

PRESS RELEASE

Trading update first quarter

Neways records higher turnover and order intake in first quarter

Son (the Netherlands) – 18 April 2017 – Neways Electronics International N.V. (Euronext: NEWAY) ('Neways' or 'the Company') today announced its trading update for the first quarter ending 31 March 2017.

HIGHLIGHTS

- Q1-17 net turnover at € 107.6 million, up 9.5% year-on-year
- Order intake up 13.1% year-on-year for Q1-17
- Higher activity levels fuelled by demand for early stage development and co-engineering activities
- FY-17 outlook reiterated: higher net turnover and operating result anticipated compared to FY 2016

KEY FIGURES

€ mln unless otherwise stated	Q1-17	Q1-16	Δ
Net turnover	107.6	98.3	+9.5%
Order intake (incl. internal sales)	132.0	116.8	+13.1%
Book-to-bill (ratio)	1.10	1.09	

FIRST QUARTER DEVELOPMENTS

In the first quarter, net turnover increased fully organically by 9.5% on a year-on-year basis, with higher sales contributions from Semiconductor, Automotive and Defence sectors. Sales in Industrial and Medical sectors remained approximately stable. Supported by the application of its life cycle management tool, Neways is gradually intensifying partnerships with several existing (long term) customers, while at the same time new customer leads are generated.

During the first quarter the order intake increased by 13.1% year-on-year. The order book stood at € 205.9 million, compared to € 177.0 million at end-March 2016 with a book-to-bill ratio of 1.10. The increase in the order intake and order book reflects continued growth, particularly in the Semiconductor and Automotive sectors. The order book is also higher compared to year-end 2016 (€ 191.3 million).

CEO STATEMENT

Huub van der Vrande: "We saw a busy, good start of the year. Order intake and turnover showed healthy growth which was partly driven by increased early stage involvement in development and co-engineering of electronic components and control systems. This reflects our improved recognition as trusted partner and one-stop-provider for product life cycle management for OEMs and demonstrates the added value, flexibility and cost-effective solutions we offer our customers.

In the quarter, we also continued the roll out of our group-wide improvement programme 'Up to the next level' which has resulted in further improvements of operational processes and efficiency gains. These improvements were offset by higher staff costs, due to the increase in engineering activities and related team expansion as well as high utilization of our production staff flex pool. We will monitor these developments and the effects they have on the business closely. For the full year 2017, we reiterate our outlook and expect to record a higher net turnover and operating result compared to 2016."

ENDS



ABOUT NEWAYS

Neways Electronics International N.V. (Neways) is an international company active in the EMS (Electronic Manufacturing Services) market. Neways offers its clients custom-made solutions for the complete product life cycle (from product development to after-sales service) of both electronic components and complete (box-built) electronic control systems. Neways operates in a niche of the EMS market and focuses primarily on small to medium-sized specialist series, in which quality, flexibility and time-to-market play a crucial role. Neways products are used in sectors such as the semi-conductor, medical, automotive, telecom and defence industries. Neways has operating companies in the Netherlands, Germany, the Czech Republic, Slovakia and China, with a total of 2.612 employees at 31 December 2016. Neways recorded net turnover of € 393 million in 2016. Neways shares are listed on the Euronext Amsterdam stock exchange (symbol: NEWAY). www.newayselectronics.com

IMPORTANT DATES

Today, 18 April 2017	AGM
29 August 2017	Publication semi-annual results 2017
19 September 2017	Shareholders company visit
31 October 2017	Q3 Trading update

ENQUIRIES

Huub van der Vrande (CEO) / Paul de Koning (CFO) / Adrie van Bragt (COO)
Tel: + 31 (0)40 – 267 9205

FORWARD-LOOKING INFORMATION / DISCLAIMER

This press release may include forward-looking statements. Other than reported financial results and historical information, all statements included in this press release, including, without limitation, those regarding our financial position, business strategy and management plans and objectives for future operations, are forward-looking statements. These forward-looking statements are based on our current expectations and projections about future events and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond Neways' ability to control or estimate precisely, such as future market conditions, the behaviour of other market participants and the actions of governmental regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release and are subject to change without notice. Other than as required by applicable law or the applicable rules of any exchange on which our securities may be traded, we have no intention or obligation to update forward-looking statements.