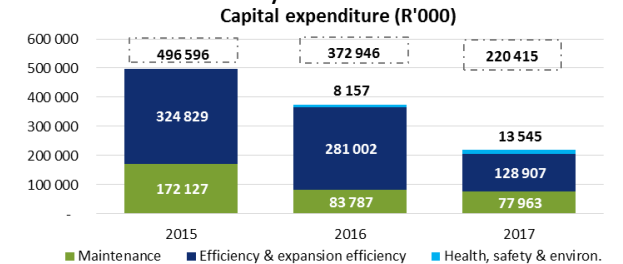
Days	Dec 16	Dec 17
Inventory	65	65
Trade and other receivables	57	64
Trade and other payables	(43)	(47)
Total days	79	82

All days calculations based on turnover

5. Long-term debt structure now includes an additional RCF facility secured in FY18

Funding analysis and debt repayment for 2017				
	R'million	Dec 16	Dec 17	Maturity
Total preference share	1 400	840	2 019	
<i>Effective rate (69% prime)</i>				
Existing RCF	750	750	2 019	
<i>Utilised</i>	(371)	(667)		
<i>Effective rate (JIBAR + 205bps)</i>				
New RCF		525	2 023	
<i>Utilised</i>				
<i>Effective rate (JIBAR + 235bps)</i>				

6. Efficiency and expansion capex focused on smaller investments that are likely to meet Metair return metrics



Capital Commitments				
Sector (R'000)	Maintenance	Expansion Efficiency	Health, safety & environmental	Total
Energy storage	92 366	132 272	53 758	278 396
Automotive components	34 813	30 546	5 718	71 077
Total	127 179	162 818	59 476	349 473

ENERGY STORAGE at a glance

REVENUE



6.3%

R6.2 BILLION

59% Contribution

Auto battery units in '000 s	YTD 16 Actual	YTD 17 Actual	Var (units)
Mutlu	3 672	4 043	371 ↑
Rombat	2 304	2 205	(99) ↓
FNB	1 860	1 780	(80) ↓
TOTAL	7 836	8 027	192 ↑

Focus on quality of volumes at FNB and Rombat resulted in a loss of marginal and/or loss making products, customers and contracts

OPERATING PROFIT



6.0%

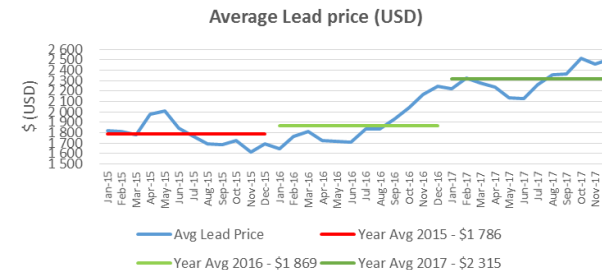
R592 MILLION

58% Contribution

- FNB's performance: PBIT improved from **R88m** to **R152m** as price corrections in AM and Industrial segments improved (or rather corrected) margins at the expense of some volumes
- Managed to offset much of the TRY devaluation with strong local currency performance. Currency impact was negative 25% on TRY/ZAR translation, but local currency profits grew by 25% due to volumes
- Managed impact of short term commodity price increases: Lead prices increased c.20-25%, which requires additional working capital investment, reduces cash generation and price recoveries from market delayed. Despite this, PBIT margins remained stable at 9.5%

LOCAL CURRENCY OPERATING PROFIT

Mutlu	25,3%	↑
Rombat	-4,9%	↓
FNB	73,0%	↑



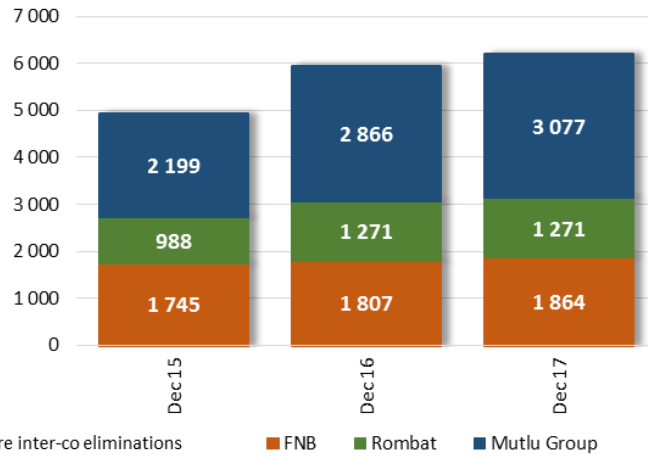
PBIT MARGIN: 9.5% (consistent with the PY)

