



**125  
YEARS**

**FOR THE NEXT  
GENERATION**

**Annual Profile 2016**  
Bobst Group SA

**LEADING  
INNOVATION**

 **BOBST**

# KEY FIGURES

In million CHF		2015		2014		2013 (restated)		2012 (restated)		2011 (restated)	
<b>Assets</b>	Non-current assets	511.4	35%	524.6	32%	571.1	37%	558.9	37%	742.2	43%
	Current assets	930.0	65%	1 098.6	68%	955.9	63%	966.8	63%	975.4	57%
		<b>1 441.4</b>	<b>100%</b>	<b>1 623.2</b>	<b>100%</b>	<b>1 527.0</b>	<b>100%</b>	<b>1 525.7</b>	<b>100%</b>	<b>1 717.6</b>	<b>100%</b>
<b>Liabilities</b>	Equity	413.6	29%	454.8	28%	508.1	33%	410.1	27%	557.1	32%
	Non-current liabilities	492.0	34%	482.1	30%	407.7	27%	600.8	39%	680.9	40%
	Current liabilities	535.8	37%	686.3	42%	611.2	40%	514.8	34%	479.6	28%
	<b>1 441.4</b>	<b>100%</b>	<b>1 623.2</b>	<b>100%</b>	<b>1 527.0</b>	<b>100%</b>	<b>1 525.7</b>	<b>100%</b>	<b>1 717.6</b>	<b>100%</b>	
<b>Net cash/Net debt</b>		<b>-0.9</b>		<b>-17.7</b>		<b>-109.0</b>		<b>-190.4</b>		<b>-256.2</b>	
<b>Sales</b>		<b>1 330.9</b>		<b>1 300.0</b>		<b>1 353.9</b>		<b>1 263.7</b>		<b>1 270.3</b>	
<b>Operating result (EBIT)</b>		<b>75.4</b>		<b>81.7</b>		<b>60.3</b>		<b>19.0</b>		<b>27.5</b>	
As % of sales		5.7%		6.3%		4.5%		1.5%		2.2%	
<b>Net result</b>		<b>59.2</b>		<b>53.0</b>		<b>27.7</b>		<b>-5.0</b>		<b>2.5</b>	
As % of sales		4.4%		4.1%		2.0%		-0.4%		0.2%	
As % of equity		14.3%		11.7%		5.5%		-1.2%		0.4%	
<b>Capital expenditure (CAPEX)</b>		<b>20.9</b>		<b>27.1</b>		<b>29.5</b>		<b>62.5</b>		<b>87.6</b>	
<b>Return on capital employed (ROCE)</b>		<b>12.3%</b>		<b>12.6%</b>		<b>8.6%</b>		<b>2.5%</b>		<b>n/a</b>	
<b>Share income</b>											
Share price at the end of the year		42.0		38.4		30.3		26.1		23.3	
Market capitalization		693.0		634.3		538.8		464.8		415.0	
EPS (16 518 478 shares)		3.55		3.06		1.58		-0.43		0.03	
Price-earnings ratio		11.8		12.5		19.1		-60.7		776.7	
Dividend paid:											
- total, in million CHF		20.6		20.6		13.4		0.0		0.0	
- payout ratio		34.8%		38.9%		48.4%		0.0%		0.0%	
- dividend yield		3.0%		3.3%		2.5%		0.0%		0.0%	
<b>Headcount</b>		<b>4 907</b>		<b>4 841</b>		<b>4 929</b>		<b>5 124</b>		<b>5 343</b>	
% change compared to previous year		1.4%		-1.8%		-3.8%		-4.1%		4.3%	

# ELEVATING PERFORMANCE



# GUIDED BY INNOVATION



“LIFE IS LIKE A ROUGH SEA THAT WE MUST CONSTANTLY MASTER IF WE ARE TO STAY ON COURSE”

Customers inspired by innovation – and an enthusiastic team bound together by the same passion – have enabled us to overcome the passage of storms and tempests. If we immerse ourselves in the 125-year history of our Group, we cannot fail to see just how true this is. Yes, BOBST has weathered many a storm; and many times the ship might have foundered. However, a number of factors have contributed to the Group's ability to overcome any crisis that has arisen throughout its long history. There is of course anticipation, determination and passion, shared with our employees and suppliers to achieve a common vision and culture. This is what 2015 has shown. It started off looking like a vintage year for our Group, the reward for a four-year transformation program, with the pleasing results of 2014

confirming a tendency that would continue into 2015, the year of our 125<sup>th</sup> anniversary. Then, on 15 January 2015, the Swiss National Bank made a decision that had a significant impact on the Swiss export industry. Group Management has reacted energetically to counter the effect of the increase in the Swiss Franc, with the aim of guarding its position as innovative leader while simultaneously protecting our profitability.

We can all be proud of the results reported for 2015 in a highly competitive machine industry. Our turnover increased by CHF 30.9 million in 2015 compared to 2014, to reach CHF 1.331 billion. This represents a strong performance and, indeed, a very good year after allowing for the effect of the evolution in exchange rates. To achieve this we have, on the one hand, favored a volume-based strategy – to maintain our position and protect our market share – and on the other hand, we have invested for the future through many different developments in our three sectors (folding carton, corrugated board and flexible materials). We have achieved our goals on both of these fronts by regaining market share and by innovating – with nine new products ready for introduction during 2016. The future remains foggy and the efforts of the last year must be continued since the pressure on our profitability remains considerable. 2016 and 2017 will again bring significant challenges.

As things stand at present, we can be delighted to have achieved an operating profit of CHF 75.4 million in 2015 (CHF 81.7 million in 2014). Our aim is to ensure stability throughout 2016 and then to achieve further growth in 2017.

## Turnover

2015 began with a slightly higher backlog than the one of 2014. Bookings ran at a very strong level in the Sheet-fed and Web-fed Business Units, being up by 6% overall, compared to 2014. At the regional level, bookings ran at an excellent level in Europe, while the situation in Central America, North America and Africa was also pleasing. South America, Asia and even China experienced a slowdown. Consolidated sales for the full year 2015 amounted to CHF 1.331 billion, representing an increase of CHF 30.9 million or 2%, compared to 2014. The operating profit was CHF 75.4 million.

Once again, sales were stronger in the second half-year than in the first. At CHF 59.2 million, our net consolidated result represents an increase of CHF 6.2 million (11.7%) compared to 2014. For 2015, the Board of Directors proposes a dividend of CHF 1.25 per share (CHF 1.25 in 2014).

## International expansion

One of the highlights of 2015 was the establishment of a new subsidiary, Bobst Firenze, as the result of the acquisition of the Italian company Nuova Gidue. The company was integrated particularly quickly and efficiently, due largely to the motivation of the Italian management team, the complementary nature of our activities, and the consistent logic of our “One Group, One Brand” strategy. Bobst Firenze will enable us to extend our portfolio for the label and flexible packaging markets. Our ambition over the next four years is to become one of the leaders in this sector.

We also exercised our option to purchase the remaining 35% shareholding, previously vested in Gary Tseng, of Gordon Ltd,

a holding company based in Hong Kong and owner of Shanghai Eternal Machinery Co. Ltd. Despite this change in the shareholder structure, Gary Tseng will continue to manage the company in order to further develop our presence and leadership in China. In December, we announced our intention to extend our distribution capabilities by creating our own sales and service organization, Bobst Istanbul. Turkey is a rapidly growing market in which BOBST wants to strengthen its local presence in order to support its customers with the industry's largest machine portfolio and the best services available. Expansion in new countries and new geographical areas reflects our strategy of extending our sales and service capabilities. Thanks to this new subsidiary, the Group now has a direct presence based on in-house teams in 24 countries. We also consider Middle East and Africa to be an important region where we will continue to invest. One fact that illustrates Africa's potential is its 24.2% population growth rate during 2015.

## Board of Directors re-election/election

The mandates of all the members of the Board of Directors became due for renewal for a one-year period. At the forthcoming Annual General Meeting of Shareholders, on 6 April 2016, Alain Guttmann, Thierry de Kalbermatten, Ulf Berg, Jürgen Brandt and Gian-Luca Bona will be proposed for re-election for a new period of one year. Michael W.O. Garrett will not be standing for re-election, as he has reached the age limit for Board members. We express our warmest thanks for his outstanding contribution and for the skills he has brought to the Group since 2005. The Board of Directors wishes to propose Alain Guttmann as Chairman.

Mr. Philip Mosimann (1954), CEO of Bucher Industries since 2002, designated as future non-executive Chairman as of spring 2016, will be proposed as a new member of the Board. A former director of the Sulzer Group (1980–2001), he has been active in the machine industry for over 35 years. He will enrich the Group with his experience and competencies in the industry worldwide.

## Outlook and strategy

With reduced visibility, 2016 will be a volatile year due to the unstable global economy. North America should remain stable, even if the months leading up to the Presidential election could bring some turbulence, and Europe is expected to build on the current positive developments. Instability in Africa and the Middle East will probably not prevent their economies from functioning. Asia and China will struggle, exhibiting limited, but nevertheless real, growth. As in 2015, we therefore expect our industry to witness opportunities. Although price pressures will continue, we hope that these will be outweighed by the impact of our nine new products for 2016, which should arouse interest and boost market demand. We also see significant opportunities in the label sector and activities for narrow and mid-web. This will be a year of innovation for BOBST, in particular in the field of digital machines for corrugated board and folding carton, from which results are particularly promising.

