



# Welcome to the World of Trelleborg





# Trelleborg Industrial Solutions

**Capital Markets Day 2014**

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# Market leader of polymer-based critical solution for selected application areas

Trelleborg Industrial Solutions profile 2013, SEK M

**4,578**  
Sales

**21%**  
of Group Sales

**432**  
EBIT

**9.4%**  
Margin

- 
- Headquarters in Trelleborg, Sweden
  - ~ 3,300 employees
  - 27 manufacturing sites, 10 technical centers
  - Regional leading positions
  - Global leader in niches
  - Unique capabilities within selected niches

# Sales split 2013 and main manufacturing sites

Western Europe

67%

North America

14%

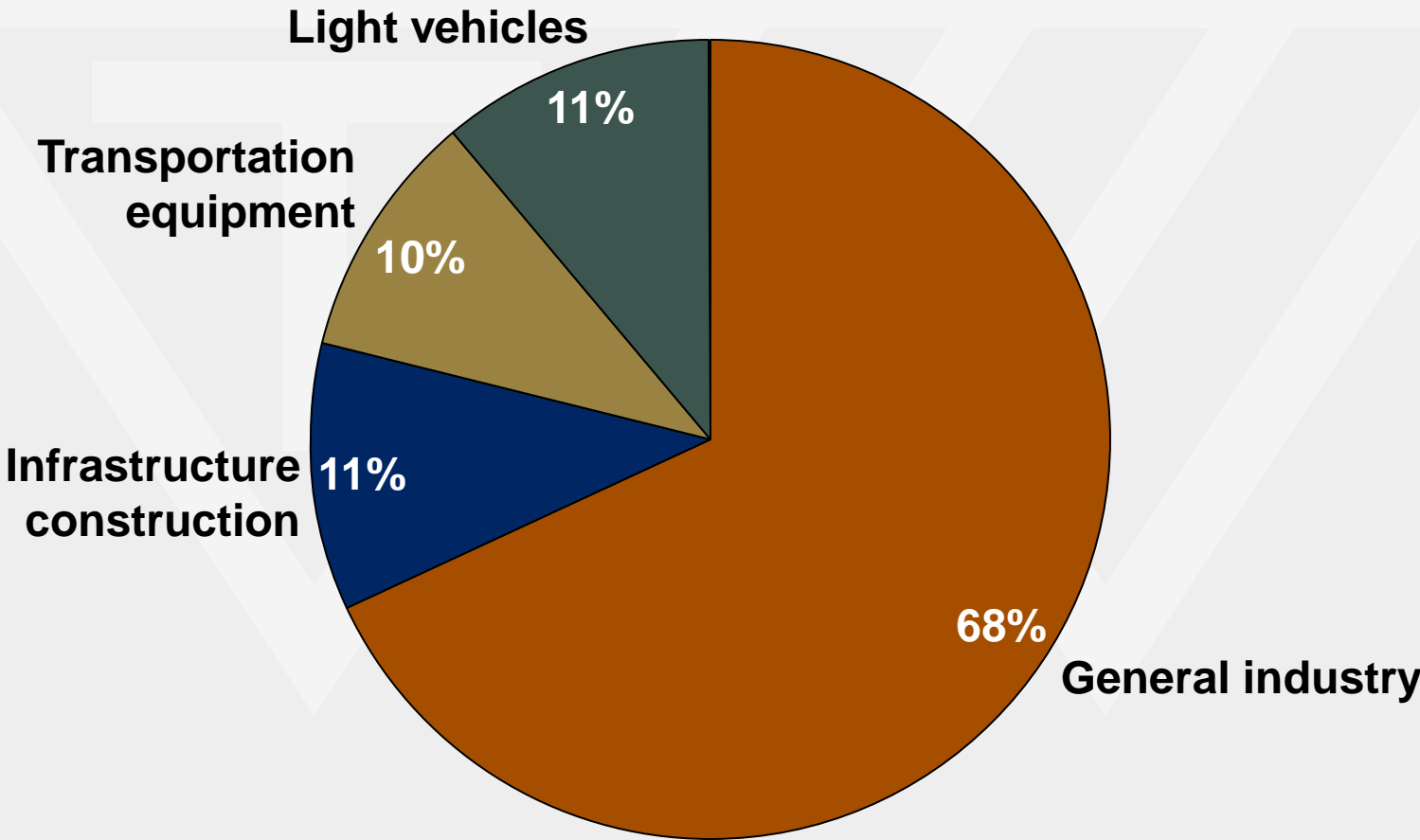
Rest of the world

19%




● Manufacturing

# Sales 2013 per market segment



# Products and solutions

Fluid Handling Solutions	Industrial Antivibration	Industrial Sealing Systems			
		Sealing Profiles	Pipe Seals	Boots	Specialty components
					
~ 30% of sales	~ 10% of sales	~ 60% of sales			

- General industry
- Infrastructure construction
- Transportation equipment
- Light vehicles



