

Georg Fischer Ltd

# **Investors Presentation**

September 2020

# Pioneering industrial technology for more than 200 years

## GF Corporate

**1802**

GF founded  
in Schaffhausen



Johann Conrad Fischer

## GF Piping Systems

**1864**

First piping  
systems product



Malleable iron fitting

## GF Casting Solutions

**1897**

First automotive  
part



As of 1900 GF develops  
wheels made of cast steel  
for trucks and cars

## GF Machining Solutions

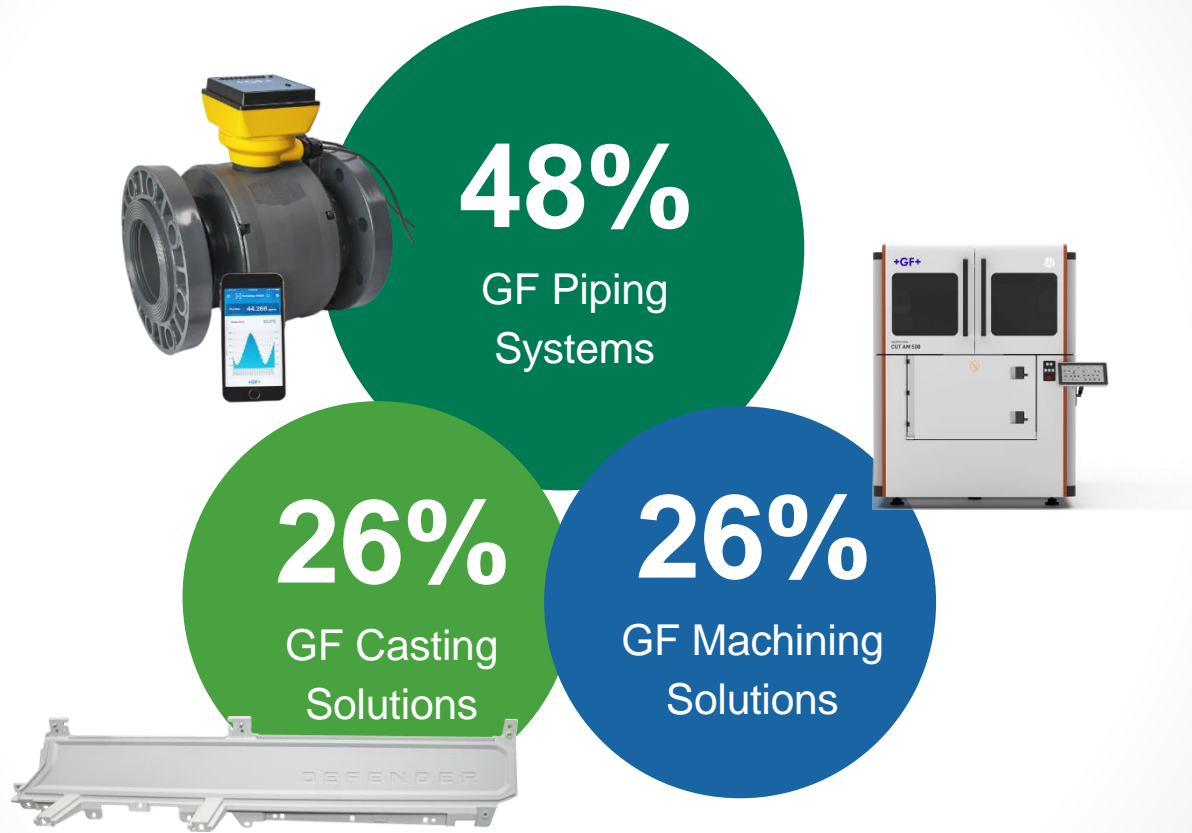
**1921**

First  
machinery



GF acquires the Machine  
Factory Rauschenbach for  
agricultural machinery

# Today GF stays at the forefront of new technologies



- Sales 2019 CHF 3.7 billion, EBIT before one-offs CHF 281 million and 14'678 employees
- Our **core strength** lies in applying **state-of-the-art industrial technologies**
- We specialize in developing **tailored solutions** to meet the **needs of our customers**
- We operate in markets with **high technology, complex processes and certification requirements**



