



# CONFERENCE FOR FINANCIAL ANALYSTS AND THE MEDIA

Zurich, November 8, 2018

# AGENDA

Zurich, November 8, 2018

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## Review 2018

- Business update
- Leading innovation
- Main drivers
- Digital printing - Mouvent

## Mid-long term outlook

- Financial targets

## Financial trends 2018

- Backlog
- Consolidated turnover
- Operating result (EBIT)

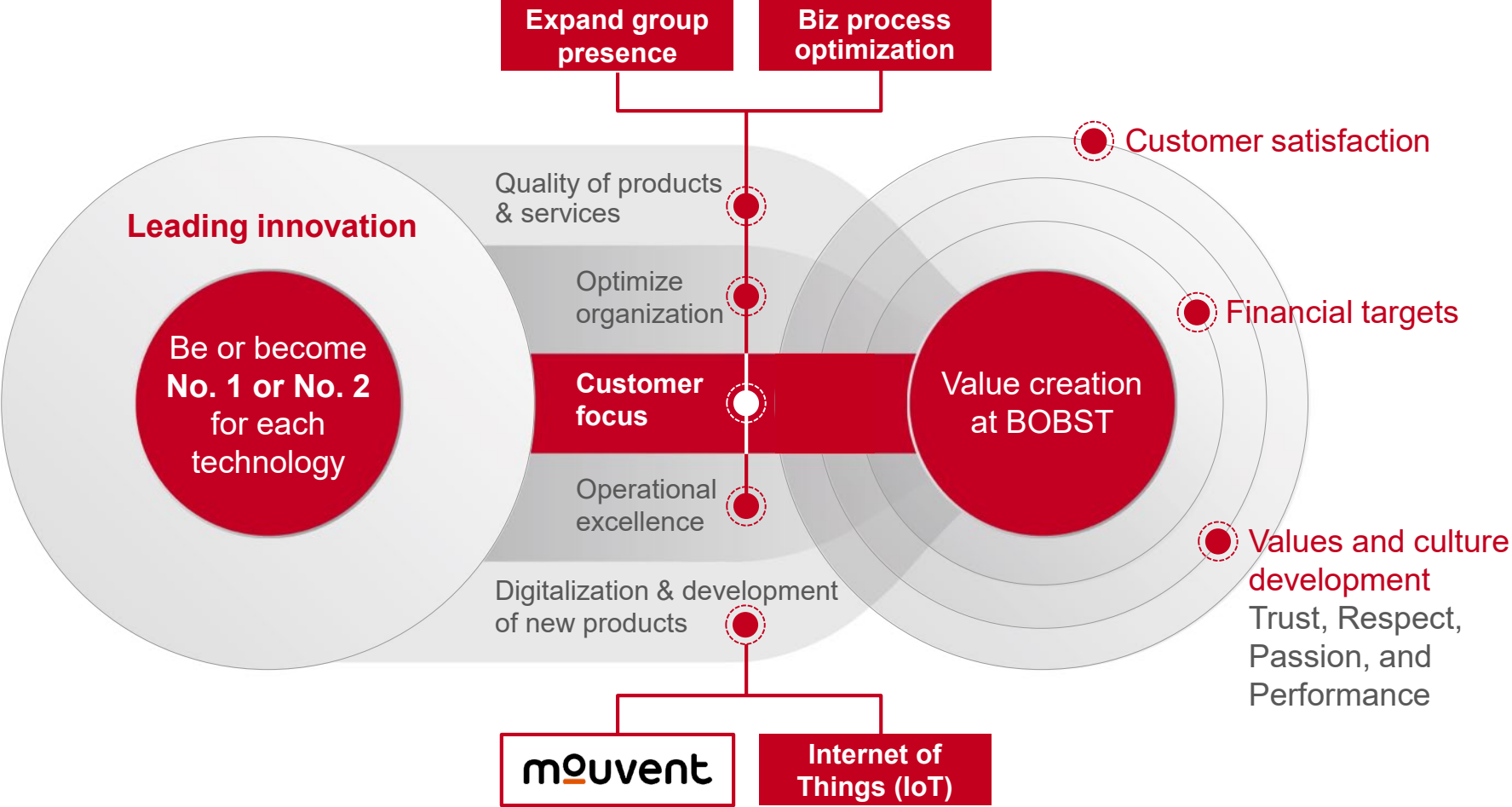
## Various

- Agenda 2019
- Q&A

# REVIEW 2018

# REVIEW 2018

## Strategic objectives



# REVIEW 2018

## Evolution for Bobst Group

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### **BOBST has a positive outlook for 2018**

