



TI Fluid Systems plc

Q3 2019 Trading Update

TI Fluid Systems plc, a leading global manufacturer of highly engineered automotive fluid storage, carrying and delivery systems for light vehicles issues a trading update for the third quarter and nine months ended 30 September 2019.

Q3 Trading

Despite the softer global light vehicle production market background, Group revenue for the third quarter increased 0.9% year over year at reported rates and decreased 1.0% at constant currency. This represented a solid outperformance of global light vehicle production in the third quarter of 2.2%.

By region, on a constant currency basis, Europe and Africa revenue increased 2.8% and Asia Pacific revenue was flat year over year. The rate of decline in North America reduced to 7.7% from 8.1% in the first half but continued to be impacted by mix and last year’s strong comparable period.

By division, FCS revenue declined 4.8%, for the quarter and showed a solid improvement against the first half of the year. FTDS revenue increased 4.4% in the quarter, benefitting from business launches including tooling revenue.

Nine months ended 30 September 2019

The Group achieved revenue of €2,516.6 million in the nine months ended September 2019, despite a 5.9% decline in global light vehicle production. On a constant currency basis, revenue decreased 3.9% period over period and outperformed global light vehicle production by 2.0%.

€m	9 months ended September 2018	9 months ended September 2019	% Change	% Change at constant currency
Group Revenue	2,568.9	2,516.6	-2.0%	-3.9%
By Region				
Europe and Africa	1,037.6	1,016.6	-2.0%	-2.0%
Asia Pacific	751.5	737.0	-1.9%	-3.2%
North America	724.4	708.6	-2.2%	-8.0%
Latin America	55.4	54.4	-1.9%	+5.1%
By Segment				
Fluid Carrying Systems (“FCS”)	1,520.2	1,428.0	-6.1%	-8.0%
Fuel Tank and Delivery Systems (“FTDS”)	1,048.7	1,088.6	+3.8%	+2.0%

Source: IHS Markit, October 2019 and company estimates

Revenue by Region

In Europe and Africa, revenue decreased 2.0% at constant currency and outperformed light vehicle production volume in that region by 4.5%, primarily driven by strong tooling revenue in FTDS in advance of expected new business launches.

Asia Pacific revenue decreased 3.2% at constant currency and outperformed light vehicle production volume in that region by 3.8%. Outperformance was primarily through continued new business success with our fuel tanks in FTDS particularly in China where the Group is benefiting from the automotive megatrends of reduced evaporative emissions and fuel efficiency.

In North America, revenue decreased 8.0% at constant currency or 5.8% below light vehicle production volume in that region. Revenue was impacted by lower launch activity in North America compared with the prior period as well as mix with the Group's lower exposure to SUVs/ light truck programmes in this region.

Revenue by Segment

FCS revenue decreased 8.0% at constant currency and was impacted by the lower production in China and mix in North America.

FTDS revenue grew 2.0% at constant currency. We continued to benefit from new business wins in Asia Pacific, as well as increased tooling revenue in Europe.

Outlook

The 2019 outlook for the Group provided in the half-year results announcement on 8 August 2019 remains unchanged.

Trading update call

TI Fluid Systems plc is holding a call for analysts and investors at 09:00am UK time today.

Conference Call Dial-In Details:

UK: +44 (0)330 336 9105

Conference Code: 5921166

The audio recording will be available on www.tifluidsystems.com later today

Enquiries

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Cautionary Statement

This announcement contains certain forward-looking statements with respect to the financial condition, results of operations and business of TI Fluid Systems plc (the "Company"). The words "believe", "expect", "anticipate", "intend", "estimate", "forecast", "project", "will", "may", "should" and similar expressions identify forward-looking statements. Others can be identified from the context in which they are made. By their nature, forward-looking statements involve risks and uncertainties, and such forward-looking statements are made only as of the date of this announcement. Accordingly, no assurance can be given that the forward-looking statements will prove to be accurate and you are cautioned not to place undue reliance on forward-looking statements due to the inherent uncertainty therein. Past performance of the Company cannot be relied on as a guide to future performance. Nothing in this announcement should be construed as a profit forecast.