

FROM TRADITION TO LEADING INNOVATION

Agenda

Bobst Group

- The packaging industry
- Bobst Group a family business

Bobst Group transformation

- 2009 pre crisis organization
- 2011 – 2015 forex crisis
- Key challenges

Focus on efficiency & innovation

- Value Creation and Competitive edge

Take aways

- Share the vision of the future



FROM TRADITION TO LEADING INNOVATION

SUCCESSSES AND CHALLENGES FOR A SWISS COMPANY

A FAMILY BUSINESS

Since 1890

THE HERITAGE OF BOBST

4 generations



Joseph Bobst
1862 - 1935



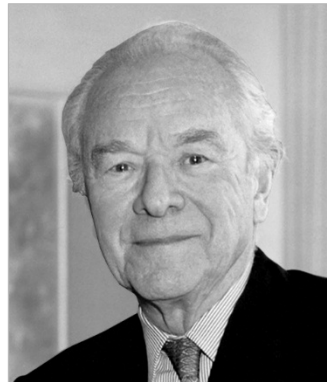
Henri Bobst
1897 - 1975



Jacques Bobst
1931 - 1987



Jean-Pascal Bobst
1965



B. de Kalbermatten
1924



T. de Kalbermatten
1955

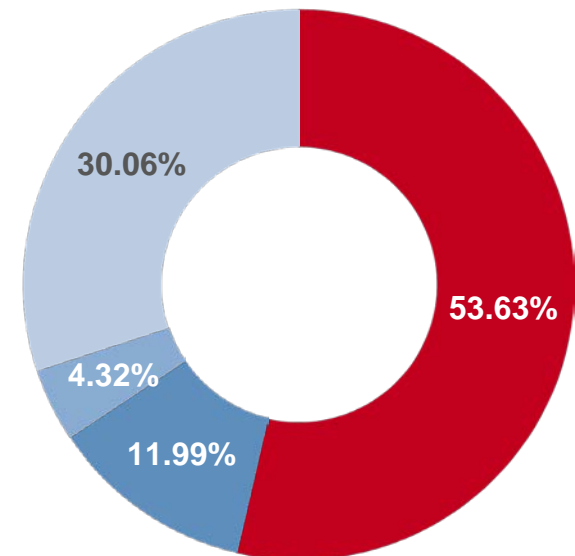
A FAMILY BUSINESS

Organization and advantages

Creation of the **JBF Holding**
in 1999 with 32 members (3/9/20)

- Long-term strategy
- Strong human values
- Committed employees
- Passion for innovation
- Above average performances
- Stable shareholders (JBF)

Shareholders as at 31 December 2014



- JBF Finance SA
- Silchester International Investors LLP
- Sarasin Investment fonds AG
- Public Shareholders

BOBST GROUP TRANSFORMATION

2009 - Pre-crisis organization

BOBST with **12 Brands** and **15 plants**

BA	FM / CHF 400.1M							FC / CHF 628.5M				CB / CHF 596.5M						
PL	Vacuum Metalizing		Slitting Rewinding		Flexo		Gravure		Coating Laminating		PCR	Champlain		SP	SPO/ Flexo	FFG/DRO	FFG	Laminating
PL Site	Heywood		Bedford		Bielefeld		San Giorgio		San Giorgio		Prilly	Prilly		Prilly	Prilly	Villeur banne	Angers	Grenchen
Brands	General		Atlas	Titan	F&K	Kochs.	Schiavi	Rotomec	Rotomec	Bobst	Bobst	Bobst	Steuer	Bobst	Martin	Rapidex	Asitrade	
Dedicated plants	Heywood	Bedford	Bielefeld	Piacenza	San Giorgio				Mex				Villeur banne	Bron	Angers	Grenchen		
									Prilly									
Group plants	Piacenza																	
	Pune																	
	Itatiba																	
	Shanghai																	
Strat. Alliance														BHS				

