



**CIE Automotive – Extraordinary dividend 2018:
distribution of Global Dominion Access, S.A. shares**

March 21 2018



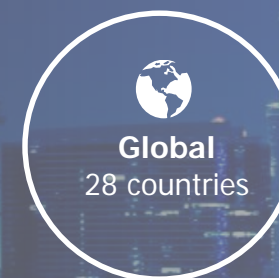
MANAGING HIGH VALUE ADDED PROCESSES

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DOMINION IN 2015



(*) EBITDA: Net Operating Income + Depreciation, EBIT: Net Operating Income.

(*) Free Operating Cash Flow = EBITDA – CAPEX – NWC Variation– Net Financial Income – Tax payment; (excluding acquisitions).

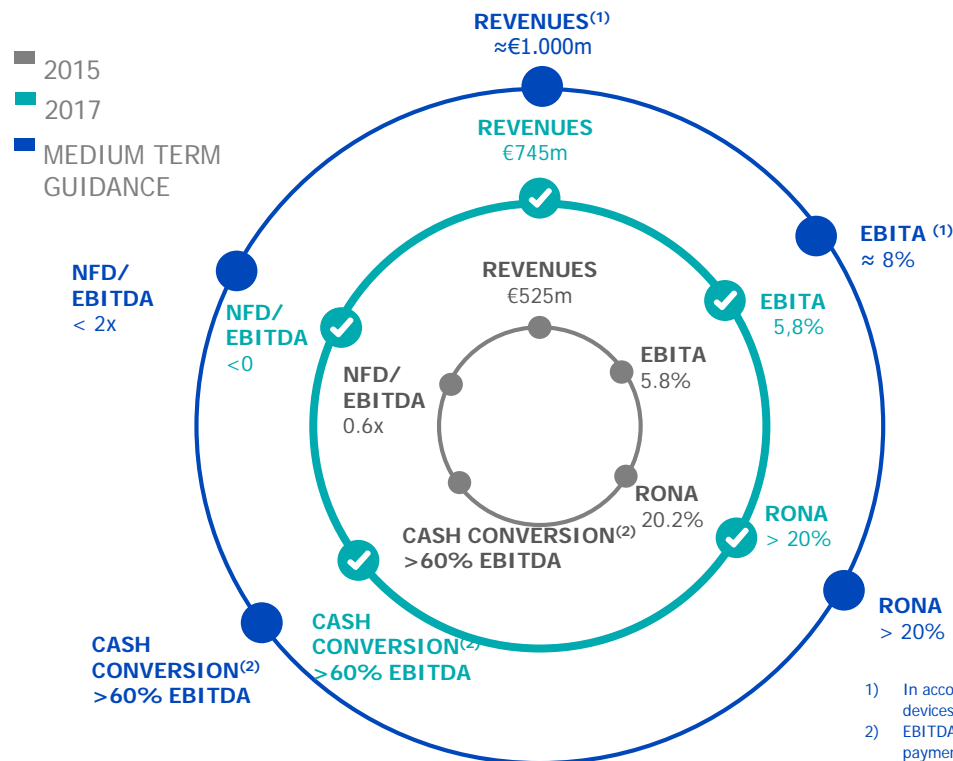
(*) RONA = "Return on Net Assets": EBITA / (Total non-current assets– Deferred taxes – Associates + NWC – Goodwill not associated to cash flow + PPAs amortization current year); (excluding acquisitions).

(*) NFD = Net financial debt= Debt with banks and other financial institutions minus cash and equivalents.

- Since the entrance of Dominion in its perimeter in 2011, CIE Automotive insisted on it being a **temporary situation** and has made public its commitment to a medium term disinvestment.
- Hence, **Dominion's IPO** in 2016 was described as the **first step towards the independence** of both projects.

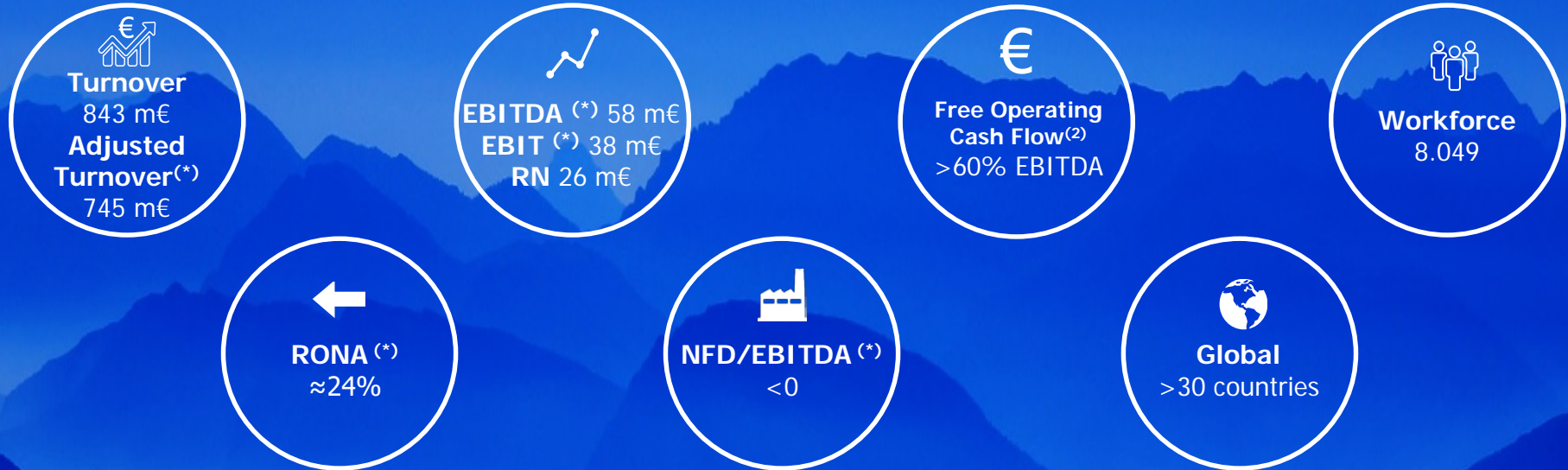
DOMINION STRATEGIC TARGETS

- Dominion's Strategic Plan has amongst its targets **achieving a certain turnover** which is considered adequate to **operate as an independent operator in its business segment**.
- That certain turnover has always been considered as the **reference magnitude** that could kick off the **independence of both projects, CIE and Dominion**.