- Strengthening and confirming our strategy 2020
- Taking advantage of a strong market trend with no evident sign of slow down yet
- Challenges in the strategy implementation (as announced in July) are being addressed

### **Technical leadership**

- Major evolutions in process digitalization, Services, myBOBST and digital printing journey
- Technical novelties, machines and services aligned with customers quest and improved their TCO

### **Increase presence** in China, SEA and Africa

- This requires further investment in "people/knowledge/values"

# REVIEW 2018

## Group Executive Committee

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### Changes in the Group Executive Committee



**Stephan März**



**Julien Laran**

# REVIEW 2018

- Business update
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- Main drivers
- Digital printing - Mouvent

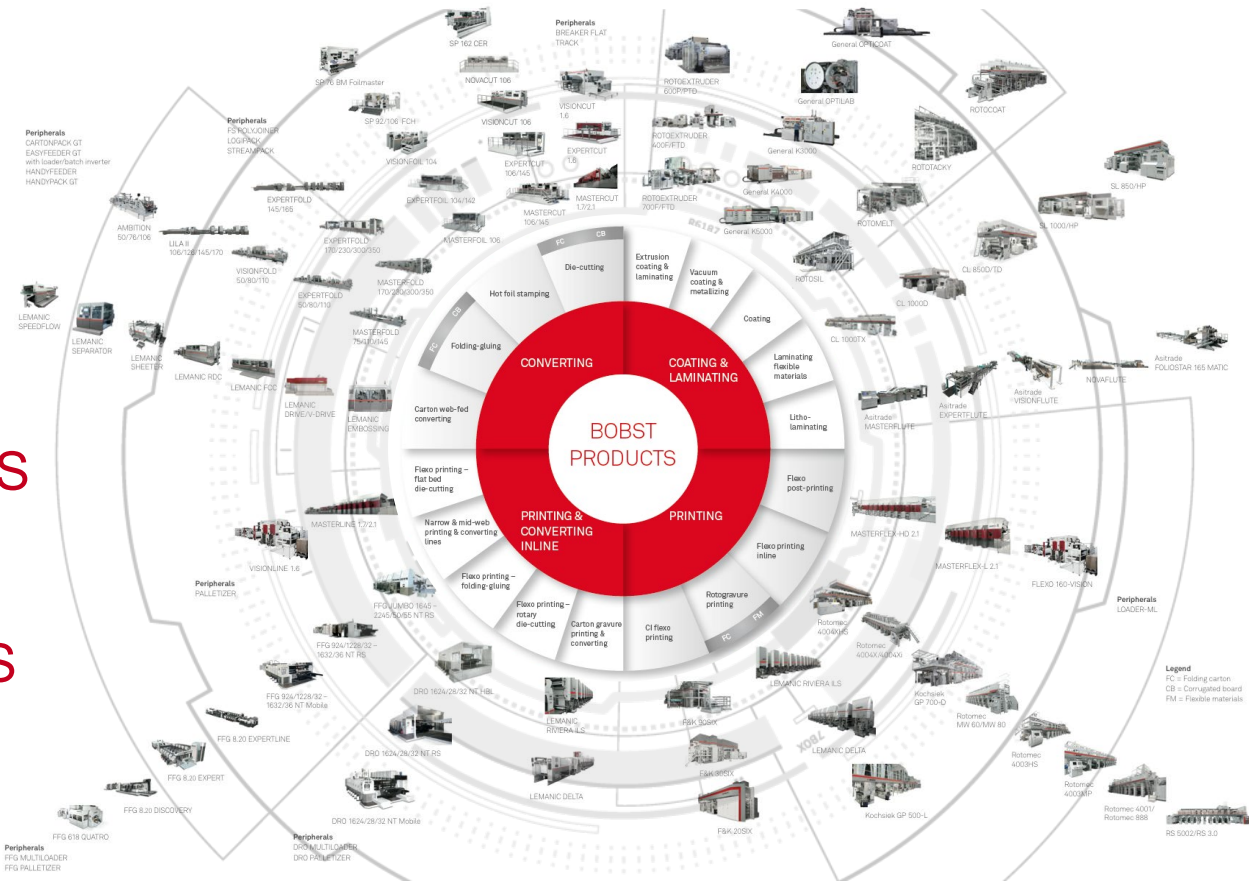
# REVIEW 2018

## Leading innovation

### Extend technologies, current, digital and hybrid

DREAM MACHINES

DREAM SERVICES



# REVIEW 2018

## Leading innovation

### High added value solutions



PREMIUM GAP CONTROL



### 500+ ENGINEERS

- **65** on Group level
- **55** Digital Printing
- ... and more for IoT to come

