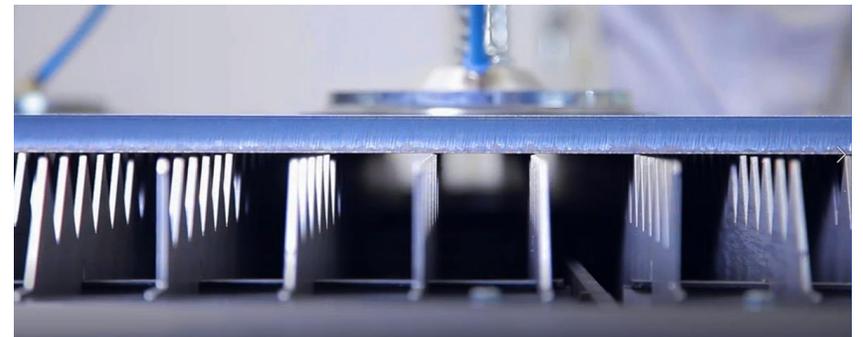




Differentiated steering for leading positions

Kaspar W. Kelterborn, Group CFO
Investora, September 19, 2019



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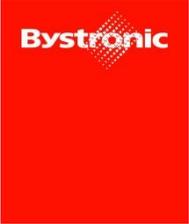
We are a Swiss group of businesses

conzzeta

We stand for innovation, market orientation and an entrepreneurial spirit

Sheet Metal Processing

Solutions for cutting, bending, automation



Chemical Specialties

Leader in PU foam technology and UV-curing varnishes



SWISS BRILLIANCE IN COATING



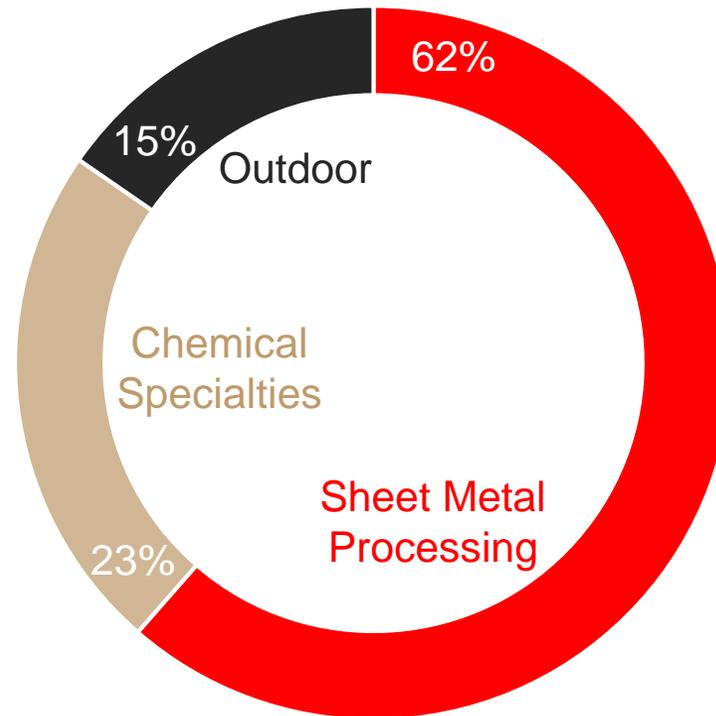
MAMMUT
SWISS 1862

Outdoor

Premium outdoor brand

~5'000 people worldwide
CHF 0.4 bn net cash position
Entrepreneurial anchor stakeholders

