

MIBA SPIRIT.

HOW WE ARE SHAPING THE FUTURE.

Annual Report 2018–2019



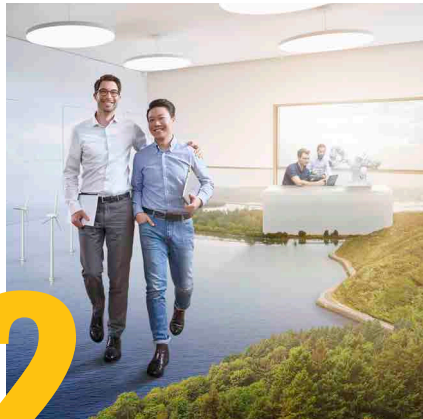
MIBA SPIRIT.

HOW WE ARE SHAPING THE FUTURE MEANS ...



INNOVATION
... always striving to find an even better solution.

01



LIFELONG LEARNING
... remaining curious your whole life long.

02

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COLLABORATION
... working together across national and team boundaries.

03



TAKING RESPONSIBILITY
... taking care of our employees, society and the environment.

04

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05 FIGURES, DATA, FACTS

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Ladies and gentlemen, dear employees,



Miba has once again grown strongly in the fiscal year 2018–19. With revenue growth of 11 percent to EUR 985 million, we took another significant step to reach the revenue target of EUR 1 billion that we set out in our strategy “Miba 2020 – Dynamic Evolution”. We achieved a satisfactory organic growth. We also took a major growth step in terms of acquisitions by entering the industrial bearing business, a complementary area that was new to us, and incorporating four production sites in the USA and Germany with around 300 employees into Miba.

MANY ACTIVITIES IN THE ELECTROMOBILITY AND DIGITALIZATION SECTORS

Alongside our existing business, we also took a major step forward on our way to using new opportunities arising from electrification and digitalization. We successfully established our Digital Office as a companion, adviser and stimulus for our business units, both for the digitalization of our internal value chain and for the development of new digital products and services.

We do not only talk about eMobility, we are already developing and producing a variety of solutions for it and want proactively shape the market. Our high-power resistors are already installed in numerous serially produced electric vehicles. In addition, we are constructing production facilities for electric engine stators for the automotive industry. We are also actively working on several development projects, including a digital, and thus intelligent, cooling solution for batteries. We are happy that today the eMobility part of our automotive revenue is already higher than the share of the automotive market held by electric vehicles.

STABILITY AND FINANCIAL INDEPENDENCE MAKE US STRONG

We are living in times of major change: society, politics, the economy and technology are all developing at increasing speed. Economic cycles are also becoming increasingly volatile. This makes it all the more important that we know the course we are taking, that we head in the right direction and pursue our planned objectives consistently in the long term. As a family company in particular, we have the best prerequisites for this. We think long-term, and thanks to our financial stability and independence we are leading our company boldly into the future with a steady hand. On this basis we are investing both in our existing business and in new technologies and growth areas for Miba. In this way we want to secure the existing jobs and create new ones.

OUR MISSION: TECHNOLOGIES FOR A CLEANER PLANET

Miba has a clear mission: “Innovation in Motion – Technologies for a Cleaner Planet.” Every day we work on making our contribution to a cleaner planet with

Miba technologies: with more efficient and thus more environmentally-friendly solutions for drivetrain technologies and for the production and transmission of electrical energy.

In the course of this, something drives us, which we passionately refer to as the “Miba Spirit”.

The Miba Spirit is the embodiment of going that “extra mile”, never being satisfied with our basic achievements, being close to our customers and finding the perfect solutions for them. Always remaining curious and open to new ideas and methods.

In addition, the Miba Spirit means working together, sharing ideas and helping each other. Be it, in team, at the site, in the respective business area, throughout the company.

For us the Miba Spirit also means taking responsibility. Our engaged and passionate employees guarantee our success. They make an important contribution day in, day out with their ideas, commitment and expertise. It is important to us to be an employer that offers its employees secure jobs and a stable environment, while giving them opportunities for personal development, looking after their health, and helping them successfully combine job and family. We also feel the need to respect the environment and demonstrate our social commitment. Last but not least, taking responsibility means ensuring our products are of the highest quality, while always focusing on what matters to our customers.

HOW WE ARE SHAPING THE FUTURE WITH THE MIBA SPIRIT

In our Annual Report, we will explain what this means in specific terms, and how the Miba Spirit will help us use the opportunities of the future. Through very specific examples we want to demonstrate what makes the Miba Spirit special, how we bring it to life and how it makes us successful.

With the Miba Spirit in mind, we want to continue along the path we have started. While developing solutions for our customers concerning mobility, drivetrain technologies and the energy efficiency of tomorrow.

I invite you to continue to accompany us and I thank all of you – customers, employees and partners – for your interest in Miba and the trust you have placed in us.

Sincerely,

Peter Mitterbauer

F. Peter Mitterbauer
CEO Miba AG



TECHNOLOGIES FOR A CLEANER PLANET

They say nothing is as constant as change. Today the pace is set by global competition, markets in a state of flux and technologies that are constantly overtaking themselves. In this world of change, we believe in clear values. What drives us is our passion for innovation and technology. But above all, one goal: to make a contribution to a cleaner planet every day with Miba technologies. We do not just want to make drive technology for vehicles, ships, aircraft, and construction and agricultural machinery even more efficient, more environmentally-friendly and quieter. We also develop and produce solutions for more efficient and environmentally-friendly production and transmission of energy*.

Being curious. Looking ahead. Keeping an eye on the future, but also keeping our feet firmly on the ground. We love thinking in new ways, but we do not shy away from retaining what is tried and tested. Our word is our bond, and we plan for the long term, as a reliable partner for our customers, suppliers and employees. Always with respect and always as equals.

We think globally, but never forget our roots. We bear a responsibility to our region just as much as to the entire planet. Handling resources with care forms the basis for the way we act. For this we make sustainable decisions – based on reason and a sense of proportion.

**This all forms part of our corporate mission:
Technologies for a Cleaner Planet**

**Find out more about how we are making our planet cleaner with Miba technologies on pages 10-11.*

01

INNOVATION

MIBA SPIRIT MEANS ALWAYS STRIVING TO FIND AN EVEN BETTER SOLUTION.

When the world needs something new to come along, this takes curiosity, a lively mind and sometimes a portion of courage. Asking clever questions. Not being content with what has been achieved, but always looking for an even better solution. Seizing opportunities when they are offered. Recognizing trends. Keeping one ear close to our customers. Being open-minded, thinking laterally and even standing on our head now and then to see the world from an entirely new perspective. That is the way we understand innovation.

Worldwide we are not just continuing to develop the technologies that made us successful. Together with our customers we are also exploring new avenues and jointly using the opportunities offered by electrification and digitalization. We are doing this with thousands of employees who embody the Miba Spirit: creative minds, crystal-clear thinkers and spirited go-getters who are passionate about ideas. After all, working to rule is something we only know from hearsay. We find inspiration everywhere where it is important to pave the way for the future and generate sustainable added value – for our customers, society and this planet. Then with passion, perseverance and consistent work we turn visions into measurable successes.

We are shaping the future with innovations.



Miba Future Zone

Digitale Evolution
Die Miba ist ein innovatives Unternehmen. Wir setzen uns für die digitale Transformation ein. Wir nutzen die Möglichkeiten der Digitalisierung, um unsere Prozesse zu optimieren. Wir arbeiten daran, unsere Kunden noch besser zu unterstützen. Wir sind stolz auf unsere Mitarbeiter, die diese Visionen in die Tat umsetzen.

Umwelt & Soziales
Wir sind ein Unternehmen, das sich für die Umwelt und die Gesellschaft engagiert. Wir setzen uns für eine nachhaltige Entwicklung ein. Wir arbeiten daran, unseren CO2-Ausstoß zu reduzieren. Wir sind stolz auf unsere Mitarbeiter, die diese Visionen in die Tat umsetzen.

INNOVATION IS OUR DRIVING FORCE

When we work on new ideas and solutions at Miba, we do it with a clear goal: with our technologies we want to make a contribution towards a cleaner planet. This goal is described in our corporate mission: “Innovation in Motion – Technologies for a Cleaner Planet.”

For this we give our best every day. And for us, innovation is not just restricted to the development departments. Every one of us can and should contribute their ideas every day – in production, administration and sales, with a clear goal: to keep on finding even better solutions for our customers.

“NO POWERTRAIN WITHOUT MIBA TECHNOLOGY”

It is our aim to make drivetrain technology for vehicles, ships, aircraft, or construction machinery even more efficient, more environmentally-friendly and quieter. Building on our vision “No Powertrain without Miba Technology”, on the one hand we work to further optimize conventional powertrains, and on the

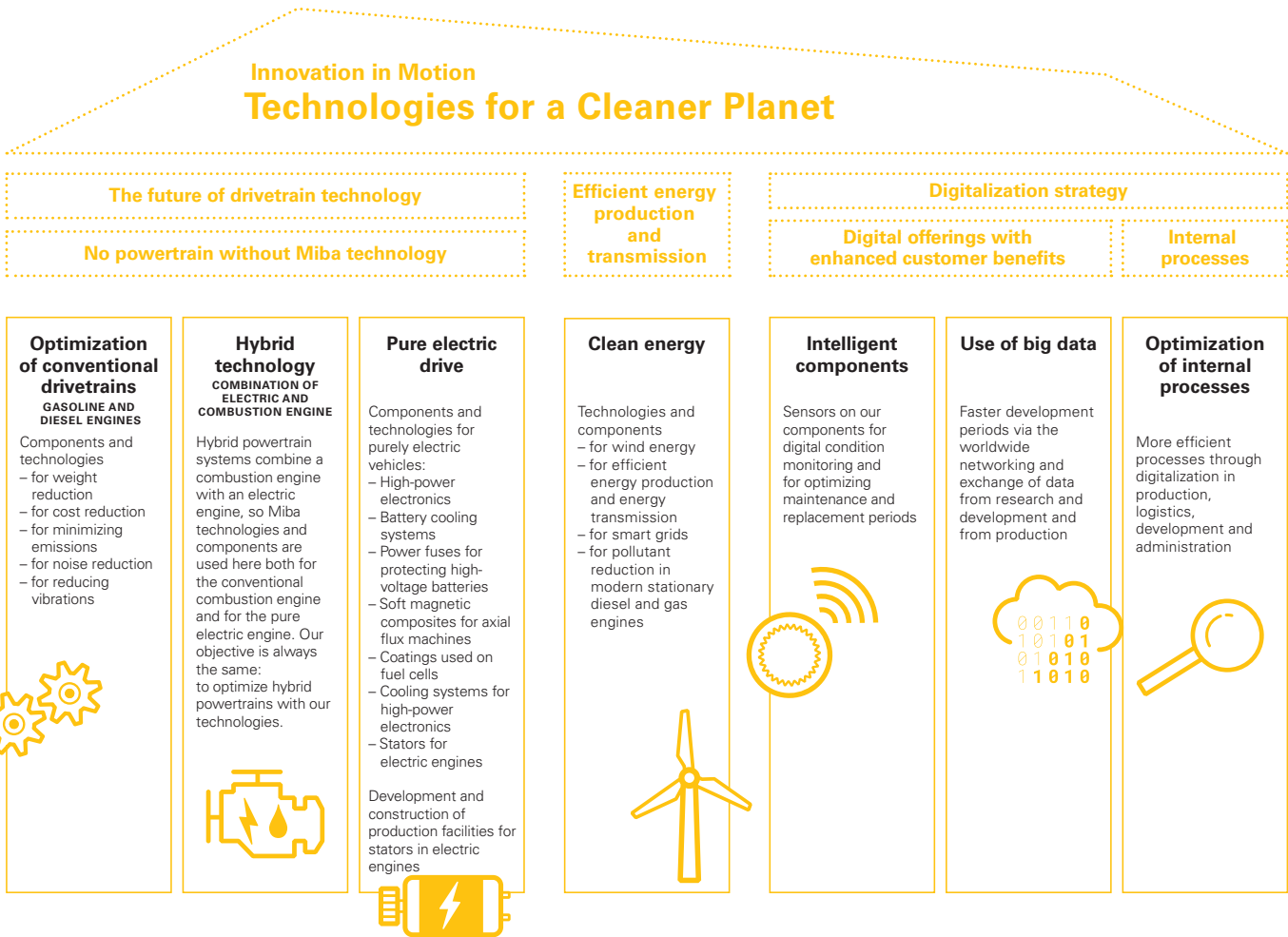
other hand we also develop and produce solutions for hybrid and pure electric vehicles.

A BROADER APPROACH TO SOLUTIONS

Our innovations are not just restricted to the future of drivetrain technology. At Miba we also develop technologies that make the production and transmission of energy more efficient and more environmentally-friendly – such as for wind power plants, for the long-distance transmission of electrical energy or for intelligent, and thus energy-saving, power grids.

DIGITALIZATION IS AN OPPORTUNITY

For us innovation means not least using the opportunities offered by digitalization: we want to develop new, digital products and services for our customers, while at the same time making our own production and administrative processes more digital, and thus more efficient, faster and even higher quality.



Our corporate mission “Innovation in Motion – Technologies for a Cleaner Planet” drives us forward in every area of innovation



THE POWER OF IDEAS

At Miba the spirit of innovation runs through our corporate culture. It starts with our mission “Innovation in Motion” and continues in our working life under the slogan “a place with freedom to perform”. But innovation is not just a matter for individual people or development departments; it applies to all our employees, and anyone can contribute new ideas – for instance in ideas competitions, pitches or in conversation with superiors. We create fertile ground for innovations through a variety of teams and networking between different business areas. However, the success of innovative ideas is only 1 percent inspiration – while the environment provided for implementing ideas is 99 percent responsible for success. At Miba we offer this environment. The so-called MAKERSpace is a place where ideas can be implemented rapidly, and creativity can be unleashed. Of course, when you are breaking new ground mistakes can also happen. But at Miba we do not consider this a problem; instead we learn from such situations, and continue courageously on our way.

Stefan Gaigg, Head of Business Unit Battery Components, Miba eMobility GmbH



One in two
wind turbines
worldwide uses
brakes containing
friction materials
from Miba Friction
Group

MIBA TECHNOLOGY MAKES COMBUSTION ENGINES EVEN MORE ENVIRONMENTALLY- FRIENDLY

Innovative approaches are not just needed in the area of electric drives or renewable energies – it is also our aim to make combustion engines more efficient, quieter and more environmentally-friendly. By reducing weight and noise and limiting vibration, for example, Miba sintered components contribute to greater fuel efficiency, improved environmental sustainability and greater driving comfort from conventional technologies. A special coating technology from Miba Bearing Group enables a substantial reduction in kerosene and noise for aircraft turbines. In addition, our engine bearings ensure that trucks and ships can be operated with fewer pollutants and greater eco-friendliness. And friction materials from Miba Friction Group optimize the power transmission in clutches and brakes.