The Drupa and K exhibitions, which are due to be held in Germany in June and October 2016 respectively, will be the main events of the year. The months preceding these trade fairs may be marked by a decline in the number of bookings received.

In support of our strategy, we shall continue to invest in:

- The development and launch of new products;
- An increased presence in China, Asia, Africa and the Middle East in terms of products, sales and services. At the practical level, we are setting up a spare parts distribution center in Singapore that will be dedicated to the Asia-Pacific region;
- The integration of our new acquisition (Bobst Firenze) and the development of the associated markets in North America.

Innovation is a vital factor that will shape our future. That is why we are devoting the resources and energy required to produce cutting-edge equipment.

As part of its transformation program, the Business Unit Services will launch eight innovations in the field of processes and product knowledge.

A company's success can be measured by its ability to recruit the necessary talents and keep them; the continuous improvement program relating to the skills of technical personnel will also be a vital factor in our quest for success.

## Vision, values and behaviors

In a constantly changing world, our vision and our values remain the same. Mutually supportive, they must continue to grow in strength. We are all both different and complementary and each of us has an important role to play in laying the foundations for our company's future prosperity. Our 125-year history gives us the objectivity necessary to consider the future, as well as renewed strength to overcome our challenges. A culture based on lived values is a vital element in securing tomorrow's success.

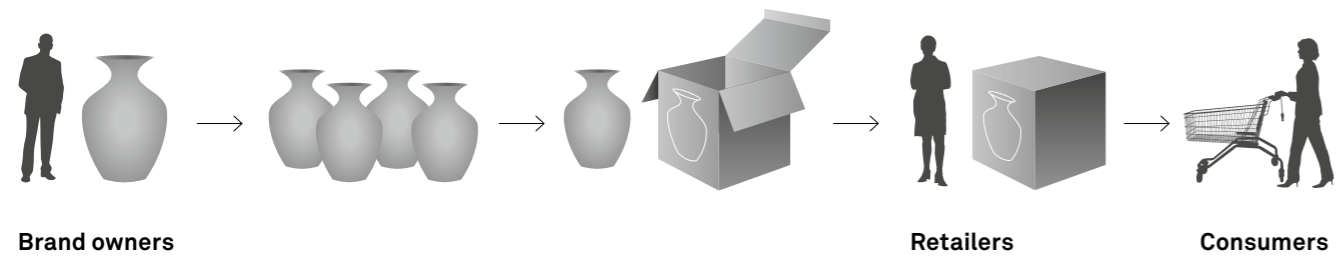
We have successfully weathered the storms of the recent past and we are confident in our ability to succeed in the future. We owe these strengths to the commitment of our staff, that is to say each and every one of our 4907 employees around the world, and to the quality of our relations with our customers. We wish to thank all our collaborators for their professionalism and their determination to put the company strategy into practice in a constructive, forward-looking spirit. We also thank our shareholders, suppliers, banks and financial partners for their unfailing, and long-standing support. They can count on our commitment to further strengthening the position of the Bobst Group during the years to come. Let us celebrate together the 125<sup>th</sup> anniversary of the company: “For the Next Generation”.

  
Alain Guttmann  
Chairman of the Board

  
Jean-Pascal Bobst  
Chief Executive Officer

# CREATING VALUE

## VALUE CREATION FROM BRAND OWNER TO CONSUMER



### Brand owners

Research, development, production and marketing of goods

Manufacturing of goods

Packing Labelling

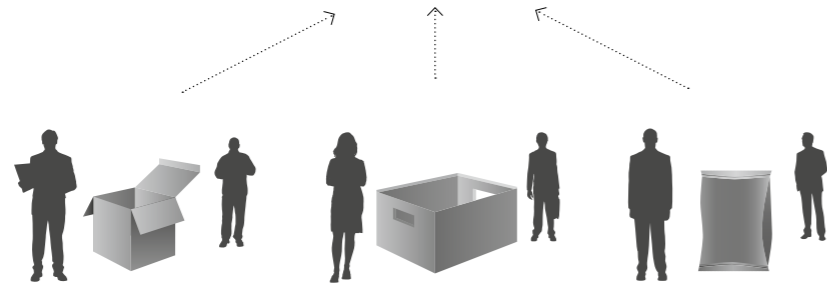
### Retailers

Distribution to consumer

### Consumers

### Label and packaging converters

BOBST customers



FOLDING CARTON



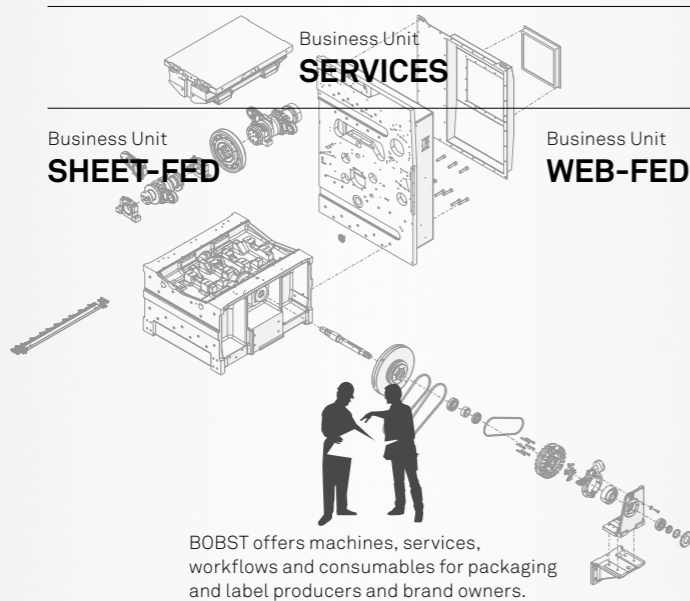
CORRUGATED BOARD



FLEXIBLE MATERIALS

### BOBST sales and services dedicated by industry

### BOBST organization



BOBST offers machines, services, workflows and consumables for packaging and label producers and brand owners.



# PREPARING FOR TOMORROW

## SUPPORTING THE MARKET'S NEEDS



**Mr. Daniel Model**  
Chairman and CEO, Model Group, Switzerland  
What I like most about digital is that it puts no pressure on the board and keeps its magic, lightweight, robustness untouched.



**Mr. Eduardo Posada**  
Chairman and CEO, Grupo Gondi, Mexico  
BOBST helps us to differentiate our boxes from ordinary ones, through innovation, quality and improved competitiveness.



**Mr. Miguel Petit**  
CEO, Cartonajes M. Petit, Spain  
What interests us the most is how we can give our customers more value through packaging, therefore we need constant technological innovation.



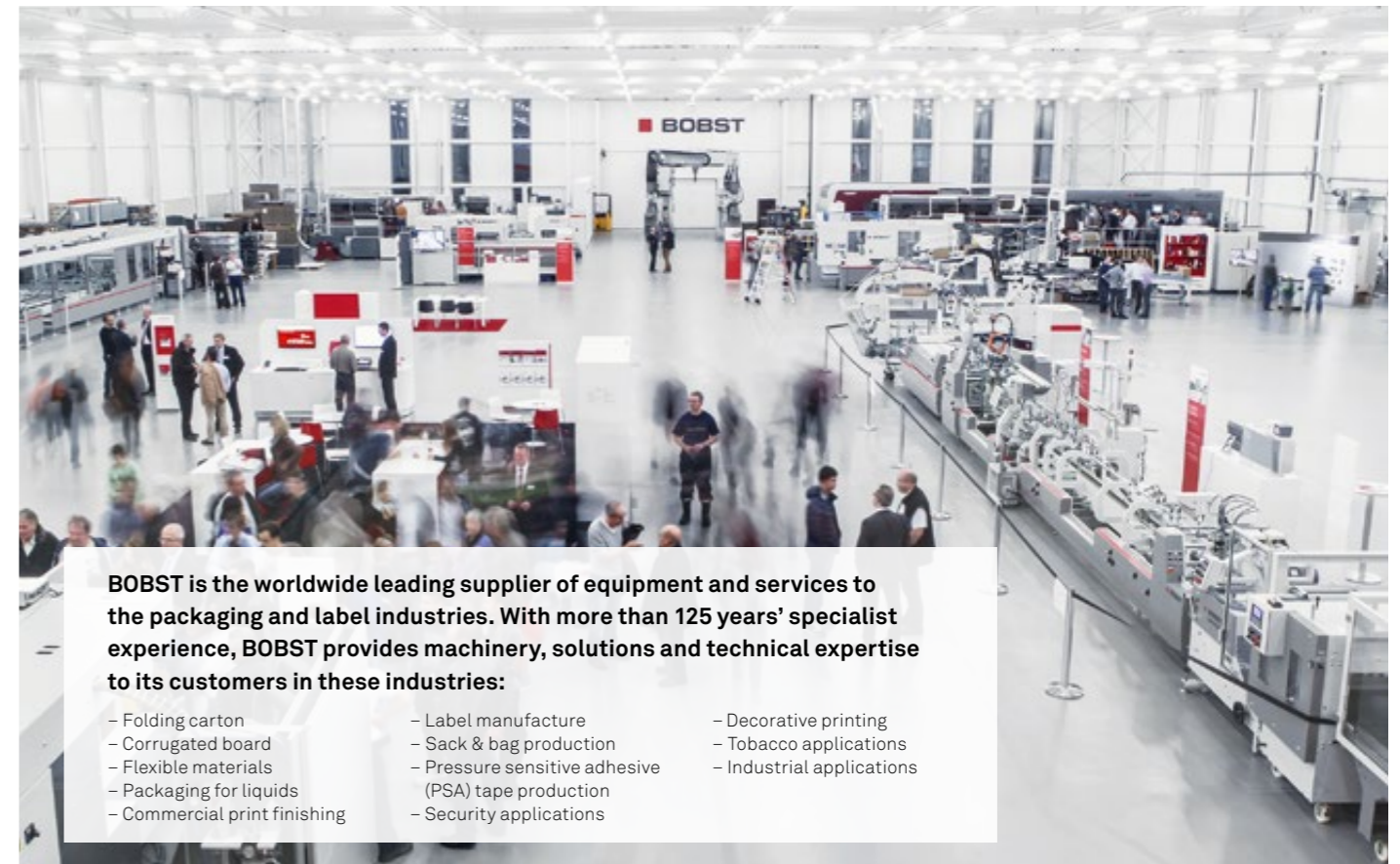
**Mr. Abdallah Obeikan**  
CEO, Obeikan Investment Group, Saudi Arabia  
In today's economic environment we need to have access to the best technology and equipment to be competitive and to deliver what consumers expect, at the lowest cost.



