

Mex
March 2, 2020

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Conference for financial analysts and the media

 **BOBST**

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Buffet lunch

A full year review

A full year review

Video



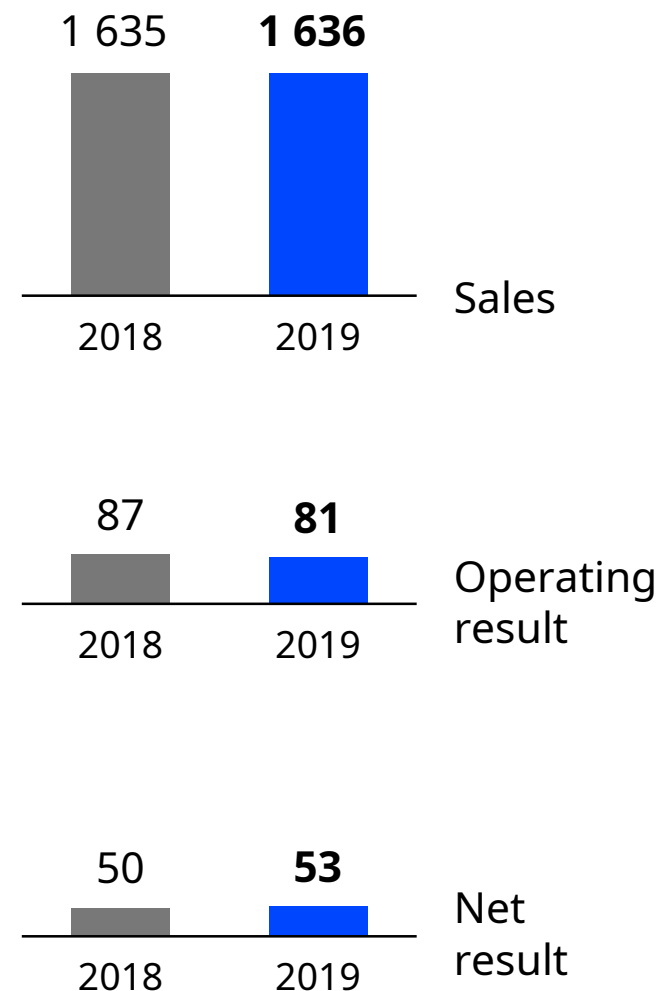
<https://www.youtube.com/watch?v=vX9jiWm52ko>

Group performance

Group performance

Stable sales and slightly improved net result

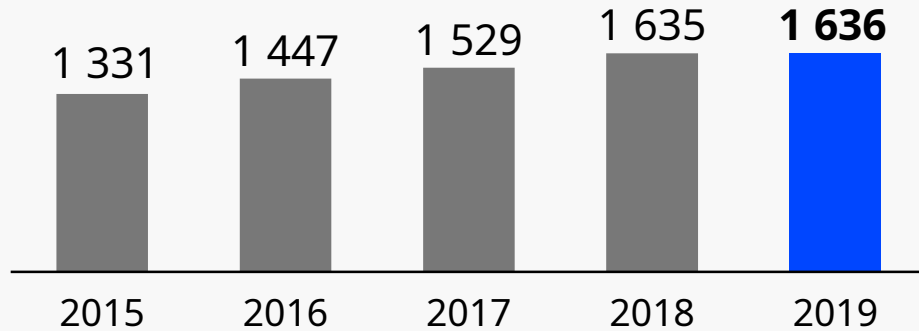
- Sales stable at **CHF 1 636 million**
- Operating result (EBIT) at **CHF 81 million** (CHF 87 million in 2018)
- Net result at **CHF 53 million** (CHF 50 million in 2018)
- Positive cash inflow from operating activities of **CHF 55 million** (CHF -46 million in 2018)
- Dividend of **CHF 1.50** proposed (CHF 1.50 in 2018)
- Order entries and backlog lower as in 2018



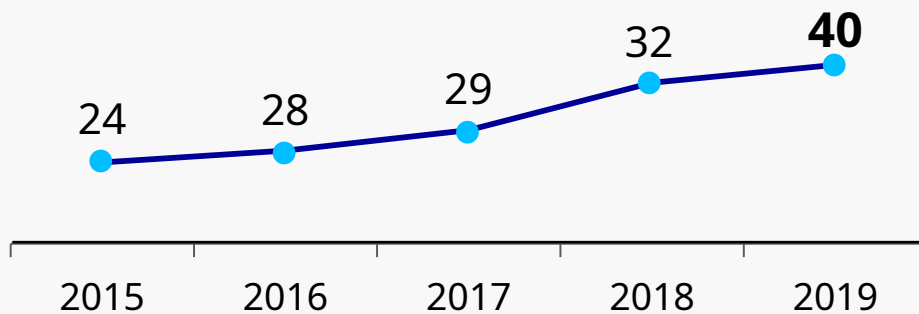
Group performance

Review 2019

Turnover



Net Promoter Score (NPS)



Business Unit Web-fed

- Sustainability product for film packaging
- China 4.0 ramp up, quality campaign and BU transformation on track

Business Unit Sheet-fed

- Development of novelties
- China 4.0 lower than expected

Business Unit Services

- Increase Customer satisfaction - NPS from 32 to 40
- Continue to grow
- Digitalization platform - Launched MyBOBST