# Strong competitive advantages

**Advanced engineering**  
application knowledge



We offer

**Complete solutions**

e.g. hoses + couplings + service



**Long-term partner**  
for critical applications



**Sophisticated solutions**

Certificates required

**Broadest product portfolio**  
within selected niches

**Strong niche positions**  
High entry-barriers






**Premium supplier**  
- best in class service



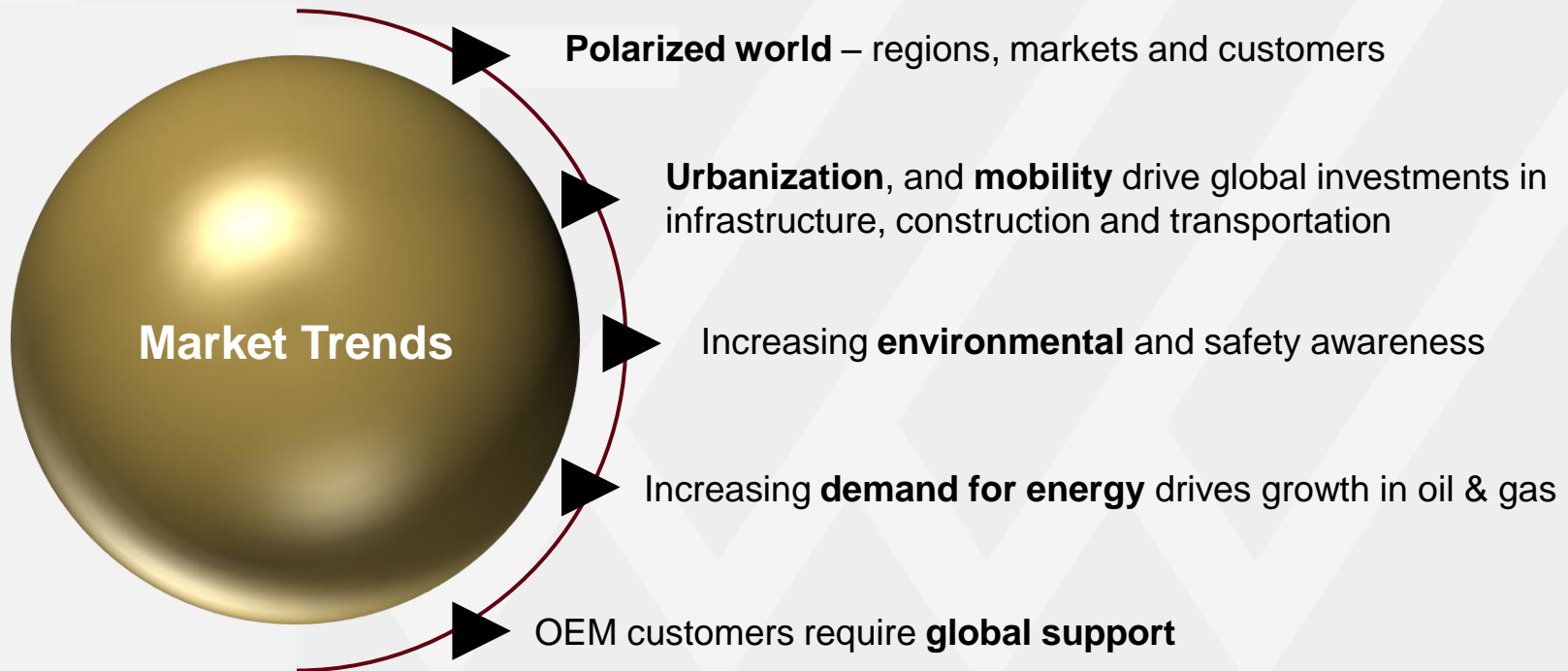
# Niche strategy outside Europe

## Competitive position, no. 1-3

				Competitors	
<b>Fluid handling solutions</b>	Industry	●	Niche	Niche	Continental, IVG, Semperit, Parker + many more
	Transport	●	Niche	Niche	
	Construction	●	Niche	Niche	
<b>Industrial antivibration</b>	Industry	●	Niche	Niche	Hutchinson, Lord, GMT, Continental + many more
	Transport	●	Niche	Niche	
	Construction	●	●	Niche	
<b>Industrial sealing systems</b>	Industry	●	●	Niche	Semperit, Hultec, Tyman, Stomil Sanok, Freudenberg + many more
	Transport	●	Niche	Niche	
	Construction	●	●	Niche	
	Light vehicles	Niche	Niche	Niche	



# Drivers influencing the industrial supply market



# Strategic priorities

1. Overall portfolio management
