

SCHWEITER TECHNOLOGIES



Media & Analyst Conference 2014

Zurich - March 17, 2014

1 Welcome and Introduction



2 Results 2013

3 Division Information

4 Strategy of Schweiter Technologies

5 Outlook

SCHWEITER TECHNOLOGIES

SSM Textile Machinery

Revenues: 70 - 100 MCHF / Employees: 240



3A Composites

Revenues: 600 - 800 MCHF / Employees: 2'100 (of which 600 in Ecuador)



1 Welcome and Introduction

2 Results 2013



3 Division Information

4 Strategy of Schweiter Technologies

5 Outlook

■ **3A Composites:**

- (1) Excellent results in Architecture and Display. Double digit growth in Asia
- (2) Performance driven by innovations/new products and market share gains
- (3) Acquisitions supporting market dominance in selected segments
- (4) Sound profitability and strong market position in Core Materials despite sluggish wind segment in China

■ **SSM Textile Machinery:**

- (1) Good results driven by sales increase and strong texturizing business
- (2) Success in chemical fibers with process machines

■ **Group**

- Very solid balance sheet and high cash position of > MCHF 350
- Attractive dividend payment of CHF 40 per share for 2013 (6% yield based on share price of CHF 670)

3A Composites

in CHF Mio.	H1 2013	H2 2013	Total 2013	Total 2012	%
Orders received	306.1	321.8	627.9	594.5	6%
Net sales	301.9	310.1	612.0	603.8	1%
EBITDA - adjusted ¹⁾	31.3	26.3	57.6	68.8	-16%
EBITDA	31.3	26.3	57.6	76.2	-24%
<i>in % of net sales</i>	<i>10.4%</i>	<i>8.5%</i>	<i>9.4%</i>	<i>12.6%</i>	
Employees (end of period)	2193	2081	2081	2151	-3%

¹⁾ EBITDA before impact adjustment pension obligation

- Sound profitability and strong market positions
- Good performance driven by excellent results in Architecture and Display
- Strong position in high-growth countries in Architecture (Asia, Middle East)
- Performance driven by innovations/new products and market share gains
- Solid performance in Core Materials despite sluggish wind segment in China. Road map to lower wind energy exposure in execution
- New technology for Balsa wood processing and erection of most modern site in Ecuador well on track
- Acquisitions supporting market dominance in selected segments
- Concentration on design, engineering and customer interface opens significant growth potential in transportation segment

in CHF Mio.	H1 2013	H2 2013	Total 2013	Total 2012	%
Orders received	39.1	39.1	78.2	71.6	9%
Net sales	36.7	37.0	73.7	69.3	6%
EBITDA - adjusted ¹⁾	4.8	3.3	8.1	5.2	56%
EBITDA	4.8	3.3	8.1	8.4	-4%
<i>in % of net sales</i>	<i>13.1%</i>	<i>8.9%</i>	<i>11.0%</i>	<i>12.1%</i>	
Employees (end of period)	244	242	242	256	-5%

¹⁾ EBITDA before impact adjustment pension obligation

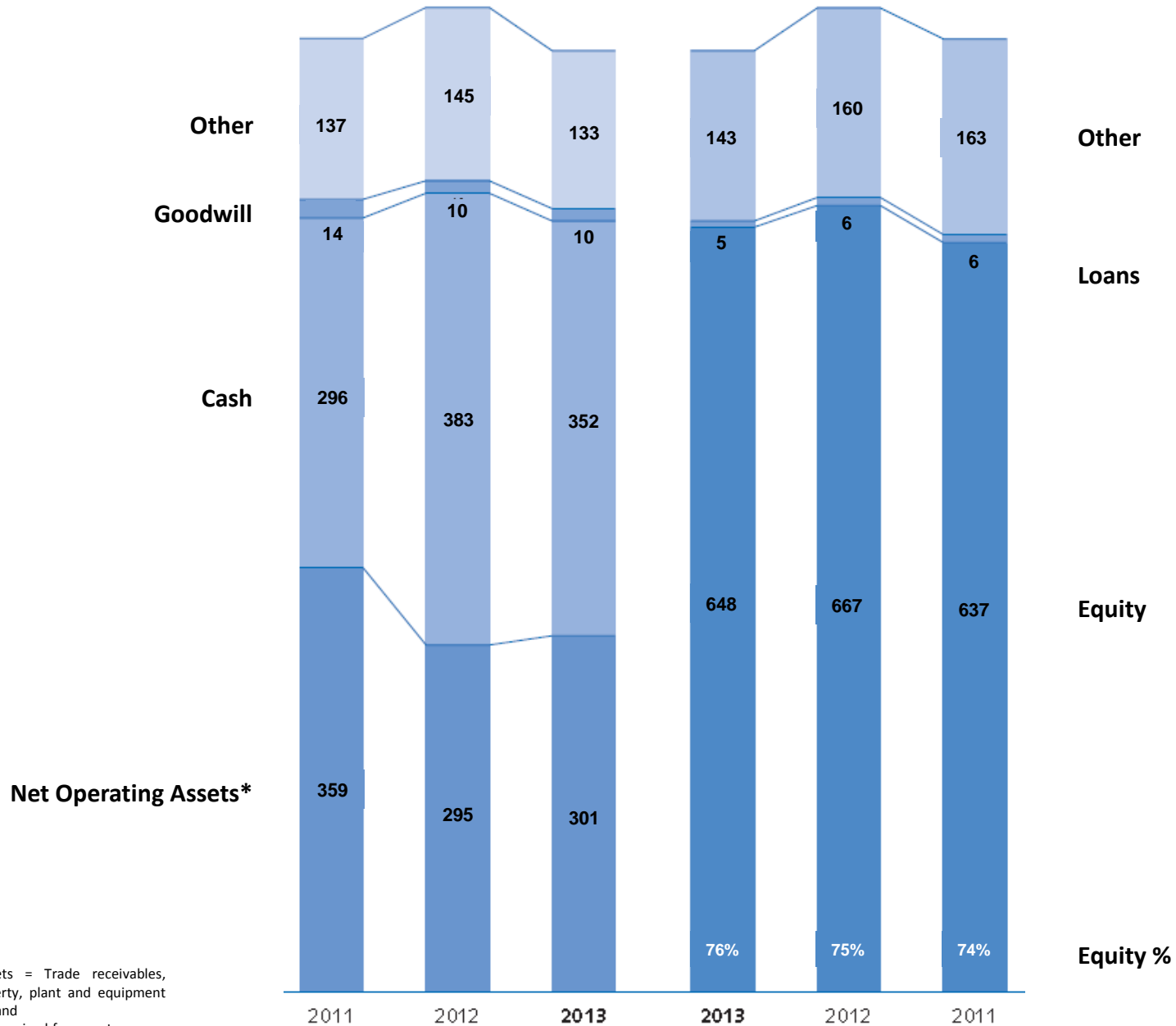
- Good results driven by sales increase and strong texturizing business
- Dominant market position in Asia
- Solid performance in Central Europe. Eastern European markets still growing.
- Strong chemical fibre business supported by higher cotton prices
- Successful execution of value added strategy for process machines
- Benefits of Giudici acquisition started to materialize
- Continued R&D expenditures to extend strategic position
- New business field for technical yarns under development

