

Capital Markets Day 2018



Paolo
Pompei

TRELLEBORG



Group Strategic Update

Lunch

Business Area
Priorities

12:00

Trelleborg
Wheel Systems

Concluding
remarks

15:30

12:45

Trelleborg Wheel Systems

R12 2018 Q1, SEK M

9,055

Sales

28%

of Group
sales

1,101

EBIT

12.2%

ROS

HQ – Tivoli, Italy
~7,400 employees

- A global leader in agriculture and material handling tires
- Growing niche player in construction and two-wheel tires






The tire world

Total tire market
EUR >190 B



Addressing selected niches within each segment

Our four segments

Leading position		Global	Regional
	✓	✓	
	✓	✓	
 OPPORTUNITY 			✓
 OPPORTUNITY 			✓

Opportunity – construction tires



Radial full-steel technology

Entering new niches

Addressing EUR 2.3 B of construction tire market

New



Addressing EUR 1.0 B of construction tire market

Existing



Total addressed market = **EUR 3.3 B**

Opportunity – two-wheels & specialty tires



Moto off-road



★★★★



★★★★

Specialty tires for
motocross & enduro

Scooter & Moto on-road



★★★



★

Niche position in scooter and
moto for sport & adventure

Bicycles



★



★★

Tires to suit all top bikes
and types of terrain

Selected niches within multi-billion markets

Strategic priorities

Selected segments
& geographies

Mitas
integration

Innovation & ease
of doing business

Customer
proximity

Supplementary
acquisitions

Strategic priorities

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Mitas integration

**A customer-focused
organization**

**Improved structure,
expanded capacity &
wider offering**

**Cost & sales
synergies**

Mitas integration

**A customer-focused
organization**

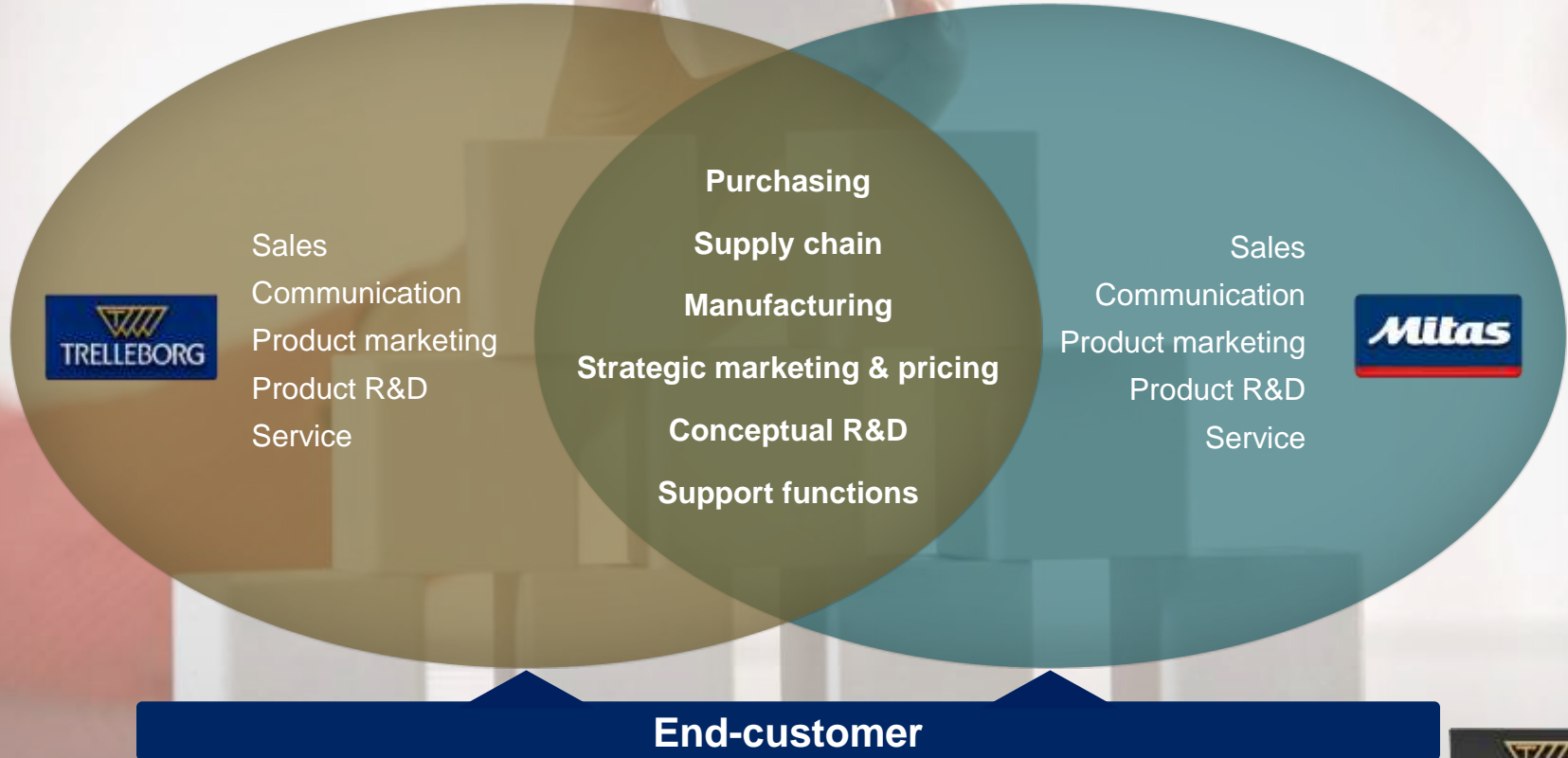
**Improved structure,
expanded capacity &
wider offering**