ELECTRIFICATION

ENVIRONMENTALLY-FRIENDLY ENERGY PRODUCTION AND TRANSMISSION

For us, making the world cleaner with Miba technologies means among other things developing solutions for the wind industry. So today, for example, one in two wind turbines worldwide has had friction materials from Miba Friction Group installed in its brakes. This enables the wind turbine to be slowed down if the wind is too strong – increasing the equipment's safety and preventing the production of high peak energy loads.

Together with customers from the wind energy industry, Miba Bearing Group is working, amongst other things, on high-tech bearing systems for high-strength gearwheels. Until now this was undertaken using roller bearings, but switching to the Miba engine bearing technology not only brings cost benefits, but also makes the equipment more durable and less prone to faults.

Miba Power Electronics Group, with its two companies EBG and DAU, plays a major role in the efficient and environmentally-friendly production and transmission of energy. The high-power resistors produced by EBG are used when electric power needs to be transmitted over long distances – for instance from wind farms on the coast to cities a long way away. They are used for energy conversion and transmission by means of HVDC technology, and ensure that the energy loss along the transport route is as low as possible. In addition, the heat sinks and heat pipes produced by DAU protect the sensitive electronic components against overheating.

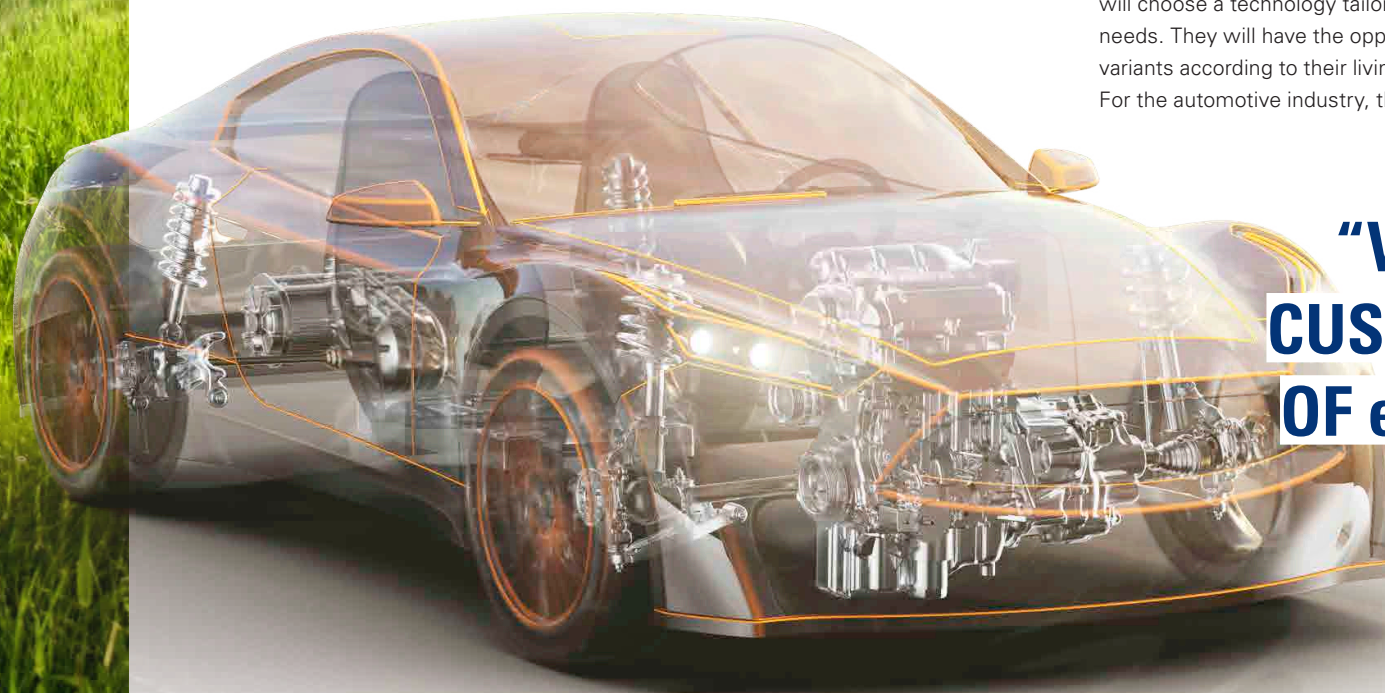
NEW OPTIONS FOR NEW NEEDS

Taking the train to work, driving an electric car from the carpool to your next appointment, cycling to the shops and going on vacation with your campervan: our mobility is changing, and we have more and more options. In future a wide variety of powertrain technologies will coexist as equals. Combustion engines, hybrid systems and pure electric driving – people will choose a technology tailored entirely to their personal needs. They will have the opportunity to choose from different variants according to their living situation and requirements. For the automotive industry, this change means that in future

an even wider selection of powertrain technologies has to be developed for different customer groups. For us as suppliers, it means using our expertise and innovative capacity to be a strong partner for our customers in the development of new technologies too. Today we already offer a wide range of products for the changes in mobility – and this will grow even further in the future. We can already document our innovative approaches in the electrification sector with numerous examples of best practice.

**“WE ALREADY OFFER OUR
CUSTOMERS A WIDE RANGE
OF eMOBILITY SOLUTIONS.”**

F. Peter Mitterbauer, CEO Miba AG



MIBA TECHNOLOGIES FOR eMOBILITY

INTELLIGENT BATTERY COOLING – THE MIBA FLEXcooler® TECHNOLOGY

One of the major challenges when developing electric drives is the thermal management of the batteries. Ultimately to guarantee that the electric vehicle will operate efficiently, you have to be able to guarantee an ideal battery temperature. Therefore, at Miba we have developed an innovative, liquid-cooled battery cooling element for electric vehicles – the Miba FLEXcooler®. Our innovation stands out from the cooling elements already on the market through its low weight and flexible form. Within the framework of the EU “i-HeCoBatt*” project we are currently working with a European car manufacturer on using digital technology to make the FLEXcooler® intelligent and smart. What is significant

here is that sensors are integrated into the cooler. This gives the vehicle’s control system important information about the temperature distribution in the battery, which increases its performance and lifetime. And even before the current project, in the European “iModBatt*” project we were involved together with twelve other partners in developing a rechargeable battery for the electric Renault Zoe and the e.GO Life. The Miba eMobility team was responsible for developing the battery cooling system.

STATOR PRODUCTION FACILITIES

The Miba special machinery specialist MAS (Miba Automation Systems) also uses the opportunities presented by electrification: MAS develops and produces systems for its customers in the automotive industry for the production of stators for electric motors. Last year for the first time MAS also manufactured stator prototypes for customers in the automotive industry directly at the MAS plant in Aurachkirchen. Thus we not only develop and build equipment for our customers, but also produce prototypes directly using our own facilities. And not only in Europe, MAS is currently also developing its stator business in China.

HIGH-POWER RESISTORS FOR ELECTRIC POWERTRAINS AND BATTERY MANAGEMENT

China is currently regarded as the largest electric vehicle market in the world. We are seizing our opportunities in this rapidly growing market. Today, high-power resistors from Miba Power Electronics Group are already in many of the electric vehicles produced in series, including those of the world’s largest electric car manufacturer. Our products are used in the electric powertrain and in the battery management. These include discharge resistors in the intermediate circuit of the electronic control system for the electric drive motor (MCU) or pre-charge resistors, which act as current or voltage limitation to guarantee safe operation of the battery electronics (BMS), especially when starting the vehicle.

However, Miba Power Electronics Group’s eMobility projects are not just confined to China or to cars. In Europe and North America we are also working on customer electromobility projects. In the future our resistors will also be increasingly used in other end applications, such as electric buses or small electrified trucks.

SINTERED COMPONENTS

POWER FUSES

COATINGS

FRICTION MATERIALS

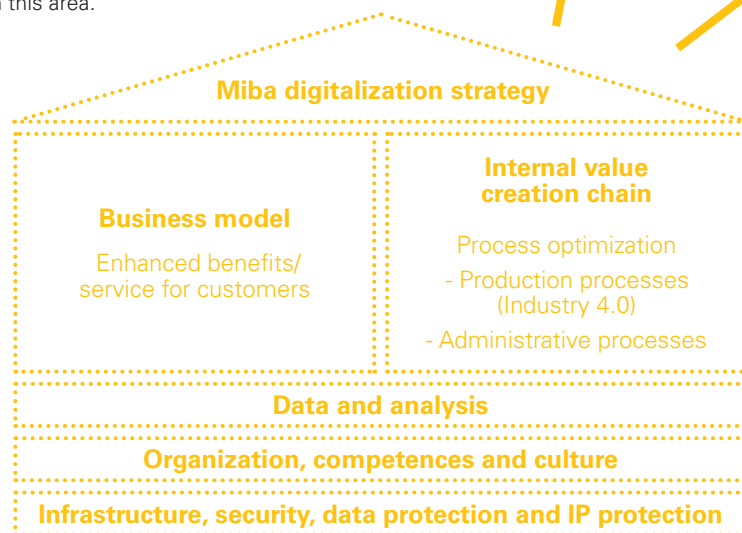
AXIAL FLUX MOTOR

MIBA 4.0

WE ARE USING THE OPPORTUNITIES FROM DIGITALIZATION

Digitalization is the megatrend of our times, and it is changing not only our everyday life, but also the way we work and manufacture. Digital applications are finding their way into almost all areas of business, and are bringing new possibilities, but also new challenges.

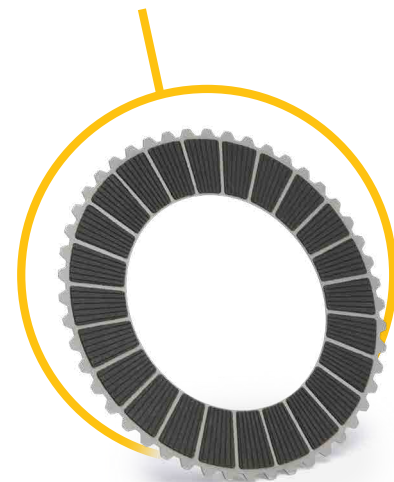
At Miba we regard digitalization as an opportunity: on the one hand it gives us the possibility of developing new digital products and services with genuine added value for our customers. And on the other hand we can handle our internal processes more efficiently, more rapidly and with an even greater emphasis on quality. We are convinced that digitalization brings benefits to the company, products and customers. Numerous examples show that we are already making significant progress in this area.



The "Miba House of Digitalization" is the model we use to describe our digitalization strategy

HERE'S HOW WE USE THE POWER OF NETWORKED DATA – THE APPLICATION ENGINEERING TOOL

The data that exist in a company like Miba have enormous value – as shown by an example from Miba Friction Group. With the application engineering tool, we have developed an application there that globally networks the expertise and data from the design of friction materials. This means that together with their customers, the Miba friction coating experts can resort to the experiences from earlier projects and thus find the ideal solution for new friction coating applications more easily and more rapidly than up to now.



INTELLIGENT ENGINE BEARINGS AND RESISTORS

A major focus of our work is on the development of intelligent components. Thus, for instance, engine bearings fitted with sensors can continuously measure data about their condition – thus giving their users information on when is the best time for a service or replacement. What does this achieve? It means, for example, that port stays for ships can be planned more precisely. In addition, purely preventive maintenance or replacement work is no longer needed. In Miba Power Electronics Group we develop intelligent high-power resistors for eMobility. In the future we want to equip our products with sensors that for example can measure temperature, voltage and current, and thus monitor the function not just of the resistor itself, but ideally also that of the respective system electronics.



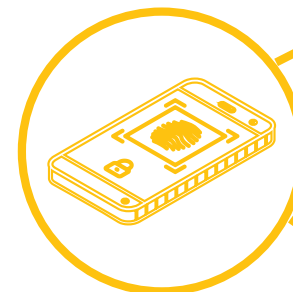
QUALITY ASSURANCE THROUGH VISUAL INSPECTION

Contactless measurement and in-line measurement are important procedures for reducing quality costs. Therefore, among other things, the Miba Sinter Group with the support of Miba Automation Systems has developed a test facility for identifying damage on gearwheels for Miba Sinter Austria. At Miba Bearing Materials in turn an automatic thickness measurement system for sheet metal is in use. Work is currently underway for EGB on an automatic resistor quality test using a camera.



SMART GLASSES

Machine breakdowns or services can often lead to high costs, as Miba experts or specialists from third-party companies are sometimes too far away to provide straightforward assistance. The result is that long journeys frequently have to be taken into account for repairs or the replacement of a part. We have found a digital solution for this problem. With the help of "smart glasses", in other words digital data glasses, the experts can contact the employees concerned at the plants on-site, and assist them rapidly and cost-efficiently in rectifying the damage or undertaking the maintenance work.



MIBA HACKATHON

In November 2018, together with the start-up funder Pioneers and three other companies, Miba organized a Hackathon at the Linz Tabakfabrik. In total 18 teams from nine countries – ranging from Austria, Germany and Italy to Australia and Belarus – took part in the contest. Five of the 18 teams tackled a task set by Miba. This involved developing an optimized solution for quality assurance by means of visual inspection combined with artificial intelligence. In the end the Vienna start-up "craftworks" won the Miba pitch, and thus created the basis for further cooperation.



02

LIFELONG LEARNING

MIBA SPIRIT MEANS REMAINING CURIOUS FOR THE WHOLE OF YOUR LIFE.

"If you always do what you've always done, you'll always get what you've always got." A saying from the great visionary Henry Ford, which we are happy to sign up to, because technology leadership and global growth do not happen just by chance. They require a clear commitment to a learning culture. We believe in the people in our company, and we encourage them to experiment, mull things over and tinker. We give them space to try out new things, expand their horizon and grow, and to seize opportunities when they present themselves. We regard our employees' continuing education and the development of their strengths and individual skills as an investment in both the company and in society. Therefore, we convey broad knowledge for the challenges to come in the future.

We enjoy recognizing potential, fostering talents and together getting careers on the right track. For example with highly effective training for our managers, practice-oriented apprenticeships, or with our international trainee program, which is unique in Austria.

We know that shaping the future means remaining curious for your entire life.



**"IT IS OUR
EMPLOYEES
WHO TAKE US
FORWARD EVERY
DAY WITH THEIR
KNOWLEDGE
AND IDEAS."**

Bernhard Reisner, Vice President Human Capital, Miba AG



THIRST FOR KNOWLEDGE: THE DRIVER OF INNOVATION

Curiosity and a thirst for knowledge are the drivers of innovation. We strive for leadership in both innovations and technology, worldwide, in all our markets. To achieve this we need the knowledge, ability and interpersonal skills of our employees. We not only want to be an innovator and pioneer with our technologies, but also with the training and development we offer our employees.

We have brought together all our personnel development offers at the Miba Campus, where our employees can choose from a variety of options to further advance their interests and strengths. While at the same time remaining curious and continuously learning for their entire lives.

EUR
MILL. **2.6**

is the amount Miba invests annually
in training and developing its employees.
(Fiscal year 2018–19)

408

people have already completed
Miba management development
programs since 2003.