in CHF Mio.	H1 2013	H2 2013	Total 2013	Total 2012	%
Orders received	345.2	360.9	706.1	666.1	6%
Net sales	338.9	347.3	686.2	673.5	2%
EBITDA - adjusted ¹⁾	35.1	33.6	68.7	70.5	-3%
EBITDA	35.1	33.6	68.7	81.1	-15%
<i>in % of net sales</i>	<i>10.4%</i>	<i>9.7%</i>	<i>10.0%</i>	<i>12.0%</i>	
EBIT	22.5	23.0	45.5	54.2	-16%
Net income from continuing operations	17.3	12.9	30.2	40.1	-25%
Net income from discontinued operations	-	-	-	20.7	
Net income	17.3	12.9	30.2	60.8	-50%
Employees (end of period)	2443	2329	2329	2413	-3%

1) EBITDA before impact adjustment pension obligation

Strong Balance Sheet

mCHF



*Net Operating Assets = Trade receivables, inventories and property, plant and equipment minus trade payables and payments on account received from customers

Balance Sheet Highlights

- Cash position CHF 352 Mio.
- Practically no short/long term bank liabilities
- Goodwill CHF 10 Mio.
- Shareholders' Equity CHF 648 Mio. = CHF 449 per share
- Equity ratio 76%