# A global footprint with local services

Present in 39 countries



77 production sites

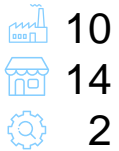


114 sales sites



10 R&D centers

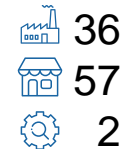
## Americas



## Europe



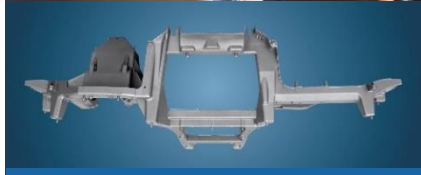
## Asia Pacific



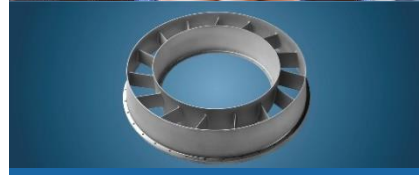
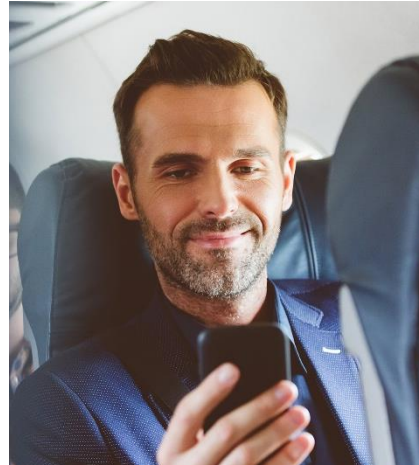
# We have an impact on every day life