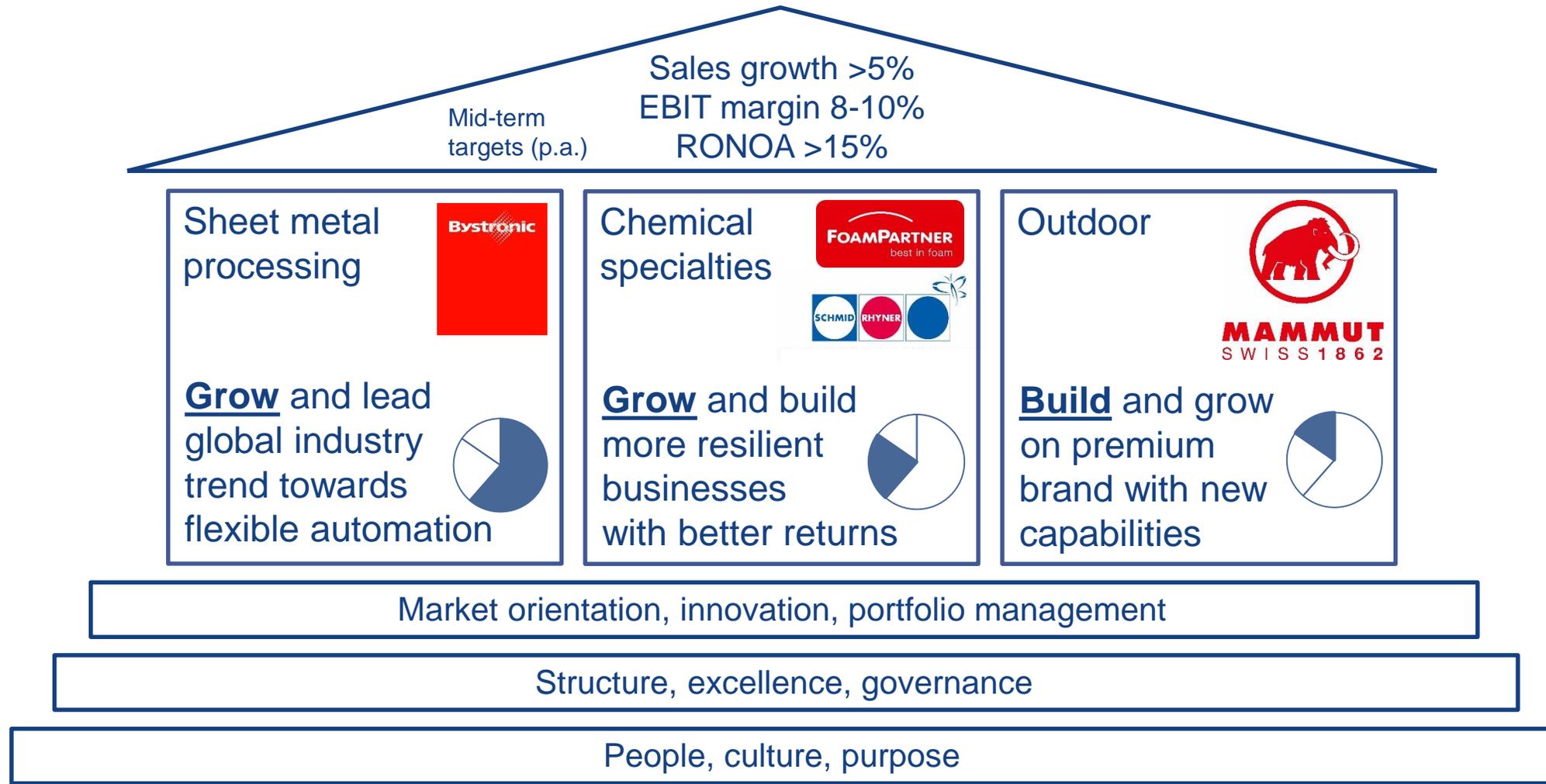
Net revenue 1'648.9 m¹⁾



- Striving for **leading market positions** in target markets ...
- ... and for **top-quartile performance** amongst peer groups
- All businesses **accretive** to mid-term financial targets
- **Strong capital position** and consistent dividend

¹⁾FY 2018, excluding Glass Processing, divested as per April 1st 2019.

Differentiated steering for leading market positions



Continued M&A

to sharpen the profile for more consistent value creation

Business strategies

Bystronic: No. 1 solution provider in sheet metal processing

FoamPartner: Transformational upscaling towards “Best in Foam”

Schmid Rhyner: Innovative coatings to turn surfaces into experience

Mammut Swiss 1862: Digital leader in the outdoor industry



Portfolio management



ottobock.