**Cost & sales
synergies**

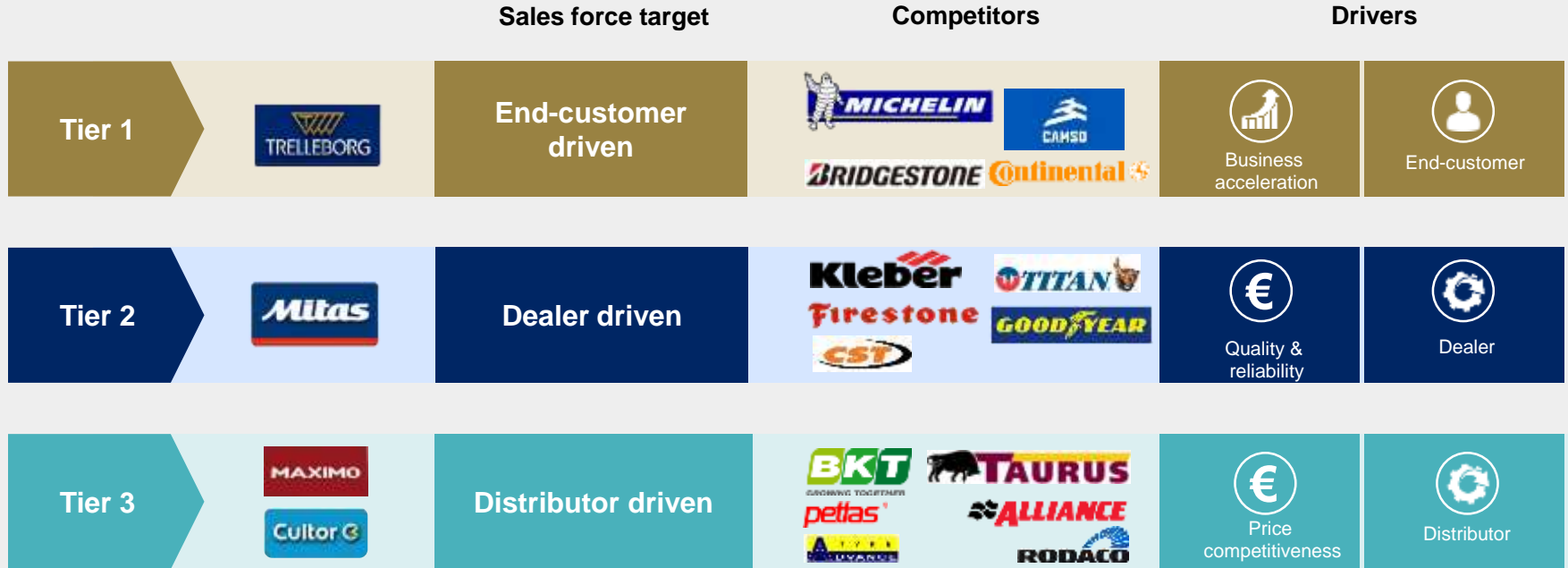
A customer-focused organization



A customer-focused organization



Brand differentiation strategy



Mitas integration

A customer- focused
organization

Improved structure,
expanded capacity &
wider offering

Cost & sales
synergies

Expansion of manufacturing capacity

Ruma, Serbia

- Capacity expansion
- Cost-efficient manufacturing
- Wider offering

ONGOING



Strengthening platform

Otrokovice, Czech Republic

- Capacity expansion
- Improved processes
- Wider offering

ONGOING



Efficient production setup of specialty rims

Liepaja, Latvia

- Cost-efficient manufacturing
- Capacity expansion and wider offering
- Supporting growth in several segments

ONGOING



Platform for growth in North America



- Leading position in material handling tires
- Leveraging agricultural tires platform
- Broadening product range
- Entering new segments
- Customized market approach

Platform for growth in North America

Multi-dimension growth strategy

Multi-brand approach



Expanded offering and reach



Business models