**Ms Tan Jock Hong**  
Founder and Managing Director, Tiong Tat Printing Industry, Malaysia  
In the very competitive markets we work in, the reduction in makeready times helps the company maintain competitiveness through higher productivity.



**Mr. Hans Schur**  
CEO, Schur Pack, Germany  
In today's competitive market, investment in new and improved technology is the number one precondition for cost efficient production of advanced customized packaging.



**BOBST is the worldwide leading supplier of equipment and services to the packaging and label industries. With more than 125 years' specialist experience, BOBST provides machinery, solutions and technical expertise to its customers in these industries:**

- Folding carton
- Corrugated board
- Flexible materials
- Packaging for liquids
- Commercial print finishing
- Label manufacture
- Sack & bag production
- Pressure sensitive adhesive (PSA) tape production
- Security applications
- Decorative printing
- Tobacco applications
- Industrial applications

# PACKAGING FOR THE WORLD MARKET

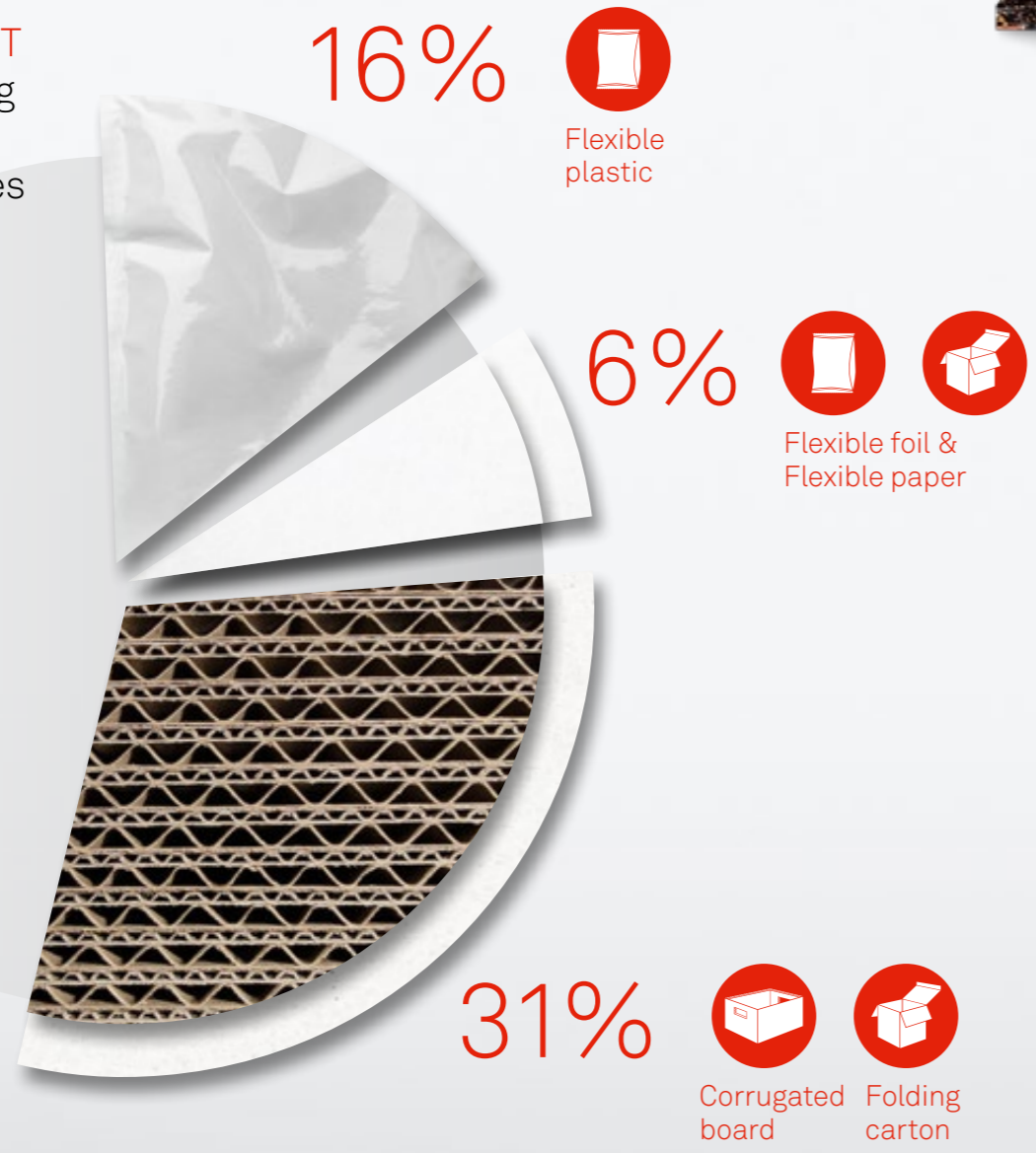
BOBST IS A LEADING SUPPLIER TO THE GLOBAL PACKAGING MARKET

**GLOBAL MARKET**  
Global packaging industry: \$ 820 billion sales in 2014\*

The market will reach \$ 1 trillion by 2020

# 53%

OF ALL GLOBAL PACKAGING SALES ARE ACCOUNTED FOR BY INDUSTRIES SERVED BY BOBST



\* Source: Smithers Pira, 2015

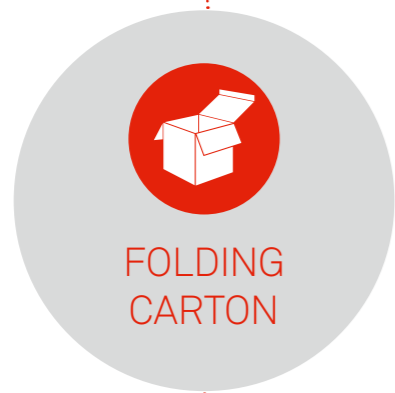
# ENGINEERING INNOVATION

## EXPANDING MARKETS WITH NINE NEW MODELS IN 2015-2016

Passion for innovation is encoded into our DNA. BOBST invests up to 6% of its turnover into R&D every year to help it engineer the solutions that packaging and label manufacturers need.



• **MASTERCUT 106 PER**  
The fastest automatic die-cutter available in the market – when only the very highest productivity will do.



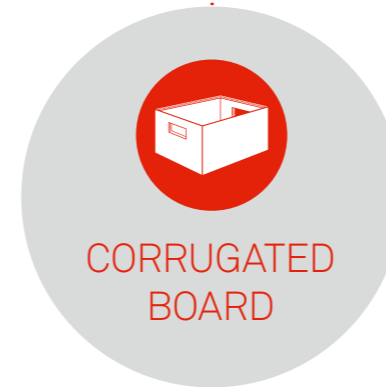
• **VISIONCUT LER**  
Improved productivity, lower costs and higher finished product quality – the vision to achieve more in die-cutting finally became reality.



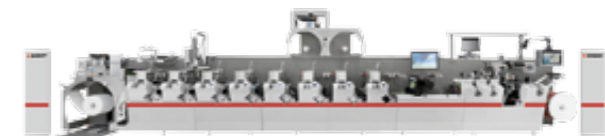
• **EXPERTCODE**  
The off-line digital serialization solution for open blanks or folded cartons.



• **SPEEDPACK**  
The ultimate automated packing solution for corrugated boxes – fast, versatile and superbly adaptable.



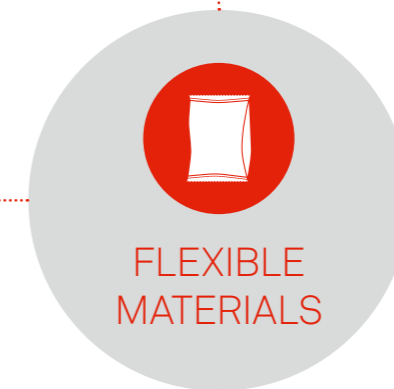
• **MASTERFLEX-XL**  
Off-line or in-line, MASTERFLEX-XL delivers consistently high flexo post printing quality, high productivity and superb flexibility.



• **M5**  
Multi process in-line narrow web printing and converting press for the labels and packaging markets.