6 am



7 am



9 am



2 pm

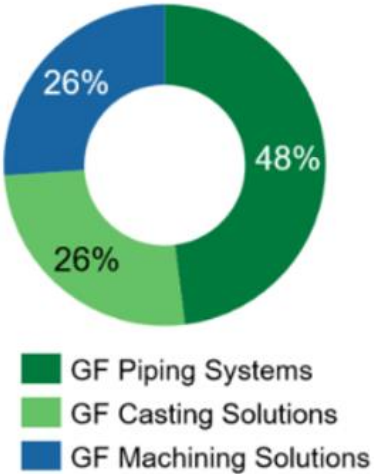


8 pm

# GF with respectable results amid market headwinds and strategic transformation of GF Casting Solutions

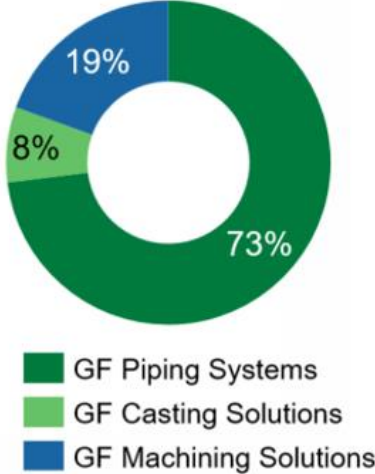
**Sales**  
in CHF million

3'720



**EBIT before one-offs**  
in CHF million

281

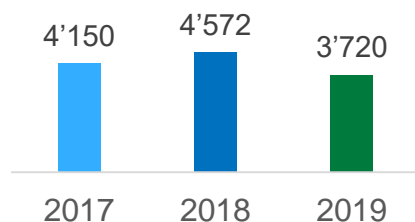


# Key financial figures – 3 year overview

## Sales

in CHF million

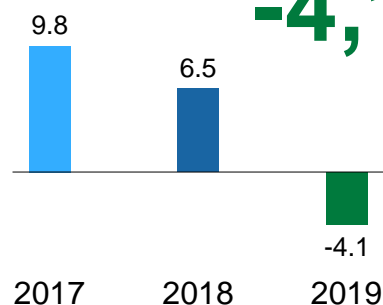
3'720



## Organic growth

in %

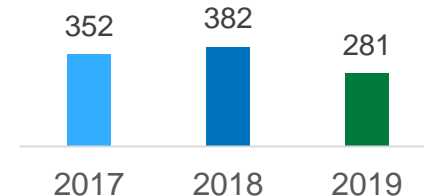
-4,1



## EBIT

before one-offs  
in CHF million

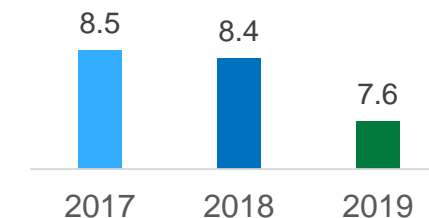
281



## EBIT margin

before one-offs  
in %

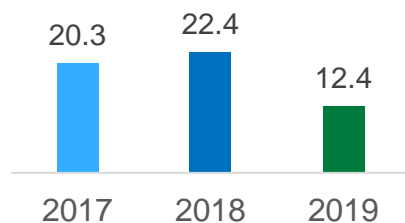
7.6



## ROIC

in %

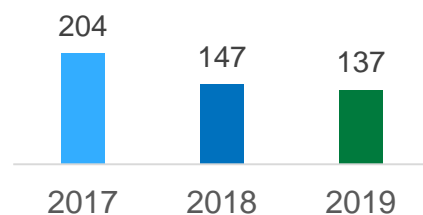
12.4



## FCF bef. acq./divest.

in CHF million

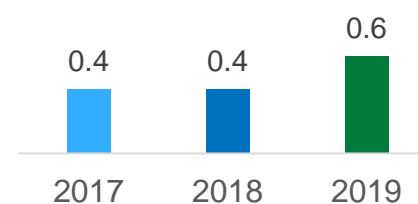
137



## Net debt / EBITDA

(multiple)

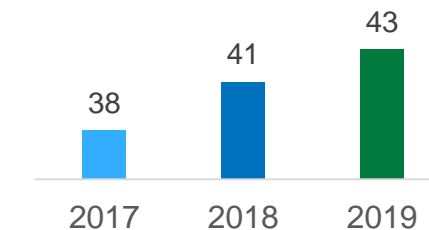
0.6



## Equity ratio

in %

43



# Strategy 2020 – Pursue profitable expansion



Widen presence in growth markets,  
adapt portfolio & footprint in Europe



Shift divisions' portfolio  
to higher margin businesses



Anchor Design Thinking / Value Selling  
in GF's culture

## Objectives



ROIC 20 - 24%



EBIT margin 9 - 10%



Annual  
Growth 3 - 5%



# Implementation of strategy on track

## Widen presence



GF Linamar Mills River (USA)



Joint Venture in Egypt

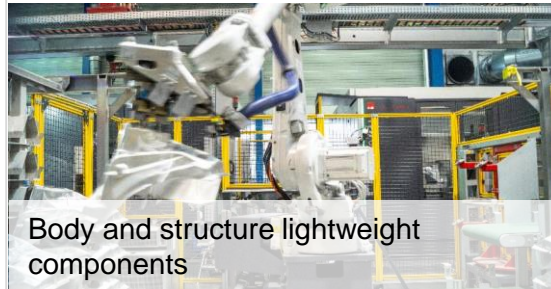


GFMS Changzhou (China)

## Higher margin businesses



Cooling



Body and structure lightweight components

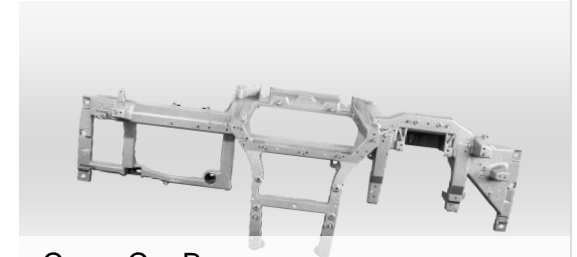


Medtech

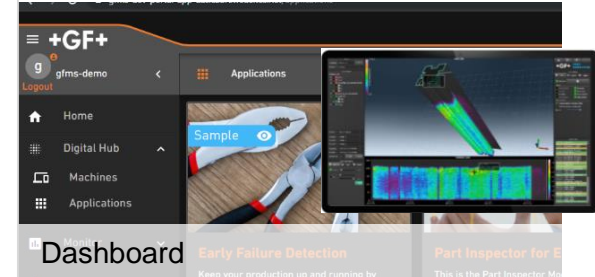
## Innovation



Hycleen 2.0



Cross Car Beam



Dashboard



**Markets are intact and fueled by  
sustainability trends**

**+GF+**



# Sustainability is fully integrated in our strategy and part of our culture



- We support our customers' success with **innovative, energy-saving solutions** to make the **collective global footprint** more **sustainable**
- In our 218 years of history, we have continuously pioneered quality and standards. Our innovations, not limited to technology, apply also to the way we **conduct our business** and **care for society**

