

Industrial X-Ray Systems

## Moving ahead with profitable growth based on focused market development



Stefan Moll, President Industrial X-Ray Systems

**YXLON**  
Technology with Passion

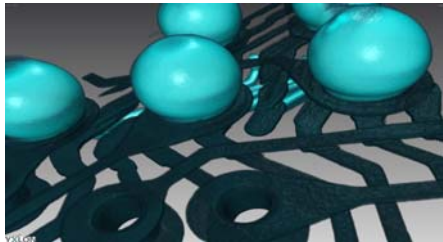
## Agenda

- 1 Relevant Market Trends
- 2 Why will YXLON Industrial X-Ray Systems be even more successful in the future?
- 3 Strategic building blocks
- 4 Core initiatives at a glance

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## Chances for Industrial X-Ray Systems in a growing market: **Miniaturization**

- Mechanical, optical, and electronic products and devices becoming ever-smaller
- Freedom from Defects in these multifunctional Objects increase productivity.

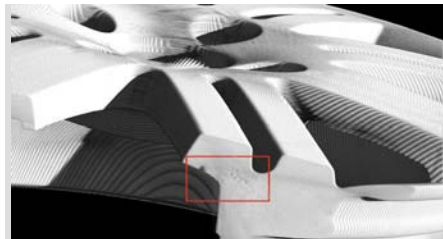


- Objects carry more and more functional elements.
- 3D structures make CT essential
- Miniaturization requires digital imaging to make structures visible

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## Chances for Industrial X-Ray Systems in a growing market: **Safety & Performance**

- More and more complex components with reduced material use
- Pushing it to design/material limits
- Request for safety in production or development process.



- Demand for 3D computer tomography and higher resolution
- Established 2D inline testing still growing (ADR, HDR)
- Mature systems make technology interesting for new applications

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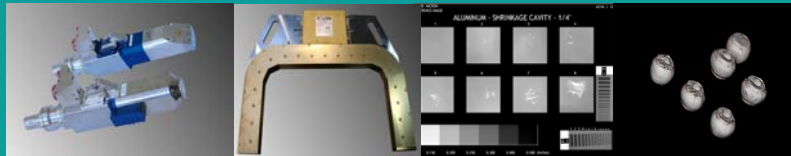
## Industrial X-Ray Systems - Our strength

Passion of our employees

Strong competence in CT, ADR, DR, X-Ray technology

Implementation in mechanics (safe, cost-conscious, efficient)

### Image chain (Tubes, detectors, image processing, applications)



Customer proximity, worldwide presence and application know how

Strong service organization

Presence in norm and standard committees

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## Why do customers choose YXLON

Customer specific application know-how

Adding value in production and R&D processes

Top brand, technology and market leader



Customer proximity, worldwide presence

Fast/ strong service organization to increase availability

Strong technical know-how, leading technology (CT, ADR, laminography).

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## Wide range of well established products

For generic applications



Standard NDT Systems



Standard Mikrofokus Systems



Standard CT Systems



Minifokus Standard-modules



Mikrofokus Standard-modules

For special applications



Tire inspection systems



Wheels inspection systems



Customized systems



Special Mikrofokus tubes accessories

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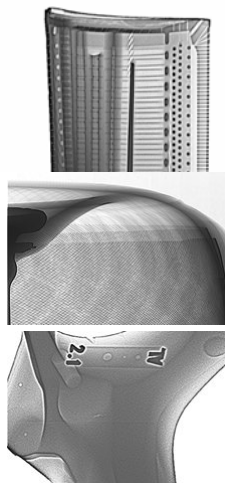
## Classical NDT applications and service remain a strong base for Industrial X-Ray Systems

### YXLON brand will remain strong in:

Tire market, wheel market, automotive foundries, high end customized aerospace applications, semicon, SMT, large size CT systems.

### Service business still growing strong

Double digit growth per year. Service revenue is 35% of sales out of Hamburg. Extend activities in US and China.



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## Leading market position worldwide



Aerospace

11% of Yxlon Business



Automotive

42% of Yxlon Business



Others e.g. Pipe & Defense

33% of Yxlon Business

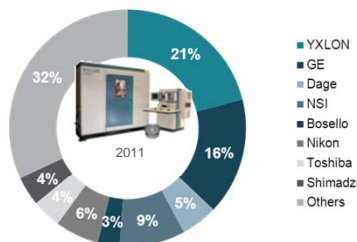


Electronic Industry

14% of Yxlon Business

Market size 2011:  
CHF 520m

Share YXLON: 21%



Based on F&S market research and own estimations

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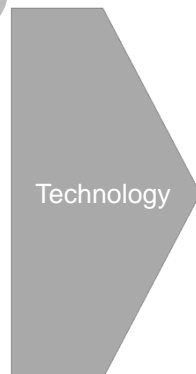
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## Extending CT options and improving professional use of 2D technology