Digital transformation

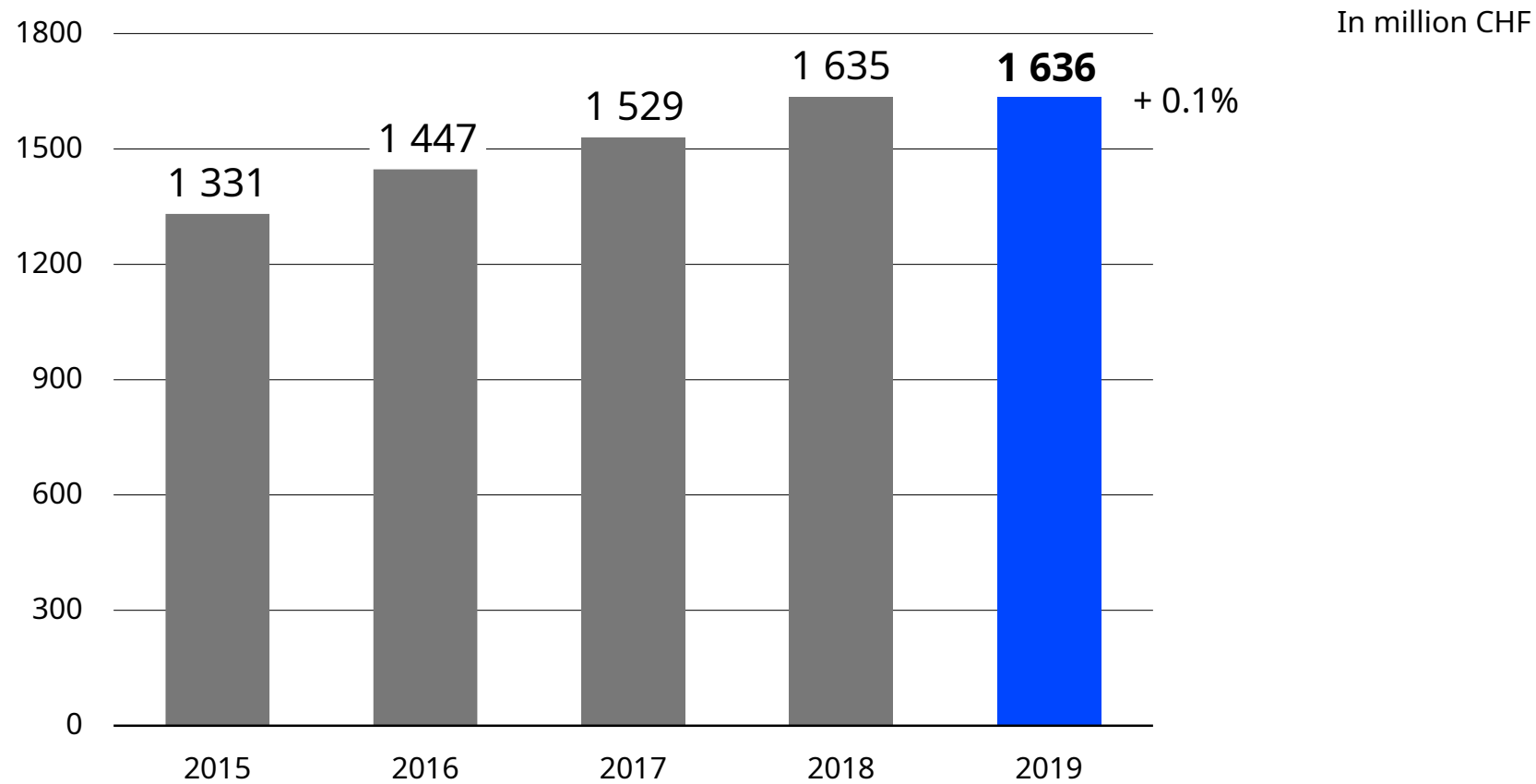
- IoT strategy - New SW platform with 6 new use cases
- Mouvent – digital printing new era
- Internal digitalization transformation