## GF Piping Systems

Safe & hygienic transport of water



## GF Casting Solutions

Reduction of CO<sub>2</sub>-emission through lightweight design & materials



## GF Machining Solutions

Highest machining precision leads to more energy-efficient and safer components



UN Sustainable Development Goals



# Sustainability investments in production facilities world-wide ...

On site collection of **filter dust** – provided at GF site in Traisen (Austria) to the nearby cement plant for **co-processing**



**Silver certification** under the **LEED** rating system awarded in 2018 for GF Linamar site in Mills River (USA)

**Silver certification** under the **LEED** rating system to be applied for by GF Casting Solutions site in Shenyang North China, (China)



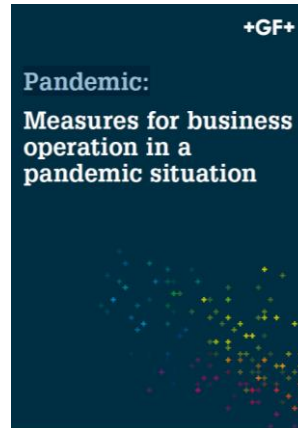
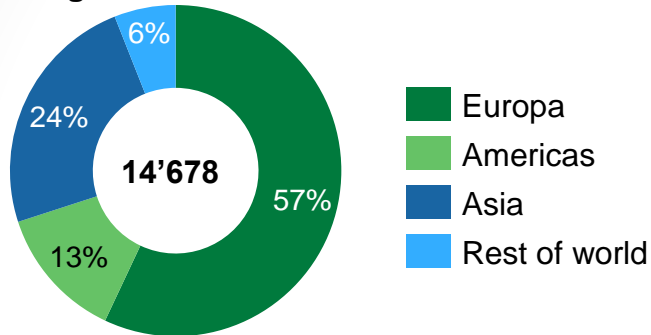
Biel building according to **Minergie standard** and **heat recuperation**



# ... and social responsibility is at the heart of GF

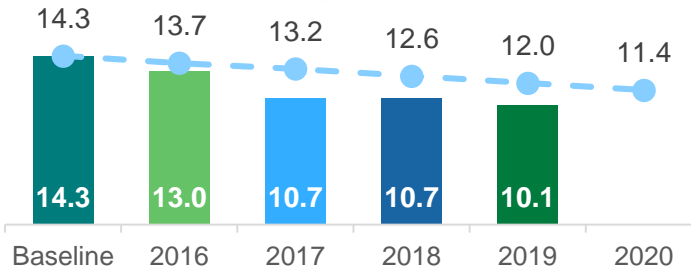
## Safety first!

Employees per region



Accident rate

(per 1'000'000 working hours)


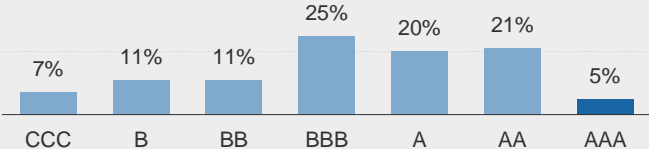





## Employer attractiveness

- Efforts to enable flexible working models and **support employees in balancing family & work**
- Continuous work on **modernizing** the production and working facilities to **create ergonomic and collaborative spaces**



# Our ESG efforts are clearly recognized by leading agencies

Rating Agency	Rating	Scale
MSCI ESG RESEARCH LLC 	AAA	
	29 out of 331 (9 <sup>th</sup> percentile)  As of January 2020, Georg Fischer received an overall ESG Ranking of 29 out of 331 companies of the global Machinery Industries and is considered by Sustainalytics to be at medium risk of experiencing material ESG financial impacts.	
ISS-oekom 	C+  "Prime" rating when among industry peers	



GF is member of SXI Switzerland Sustainability 25®

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# GF Piping Systems



# Sustainability drives business



New COOL-FIT 4.0



Data center



Today, the global energy consumption of data centers stands for **roughly 3%** of all electricity generated on our planet



**40%** of this energy is used for **cooling**

**-1/3**

This cooling energy can be reduced **by a third** when using our products

Source: ScienceDirect (Dec 2015)



