



Welcome to the World of Trelleborg



Trelleborg Coated Systems

Capital Markets Day 2014

Dario Porta, Business Area President

Global leader in polymer-coated materials

Trelleborg Coated Systems profile 2013, SEK M

1,839
Sales

9%
of Group Sales

197
EBIT

10.7%
Margin

-
- Headquarters in Milan area, Italy
 - ~ 1,200 employees
 - 8 manufacturing sites
 - Leading position in all segments
 - Most global presence
 - Widest product range in the market
 - Leading in digital printing
 - Direct sales and via partner network

Sales split 2013 and main manufacturing sites

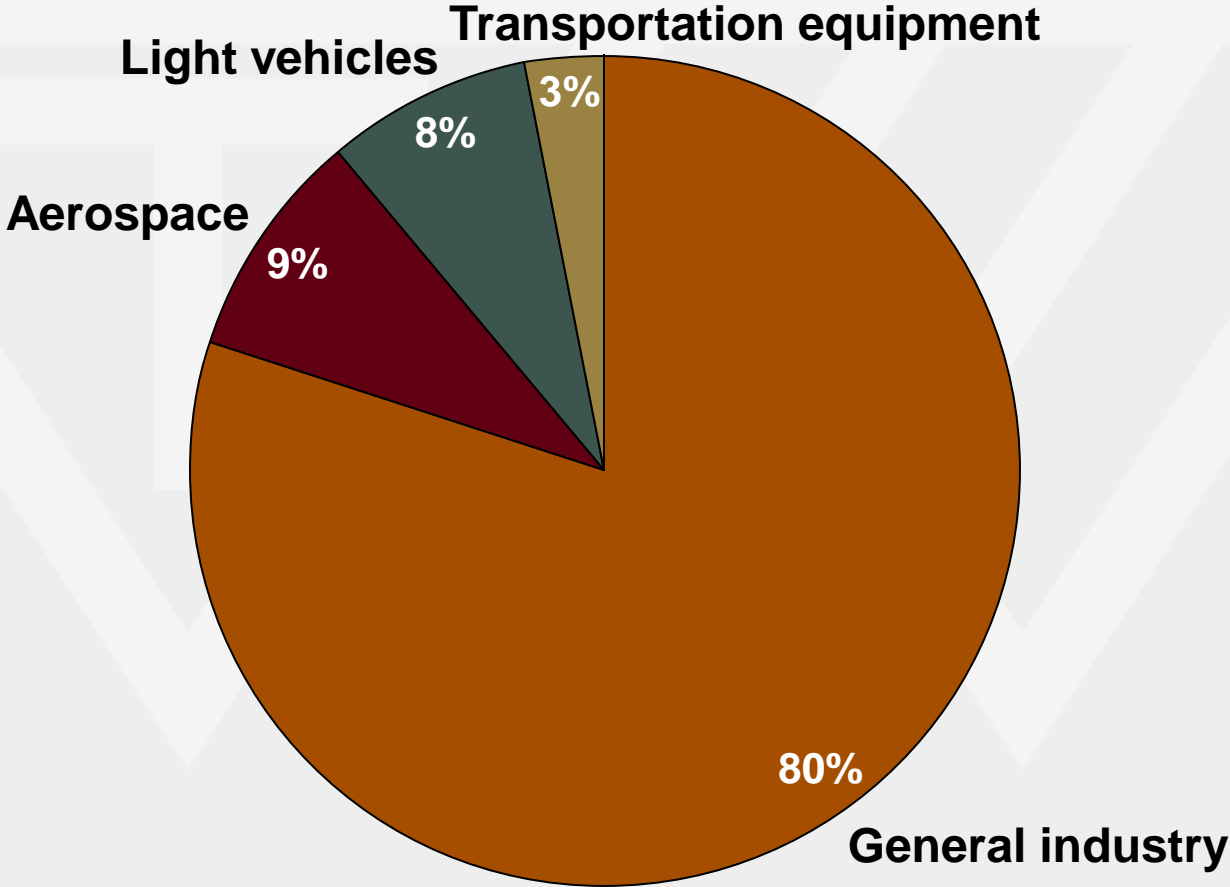
Western Europe
30%

North America
36%

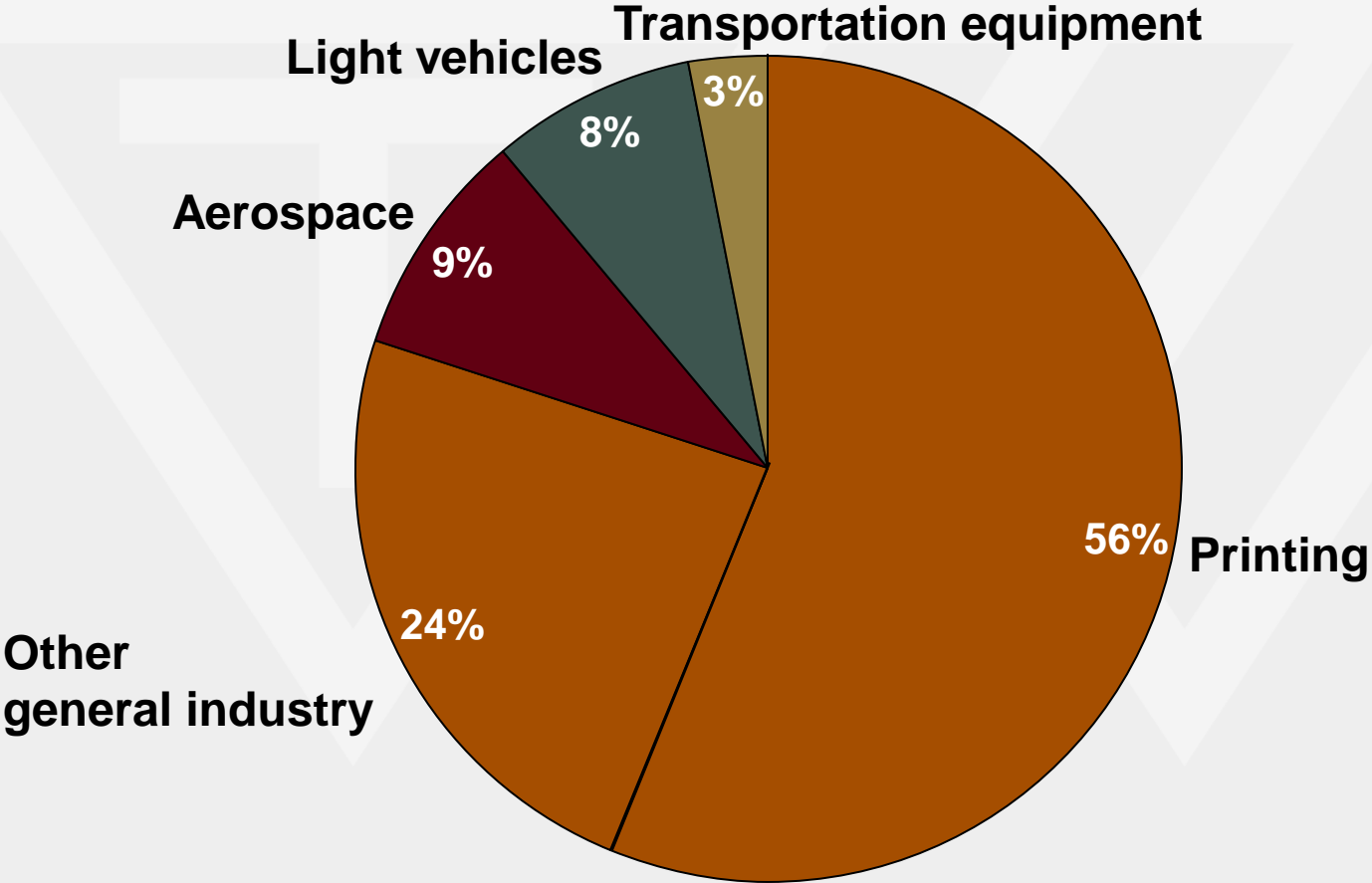
Rest of the world
34%



Sales 2013 per market segment

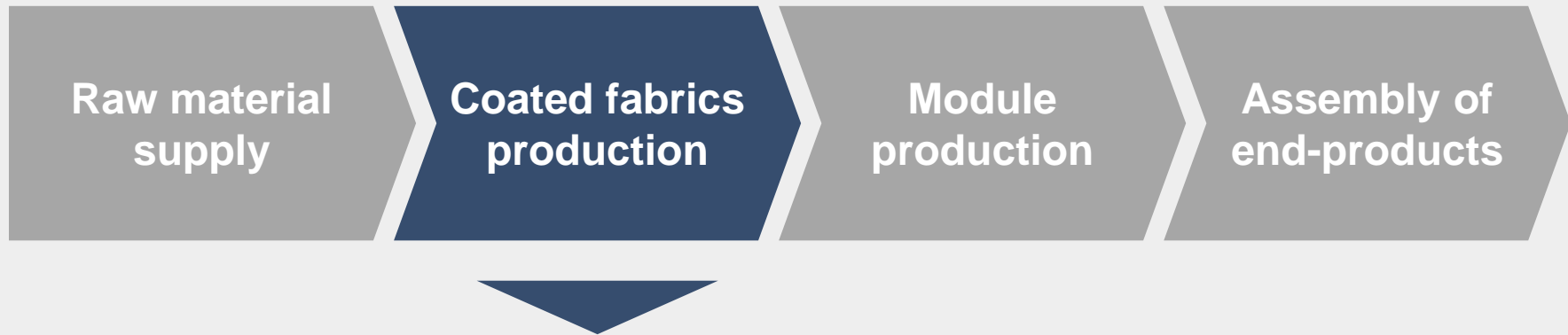


Sales 2013 per market segment



Clear value-chain position

Value-chain overview



Value chain position offers favourable niche opportunities

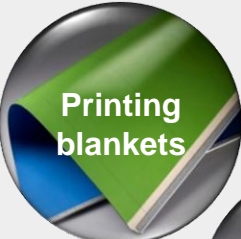
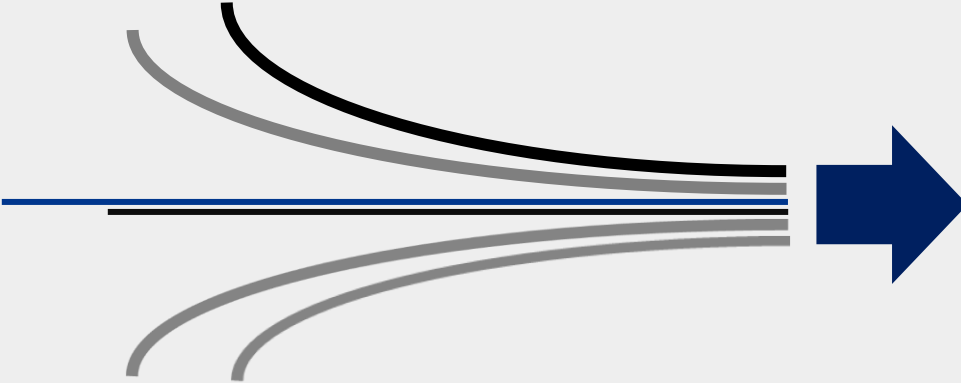
One market, multiple segments

