

**Georg Fischer
has potential**

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Kurt E. Stirnemann

CEO, Georg Fischer

Technology Day 2005

Innovation: the investor's dream



A handful of creative fanatics and a couple of million in start-up capital generate hundreds of millions in a short time.

Innovation: the industry reality

Creativity combined with discipline:
mixing oil with water.

Innovation seeks risks;
managers and investors hate
surprises.

A basic idea goes through many
stages of industrialization:
incubation periods and setbacks
call for patience and staying power.

In the short term, know-how is
generated; cash comes (a lot) later:
“time to market” is important for
technology-driven investors.



Innovation: the human factor



Innovation emerges from crises:
liberation instead of fear.

Concrete plans release creative
energies.

The courage to try something new:
not solving old problems, but
exploring new opportunities.

Innovation requires a setting:
make people “walk the extra mile”.

The inertia of the tried and tested:
“experts” as obstacles.

The reasonable man adapts himself to the world; the unreasonable one persists in trying to adapt the world to himself. Therefore, all progress depends on the unreasonable man.

George Bernard Shaw

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Challenges: Continuous innovation process



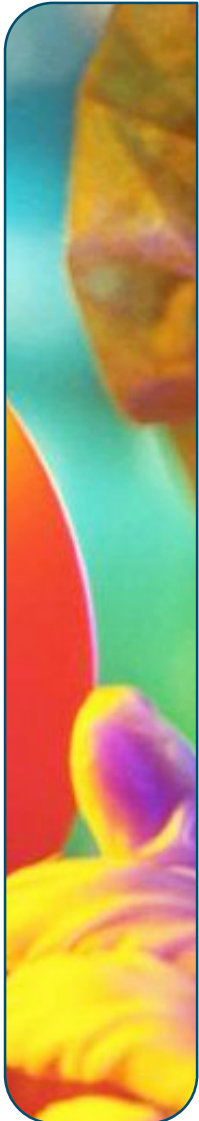
Since 1864



Since 2004

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Challenges: Leading people down new paths



Strength is born of action

- Set **ambitious objectives**
- Launch **projects**
- **Trust** in people
- Demand **results**
- Develop **talents**

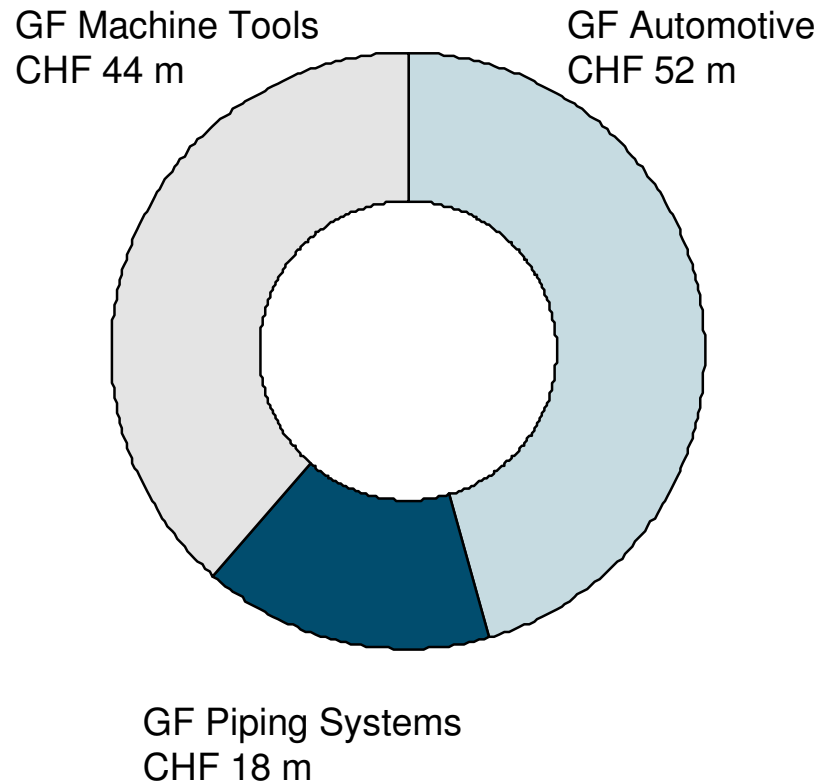
Challenges: Concrete projects release creative energies