# Groundbreaking customer solutions

- We are a **leading supplier** of piping systems made of plastics and metal
- We focus on system solutions and **high-quality components** for the **safe transport** of water, chemicals and gases
- Our product portfolio of fittings, valves, pipes, automation and jointing technologies covers **all applications** of the water cycle



Ball Valve 546 Pro

# Our customers



Industry

**SAMSUNG**



Pall Corporation



Utility



Gaz de France



Building Technology





# Sustainability is at the core of what we do ...



Hyclean  
Automation System



Butterfly valve



# ... and providing quality to our customers through safe and secure piping systems

WBI Weld Bead Inspection (WBI) Tool



FlowtraMag Meter





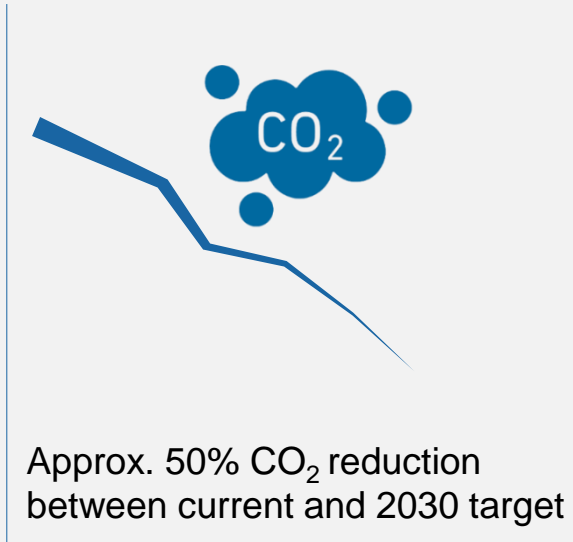
+GF+

# GF Casting Solutions



# Increased environmental regulations drive demand for lighter components

## CO<sub>2</sub> regulations EU for passenger cars



Source: ICCT Policy Update January 2019

## Lightweight cast solutions



11.8 kg

Cross Car Beam: from steel...



8 kg

...to Magnesium with new design and functional integration (Launch in 2021)

Weight reduction by 32% or **3.8 kg** per vehicle:

Reduced CO<sub>2</sub> emissions over vehicle lifetime of all produced vehicles: **648'000 t<sup>1)</sup>** or

**67%**

of the annual CO<sub>2</sub> emission of Zurich City

<sup>1)</sup> Ford F150. GF assumptions: 300'000 km lifetime over 7 years and 700'000 cars p.a.

# Driving future technologies



- We are a **technologically pioneering development partner** and manufacturer of cast and additive components for the global **automotive** industry, **aerospace** and **energy** markets, off-highway vehicles and for industrial applications
- Our highly complex **lightweight components** are produced using state-of-the-art manufacturing technologies – from the development to the ready-to-mount solution