1) In accordance to Adjusted Turnover = Turnover without revenues from devices sold.
 2) EBITDA – CAPEX – NWC Variation – Net Financial Income – Tax payment; (excluding acquisitions).

DOMINION IN 2017



(*) Adjusted Turnover = Turnover without revenues from devices sold.

(*) EBITDA: Net Operating Income + Depreciation, EBIT: Net Operating Income.

(*) Free Operating Cash Flow = EBITDA – CAPEX – NWC Variation – Net Financial Income – Tax payment; (excluding acquisitions).

(*) RONA = "Return on Net Assets": EBITA / (Total non-current assets – Deferred taxes – Associates + NWC – Goodwill not associated to cash flow + PPAs amortization current year); (excluding acquisitions).

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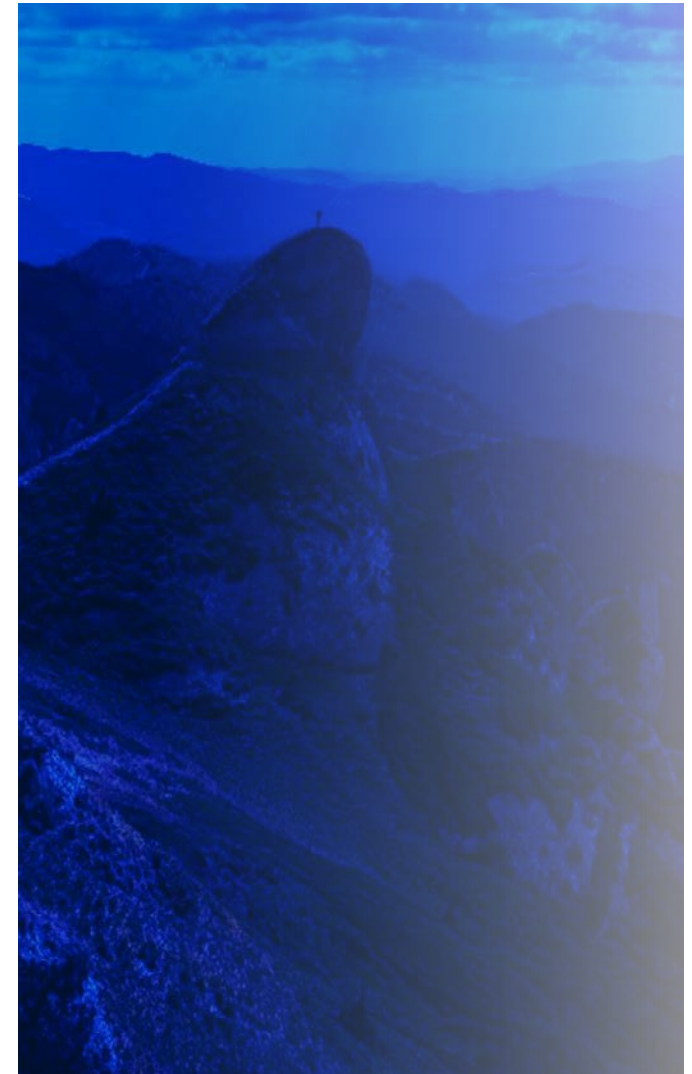
- In 2017 Dominion has acquired Phone House but has only consolidated 4 months of its results.
- The acceleration of Dominion's M&A during the past 2 years has meant that **the company has already achieved the reference magnitude for the independence of the project.**

EXTRAORDINARY DIVIDEND IN KIND

- CIE Automotive will proceed an **extraordinary distribution of shares in kind**, via distribution to its shareholders of 0.65709 GLOBAL DOMINION ACCESS, S.A. shares for every 1 CIE Automotive, S.A. share.
- **The scheduled calendar is the following:**
 - General Shareholders Meeting: Abril 24th 2018.
 - Extraordinary dividend distribution: July 3rd 2018, together with the complementary dividend 2017.
- CIE will **“unconsolidate” its participation in GLOBAL DOMINION ACCESS starting on 3Q2018**, with its associated effect on assets (Dominion net assets no longer to be included) and equity (the transaction implies an accounting profit to be determined based on DOMINION share price on the date of distribution).
- **No material impact on CIE’s net financial debt** (slight non material increase)

EXTRAORDINARY DIVIDEND IN KIND

- This formula for independence allows the **fulfillment of the commitment undertaken during Dominion's IPO**: the bet for future and long-term support of Dominion's project by CIE's main shareholders, including the original shareholders of both projects in INSSEC.
- The **new post-operation shareholder structure** enables Dominion to have as core shareholders CIE's shareholders (approx. 35%) and its own Management (approx. 10%), while it significantly increases its free float.
- CIE Automotive trusts **in the shareholder pattern stability** in the medium term, through CIE's core shareholders.
- **CIE Automotive has proved once again its capacity to integrate projects and generate value to its shareholders.**





MANAGING HIGH VALUE ADDED PROCESSES