Our unique technology and process ownership



Polymers + Fabrics, Process and Engineering

Coated materials 



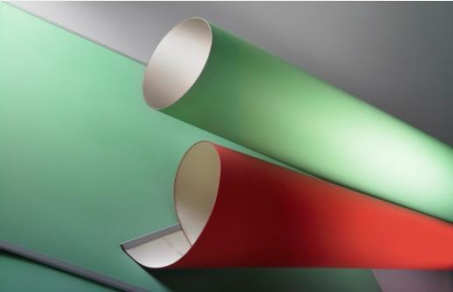
Demanding applications



A large number of end-user applications



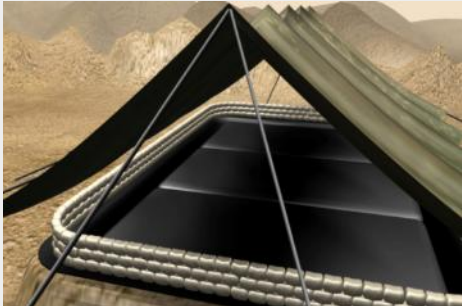
Strong competitive position



Most complete
product offering

High degree of
customer-unique solutions

Local presence enables us to work
close with our customers



Products critical for the customer's process,
low in relative cost



Most global
manufacturing footprint