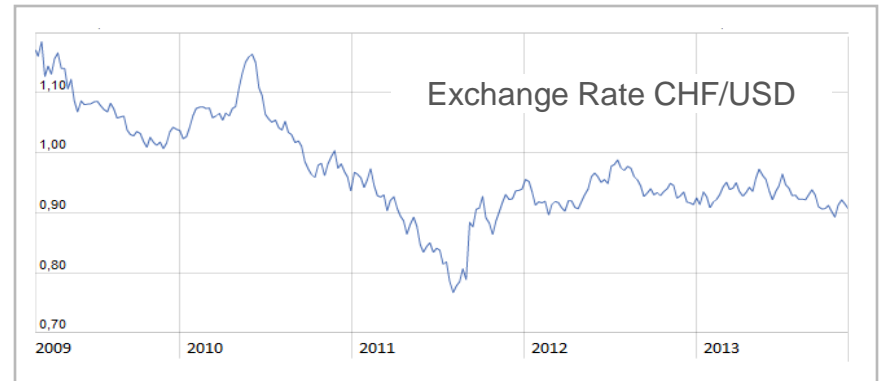
Crisis 2011-2015

FX crisis - Context

Changing exchange rates

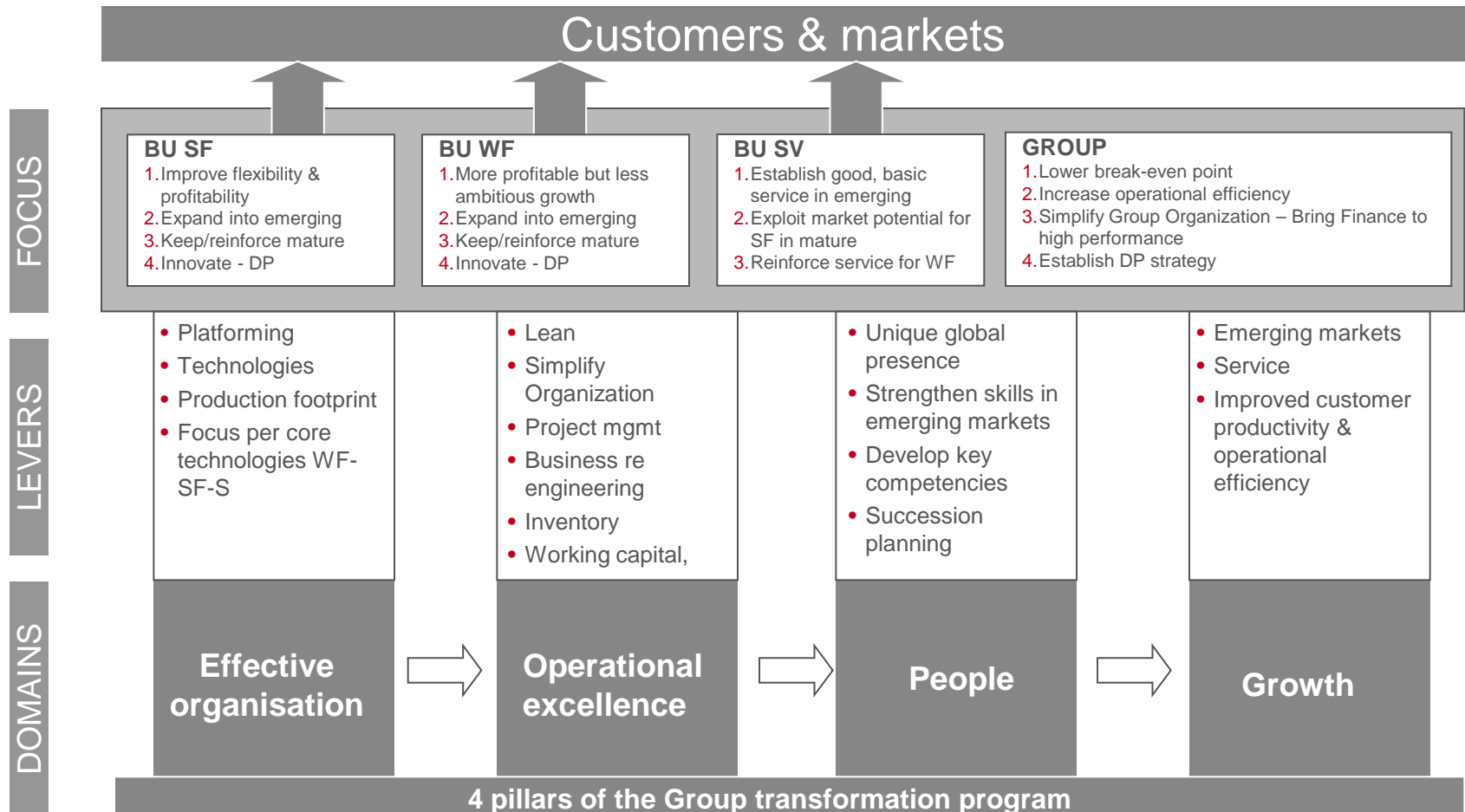
The financial crisis with the subsequent collapse of the EUR and the USD hit BOBST