REMAINING CURIOUS IN HIGHLY DYNAMIC TIMES

For me, remaining curious for the whole of your life and continuously wanting to learn more is one of Miba's most important core values. Especially in times like ours, with their high dynamism and many changes, it is important to develop constantly and stay on the ball. This applies to all of us, in every area of the company, at every age, in every country, at every level of hierarchy. This is why "Lifelong Learning" is so important for us. The fact that we do not just talk about it, but invest heavily in training and developing our employees and offer them a wealth of choice, is what makes Miba special for me.

Karin Reiter,
Head of Human Capital Development, Miba AG

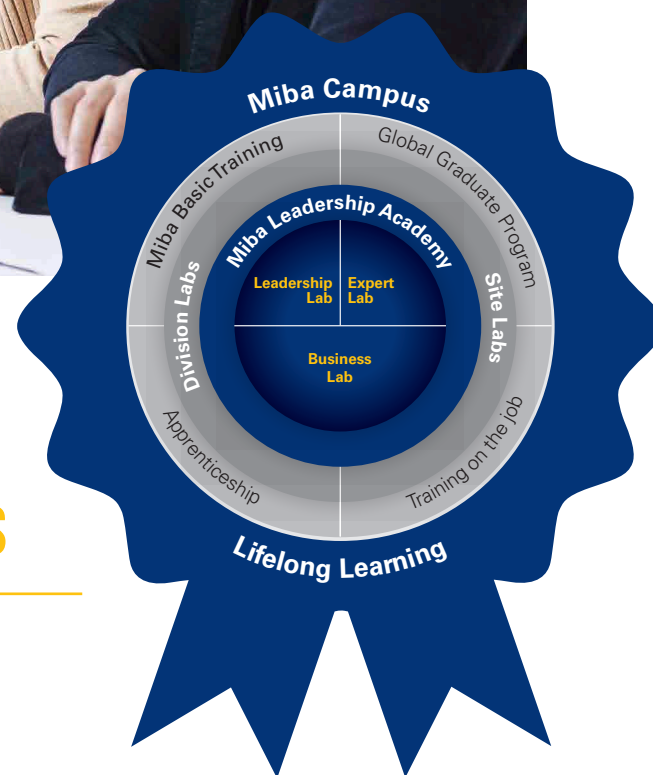


MIBA CAMPUS: OUR TRAINING AND DEVELOPMENT OFFERINGS

In the fiscal year 2018–19 Miba invested EUR 2.6 million in training and developing our employees. Lifelong Learning is one of our core values, and the personal development of all our employees matters greatly to us. The Miba Campus brings together everything the company offers in terms of training and development, and offers individual courses that optimally meet the needs of every individual employee. From an apprenticeship or department-specific courses to the Global Graduate Program – the Miba Campus strengthens the potential of our employees by means of customized programs. The new Miba Leadership Academy (MLA) – subdivided into the Business Lab, Expert Lab and Leadership Lab – is the core of the Miba Campus.

In this, the Miba Campus is not just a range of training and development options, but also a way of behaving: it not only offers training in the classic sense, but also emphasizes the value of Lifelong Learning, which has always been one of Miba's core values.

The Miba Campus offers training and development options for everyone: as well as apprenticeships, basic training in different areas and the options available from the MLA. It offers special programs for individual sites or business areas, concentrating for example on conveying specialist technical knowledge or developing managers. During on-the-job training, experienced colleagues work alongside less experienced employees to explain processes to them and give them important additional information.



THE MIBA LEADERSHIP ACADEMY: LEADING BUSINESS. LEADING PEOPLE AND ONESELF. LEADING EXPERTISE.

The core of the Miba Campus is the new Miba Leadership Academy (MLA). At Miba the MLA has been associated with high-quality, global training for many years. But since the beginning of 2019, the MLA has no longer focused exclusively on strategic leadership skills, but now also concentrates on developing our experts. The new MLA comprises three areas: the Business Lab, the Expert Lab and the Leadership Lab. Each Lab consists of several modules, which in the case of the Expert Lab and the Leadership Lab take place at different Miba locations worldwide.

BUSINESS LAB

In the Business Lab the topics of entrepreneurial behavior as well as self-management and communication take center stage. Graduates of the Lab understand Miba better, know about economic interrelationships and are familiar with the tools of intercultural communication. In two modules the participants gain an insight into our divisions, meet members of the top management and visit various sites in Upper Austria.

EXPERT LAB

The objective of the Expert Lab is to strengthen the participants' leadership skills and encourage them to think out of the box. Thanks to their developed leadership skills, graduates of the Expert Lab are ideally suited to the management of processes and larger projects, and also generate new cross-functional initiatives for Miba. Above all the Lab is aimed at technical experts who have already demonstrated their abilities and knowledge at Miba for some time, and have the potential for key positions.

LEADERSHIP LAB

The Leadership Lab prepares managers or technical experts from different departments for top management tasks. Accordingly, the program focuses on improving leadership capabilities and strategic thinking. Graduates of the Leadership Lab are able and willing to develop into managers, in order to advance Miba strategically. They enable innovations and promote the potential for corporate development.

MLA participants who have completed the Expert Lab or Leadership Lab also have the option of supplementing their training with an MBA at the Austrian Business School LIMAK.



GLOBAL GRADUATE PROGRAM: INTERNATIONAL TRAINEESHIPS

With the Global Graduate Program (GGP) Miba has offered an international trainee program since 2015. The program is mainly aimed at ambitious, talented graduates, stemming from all Miba regions with an academic background and a high level of self-motivation and drive for success. In intensive training courses and project work in different Miba countries, for 18 months our "Globalites" are prepared for international postings, specific projects or future management positions at Miba. The program is accompanied by ongoing mentoring as well as training and feedback weeks. We attach particular value to the Globalites by mainly employing them outside their home countries – in this way as well as professional expertise, they can also develop in-depth intercultural skills. The training receives positive feedback: 19 people in total have already completed the program.





Miba currently employs

290

apprentices worldwide
(as of January 31, 2019)

APPRENTICE TRAINING: MIBA'S NEXT GENERATION

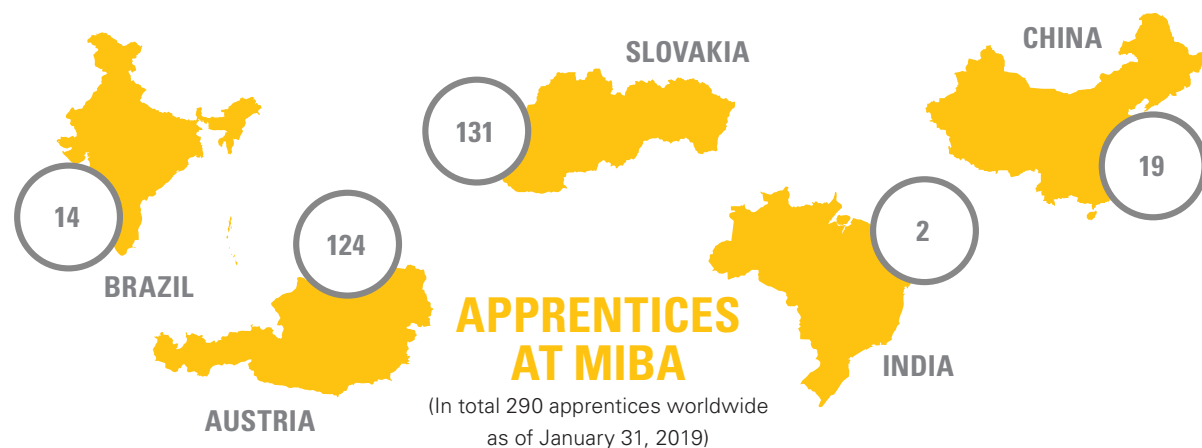
Apprenticeships are a high priority at Miba – after all, our apprentices of today are our experts of tomorrow. And an apprenticeship at Miba is the start of an exciting future, and can be the beginning of a promising career. We offer apprenticeships not only in Austria, but also adapted to the regional requirements in Slovakia and other countries in which we are active. Our apprentices are trained at Miba in particular as process, metal, electrical or surface technicians, or as mechatronics specialists. Since 2019 we have also offered an IT apprenticeship. We prepare young people for the working world of tomorrow – so we also integrate digital learning and simulation programs or robots into their apprenticeship. But training at Miba extends well beyond the workbench: as well as a sound specialist training, we also offer our apprentices language courses, placements abroad, personality and outdoor training.

APPRENTICESHIP PLUS HIGHER SCHOOL CERTIFICATE

At Miba our apprentices can combine their apprenticeship with a higher school certificate. In Austria we have entered into close cooperation for this with KTLA, the Kremstaler Technische Lehrakademie. In Slovakia we have created the project "Young Star" at Miba Steeltec, during which our apprentices can also combine their training with a higher school certificate.

APPRENTICESHIPS FOR PRODUCTION WORKERS

Since 2015 Miba has offered an educational program to production workers in Austria who want to develop and become skilled workers by completing an apprenticeship; we offer them an apprenticeship as a metal worker. The participants complete their training alongside their regular professional activity, and 18 Miba employees have already completed the program.

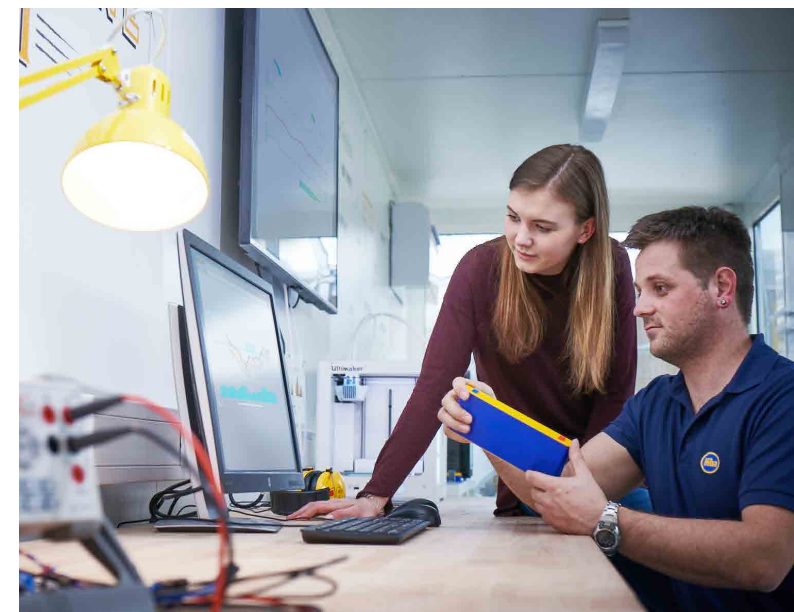


F. Peter Mitterbauer, CEO Miba AG

**"OUR APPRENTICES OF TODAY
ARE OUR SPECIALISTS
OF TOMORROW."**

LEARNING IN A START-UP ATMOSPHERE

In the Miba MAKERSpace new ideas and prototypes in the areas of eMobility and digitalization are developed and tested – but at the same time the creative area also serves as an interface between research, production and apprentice training. In close cooperation with the development teams in the eMobility Innovation Lab, Miba apprentices have produced parts that can be used for the further development of stators or as components in the battery environment for electric vehicles. The manufacture of the complex components is an exciting challenge for the apprentices – and the learning effect is substantially higher compared to the practice parts produced otherwise. This cooperation also helps the eMobility specialists obtain the most urgently required components rapidly.



AWARD-WINNING APPRENTICES

Every year the Miba apprentices put their abilities to the test with the final apprenticeship exam, which is reason enough to celebrate together afterwards: last year the final celebration for the apprentices in Upper Austria took place in the Miba Forum on June 4. Under the slogan "Miba's Next Generation", they summed up their experiences and ventured a glance at their further career at Miba. In total ten apprentices completed their training with the grade "good", and ten even gained a distinction.

But the high quality of the training at Miba is not only evident in the successful final figures, but also compared to other companies: at the end of April 2018 Miba apprentices in Upper Austria took part in a wide-ranging industrial apprentice contest. Altogether 710 apprentices from 91 businesses displayed their skills, and in this highly competitive environment the Miba apprentices excelled, with one of them even obtaining a bronze medal as a process technician.



03

COLLABORATION

MIBA SPIRIT MEANS WORKING TOGETHER ACROSS NATIONAL AND TEAM BOUNDARIES.

Our favorite view is the one beyond the end of our own nose; you get the best view of the future here! We are convinced that if you are seeking answers to the major questions of tomorrow, you need to open your eyes in all directions. Therefore at Miba we work globally; our limitless networks and structures enable valuable knowledge to flow freely and information at all levels of communication to get to where it is needed. The continuous exchange with international universities and research institutions is another powerful driver for this consistent knowledge management.

Our corporate culture is based on a climate of openness, tolerance and mutual respect. We regard diversity as a strength and as a good breeding ground for innovation and global growth. Our employees provide evidence of this day in, day out, at 26 production sites on four continents – in loyalty, engagement and honest commitment. And we ensure that everyone can tap into their full potential in the position that is right for them.

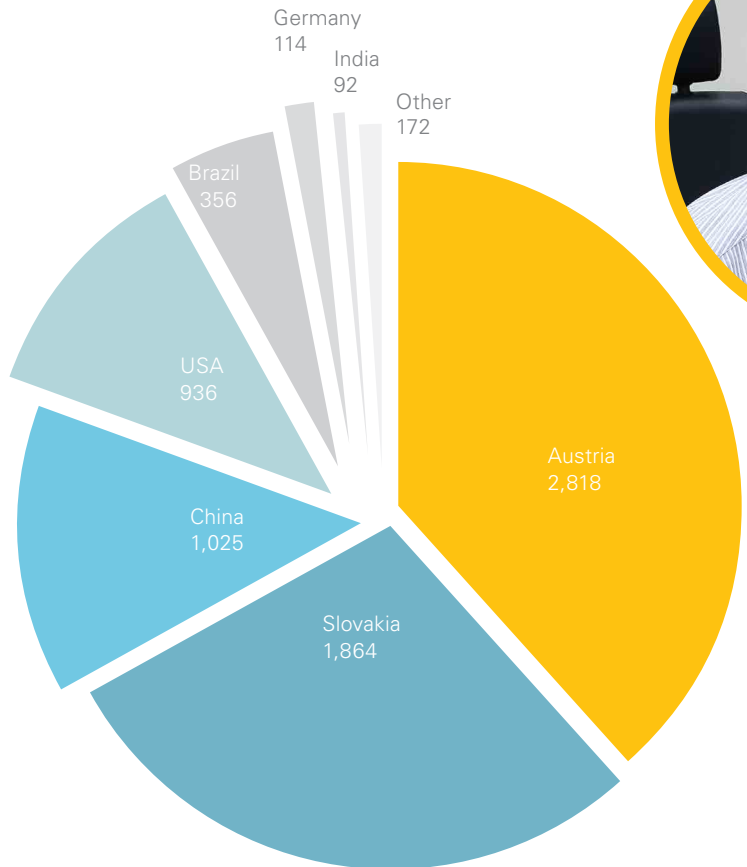
It is our people who carry the Miba Spirit out into the world from their workplaces.