• **CL 750D**  
A compact laminator delivering operational efficiency and high product quality with solvent-based, water-based or solventless adhesives.



• **MW 85 F**  
The perfect solution for mid-web and short run production.



• **M6**  
UV flexo mid-web press. Production of a new flexible packaging job can start in just a minute, with the highest print quality and meeting food safety standards.



FOLDING  
CARTON

# EXCEPTIONAL SERIALIZATION

## EXPERTCODE – WINNING NEW MARKETS WITH VARIABLE DATA PRINTING

To help customers overcome the threat from the counterfeiting of luxury goods and pharmaceutical products, and to cope with legislative and commercial pressures, BOBST launched EXPERTCODE. This machine allows users to serialize and individualize open blanks or folded cartons with high resolution codes, text or graphics, helping them win new markets, while increasing product traceability.



100%  
individual

100%  
quality



# THE ULTIMATE PACKER

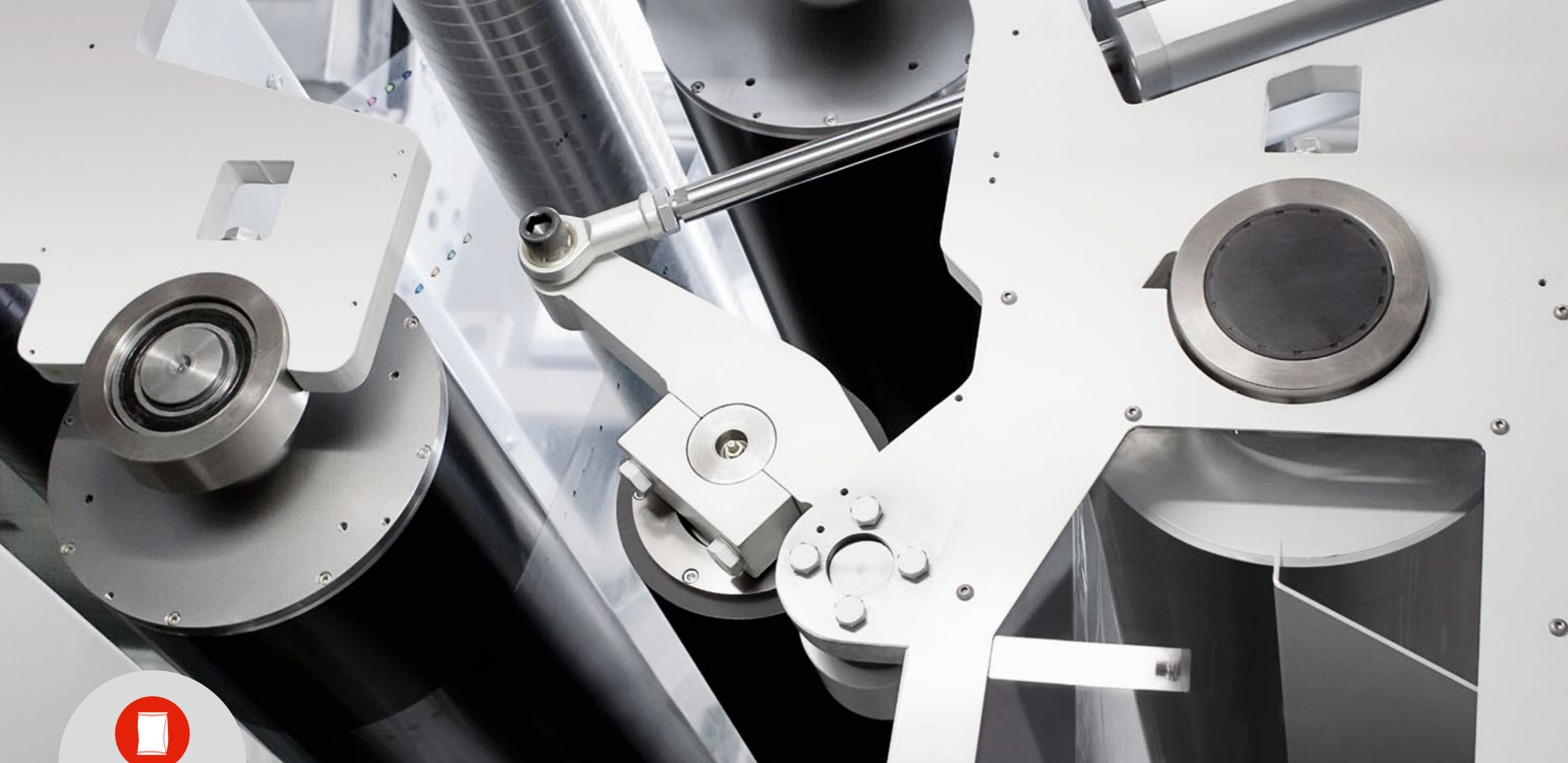
## SPEEDPACK – FAST AND FLEXIBLE

SPEEDPACK is the natural extension of a corrugated folder gluer – delivering perfect, high speed packing. Easy to set and extremely modular, it can be supplied with all the elements that box makers need. Furthermore, SPEEDPACK allows them to run their folder-gluer at maximum productivity and, despite being the fastest automatic packing solution on the market, it can handle all styles of corrugated boxes, in materials up to BC double wall.



1 200  
batches/hour

50%  
more productivity



FLEXIBLE MATERIALS

# LAMINATING POWER

## CL 750D – COMPACT, YET POWERFUL, LAMINATOR

Even though compact, the CL 750D includes a combination of technological advances and guarantees total quality and reliability. Precise tension control of the webs to be laminated, optimum accessibility, and environment-friendly machine design and operation are among its assets. And the CL 750D also offers converters of any size consistently high product quality and productivity.



100%  
new

100%  
compact

# TRAILBLAZING DIGITAL SOLUTIONS

## THE REVOLUTION HAS BEGUN

### Faster time to market

Unrivalled production speed and the ability to print just what is needed, when needed.

### Printing quality

Over 50 billion drops continuously circulating every second without clogging, ensuring high image consistency and brand integrity.

### Customization/Versioning

Digital marketing reaches new heights with digital printing. Promotion, personalization, versioning: all are possible.

### Sustainability

Digital printing enables savings in substrates, obsolete inventory, ink and tooling.

### Food safety

BOBST digital solutions use food compliant ink that is water-based, solventless, and odorless.

### Variable data

For optimum traceability and enhanced consumer interactivity.



### Folding carton

Folding cartons have a wide range of applications. The BOBST digital printing solution for folding cartons will answer the needs of specialty markets for the mass production of highly individualized, but identically formatted, cartons.

## AWARD-WINNING DIGITAL PRINT SOLUTIONS

With over three million digitally printed sheets produced and sold, the first two beta presses at customer sites have taken the BOBST digital printing revolution into real life production, with compelling results. And the industry recognizes its importance – the BOBST digital printing press for corrugated winning the prize for “Best Innovation” at the 2015 Technical Conference held by FEFCO, the voice of the European corrugated board industry.



### Corrugated board

Corrugated packaging manufacturers work with a wide range of materials. The BOBST digital printing press for corrugated board delivers superbly detailed, customized printed sheets at 200 meters a minute, regardless of the substrate used or the run length needed.

# NEW PERSPECTIVES

INNOVATION  
TAILORED  
TO MARKET  
NEEDS



Brand owners look for product versatility and results reproducible worldwide. The label industry is experiencing an increase in the need for sophistication and highly decorated effects, notwithstanding the need for quick job changeovers and standardization.

100%  
Flexibility

100%  
Customization



Color consistency that is easy to achieve and control makes UV flexo the preferred solution for the flexible packaging industry.