# REVIEW 2018

## Leading innovation

### Driving innovation



# REVIEW 2018

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# REVIEW 2018

## Main drivers - BU Sheet-fed

### China 4.0 strategy



Increase our market share in China for all technologies

- This will take some years and **significant investments**

- Good results made with our acquisition Eterna, still managing our position
- Much better market position with **BOBST** since Q1 2018

# REVIEW 2018

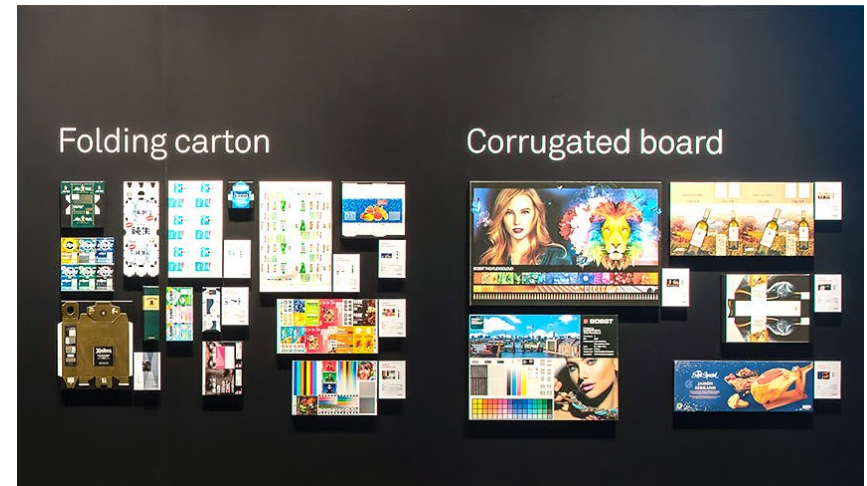
## Main drivers - BU Sheet-fed

### Competence 18



### Extended Color Gamut (ECG)

A selection of samples printed using the ECG process demonstrates BOBST's innovations capabilities in printing **including workflow**



### THQ FlexoCloud

- Unmatched **printing quality** at lower cost in one pass with amazing results
- A quantum quality shift in post-print flexo

# REVIEW 2018

## Main drivers - BU Sheet-fed

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### Competence 18



#### 4 new machines in demonstration

- Modular design
- Single box set-up
- Superb reliability



#### Digital Inspection Table

- A novel technology designed to drive quality assurance, productivity and virtually remove print production errors