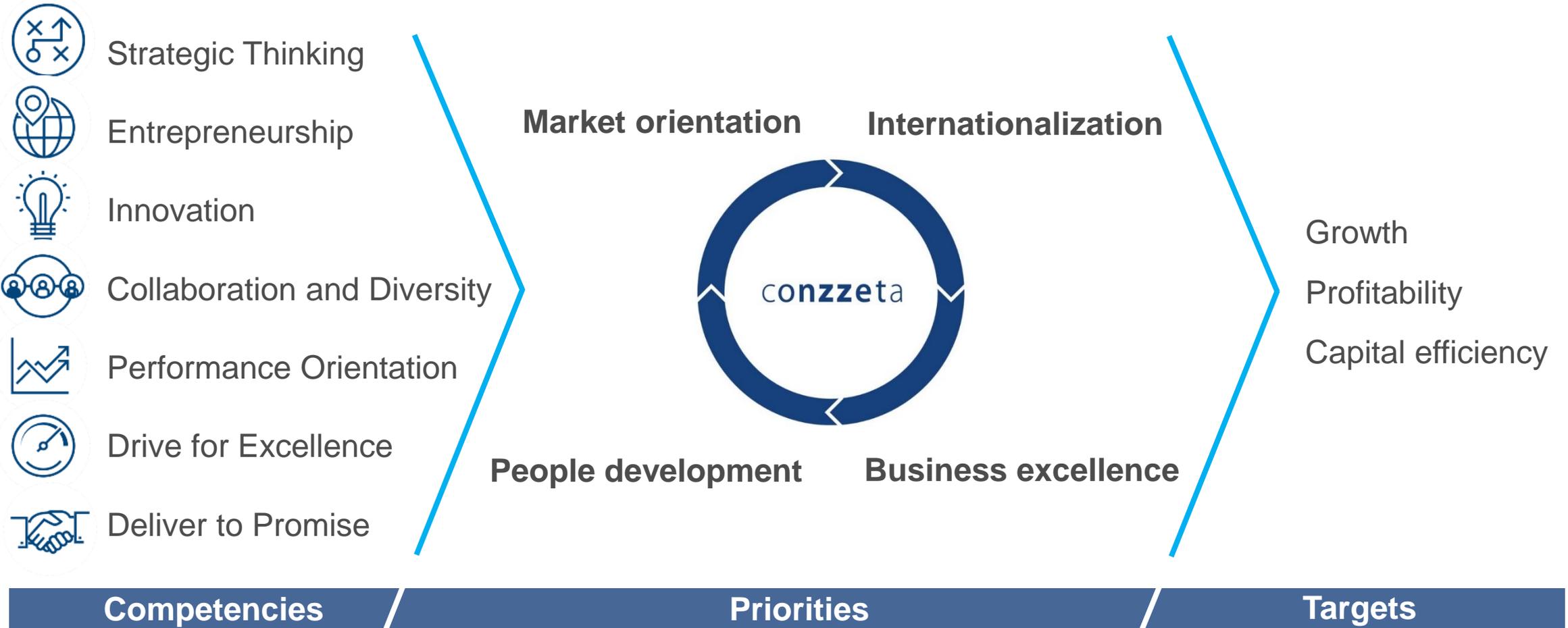
Acquisitions



Divestments



Consistent competencies and priorities to strengthen future viability and performance



Group KPI's for 1HY 2019

Resilient performance with stable margin

| (in CHF m) | 1HY19 | 1HY18 | Diff. |
|----------------------------------------|-------|-------|---------|
| Order entry | 514.7 | 450.6 | -12.40% |
| Net revenue | 770.1 | 853.3 | -9.7% |
| Operating result (EBIT) | 90.5 | 66.3 | 36.6% |
| adjusted ² | 59.9 | 66.3 | -9.6% |
| EBIT margin adjusted | 7.6% | 7.6% | 0 bp |
| Group result | 78.2 | 51.1 | 53.0% |
| adjusted ² | 47.6 | 51.1 | -6.8% |
| Earnings per share A (CHF) | 34.76 | 20.94 | 66.0% |
| Earnings per share A (CHF) adjusted | 19.95 | 20.94 | -4.7% |
| Net operating assets | 542.9 | 501.3 | 8.3% |
| Return on avg NOA (RONOA) ² | 17.3% | 20.6% | -320 bp |
| Operating free cash flow | -10.0 | 39.4 | - |
| Equity ratio (%) | 71.2 | 67.2 | 400 bp |

- Base effects from record 1HY 2018
- Slowdown in capital goods, automotive markets and China
- On a comparable¹⁾ basis, Net revenue -5.6% and EBIT -4.3%
- CHF 30.6 m from divestment of Glass Processing segment
- EBIT margin adjusted for divestment gain stable at 7.6%; for continued businesses 7.7%
- Operating free cash flow driven by higher NWC and continued CAPEX programs
- Equity ratio reflecting resilient profitability and divestment gain