High entry barriers
protect our leading position

Most complete
technological capabilities

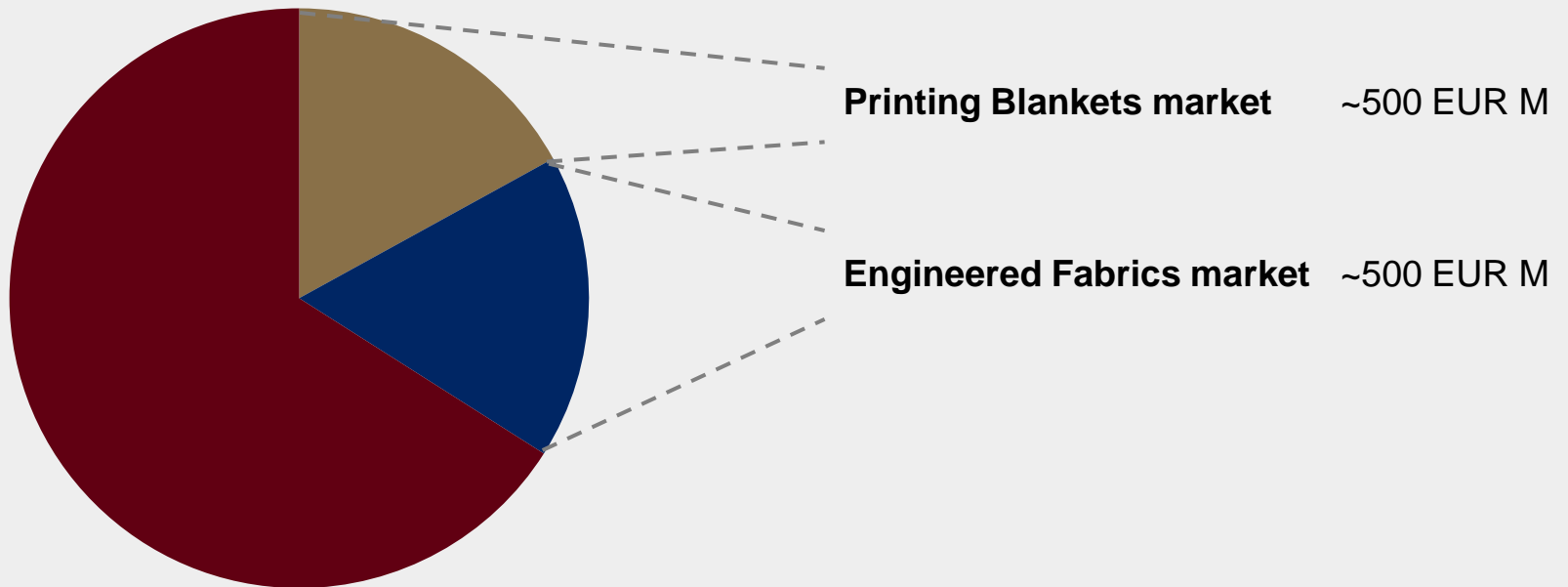


Our addressable share is ~ 25% of total market

Trelleborg primary segments equal in size

Global coated fabrics market; EUR 4 B

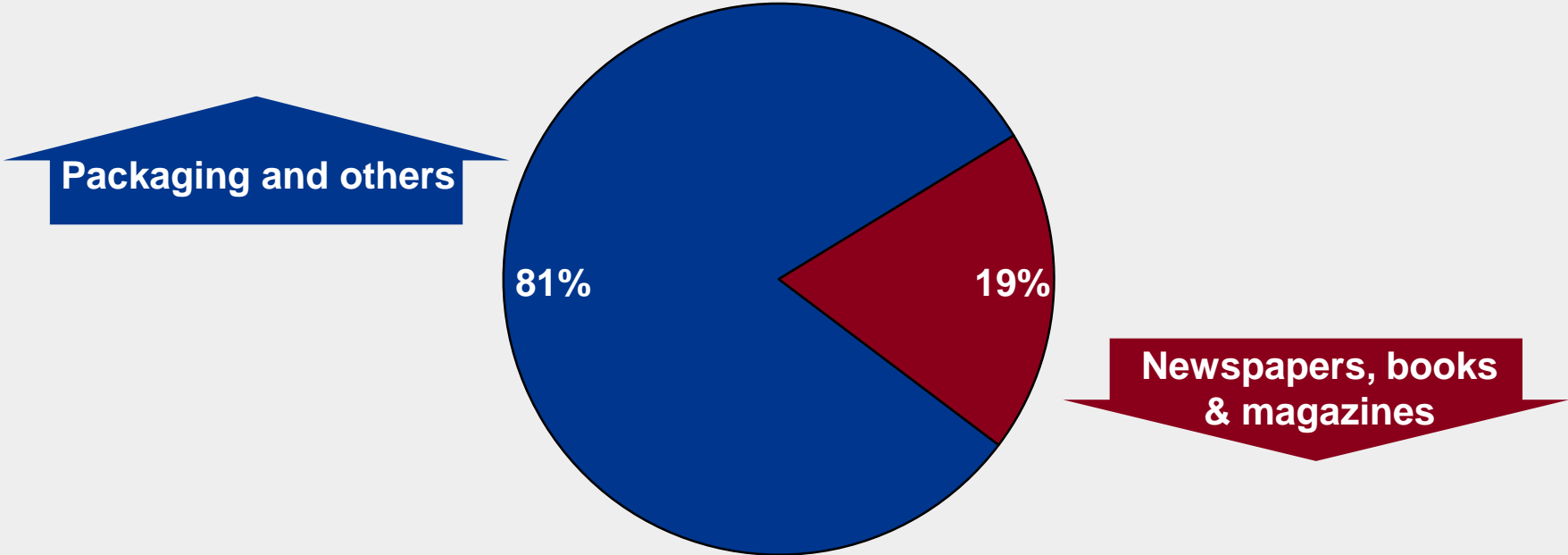
Trelleborg's selected markets; EUR 1 B



- Highly fragmented with > 300 manufacturers
- 75% of market served by low-end coated material, primarily PVC
- Highest volume applications include automotive interior, wall coverings and furniture