ROIC : 15.7% (↑ 1.6ppt from the PY)

ENERGY STORAGE RESULTS

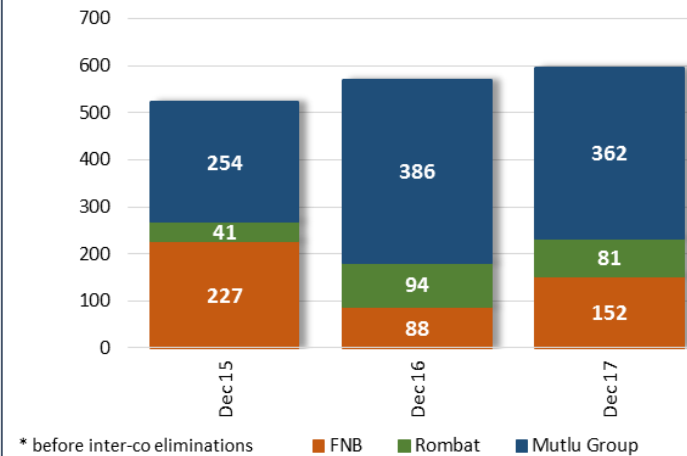
1. Mutlu contributed > 49% of total vertical revenue

GEOGRAPHICAL - REVENUE (R'm)



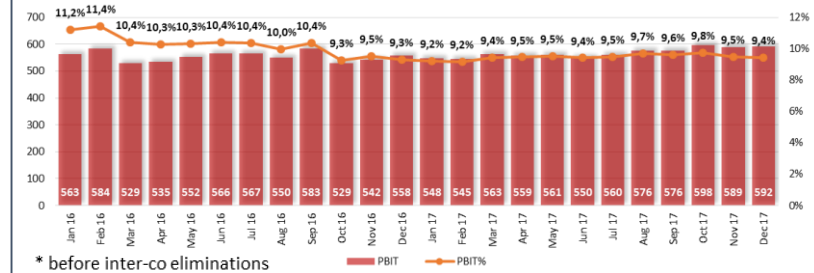
2. Mutlu contributed > 60% of vertical PBIT

GEOGRAPHICAL - PBIT (R'm)



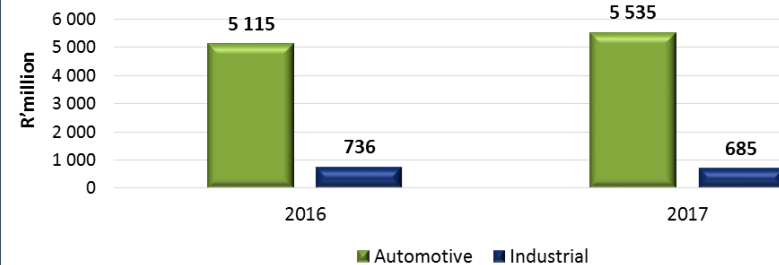
3. Energy storage vertical PBIT largely flat over the past 18 months despite TRY currency depreciation against the ZAR, much higher lead input cost and margin loss at FNB in 2016

ENERGY STORAGE - PBIT (LTM) (R'm)



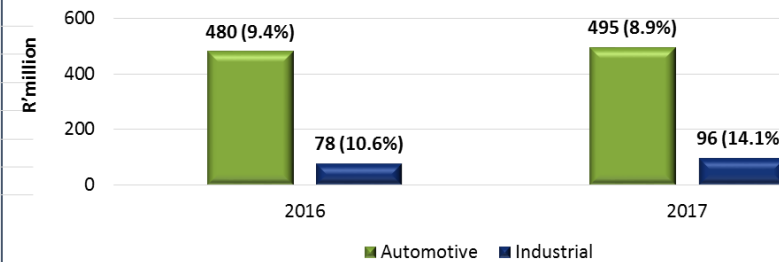
4. Increased auto revenue driven by higher Mutlu volumes and in particular Turkish OEM growth. FNB price corrections impacted on volumes