1 Welcome and Introduction

2 Results 2013

3 Division Information



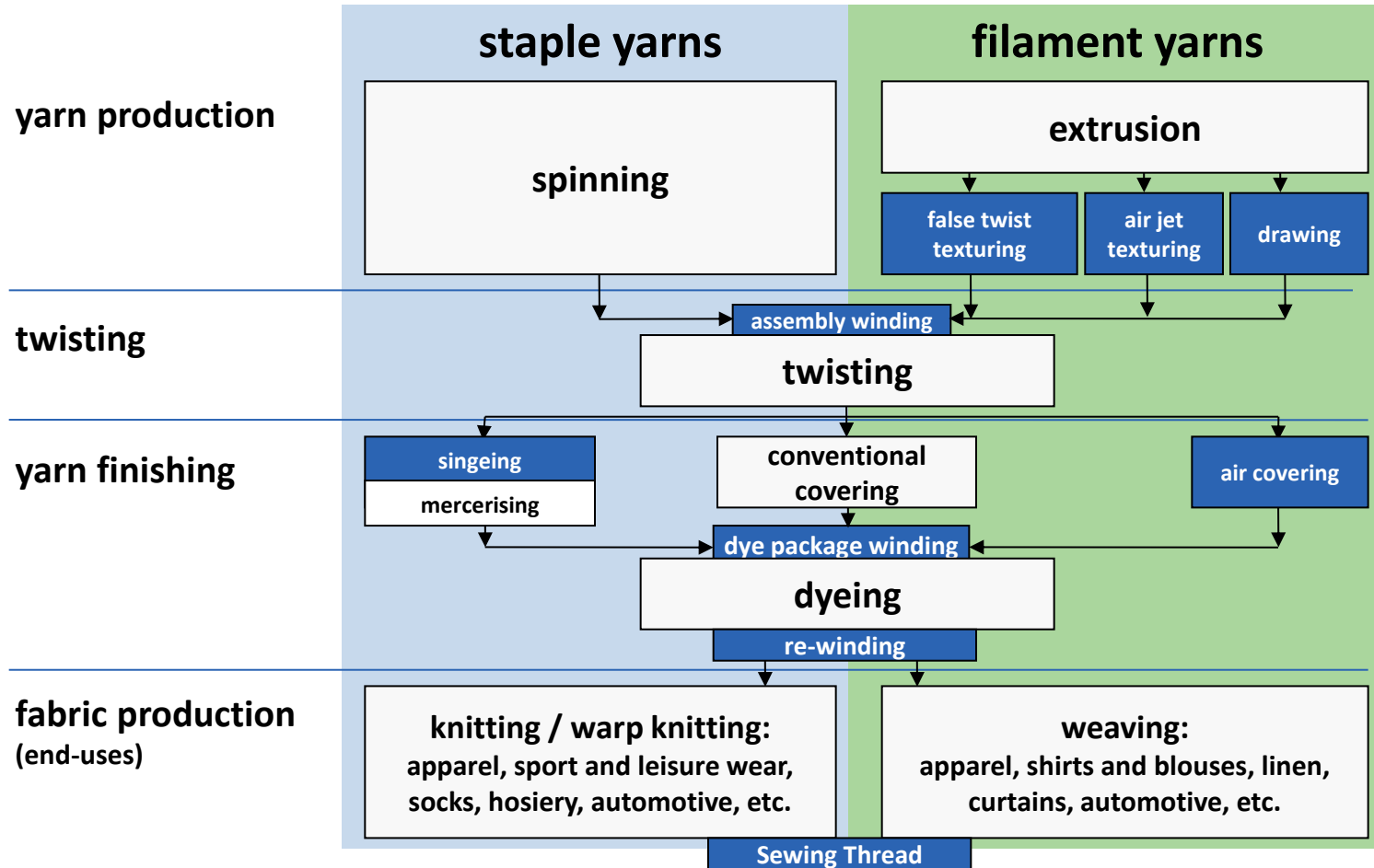
4 Strategy of Schweiter Technologies

5 Outlook

SSM – leading  Swiss technology
for yarn processing and winding



Strong niche positions in the production chain



All blue marked areas are supported by SSM equipment

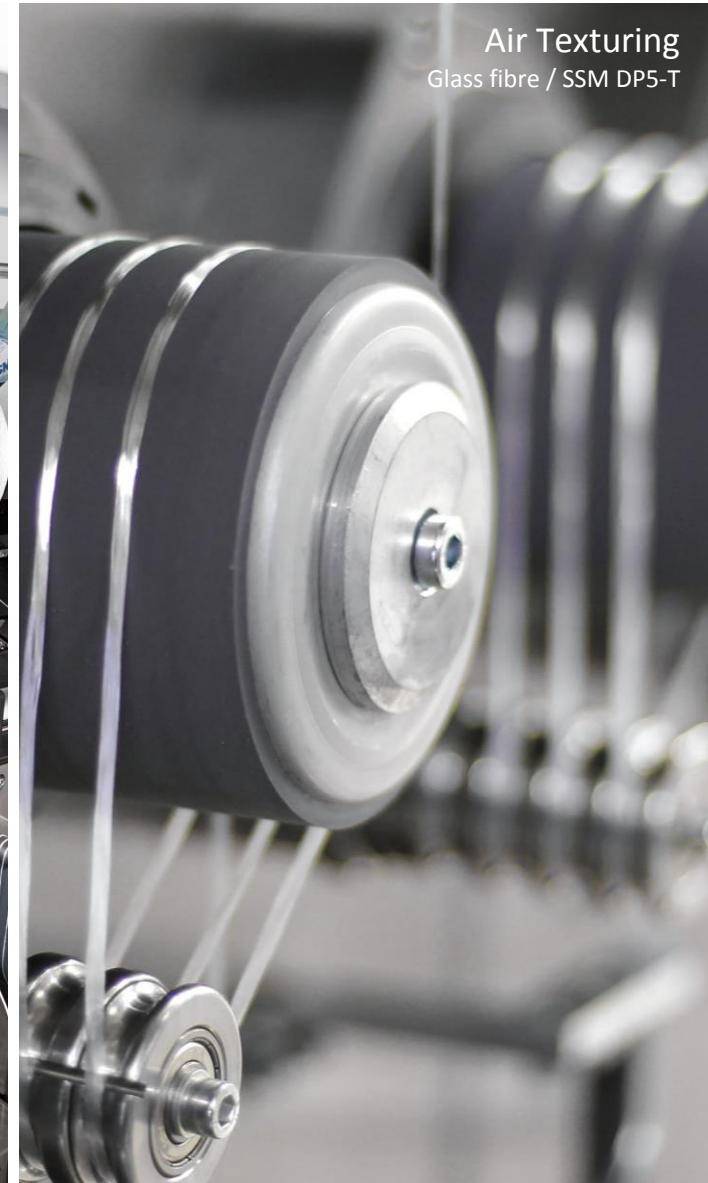
SSM Textile Machinery



Sewing Thread Finish-Winding
lubetex™ / SSM TK2-20



Air Texturing
Polyester Home Furnishing / SSM DP5-T



Air Texturing
Glass fibre / SSM DP5-T

SSM Textile Machinery

SCHWEITER TECHNOLOGIES



Sewing Thread
Finish-Winding
Kingspool / SSM TK2-20 KT



Sewing Thread Finish-Winding
Kingspool with «Snap» /
SSM TK2-20

Italian Factory, SSM GIUDICI TG.30 / False Twist Texturing

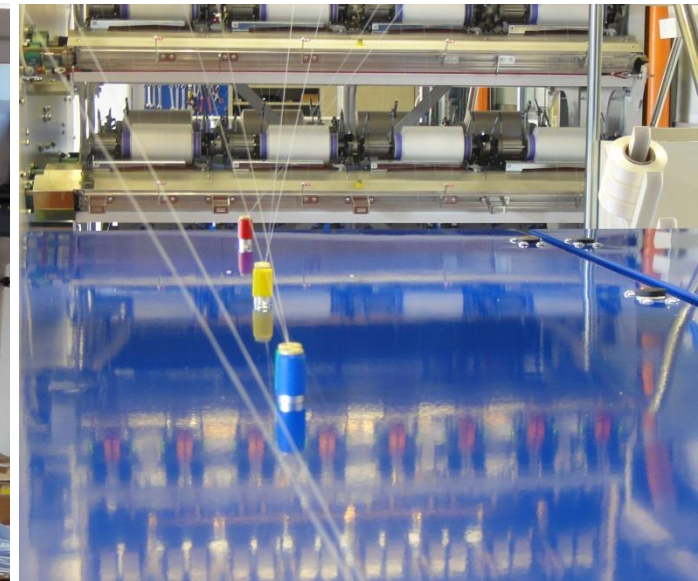
Own manufacturing base in Asia

- Fully owned subsidiary under Swiss management serves as local manufacturing centre for the Asian market (since 2003)
- All know-how sensitive key components provided from Switzerland
- Facility also used for marketing & training purposes
- 1/3rd of sales generated ex China factory



SSM Giudici Facility in Galbiate, IT

SCHWEITER TECHNOLOGIES



Strong Global Presence






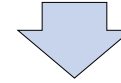
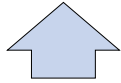
3A Composites

SCHWEITER TECHNOLOGIES



Select attractive market segments

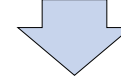
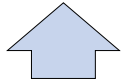
with unmet or latent need for raw material efficient, low weight, high performance multi-material solutions



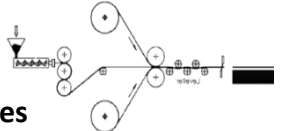
Offer broad range of segment specific specialities

Identify and evaluate

opportunities for segment specific sandwich offering


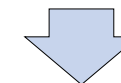
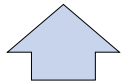


Own efficient and reliable manufacturing technologies



Design

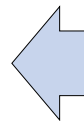
the most effective sandwich configuration