2. Increase value creation
3. Profitable growth
4. Optimize structure
5. Excellence programs



# Overall portfolio management

- Establish leading positions in selected segments
- Grow, optimize, and prune existing portfolio
- Selective acquisitions and divestments
- Integration of recent acquisitions



# Acquisition of Superlas Group



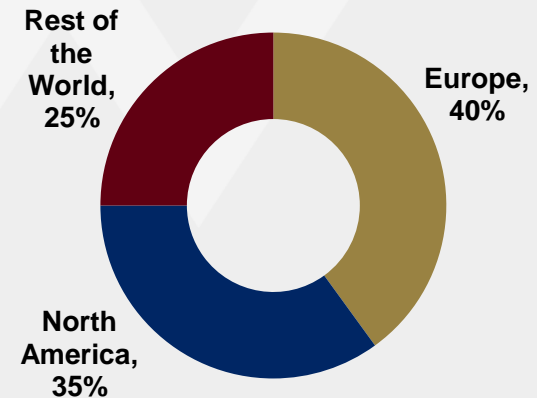
1.

## Highly complementary in all aspects

- Medium/low pressure industrial hoses for a wide range of industries
- Manufacturing and HQ in Turkey
- Annual sales > SEK 400 M (2013)
- Consolidates Trelleborg's market leading position in industrial hoses
- Facilitates geographic expansion, in North America and Asia



Superlas sales split, 2013



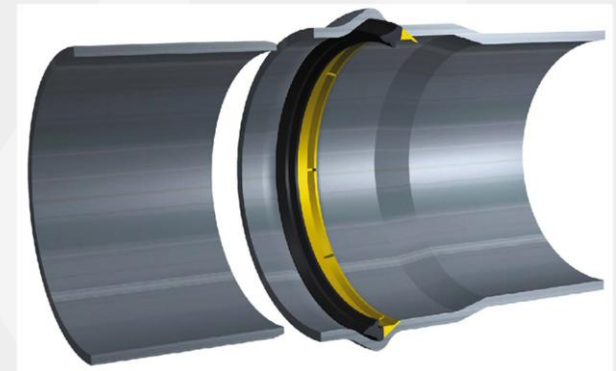


# Acquisition of Max Seal

## Highly complementary in all aspects

- 51% ownership – option to buy remaining shares
- Regional leading pipe seal manufacturer
- Manufacturing in Mexico
- Annual sales ~ SEK 80 M
- Expands product offering and customer base
- Facilitates geographic expansion in Americas

