

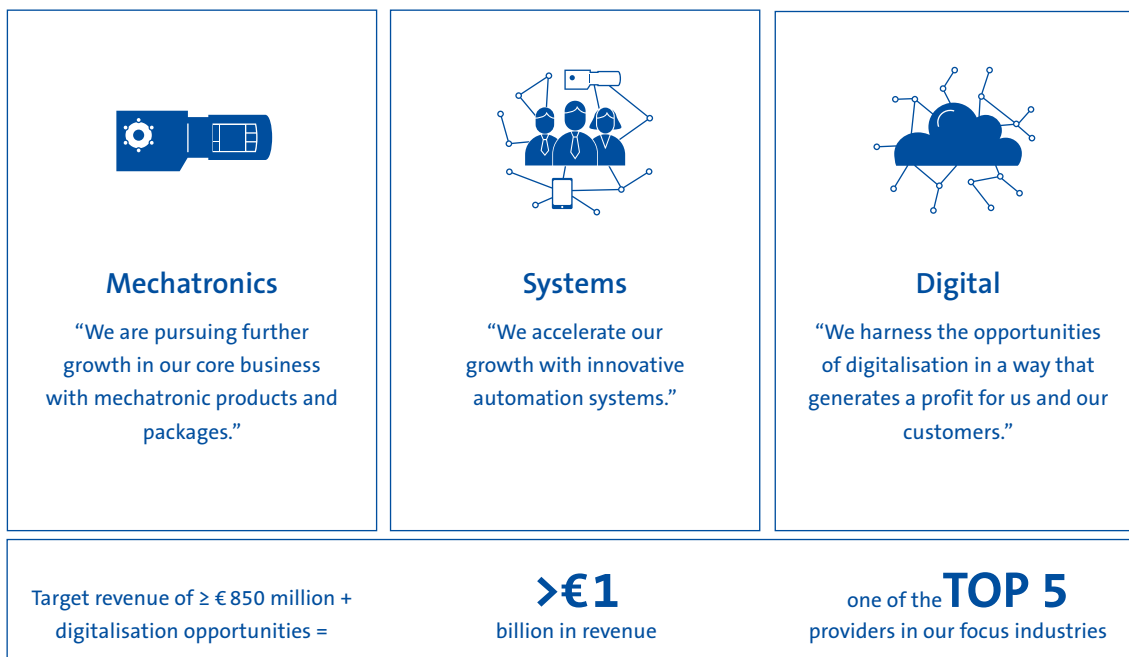
# Lenze 2020+ – our corporate strategy



For over 70 years, the Lenze Group has focused squarely on the needs of its customers and its markets. Our 2020+ strategy will help us successfully maintain and refine this focus in the future. The objectives and measures contained within this strategy are based on our vision: “The best machines and production facilities around the world use Lenze.”

Our strategy is anchored in the three pillars of our business model. We are building on our existing strengths: mechatronics – our successful product business –, automation systems and solutions, and digital services. At the same time, we are emphasising the five focus industries in which we have the most expertise and the best market opportunities: automotive, consumer goods, converting and printing, intralogistics and textiles.

## Our strategy is based on three pillars



Our aim is to inspire our customers in all three pillars with our innovative digital services, with our engineering expertise and with lean value-added processes and systems. We see the move to digital in particular as the greatest opportunity for our company to position itself for the long term, to maintain its growth trajectory and to create space for the development of new and promising digital business models to supplement our existing core business.

## One strategy, many voices, one goal: driving innovation from a customer perspective

Our strategy is backed by 3,700 Lenze employees across the globe. It was their support that has enabled us to once again exceed our targets during the 2017/2018 financial year. The 2020+ strategy impacts on all areas of our business and affects all Lenzians equally. Selected voices from the Lenze world explain what the strategy means for Lenze and how it is brought to life. Happy reading!



“We have set ourselves some ambitious goals in our 2020+ strategy in order to maintain our success and deal with the constantly changing challenges of our markets. To achieve these goals, the entire Lenze workforce is pulling in the same direction. Open-minded, curious about new things and eager to learn, we will take responsibility for the Group's growth which is both profitable and creates added value for our customers.”

**Christian Wendler**, Chief Executive Officer Lenze Group

“Lenze has steadily evolved over the last few years. This is most apparent from our approach, which is focused squarely on the market and thus on the needs of our customers. While we mainly emphasised our core competencies in technology, product development and application in the past, it is our wide-ranging applications expertise in addition to these strengths that sets us apart today. Our specialists create the best solutions together with our customers around the world. This brings our strategy 2020+ to life and paves the way for us to continue reinforcing our market-leading position in the automation market in the future.”

**Christian Eberhard**, General Manager Lenze Sales Europe GmbH



“Lenze is built on a very solid foundation. Since 2011, we have succeeded in increasing our revenue by around 25% to € 741 million. At € 65.7 million, our earnings before interest and taxes (EBIT) were some 60% higher than eight years ago. With a gross cash flow of over € 62 million in the 2017/2018 financial year and a consistently high equity ratio of 67% as at 30 April 2018, Lenze is well placed to maintain its successful growth following the implementation of our 2020+ strategy.”