Growth within largest part of market

Printing market composition

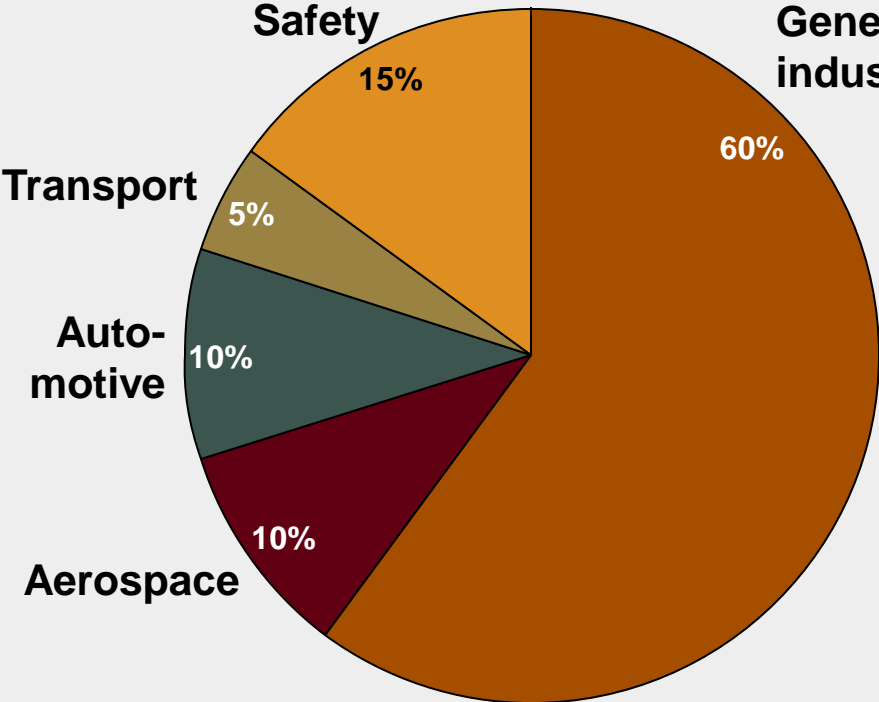


Three main printing technologies		
Offset Packaging Commercial Magazines Newspaper, etc.	Flexo Packaging Labels	Digital Commercial Packaging Labels



Diversified market for Engineered Fabrics

Global market composition and drivers



Segment drivers

- General industry** → GDP/ Industrial production
- Aerospace** → Aircraft deliveries
- Automotive** → Light vehicle production/ aftermarket
- Transport** → Public spending
- Safety** → Public spending



Competitive positions

Competitive position, no. 1-3

				Competitors
Engineered Fabrics				Yokohama, Continental, Uretek, Seaman, Archer, Pennel + smaller niche players
Printing Solutions				Flint, Continental, Kinyo, Meiji + smaller local players

Strategic Priorities

1. Investments in **new technologies** and range extension
2. Improve **customer integration**
3. **Optimize** and expand manufacturing **footprint**
4. Strong focus on **product** and **process innovation**
5. **Improving** financial performance
6. Focus on selective **acquisitions**



Investments in new technologies

1.

The largest calender for printing blankets in the world

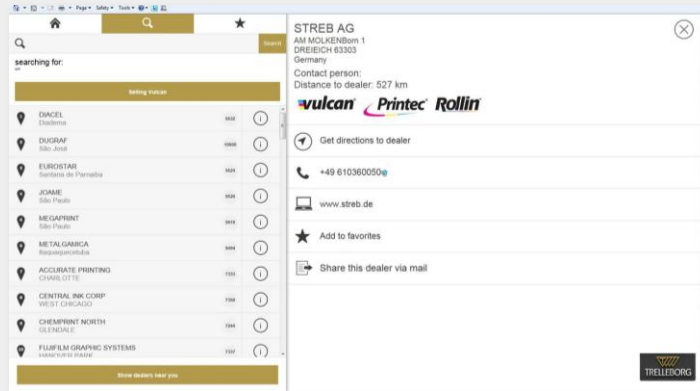
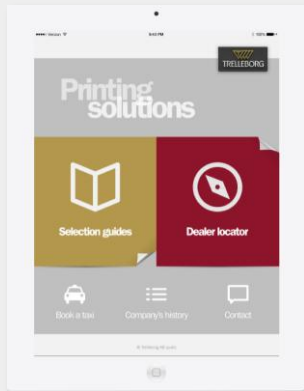
- Reduces / eliminates solvent and CO₂ emissions
- Waste reduction and less energy-consuming process
- Increased competitiveness and range extension
- Ramp-up of production ongoing