# REVIEW 2018

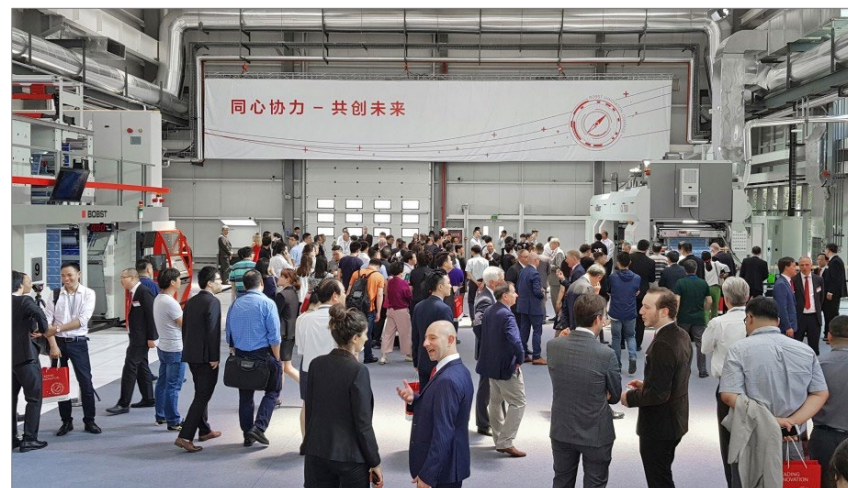
## Main drivers - BU Web-fed

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### Bobst Changzhou



Opening on **May 16 of the new production facility** dedicated to web-fed printing and converting technologies for label and flexible materials



**Growth strategy** in SEA and India for vacuum metallizing, flexo CI printing, coating and laminating

# REVIEW 2018

## Main drivers - BU Web-fed

### Bobst Changzhou



Two products produced in this new location

- Laminator CL 750D
- Gravure 5000 series

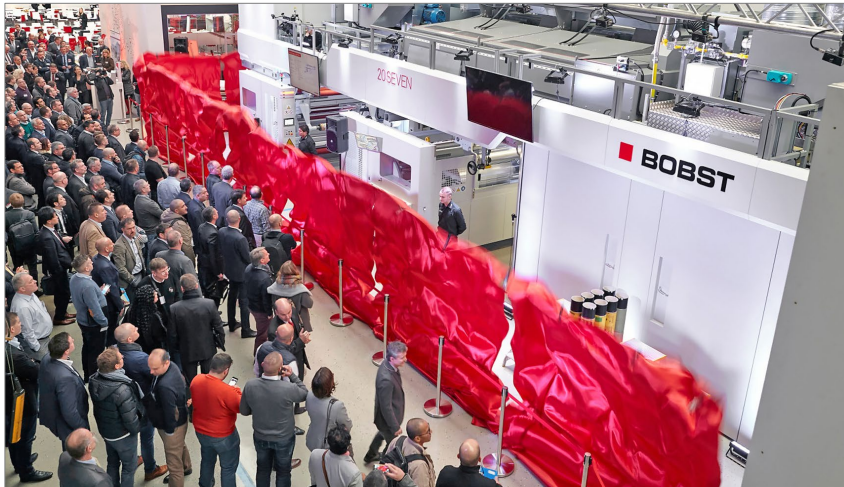
- Site capacity increased from 30 **to 80 machines** per year
- Some **more quality** cost for ramp up

# REVIEW 2018

## Main drivers - BU Web-fed

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### Bobst Bielefeld



Open house in February to present the new press **20SEVEN** CI Flexo

- Better TCO
- Designed to deliver superior print quality



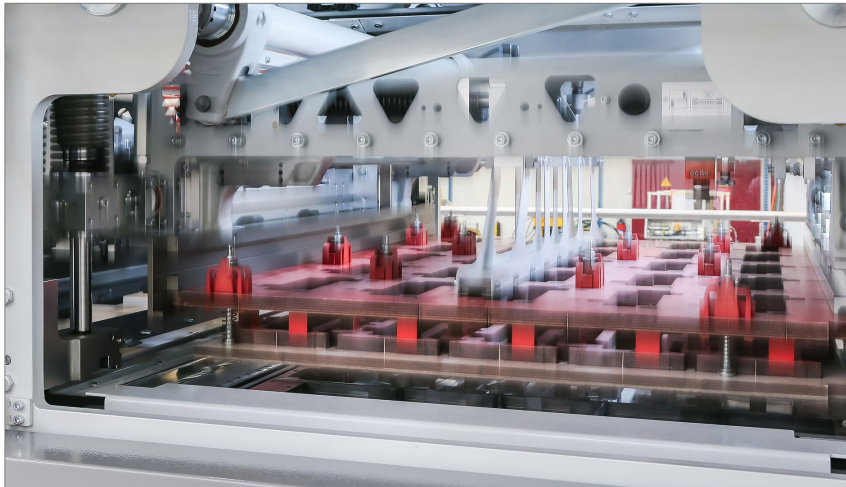
**Quality campaign** to update installed 20SIX machines to deliver our promise to customers