SUCCESSFUL COLLABORATION HAS MANY FACES

One thing is clear to us at Miba: strong teams are simply more successful than lone warriors. And the more different ideas, experiences and knowledge a team has at its disposal, the better. For all these reasons it is so important for us that we collaborate across the boundaries between departments, business units or countries. At the same time we attach value to our teams being as colorful and diverse as the societies in which we move every day as a globally active company. So we bring different perspectives and approaches to the company,

and thus guarantee that when it comes to innovation and creativity our employees can freely develop and inspire one another. We give our employees space not only to enable and encourage open communication and share ideas. The best example of this is our headquarters in Laakirchen – the Miba Forum – as well as the Miba MAKERspaces in Laakirchen and Vorchdorf.



Miba headcount
as of January 31, 2019:

7,377
EMPLOYEES
WORLDWIDE



OPEN EXCHANGE OF IDEAS

Miba is a company that operates worldwide. This not only offers us the benefit of being able to produce everywhere in the world where our customers have their markets. We can also use our employees' many different experiences, ideas and approaches to become even more innovative. The manner in which we collaborate at Miba makes us special. We approach each other openly, communicate as equals, support each other and share ideas. And we consciously do so across the boundaries between teams or business units. This is entirely in our customers' interest, and for me it makes up a substantial part of the Miba Spirit.

*Diogenes Favareto,
Site Manager, Miba Sinter Brasil*

7.8
YEARS

is the average time
Miba employees have
already been with the
company
(fiscal year 2018–19)

38.1
YEARS

is the average age of Miba
employees worldwide
(fiscal year 2018–19)

27%

of Miba employees
worldwide are women
(fiscal year 2018–19)





“AS A COMPANY WITH A GLOBAL FOOTPRINT, WE PRODUCE IN ALL THE MARKETS THAT ARE IMPORTANT TO OUR CUSTOMERS.”

Wolfgang Litzlbauer, Deputy CEO, Miba AG & CEO Miba Bearing Group

LET'S WORK TOGETHER

HOW WE INCORPORATE NEW PLANTS INTO THE MIBA FAMILY

In June 2018 the four industrial bearings plants that formerly belonged to the John Crane Group became part of Miba. By purchasing the four plants we did not just enter an additional area of business that was new to us, the development and production of industrial bearings. With this growth step, we also integrated around 300 employees in the USA and Germany into the Miba family.

The cooperation kicked off with our top management visiting the new sites, during which we provided all the new employees from both production and administration with information about our values, strategies and plans. Every employee also received a goodie bag as a welcome gift. Several weeks later, the four plant managers from the new sites were invited to visit the Miba Forum in Laakirchen for the first time. The future strategy was agreed, the plant managers got to know colleagues from Miba Bearing Group and a location pin was placed in the world map in the Miba Forum. In the last few months the intensive collaboration with the new locations on a partnership basis has already shown numerous positive results, in the organizational development as well as in sales, production, purchasing and human capital.

GROWTH IN BRAZIL AND SLOVENIA

The integration in summer 2017 of what is today Miba Sinter Brasil also started with a visit from the Miba management: Miba had previously already been a shareholder in the plant near São Paulo, and in July 2017 it was acquired completely. In Brazil too the Miba management provided the employees with information about our company and our objectives in the Brazilian market. As the high point of the visit, Miba CEO F. Peter Mitterbauer and Miba AG Management Board member Harald Neubert planted several palm trees on the plant premises – in Brazil a sign of growth. Miba grew in Slovenia too: in 2017 we incorporated EDMS into Miba Power Electronics Group.



TRADITIONAL GROUND-BREAKING CEREMONY AT MIBA DRIVETEC INDIA IN PUNE



CONSTRUCTION OF THE NEW EBG BUILDING IN QINGXI



THREE NEW PLANT BUILDINGS IN CHINA AND INDIA



SECOND SITE OF THE MPCC IN SUZHOU

At Miba we refer to the principle of manufacturing in the vicinity of our customers as "local-to-local". Therefore, we also invest in existing and new plants in all the major markets worldwide. We are currently building three new production sites in China and India.

In Suzhou, near Shanghai, Miba Precision Components China (MPCC) is building a second, additional plant. The turnover of MPCC has quadrupled since 2010, and in addition in past years we already tripled our production and office space to 24,000 square meters. As the company is continuing to grow rapidly, we have begun to construct an additional plant with around 24,000 square meters of working space, just a few kilometers from the main site.

In the Shenzhen region, near Hong Kong, Miba Power Electronics Group is investing in the construction of a new production plant for high-power resistors, for customers from the eMobility sector among others. The plant's production space is being increased to 12,000 square meters, and is thus being almost doubled in comparison to the current site. The plant will commence operations in mid-2019 and will employ 300 people.

In India too we are investing in the construction of a new plant. Due to its rapid growth, Miba Drivetec India has reached its limits at its previous site in Pune, and is therefore constructing a new friction materials plant. In November 2018 the groundbreaking for the new plant was celebrated in the traditional way.

DIVERSITY – DIFFERENCES MAKE MIBA STRONG

Working optimally for our customers, and always being able to develop new approaches and innovations for them, requires one thing above all: teams with a wide range of expertise and experience, based on different living environments, views and attitudes. This is why it is so important for us at Miba to have a colorful and diverse mix of people in our company.

"THE MORE COLORFUL AND DIVERSE WE ARE, THE BETTER WE WILL FIND NEW IDEAS AND SOLUTIONS."

Makus Hofer, CFO, Miba AG

DIVERSITY AS AN ATTITUDE

No matter where our employees come from, how old they are, what cultural and ethnic backgrounds they bring with them or what their educational qualifications are – with their ideas they all contribute to the continuing development of Miba. So for us diversity is not a question of figures or statistics. Instead, diversity describes an attitude to which we are committed at Miba. We rely on the strength of colorful teams and are aware that different approaches and ideas are an important requisite for working even more innovatively and with an even greater customer focus.



THE MIBA FORUM

NEW MODELS OF COLLABORATING

In Ancient Rome the “Forum” was a place of discussion, and in the Miba Forum too the name says it all. As our headquarters and as a center for customer relations, learning and innovation, it offers places for meeting and dialog, in which the creative potential of the Miba employees can better be deployed. The architecture and room concept of the Forum are a deliberate break with traditional ways of working: the open rooms, flexible workplaces and a large number of meeting and creativity zones open up the boundaries between teams and departments.

EXCHANGES ACROSS ALL BOUNDARIES

This makes it easier to exchange information, ideas and solutions across a wide variety of areas of the company. With its desk sharing and modern IT infrastructure, the Miba Forum enables employees from all over the world to work easily when they are staying in Laakirchen. If visitors from China, for example, come to the Miba headquarters for a few days, they can simply go about their work at a free desk. And a useful side effect of this is that thanks to this open way of working, more communication and exchanges take place between the individual employees from different countries.



15 different nationalities work together in the Miba Forum and the Miba AG in Laakirchen

In times of change in particular, this open communication is important. Cooperation across departments increases, and new ideas and solutions are shared and discussed within the company. It is not only our employees that benefit from this, but also our customers, as we can support them with more flexible approaches and innovative methods.

Architecturally the Miba Forum represents a modern interpretation of the square farmyard that is widespread in Upper Austria, thus blending Miba's regional roots and origin with our innovative spirit and focus on the future.

THE MIBA MAKERSPACE

A CREATIVE SPACE FOR INNOVATION, PRODUCTION AND TRAINING

An innovative environment with a start-up atmosphere, for developing and testing new ideas and prototypes in the areas of eMobility and digitalization – this is what the Miba MAKERSpace offers, which we opened in spring 2018 on the premises of our site in Laakirchen. While new solutions and technologies are designed on computer in the Miba Forum,

the MAKERSpace provides a workshop in which our innovators develop new ideas and implement them in reality, and build, test and further optimize prototypes. The MAKERSpace is an open creative space that can be used by research and development from all divisions, so experiences and results can be exchanged and discussed on a broad basis.

This example of a new, creative form of collaboration has started a trend: as well as the Miba MAKERSpace in Laakirchen, for several months there has now also been a MAKERSpace on the Miba Sinter Austria site in Vorchdorf.

“WE OFFER OUR EMPLOYEES SPACE TO ENCOURAGE CREATIVITY AND EXCHANGING IDEAS.”

Harald Neubert, member of the Management Board of Miba AG



04

TAKING RESPONSIBILITY

MIBA SPIRIT MEANS TAKING CARE OF OUR EMPLOYEES, SOCIETY AND THE ENVIRONMENT.

As a technology leader and global player, for over 90 years we have contributed to technical progress and promoted regional and global economic growth alike. This is a success story that makes us happy and proud, and at the same time awakens a need in us to give back some of this good. We regard social responsibility as much more than just a single eye-catching action; it is an attitude that is firmly anchored in the way we perceive ourselves as a company.

As a family company we bear a particular responsibility for our employees. Their professional and personal development, their health and their work-life balance are close to our hearts. We feel obliged to respect and care for our environment. And so thinking and acting in a forward-looking manner that protects resources runs through all our processes. We acknowledge our responsibility towards society with no ifs and buts. Therefore, impeccable ethical, social and ecological business practices are part of our DNA, as is honest engagement in the aims of public welfare and fairness.

Entrepreneurial behavior always includes taking responsibility.



WE TAKE RESPONSIBILITY

As a family company with clear values and a long-term focus, we bear a special responsibility: for our employees, but also for society and the environment. We not only take care of our employees' occupational safety, but also offer them health and fitness programs. We assist parents with their childcare, and thus make it easier for them to combine work and family. In addition, we take responsibility for society, and as a sponsor

and partner we support important initiatives related to education, social issues and culture. And every day we work on saving more resources and becoming more environment-friendly in everything we do.

360

employees in Upper Austria took part in health measurements in 2018.

350

evening meals and breakfasts were distributed to homeless people by our employees during our Christmas charity event in the USA.



GIVING MORE MAKES US PROUD.

Miba is a successful company. So it is our duty and obligation to give something of this success back. This duty means being there for our employees, standing up for a sustainable environment, enabling children and young people to have educational opportunities – and getting involved on behalf of people who are poor and disadvantaged. It is becoming ever more important to people not just to do a job in a company, but to give more and also to see a deeper meaning behind what they do, because the world we leave behind us ought to be a better place than the one we were born into. Miba takes responsibility, and therefore it makes me proud to be part of this company.

Paul Cerwin, Site Manager,
Miba HydraMechanica,
Sterling Heights, Michigan (USA)

RESPONSIBILITY FOR OUR EMPLOYEES

OUR EMPLOYEES' HEALTH IS OF HIGH VALUE

For us, taking responsibility for our employees means taking special care of their health. The mainstay in this area is a pleasant and healthy working environment: we train our employees to avoid potential risks and accidents at work. We also ensure that all areas are kept clean and tidy, and that workplaces are ergonomically designed.

HEALTH PROMOTION WORLDWIDE

Miba is active in terms of occupational safety and health promotion outside Austria too. Thus for example last year Miba Sinter Brasil ran an industrial accident prevention week. At Miba Precision Components (MPCC) in Suzhou near Shanghai we held a safety day where we informed employees how to behave safely on their way to work by motorcycle, with the gift of a Miba helmet for every employee so that they would be better protected when riding in future. We also checked the brakes, lights and tire pressure of our employees' motorcycles free of charge. Miba Sinter Slovakia organized a "healthy backs" campaign. A physiotherapist inspected the workplaces in production, final inspection and packaging, in the tooling workshop and in the administration department. He demonstrated how to sit or stand correctly, the best way to lift heavy objects and how bad habits can quickly be unlearned.

Our wide-ranging health promotion activities also include vaccination campaigns, non-smoking seminars, individual health coaching for particular problems or discounts at fitness studios. We also support employees' sporting activities, such as participation in running events and other sports events. Last but not least, Miba also offers its employees canteens at many locations worldwide, thus providing healthy, inexpensive food directly in the workplace.



CORPORATE
HEALTH
MANAGEMENT
FOR MIBA
EMPLOYEES

MIMI HEALTH PROGRAM IN UPPER AUSTRIA

Treating each other with respect and care is important to us at Miba – taking responsibility for acting health-consciously towards oneself is equally important. So our guiding principle here is "Miba für Mitarbeiter, Mitarbeiter für Miba" ["Miba for employees, employees for Miba"], or "MiMi" for short. MiMi is more than merely an abbreviation: at the same time the figure of MiMi also symbolizes our health program, which we offer to our employees at our sites in Upper Austria. The concept is popular: in the fiscal year 2018–19 around 360 employees took part in health measurements, such as analyses of their muscular structure, heart rate variability or body composition. Around 80 people also regularly use the exercise room in the new Miba Forum.





**“AS A FAMILY COMPANY,
IT IS IMPORTANT FOR US
TO HELP OUR EMPLOYEES
COMBINE FAMILY AND WORK.”**

F. Peter Mitterbauer, CEO Miba AG

MAKING IT EASIER TO COMBINE FAMILY AND WORK

As a family company, harmonizing family and work is close to Miba's heart. As well as flexible working hours models for mothers and fathers, the various childcare options contribute to Miba's family-friendliness in particular. In this way we want to support equality of opportunities for women and men. Five years ago we opened an in-house creche in Laakirchen for our employees' children. We run this facility jointly with Oberösterreichisches Hilfswerk, and it offers space for up to 24 children aged between one and three.

CHILDCARE IN THE SUMMER HOLIDAYS

In the 2018 summer holidays, for the fourth time we offered childcare for the school-age children of our employees at the sites in Upper Austria. In August a total of 78 children were cared for on the company premises in Laakirchen for three weeks and in three age groups. The childcare we provided was organized in cooperation with Otelo, the Open Technology Lab, and helped employees bridge the children's long summer holidays and avoid childcare bottlenecks. It centered around playful technology activities as well as experiments and workshops, and there were also plenty of outings and fun. Holiday childcare for our employees' children was also organized in Slovakia, where we looked after 80 children for two weeks at Miba Sinter Slovakia in Dolný Kubín.

158

children were cared for in 2018 in the
Miba summer holiday programs in
Austria and Slovakia

RESPONSIBILITY FOR SOCIETY

SPONSORSHIP OF EDUCATION AS AN INVESTMENT IN THE FUTURE

A good education is the most important capital for young people, and the basis for professional success. For this reason, on the one hand we support educational opportunities that offer young people more encouragement and support than the state school system is capable of providing. In addition, we back projects that convey important digital skills, and we support projects for funding students who display special commitment and exceptional achievements.

teach for austria

TEACH FOR AUSTRIA – FOR GREATER EQUALITY OF OPPORTUNITIES

Miba supports “Teach for Austria”, an educational initiative that supports equality of opportunities in the educational system by focusing on high risk schools. At “Teach for Austria” university graduates become temporary teachers at schools with a difficult social background. In the school year 2018–19 the initiative was also launched in Upper Austria, in six high risk schools in Linz, Wels and Steyr.

In summer 2018 the initiative gave a presentation of its activity to potential new partners and sponsors in the Miba Forum. The musical entertainment came in the form of a concert by the pupils' orchestra from the King Solomon Academy in London, which has set itself the objective of enabling children from socially disadvantaged districts to have an excellent school education. In England it is usually not easy to finance music tuition for socially disadvantaged groups, so the school is particularly proud of being able to offer this.