- Maintain technological lead (e.g. high-performance machining)
- Development partnerships: market-driven innovation (e.g. the 3-litre car)
- Growth programme “Managing for Growth”: spirit of urgency

Challenges: Mobilizing resources

Spending on research and development in 2004: CHF 114 m (3.2% of corporate sales)



- R&D **staff** 2004: about 500 (4% of all staff)
- over 750 **patent families** (3,000 patents); on average 40 new applications per year
- **Training programmes** in each Group
- Over 100 **executives** attend corporate management training every year
- Marketing for **young talent** in higher education
- Partnerships with **higher education** und **research institutions**

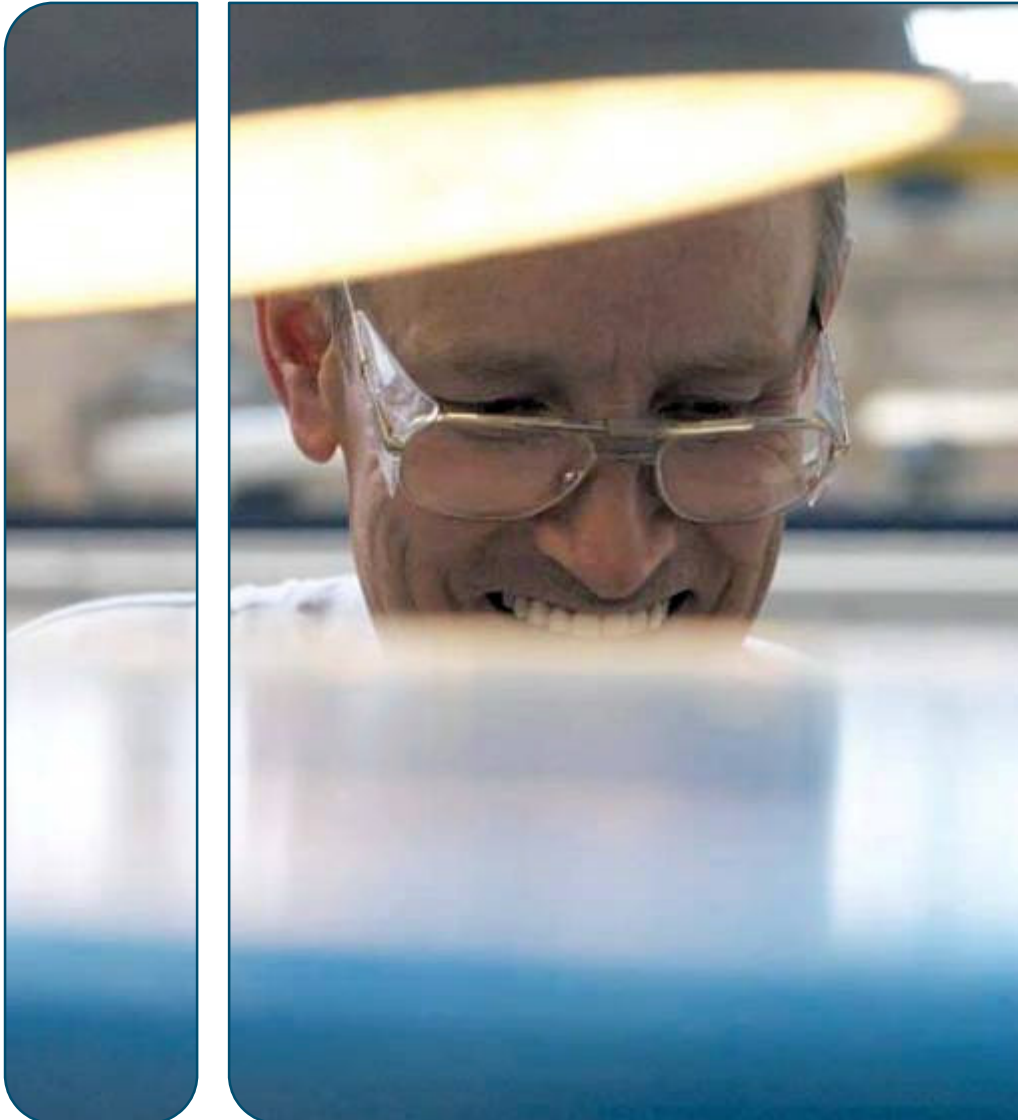
Development priorities GF Automotive



- innovative materials solutions
- improved methods