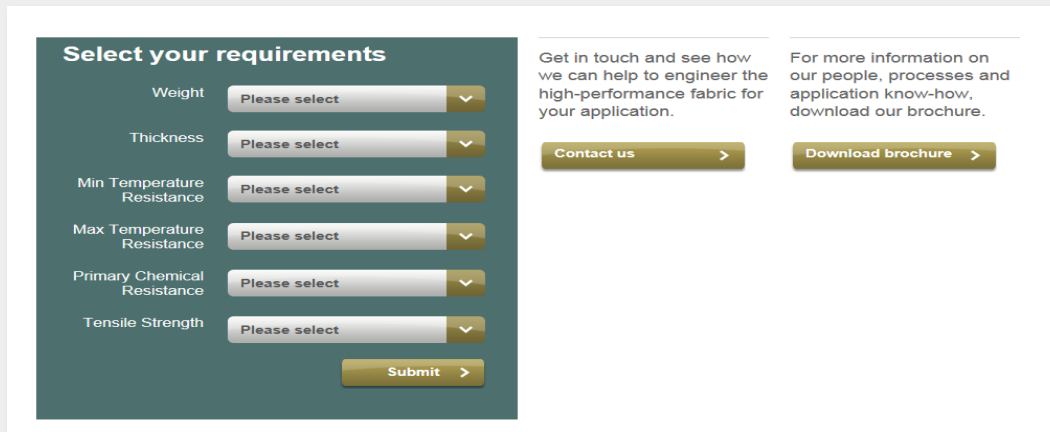
Digital marketing communication

Online customer engagement through new mobile apps

2.



**E-Book and
Dealer locator**



Product Selection tool

Interacting with customers

Sharing market insights

2.



Strategic marketing to show market leadership

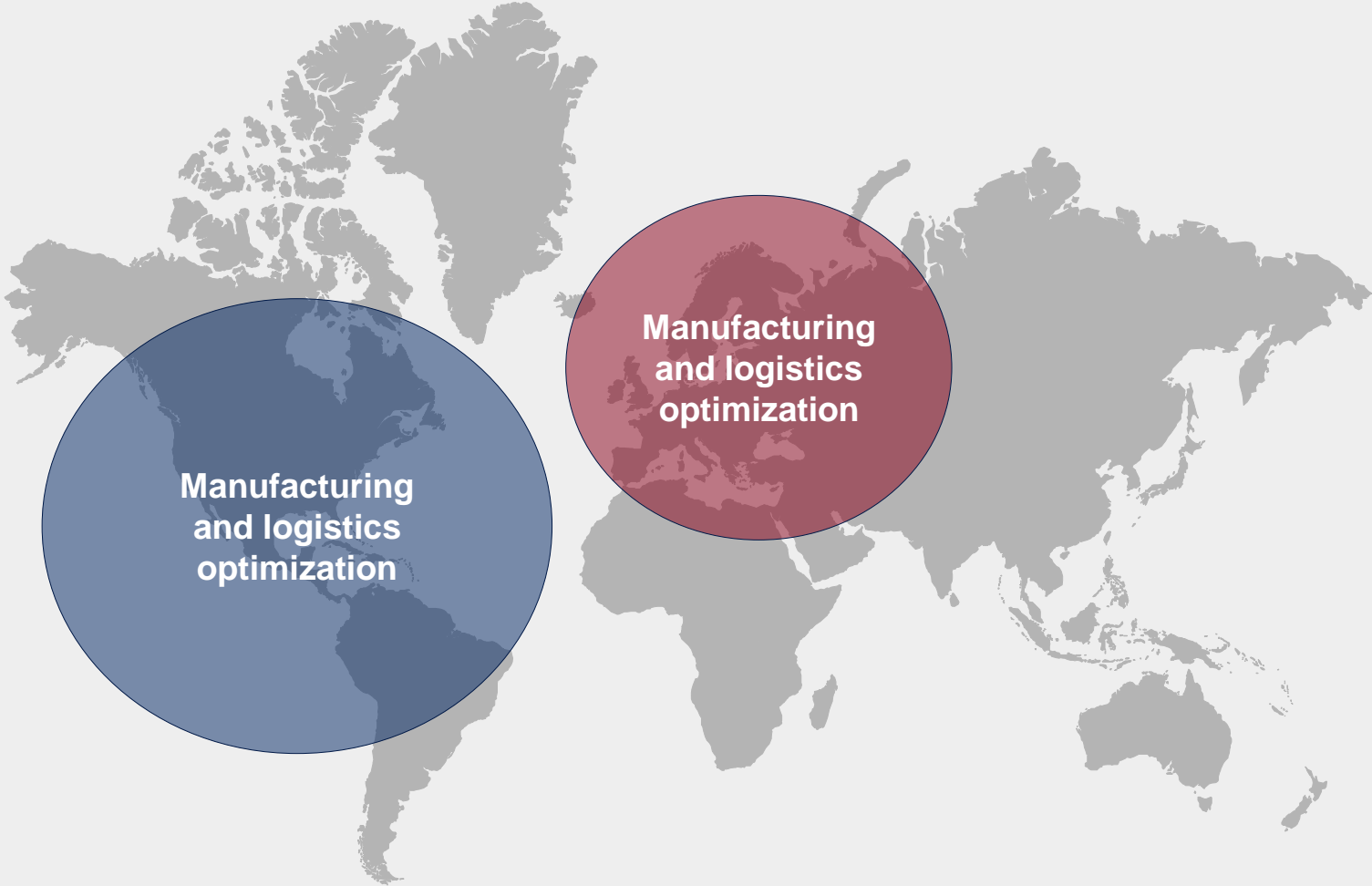
2.