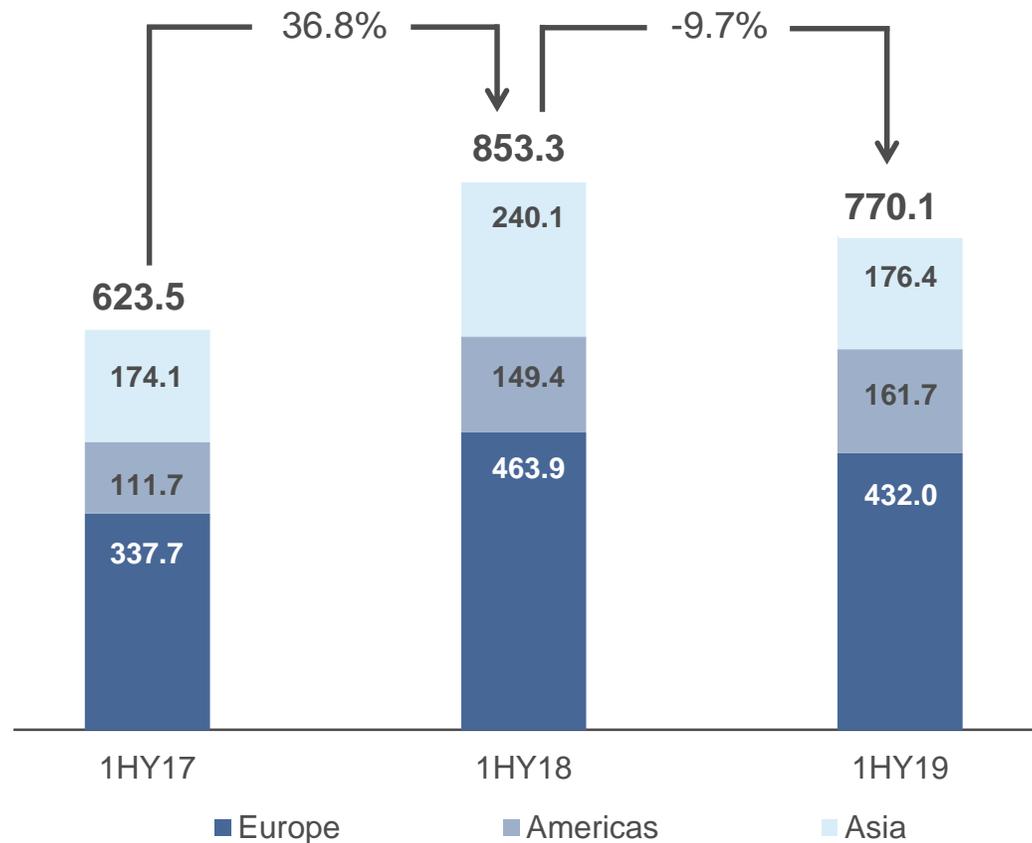
¹⁾ At a constant exchange rates and adjusted for changes in the scope of consolidation.

²⁾ 1HY19 excluding the divestment gain of CHF 30.6 m from the divestment of the Glass Processing segment.

More mixed revenue trend across regions

Decline in Asia and Europe partly offset by growth in America

Net revenue by region in CHF m



| | 1HY17 | 1HY18 | 1HY19 |
|---------------------|-------|-------|--------|
| Growth rates | | | |
| Europe | 9.6% | 37.3% | -6.9% |
| America | 0.2% | 33.7% | 8.2% |
| Asia | 68.9% | 37.9% | -26.5% |

| | 1HY17 | 1HY18 | 1HY19 |
|----------------------|-------|-------|-------|
| Revenue share | | | |
| Europe | 54.2% | 54.4% | 56.1% |
| America | 17.9% | 17.5% | 21.0% |
| Asia | 27.9% | 28.1% | 22.9% |

Broadening footprint in growth regions remains a strategic priority for the Group