Mitas integration

A new customer-focused organization

Improved structure, expanded capacity & wider offering

Cost & sales synergies

Synergy extraction

Cost synergies¹

EUR ~20 M
by 2020²

+

Sales synergies¹

EUR ~10 M
by 2020²

1 Operations

2 R&D

3 Organization & HR

Strategic priorities

Selected segments
& geographies

Mitas
integration

Innovation & ease
of doing business

Customer
proximity

Supplementary
acquisitions

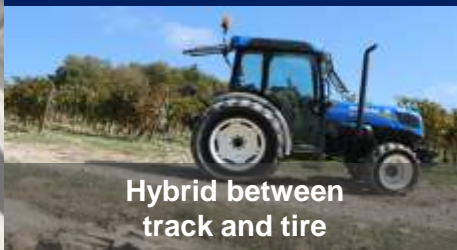
Product innovations

VIP system



The first intelligent tire

PneuTrac



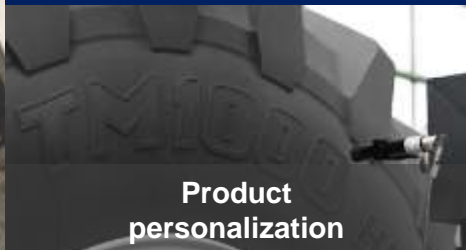
Hybrid between
track and tire

ConnectTire



Full connectivity

YourTire



Product
personalization

Brawler Soft Ride



Tough Job,
Soft Ride

ProTex



Anti-static
forklift solid tire

VIP - smart wheel solution

Improved traction and footprint

Smart and self-adjustable

Superior slope performance

Smartphone app-monitoring

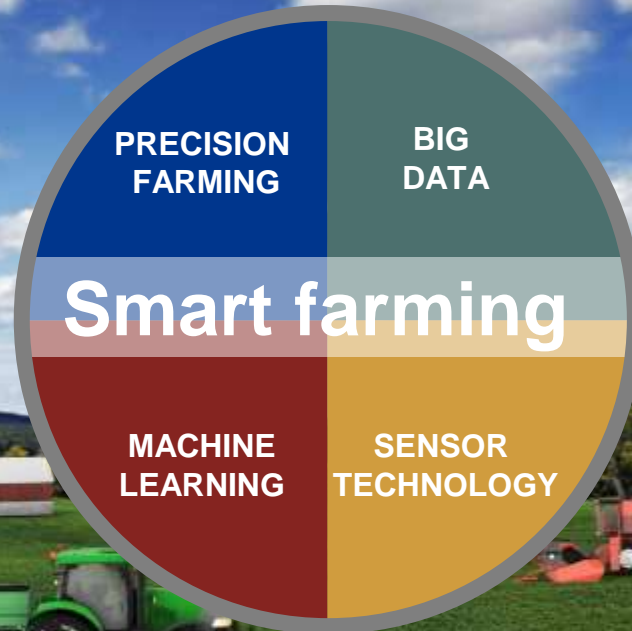


PneuTrac

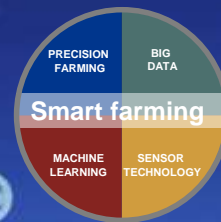
Hybrid solution between track and tire



Produce more, with less. Intelligently.