MAX SEAL



# Increase value creation

- Customer integration/ease of doing business with us
- Extended offering to key customers
- Forward integration
- Innovation
- Branding and digital channels
- Value-based pricing



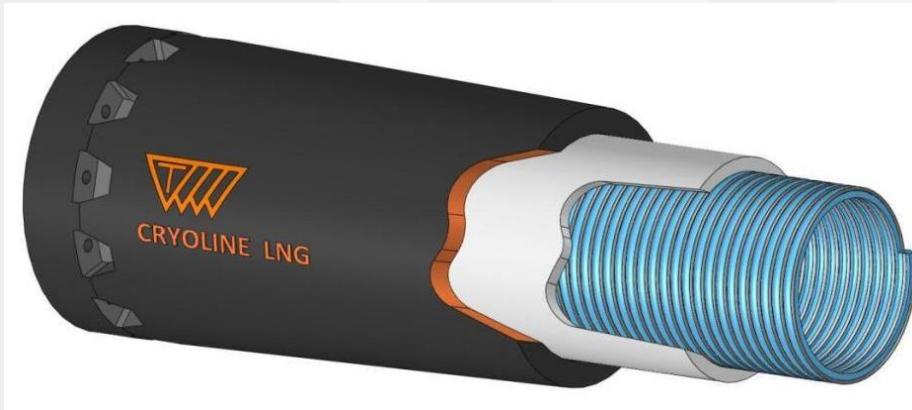
# Innovative LNG flexible hose

## Concept

- Design for cryogenic application
- Combination of expertise in sealing, composite and rubber-bonded hoses
- Key component for tandem LNG offloading systems
- Ready to go to market in 2015

## Major customer benefits

- Enables offshore LNG offloading in more challenging environments
- Improves operability and safety
- Minimum vapor generation



Cryoline LNG – Patent pending application worldwide

# Innovative hydraulic cabin suspension

## Concept

- Combination of rubber to metal bonding and fluid technology
- 3 in 1: vibration dampening, shock absorption and roll-over protection
- Easier installation

## Major customer benefits

- Modular design
- Built in full safety
- Cost saving
- Better comfort

**ROPS – Roll-Over-Protection-system**  
To prevent cabin from detaching on vehicle roll.



Worldwide patent pending



# Innovative customer integration

## Examples

- Trelleborg Industrial Solution's **MountFinder**
- App tool to help deciding on the correct antivibration solution



- Trelleborg Industrial Solution's **Resin Calculator** – for pipe reparations
- App tool to help calculate the correct amount of resin needed



# Profitable growth

- Grow in niches
- Capture growth in construction, light vehicles and special purpose vehicles
- Leverage acquisitions

- Improve positions
- Profitable segments
- Value added offerings

- Grow in niches
- Capture growth in special purpose vehicles, rail and light vehicles

- Grow in niches
- Capture growth in Oil&Gas
- Leverage acquisitions

# Optimize structure

## Examples

- Closed pipe seal manufacturing in Spain, moved production to existing facility in Poland
- Moved production of industrial antivibration from Sweden to China
- New manufacturing facilities
  - Wuxi, China – boots for light vehicles
  - Bengaluru, India – industrial antivibration / specialty components
  - Santana de Parnaiba, Brazil – Fluid handling solutions for Oil & Gas



