**PRESS RELEASE**

**Mex, Switzerland, 11th June 2021**

**BOBST reflects on global economy challenges and announces new procurement decisions to ensure customers have access to new equipment, spare parts and consumables.**

Post COVID, economical global GDP is expected to rebound by +5.1% in 20211. This growth drives high demand for raw materials across various industries. In addition, bottlenecks in the global supply chain remain as high as during the peak of the pandemic.

In these circumstances, raw material for the packaging industry as well as some key materials required for the production and maintenance of equipment, including standard components across electronics, electrical, bearings and consumables, are in short supply generating longer lead times and prices increases. The price of hot rolled steel plate hit record prices across all exchange markets, increasing by more than 120% over the last 3 quarters 2.

So far, we have been able to maximize our production capabilities reflecting the orders we received. We managed our parts inventories to avoid shortages. The new stock replenishments are however, for the foreseeable future, going to be made at much higher costs.  We need to ensure business continuity and consider these new and unexpected market fluctuations. As of July 1st. 2021, across all countries, a price increase of 2% on machines and related peripherals will be rolled-out. Spare parts and services are excluded from this general increase.

“Given the current circumstances and the market volatility, when a crisis turns into such a recovery, we must toggle between managing for the present and the future. We are planning for the long term with new forecasting and planning methodologies but at the same time we need to cope with immediate global market constraints,” commented Jean-Pascal Bobst, CEO of Bobst Group.

Our local sales representatives will ensure that all customers will be informed individually to provide transparency, as we are all impacted by this special situation.

The global recovery is positive, and it requires adjustments for the packaging industry. We will continue to shape the future of packaging together.

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(1) [www.eulerhermes.com](http://www.eulerhermes.com)
(2) 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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