# REVIEW 2018

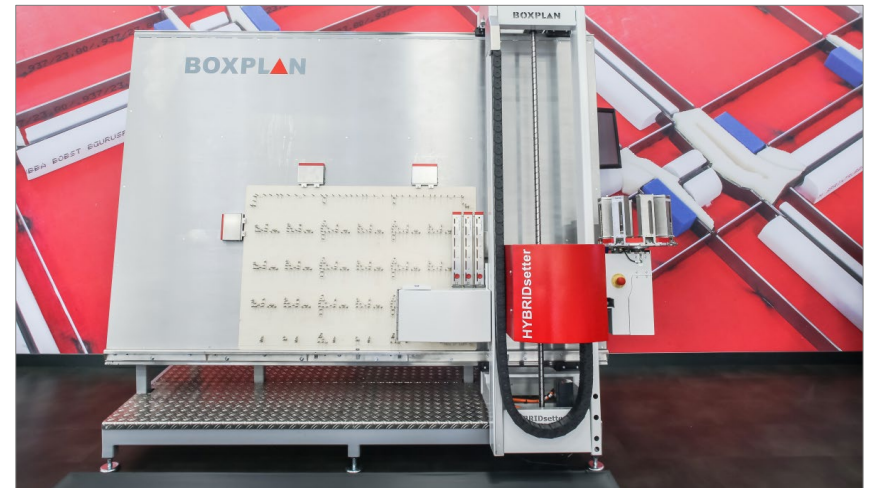
## Main drivers - BU Services

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### Tooling



- High throughput equipment deserves high end tooling
- Die-makers with BOBST tooling performs better
- Accelerate hiring and training



### Strategy

- Include this in the workflow
- Specialist in die-cutting and stripping technology
- Continue our expansion by M&A (small companies)