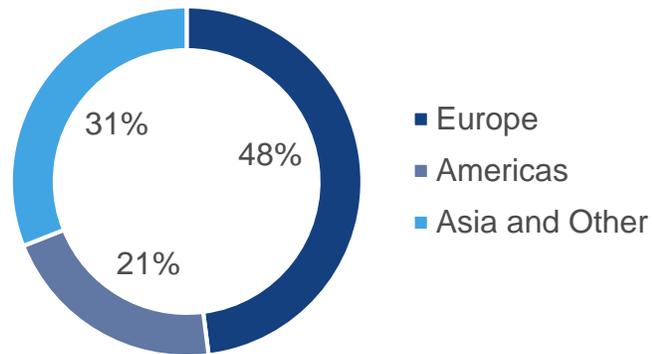
Bystronic

Sheet Metal Processing Bystronic

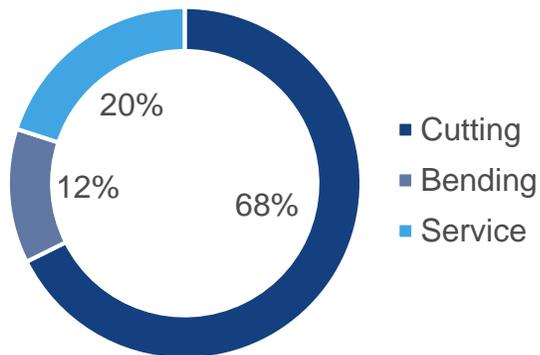


Sheet Metal Processing Business profile Bystronic

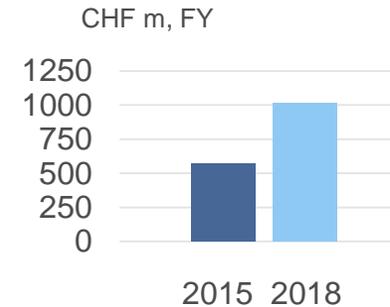
Net revenue by region¹⁾



Net revenue by business segment¹⁾



¹⁾ FY18



Net revenue trend

CAGR 21.4%

Organic growth across regions;
acquisitive mainly in Asia

Market and position

- Technology leadership position, in cutting, bending, automation (Industry 4.0)
- USD ~7.5 bn global market; Bystronic with #3 position in accessible market
- Customer structure
 - 80% job shops, 20% OEMs
 - Diversified across industry sectors
 - No customer with >1% of Net revenue

Expected slowdown from high level with maintained strong margin

| CHF m | 1HY19 | 1HY18 | % |
|-------------------------|-------|-------|-------|
| Net revenue | 448.6 | 477.3 | -6.0% |
| Operating result (EBIT) | 57.8 | 62.6 | -7.8% |
| EBIT margin | 12.5% | 12.5% | 0 bp |
| Net operating assets | 239.7 | 177.6 | 35.0% |



ByStar Fiber flagship product, enhanced with 12 kilowatt laser, new beam shaper function and newly designed cutting head

Operational performance

- Comparable net revenue -6.2%; benefits from CiS (TTM Laser) largely offset by FX
- Overall resilient results from innovative product / solution offering and good cost control
- Order entry -12.4%, reflecting more demanding operating environment, particularly in Asia, and base effect from record H1 2018
- Successful 2019 bi-annual Competence Days in June with >1'000 clients from ~50 countries
- Good progress with CHF 40m CAPEX initiatives for a manufacturing and experience center in the US and for a modernized site in Switzerland

Well positioned to further outgrow market

Sheet Metal Processing

Pushing innovation, including software and automation

conzzeta

Laser cutting

- ByStar Fiber up to 12 kW and XXL format
- New cutting head and beam shaper
- BySmart Fiber and new ByTube 130
- Tilt prevention software
- Automated load / unload / storage systems

Portfolio expansion



BySmart Fiber
for Bystronic's silver segment



New ByTube 130 as
additional cutting application

Bending

- New Xpert Pro for gold segment
- New mobile bending cell with Xpert 40 & 80
- New automated bending cells for silver segment
- Updated robot manager software



New bending cell Smart (with Xact Smart & Xpress)