Financial information

Results 2019

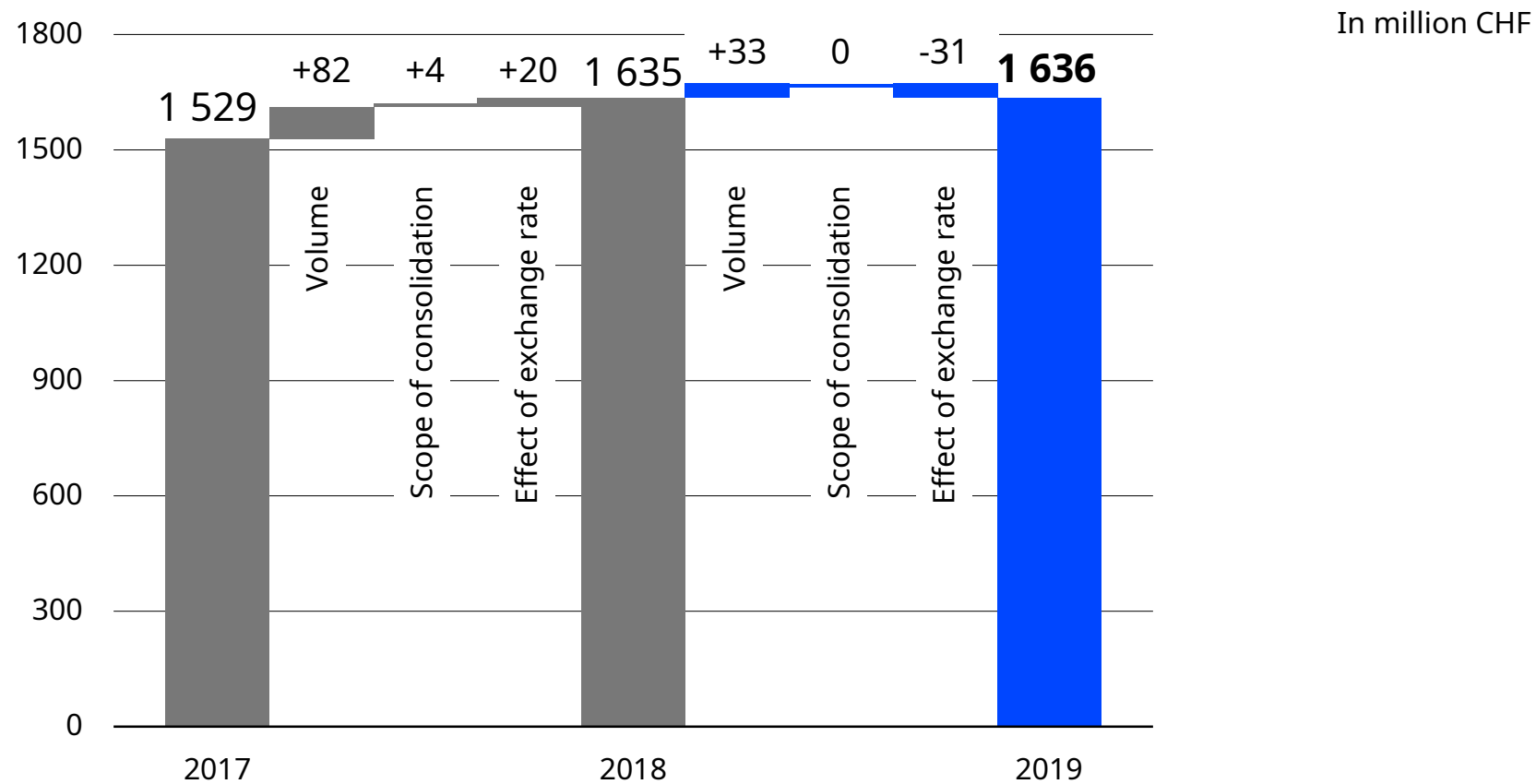
Results 2019

Evolution of consolidated sales



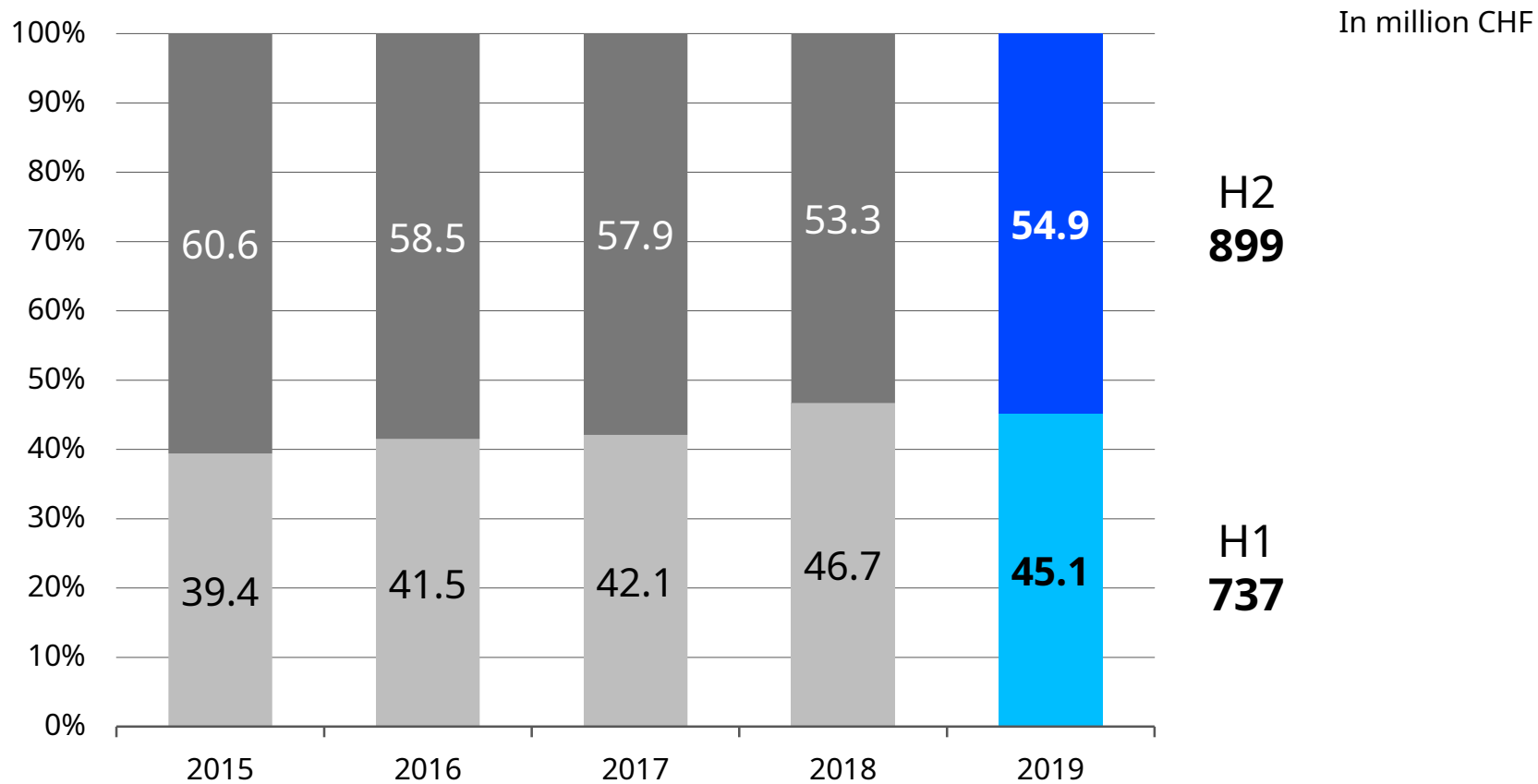
Results 2019

Evolution of consolidated sales



Results 2019

Analysis of the evolution of sales by half-year



Results 2019

Distribution of consolidated sales

Sales by Business Unit	2019	2018	Δ%
BU Sheet-fed	810.4	804.6	0.7
BU Web-fed	337.5	342.9	-1.6
BU Services	488.3	486.2	0.4
Other	0.1	0.8	-87.5
Total	1 636.3	1 634.5	0.1