The fabric of industry



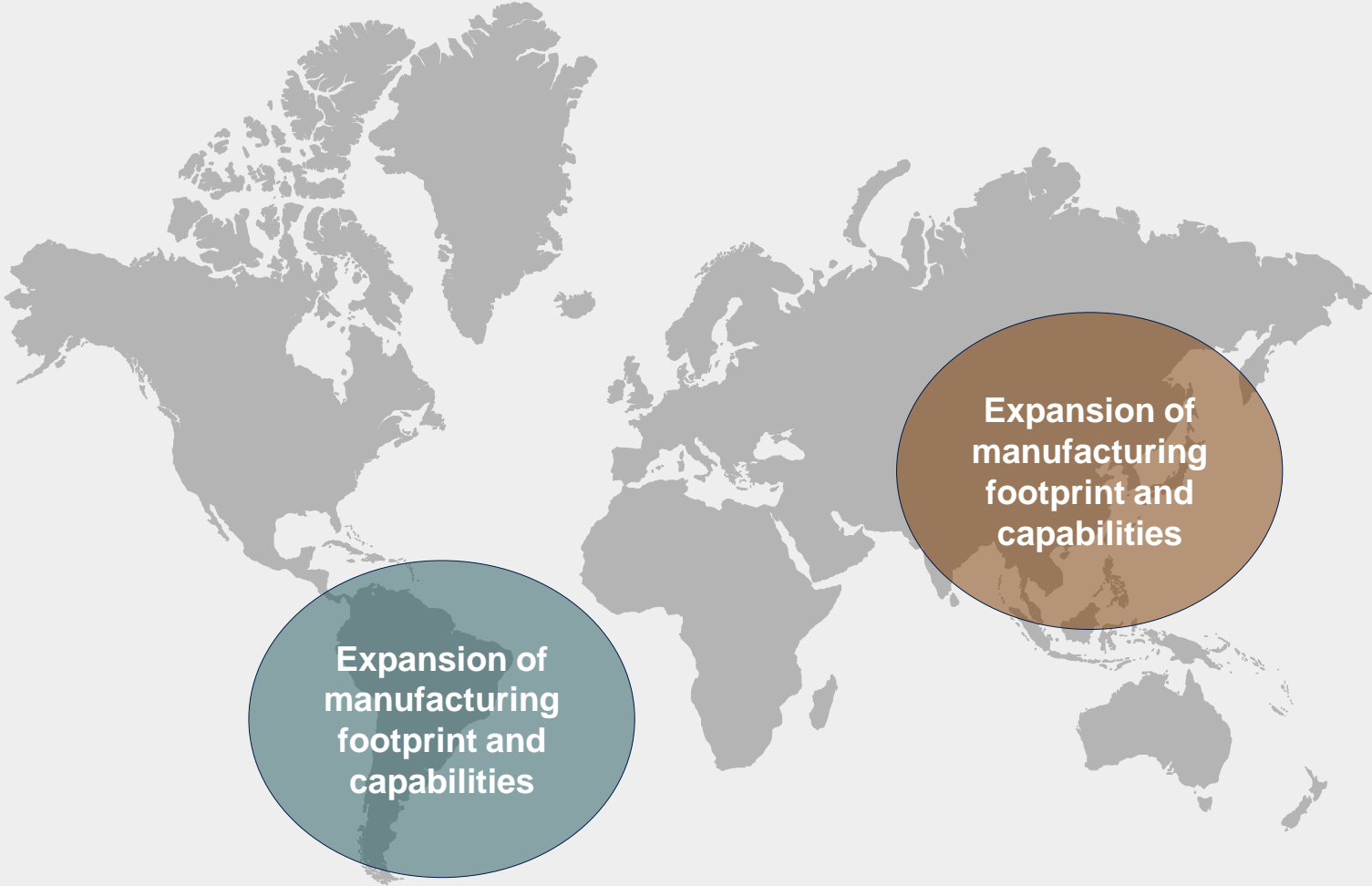
Optimizing and focusing operations in Europe and Americas

3.



Expanding capacity and capabilities in Brazil and China

3.