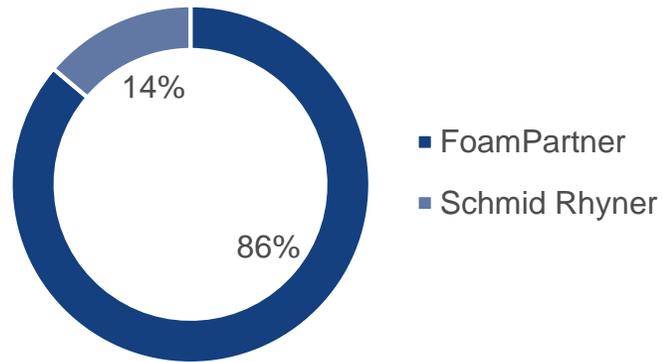


Chemical Specialties FoamPartner Schmid Rhyner

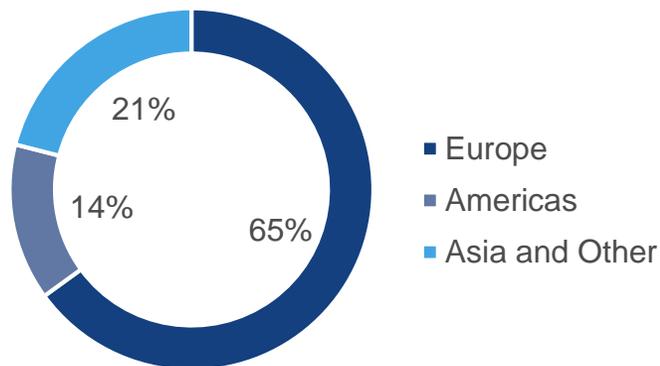


Business profile FoamPartner & Schmid Rhyner

Net revenue by business unit¹⁾

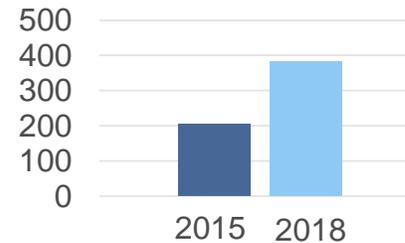


Net revenue by region¹⁾



¹⁾ FY18

CHF m, FY



Net revenue trend

CAGR 23.4%

Growth across regions driven by Otto Bock Kunststoff acquisition

Market and position

- **FoamPartner** Leader in specialty polyurethane foam technology within selected market segments
- **Schmid Rhyner** Leader in UV-curing varnishes and innovation partner for graphic industry
- **Chemical Specialties**
 - USD ~8bn global market; foam as fragmented market with <25% market share of top 5 players
 - Largely customized solutions

Improved margin despite volume loss

| CHF m | 1HY19 | 1HY18 | % |
|-------------------------|-------|-------|--------|
| Net revenue | 181.4 | 202.8 | -10.5% |
| Operating result (EBIT) | 8.6 | 9.2 | -6.4% |
| EBIT margin | 4.8% | 4.6% | 20 bp |
| Net operating assets | 165.8 | 188.3 | -12.0% |



Operational performance

- Comparable net revenue –9.3%
- Adverse revenue trend across market segments and regions, driven by challenging automotive markets in Asia and Europe, as well as business realignment in America within FoamPartner business unit
- Lower input costs and operational progress at FoamPartner, offset by adverse product mix development and higher raw material cost at Schmid Rhyner

Efforts on track to regain revenue and to further improve profitability towards margin potential

FoamPartner (1/2)

Operational progress and push of innovation

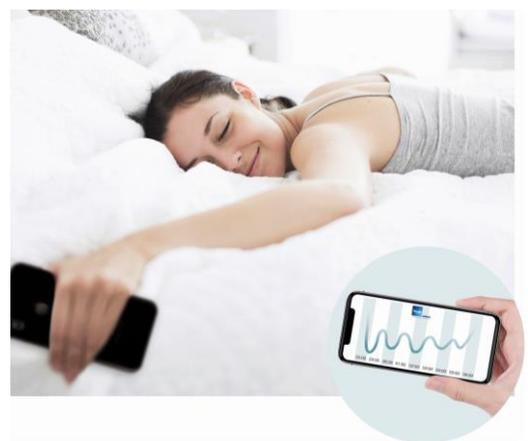
**3M Service Award for
polishing pads (Specialties)**



**New converting center
(Duderstadt site; opening 2020)**



**Digital sleeping solutions
(Living & Care)**



**Low-emission headliners
(Mobility)**



- Adverse impact from volume loss mitigated by lower raw material costs with net impact at EBIT level of CHF ~0.8 m
- FP average weighted RM price index for 1HY 2019 ~15% below 1HY 2018
- Tangible results from BEX initiatives, e.g. “Service Award 2018” from leading client for optimized supplier performance; ensure continuous improvements across “NEW” FoamPartner
- CHF 15 m CAPEX program to optimize European manufacturing footprint on track, e.g. new converting center in Duderstadt under construction
- Continue to push product innovation and application development to enhance value creation, e.g. smart mattresses for Living & Care, ceramic filter foams for Specialties and prepolymer technology for Mobility

~50% of sales in Chemical Specialties from automotive



Automotive Rolls

Leading position with high-quality flexible foam rolls used in vehicle interiors (headliners, door panels, pillars etc.)