Bearing support  
"Airbus Helicopter"  
engine





# Partnering with leading manufacturers worldwide ...



Passenger Cars



Industrial Applications



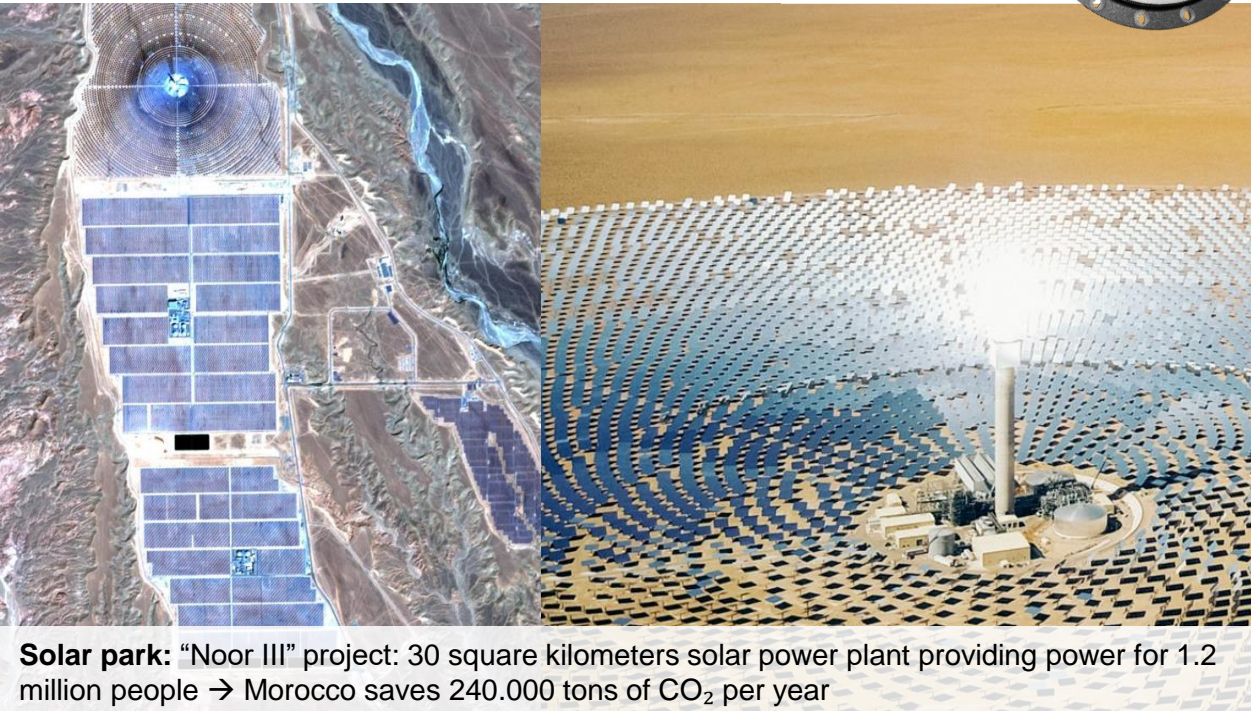
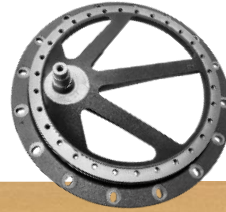
Aerospace / Industrial Gas Turbines





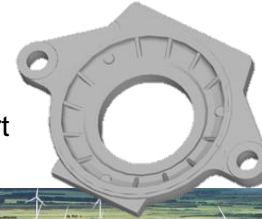
# ... and sustaining renewable energy solutions ...

Iron casting part  
Mirror Bracket



**Solar park:** “Noor III” project: 30 square kilometers solar power plant providing power for 1.2 million people → Morocco saves 240.000 tons of CO<sub>2</sub> per year

Iron casting part  
Torque plate



Crank  
arm plate



**Windparks:** Global windpark projects – on- and off-shore



# ... and innovative castings for e-mobility

- Successful partnership with emerging carmaker Aiyas (startup in the Chinese market)
- Its Electric SUV (called U5) is able to run up to 503 kilometers with one charge
- It's equipped with six lightweight structural parts (two front shock towers and four torque boxes)

Front torque box



Rear torque box



# GF Machining Solutions





# Digitalization and miniaturization increase need for precision



ML-10 Nozzle ablation



CMC Ventilation micro-holes improve performance and efficiency



CMC is 2/3 lighter with 20% higher temperature resistance

The GENx is delivering up to  
**15%** better specific fuel consumption than the engine it replaces

The GENx's emissions are up to  
**95%** below current regulatory limits, ensuring clean compliance for years to come

# Focus on digitalization



- We are one of the **world's leading providers** of complete solutions to **the tool and mold making industry** and to manufacturers of **precision** components
- Our portfolio includes Milling, wire-cutting and die-sinking EDM machines
- We offer spindles, **Laser texturing, Additive Manufacturing**, tooling and automation as well as **digitalization solutions** and customer services
- Our key customer segments are the **aerospace, ICT, medical** and traditional **mold and die** industries