100%  
Color brilliance

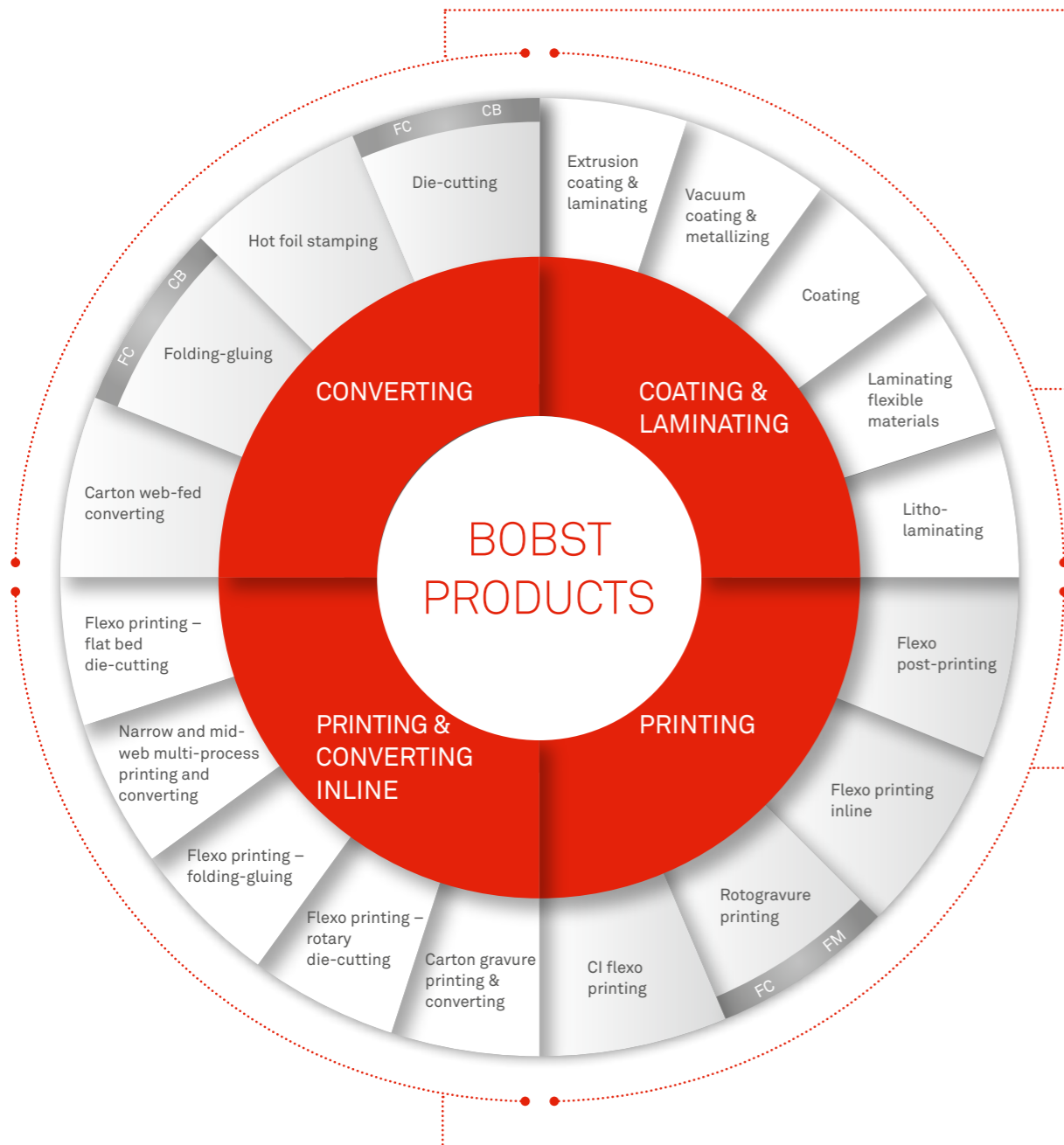
100%  
Print quality

## POWERFULLY EQUIPPED FOR LABEL PRINTING

For short runs, BOBST in-line narrow and mid-web solutions offer a compelling alternative to CI or large web presses for a variety of reasons: printing speed; ease of handling (all the stations are easy to reach); compact machine dimensioning; excellent printing accuracy and quality; high efficiency and modularity. The extensive BOBST range of in-line narrow and mid-web printing and converting solutions address and satisfy the needs of the industry in the following market segments:

- Linerless labels
- Coupons
- Flexible packaging
- Stand-up pouches
- Alu-foil
- Cartons
- PS labels
- Lottery tickets
- Pre-paid phone cards
- Wrap-around labels
- In-mold labels
- Sleeves
- Laminated tubes
- Wet glue labels

# DREAM MACHINES



By continually listening to customers, investing in research and development, and by accumulating unmatched skills and experience among our people, BOBST has been producing equipment at the forefront of technology for over a century.

**Legend**  
FC = Folding carton – CB = Corrugated board – FM = Flexible materials

## CONVERTING

Fast return on investment, low total cost of ownership, maximum uptime, 'zero-fault' quality – these are the features that today's packaging manufacturers want from their equipment. The latest BOBST converting lines deliver these features and many more, helping customers operate profitably in their existing markets, and giving them the tools to exploit new ones.



## COATING AND LAMINATING

In 2016, the global flexible packaging market is expected to exceed \$70 billion, as brands move to replace metal cans, glass, and plastic bottles with low cost, lighter weight alternatives. BOBST understands the technology needed to create, laminate, coat and metallize flexible materials, and offers innovative and highly productive equipment that allows clients to exploit this fast growing sector.



## PRINTING

Despite the growing influence of the Internet, printed words and images remain a dynamic and highly effective means of communicating a message. BOBST has always been at the vanguard of printing innovation. Our current portfolio of printing technologies allows customers to print everything, from mass market runs of perfectly identical boxes, packs or labels, through to products that are individualized for a single consumer.

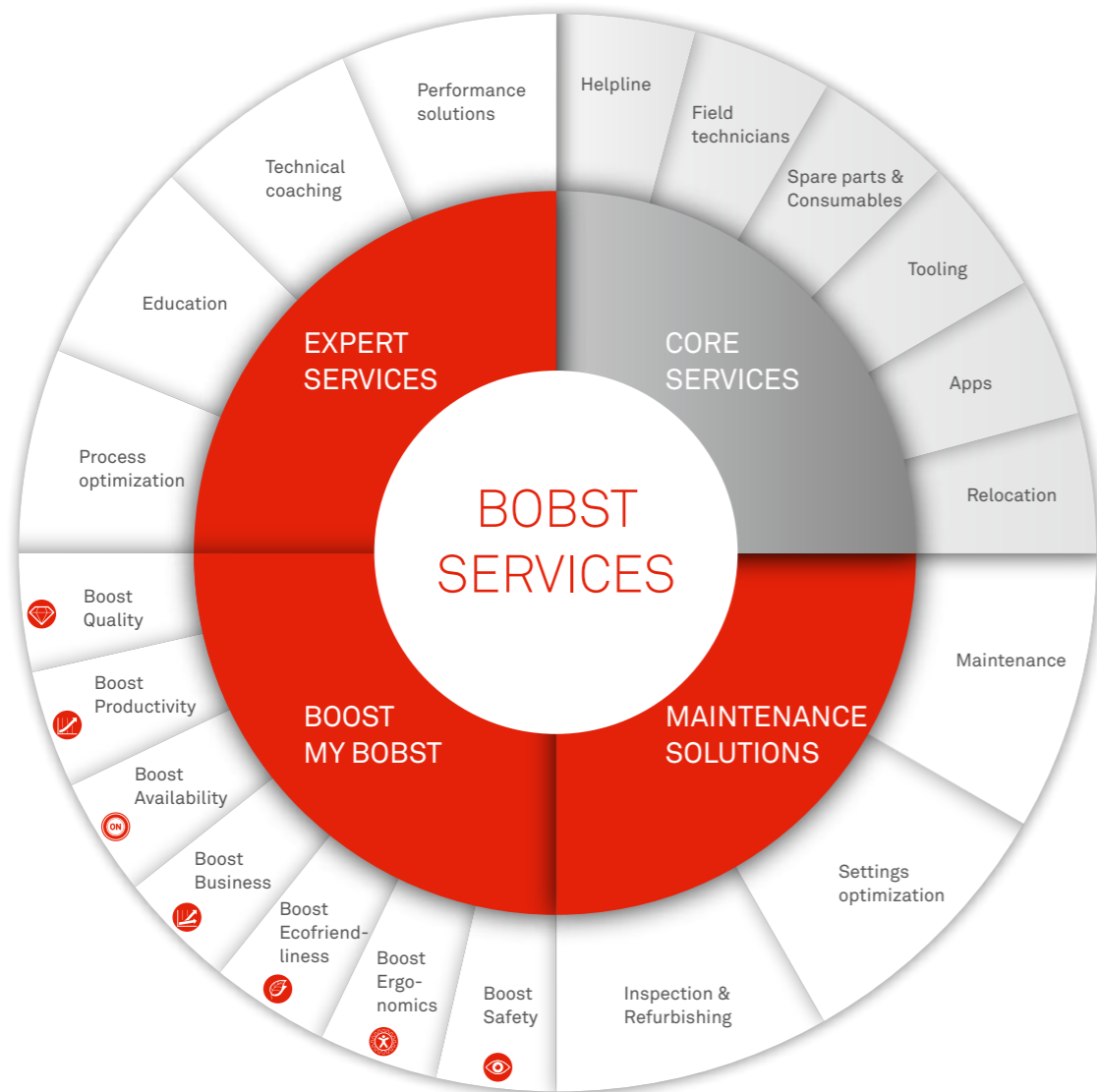


## PRINTING & CONVERTING

Printing and converting in one operation delivers huge benefits to packaging and label manufacturers and, because BOBST has always been at the leading edge of both technologies, we set the standard for what can be achieved using the in-line process. BOBST production lines are designed to deliver accuracy, flexibility, performance, and ease of use, while the wide variety of processes, sizes and levels of automation available suit the needs of a huge range of users.



# TAILORED SERVICES



## Beyond technology

For 125 years, BOBST has pursued its quest for innovation and excellence. The expertise it has developed is not just limited to producing the equipment that has built its reputation. The company has also created – using the same approach – a full range of services that cover every process, and their optimization.

Through its services, BOBST puts its passion for the industry at the disposal of its customers to help them improve their production, every day and for the long term.

It brings to them its unique knowledge of the technology, as well as its vision of the entire sector and its trends.

BOBST grows and continuously improves its services. Among its current projects, Mybobst.com is a brand new web platform that will offer each customer faster, more personalized and easier access to its services.

To be a global benchmark means offering outstanding services.

## IMPROVING AVAILABILITY



Through the highly effective management of its parts inventory, BOBST is typically shipping 93% of urgent orders within 24hrs and 90% of standard orders within 48hrs.

## REDUCING ENVIRONMENTAL IMPACT



The "Thought for Food Packaging" program; the BOBST "Green Awards": BOBST has developed multiple initiatives and uses advanced technologies to guarantee safe and environmentally responsible packaging production.