Source commodity raw materials

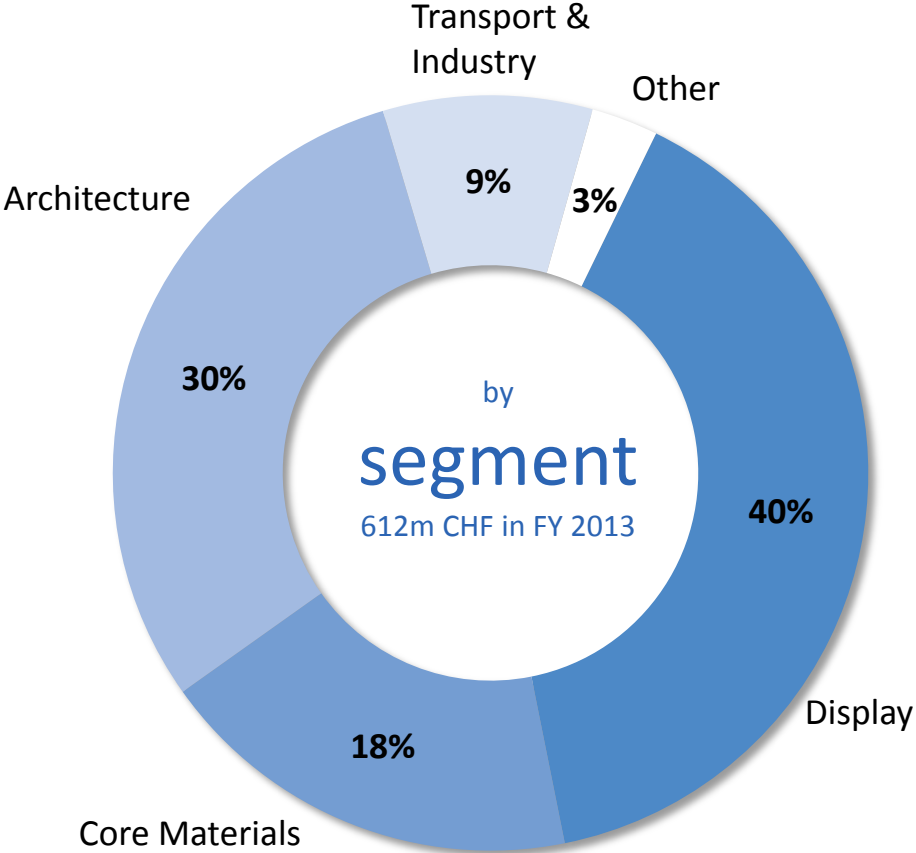
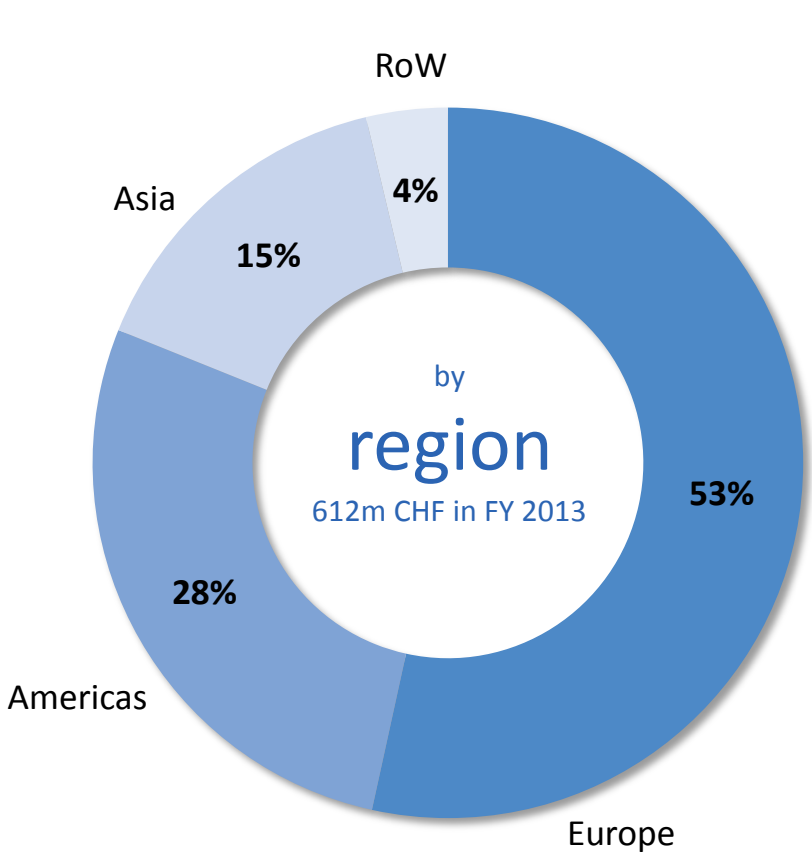
Specify

the most cost efficient raw materials





3A Composites - Revenue Breakdown 2013



Core Materials for Sandwich Solutions



Materials

- **Engineering Foams**
- Polyvinylchloride (PVC)
- Polyester (PET)
- Polyetherimide (PEI)
- Polystyrene (PS)
- Polyurethane (PUR)
- **Balsa**
- Standard Balsa (SB)
- Premium Balsa (SBC)
- Banova



Products

- Structural Core Materials
- Plain Sheets
- Contour Core
- Kits



Segments/Applications

- **Structural and semi-structural**
- **Sandwich applications**
- **Marine:** Motoryachts, Sailing Yachts, Multihull
- **Road:** Bus & Coach, Truck, Vans
- **Rail:** Highspeed, Intercity, People Mover
- **Aerospace:** Radome, Interior parts



Brands

AIREX[®]

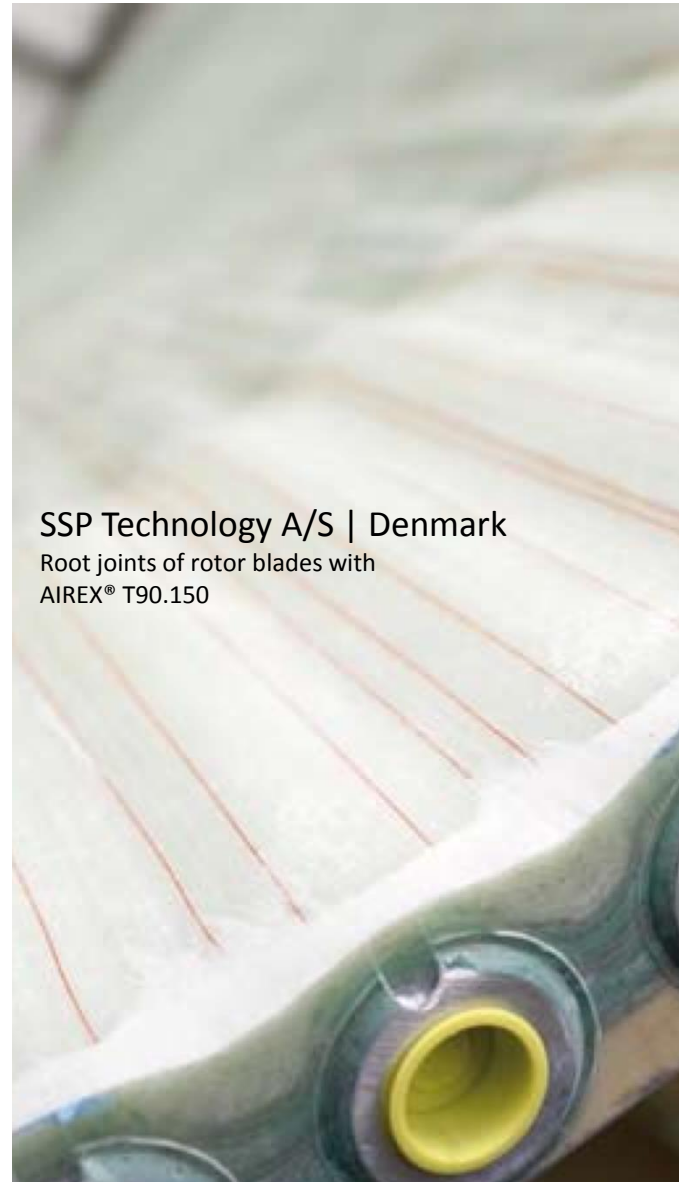
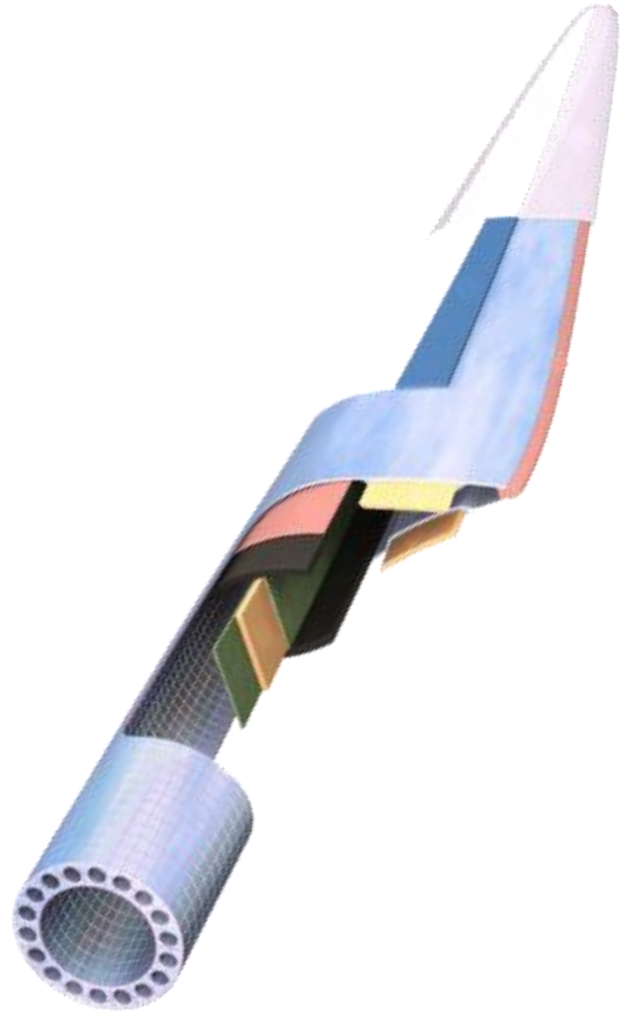
BALTEK[™]