# We offer our customers ...



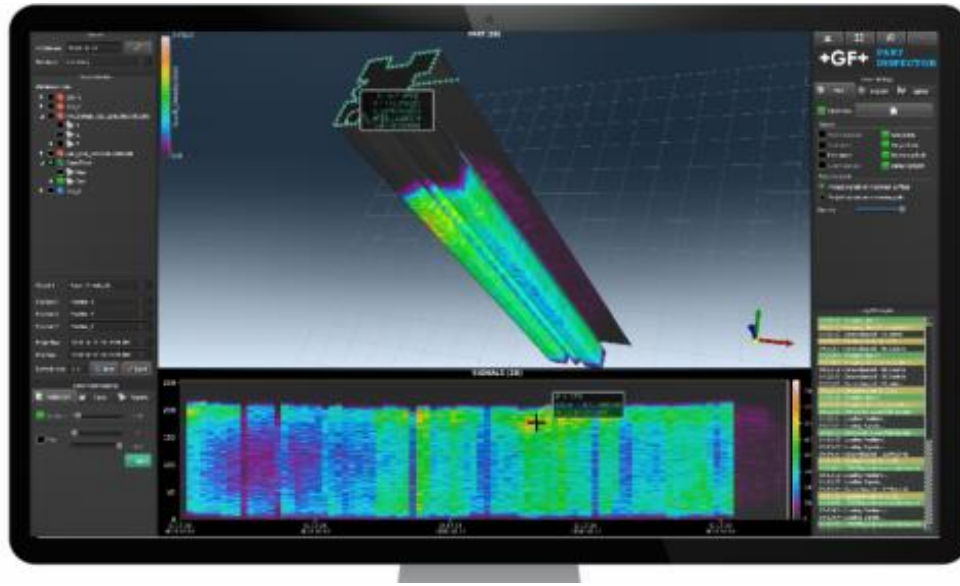


# ... advanced digital solutions based on innovations ...

Spark Track  
Innovation



5G Sensing Technology

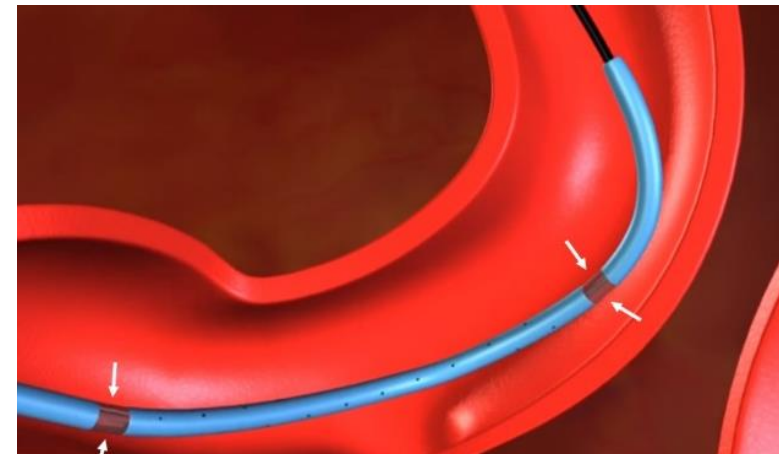
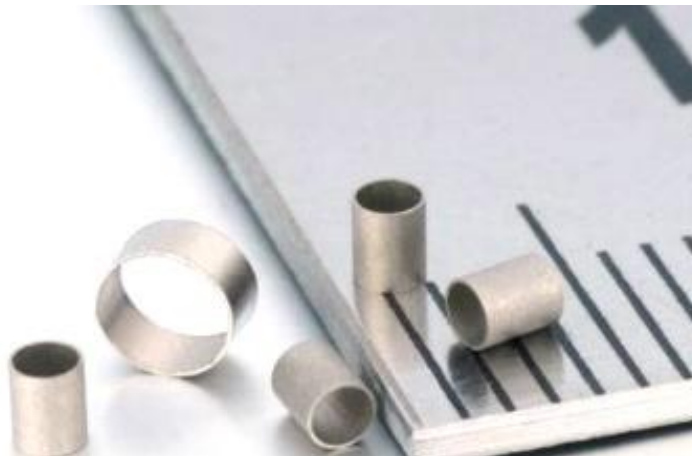


Part Inspector (EDM)



Real-Time Monitoring (Milling)

# ... and focus on new attractive market segments



**GF at a glance**





# GF's investment proposition



## **Strategy focused on higher value businesses**

widening presence in growth markets and adaption of portfolio in Europe supported by addressing new market segments



## **Products and services addressing demand of global mega trends**

global mega trends with direct business impact in all three divisions



## **Industry-leading technology provider**

with more than 200 years of industrial know-how well balanced geographical presence with a Swiss quality brand and technology with worldwide local production



## **Focus on solutions for our customers for their sustainable business**

creating value to society and contributing to a sustainable development



## **Focus on long-term value creation and return on invested capital**

value generation for our shareholders and other stakeholders

+GF+

**Thank you!**



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