- optimized processes

GF Automotive has decisive competitive advantages as a **development partner.**

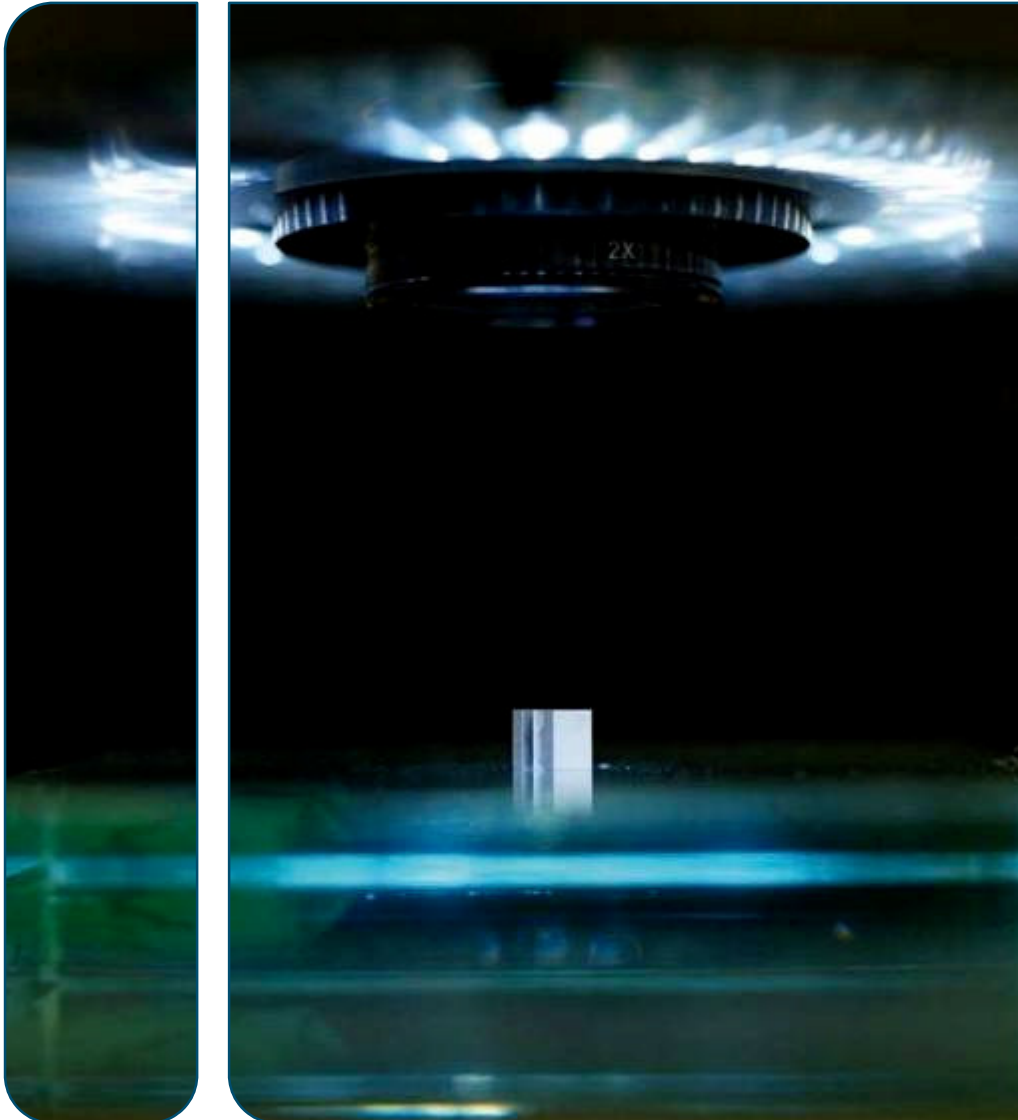
Development priorities GF Piping Systems



- Jointing technology
- Flow control
- Synthetic materials

GF Piping Systems offers
application-driven **solutions**
for **water and gas** worldwide

Development priorities GF Machine Tools



- High-speed milling machines
- Automation
- Miniaturization
(electrical discharge machining)

GF Machine Tools (Agie Charmilles Group) is a world **leader** in high-performance machining (EDM/HSM).

Georg Fischer has potential

“Thanks to technological competence and innovation projects, Georg Fischer is well equipped for the future.”

Kurt E. Stirnemann
CEO, Georg Fischer



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