- TO « - **CHF 400M** » (2008-2015)
- **Invest** R&D 60-70M/y
- Reduce 600 HC globally
- Secure **Know How**
- Improve profitability by CHF 60M
- Achieve **break even** net results at CHF 1.1 b



Group Transformation

Profitability improvement of **CHF 160M**



Crisis 2011 - Group Transformation II

Strategy - **TEAM 2011** - Investment **CHF 155M**

Mex: **120'000 m2 (150)**

Manufacturing: 280'000 hrs (400)

Assembly: 328'000 hrs (420)

Employee: 1'600 (2'200)

Apprentices: 230 (250)

R&D: 240 (300)

HQ: 60 (100)

Ground surface: 300'000 m2

And ..

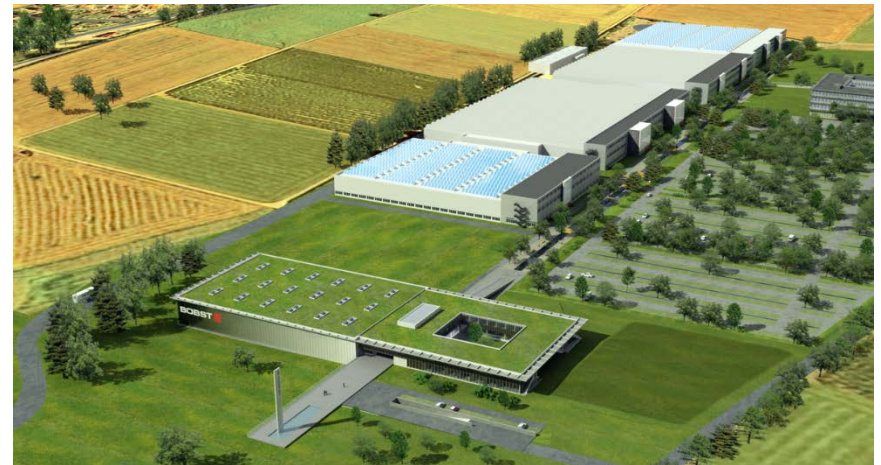
Sports: 19 activities

Fitness

Nursery

Eco design

Restaurant 1 (3)



GENIUS IS THE ABILITY TO
REDUCE THE COMPLICATED
TO THE SIMPLE

(C.W. CERAN)

BOBST organisation

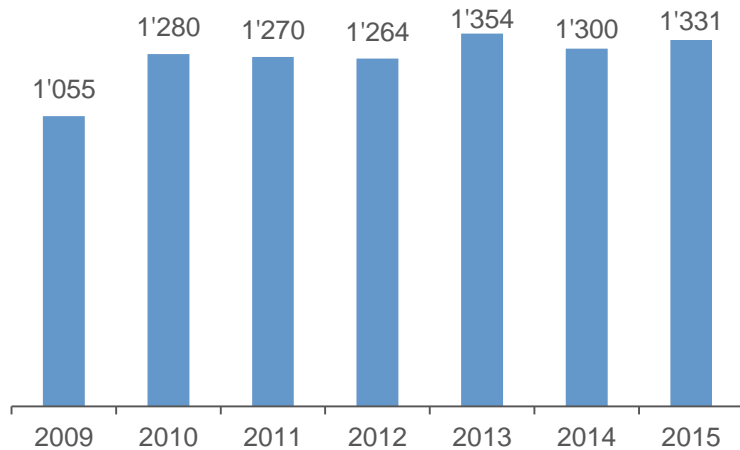
From 13 Tech/Brands to **8 Tech/2 Brands** and 11 plants