# Strong focus on Excellence programs

Manufacturing  
Excellence

Purchasing  
Excellence

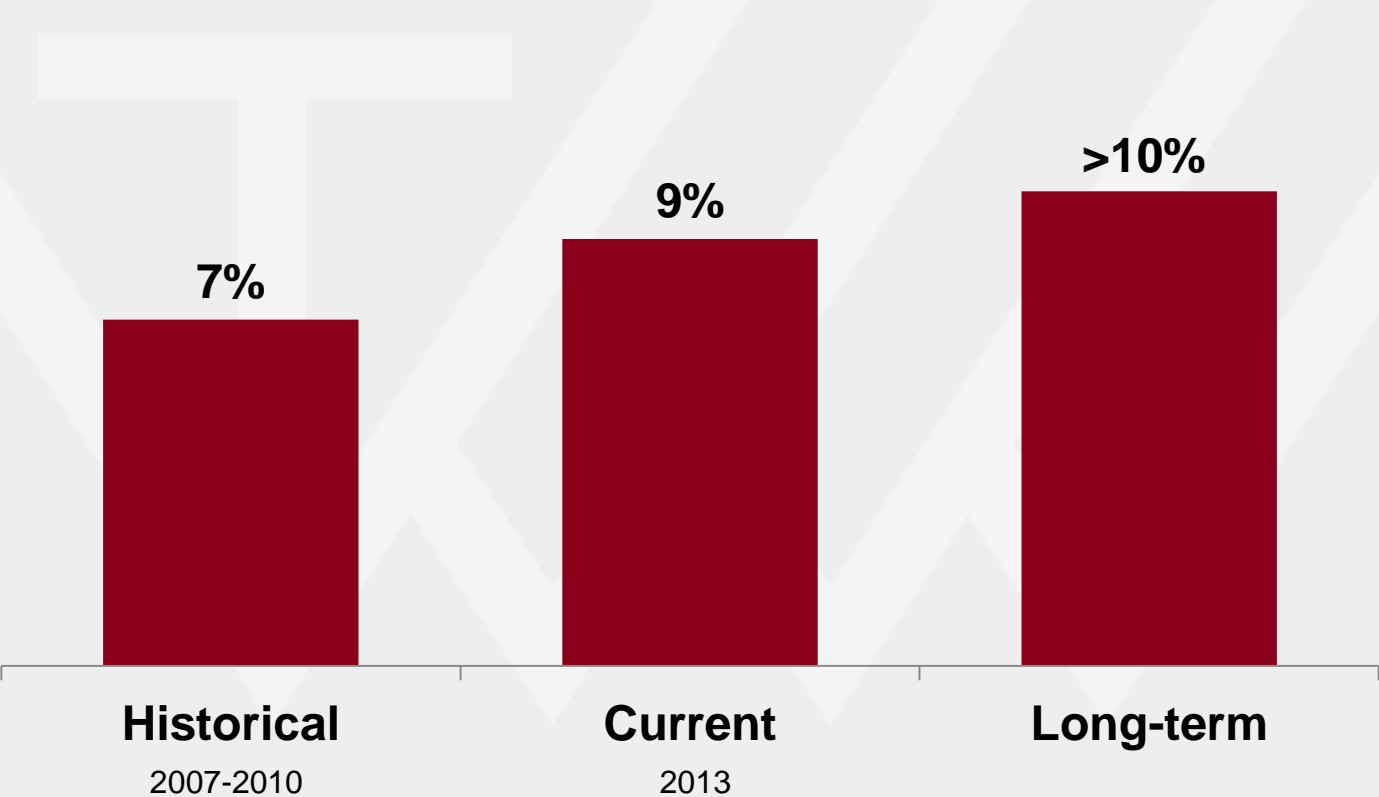
Working Capital  
Excellence

Sales  
Excellence



# Improved positions and business portfolio

EBIT-margin



# Strategic priorities

**Overall portfolio  
management**

**Increase value  
creation**

**Excellence  
Programs**

**Profitable  
growth**

**Optimize  
structure**







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