COLEVO | SUSTAINABLE
LIGHTWEIGHT
CONSTRUCTIONS



BANOVA

Core Materials // Wind Energy

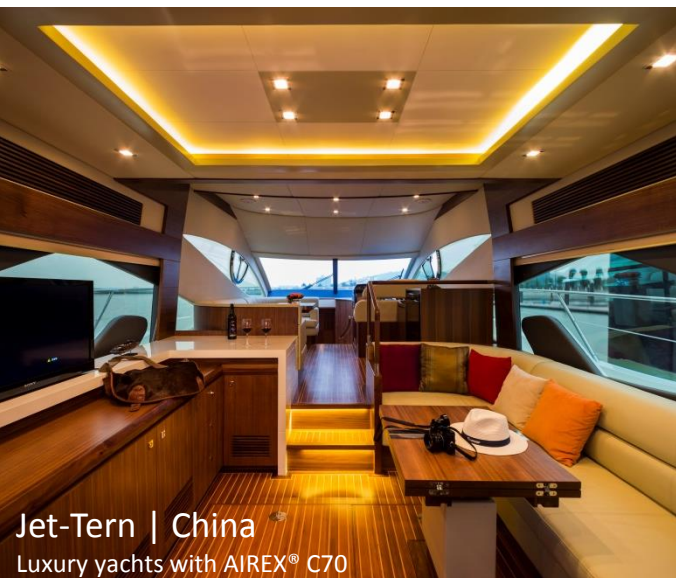
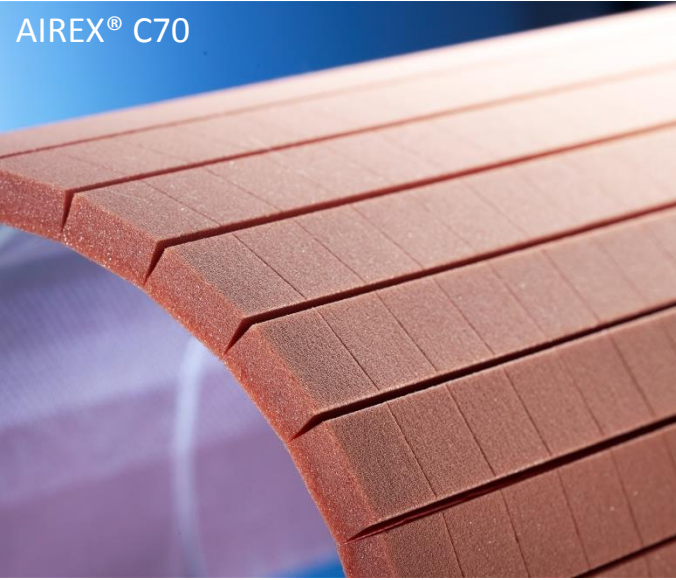


SSP Technology A/S | Denmark
Root joints of rotor blades with
AIREX® T90.150



Sierra del Trigo | Jaén, Spain

Core Materials // Marine



Core Materials // Aerospace



Plane „Ravin 500“ | South Africa
Wings: AIREX® R63
Fuselage and cabins: AIREX® C70



Interior panels of Airbus A330 and A340
AIREX® R82.60

Core Materials // NEW Applications Balsa



Lightweight panels
Combined with various facings attain a high level of stiffness and can be fitted with print-ready, decorative or scratch-resistant surface



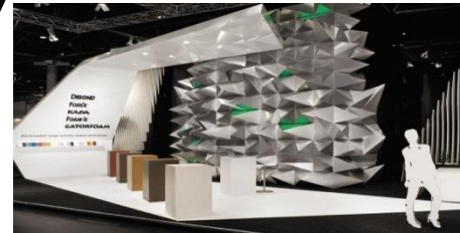
Bending plywood
Is characterised by its incredibly small bend radii whilst still offering the lowest weight and maximum panel thickness.



Structural core material
Retain their unique mechanical properties with the optimal alignment of the different layers of veneers and the integration of other materials.