## MORE CONTROL



BOBST's state-of-the-art Apps allow users to connect to their BOBST equipment anywhere, anytime.

## BOOSTING PRODUCTIVITY



The "Boost my BOBST" program improves the overall efficiency of BOBST equipment and extends its capabilities.

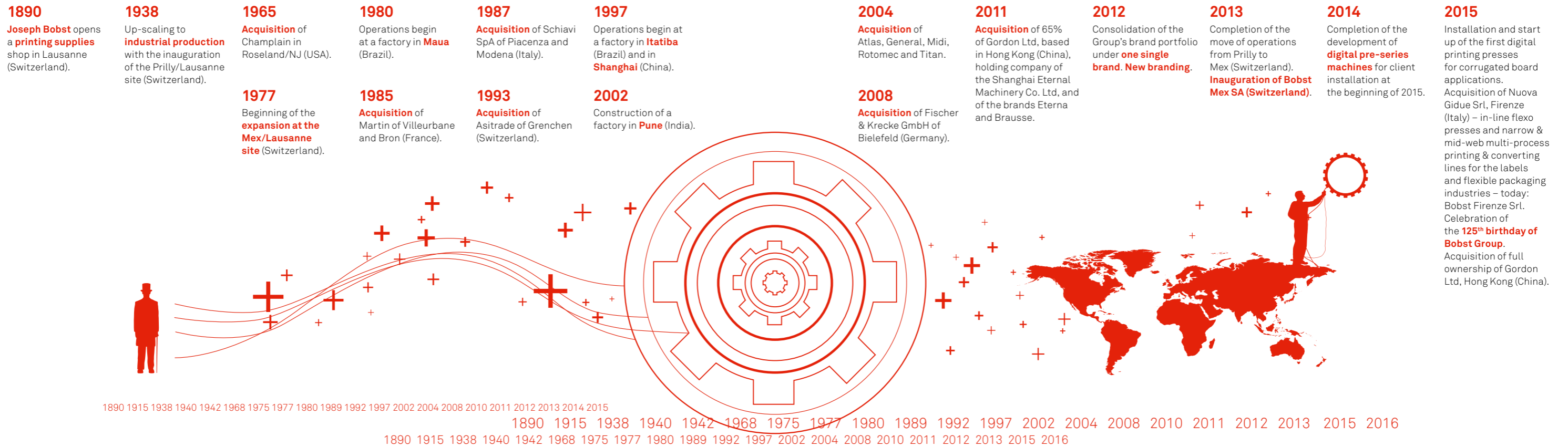
## MORE RELIABILITY



BOBST offers customized solutions that ensure that its equipment achieves maximum productivity for many, many years.

# PIONEERING PACKAGING

## COMPANY MILESTONES



## INNOVATION MILESTONES

<b>1915</b> The first BOBST press for <b>Braille embossing</b> is designed, giving printers an easier way to produce material for the visually impaired. It takes almost a hundred years for the packaging industry to take up the technology.	<b>1940</b> The world's first automatic die-cutter, the BOBST AP 900, enters production and revolutionizes the process of cutting and creasing carton board. Even today, <b>AP 900's</b> are still in use in parts of the world.	<b>1942</b> BOBST launches the <b>PCR 382</b> , its first folder-gluer. Applying a range of technological solutions, the <b>PCR 382</b> establishes a trend for innovation that continues right up to the present day.	<b>1968</b> The <b>CORSAIR 940/1225</b> is BOBST's first Swiss made web-fed gravure printing press and is designed specifically for the flexible packaging market.	<b>1975</b> BOBST Graphic <b>Eurocat 120/150/160.</b> A range of phototype-setting systems for job composition, including complicated charts and paginations at speeds of up to 120 000 characters per hour.	<b>1989</b> The ground breaking Martin <b>FFG 1330 Superline</b> brings numerical control to the flexo folder-gluer. Only three 1330's are built, but the technology used paves the way for virtually every FFG produced afterwards.	<b>1992</b> BOBST <b>CUBE</b> , an operator-machine interface specially developed by BOBST, provides improved signals and information. The screen makes operating any machine very easy.	<b>2008</b> To help pharmaceutical companies meet strict new EU packaging legislation, BOBST develops the <b>ACCUBRAILLE</b> system for fast, accurate and reliable rotary Braille embossing onto drug packaging.	<b>2010</b> The <b>MASTERFOIL 106 PR</b> is the first hot foil stamper with cam driven and Power Register technologies. <b>MASTERFLUTE</b> is the latest generation Asitrade high performance sheet to web laminator.	<b>2011</b> BOBST <b>ACCUCHECK</b> becomes the first built-in zero-fault quality control system for folder-gluer. BOBST General <b>Hawkeye</b> detects, counts and categorizes pinholes and other metallizing defects from 0.1 mm upwards.	<b>2012</b> The <b>EXPERTCUT</b> maximizes productivity and the platform-based <b>F&amp;K 20SIX CL</b> flexo press brings outstanding print quality.	<b>2015</b> Expanding markets with <b>nine new models:</b> – MASTERCUT 106 PER – VISIONCUT LER – EXPERTCODE – SPEEDPACK – MASTERFLEX-XL – CL 750D – MW 85 F – M5 – M6
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Joseph Bobst, Founder

# HOW IT ALL BEGAN



# PREPARING THE FUTURE



From right to left: Alain Guttmann, Chairman of the Board and Jean-Pascal Bobst, Chief Executive Officer

YEAR 1890  
PRODUCTION SITES 1  
EMPLOYEES 3

### What is the secret of BOBST's success?

**Joseph Bobst:** Success comes from always working to improve. We must constantly strive to find and create interesting new products that will satisfy our customers and which will keep our colleagues gainfully employed.

**Jean-Pascal Bobst:** I believe the secret is fourfold. We have always been driven to innovate; to help our customers; to consider our colleagues; and to think long-term. Through our 125-year history we have gone through both major triumphs and, on

occasion, profound hardship. But, even in the worst times, human respect, innovation, perseverance and the ability to challenge ourselves have always prevailed.

### How do you envision the next 125 years in the packaging industry?

**Joseph Bobst:** Packaging is an industry that is in its infancy. I expect to see many more advances in the coming years, like the Autovariole, where one man can cut boxes and print them out at the same time. Automation – that is the future.

**Jean-Pascal Bobst:** In 2016 we are far away from simple automation. Looking at the digital solutions BOBST offers today, my belief is that this technology will have an impact on the way the packaging industry is organized in the coming years. In 2140, my dream for our grand-children would be that our machines produce and use only eco-friendly materials and technologies, for a better world.

### What principles guide you?

**Joseph Bobst:** Concern for our family, in the widest sense of the word. Every

colleague who works at BOBST, every customer, every investor, every supplier, and all the people that depend on them, they are all our BOBST family. Everything we do is guided by a concern for them.

**Jean-Pascal Bobst:** More than anything, respect for everyone touched by our business. As a company, we should be proud that we follow such principles because they stand out in a world where profits, careers and materialistic values seem to dominate over other, more fundamental values like family and relationships.

### How will BOBST's company values contribute to a prosperous future?

**Joseph Bobst:** Even in dark times our company has always bounced back, with a firm conviction that a better future lay ahead. Hard work, an entrepreneurial attitude and concern for our colleagues will always prevail.

**Jean-Pascal Bobst:** The difference between failure and success lies precisely in living our values at all times. Even if the future is uncertain, our values will sustain us as a leading brand within the industry.



Read more: Special Anniversary Edition

YEAR 2016  
PRODUCTION SITES 12  
EMPLOYEES 4 907



Bobst family members, 1890



First BOBST machine – Braille printing press



JBF Finance SA (Joseph Bobst Finance) – controlling interest of Bobst Group – members of the families, 2015



The future of BOBST machines – digital printing press

\* As imagined by the editors

# INSPIRING PERSPECTIVES

## HIGHLIGHTS AND MILESTONES

15–18 March  
**PROPAK AFRICA**  
Johannesburg

14–16 April  
**SINOCORR SOUTH**  
Dongguan

25–28 April  
**CHINAPLAS**  
Shanghai

31 May–10 June  
**DRUPA 2016**  
Düsseldorf

# 2016

7–10 September  
**INDOPLAS – INDOPACK – INDOPRINT**  
Jakarta

13–15 September  
**LABELXPO AMERICAS**  
Rosemont

19–26 October  
**K2016**  
Düsseldorf

18–22 October  
**ALL IN PRINT**  
Shanghai

4–8 February  
**PRINTPACK**  
Greater Noida

4–10 May  
**INTERPACK**  
Düsseldorf

# 2017

20–23 September  
**PACK PRINT INTERNATIONAL**  
Bangkok

24–26 October  
**PROPAK CAPE**  
Cape Town

May  
**CHINA PRINT**  
Beijing

7–12 February  
**PLASTINDIA**  
Gandhinagar

March  
**EXPOPRINT**  
São Paulo

# 2018

17–20 October  
**SUPER CORR EXPO**  
Orlando

15–18 May  
**CONVERFLEX**  
Milano

# EMPOWERING THE NEXT GENERATION



## Group Executive Committee

### Philippe Milliet

Head of Business Unit Sheet-fed since 08.11.2011.  
1963, Swiss national.

### Attilio Tissi

Chief Financial Officer since 08.11.2011.  
1968, Swiss and Italian national.