Systems

Growth opportunities with customized 2-component PUR foam systems (integral skin and flexible foam systems)

Acoustic & Thermal Solutions

Niche position with expert knowledge about sound absorption and noise protection

Transformational industry challenges

- New trade barriers with impact on supply chains
- Ambitious emission regulations & new test standards
- Change in powertrain mix; e-mobility
- Autonomous driving, car-sharing, connectivity

Assessment / implications

- Demanding environment, but global light vehicle production expected to grow
- FoamPartner with growth opportunities, particularly in Asia and America
- Need to meet evolving requirements, e.g. indoor air quality and safety, «feel good» experience in passenger cell, energy-efficient solutions for e-cars

Established tier 2 / 3 supplier – close collaboration with OEM's and expertise along value chain

Foster innovation in line with future trends by leveraging on existing customer proximity

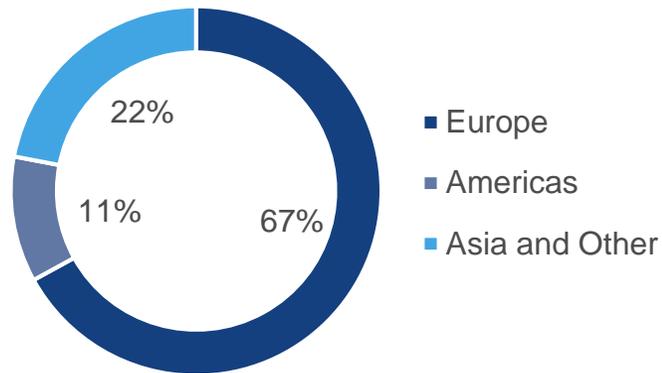


Outdoor Mammut

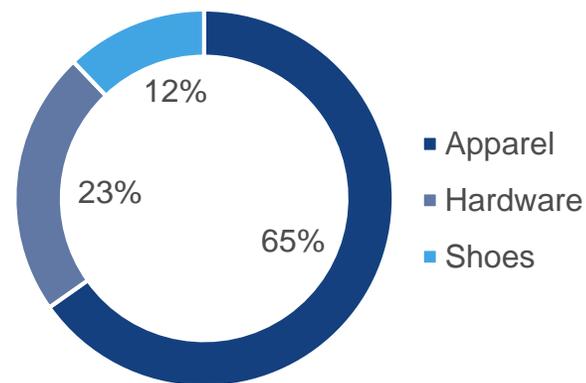


Outdoor Business profile Mammut

Net revenue by region¹⁾

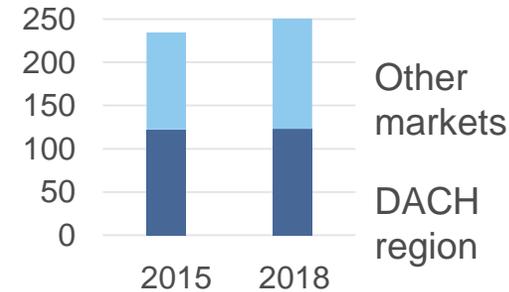


Net revenue by product category¹⁾



¹⁾ FY18

CHF m, FY



Net revenue trend

CAGR 4.1%

Elimination of low margin sales and reduced footprint exposure in DACH region

Market and position

- Fragmented USD ~25 bn outdoor market with only few global brands; Mammut as premium brand with ~#7 market position
- Responding to competitive pressure and change in client behavior with 5 years strategic plan launched in early 2016
- Build-up of retail capabilities and wholesale excellence ongoing

Outdoor

Growth with further margin recovery

| CHF m | 1HY19 | 1HY18 | % |
|-------------------------|-------|-------|--------|
| Net revenue | 117.9 | 111.1 | 6.2% |
| Operating result (EBIT) | -5.3 | -6.4 | 17.7% |
| EBIT margin | -4.5% | -5.8% | 130 bp |
| Net operating assets | 134.6 | 115.3 | 16.7% |