Produce more, with less. Intelligently.



TPMS¹ and slippage control

Big data integration & IoT ready

Improved control and efficiency

Embedded GPS & anti-theft system



Premium performance, with your personal touch

YOURTIRE



Brawler Soft Ride



Anti-vibration construction



Cut-resistant compound



Elliptical apertures



Ultra-deep tread



**-30%
vibration**



MAXIMUM
VALUE



MAXIMUM
UPTIME



INCREASED
SAFETY



REDUCED
IMPACT

ProTEX – anti-static solid forklift tire



Business accelerators



PRODUCTIVITY



SUSTAINABILITY



SAFETY



Innovative business models



Customer portals and online purchasing

The image displays two screenshots of the Interfit online tire replacement portal. The left screenshot shows the homepage with a large banner for "ONLINE TIRE REPLACEMENT" and a search form. The right screenshot shows the search results for solid tires.

Interfit Online Tire Replacement Portal

Homepage (Left Screenshot):

- Header: Interfit logo, Customer Service: 1-800-695-TIRE, English (US), Login, Basket.
- Navigation: INTERFIT HOME, FIND/POUR/LIFT TIRE, NATIONAL ACCOUNTS, JOIN THE PROGRAM, CUSTOMER SERVICE.
- Main Banner: "ONLINE TIRE REPLACEMENT" with the text "Order your tires here and we will come to your site to install".
- Section: "STEP 1 CHOOSE YOUR TIRES".
- Form: "Now, search for your tires EITHER by size, or make/model". Fields for "Size" (Make, Model, Size) and "Make/Model" (Make, Model, Size). A "Go to step 2" button.
- Text: "Servicing Your Industrial Tire Needs". "Interfit is the industry's leading full-service provider. Our easy to use online ordering system saves you time and money. Order online and the tires will be delivered and installed at your site." "Our goal is to make replacing tires easy. Our tire selector will help you choose the tires that best fit your needs. We have selected a variety of tire brands, giving you options including black and non-marking tires."
- Section: "3 Good Reasons to Choose Interfit".
 - Save time! Tires will be located at your site.
 - Easy online ordering.
 - Quality tires at competitive prices.
- Footer: "Find Interfit Tires", "Log In", "Service Network", "Legal Information", "Privacy Policy", "Copyright", "Terms". "Powered by TRELLEBORG".

Search Results (Right Screenshot):

- Header: Interfit logo, Customer Service: 1-800-695-TIRE, English (US), Login, Basket.
- Navigation: INTERFIT HOME, FIND/POUR/LIFT TIRE, NATIONAL ACCOUNTS, JOIN THE PROGRAM, CUSTOMER SERVICE.
- Section: "CHOOSE YOUR SEARCH CRITERIA". "VEHICLE / TIRE SIZE". "Tire Size".
- Form: "Size" (Make, Model, Size). "Make/Model" (Make, Model, Size). "Go to step 2" button.
- Section: "Search results".
- Filter: "Solid Tires".
- Results: Three tires displayed with their specifications and prices.

Tire Size	Price
18.00-24	\$ 438.00
18.00-24	\$ 438.00
18.00-24	\$ 344.00
- Section: "PNEUMATIC TIRE".
- Results: One tire displayed with its specifications and price.

Tire Size	Price
18.00-24	\$ 336.00

Accelerated customer integration

Sales automation



CRM



Equipment monitoring



Mobile apps



Big data analytics



Take-aways

Leading position in off road tires

Leveraging improved structure

Favorable industry trends

Investing more than ever in innovative solutions

Supplementary acquisitions

Leveraging our strategic priorities

**EBIT-margin
target**

Long-term target

$\geq 15\%$



Q&A