ES Revenue



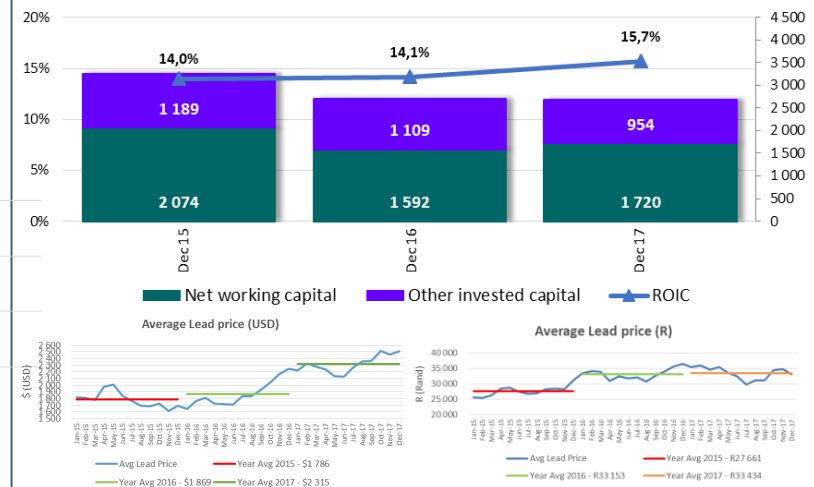
5. Higher OEM content mix and higher lead prices had a dilutive impact on auto margins. Industrial margins increased on targeted price corrections

ES PBIT



6. ROIC & LME prices

ENERGY STORAGE ROIC



AUTOMOTIVE COMPONENTS at a glance

REVENUE



5.2%

R4.4 BILLION

41% Contribution

OEM	YTD 16 Actual	YTD 17 Actual	Var (units)
MBSA	116 783	118 277	1 494 ↑
FMCSA	86 496	93 817	7 321 ↑
VWSA	120 799	108 156	(12 643) ↓
TSAM	122 115	128 578	6 463 ↑
BMW	63 473	53 337	(10 136) ↓
NISSAN	28 844	31 712	2 868 ↑
OTHER	33 139	29 980	(3 159) ↓
TOTAL	571 649	563 857	(7 792) ↓

Market production volumes



1.4% (7.8k units)

Metair significant customer volumes



0.6% (2.6k units)

OPERATING PROFIT



76.9%

R437 MILLION

42% Contribution

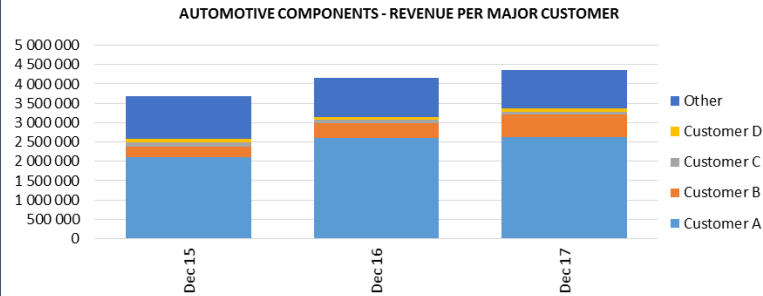
- Improved and corrected vertical performance, PBIT % increase to 10.0% from 6.0%, above market guidance of 7 - 9%
- One-off items include c. R20m operational forex gains in the first six months of FY17, as well as GM exit settlements of c. R10m
- Total automotive production in SA down by 14k units from 2016, but much stronger than expected. Ford and TSAM production up 16k units from FY16, mainly on export volumes
- Ensured Hesto returns to profitability: Hesto improved from PBIT (R12m) loss in FY16 to R99m PBIT in FY17 as the business settled post FY16 launch of new Hilux

PBIT MARGIN: 10.0% (↑4ppt from the PY)

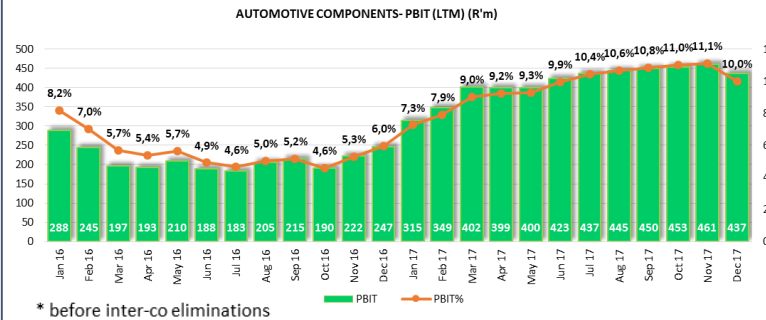
ROIC : 28.5% (↑12.3ppt from the PY)