Award-winning product innovation

Flextron – shoe sole for slower fatigue



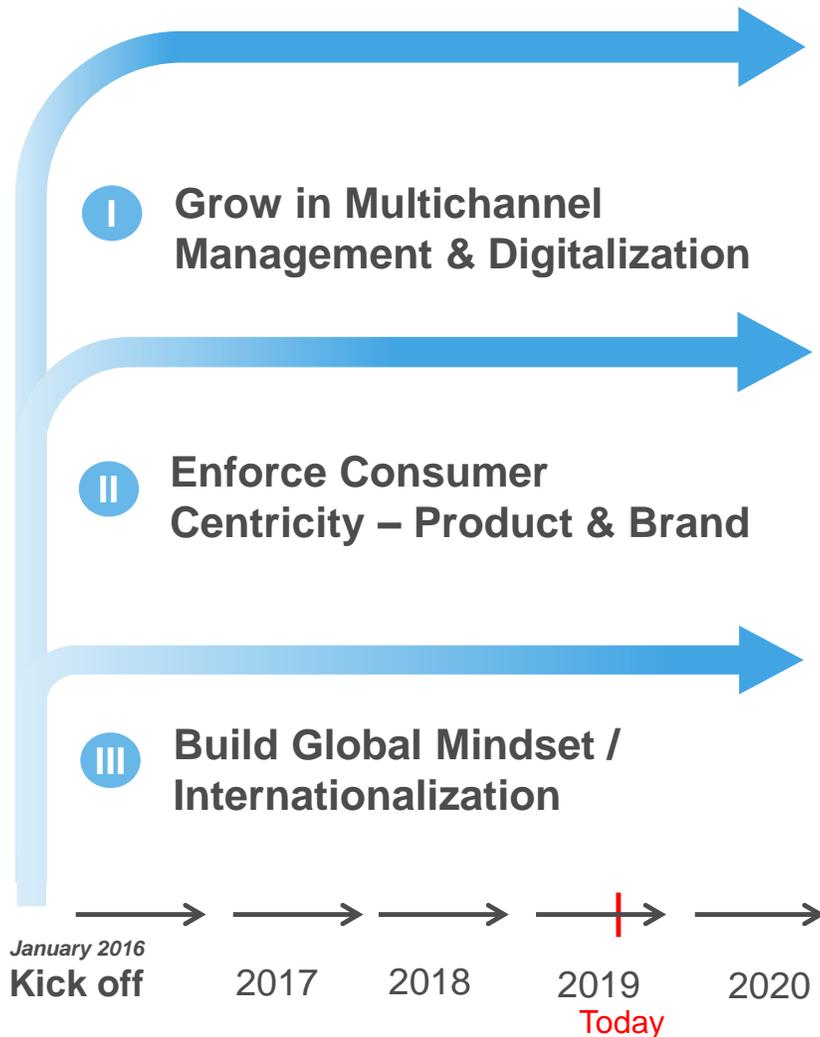
PHASEknit – stretchable textile for Sota Jacket

Operational performance

- Comparable net revenue +6.9%
- Growth across all regions and all channels from elevated PY level
- Gross margin up by ca. 350 bp yoy
- EBIT margin up by 130 bp, i.e. seasonally weaker 1HY result with further improvement
- Implementation of 5 year strategic plan on track; increase of cost base to build critical capabilities and renewal of collection largely completed
- Continued push to drive digitalization at all levels and for internationalization

Well positioned to achieve strategic goals and to further improve profitability

5 year strategy program – progress update



Progress update 1H 2019

- Continued to develop digital business, opened new own web shops in France and Norway and started cooperation with additional marketplaces
- Further optimized MBS network, now 68 stores: Opened 2 stores in Shanghai and 1 in Lucerne; opened Andermatt as point of experience; closed 6 stores in Korea; reworked 4 additional stores under new store concept
- Reshaped focus on North America with new team and new distribution strategy, including own web shop
- Instilled further organizational programs and excellence to strengthen worldwide operations
- Further pushed product innovation, launched Mammut Connect with NFC technology; won 3 ISPO awards, including “Product of the Year” for the ‘SOTA’ jacket

Outperform markets for leading positions

- Differentiated steering of a diverse business portfolio. Group priorities remain: Market orientation, business excellence, people development, internationalization

Demonstrate resilience in a more challenging environment in 2019

- Continuous investments in innovation and market presence; consistent implementation of action plans across business units with strict cost control

More decentralized management

- Accelerated development of the potential of the three segments, taking into account all options; implemented dedicated teams to drive strategic and operational progress and to promote client focus, agility and value creation

Given geopolitical and macroeconomic uncertainties with increased signs of economic slowdown, we now expect **for the continued businesses 2019 net revenue slightly below previous-year level**, but continuously with **profitability at EBIT level more broadly supported across segments** and with a **slightly improved EBIT margin for the Group**

Thank you very much
for your interest.

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