“ALPHA. MEINE CHANCE.” – SUPPORT FOR CHILDREN WITH READING DIFFICULTIES

Invest in education, and you will harvest a better society: this is the mission statement of “ALPHA. MEINE CHANCE.”, a project by the Upper Austrian Red Cross, under which voluntary reading coaches accompany and support children with reading difficulties to complement their school education. We support the initiative by sponsoring this project in the districts of Gmunden and Vöcklabruck. In 2018, 15 voluntary reading coaches supported a total of 72 children in these two districts. In addition, in September 2018 the Red Cross organized a two-day training course for reading coaches at the Miba Forum in Laakirchen.

By 2022 the initiative wants to train 300 voluntary ALPHA reading coaches throughout Upper Austria, to look after 750 pupils a year.



**“INVEST IN EDUCATION,
AND YOU WILL HARVEST
A BETTER SOCIETY.”**

The mission statement of the project “ALPHA. MEINE CHANCE.” from the Red Cross

Otelo eGen

OTELO FUTURESPLACE – UNDERSTANDING DIGITAL INNOVATION

In cooperation with Otelo, the Open Technology Lab, we created the education format “Otelo futurespace – the digital playground”. The futurespace provides a digitalization playground with various labs and tasks. The participants learn how networked technologies interact and discover the creative freedom that comes from digital innovations in their living environment.



CAP – A MECHATRONICS APPRENTICESHIP IN PARALLEL TO UPPER SECONDARY SCHOOL

“CAP – a mechatronics apprenticeship in parallel to upper secondary school” is an initiative supported by Miba, which enables students to take a fully-fledged mechatronics apprenticeship in parallel to the upper stage of their secondary schooling. The training takes place at fortnightly intervals – on Friday afternoon and Saturday – at WIFI in Linz, and concludes with an apprenticeship diploma that is taken shortly after the school-leaving exam. In addition to the apprenticeship, holiday work placements of at least eight weeks and attendance at management courses are compulsory. Students wishing to participate in the program need to be curious about technology and enjoy learning, as well as displaying sufficient motivation and openness to new things.



DELTA AKADEMIE – HIGH-QUALITY ADDITIONAL TRAINING FOR STUDENTS

The Delta Akademie at the Leoben University for Mining, Metallurgy, and Materials is a high-quality additional offering that selected students at the university can follow in parallel to their studies. The central idea behind the Delta Akademie is to support the career prospects of 20 to 25 selected students per year by offering them high-quality additional training, and thus to tap into the potential for companies of up-and-coming young managers.



TALENT PROGRAM AT TU WIEN

The talent program at TU Wien offers students a platform for getting to know successful companies, contacting them and in this way building up a professional network. They receive support in this from the TU Career Center. The program focuses on bringing together students with companies that match their interests, as well as enabling them to get to know each other intensively – such as during Company Days held at the companies themselves.

Wissensfabrik

Unternehmen für Österreich

WISSENSFABRIK ÖSTERREICH BRINGS SCIENCE AND TECHNOLOGY INTO THE CLASSROOM

Miba supports Wissensfabrik Österreich – an education platform that funds projects in the STEM subjects (science, technology, engineering, mathematics), business and language development for children. With the sponsorship from Miba and other businesses, Wissensfabrik Österreich provides teaching materials and teacher training. The “knowledge factory” has two specific products available for schools: “NaWi – geht das?” [“How does science work?”] and “KiTec – Kinder entdecken Technik” [“Children discover technology”].

By using the working materials from the “NaWi – geht das?” experiment box, children obtain answers to questions from the world of the natural sciences. The material from “KiTec – Kinder entdecken Technik” brings applied technology and science straight into the classroom. Schoolchildren’s thirst for knowledge is supported with special tools, wooden materials and consumables.



SCHULE IM AUFBRUCH

“Schule im Aufbruch” is not a classic organization, but a network. School principals, educationalists, parents, school students, representatives of the schools inspectorate and members of universities work together in the initiative. The network advocates a new learning culture, with the aim of preserving pupils’ innate enthusiasm and creativity, addressing children’s individual talents more closely and encouraging them.



LISA – INTERNATIONAL SCHOOL IN UPPER AUSTRIA

LISA (Linz International School Auhof) is Upper Austria’s first and only international school. As the only public grammar school in the province, LISA can offer the International Baccalaureate diploma together with the Austrian school-leaving examination. The school also aims to stimulate individual talents and the students’ interpersonal and creative skills, as well as intercultural learning. The language of instruction is English, while teaching in the first classes is bilingual to start with (German/English).

START

Stipendien für engagierte
Schülerinnen und Schüler
mit Migrationshintergrund

START – GRANTS FOR COMMITTED PUPILS WITH A MIGRATION BACKGROUND

The integration of committed young people with a migration background, and especially refugees, is important to us. We therefore support the START initiative, which awards grants mainly for language courses or further training courses.

SOCIAL ENGAGEMENT – FOR GREATER HUMANITY

For us, taking responsibility also often means supporting people that are disadvantaged in society. For this reason, we support selected projects in Upper Austria and worldwide.

MACOMB COUNTY WARMING CENTER – MEALS AND A PLACE TO SLEEP FOR HOMELESS PEOPLE

Instead of buying Christmas gifts for our customers, every year we support a social institution in a country in which Miba is active. In 2018 we supported the Macomb County Warming Center (MCWC) in the US State of Michigan, which is also the location of the Miba HydraMechanica plant. The initiative ensures that in winter there are 19 churches open at night for homeless people, where they can have a hot meal and a safe place to sleep. But we not only supported the MCWC financially; our employees also became heavily involved, and for a week they spent their leisure time cooking, cleaning and looking after the homeless people in one of the churches. The results of this campaign were impressive:

- More than 350 evening meals and 350 breakfasts were distributed to homeless people.
- 50 to 65 homeless people were accommodated each night.
- More than 50 MHC employees took part, from both the production and administration departments.
- More than USD 300 was also donated by the employees.
- On their own initiative employees collected and bought 220 pairs of socks and distributed these to the homeless people.



elijah

PATER GEORG SPORSCHILL SJ | SOZIALE WERKE
RUTH ZERNERT | INITIATIVA SOCIALA

ELIJAH – SUPPORT FOR ROMA FAMILIES IN ROMANIA

We have supported the projects of Father Georg Sporschill SJ for many years. In recent years the donations benefited the ELIJAH association, which helps families and children of Roma people living in Romania to cope with their difficult situation and build a future using their own resources.



Trinkwasser für Kambodscha

KAKIHE – RUNNING TO BUILD A WELL IN CAMBODIA

Miba supports the “KAKIHE” association, which was founded by two of our employees and provides clean drinking water in Cambodia. Every year the association organizes the “Fünf Brücken Lauf” along the River Traun. The entry fees for the run are used to finance the building of wells, and thus ensure better access to drinking water.

lebenshilfe
Oberösterreich

LEBENSILFGE GMUNDEN

Since 2001 we have supported Lebenshilfe Gmunden, which cares for people with mental disabilities and helps them lead an integrated and self-determined life.



ART AND CULTURE ENRICH OUR LIFE

As far as art and culture are concerned, diversity and a broad selection are especially important to us, as for us art and culture simply belong in a fulfilled life. We therefore support selected institutions in Austria and worldwide.



SALZKAMMERGUT FESTWOCHEN GMUNDEN

Miba has a special connection with the Gmunden region: the company was founded here more than 90 years ago, and today we employ around 2,600 people here. Especially as a family company with such strong regional roots, it is important to us to support and sponsor special cultural initiatives such as the Salzammergut Festwochen Gmunden. As part of the partnership, free tickets are made available to our employees, so they have the option of visiting concerts, theatre performances, readings, exhibitions, Lieder evenings and film screenings from the extensive culture program free of charge.

THE CLEVELAND ORCHESTRA

CLEVELAND ORCHESTRA

The Cleveland Orchestra is one of the “Big Five” – the five largest symphony orchestras in the USA. The orchestra is led by Franz Welser-Möst, originally from Upper Austria, as its chief conductor, and in 2018 it celebrated its 100th anniversary. Miba is represented by seven production sites in the USA (Ohio being the largest site) – the best prerequisite for actively supporting the orchestra.



WIENER KONZERTHAUS

VIENNA KONZERTHAUS

Since it first opened in 1913, the Vienna Konzerthaus has stood for a lively interaction with tradition, attracting new audiences with bold program choices, and being open to new developments. As well as its classical offerings, the Konzerthaus is also a venue for contemporary music and a stage for international jazz. The Konzerthaus thus has a decisive influence on Viennese cultural life.

PHILHARMONIC FIVE

Four soloists from the ranks of the Vienna Philharmonic Orchestra and an exceptional pianist together make up the Philharmonic Five. We have supported the ensemble since the beginning of 2019.

**“ART AND CULTURE
SIMPLY BELONG
IN A FULFILLED LIFE.”**

F. Peter Mitterbauer, CEO Miba AG



RESPONSIBILITY FOR THE ENVIRONMENT

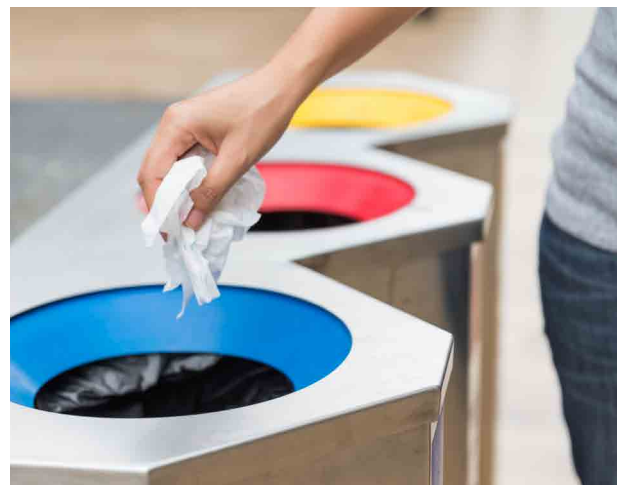
For us, our corporate mission statement “Innovation in Motion – Technologies for a Cleaner Planet” not only means that with our technologies we are making a contribution to a cleaner planet. It is also a duty and incentive for us to continuously ensure that all our processes, from production to administration, save even more energy and resources, and are thus even more sustainable. We put this responsibility for sustainability and the environment into practice as a company, but so too do all our employees in their daily dealings at work with valuable resources such as energy or water.

USING ENERGY MORE EFFICIENTLY

A major focus of our activities is on more efficient, and thus more sustainable, use of energy. In the last fiscal year we succeeded in increasing our worldwide energy efficiency by 5,193 MWh, equivalent to the energy consumption of around 1,000 single-family houses. The energy efficiency we achieved was thus 1.9 percent better than the previous year, and greatly exceeded our goal of an annual improvement of one percent. This saving was made possible, for example, by the introduction of energy-saving LED lighting in several locations, through optimizations in the use of air conditioning systems or through new cooling technologies. We also achieved savings by modernizing machinery, optimizing operating hours and using heat recovery technologies.

Digitalization also plays an ever greater role in the efficient use of energy. Energy use can be managed much more precisely and optimized by means of data on energy consumption, machine or production data.

We are also aware that every employee can make a contribution to saving energy in their daily work, for instance by switching off equipment that is not required.



WASTE PREVENTION

We have the clear objective of continuously optimizing our quantities of waste through optimizations of the production process. In the last fiscal year, for the first time we collected figures to establish a “waste improvement rate” and calculated that we could handle our waste 2.9 percent more efficiently – substantially higher than our objective of 0.2 percent per year on average. This improvement corresponds to a waste volume of 787 tons.

In addition, on all our plant sites we are working on reducing the use of hazardous substances to a minimum. We constantly ensure that these are stored safely and used responsibly; we also run periodic training courses for our employees and inspect our production sites regularly.

WATER MANAGEMENT

Even though all our production sites worldwide are located in areas where there is no shortage of water, the responsible use of water as a resource is especially important to us. In the last fiscal year 2018–19 we also collected figures to calculate a “water improvement rate” for the first time. We ascertained that in comparison to the previous year we used water as a resource 0.28 percent more efficiently, and thus in a more environment-friendly way.

787
TONS

of efficiency improvements were implemented in our waste management (fiscal year 2018–19 in comparison to the previous year)

5,193
MWH

of efficiency improvements were achieved in terms of energy consumption in the fiscal year 2018–19



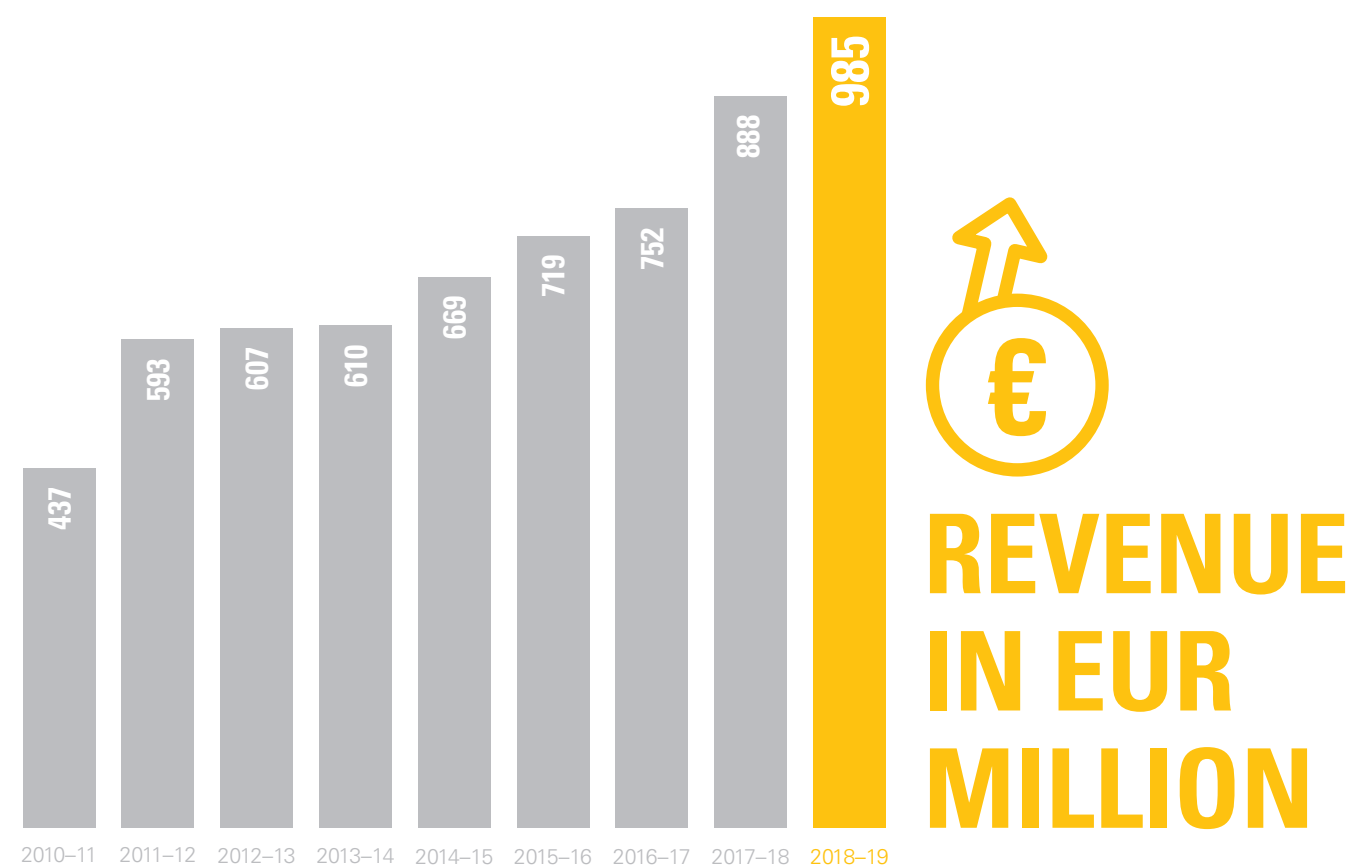
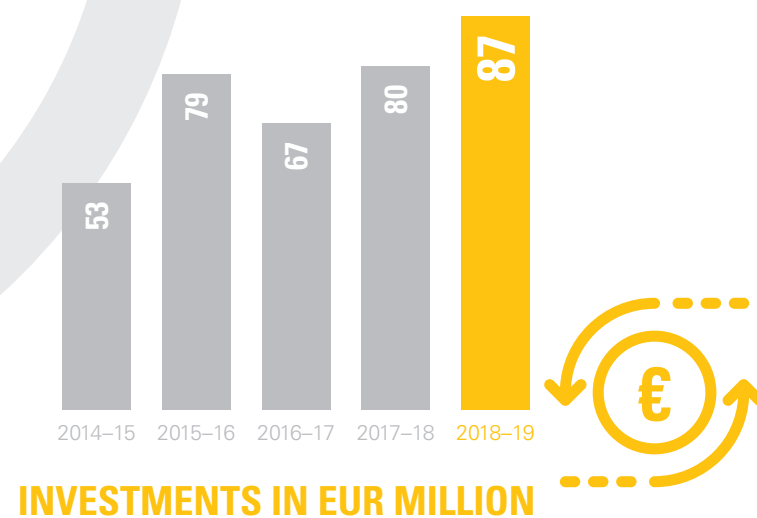
“OUR INCREASED EFFICIENCY IN OUR ENERGY CONSUMPTION IN 2018 IS EQUIVALENT TO THE ENERGY CONSUMPTION OF AROUND 1,000 SINGLE-FAMILY HOUSES.”