Strong focus on product and process innovation

4.

Product innovation

- HANK[®] changing the protection manufacturing market
- New products for packaging
- New materials and substrates



Process innovation

- Solventless technology
- Calendering capabilities
- Thickness measurement process
- Quality check procedures



HANK® – setting a new standard on the protection manufacturing market

4.



Laser cut for a multitude of rapid design options



Focus on improving financial performance

5.

Improve Operating
Margin

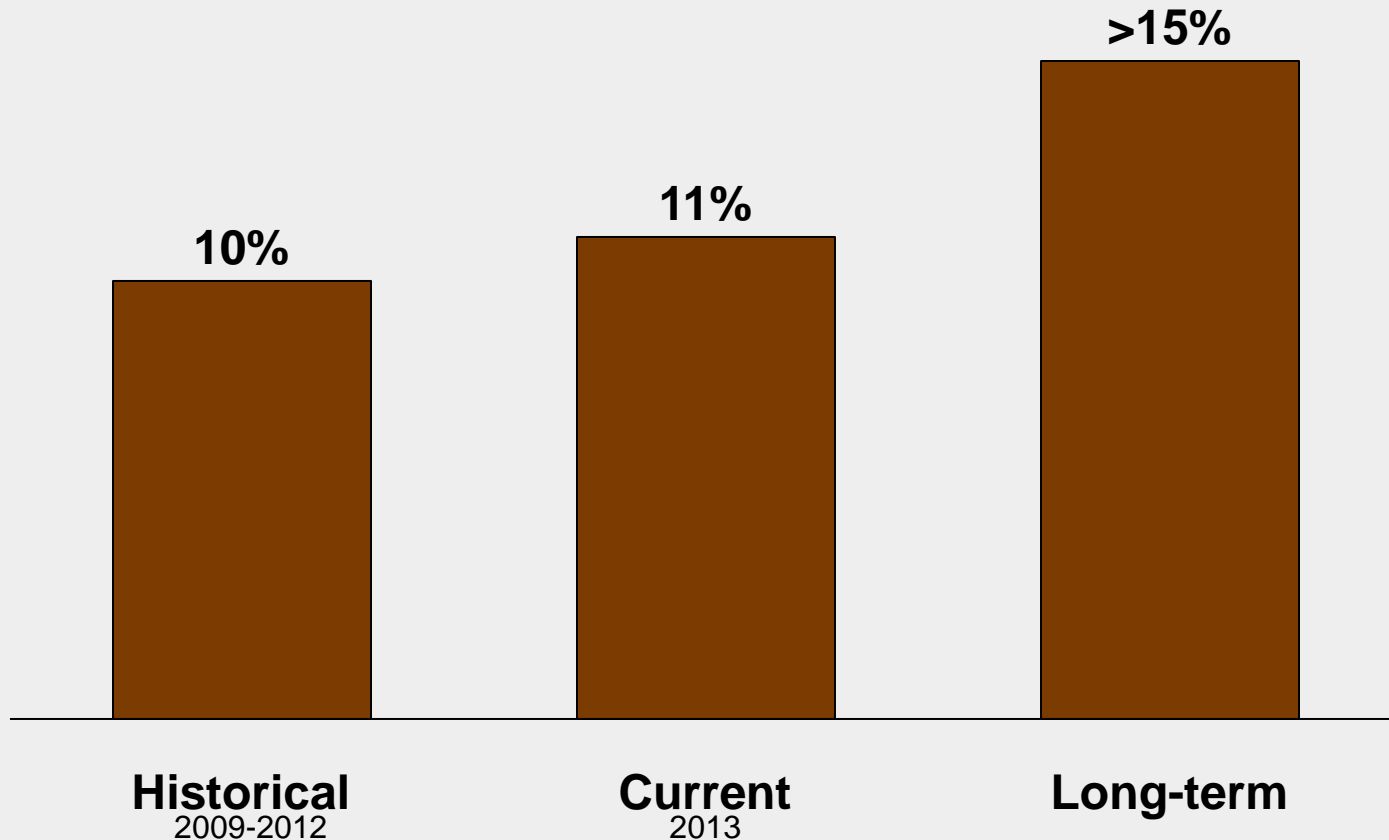
Improve Working
Capital efficiency

Improve Operating
Cash Flow

- Optimize global manufacturing footprint
- Focus on excellence programs
- Growth in packaging printing segments and selected geographies
- Strengthen our positions in selected niches such as aerospace and transport
- Selective supplementary acquisitions

Ongoing initiatives will result in improved operating margin

EBIT-margin



Strategic priorities

**New technologies
and range extension**

**Improve customer
integration**

Selective acquisitions

**Optimize and expand
manufacturing footprint**

**Improving financial
performance**

**Focus on product- and
process innovation**

Solving the impossible





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