BU	Web-fed ~CHF 310M				Sheet-fed ~CHF 640 M				Service ~CHF 380M
Brands	<div><div></div>BOBST</div>								
New PL	Vacuum Metalizing	Flexo	Gravure WFS/CL	Label	PCR	SP/SPO	Flexo/FFG/DRO Rapidex/	Laminating	All Products/ Technologies
News PL Site	Heywood	Bielefeld	San Giorgio	Firenze	Mex		Villeurbanne	Grenchen	
Plants by 2013	Heywood	Bielefeld	San Giorgio	Firenze	Mex		Villeurbanne Bron	Grenchen	
Group plants	Piacenza / Pune / Itatiba / Shanghai								
Group Functions	GF – GHR – GR&D – GCom - GIT								
Sales & Services	Local Entites for Sales and Services WW								
Strat. Alliance	BHS								
2012 Brands					Brausse / Eterna				

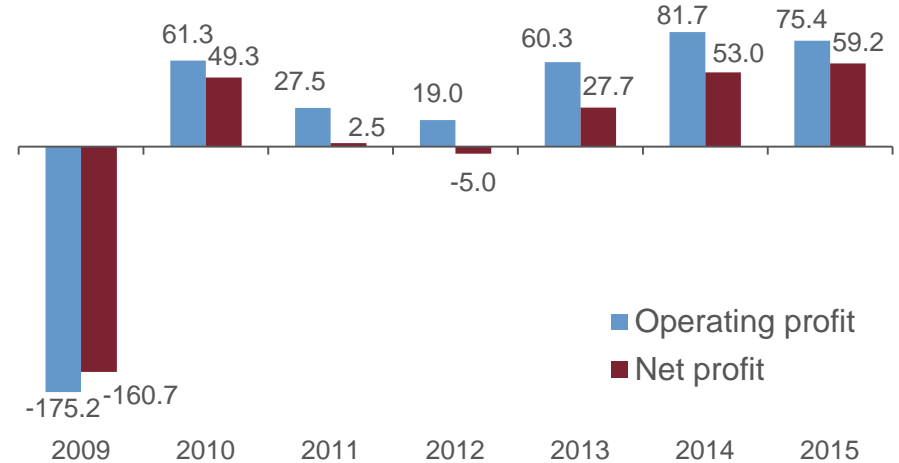
Group Transformation II

Key figures 2009-2015

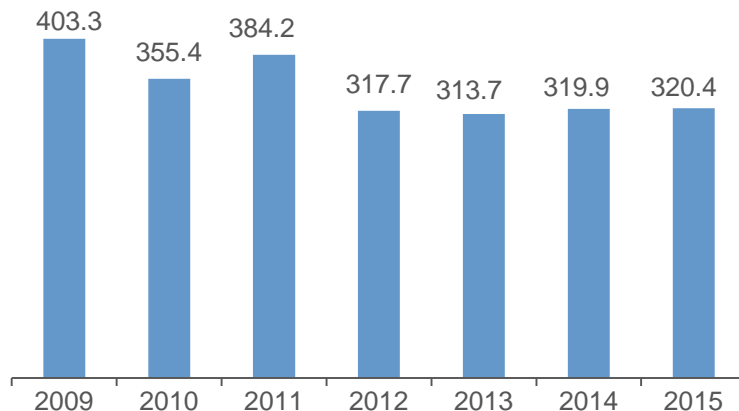
Sales



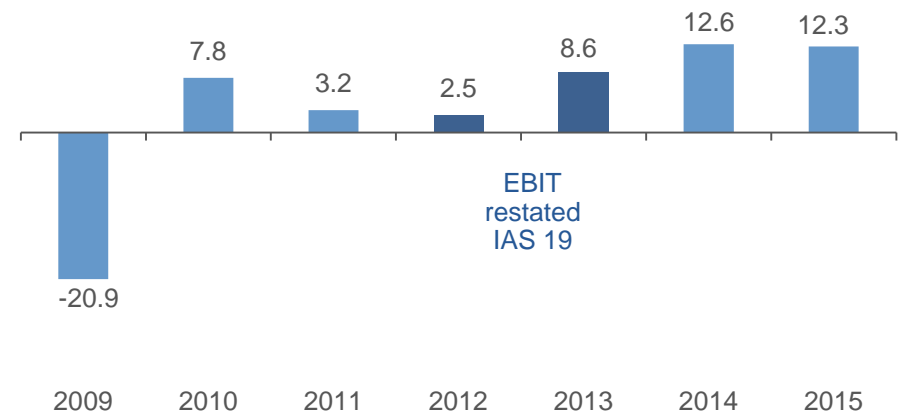
Profit



Inventory



ROCE (published)



KEY CHALLENGES

Key challenges

Drive alignment Group / BU / Markets

Main questions

- How to catch the growth in packaging industry?
- How to make the Vision a **reality** and **effective** ?