AUTOMOTIVE COMPONENTS

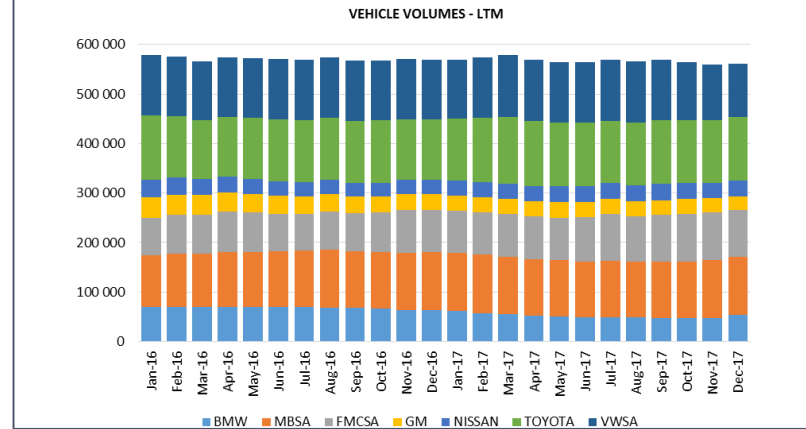
1. Direct revenue by major OEM customers shows improving trend of growing our customer base



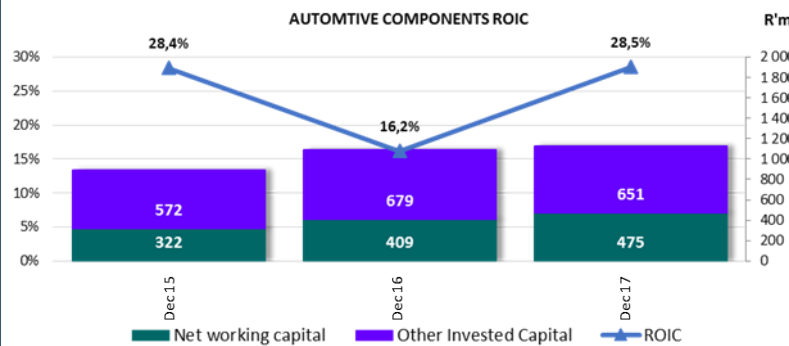
2. Auto Components vertical PBIT & margin of 10% shows a strong recovery after model launch first half of 2017



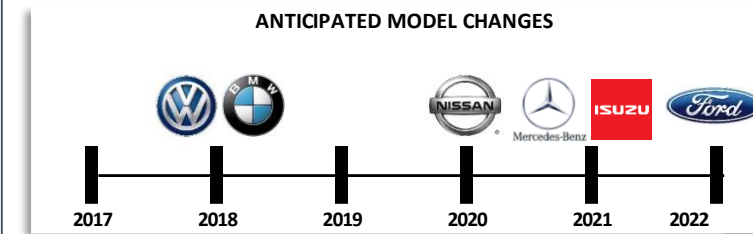
3. SA vehicle production volumes (NAAMSA) remains largely flat, with lower domestic sales offset by record exports. We think there is opportunity to grow to 650k – 700k units in the medium term



4. ROIC has recovered to pre-model launch levels. Working capital investment relatively low compared to Energy Storage



5. Anticipated model changes in the next 5 years do not include our major customer

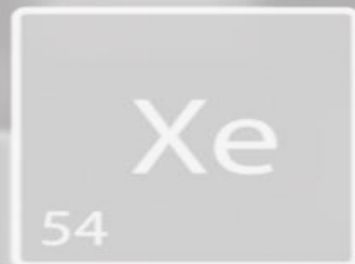


6. 2020 APDP review

- ✓ The new APDP automotive production support program likely to be announced in Q2 2018
- ✓ More focused on BBBEE levels, good for Metair as Metair and most of its subsidiaries are level 4 or better
- ✓ Increased focus on local content, which benefits SA industry
- ✓ We think at this point the APDP support (from a OEM perspective) may be slightly less if the OEMs don't increase local content and improve BEE scores



PROSPECTS



Components Vertical

- *Short-term*
 - *Stable*
 - *Major customers positive volume outlook*
- *Medium to long term*
 - *Metair outlook changed to positive*
 - *Several customers looking at volume up scenarios*
- *Dependent on SA economy and APDP review*

Capital Allocation

- *Stricter operational allocation*
- *Improve performance measurement*
- *Maintain targeted acquisition discount*
- *Improve on 3-year earnings normalisation*
- *Maintain 28% ROIC in Components Vertical*
- *Achieve 15.6% ROIC in Energy Vertical*
- *Achieve group 12.6% ROIC*