# REVIEW 2018

## Main drivers - BU Services


### myBOBST



 DOCUMENTATION MANUALS

 MACHINE UPGRADE

 TRAINING

 TECHNICAL ASSISTANCE  
REMOTE SUPPORT

 REAL-TIME MACHINE DATA

 SPARE PARTS

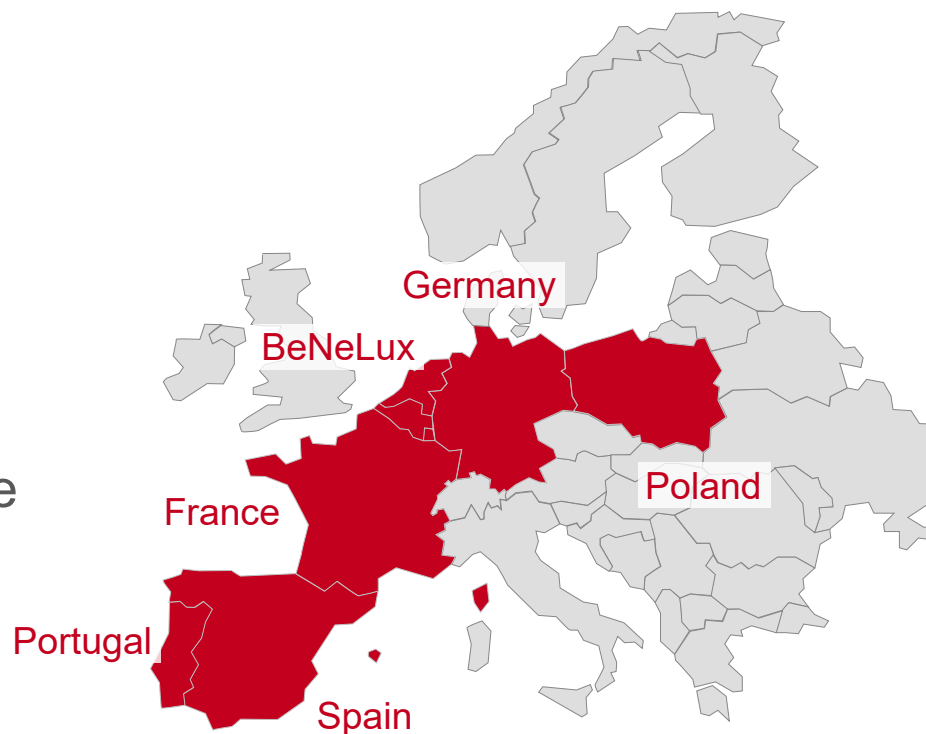
# REVIEW 2018

## Main drivers - BU Services

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### myBOBST

- We have more than **1200 users** in **8 countries**
- **24%** of the order volumes are placed via myBOBST
- The most popular function is the **"parts book"**, where customers can order a part by clicking on the interactive drawing



# REVIEW 2018

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mouvent

A Bobst Group company

**A testimony to  
the spirit and the power  
of innovation**



# Challenge 2018

Our main focus during the year



“If you are going to do large-scale invention, you have to be willing to do three things: You must be willing to fail, you have to be willing to think long term; and you have to be willing to be misunderstood for long periods of time”