Franz Almhofer-Amering, Corporate EHS & Facility Manager, Miba AG

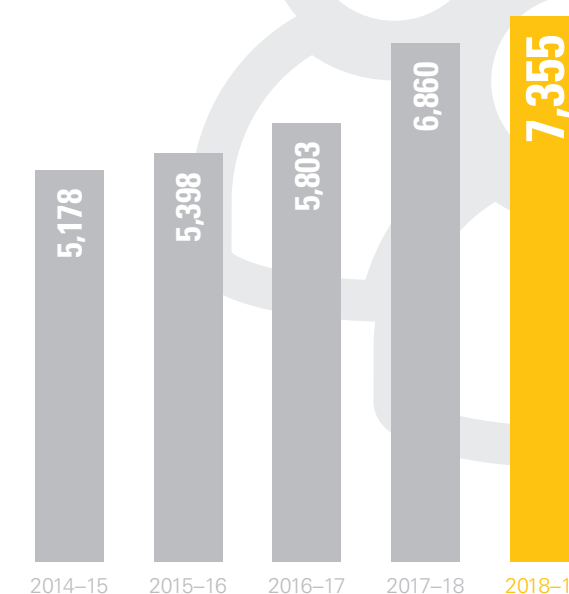
FIGURES DATA FACTS

KEY PERFORMANCE INDICATORS

FISCAL YEAR 2018–19



EQUITY RATIO
IN PERCENT

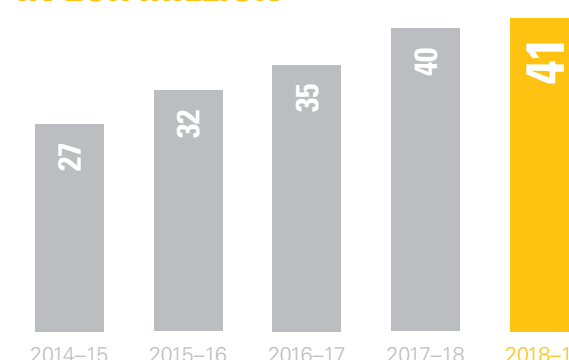


EMPLOYEES
(including agency staff)

RESEARCH RATIO AS
A PERCENTAGE OF REVENUE



R&D EXPENSES
IN EUR MILLION



HIGHLIGHTS 2018–19



APRIL 13, 2018

New visitor record for Miba during the Long Night of Research. We welcome 500 interested guests to the Miba Forum.



AUGUST 29, 2018

In Upper Austria 78 children take part in the Miba holiday program, with which we offer our employees three weeks care for their children during the very long summer holidays. 80 children participate in the holiday program of Miba Sinter Slovakia.



MAY 24, 2018

Just a few days before joining Miba, the site managers at the four industrial bearing production sites bought from the John Crane Group conclude their first work meeting with the Miba management in Laakirchen by placing pins representing their sites on the world map in the Miba Forum.



JUNE 10, 2018

Miba partners the NIO racing team at the Formula E race in Zürich. In this way we are highlighting our strategy of achieving a leading position globally as an important partner and supplier to car manufacturers in the eMobility segment too.

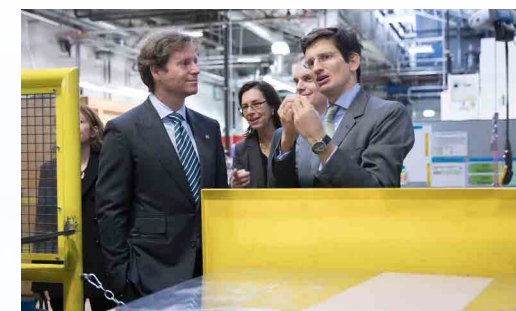


SEPTEMBER 2, 2018

38 boys and girls start their apprenticeships at one of the Miba sites in Upper Austria. To make learning even more fun, at the start of their apprenticeship every apprentice is given a tablet that also supports knowledge transfer. In total Miba employs around 300 apprentices worldwide.

NOVEMBER 14, 2018

For the first time Miba organizes an Industry 4.0 Hackathon, where the aim is to develop an optimized solution for quality assurance via visual inspection combined with artificial intelligence. The Vienna start-up "craftworks" convinces Miba with its solution and wins the pitch.



JANUARY 28, 2019

US Ambassador Trevor Traina visits the Miba Forum in Laakirchen. The visit underlines the strong connection between our company and the USA that goes back many years. We currently operate seven production plants and employ around 950 people there.



NOVEMBER 19, 2018

Award for being the best internationally active company in Upper Austria in the "ALC – Austria's Leading Companies" competition. The basis is not a subjective jury decision, but an analysis of key financial figures.



NOVEMBER 15, 2018

Groundbreaking with a traditional ceremony for the new Miba Sinter plant in Pune, India. Two new production sites are currently also being created in China – Miba Power Electronics Group is building a new plant in the Shenzhen region, and MPCC a second site in Suzhou near Shanghai.

2018 AWARDS

Miba's efforts and activities to ensure a successful partnership with all our stakeholders resulted in multiple awards in 2018 too.



AUSTRIA'S LEADING COMPANIES

Best Internationally Active Company in Upper Austria and 3rd place in the Austria-wide overall evaluation from the daily newspaper "Die Presse" for Miba AG

BGF QUALITY SEAL

from the Netzwerk Betriebliche Gesundheitsförderung [Network for Workplace Health Promotion] for Miba AG

BEST RECRUITERS 2018-19

in Silver and 4th place for Automotive/Motor Vehicle for Miba AG



SUPPLIER AWARD, Best Delivery Supplier 2017-2018 from Schaeffler India for Miba Drivetec

STATE PRIZE FOR ARCHITECTURE, awarded by the Austrian Federal Ministry for Digital and economic affairs: finalist (Top 5) in the category Administration for the Miba Forum

SUPPLIER AWARD from MTU for Miba Gleitlager Austria

EMPLOYER QUALITY SEAL as a popular employer 2019 from the daily newspaper "Kurier" for Miba Sinter Austria

PSA 2018 BEST SUPPLIER PLANTS AWARD from Groupe PSA for Miba Sinter Austria



GOLD LEVEL SUPPLIER AWARD

from BAE Systems Supplier for EBG Resistors LLC

SNIP AWARD, 3rd place Gazelle Enterprise from the Development Promotion Service Centre of Sunan National Innovation Park for Miba Precision Components (China)

CNHTC AWARD, 2nd place – Supplier of the Year from CNHTC for Miba Precision Components (China)

WEICHAI AWARD, Development Partner from Weichai for Miba Precision Components (China) Bearing

WEICHAI AWARD, Supplier of the Year from Weichai for Miba Precision Components (China) Bearing

WEICHAI AWARD, Sales of the Year 2017 from Weichai for Miba Precision Components (China) Bearing



CATEGORY PARTNER AWARD

from Cummins for Miba Gleitlager Austria

AAAAA COMPANY OF LABOR SECURITY

awarded by SIP Labour and Social Security Bureau to Miba Precision Components (China)

HITACHI AWARD

Best Technology & Product Development Supplier from Hitachi Automotive System China for Miba Precision Components (China) Sinter

SAGW SUPPLIER AWARD

Supplier of the Year – Best Quality Supplier from Shanghai Automotive Gear Works (SAGW) for Miba Precision Components (China) Sinter

TOP COMPANY CERTIFICATE & OPEN COMPANY CERTIFICATE

for companies with ratings above average and with a high sense of dialog with employees from kununu.com

OUTSTANDING TRAINEESHIP PROGRAM

for the Miba Global Graduate Program from TraineeNet



MANAGEMENT BOARD

from left to right

HARALD NEUBERT

Member of the Management Board of Miba AG
also responsible for Miba Sinter Group,
Miba Automation Systems and Quality

MARKUS HOFER

CFO of Miba AG

also responsible for Corporate Finance, Controlling, IT,
Legal & Compliance and the Lean 2020+ Initiative

F. PETER MITTERBAUER

CEO of Miba AG

also responsible for Miba Friction Group, Miba Power
Electronics Group, Communications, Human Capital,
Strategy, Innovation & Technology, Digital Office and
Internal Audit

WOLFGANG LITZLBAUER

Deputy CEO of Miba AG

also responsible for Miba Bearing Group, Miba Coating
Group and Purchasing

SUPERVISORY BOARD

ELECTED MEMBERS

Dkfm. Dr. Wolfgang C. Berndt (Chairman of the
Supervisory Board), independent, member of the
Supervisory Board of Miba AG since June 27, 2008

Dipl. Bw. Alfred Heinzl (Vice Chairman), independent,
Chairman of the Management Board of Heinzl Holding
GmbH, member of the Supervisory Board of Miba AG
since June 4, 2003

Prof. KR Ing. Siegfried Wolf, independent, member of
the Supervisory Board of Miba AG since June 25, 2015

Dr. Therese Niss, independent, member of the
Supervisory Board of Miba AG since July 17, 2018

DELEGATED MEMBERS

Elfriede Schober, member of the Supervisory Board of
Miba AG since 2016, member of the Finance Committee

Johann Forstner, member of the Supervisory Board of
Miba AG since 2009



26 PRODUCTION SITES AND 7,400 EMPLOYEES WORLDWIDE

WE DEVELOP AND PRODUCE IN ALL THE MARKETS THAT ARE IMPORTANT TO OUR CUSTOMERS

As of January, 31 2019, employee numbers rounded

MIBA SINTER GROUP

Miba Sinter Austria GmbH
Vorchdorf, Austria

Miba Sinter Slovakia s.r.o.
Dolný Kubín, Slovakia

Miba Sinter USA LLC
McConnelsville, OH, USA

Miba Sinter Brasil Ltda.
Indaiatuba, Brazil

Miba Precision Components (China) Co. Ltd. – Sinter Branch
Suzhou, China

Sintercom India Pvt. Ltd.*
Pune, India

MIBA BEARING GROUP

ENGINE BEARING BRANCH

Miba Gleitlager Austria GmbH
Laakirchen, Austria

Miba Bearings Materials GmbH
Aurachkirchen, Austria

Miba Bearings US LLC
McConnelsville, OH, USA

Miba Precision Components (China) Co. Ltd. – Bearing Branch
Suzhou, China

ABM Advanced Bearing Materials LLC*
Greensburg, IN, USA

INDUSTRIAL BEARING BRANCH

Miba Industrial Bearings Germany
Göttingen, Germany

Miba Industrial Bearings U.S. LLC
Grafton, WI, USA

Miba Industrial Bearings U.S. LLC
Columbus, NE, USA

Miba Industrial Bearings U.S. (Houston) LLC
Deer Park, TX, USA

MIBA FRICTION GROUP

Miba Frictec GmbH
Roitham, Austria

Miba Steeltec s.r.o.
Vráble, Slovakia

Miba HydraMechanica Corp.
Sterling Heights, MI, USA

Miba Drivetec India Pvt. Ltd.
Pune, India

Miba Precision Components (China) Co. Ltd. – Friction Branch
Suzhou, China

Fibertec Štětí s.r.o.
Štětí, Czech Republic

EUROPE

4,950 employees
14 production sites

ASIA

1,150 employees
4 production sites

MIBA POWER ELECTRONICS GROUP

EBG Elektronische Bauelemente GmbH

Kirchbach, Austria,
St. Stefan, Austria

DAU GmbH & Co KG
Ligist, Austria

EBG Shenzhen Ltd.*
Shenzhen, China

EDMS d.o.o.
Šentjernej, Slovenia

MIBA COATING GROUP

High Tech Coatings GmbH
Vorchdorf, Austria

Miba Precision Components (China) Co. Ltd. – Coating Branch
Suzhou, China

Miba Coatings US LLC
McConnelsville, OH, USA

Miba Automation Systems GmbH
Aurachkirchen, Austria

* Miba affiliated companies

PRODUCT PORTFOLIO

OUR TECHNOLOGIES FOR A CLEANER PLANET

SINTERED COMPONENTS



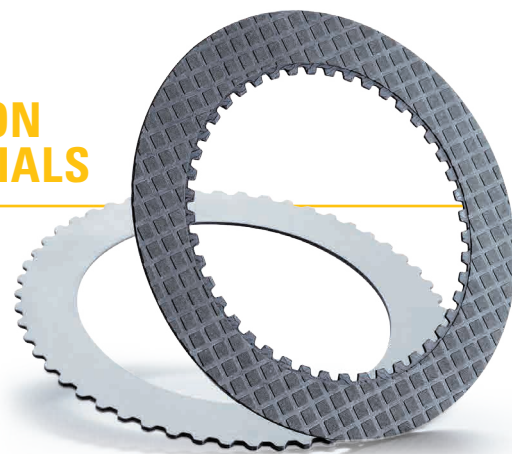
Miba sintered components are used in passenger vehicle engines, transmissions and steering systems. Their complex design, which integrates several functions into one component, as well as their high precision, durability and lightweight structure, set them apart from the competition. Thus Miba technology is making a major contribution to greater efficiency and helping to reduce fuel consumption.