In million CHF

Results 2019

Distribution of consolidated sales

Sales by geographical distribution

	2019	2018	Δ%
Europe	730.7	749.9	-2.6
Americas	518.8	470.0	10.4
Asia & Oceania	328.6	361.5	-9.1
Africa	58.2	53.1	9.6
Total	1 636.3	1 634.5	0.1

In million CHF

Results 2019

Primary reporting format

Actuals 31.12	2019	2018	Δ%
Sales	1 636.3	1 634.5	0.1
Other operating income	20.4	19.5	
Raw materials and services	-985.6	-1 052.0	
Change in inventories	-39.9	39.3	
Personnel costs	-492.9	-499.4	
Depreciation and amortization	-40.5	-38.3	
Other operating expenses	-16.8	-17.1	
Operating result (EBIT)	81.0	86.5	-6.4
Share of result of associates	10.1	9.8	
Interest expenses	-5.6	-6.1	
Other financial income	7.2	3.4	
Other financial expenses	-8.6	-6.0	
Result before income tax	84.1	87.6	-4.0
Income tax	-31.5	-37.2	
Net result	52.6	50.4	4.4

In million CHF

Results 2019

Operating result (EBIT) by business unit

By Business Unit	BUSF	BUWF	BUSV	Other	Total
Operating result (EBIT) 2019	39.6	-15.5	59.2	-2.3	81.0
Operating result (EBIT) 2018	59.7	-37.4	66.3	-2.1	86.5

In million CHF

Results 2019

Balance sheet as 31 December

Assets	2019	%	2018	%
Non-current assets	489.9	32.1	501.9	29.2
Current assets	793.6	52.1	823.4	47.8
Cash & cash equivalents	241.3	15.8	396.3	23.0
Total assets	1 524.8	100.0	1 721.6	100.0

In million CHF

Liabilities	2019	%	2018	%
Equity	559.2	36.7	553.5	32.2
Non-current liabilities	234.6	15.4	405.5	23.5
Current liabilities	731.0	47.9	762.6	44.3
Total liabilities & equity	1 524.8	100.0	1 721.6	100.0

Results 2019

Net working capital

Current & non-current	2019	2018	In million CHF
Inventories	385.6	454.4	
Trade and other payables	-540.0	-575.1	
Finance leases, receivables and prepaid expenses	409.1	360.5	
Net working capital	254.7	239.8	

Results 2019

Consolidated cash flow statement

	2019	2018	In million CHF
Cash flow from operating activities	55.4	-46.0	
Cash flow from investing activities	-47.1	-49.3	
Cash flow from financing activities	-161.9	97.9	
Effects of exchange differences	-1.4	-9.1	
Variation of cash & cash equivalents	-155.0	-6.5	

Results 2019

Return on capital employed

	2019	2018	In million CHF
Capital employed	626.1	610.8	
Operating result (EBIT)	81.0	86.5	
ROCE	12.9%	14.2%	

Results 2019

Headcount




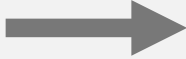
	2015	2016	2017	2018	2019
Europe	3 506	3 553	3 777	3 896	3 878
Americas	411	461	479	516	477
Asia & Oceania	946	987	1 088	1 190	1 149
Africa	44	54	53	58	51
Total	4 907	5 055	5 397	5 660	5 555
Change in scope of consolidation	65	28	84	19	0
Switzerland	1 730	1 733	1 841	1 899	1 864

Headcount apprentices and Mouvent included

Outlook 2020

Outlook 2020

Consolidated sales evolution

In million CHF	2015	2016	2017	2018	2019	2020
Sales	1 331	1 447	1 529	1 635	1 636	
				Organic growth		
				Scope of consolidation		
				Exchange rate impact		

Assumptions: € 1.1 / \$ 0.99

Outlook 2020

Operating result (EBIT)

In million CHF	2015	2016	2017	2018	2019	2020
Operating result (EBIT)	83.9	103.7	118.7	86.5	81.0	
As % of sales	6.3%	7.2%	7.8%	5.3%	5.0%	< than 2019

Assumptions: € 1.1 / \$ 0.99

Outlook 2020

Long-term financial targets

Financial ratios

Sales (mCHF)	1 700 - 1 800
Operating result (EBIT) margin	min. 8%
Return on capital employed (ROCE)	min. 20%
Payout ratio	30 - 50%
Equity ratio	40 - 45%

Outlook 2020

Annual General Meeting

Dividend

- The Board of Directors proposes to the Annual General Meeting of Shareholders the payment of a dividend of **CHF 1.50** per share (CHF 1.50 in 2018)
- This proposal is in line with the Group's dividend policy which recommends a payout ratio between 30-50% of the net consolidated profit after tax

Board of Directors

- All members of the Board of Directors will be proposed for re-election for a new period of one year

Group evolution



Group evolution

Investments 2020-2021

CITO-SYSTEM GmbH



Our strategy

To provide end-to-end solutions increasing efficiency of our global solutions, fully part of our industry vision and digitized solutions.