Challenges

- Get the **vision**, strategy and objectives **aligned**
- BU Mgmt, **new mgmt team**
 - BU SF and BU SV 2012
 - Acquisitions Gordon China 2011 and Nuova Gidue 2015
- Market Organization “Local Entities”
 - Get stronger local **accountability** within Matrix organization

Key challenges

Find the right management

- ✓ **1. Human Values**
Achieve turn around with respect, trust, compassion and effectiveness
- ✓ **2. Behaviour**
Support pressure, create new opportunities, appreciate and value colleagues, transparent and proactive
- ✓ **3. Skills**
Create new business model – Keep know how - drive changes (cost reduction) - sustainable **value creation** over business cycles
- ✓ **4. Communication**
Lead communication with all stakeholders



OUR MOTTO:

PEOPLE, KNOWLEDGE AND



TRUST



RESPECT



PERFORMANCE



PASSION

**VALUES
AND BEHAVIORS AT**



BOBST

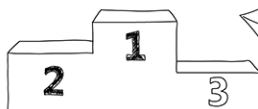
OUR VALUES ARE
THE FOUNDATION
THAT HELP US
ACHIEVE OUR MISSION:

A COMPANY
WHERE PEOPLE
ARE VALUED

PREPARING BOBST
FOR THE NEXT
GENERATION



BEING NUMBER 1
(OR 2) IN THE
INDUSTRY

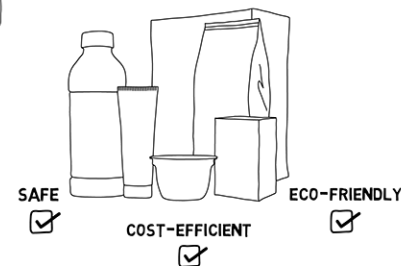


OUR VALUES
WILL HELP US
TO REALIZE
OUR STRATEGY

TO HELP OUR
CUSTOMERS ...