*Jeff Bezos, CEO Amazon*

# Product portfolio

## Current



### **TX 801 - 200 m<sup>2</sup>/h**

- 6 machines to be shipped in 2018

### **New TX 802 - 400 m<sup>2</sup>/h**

- Beta shipped end November



### **LB 701 UV - 1000 m<sup>2</sup>/h**

- 1 Beta installed and 1 sold

### **LB 702 UV - 2000 m<sup>2</sup>/h**

- 1 Beta installation wip
- 4 sold

### **LB 702 WB for 2019**

- 1 Beta February 2019

# Mouvent textile printing Samples



Cotton



Cotton



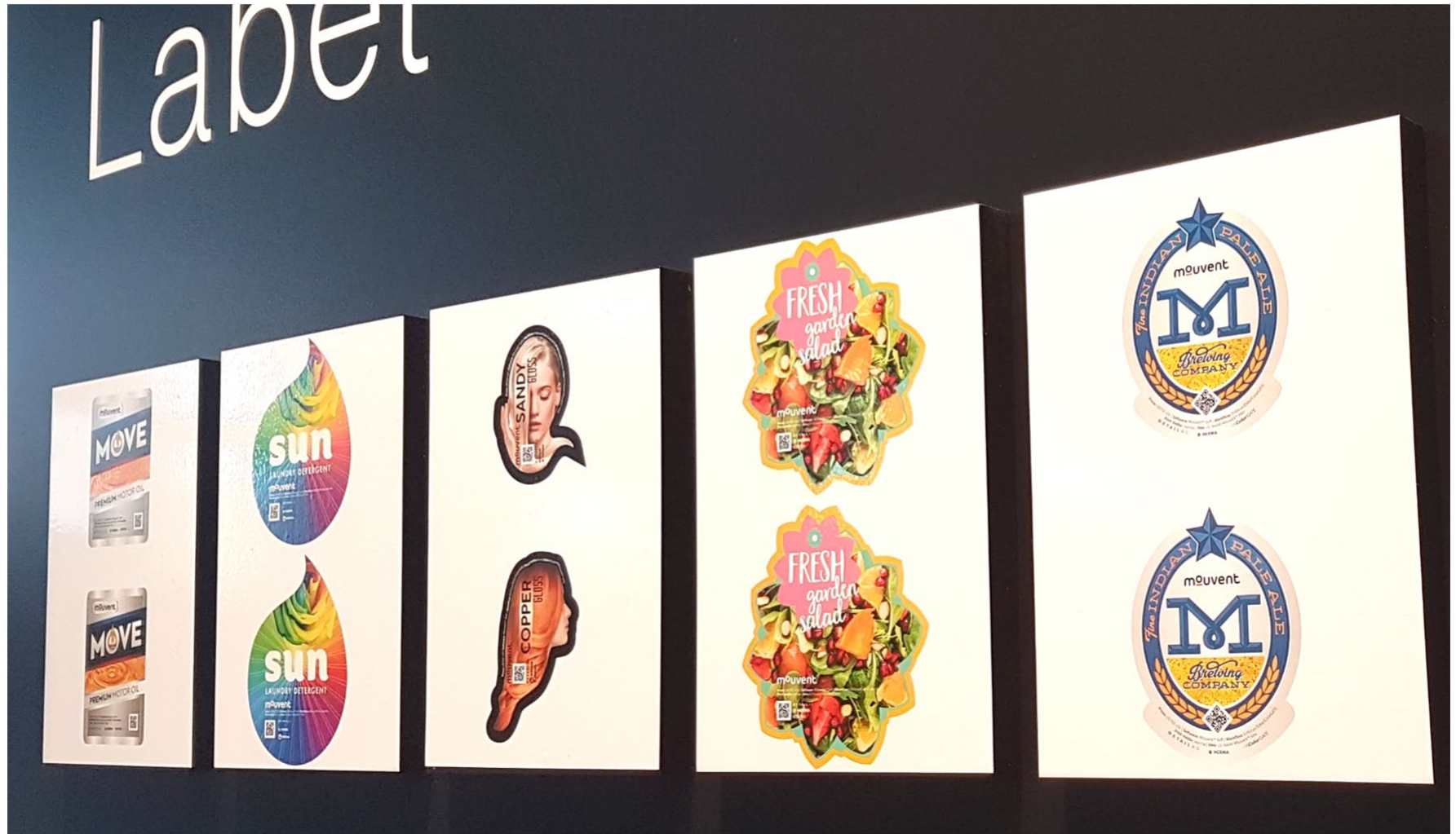
Jersey



Viscose

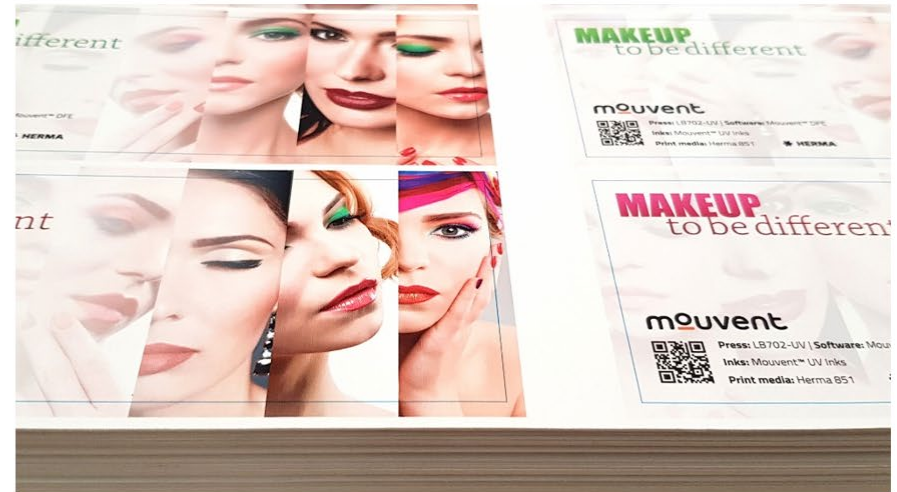
# Mouvent label printing

## Samples



# Mouvent folding carton printing

## Test samples on 200 gsm



# Challenge 2018

Our main focus during the year



- Chemistry development
- Electronics and software
- Head integration and cluster for all ink requirements
- Uptime of our solutions

