

EFI's 2017 European Investor Trip

A decorative horizontal wavy line with a color gradient from purple on the left to red on the right, passing through blue, green, and yellow.

Adele Genoni
Vice President and General Manager

September 13th, 2017



EFI Reggiani **digital printers** have printed fabrics for these clothes collection... and others

Our machines print for:

DOLCE & GABBANA

GAP

HERMÈS
PARIS

LOUIS VUITTON

GUCCI



INDITEX

GIVENCHY



LEONARD
PARIS

MANGO

H&M



LIBERTY
LONDON



Dezigual



UNI
QLO



Walmart

amazon

efi REGGIANI

... and more!

Digital Textile Printing

Growing market opportunity

Total Textiles
~280-300 Bn sqm



Textile **Printing** Market
~30-35 Bn Sqm



Digital Textile Market Size
~4-5% of Overall Printing Market
1.2-1.3 Bn sqm



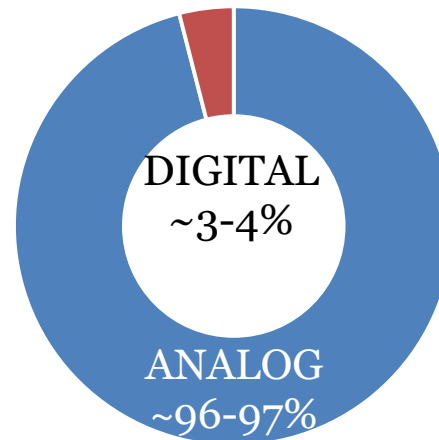
Fashion Digital Printing
~70% of Digital Printing Market
0.8-0.9 Bn sqm

CAGR:
~20%

Digital printing is the fastest growing printing technology in the textile market

FASHION

Est. Printing Analog/Digital Share

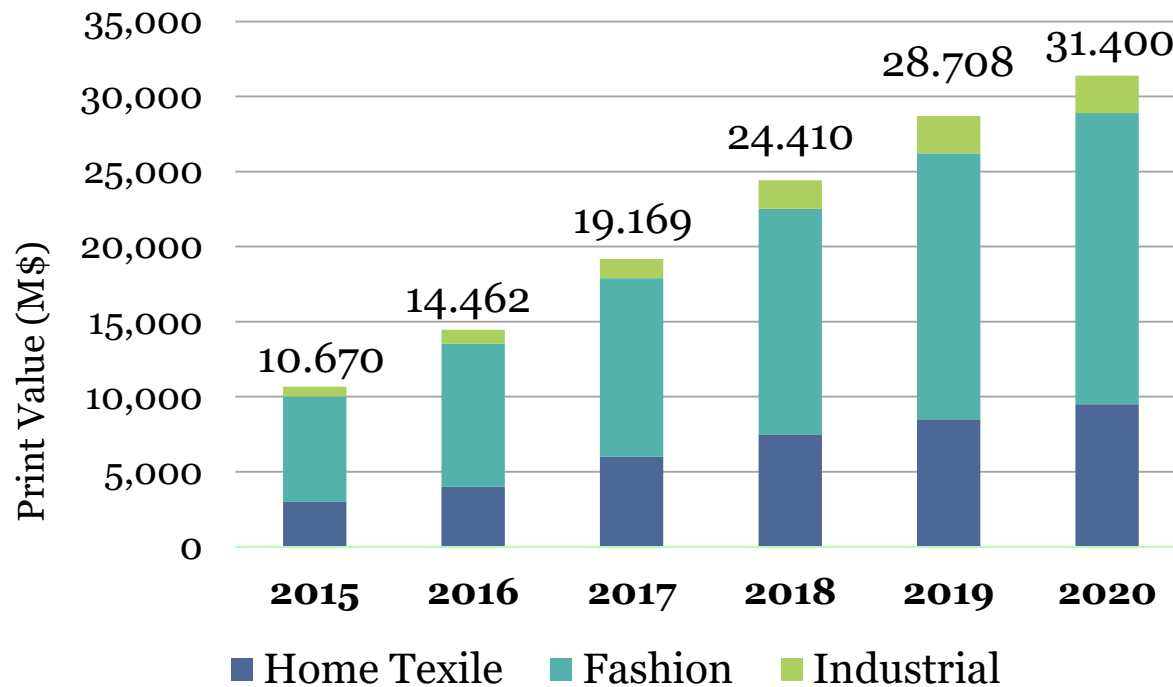


Digital is at this time about 3-4% of all printed textiles consumed by the Fashion industry, reaching **~13%** in the **Fast Fashion** segment.