Engine bearings are crucial components playing a significant role in engine function and service life. They help position crank- and camshafts, minimize friction during operation and protect the engine from damage and breakdown. They are used in diesel and gas engines in ships, heavy-duty vehicles, locomotives and power plants. The bearings produced by Miba Bearing Group withstand higher ignition pressures, thus increasing engine efficiency. Miba's industrial bearings division produces hydrodynamic bearings, which are used in large-scale equipment and serve as a critical part of the machine in maintaining the radial position and alignment. In compressors, they support the rotating shaft of the turbo engine. Hydrodynamic bearings are also used in generators, high-energy pumps and in transmissions where they carry the load of rotating components.

ENGINE BEARINGS

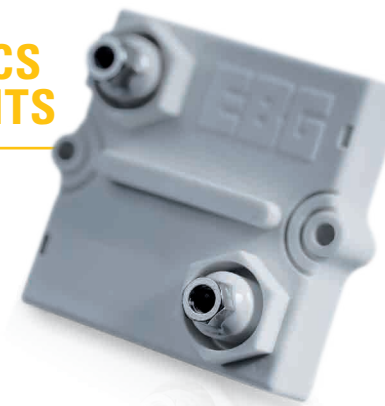


FRICTION MATERIALS



Friction materials are the decisive performance elements in vehicle clutches and brakes, optimizing speed and power. Miba Friction Group components reduce weight and the size of transmissions and axles. They are used in construction machinery, tractors, passenger vehicles, trucks, high-speed trains, motorcycles, aircraft and wind power plants.

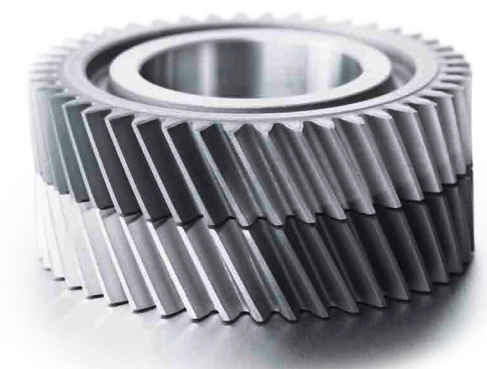
POWER ELECTRONICS COMPONENTS



The Miba Power Electronics Group develops customer-specific solutions for power electronics; EBG resistors and DAU heat sinks contribute to more efficient generation, transmission and utilization of electrical energy. EBG high-power resistors are also used in electrified vehicles.

Miba develops customized coating solutions for refining functional surfaces. Among its core technologies are polymer and low-friction materials, electroplated overlays and PVD coatings. These coatings ensure maximum service life and optimum functionality. Miba coatings are used in components for engines and transmissions of passenger vehicles, trucks and Formula 1 race cars, as well as in other high-performance applications.

COATINGS

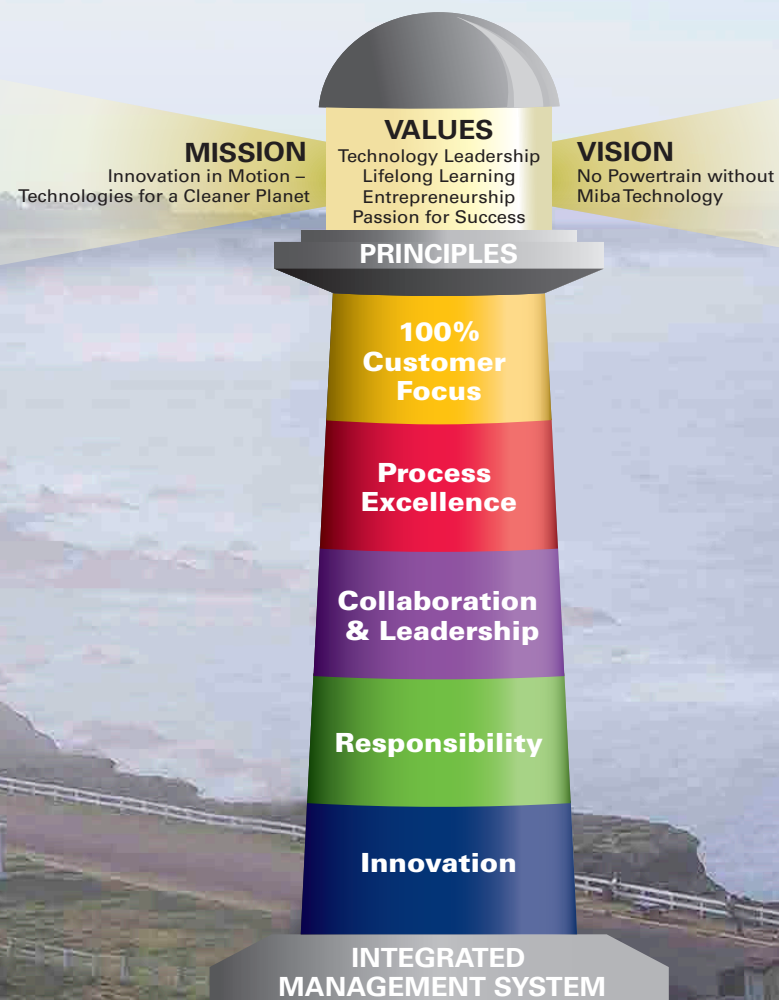


SPECIAL MACHINERY



Miba's special machinery is used for high-precision and rapid machining of small to very large components. Miba Automation Systems is a leader in engine bearing technology, robotics and automation, as well as stationary and mobile special machinery which is mainly used in the construction of power plants. The wind industry is also one of the company's important markets. Our extensive product portfolio for production equipment used in the field of electromobility ranges from prototype construction and development through to plant construction for electric motor stators.

OUR GUIDING PRINCIPLES



LIGHTHOUSE

The Miba Lighthouse gives us orientation through our mission, vision, values and principles.

With the Miba Lighthouse, our company has created a structure that serves as strategic orientation and provides a framework for decision making.

MIBA 2020 – DYNAMIC EVOLUTION

OUR CORPORATE STRATEGY

As a technology leader and global company, we are making an active contribution to technical progress and global economic growth. Global population growth, climate change and the scarcity of resources call for innovative solutions. We are preparing for these tasks and have defined our priorities for

the next few years. Change also always means new possibilities and opportunities to be exploited. With Miba 2020, we are heading into the future with confidence, a clear vision and strategy, and ambitious targets.

OUR MISSION

Innovation in Motion –
Technologies for a Cleaner Planet

OUR VISION

No powertrain without Miba technology

OUR GOALS

- Profitable growth to over EUR 1 billion
- Increase in revenue from core business and through M&A
- Global number 1 in our market segments

OUR STRATEGY

Strive for technology leadership in demanding, financially attractive market segments
Dynamic evolution as the overarching guiding concept, supported by three main pillars: Global Growth, Innovation and Technology, People

OUR VALUES

- Technology leadership
- Lifelong learning
- Entrepreneurship
- Passion for success



GENERAL ECONOMIC CONDITIONS

GLOBAL ECONOMY¹

In 2018 world economic growth was 3.7 percent, somewhat weaker than the previous year (3.8 percent); this was mainly due to the slowdown in the second half of the year. Against this background, in autumn 2018 the IMF revised its growth forecasts downwards, and is also assuming lower growth rates than recently for the next few years (2019: 3.5 percent and 2020: 3.6 percent). Growth declined markedly in Europe and Asia in particular, and therefore for Germany, for example, the IMF anticipates a decline of one percentage point in the growth rate, from 2.5 percent to just 1.5 percent. China is also growing more slowly than recently, with a decline from 6.9 percent economic growth in 2017 to a forecast 6.6 percent in 2018.

For 2018 the IMF is assuming a growth rate of 2.3 percent for the industrialized countries, after 2.4 percent in 2017. The recovery of the economy in the USA resulted in economic growth of 2.9 percent after 2.2 percent in 2017. Growth in GDP in the Euro Area declined; after growth of 2.4 percent in 2017 it will be 1.8 percent for 2018. The emerging economies grew overall in 2018 by 4.6 percent, and thus less strongly than the previous year (4.7 percent). Unlike China, with its declining economic growth, the economy in India grew in 2018, with growth in GDP rising from 6.7 percent in 2017 to 7.3 percent in 2018. A slightly higher growth rate is also evident in Brazil, increasing from 1.1 percent in 2017 to 1.3 percent in 2018.

SECTOR PERFORMANCE

The slightly weakening economic development displayed by some regions during the year is also partly reflected in the performance of the sectors that are relevant to Miba. Generally it was also evident, especially in the last fiscal year, that with its very wide product portfolio and focus on many regional markets Miba is very well equipped to cope with volatile developments in individual segments.

The global automotive industry was characterized by declines in 2018. A total of 91.5 million vehicles were produced (cars and light commercial vehicles), which was more than 1.3 million less than in 2017. The decline came from the car segment, where production decreased from 72.7 million to 70.5 million units (-3 percent). By contrast, production figures for light commercial vehicles rose (from 20.2 million to 21.1 million units).² In Europe the number of cars produced fell by 1.7 percent compared to 2017, and the number of registrations fell by 0.7 percent.³ In the USA too, car production figures fell from around 3 million to around 2.8 million.⁴

In the car market in China – which has long been the driver of global growth – production figures fell for the first time since the 1990s, by 4.1 percent. In contrast the market in China for electrified cars grew strongly. In total 1.05 million vehicles were sold, of which 788,000 were battery electric vehicles (+70 percent in comparison to 2017) and 294,000 were plug-in hybrid vehicles (+162 percent in comparison to 2017).⁵ The situation in Brazil is different⁶: as in the previous year the car market grew here in 2018 too, with production figures increasing by 3.4 percent compared to 2017.

The trends in the worldwide truck market in 2018 differed by region. In total 4 million heavy trucks were produced worldwide, corresponding to a 2.9 percent decline compared to 2017.⁷ In

China, following strong growth in 2017, last year truck production fell slightly, although according to LMC Automotive at more than 1.1 million trucks it was still well above the long-term average level. Production figures rebounded towards the end of the year (+6 percent in December 2018 in comparison to December 2017).⁸ In the EU the number of newly registered heavy trucks rose by 3.4 percent to around 312,000 trucks.⁹ In the USA 250,545 heavy trucks were sold in 2018, around 30 percent more than in the previous year.¹⁰ The worldwide markets for agricultural vehicles, construction and mining machinery have been developing positively since 2016, thus including last year. The current values provided by a survey that has been undertaken continuously in the European agricultural machinery sector since 2008 also confirm a positive economic climate for 2018. After a slowdown at the start of the year following the very good years 2016 and 2017, the assessment of the sector in terms of the economic environment is showing an increasingly positive trend.¹¹ Surveys and calculations from various countries also confirm a further upward trend in the worldwide construction industry in 2018; this sector has grown by around 3.5 percent, with the German construction machinery industry even having achieved a 12 percent increase in sales compared to the previous year.¹²

The worldwide wind energy industry also grew in 2018. Wind turbine capacity reached 600 gigawatt and thus increased by 9.8 percent compared with 2017.¹³

¹ Cf. International Monetary Fund (IMF): World Economic Outlook Update, January 2019

² Cf. International Organization of Motor Vehicle Manufacturers (OICA): World Motor Vehicle Production by Country and Type 2017–2018, Cars: <http://www.oica.net/wp-content/uploads/Passenger-Cars-2018.pdf>, information downloaded March 15, 2019

³ Cf. <https://lmc-auto.com/wp-content/uploads/2019/02/LMCA-Western-European-Passenger-Car-Sales-Update-January-2019.pdf>, information downloaded March 15, 2019

⁴ Cf. <http://www.oica.net/wp-content/uploads/Passenger-Cars-2018.pdf>, information downloaded March 15, 2019

⁵ Cf. LMC Automotive, <https://lmc-auto.com/category/china/>, information downloaded March 15, 2019

⁶ Cf. <http://www.anfavea.com.br/docs/siteautoveiculos2019.xlsx> and <http://www.anfavea.com.br/docs/siteautoveiculos2018.xlsx>, information downloaded March 4, 2019

⁷ Cf. OICA: World Motor Vehicle Production by Country and Type 2016–2017, Heavy Trucks: <http://www.oica.net/wp-content/uploads/Heavy-trucks-2018.pdf>, information downloaded March 17, 2019

⁸ Cf. LMC Automotive, Production of Heavy Trucks, January 2019

⁹ Cf. ACEA: New commercial vehicle registrations European Union 2018, Heavy Commercial Vehicles: <https://www.acea.be/press-releases/article/commercial-vehicle-registrations-3.2-in-2018-4.0-in-december>, information downloaded March 19, 2019

¹⁰ Cf. <https://www.ttnews.com/articles/december-class-8-sales-cap-fourth-best-year-all-time>, information downloaded March 27, 2019

¹¹ Cf. CEMA Business Barometer, Public excerpt, January 2019 and March 2019: <https://www.cema-agri.org/market-trends>, information downloaded March 22, 2019

¹² Cf. Euler Hermes: Global Sector Report Construction, https://www.eulerhermes.com/en_global/economic-research/insights/Global-construction-Soft-landing-with-a-loose-seatbelt.html as well as <https://www.bi-medien.de/artikel-31681-bm-baumaschinenbranche-umsatzrekord.bi>, information downloaded March 20, 2019

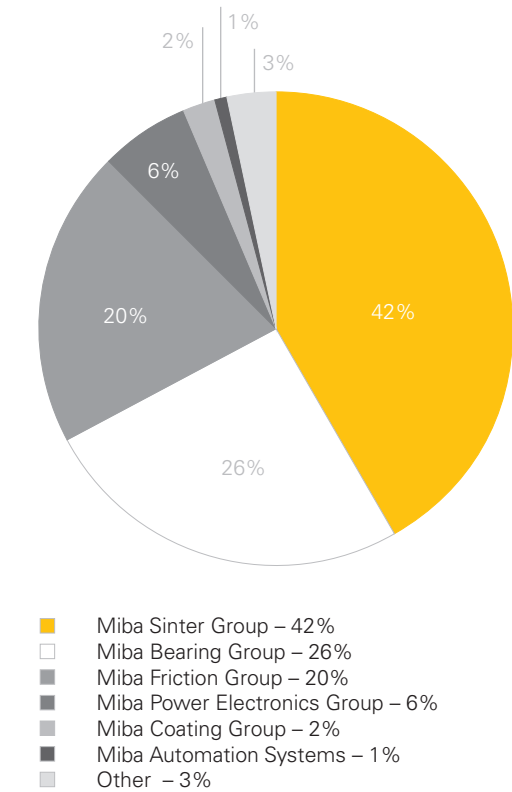
¹³ Cf. World Wind Energy Association, <https://wwindea.org/blog/2019/02/25/wind-power-capacity-worldwide-reaches-600-gw-539-gw-added-in-2018>, information downloaded March 16, 2019

MIBA'S BUSINESS PERFORMANCE

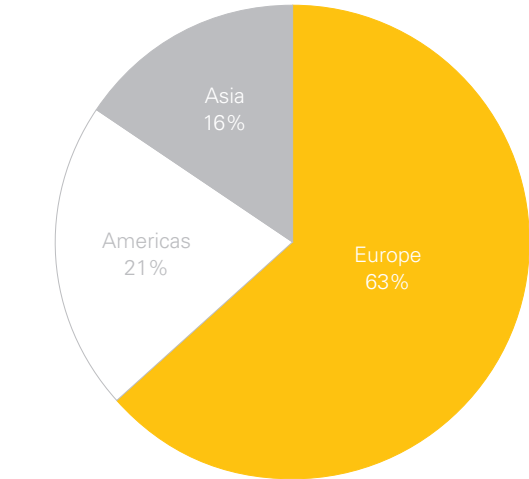
PERFORMANCE OF THE MIBA GROUP

Despite the recurrence of challenging market trends especially towards the end of the year, Miba succeeded in strengthening or maintaining its market position in its core markets, which is also reflected in the satisfactory year-on-year improvement in revenue. The company thus continued to consolidate its foundation even in an increasingly uncertain market environment, and its strong internal financing continues to create the basis for growth investments.