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- Broad software know how and functionality on a common platform
- Technology leadership in FF and core business areas
- Extend computer tomography (CT) expertise and implement in the new SW platform
- Detector know how as important part of the imaging chain
- Microfocus tubes to support miniaturization trend

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## Expand market reach



Strong Growth

### Investment in front end (sales channels, marketing, service)

- Extend market reach in Japan, China and US
- Penetration; Cross selling of existing FF standard products from electronics in NDT
- Focus on single growing segments (e.g. turbine blades, 3D Composites)

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## Extend market reach in Japan, China and US

### Establish sales channel for electronic in Japan

- Implement dedicated sales force and agents
- Extension of application lab to reach potential Japanese customers first time with FF products

### Reach Japanese customers outside of Japan

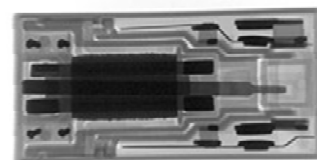
- Japanese organizations prefer Japanese contacts
- Direct sales out of Japan in Thailand and East Asia

### Extend sales reach with electronic applications on the US west coast

- Strengthen sales
- Application lab in San Jose to increase FF sales in most important US area

### China

- Application Labs in Shanghai and Beijing
- Investment in service and sales



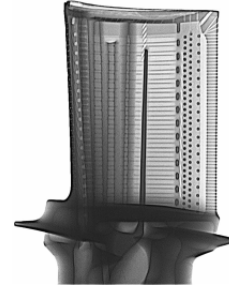
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## Business success in specific market segments: Example turbine blades

- YXLON aims to become market leader, and dedicated a business developer solely to focus M&S activities and to address this market world wide.

### YXLON value proposition

- Global player willing to fulfill customized solutions
- Portfolio of inline systems, waxmold systems and R&D CT systems
- Thorough understanding of the complex regulations for turbine blades
- Best application know how in the market, best image



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## Develop new opportunities



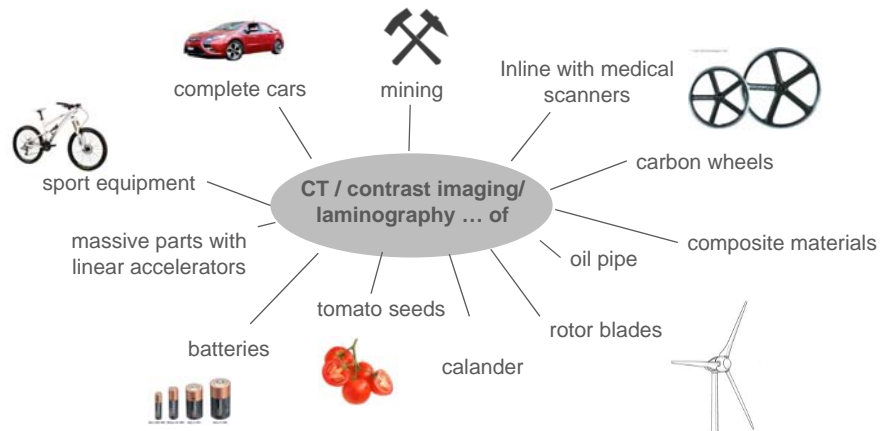
Business  
Opportunities

- Plenty of new applications / markets coming up
- Develop the most promising opportunity based on market potential ↔ not the technically most challenging
- Marketing as key for selection of these opportunities
- Additional potential to extend business to those markets after 2013

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## Wealth of opportunities, challenge to select the right one



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## Example for attractive market segment

### Composites 3D


#### Bikes / sport equipment

- Can be served with YXLON standard equipment
- Known application
- Market needs to be educated about potential of technology
- New customers / consumer involvement



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## Further improvement of profitability




Operational  
Excellence


- Focus on high margin standard products (FF, electronics, service)
- Process orientation for organizational improvement
- Platform strategy for R & D (e.g. software)
- Standardization of Tire, Wheel and Multiplex product lines
- Effective and efficient sales process (e.g. world wide CRM system)


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## Industrial X-Ray strategic building blocks 2015









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**Key Technologies**

- Technology leadership in FF and core business areas
- Extend computer tomography (CT) expertise and implement in the new SW platform
- Extend detector know how as important part of the imaging chain

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**Strong Growth**

- Extend market reach in Japan, China and US
- Penetration; Cross selling of existing FF standard products from electronics in NDT
- Focus on single growing segments (e.g. turbine blades, 3D composites)

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**Business Opportunities**

- Develop promising opportunity based on market potential; not the technically most challenging.

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**Operational Excellence**

- Improvement of profitability
- Process orientation
- Standardization of tire, wheel and multiplex product lines
- Platform strategy under development for SW

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