## Success criteria

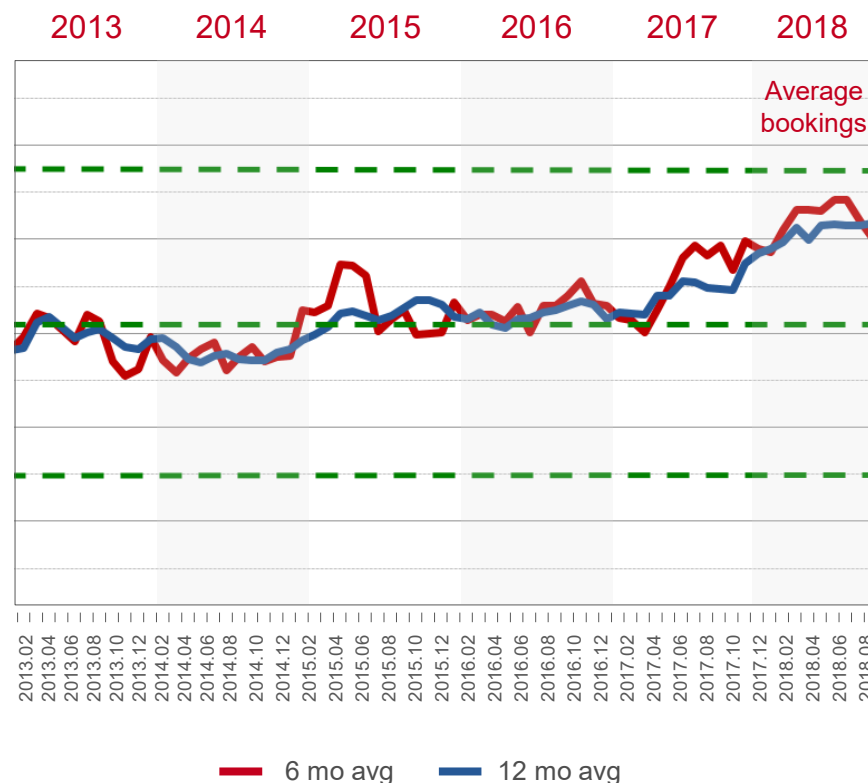
- Quality printing ✓
- TCO ✓
- Uptime -> **not yet**

# FINANCIAL TRENDS 2018

# FINANCIAL TRENDS 2018

## Evolution of the Group's business

- 2018 started with a higher level of backlog than the year before
- Order entries **slightly higher** than in previous year due to strong BUSF performance, BUWF slightly lower than 2017
- Estimated backlog 2018 year end should be higher for BUSF and similar to 2017 for BUWF
- Machines backlog around **6 months in average**






# FINANCIAL TRENDS 2018

## Consolidated turnover

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In million CHF	2013	2014	2015	2016	2017	2018
Sales	1 354	1 300	1 331	1 447	1 529	Increase 5-7%

Organic growth	
Scope of consolidation	
Exchange rate impact	

Assumptions: € 1.15 / \$ 0.98;  
current level of global economy but no recession

# FINANCIAL TRENDS 2018

## Operating result (EBIT)

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In million CHF	2013	2014	2015	2016	2017	2018
EBIT	60.3	81.7	83.9	103.7	118.7	> 90 million

Assumptions: € 1.15 / \$ 0.98;  
current level of global economy but no recession

# MID-LONG TERM OUTLOOK

# MID-LONG TERM OUTLOOK

## Financial targets

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### Financial ratios

Turnover (mCHF)	<b>1 600 - 1 700</b>
Operating result (EBIT) margin	<b>min. 8%</b>
Return on capital employed (ROCE)	<b>min. 20%</b>
Payout ratio	<b>30 - 50%</b>
Equity ratio	<b>40 - 45%</b>

# VARIOUS

# AGENDA 2019

## Save the date

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## 2019

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<b>February 27</b>	Publication of the 2018 financial statements
	Conference for financial analysts and the media in Mex
<b>April 4</b>	Annual General Meeting at 5.00 p.m. in Mex
<b>July 24</b>	Publication of the half-year results
	Teleconference for financial analysts and the media
<b>November 8</b>	Conference for financial analysts and the media in Zurich

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# INQUIRIES

## Investors and media relations

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For more detailed information on Bobst Group:

- [www.bobst.com](http://www.bobst.com)
- <http://investors.bobst.com>





# BOBST - THE QUEST FOR CUSTOMER EXCELLENCE

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