*Source: EFI elaboration from main market researches
(IT Strategies, InfoTrends/KeyPoint, Smithers Pira, etc.)*

2015 – 2020

Digital Textile by Application

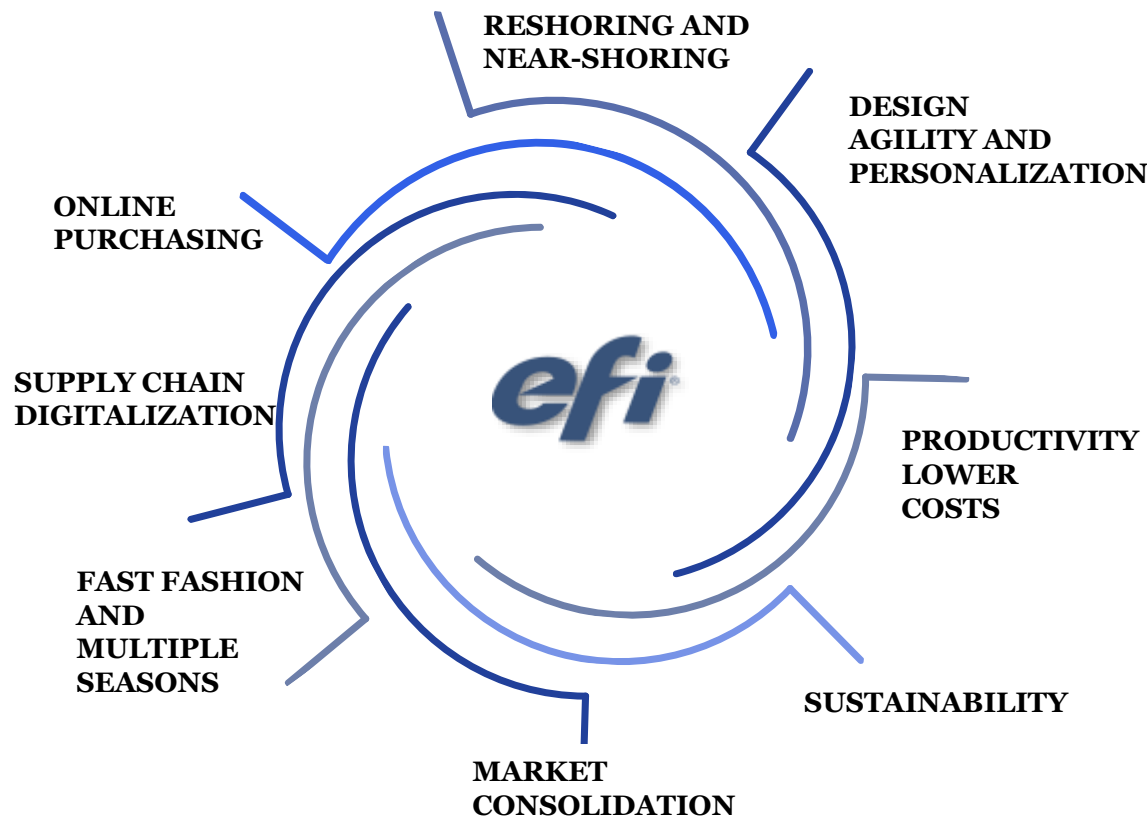


Data source: April 2017



- **Fashion** continues to dominate all applications in terms of print value in Digital, that enables
 - faster fashion seasons
 - greater localization
 - flexibility in design
- **Home**
 - ~25% of overall printed textiles globally in terms of sqm
 - space for further growth and conversion
 - critical role will be played by Pigment to make this segment once more reliable and cost effective
- **Industrial** is expected to see strong growth from a small base, even if with fragmented usage

Textile Market Transformative Vision 2020



The voice of our Customers

- “**Fast fashion** will represent 50% production in the next 1-2 years” SCR (Italy)
- “We need to have **green processes** since our industrial area is not allowing water waste” High Fashion (China)
- “I need to turnaround jobs of 5.000 meters in 5 days. My Customers demand **faster turn around time**” Satinskin (Portugal)
- “Our business growth is based on design agility and **customization**” Colorado (US)



The future is demanding

The digital transformation is in progress

BETTER



FASTER

CHEAPER

In the past, you only needed two out of three to be competitive
Now, we need all three just to be in the game, plus many extras



Why Digital Printing?