Yancheng Hongjing



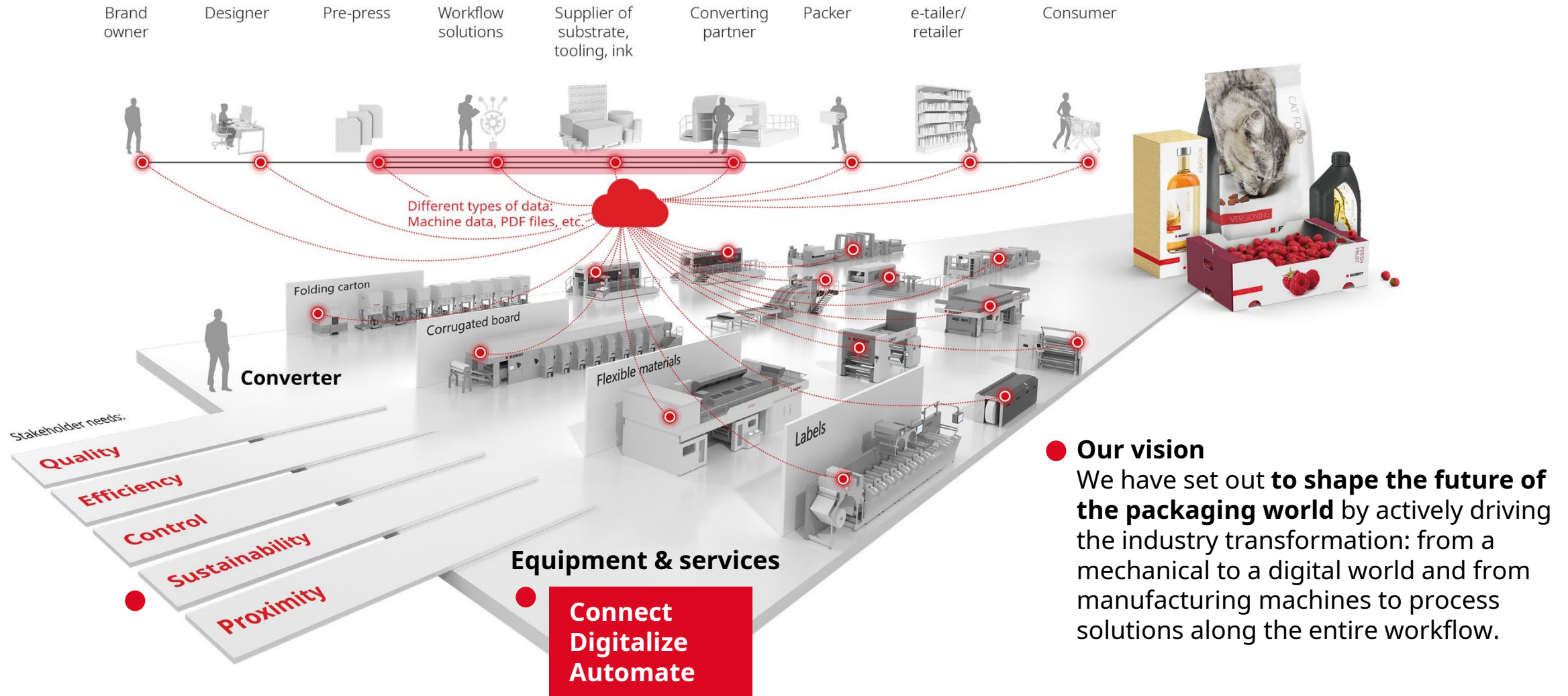
Our strategy

To continue to re inforce our position, long term, in China for the packaging and label applications.

Industry vision

Industry vision

Empowering the future



Sustainability

Sustainability

Our culture - a company commitment

SUSTAINABLE DEVELOPMENT GOALS



Optimized work mode 'digital workplace'

The Group has implemented digital technologies to facilitate internal communications and reduce the need or national and international travel.



Sustainable packaging for logistics operations

Reduction of plastic waste and copper consumption in India.



Thermal efficiency of buildings and -3.3% of electricity consumed

Heat pump and solar panels heat water without CO₂ emissions in China. In Germany, 98% of the workshops are equipped with LED lighting.



New printing technologies

The Extended Color Gamut (ECG) technology in the BOBST THQ range of equipment reduces water consumption (33%), inks (25%) and printing plates (33%). The Mouvent LB702-WB printer uses water-based inks.

Replace plastic in packaging with recyclable materials

In partnership with pioneering companies in the design of inks and substrates, BOBST contributed to the launch of mono-material pouches for optimum recycling in 2019.



Target: -30% of CO₂ emissions by 2020



Since 2013, BOBST has had an agreement with Switzerland to reduce the carbon footprint of the industrial activities of its Mex site (Switzerland). In 2019, 6300 m² of solar panels produced 1182 MWh of electricity, or 12.6% of the site's needs.

A concrete commitment that is part of a global approach

The Group is working on a new generation of equipment that will integrate sustainability, from the design of a machine, to its manufacture, its use and its upgrades, throughout its lifespan.



