



**Order intake far higher than in previous year,
Sales revenue higher than previous year,
Operating profit up significantly on previous year**

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RENK Group		
In € million	2020 H1	2019 H1
Order intake	387	238
Sales revenue	246	215
Order backlog ¹⁾	958	821
Headcount (no.) ¹⁾	2,573	2,569
Operating profit	19	4
Operating return on sales (%)	7.9	1.6

1) As of June 30, 2020, as against December 31, 2019.

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Order intake far higher than in previous year

The RENK Group generated an order intake of € 387 million in the first six months of 2020 (previous year: € 238 million). Growth was driven by Special Gear Units and Vehicle Transmissions. Slide Bearings maintained its 2019 level, whereas Standard Gear Units declined slightly year over year.

Sales revenue higher than previous year

At € 246 million, RENK's sales revenue in the first half of 2020 was € 31 million higher than the previous year figure of € 215 million. Special Gear Units, in particular, saw its sales revenue recover considerably against the previous year, with Vehicle Transmissions also reporting an increase in sales revenue.

Order backlog

As of June 30, 2020, RENK had an order backlog of € 958 million (December 31, 2019: € 821 million).

Operating profit up significantly on previous year

At € 19 million, operating profit for the first half of 2020 was far better than in the comparative period in 2019 (€ 4 million). The Vehicle Transmissions and Slide Bearings businesses achieved gains. The negative impact that Special Gear Units had on profit in the previous year declined considerably in the first half of 2020. As expected, profit in the Standard Gear Units business remained below that of the previous year. RENK therefore generated an operating return on sales of 7.9% in the 2020 reporting period (previous year: 1.6%).

Increased headcount

The RENK Group employed 2,573 people as of June 30, 2020, after 2,569 as of December 31, 2019. This includes 63 subcontracted employees (December 31, 2019: 68).

Research and development

At € 7 million, spending on internally financed research and development projects was stable year over year in the first six months of 2020 (€ 7 million).

Capital expenditures

RENK invested a total of € 16 million in intangible assets and property, plant and equipment in the period until June 30, 2020 (previous year: € 13 million). Capital expenditure again focused on the Augsburg site.

Outlook

While the COVID-19 pandemic did not take such a severe toll on RENK in the first half of the year as it did on many other companies, the consequences will nonetheless negatively affect key performance indicators for 2020. Provided that the situation does not continue to deteriorate in the second half of the year and in fact improves somewhat (e.g. because more travel is able to resume), management anticipates the following for 2020 as a whole: as expected at the start of the year, the order intake should be far higher than in the previous year. Sales revenue, by contrast, will remain more or less on par with the previous year on account of the current restrictions. In light of this, operating profit/loss and the operating return on sales will remain slightly below the previous year figures.

RENK Group – At a glance

In € million	2020 H1	2019 H1	Change (%)
Order intake	387	238	+62.5
Sales revenue	246	215	+14.6
Order backlog¹⁾	958	821	+16.7
Headcount¹⁾	2,573	2,569	+0.2

In € million	2020 H1	2019 H1	Change in € million
Operating profit	19	4	+15
Profit before taxes	19	4	+15
Profit after tax	13	3	+10
Earnings per share in €	1.95	0.39	–
Operating return on sales in %	7.9	1.6	–
Capital expenditures²⁾	16	13	+3
Depreciation and amortization on non-current assets	12	10	+2
Internally financed R&D expenditures	7	7	–
Cash flows from operating activities	44	-4	+48
Cash flows from investing activities	-16	-55	+39
Net cash flow	28	-59	+87
Net liquidity¹⁾	110	96	+14
Total equity¹⁾	476	484	-8

1) As of June 30, 2020, as against December 31, 2019

2) For property, plant and equipment and intangible assets

RENK Aktiengesellschaft**The Executive Board**