... SUPPLY
APPEALING PACKAGING



COMPETITIVE EDGE

FOCUS ON EFFICIENCY & INNOVATION

COMPETITIVE EDGE

Group Transformation Strategy

Innovation
Efficiency

Exploiting
synergies

Driving
change

Increasing
profitability



EFFECTIVE
ORGANISATION

OPERATIONAL
EXCELLENCE

PEOPLE

GROWTH

4 pillars of the Group Transformation

INNOVATIONS

New products 2015



**FOLDING
CARTON**



NOVACUT 106 ER
Die-cutter



SP 92 FCH
Hot foil stamper



SP 106 FCH
Hot foil stamper



LILA II
Folder-gluer



**CORRUGATED
BOARD**



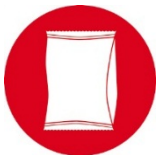
FFG 8.20 DISCOVERY
Flexo folder gluer



NOVAFLUTE
Litho-laminator



EXPERTFOLD 145 / 165
Folder-gluer



**FLEXIBLE
MATERIALS**



RS 5002 / RS 3.0
Gravure printing presses

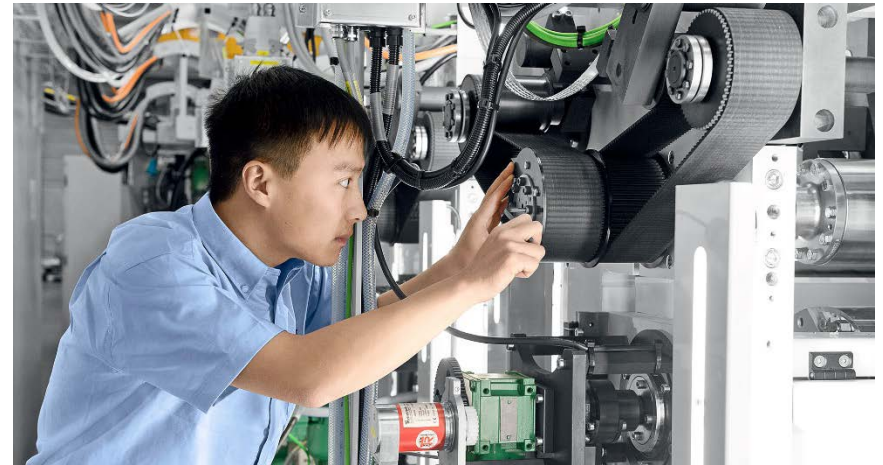
EXPANDING MARKETS WITH 8 NEW MODELS

DREAM MACHINES

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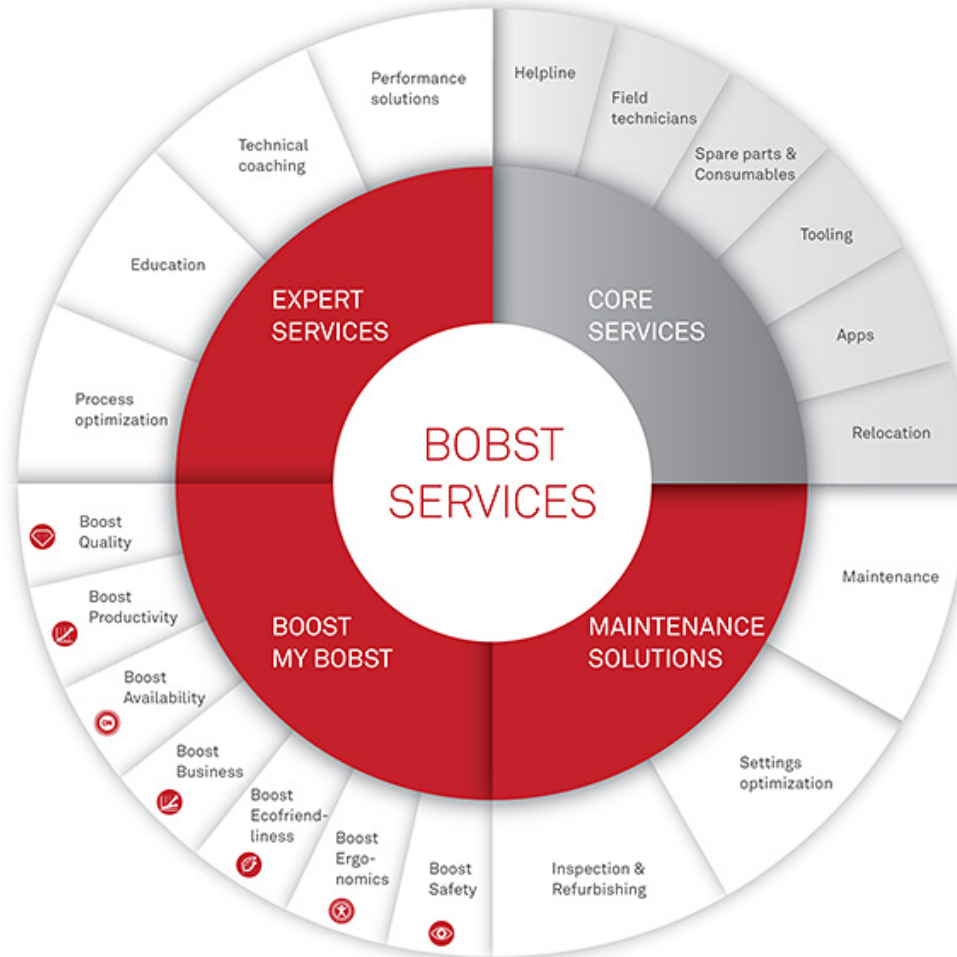
TAILORED SERVICES