Sustainability

The sustainability pledges

Reusable, recyclable or compostable packaging by 2025

Eleven companies take major step towards a New Plastics Economy

11 leading brands, retailers, and packaging companies work towards 100% reusable, recyclable or compostable packaging by 2025 or earlier

www.ellenmacarthurfoundation.org/news/11-companies-take-major-step-towards-a-new-plastics-economy

The list of leading brands, retailers, and packaging companies working towards using **100% reusable, recyclable or compostable packaging by 2025** or earlier has grown to 11:



M&S

The Coca-Cola Company

L'ORÉAL

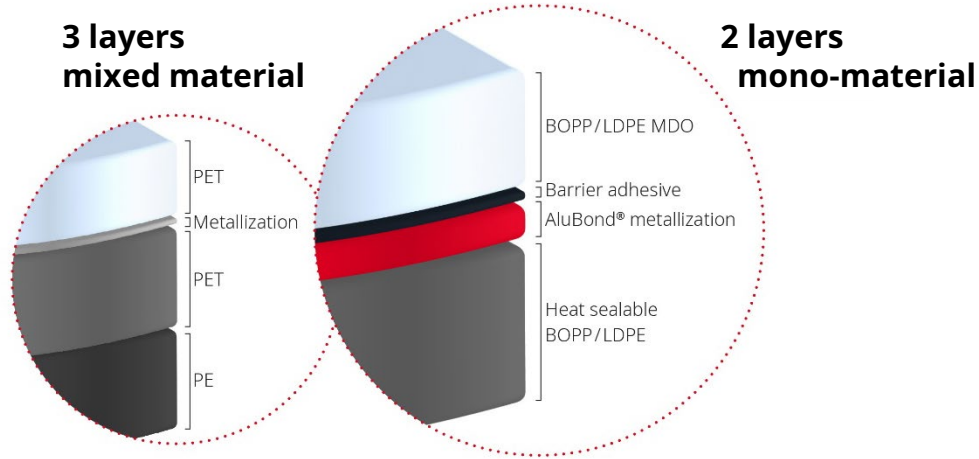
Together representing more than **6 million tons of plastic packaging per year**

Sustainability

Intelligent substrate processing to increase sustainability

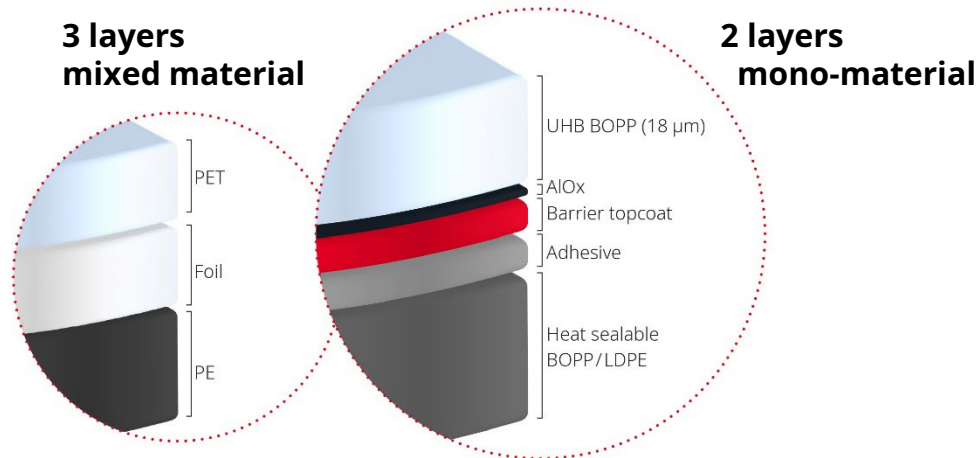
Metallized polyester replacement

BOBST AluBond & lamination technology enable the move from 3 layers mixed material to 2 layers mono-material



Foil replacement

BOBST coating and lamination technology (AlOx & Barrier topcoat) enable increased recyclability