### Stephan März

Head of Business Unit Services since 01.04.2011.  
1971, German national.

### Jean-Pascal Bobst

Chief Executive Officer since 07.05.2009.  
1965, Swiss national.

### Erik Bothorel

Head of Business Unit Web-fed since 01.01.2010.  
1962, French national.

## BOBST follows a long-term strategy

By focusing on four strategic objectives – effective organization, operational excellence, people and growth – we aim to maintain our position of leadership in the markets we operate in and achieve the same in any new markets we enter. Delivering these objectives involves a range of initiatives such as developing common technical platforms, creating strong and highly reliable service support and products, and establishing lean systems throughout the organization, from production to back office activities. We will continue to invest in our people, from those focused internally to the process specialists who help our customers maximize their production. New ranges of products will be launched extending our global offering for the entry level market segment. This will further contribute to the long-term sustainable development of the Group.

## Values

The phrase that exemplifies BOBST is “People, Knowledge and Values” because it is the people of our Group and the vast technical knowledge they have which translates into success. The values we aim to hold, both as a Group and as individuals, include trust, openness, recognition and passion. With these we aim to ensure, among other things, a life-work balance, a pleasant work environment and a greener product offering which takes into account issues such as global resources, waste and the optimization of energy consumption.

## Shareholders

We seek to achieve sustainable profitability across business cycles, ensuring “value creation” for our Group. Our challenge is to transform the Group into the benchmark for our industry while keeping our technical and innovation leadership. This will involve developing even stronger relationships with our customers, partners and suppliers, to ensure both a “common good” and mutual longevity.

## FOUR PILLARS OF THE GROUP TRANSFORMATION PROGRAM

1.

### EFFECTIVE ORGANIZATION

Create common technical platforms & modules with standard components, focused R&D competence centers per technology.

2.

### OPERATIONAL EXCELLENCE

Use best the synergies within the Group, lean culture implementation (for all functions), implementation of shared service centers with common practices.

3.

### PEOPLE

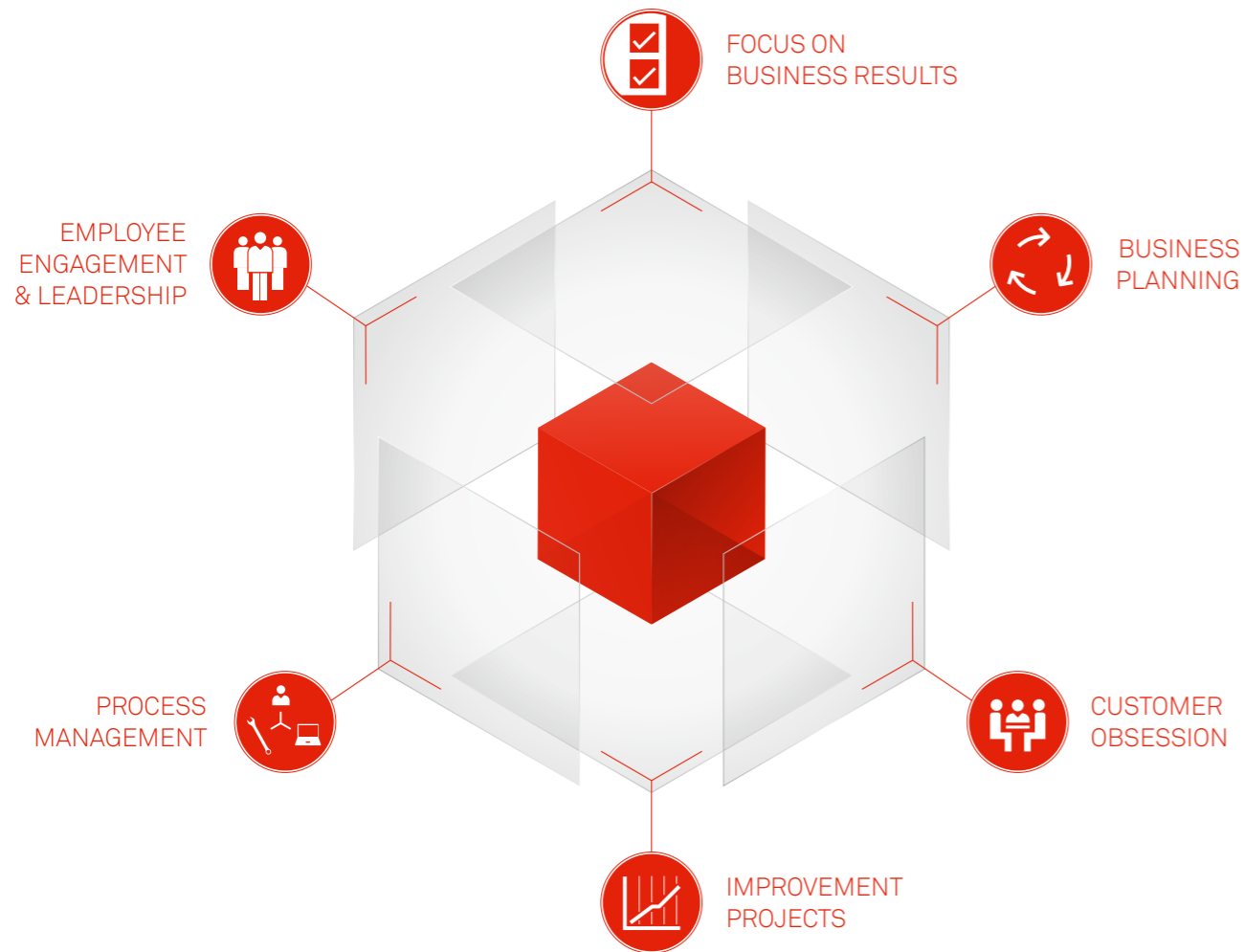
Retain best competencies. Simplification of management levels. Simplification of the organization, roles, accountabilities, responsibilities.

4.

### GROWTH

Increase market penetration in medium, entry and basic segments. This by acquiring companies or by developing own local/cost effective machines. BU Services to increase customer satisfaction and align every technology and process worldwide.

# OPERATIONAL EXCELLENCE



**BOBST reflects excellence in every dimension: engineering excellence, product excellence, service excellence and innovation excellence**

Operational Excellence comes from our mindset of continuous improvement and the way we run our business to be number one in our markets.

By subsequently applying Operational Excellence at all levels of the organization we aim to achieve our strategic objective of maintaining leadership and making the organization resilient against any future economic shocks and crises.

### Benchmark and culture

We measure Operational Excellence in six dimensions (see chart above). For each of these six dimensions we assess the level of the activity, and the level of the person or team responsible, on a regular basis. We apply continuous improvement processes until all activities run at the right level of performance.

### Benefits for all stakeholders

Operational Excellence stimulates value creation and accelerates value capture in a sustainable way. By empowering people at all levels to listen to customer needs, it helps us to fulfil customer expectations, delivering the right solutions in due time and to the right quality. Our people, knowledge and values benefit all stakeholders.

## TEAM ENGAGEMENT FOR CONTINUOUS IMPROVEMENT



### SHORTENED BILLING TIME

By challenging its administrative processes, this team has managed to save approximately ten days in the processing of its invoices. This result allowed to increase customer satisfaction while developing a continuous improvement culture.

Itatiba site, Brazil.  
From left to right:  
Almir Cossolino  
Viviane Gilli  
Victor Penteadó



### HR PROCESS OPTIMIZATION

This team has searched for, found and implemented solutions that have allowed it to make a 15% saving in the time needed for the execution of five administrative processes such as process work certificate elaboration.

Mex site, Switzerland.  
From left to right:  
Rihaneh Guilan  
Alain Brandenberger  
Nathalie Brohy (not pictured)  
Mayra Escorcía  
Brigitte Whiteside  
Rachida Karmane  
Gabriel Migy  
Nathalie Reymond  
Christine Meyer  
Laura Fuso  
Benoît Pillonel

# DRIVING SUSTAINABILITY

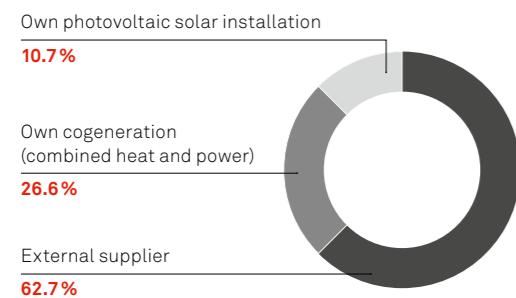
## A MULTI-SECTORAL APPROACH

The pressure that consumers, regulatory bodies and brand owners put onto packaging manufacturers to improve pack sustainability is inevitably passed on to the suppliers of their equipment. In this area, BOBST offers an answer on many levels. Firstly, we continually look for opportunities to design, or re-design, our equipment so that it reduces process waste levels, energy use, or any potential environmental risks that its use might create. In parallel with this, BOBST takes a holistic approach to the whole process of manufacturing the equipment our customers buy from us. We take pride in the initiatives we undertake to reduce our own energy use and the carbon miles that components cover, while we also strive to rid our plants of potentially harmful chemicals and processes and to make the workplace as safe and positive a place as possible. Finally, our regular investments in optimizing the energy efficiency of our infrastructure also contribute to reducing our environmental impact. Whether in the field of lighting, the production of thermal and electrical energy, or the insulation of buildings, numerous measures have been implemented within the Group that contribute to the continuous improvement of BOBST in this field.