Beyond parts and maintenance - Digitalization



TAILORED SERVICES

Beyond parts and maintenance



DIGITAL PRINTING

Corrugated Board



DIGITAL PRINTING

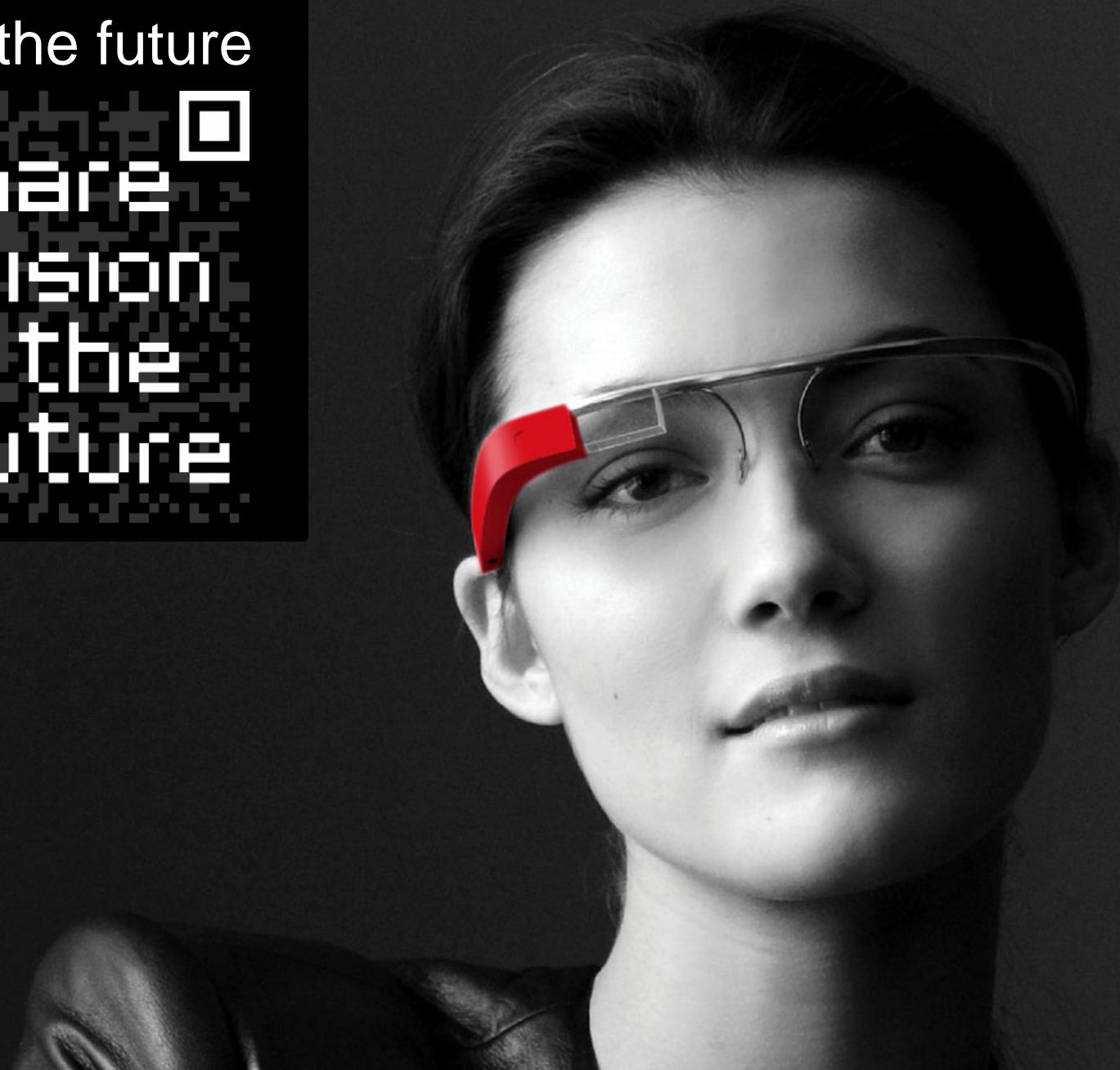
Folding Carton & Flexible Materials



KEY TAKE AWAYS

Share the future

share
a vision
of the
future



Key Take Aways

Main learnings

- Act with **peace** in mind
- Get strong **support** from key stakeholders, be proactive
- **Speed** is the essence of the success ~ change management takes time and courage
- Company values remain the **corner stone** of our Group, value creation = **People – Knowledge and Values**
- **Cash** is the essence of the survival mode

In the future

- Make **breakthrough** evolutions when good business conditions
- Get stronger skills to develop new business excellence and models – **sustainable profitability**
- **Ambition 2020** to create shared vision, objectives and strategy alignment

AGILITY AND INNOVATION... THE SUCCESS FACTOR FOR SWISS COMPANIES