The Value Proposition

- Very **short run** and up to long runs cost effectiveness for some applications
- From 2 months down to **2 weeks lead time** to market
- Unique opportunity in **saving fabric waste** (pattern making /nesting)
- **Green(er) manufacturing**: water consumption, power consumption
- Better, richer, wider **color gamut** reproduction and smooth transitions
- Richer and more **detailed design**
- **Close** to the market/distribution centers, and better inventory management

EFI Reggiani at a Glance

Global Leader in **Innovative Solutions** in the textile world

- **70 years of Industry Leadership** moving forward serving our Customers with an incredible strength of our products
- **Made in Italy:** in the heart of Fashion, with EFI technologies
- **Master of Know-how** and **Expertise** in Textile
- **Innovation in Green**
- **Technical Support** Centers all over the World

Running worldwide **600+ digital** and **2.500+ analog printers**
and nearly **1.000 tons of ink** sold in **40+ countries** worldwide

Loyal customers with **10+ printers in each factory** in EU, US, China and India



EFI Reggiani Brand Heritage

Since **1946 Master of Know-how** and **Expertise** in Textile



Manual Printing
(1946)



First Printer
(1958)



First Digital Printer
(2002)



First Ink Sale
(2010)



BERGAMO – IT



External WH – IT

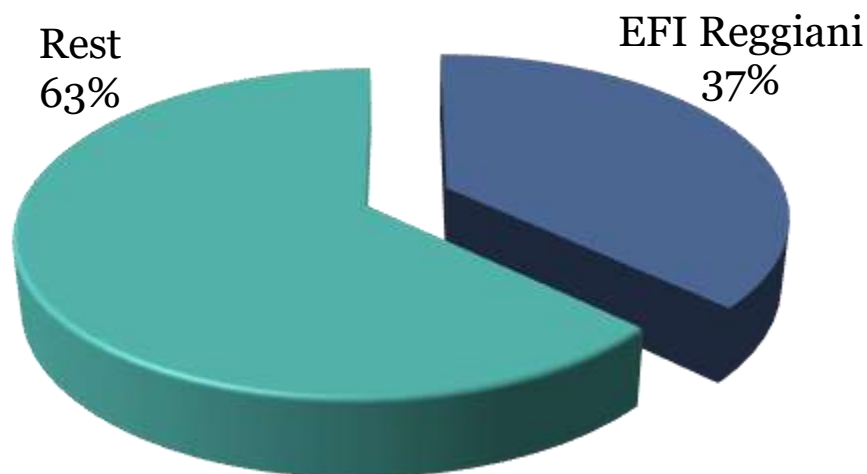


Textile Ink– UK

The value of EFI Reggiani

n.1 WW Leader Brand in **Productivity** by market research leader companies

Share m² printed (digital)
EFI Reggiani ranking: 1



EFI-Digital Textile Ecosystem

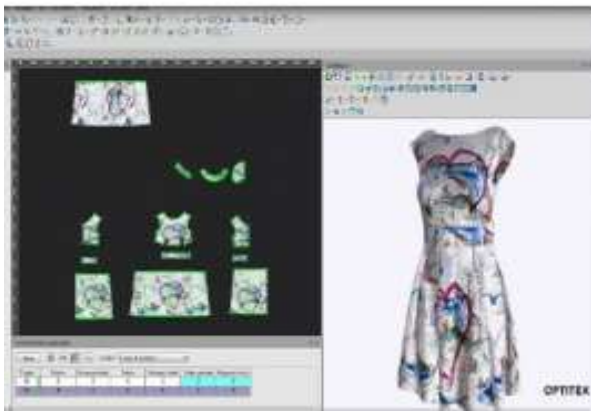
Green Factory of the Future

Close to final consumers, close to distribution center or online e-commerce

efi | OPTITEX

efi | **fiery**
efi | **GENERATIONDIGITAL**

efi | REGGIANI



Virtual Garment
development
Design Model
3D-2D CAD

efi | REGGIANI



Fabric
Printing

Piece
Printing

Cutting

Sewing

The Value of EFI Reggiani

EFI Digital Textile Ecosystem



Printers



**Water-based
Inks
& Chemistry**



**Pre and Post-
Treatment,
Dyeing Lines**



**Digital Front
End**



**Productivity
Software**



The Value of EFI Reggiani

Solutions for all applications

Fashion



Home Textile

Soft Signage



EFI Reggiani machines are printing with any kind of fabrics

Our 3Y Strategy



Innovation in Fashion

Lead in Performance

Profitable Growth

Green Ecosystem

Team Enhancement

A woman is shown from the waist up, wearing a strapless, floor-length dress with a vibrant floral pattern in shades of yellow, pink, and purple. She is looking down and slightly to the side, with her hands resting on her hips. The background is a plain, light gray.

What is our case for success?