**Dr. rer. soc. oec. Yorck Schmidt**, Chief Financial Officer Lenze Group



“Our 2020+ strategy reflects an integrated approach. It is the basis for a platform strategy in which we view products in a global context. Instead of developing products in or for individual countries, we can easily adapt our standard platform to meet the requirements of different markets and to cater for the special needs of our customers – whether they are based in Europe, the USA or Asia.”

**Davide Cesaretti**, General Manager Lenze Drives GmbH



“At Lenze, digitalisation is about much more than technology. For us, digitalisation means making life easier for our customers and accelerating our work processes. We see digital technologies as a means to an end because it is essential that we develop an even better understanding of our customers by analysing and understand their end-to-end processes in detail. This will enable us to provide customised solutions that create real added value and make us even more attractive to our customers.”

**Gerd Schüler**, Head of Digital Transformation & Intellectual Property Rights



“Our portfolio is tailor-made for mechanical engineering companies seeking to bring highly flexible, intelligent, networked machinery combined with the right digital solutions to the market as quickly as possible. As a reliable partner, we accompany our customers on their journey to Industry 4.0 and support their digital transformation. Our innovations offer them specific benefits, as our prefabricated components and digital engineering process make it easier to manage the complexity of technology.”

**Frank Maier**, Chief Technology Officer Lenze Group



“Even after 18 years in the software business, I feel a pioneering spirit permeating our industry today because there is an incredible amount happening in all sectors as a result of digitalisation. And I am greatly looking forward to harnessing all of this positive energy to generate new business with my existing and future colleagues in the Lenze organisation.”

**Christoph Ranze**, Managing Director encoway GmbH

“For us, intuitive automation means developing machinery as efficiently as possible by making it as easy as possible for our customers to deal with multifaceted issues such as automation and digitalisation. The key to this lies in our consulting expertise. Our 'brainware' is our greatest asset and provides a foundation for our clear growth trajectory in the system business. Our world class combination of scalable hardware, modular software and consulting expertise in engineering and digitalisation enables us to support our customers throughout the entire development of their machinery. This adds genuine value for our customers and is a key factor in Lenze's success.”

**Martijn Theunissen**, Head of Application & Support



“The Lenze Group’s digital business has embarked on an exciting journey. We would like to invite all of our colleagues worldwide to join us in shaping this journey. I am very much looking forward to working with you over the coming weeks, months and years. Our relatively new digital innovation laboratory DOCK ONE will play an important part on this journey as it is a space for open-ended experimentation and an opportunity to be bold in trying things out even knowing you might fail. We’re bringing a new culture into the world of Lenze that can and will create something exceptional.”

**Klaas Nebuhr**, Vice President and Co-Founder encoway GmbH



“We want to accelerate our international expansion together with our customers. And business in the automotive and intralogistics sectors in particular is very international. Our customers go where the market is, and where the demand is. We follow – with the required organisation. Highly focused, with the best specialists and the right approach for our customers. This will benefit both our customers and ourselves – consistently and in the long-term.”

**Joachim Hanke**, Head of Sales Focus Industries (Automotive & Intralogistics)



“Thanks to the 2020+ strategy, all of us in Operations are now adopting a more ‘outside-in’ thinking. Our engine strategy and our manufacturing and process footprint is all about working globally in interdisciplinary teams to develop best practices, to test them and then implement them as efficiently as possible. As a result of the close collaboration between our plants in China, Austria, France and Germany, the first successful best practices are already emerging. These could include support by robots, for example, driverless transport systems or IT solutions.”

**Dirk Watzke**, Managing Director Lenze Operations





“Our operations are the backbone of our business. The primary focus here is on our customers and their individual reliability and quality requirements. We have made a commitment to operational excellence to ensure we can live up to these expectations. This means optimising our global supply chain and internal production processes in accordance with the lean philosophy. One of the most important strategic issues at present is the forward-looking Mechatronic Competence Campus (MCC) project at the Lenze site in Extertal. By developing the MCC, we are creating a control unit for a ‘digital factory’ that not only meets the highest standards according to lean criteria but will also play a leading role in integrating Industry 4.0 solutions.”

**Jochen Heier**, Chief Operating Officer Lenze Group

“Establishing an appropriate organisational structure is vital in enabling us to react to the dynamic nature of our business environment, markets, and new competitors and technologies. As a result, a key element of our strategic work at Lenze is developing our greatest asset – our employees. This is also integral to our self-image as a family business that always focuses on people. As part of our 2020+ strategy, we are investing in training and continuing professional development and creating greater scope for innovation. We are boosting the entrepreneurial spirit of our employees, expanding interdepartmental collaboration and focusing on ideas, not hierarchies.”

**Ralf Klemme**, Director of HR Lenze SE



“Working on projects with customers is most enjoyable when you see that the customers are influenced by our enthusiasm, by our collaborative approach, and by the way we value them as equal partners. We find that this breaks down hierarchies and helps spark new ideas. We have been working with Lenze for about two years now, using the Agile methodology, and have watched this spirit, which permeates the Lenze Group, continue to grow unabated.”

**Sebastian Behnen**, Head of Project Development encoway GmbH