Energy Vertical

- *Short-term*
 - *SA positive outlook*
 - *Turkey stable / challenged outlook*
 - *Romania positive outlook*
- *Medium to long term*
 - *Positive outlook*
 - *Investigating bulking up opportunities*
- *Depending on Geopolitical stability in Turkey*

Efficiency Improvement

- *Target 1-2% annual improvement*
- *Improve energy efficiency by 1-2%*
- *Improve water usage by 5%*
- *Real time OEE measurements*
- *Reduce waste by 5%*

Market Valuation

- *Improved disclosure*
- *Improved communication*
- *Improved shareholder awareness*
- *Share buy back program*
- *Refine business design*
- *Board composition*

Cost Cutting Focus

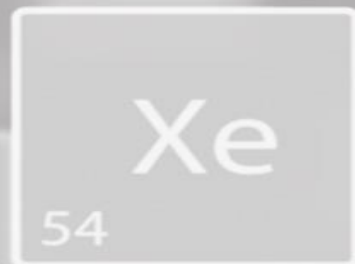
- *Set internal inflation targets*
- *Keep internal inflation below country inflation*
- *Achieve savings on budgeted costs*
- *Redesign where necessary*
- *Reduce material usage*
- *Cost is like nails – needs constant cutting*

Q & A

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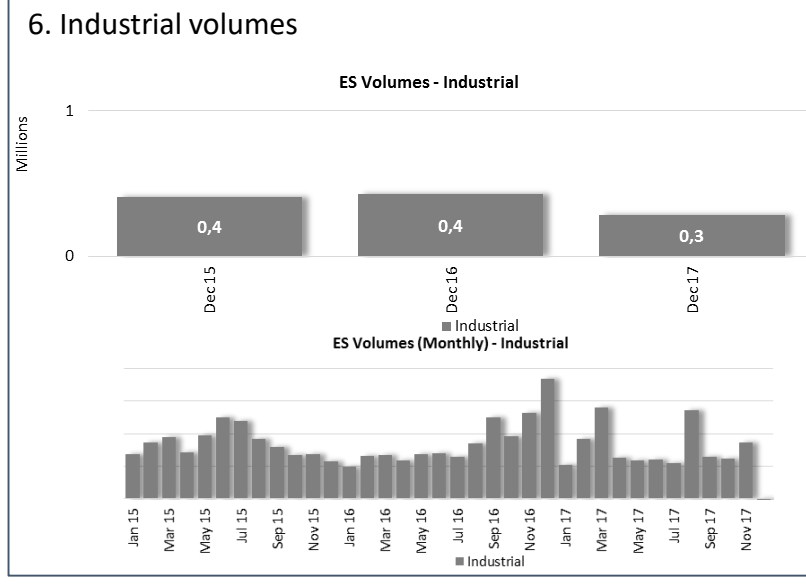
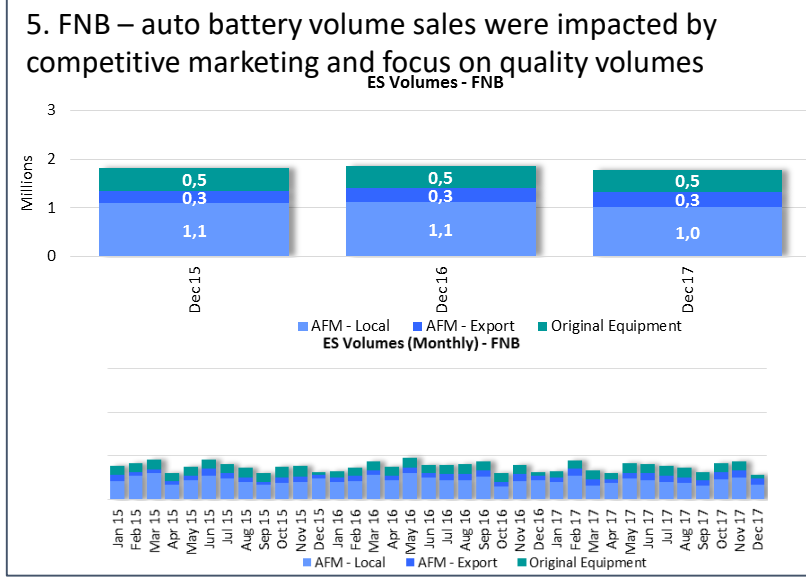
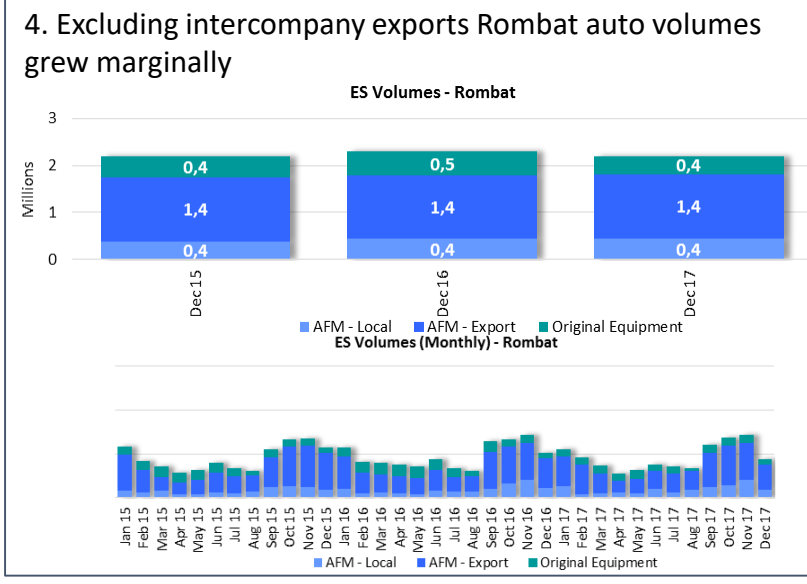
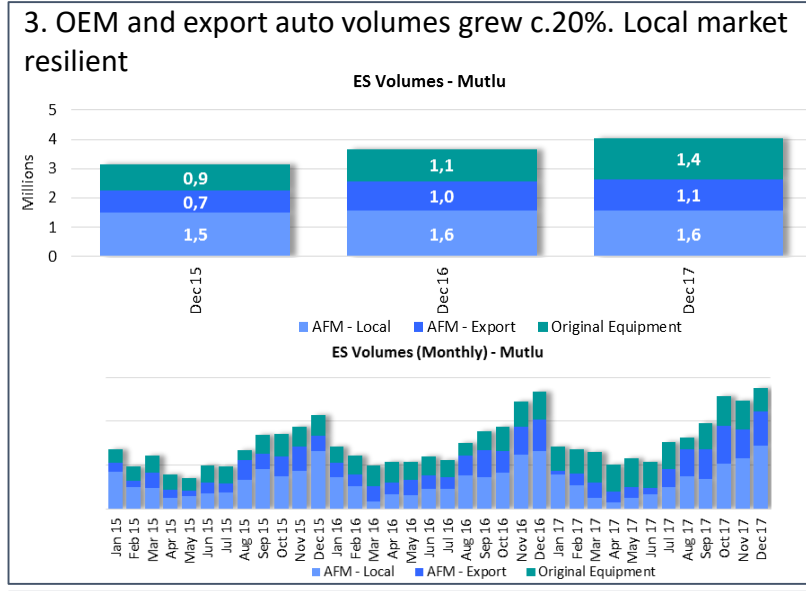
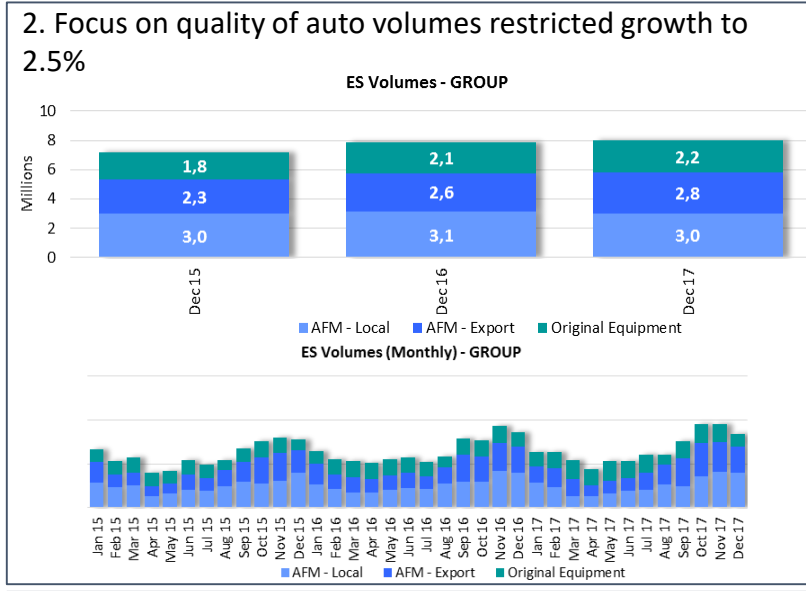
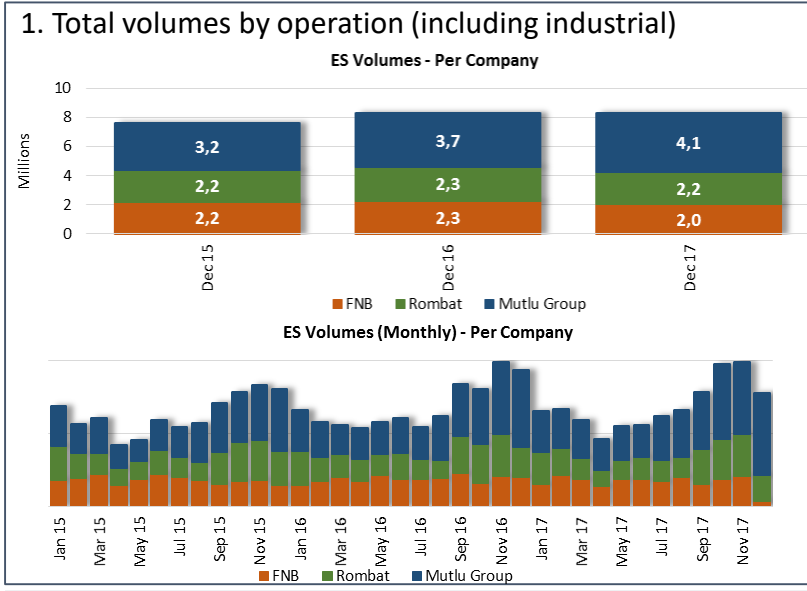