Not Recyclable

Recyclable



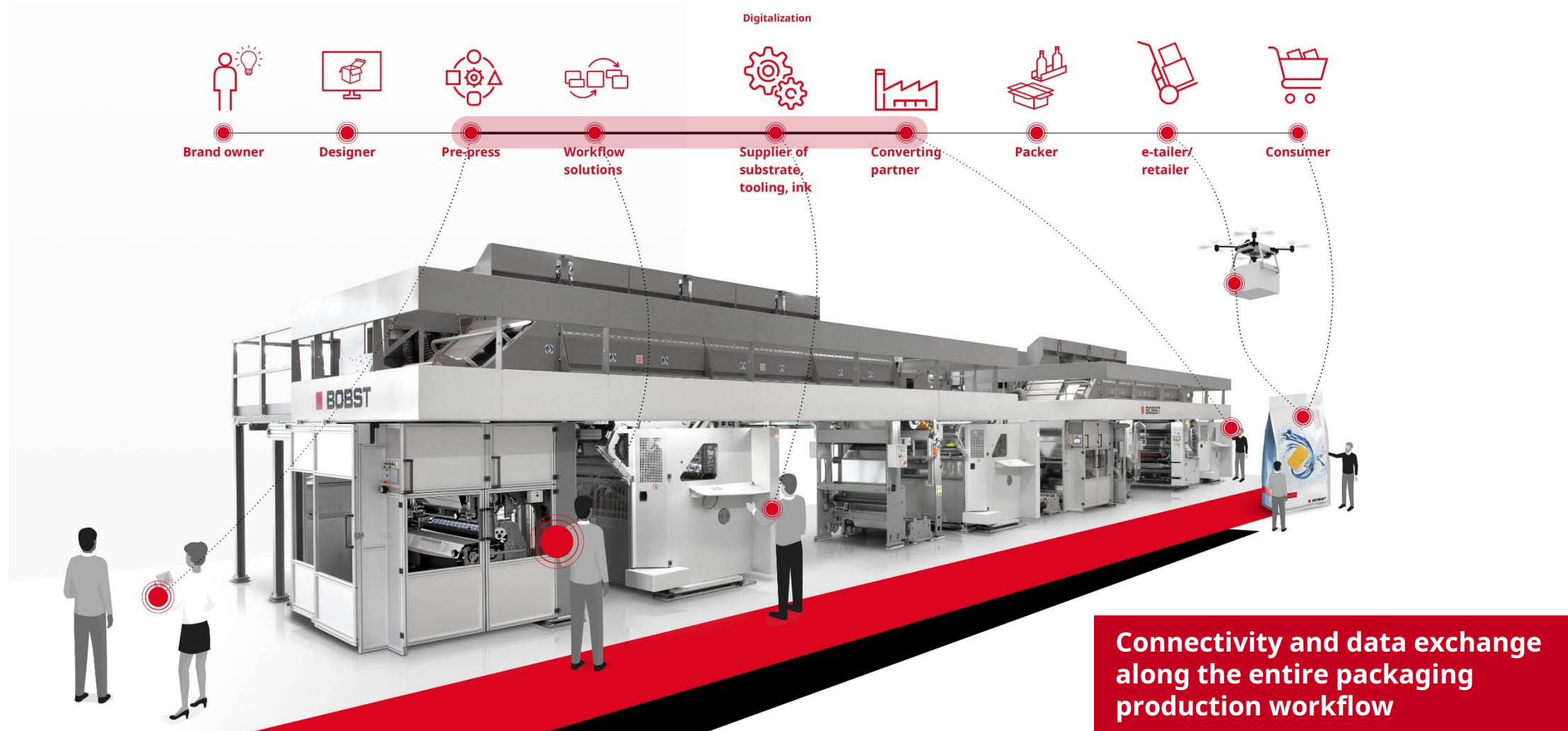
Recyclable Substrate

Digitalization

What does it mean for
packaging industry?

Digitalization

Experience new workflows



Digitalization

Our vision - One-stop platform



Our **vision** is to offer customers a **one-stop platform** to

1. Reduce existing pain points
2. Add value by ensuring efficient dataflow between digital and physical solutions

We develop a cloud-based platform to capture know-how, to offer added value to customers and to monetize the wealth of available data

Digitalization - our industry vision

The largest labels & flexible packaging product portfolio



Print

[Digital]
[Flexo]
[Offset]
[Gravure]

Embellish

[Analog]
 [Digital]

Cut

[Analog]
 [Digital]

Fold

[Analog]

Mark

[Digital]

Feasibility
Best process
Tooling selection
Cost estimator
Quality agreements



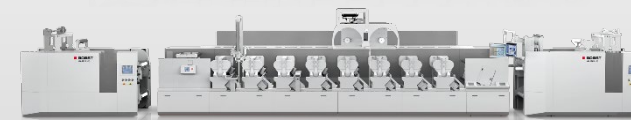
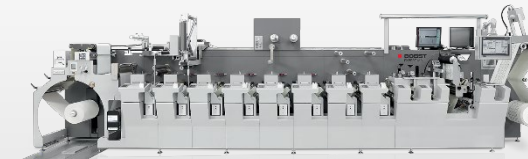
UV - READY



WB - Q1'20



NEW - Q1'20



Digitalization

Value creation

From brand owner to consumer...