By taking this multi pronged approach we constantly improve the environment that our employees, clients and neighbors work and live in.

BOBST produces a comprehensive sustainability report which can be found online at: <http://investors.bobst.com/publications>.

## Distribution of electricity consumption (Mex, Switzerland)



Mex site, Switzerland  
View of the production halls

– 30%  
industrial accidents  
per 1 000 employees

1 256 MWh  
production of photovoltaic  
electricity (Mex, Switzerland)

– 28%  
hours lost following  
industrial accidents





– 2.5%  
waste by volume



# POWERING PRODUCTIVITY WORLDWIDE



BOBST has production facilities on three continents, as well as a sales and services network with facilities in more than fifty individual countries. This worldwide coverage is one of the key factors behind BOBST's position of leadership in its industry. By delivering support close to its customers, in their language and with respect to their customs, BOBST helps customers achieve higher quality, improved productivity and reduced operating costs.

-  Group production sites with sales and services
  -  Number of Group production sites in the country
  -  Group companies and representative offices for sales and services
  -  Agencies and representatives for sales and services
- Reconditioning:**  
Brazil
- Strategic partner:**  
BHS Group, Germany
- Other subsidiary:**  
Gordon Ltd, China

## CONSOLIDATED PROFIT AND LOSS

In million CHF	2015	2014
<b>Sales</b>	<b>1 330.9</b>	<b>1 300.0</b>
Other operating income	10.6	18.0
Raw materials and services	-812.0	-761.3
Personnel costs	-403.4	-424.4
Depreciation and amortization	-35.9	-38.2
Other operating expenses	-14.8	-12.4
<b>Operating result (EBIT)</b>	<b>75.4</b>	<b>81.7</b>
Share of net result in associates	6.6	7.3
Interest expenses	-10.7	-16.8
Other financial income	4.5	15.4
Other financial expenses	-5.3	-15.5
<b>Result before income tax</b>	<b>70.5</b>	<b>72.1</b>
Income tax	-11.3	-19.1
<b>Net result</b>	<b>59.2</b>	<b>53.0</b>
<b>Attributable:</b>		
To shareholders	58.6	50.5
To non-controlling interest	0.6	2.5
Earnings per registered share (in CHF)	3.55	3.06
Diluted earnings per registered share (in CHF)	3.55	3.06

Source: Annual report 2015 – Financial statements 2015 – Consolidated financial statements.

## CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER

In million CHF	31 December 2015	31 December 2014
Intangible fixed assets	38.0	33.9
Goodwill	79.5	77.4
Tangible fixed assets	267.2	294.4
Financial assets other	2.4	3.4
Investments in associates	62.3	63.0
Employee benefits	1.8	0.0
Receivables	3.8	6.8
Finance lease receivables	6.5	0.6
Prepaid expenses and accrued income	1.3	1.3
Deferred tax assets	48.6	43.8
<b>Non-current assets</b>	<b>511.4</b>	<b>524.6</b>
Inventories	320.4	319.9
Receivables	306.9	288.6
Finance lease receivables	6.4	6.3
Income tax receivables	8.5	11.9
Financial assets other	0.0	75.0
Prepaid expenses and accrued income	7.3	9.6
Derivative financial instruments	1.3	1.0
Cash and cash equivalents	279.2	386.3
<b>Current assets</b>	<b>930.0</b>	<b>1 098.6</b>
<b>Total assets</b>	<b>1 441.4</b>	<b>1 623.2</b>
Share capital	16.5	16.5
Reserves	337.3	385.5
Net result	58.6	50.5
<b>Shareholders' equity</b>	<b>412.4</b>	<b>452.5</b>
Non-controlling interest	1.2	2.3
<b>Equity</b>	<b>413.6</b>	<b>454.8</b>
Borrowings	264.8	268.3
Provisions	16.5	13.8
Employee benefits	161.2	141.2
Trade and other payables	21.1	29.6
Accrued expenses and deferred income	0.2	0.0
Deferred tax liabilities	28.0	29.2
Derivative financial instruments	0.2	0.0
<b>Non-current liabilities</b>	<b>492.0</b>	<b>482.1</b>
Borrowings	15.3	210.7
Provisions	47.0	43.7
Employee benefits	3.0	3.8
Trade and other payables	363.7	327.6
Accrued expenses and deferred income	81.6	72.0
Income tax payables	17.8	17.8
Derivative financial instruments	7.4	10.7
<b>Current liabilities</b>	<b>535.8</b>	<b>686.3</b>
<b>Total liabilities and equity</b>	<b>1 441.4</b>	<b>1 623.2</b>

Source: Annual report 2015 – Financial statements 2015 – Consolidated financial statements.

## CONSOLIDATED CASH FLOW STATEMENT

In million CHF		2015	2014
<b>Net result</b>		<b>59.2</b>	<b>53.0</b>
Elimination of net result in associates		-6.6	-7.3
Elimination of income taxes		11.3	19.1
Elimination of depreciation, amortization, employee benefits and provisions		27.8	35.0
Elimination of the result on disposal of assets		1.6	-0.8
Elimination of interest expenses(income)		7.7	11.7
Elimination of derivative financial instruments results		0.4	5.4
Changes in inventories		-6.8	-2.4
Changes in receivables		-29.2	13.6
Changes in payables		50.6	17.6
Paid taxes		-11.2	-15.5
<b>Cash flow from operating activities</b>	<b>Total A</b>	<b>104.8</b>	<b>129.4</b>
Acquisition of subsidiaries, net of cash acquired		-3.6	0.0
Purchase of intangible assets		-8.1	-6.2
Purchase of tangible assets		-14.0	-19.7
Purchase of financial assets		0.0	-75.0
Purchase of investments in associates		-1.5	0.0
Loans and advances made		-0.2	-1.5
Proceeds from sale of tangible assets		2.2	4.1
Proceeds from sale of financial assets		75.0	7.0
Loan repayments and advances received		1.2	4.5
Interest received		3.0	5.1
Dividends received		3.0	1.4
<b>Cash flow from(used in) investing activities</b>	<b>Total B</b>	<b>57.0</b>	<b>-80.3</b>
Acquisition of non-controlling interest		-25.6	0.0
Proceeds from borrowings		10.5	211.9
Repayments of borrowings		-195.8	-156.9
Interest paid		-15.6	-18.5
Dividends paid to Group shareholders		-20.6	-12.5
Dividends paid to non-controlling interest		-1.0	-0.8
<b>Cash flow from(used in) financing activities</b>	<b>Total C</b>	<b>-248.1</b>	<b>23.2</b>
<b>Effects of exchange variances</b>	<b>Total D</b>	<b>-20.8</b>	<b>-3.2</b>
<b>Increase in cash and cash equivalents</b>	<b>A+B+C+D</b>	<b>-107.1</b>	<b>69.1</b>
Cash and cash equivalents at beginning of period		386.3	317.2
Cash and cash equivalents at end of period		279.2	386.3
<b>Variance</b>		<b>-107.1</b>	<b>69.1</b>

Source: Annual report 2015 – Financial statements 2015 – Consolidated financial statements.

## SEGMENT REPORTING

In million CHF	2015	2014
<b>Revenue</b>		
Sheet-fed third party sales	658.1	639.2
Sheet-fed inter-segment	18.8	18.8
Sheet-fed total revenue	676.9	658.0
Web-fed third party sales	296.8	282.9
Web-fed inter-segment	3.6	3.8
Web-fed total revenue	300.4	286.7
Services third party sales	374.8	377.3
Other third party sales	1.2	0.6
Eliminations inter-segment	-22.4	-22.6
<b>Total third party sales</b>	<b>1330.9</b>	<b>1300.0</b>

No operating segments were aggregated to form the above reportable operating segments.

Inter-segment operations correspond to the contribution paid by the Business Unit Services to the other Business Units for the right to sell spare parts and services for their equipment. These contributions do not generate internal margin.

In million CHF	Sheet-fed		Web-fed		Services		Other		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<b>Results</b>										
<b>Total segment operating result (EBIT)</b>	<b>22.6</b>	<b>26.2</b>	<b>10.6</b>	<b>16.8</b>	<b>42.5</b>	<b>38.8</b>	<b>-0.3</b>	<b>-0.1</b>	<b>75.4</b>	<b>81.7</b>
Share of result of associates	6.6	7.3							6.6	7.3
Financial result									-11.5	-16.9
<b>Result before income tax</b>									<b>70.5</b>	<b>72.1</b>

Source: Annual report 2015 – Financial statements 2015 – Consolidated financial statements.

Certain statements in the annual profile, including but not limited to those regarding expectations for general economic development and the market situation, expectations for customer industry profitability and investment willingness, expectations for Company growth, development and profitability and the realization of synergy benefits and cost savings, and statements preceded by “expects”, “estimates”, “forecasts” or similar expressions, are forward-looking statements. These statements are based on current decisions and plans as well as on currently known factors. They involve known and unknown risks and uncertainties which may cause the actual results to materially differ from the results currently expected by the Company. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange rate fluctuations and interest rate fluctuations, competitive product and pricing pressures, the Company’s operating conditions, and regulatory developments.

The annual profile is available in English, Chinese and French. In case of doubt, the English version prevails.

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Bloomberg: BOBNN SW  
Reuters: BOBNN.S

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