Interior & Furniture for
Caravan & Recreational vehicles
SuperYacht, yacht, cruise & ferry ships
Bus & Rail



Exhibition & shop fitting
Furniture
Architectural components



Structural sandwich for
Bridges



Ski & Snow boards
Vehicles
Wind power plants

Core Materials // COLEVO Bridges

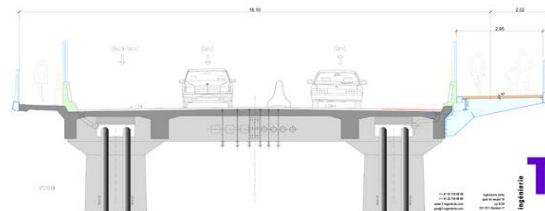
COLEVO Road Bridges

- COLEVO is the ideal lightweight composite bridge slab for road bridges or decks with a span of up to 8m
- Up to 85% weight reduction compared to concrete
- Faster and easier installation of prefabricated parts
- Highest durability for lower maintenance cost



COLEVO Pedestrian Bridges

- COLEVO pedestrian slab bridges can be used for free spans of up to 15m
- COLEVO bridge extensions for pedestrians provide lowest load to existing bridges



The COLEVO Concept

- Sandwich with glass fiber reinforced vinyl-ester facing and FSC™ certified structural balsa core material
- Completely sealed surface on all sides for highest durability
- Industrial production in a clean and closed vacuum-infusion process



Architecture Markets



Materials

- **Skin Material:** Aluminum 0.3-0.6 mm
- PVDF & PET Coating
- Butler Finish
- Spectra Colors
- Mill Finish
- **Core Material:**
- Polyethylene (PE)
- Fire Rated PE (Plus)
- Non Combustible PE (A2)
- Aluminum-Honeycomb



Products

- Aluminum Composite Materials (ACM)



Segments/Applications

- **Market Segments:**
- Sport, Airport, Public Space, Retail, Hotel, Hospital, Corporate, Residential
- **Applications**
- Facades / Flying Roofs
- Exterior/ Interior Cladding
- Corporate Identity Signage



Brands

- ALUCOBOND®**
- ALUCOBOND®_{A2}**
- ALUCOBOND® plus**
- ALUCORE®**

Architecture // Alucobond (1)



Paul F. Cullum Tower | North Bergen, New Jersey

©Daniel Lunghi



Paläon, Schöninger Speere | Germany



“My Vacation Mobile Living Units”
by Coodo | Germany

©Coodo

Architecture // Alucobond (2)

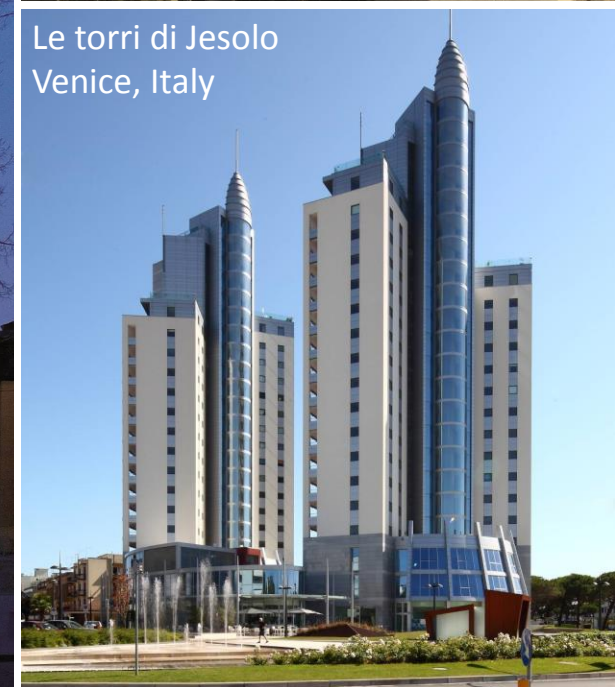
Concert & Congress Hall | Uppsala, Sweden



German National Library
Germany

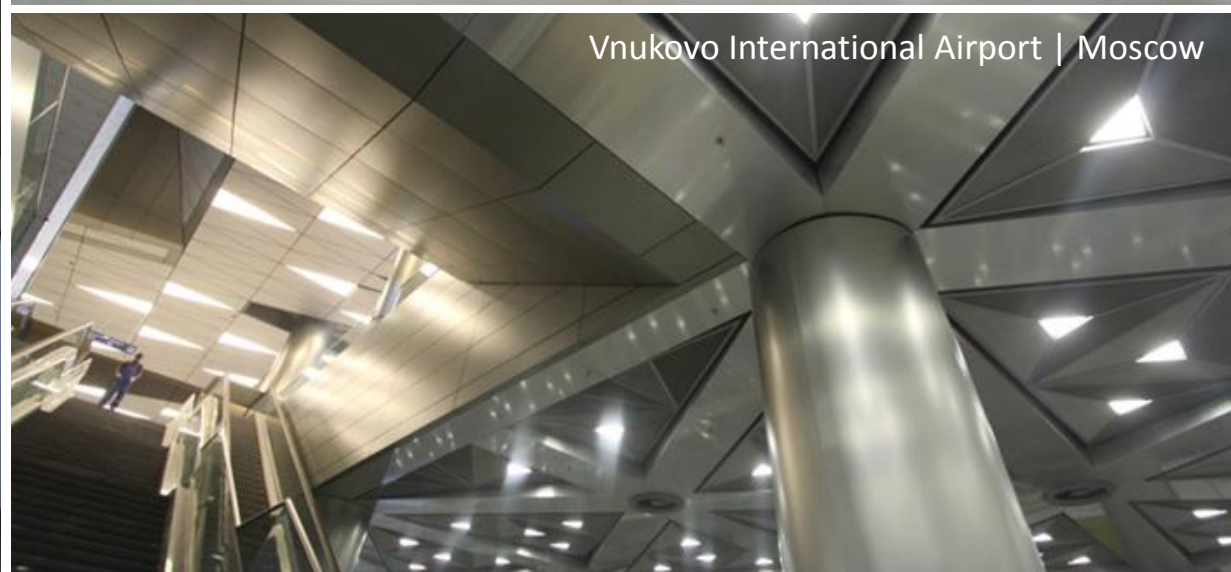


Le torri di Jesolo
Venice, Italy



Architecture // Alucobond (3)

Lycée Georges-Frêche | Montpellier, France



Display Markets



Materials

- **Skin Material:**
- Coated Aluminum, Paper, Polystyrene, Coated Paper, PVC, Self adhesive Films
- **Core Material:**
- Polystyrene (PS)
- Polyurethane (PUR)
- Polyethylene (PE)
- Polypropylene (PP)
- Aluminum-Honeycomb



Products

- Aluminum Composite Materials (ACM)
- Foamed Sheets
- Foam Boards



Segments/Applications

- Fotomounting
- Interior / Exterior Signs
- Routed Sign Faces
- POP Displays
- Exhibit Constructions
- Screen Printing
- Kiosks / Carts
- Dimensional Letters
- Digital Printing
- Shop Fitting



Brands

DIBOND®

FOREX®

KAPA®

FOME-COR®

FOAM-X®

HYLITE®

SINTRA®

GATORFOAM®

SMART-X®

FOAMALITE®

Display Markets (1)



Gatorfoam® tree display
CSI Printing & Graphics | USA



Gatorfoam® Dimensional Sign | USA

Shop window, Mode Zinser | Singen, Germany



© dfrost GmbH & Co. KG

Display Markets (2)