SUPPLEMENTARY INFORMATION



ENERGY STORAGE VOLUMES

(* ROUNDED)



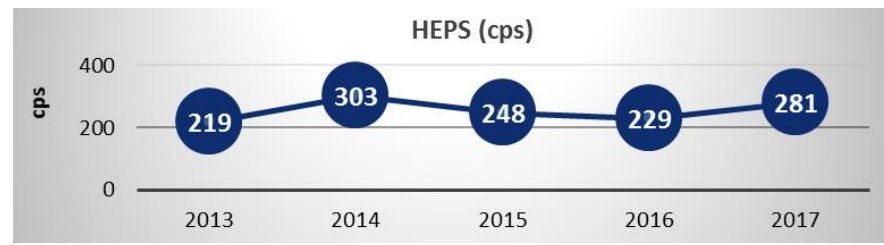
FINANCIAL HIGHLIGHTS

METAIR'S RECENT HISTORY HAS BEEN INFLUENCED BY A NUMBER OF SPECIFIC EVENTS WHICH ARE UNLIKELY TO RECUR, EXCEPT FOR METAIR'S EXPOSURE TO FOREIGN CURRENCY EARNINGS (48% OF SEGMENTAL PBIT IN 2017)

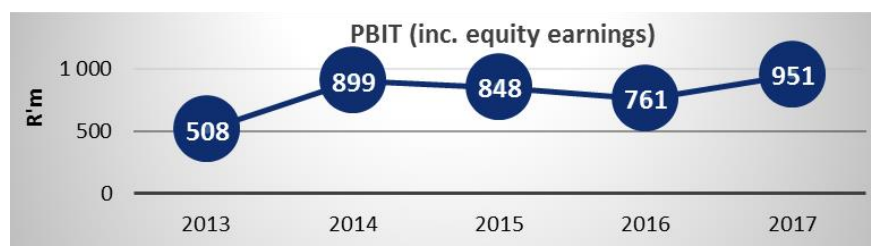
Revenue
R9.5 bn



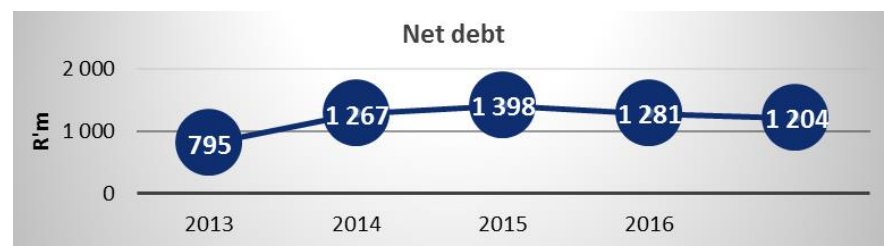
HEPS
281 cps



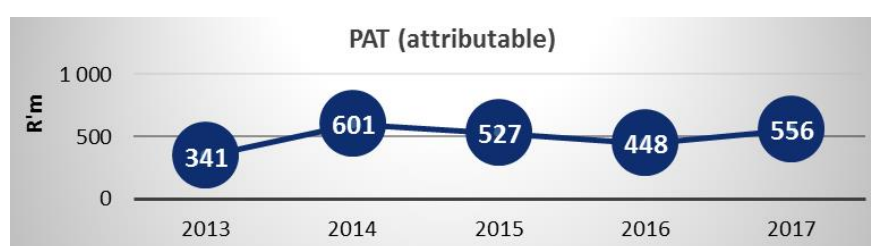
PBIT
R951 m



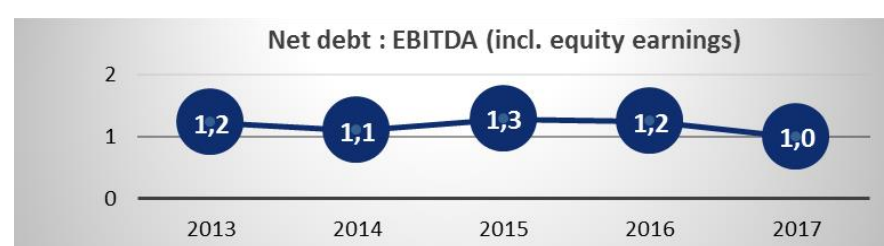
Net debt
R1.2 bn



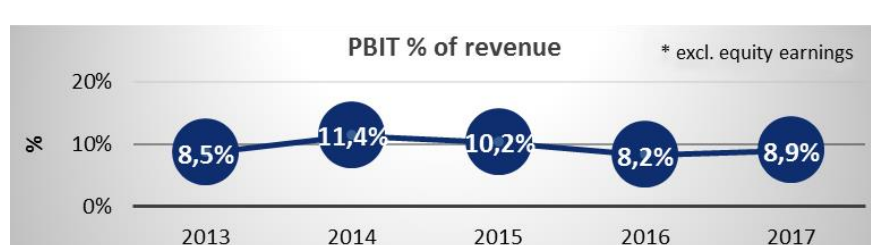
Attribut. PAT
R556 m



Net Debt: EBITDA
1.0



PBIT %
8.9%



Free cash flow
R464 m



FINANCIAL HIGHLIGHTS

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2013

