**PRESS RELEASE**

**Mex, Switzerland, December 1st, 2021**

**BOBST takes measures to maximize product availability and announces new procurement decisions impacting equipment and spare parts pricing.**

A wide range of factors, including rising material cost, freight transportation, supply-chain disruptions, and the tightening labor markets are impacting the packaging industry and all industry stakeholders.

BOBST procurement and supply-chain functions have conducted a detailed analysis to help maximize availability for converters across the globe. Although BOBST has conducted quarterly or even monthly business reviews with suppliers, additional measures were necessary in the face of highly volatile and rapidly increasing prices of raw materials:

* Raw material used for machine frames and components has increased far beyond projections. The price of hot rolled steel plate hit record prices in July 2021 and has increased by 119% since January 2020. Cold rolled steel plate has increased in price by 126% (1)
* Structural sections and beams have increased in price by 91%. Aluminum alloy by 75% and copper by 65% (1)
* Raw material usage for mechanical components (LLDPE Resins, nickel, polyurethan, etc.) has increased by more than 40% since September 2020 and materials used for commercial parts (belt, chains, lubricants, rolls, etc.) have increased on average by 9% (1)
* Freight prices have also increased since August 2020 – sea by 216%, air by 200% and road by 5% (1)

Based on the above circumstances and to maximize product availability, as of January 1st, 2022, across all countries, a price increase of up to 5% on BOBST machines and related peripherals and an average of 5% on spare parts will be rolled-out.

“According to various sources and analysts, the significant disruption of production will continue to impact pricing and logistics in 2022,” commented Jean-Pascal Bobst, CEO of Bobst Group. “It’s unfortunate for the industry but we have to reinforce our supply chain, parts delivery and logistics which now results in these pragmatic measures to ensure supply availability.”

BOBST`s local sales representatives will ensure that all customers will be informed individually to provide transparency, as we are all impacted by these structural circumstances.

(1) BOBST procurement data

**About BOBST**

We are one of the world’s leading suppliers of substrate processing, printing and converting equipment and services for the label, flexible packaging, folding carton and corrugated industries.

Founded in 1890 by Joseph Bobst in Lausanne, Switzerland, BOBST has a presence in more than 50 countries, runs 19 production facilities in 11 countries and employs more than 5 600 people around the world. The firm recorded a consolidated turnover of CHF 1.372 billion for the year ended December 31, 2020.

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