- **Lead in Performance**
- **Full Green processes**
- Product Development Roadmap
 - New Digital line up
 - Pigments
 - Green Chemistry
 - Green Process
 - EFI Smart Cloud
 - Color Management
- **Productivity and attractive ROI** for Customers
- Reinforce Key Markets **Local Presence**
- Leverage our strong brand to **reach Key Accounts**

The Digital Innovation Open House tomorrow

Presenting the newest digital printers in action in EFI Reggiani Demo Center together
with the **whole range of innovations for 2018**

more than 100 participants: customers + agents



EFI Reggiani FLEXY

New industrial textile printer with the performance and printing results of larger EFI Reggiani printers

- Make getting into the industrial printing segment easier
- Can print on the widest variety of fabrics
- Optimal performances and printing results
- Go app/EFI Smart Cloud
- Easy to use



EFI Reggiani **VOGUE**

The most innovative printer born to revolutionize the printing business

- Smaller footprint on a single block
- New electronics & ink system
- More environmental conditions tolerant
- Go app/EFI Smart Cloud
- New ergonomic look



Fiery proServer for textile

NEW!



- Digital front end (DFE)
- High-performance RIP and workflow
- Professional color management solution
- Textile production tools such as Textile Step and Repeat, and Shrinkage Correction
- Dedicated EFI™ hardware for maximum productivity

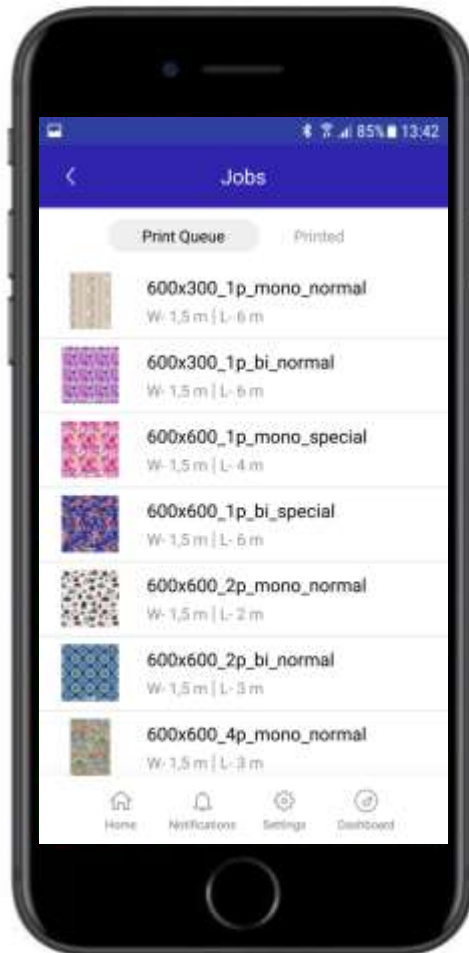


EFI Smart Cloud for industrial textile

EFI GO!

COMING
SOON

Carry your factory in your pocket or view it at your desk



- Real time factory monitoring
- Printers status and productivity
- Monitor the print queue and history of printed jobs
- Check speed and ink tank levels
- Advanced costs monitoring
- Receive alerts
- Predictive maintenance



EFI GO!

Digital Ink Product Offering

A full range of Water-Based Inks

- reactive
- dye sub
- direct disperse
- acid
- pigment

**1.000 tons of ink sold
in 40+ countries
worldwide**





*Reduce
consumption and
minimize
environmental
impact*

2017 -2020 Innovation in Green

Green Factory of the Future

Our strategy is to develop
complete
Green Processes

- Water based inks
- No or little water
- No harmful chemistry
- No waste of substrate
- Lower energy
- Lower pollution

Field service coverage



Building customer relationships through a worldwide network

**EFI REGGIANI offer direct support globally
as well as a wide range of locally tailored services**



Quick reaction
times

Technologi-cal
assistance

Intimate
knowledge of
individual
markets

Support of
technical
experts

Customized
services

Logistic
facilities and
processes

Spare parts
supply and
distribution

Local language
support

Customer Experience

A feedback from the field



Surveys: 50 clients in 22 countries representing 30% of total installations.

Best judgment: technicians with high knowledge, quick and clear

	Overall Satisfaction	Likely to recommend	Response time	Sense of Urgency	Resolution timeliness
EMEA	8,7	8,2	7,4	7,3	7,4
APAC	9,7	9,7	7,5	7,7	7,5
LAM	9,3	9,8	9,5	9,7	9,8
NAM	9,2	9,4	9,2	9,2	9,2

Optitex



2017-18 Team enhancement



- **Strong know-how** and **Expertise** in Textile:
Mechanical, electronical, software, automation, color management, I-Cloud,
- **A growing team** to continue to support the growth
On 2017, investing in nearly +10% hirings
- Cultivate  values
- Talents development with Career Path plan
- Succession plan to assure competence transfer

IF YOU CAN DREAM IT, YOU CAN MAKE IT!

Culture of **SPRINT** 

Self-Starters

Passionate

Relationship Builders

Innovative

Nimble

Transparent





Questions?

Thanks
for your
attention!