C&A Signage | Düsseldorf, Germany



Routed lettering using SMART-X®

Transport & Industry Markets



Materials

- Engineering Foams
 - PET, PVC, PUR, PEI
- Balsa based Core Materials
- Balsa Plywood Panels & Bending Plywood
- Aluminium Composite Material (ACM)
- GRP Sandwich Material
- Aluminium Honeycomb Panels
- Lightweight Foamboards



Products

- 3D Front Cabins for Railway Vehicle
- Structural Aluminium-Foam Sandwich Elements
- Sandwich Solutions with integrated Functions (eg floor heating)
- Interior Parts
- Headliners and Roof reinforcements for Automotive
- Insulation solutions
- GRP Sandwich Rotorblades



Segments/Applications

- Railway Body Shell (Roofs, Floors, Cabins)
- Bus & Coach Roof and Floors
- Automotive Headliner and Interior
- Recreational Vehicle & Marine Furniture
- Insulated Truck Walls and Floors
- Air Conditioning Equipment
- Building Interior
- Ski and Snowboards



Brands

KAPA[®]

ALUCORE[®]

COMFLOOR[®]

INNOCAB[®]

XBODY[®]

AIREX[®]
BALTEK[®]

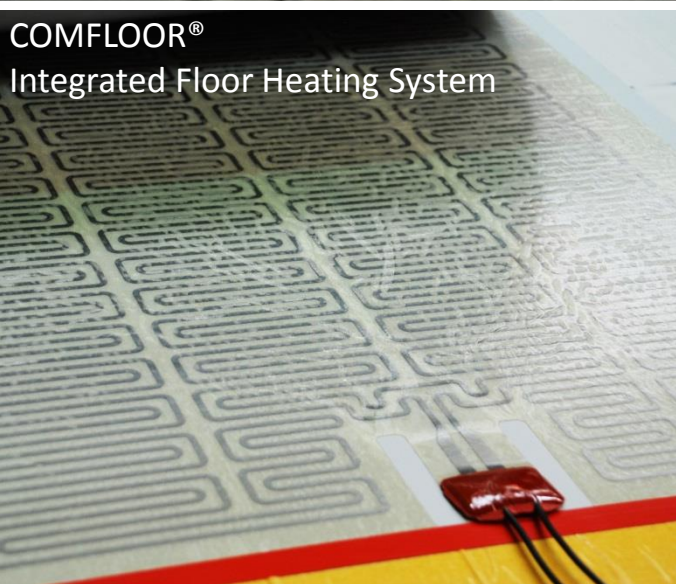


BANOVA

Transport & Industry (1)



COMFLOOR®
Integrated Floor Heating System



XBODY® sandwich parts



INNOCAB® Front Cabin
sandwich-panel structures made of fiber-reinforced plastic

Transport & Industry (2)



Kooiker BV, Fiby composite kipper | Netherlands



Scania DD City Bus | UK

3 AC Key Strategy Changes in Progress

Core Materials / Wind

- Secure leading positions in Balsa (sourcing, processing, markets)
- Exploit growth potential in PET
- Keep dominant position in China (cooperation with local partners)
- Expand presence in US (new site in "wind belt")
- Invest in future markets (e.g. Brazil, India)
- Push innovations (2nd gen. PET, new structural foams)
- Grow non-wind business

Architecture / Display

- Change from production to radical marketing/ sales orient. (e.g. Architecture centric approach)
- Invest in growth markets in Asia
- Focus on innovation and total solutions (e.g. FR products, decorative facades)
- Dual branding (high end vs. standard prod.)

Increasing participation in High-Growth Economies

Assets in North America

- ◆ 4 sites
- 328 Employees

Assets In Europe

- ◇ Headquarters in Cham, CH
- ◆ 6 Sites
- 793 Employees



Assets in South America

- ◆ 3 sites
- ◆ Headquarters in Guayaquil
- ◇ Sales office
- 106 plantations; 9'364 ha in Ecuador (thereof 4500ha Balsa plantations)
- 609 Employees

Assets in Asia

- ◆ 6 Sites
- ◆ Headquarters in Singapore
- ◇ Sales office
- 351 Employees

1 Welcome and Introduction

2 Results 2013

3 Division Information

4 Strategy of Schweiter Technologies



5 Outlook

- **General strategy considerations:**
 - Invest into attractive industrial activities with growth potential
 - Apply proven concepts of innovation management, supply chain management, direct marketing/sales organization and lean structures
- **Focus on Composite business as dominant business field**
- **High net cash position allow further acquisitions in current as well as new business areas**
- **Attractive dividend / payback of free cash to shareholders**

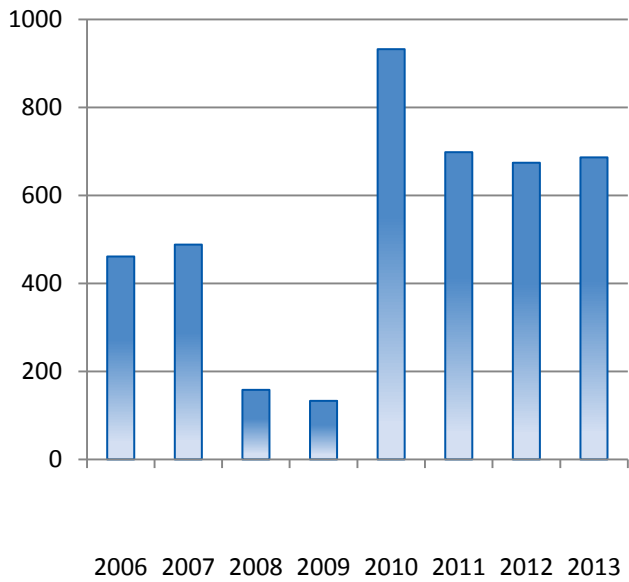
- 1 Welcome and Introduction
- 2 Results 2013
- 3 Division Information
- 4 Strategy of Schweiter Technologies
- 5 Outlook**