REVENUE BROKEN DOWN BY DIVISIONS



REVENUE BROKEN DOWN BY REGIONS

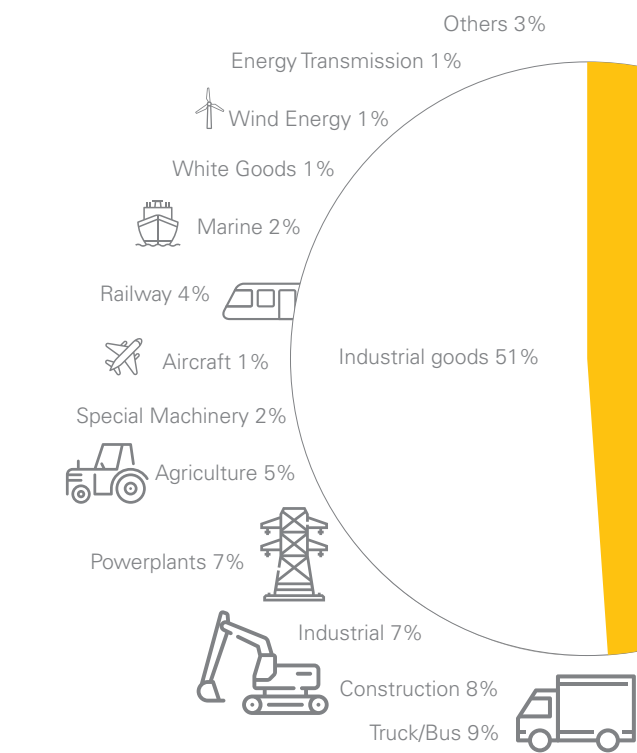


In the fiscal year 2018–19 the Miba Group generated revenue of EUR 985 million, representing an increase of EUR 97 million or 11 percent compared to the previous year. The growth in the fiscal year 2018–19 was mainly organic, in other words from established business areas. Overall the growth comprised organic growth (7.3 percentage points), growth from initial consolidations (5.1 percentage points) and a negative exchange rate effect (-1.4 percentage points).

Investments in intangible assets and property, plant and equipment increased to EUR 87 million (previous year: EUR 80 million).

At 51.1 percent, Miba’s equity ratio is well above the industry average.

REVENUE BY MARKET SEGMENT



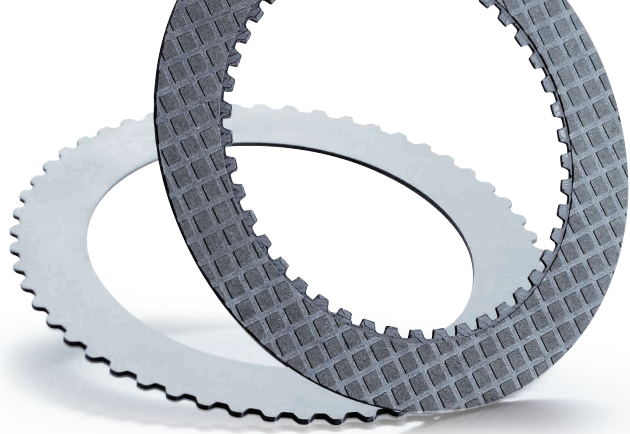
DIVISION PERFORMANCE

With 26 production sites in Europe, Asia, North and South America, Miba is close to its customers in the most important commercial centers in the world. Generally in the last fiscal year too it was evident that with its very wide product portfolio and focus on a large number of regional markets, Miba is very well-equipped for volatile developments in individual segments.

MIBA SINTER GROUP

Miba sintered components are high-precision, high strength components that are mainly used in car engines, transmissions and electrical steering systems. At high volumes, the manufacture of sintered components is a very cost-effective technology. It also conserves resources, as materials are put to maximum use and little energy is consumed. Miba Sinter Group operates six production sites in Austria, Slovakia, China, the USA, Brazil and India.

In the last fiscal year the business of Miba Sinter Group was influenced by the market environment in the automotive industry becoming more difficult. This resulted on the one hand from the discussions relating to diesel and possible bans on vehicles, and on the other hand from the new WLTP emission-testing standard in Europe.



In China too sales figures for passenger vehicles declined, for the first time since the 1990s. In the USA the market declined generally, although the continuing SUV boom nonetheless led to good sales figures.

The total revenue of Miba Sinter Group increased by 7.5 percent, from EUR 385 million in the previous year to EUR 414 million in the fiscal year 2018–19. As an addition to its existing business,

MIBA SINTER GROUP

	2018–19	2017–18
Revenue in EUR million	414	385
Employees as of the reporting date	3,169	3,238

MIBA BEARING GROUP

The last fiscal year was especially significant for Miba Bearing Group. On June 1, 2018 Miba Bearing Group took over the industrial bearing division of the John Crane Group, with four sites in the USA and Germany and around 300 employees. Miba thus entered a business area that is new to it as a company. The new Miba industrial bearing plants produce hydrodynamic bearings for mechanical and plant engineering, which are mainly used by customers from the energy and plant construction sectors in high-power applications such as turbines, compressors or industrial pumps. They can be found in applications in energy generation, the oil and gas industry and the chemicals industry.

Miba Bearing Group's new industrial bearing business, represents a good strategic addition to the already, very successful engine bearing business. Miba engine bearings are components in internal combustion engines that significantly affect functionality and service life. They are used primarily in heavy trucks, ships, locomotives and in systems for generating electrical energy. They help position crank- and camshafts, minimize friction that occurs during operation and protect the engine from damage and breakdown. By constantly developing new types of bearings, Miba Bearing Group ensures that modern

Miba Sinter Group is developing a new area of business relating to eMobility for both hybrid and purely electric vehicles.

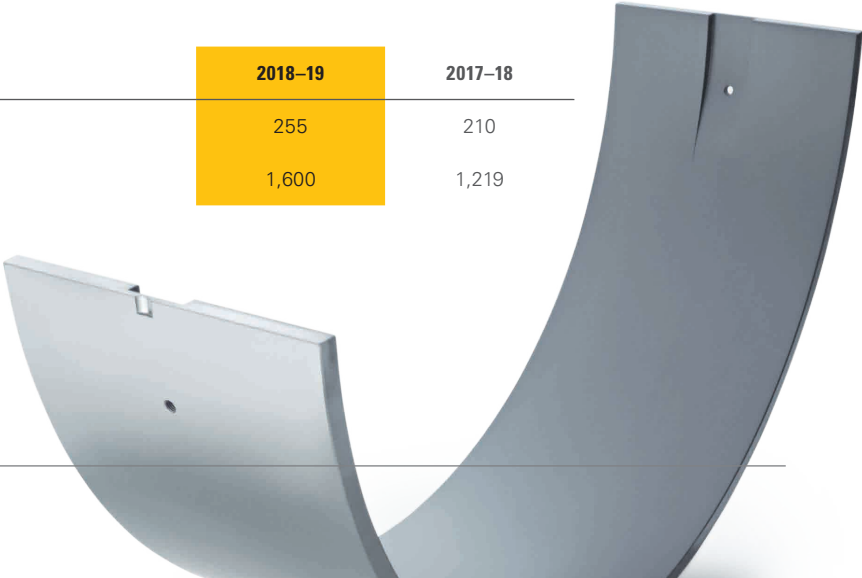
engines are able to deliver maximum performance efficiently and in an environmentally-friendly manner even under extreme conditions. Our technologies help conserve resources and reduce both fuel consumption and CO₂ emissions. Miba Bearing Group operates five production sites for engine bearings and preliminary products in Austria, the USA and China.

With its entry to the industrial bearing industry, Miba Bearing Group acquired a new structure. The engine bearing area has now been subsumed into the Miba Engine Bearing Branch, and the industrial bearing area into the Miba Industrial Bearing Branch. Both branches developed positively in the last fiscal year. The Engine Bearing Branch benefited in particular from the successful truck business in China and from the Oil and Gas business. The Miba Industrial Bearing Branch is developing very promisingly following its incorporation into Miba.

As a result, in the last fiscal year Miba Bearing Group generated revenue of EUR 255 million, an increase of 21 percent in comparison to the annual revenue of EUR 210 million in 2017–18.

MIBA BEARING GROUP

	2018–19	2017–18
Revenue in EUR million	255	210
Employees as of the reporting date	1,600	1,219



MIBA FRICTION GROUP

Miba friction materials are the element that determines performance in clutches and brakes. They make a significant contribution to efficiency improvements. Miba is a long-standing development partner and high-performance friction materials supplier to the international vehicle and machinery industries. Miba Friction Group is represented with six production sites in Austria, Slovakia, the Czech Republic, the USA, China and India.

In the last fiscal year Miba Friction Group continued its positive performance. For the first time revenue passed the EUR 200 million mark, which, at EUR 202 million, meant an increase in total revenue of almost 12 percent compared to the previous year. The off-highway business grew to EUR 103 million, thus passing the EUR 100 million mark. The automotive business also continued to perform well and in the meantime generated revenue of just under EUR 60 million.

MIBA FRICTION GROUP

	2018–19	2017–18
Revenue in EUR million	202	182
Employees as of the reporting date	1,454	1,351

MIBA POWER ELECTRONICS GROUP

Miba Power Electronics Group develops customized solutions for power electronics. EBG resistors and DAU heat sinks contribute to the efficient generation, transmission and use of electrical energy. High-power resistors from EBG are also used in electrified vehicles. The group is represented with five production sites in Austria, Slovenia and China.

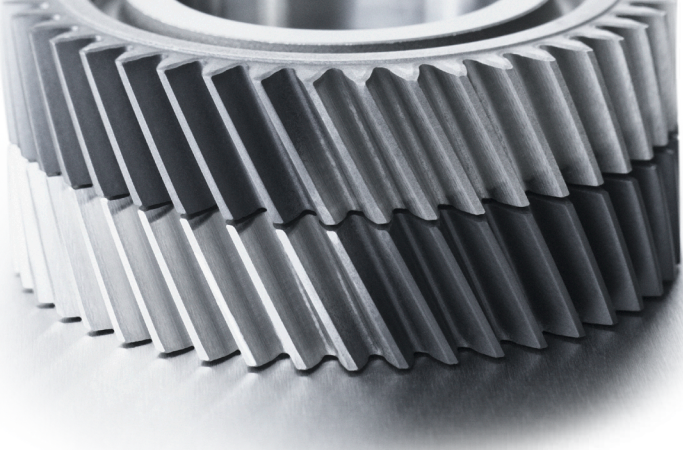
energy production and transmission and increasing sales in the electromobility area are leading to further growth in this division. During the last fiscal year, DAU Thermal Solutions, which was responsible for the production and sales of cooling technologies in North America, was sold to members of the management team under a management buyout, so its revenue is no longer apportioned to Miba Power Electronics Group.

The largest business area of Miba Power Electronics Group is the development and production of power electronic components for industrial applications. The strong demand in the field of efficient

MIBA POWER ELECTRONICS GROUP

	2018–19	2017–18
Revenue in EUR million	62	63
Employees as of the reporting date	514	528





MIBA COATING GROUP

Miba Coating Group develops and produces innovative coating solutions such as polymer and low-friction coatings, electroplated overlays and PVD coatings. Components coated by Miba are incorporated into vehicle drives and help, among other things, to free up build space and reduce weight and cost. In addition, they minimize powertrain friction and improve the efficiency of modern combustion engines. Gripcoat®, a new, friction-enhancing coating procedure, enables innovative combinations of materials for lightweight construction and reduces CO₂ emissions.

The trend in the automotive business became more difficult in the last fiscal year, and this also impacted the course of business of Miba Coating Group. Nevertheless the Group achieved an increase in sales from EUR 27.6 million in the fiscal year 2017–18 to EUR 28.5 million in the last fiscal year. The significant overlaps in the market provided good reason to link the future sales activities of Miba Coating Group and Miba Sinter Group more closely in the engine segment. In addition, in January 2019 Teer Coatings, which formerly belonged to Miba Coating Group, was taken over by members of the management team under a management buyout.

MIBA COATING GROUP	2018–19	2017–18
Revenue in EUR million	28.5	27.6
Employees as of the reporting date	201	241

MIBA AUTOMATION SYSTEMS

In the last fiscal year the Miba machine building specialist Miba Automation Systems (MAS) benefited greatly from the very positive trend in the new business relating to eMobility. As well as the previous activity, which in the last fiscal year mainly consisted of orders from the wind industry, equipment is also being developed and constructed for the automotive industry

for the production of stators for electric engines. In addition, last year for the first time MAS produced stator prototypes for customers from the automotive sector directly at the MAS plant in Aurachkirchen. MAS is also currently developing its stator business in China.

MIBA AUTOMATION SYSTEMS	2018–19	2017–18
Revenue in EUR million	16.5	12.6
Employees as of the reporting date	71	61



EDITORIAL DETAILS

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This annual report includes statements concerning the future that are based on Miba AG’s current estimates and assumptions, made to the best of its knowledge. Disclosures using the words “shall,” “may,” “will,” “expects,” “assumes,” “plans,” “intends” or similar wording are indicative of such statements concerning the future. Forecasts relating to Miba AG’s future performance are estimates that have been arrived at based on the information available at the time this annual report was printed. If the assumptions underlying the forecasts do not materialize or if risks occur to an extent that was not allowed for, the actual results may deviate from forecasts. Rounding differences may arise when adding rounded amounts and percentages. The annual report has been prepared with the utmost care to ensure that all the information provided is accurate and complete. Rounding, typesetting and printing errors cannot, however, be entirely ruled out. To improve readability, we have largely omitted gender-specific differentiation. In the interest of non-discrimination, all terms strictly apply irrespective of gender. The total number of Miba employees is indicated through an overall headcount, including all leasing workers.



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