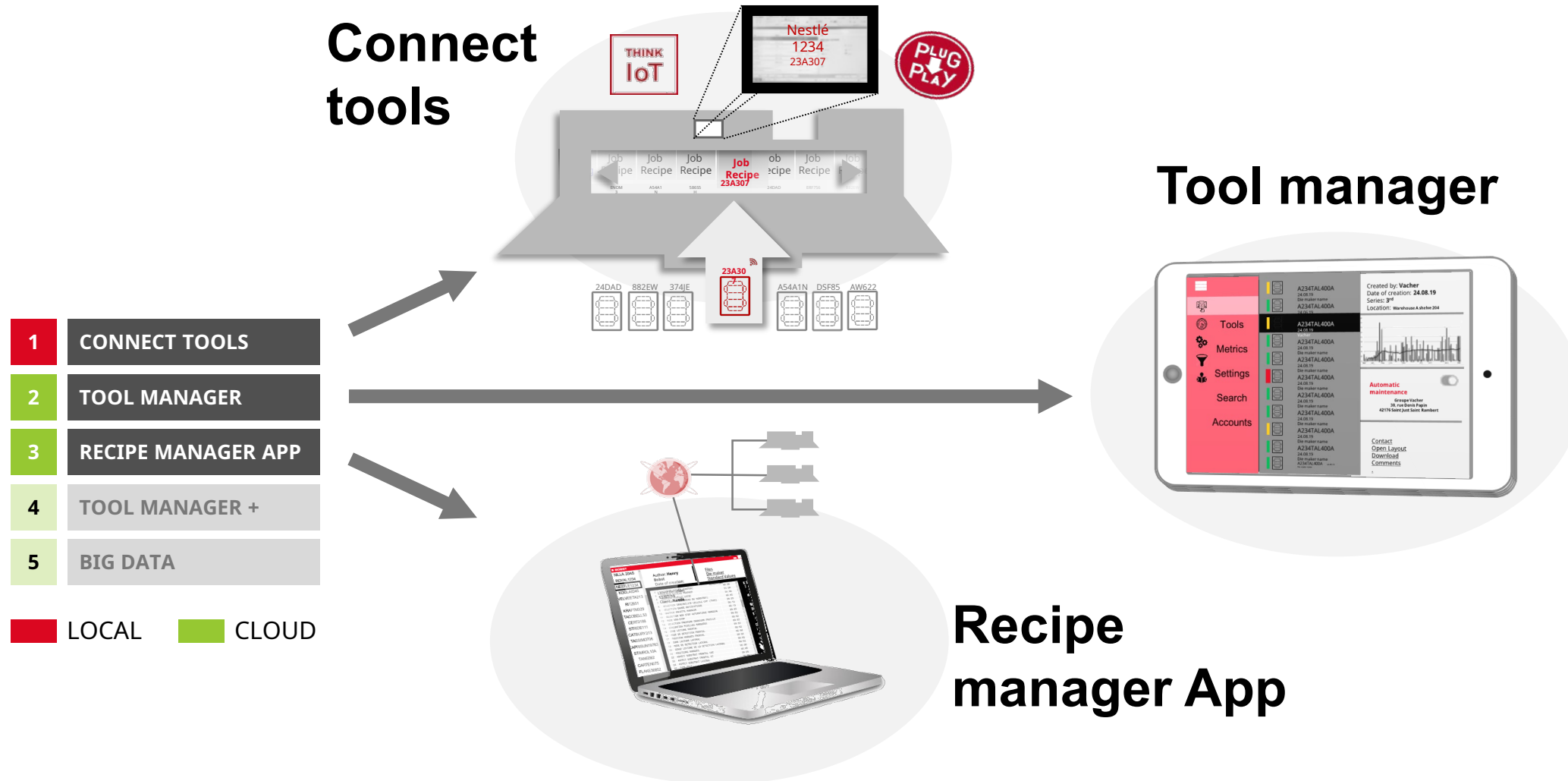


Die-makers
Tool manufacturers



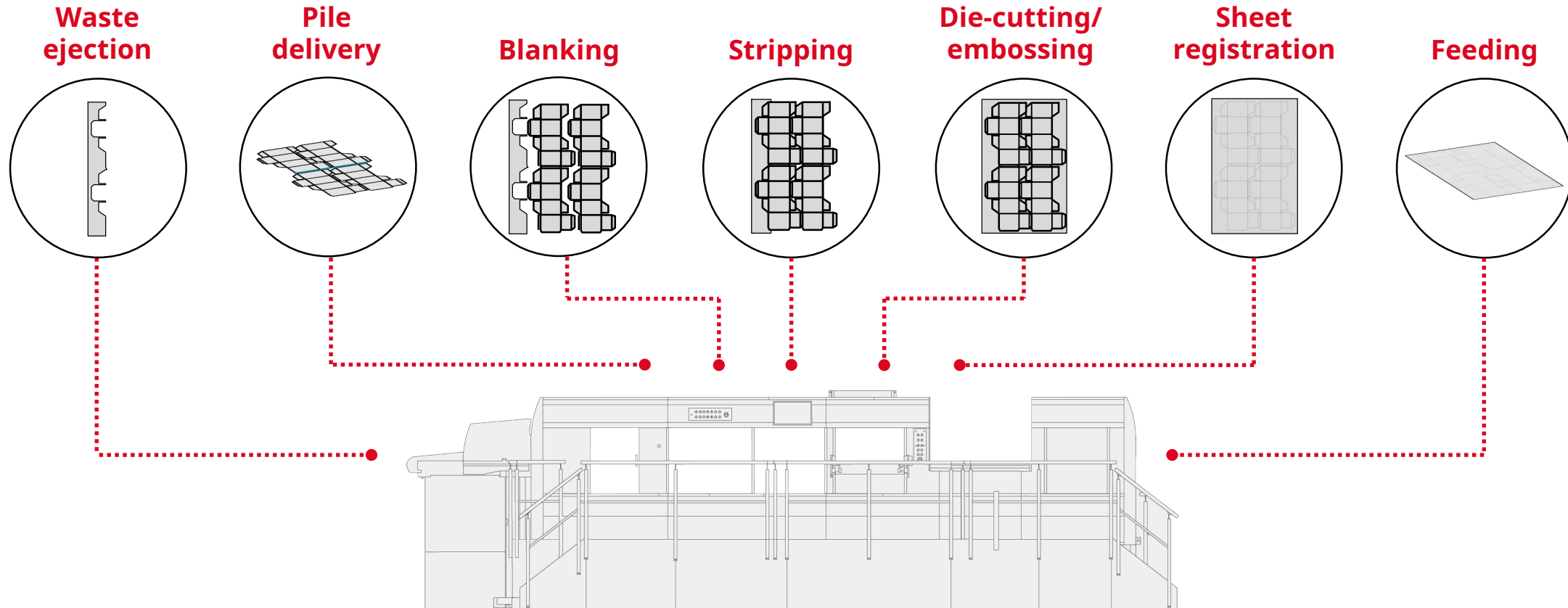
Digitalization

Connected tooling ecosystem



Digitalization

What is tooling in our industry?



Digitalization

We are increasingly connecting machines and workflows



>3000
MACHINES
CONNECTED

36 000
REMOTE SESSIONS
PER YEAR

>10 years
REMOTE ASSISTANCE
AND REMOTE
APPLICATIONS

Summary

Group evolution

Some key points

Markets

- Slowdown in the global economy is foreseen - Corona Virus will have a global impact on economy
- Continue to seek for market opportunities
- Novelties to keep good level of sales

Business Units

- Launch more than 13 novelties in 2020
- Lead the digitalization strategy within our Group
- Continue to increase services growth and develop global solutions

Industry vision

Shaping the future of the packaging world

Market place and digital platform

- Global offering (front end, application, inks)
- Comprehensive Workflow
- Full product range – analogue – hybrid – digital printing for the folding carton – film – label – corrugated industries

**- See you at
drupa 2020**

June 19th 2020

Outlook 2020

Agenda

April 7

- **Annual General Meeting** at 5.00 p.m. in Mex

June 19

- Visit to the BOBST booth in **drupa**

July 27

- Publication of the **half-year results**
- Media and financial analysts' **teleconference**

November 5

- Media and financial analysts' **conference** in Zürich

Inquiries

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For more detailed information on Bobst Group

- www.bobst.com
- <http://investors.bobst.com>



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