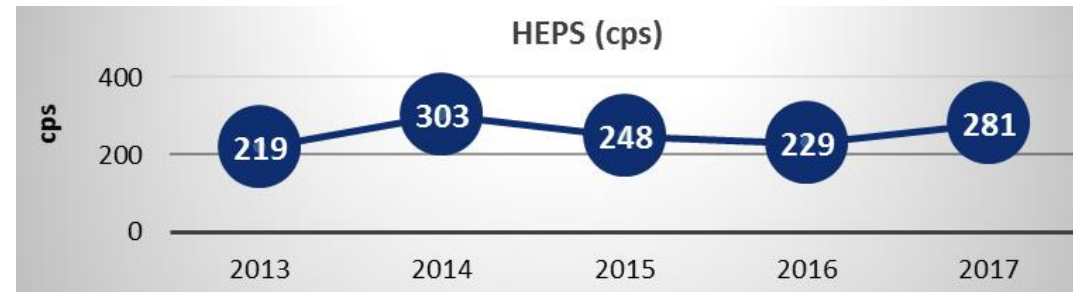
- Acquisition of Mutlu
- Transaction costs

2015

- Mutlu export to CIS countries impacted by weakening currencies due to lower oil price
- Increased R&D expenditure
- Rombat loss of recycling profit (lead price avg \$1786/t)
- Model launch preparation SA

2017

- Recovery in auto margins to 9.9%
- TRY/ZAR conversion impact c.R97m loss in operational earnings, mainly due to strong ZAR
- Compensated by strong operating performance gain of R73m at Mutlu



2014

- Strong results from Mutlu, R346m PBIT
- Normal AC year pre model change

2016

- Model launch major customer, margins dropped to 6% from 9.5%
- FNB competitive position and factory move, impacted margins by 7-8%

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