Group Performance

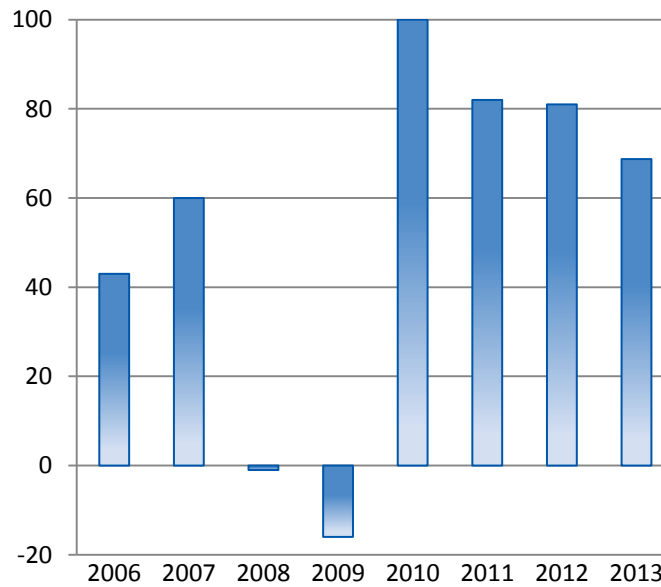
mCHF

Revenues



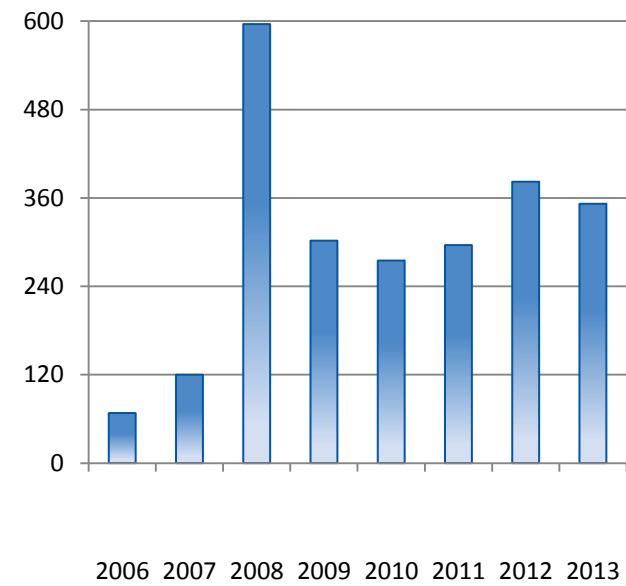
mCHF

EBITDA

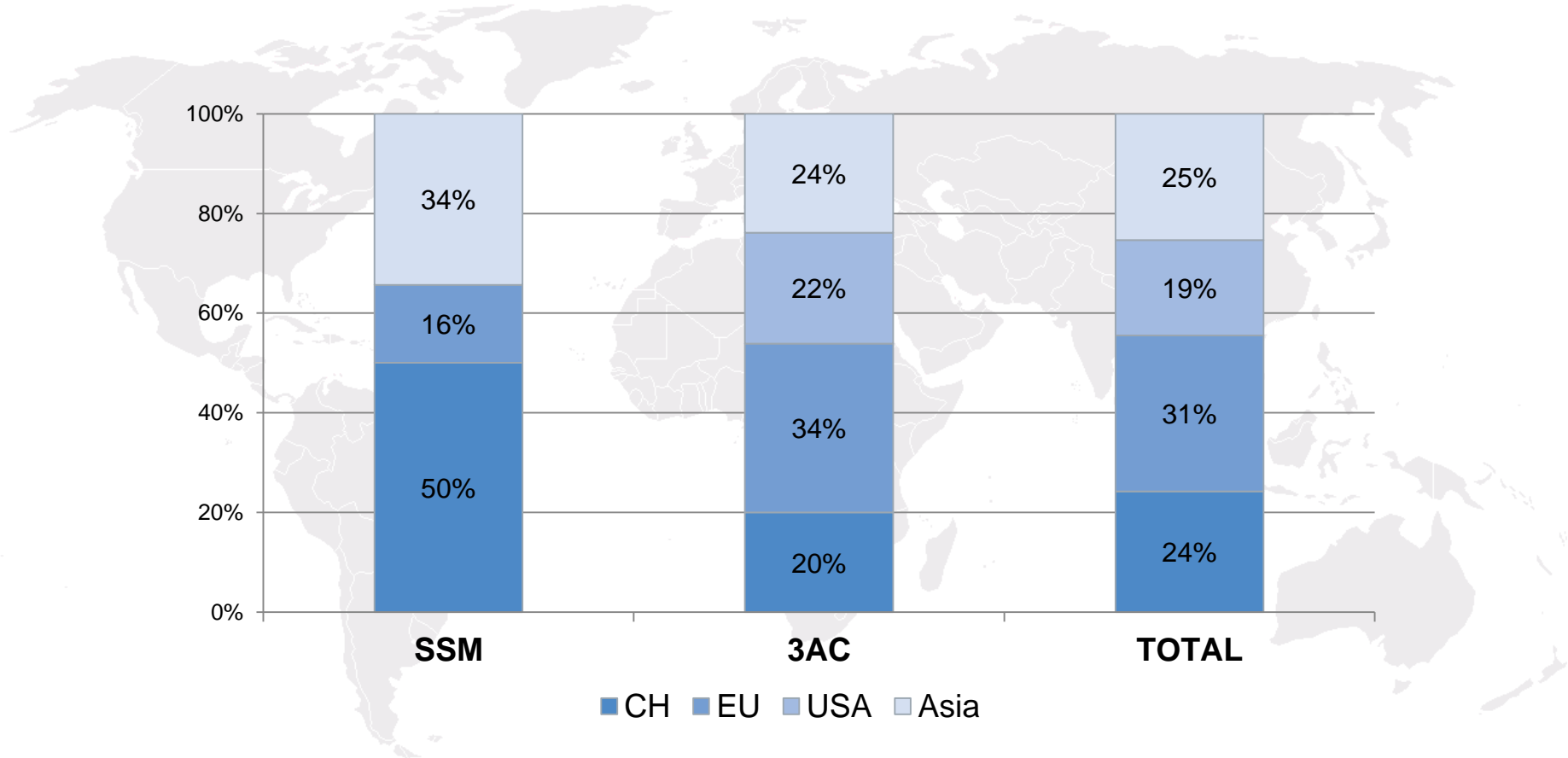


mCHF

Net Cash



Employees per region YE 2013 (excl. Ecuador)



■ SSM Textile Machinery

- Moderate volume increase targeted. Further recovering of Asian markets
- Continued good result expected. Texturizing business with additional contributions
- Technical yarn segment as attractive new niche

■ 3A Composites

- Wind business with signs of recovery. Price pressure in China continues.
- Further increase of sales in Core Materials outside wind targeted (marine and industrial applications)
- Positive outlook for global Architecture and Display business activities
- Increasing demand for light weight solutions in mass transportation

This document is for presentation purposes only and should not be construed as an offer, invitation or solicitation to subscribe for purchase or sell any investment and neither it nor anything it contains shall form the basis of any contact whatsoever.

Opinions expressed herein reflect the current judgment of the management of Schweiter Technologies. The presentation contains forward-looking statements that involve risks and uncertainties. The actual result of Schweiter Technologies may differ materially from those anticipated in these forward-looking statements and forecasts as a result of a number of factors.

The management of Schweiter Technologies does not accept any liability whatsoever with respect to the use of this presentation.