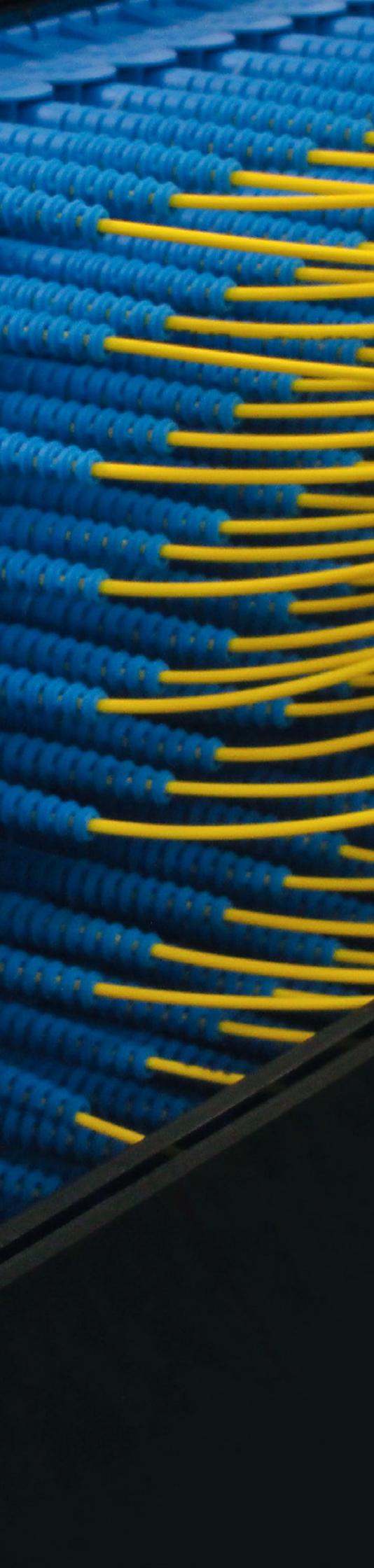




Annual Report
2018



**Our Mission –
«We provide connectivity that matters.»**



Contents

Foreword by the Chairman of the Board of Directors and the CEO	
Targets Exceeded – Dynamic Growth for R&M	4
<hr/>	
Expansion	
On the Way to Being a System Provider	7
<hr/>	
Large-scale projects	
Increasingly a Partner for Large-Scale Projects	10
<hr/>	
Public Networks market segment	
Reliable Partner in Fiber Optic Expansion	13
<hr/>	
Data Center market segment	
Signpost for Data Centers	17
<hr/>	
LAN Cabling market segment	
Quality Always Wins Through	21
<hr/>	
Management	
Members of the Board of Directors	26
Members of the Executive Board	27
<hr/>	
Owners	
Sustainable Success	28
<hr/>	
Facts & Figures	
Key Figures	30

Publication Details

Cover picture

In 2018, R&M developed, among other things, innovative Cat. 8.1 products for LAN cabling. They will be 100% backward-compatible and offer unbeatable performance. The market launch will take place at the beginning of 2019 – the RJ45 success story goes on.

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Targets Exceeded – Dynamic Growth for R&M

In 2018, R&M achieved sales figures the likes of which have never been seen before in the company's history thanks to a positive boom on the market and to several major projects. All regions and all three strategic segments made considerable gains year-on-year. The company specifically invested in new production capacities as well as a further acquisition in order to extend the value-added chain and the product offering. R&M continues to position itself as an international system provider.

The Data Center market segment continues to witness very dynamic development. The trend toward cloud applications and outsourcing meant major investments in hyperscale and colocation data centers. R&M has developed optimal solutions for both categories.

On the FTTH market, R&M proved itself as a reliable partner for complex major projects and also made its mark with innovative products. The LAN market segment continued to develop positively in a difficult environment. The demand for advanced all-in-one solutions and high-grade copper connectivity is gaining a new dimension with the emergence of intelligent building technology.

Best year to date

Due to the very positive boom on the market, particularly in the first half of the year, R&M is proud to be reporting its best sales year yet. Worldwide the Group posted sales of CHF 265.1 million. This represents a growth of 14.2% in comparison to 2017. The strong surge in sales was supported by a number of major projects, particularly in the Middle East.

The boom flattened out somewhat in the second half of the year. Furthermore, price pressure on major projects, investments in further market development as well as currency fluctuations put pressure on the

results. Nevertheless, the EBIT margin surpassed the target at 5.9% (previous year: 6.1%).

In this exceptionally strong financial year, R&M posted positive results in all regions. Sales in the Middle East increased by more than 35% thanks to a number of major projects. High double-digit growth rates were also achieved in North and South America. The investments made over the last three years in these two markets are paying off. Further investments are planned for the coming years.

In Asia, R&M particularly benefited from a strong market boom in India. Developments on the key markets in China and Southeast Asia were more restrained due to the political situation.

The European market organizations were on target. Northeast and Southeast Europe considerably surpassed their targets and the previous year's results. In the strong, highly contested markets of Switzerland and Germany, growth continued to be in a solid single-digit range.

R&M's positive development over recent years has been honored by the Swiss Venture Club (SVC). The jury of the SVC nominated R&M as one of six finalists for the Prix SVC in the Zurich economic area 2018. At the end of January 2018, R&M ended up

winning second prize. This award confirms that R&M is on the right path and highlights the fantastic efforts and performance of the company's employees all over the world.

Sustainable expansion

Several major investments were made in the financial year to ensure that R&M is in a position to achieve sustainable growth. Three highlights shaped the year: the acquisition of Transportkabel DIXI a.s. in the Czech Republic, the opening of a new plant for FO products in India, and the integration of the plant taken over from Peltier in Brazil.

With the production of fiber optic cables in the Czech Republic, R&M is extending its own value-added chain. An expanded product range is now being made available to customers. With the new plant in India, R&M can continue to take part in the dynamic market development in Asia.





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Hans Hess, Michel Riva

Furthermore, R&M continued to focus on its expert capability of quickly implementing customized solutions. Customer orientation, local engineering and a coordinated, standard international procedure in project management are the keys to success. More and more R&M is acting as an advisor, project consultant and provider of services, and is increasingly undergoing a transition from a component supplier to a system supplier.

New products – new solutions

The company has also progressed in terms of product development with a large number of innovations due to be brought to market in 2019. Alongside the launch of the Cat.8.1 cabling system, R&M is extending the range of fiber optic connectivity for data centers and public networks. Intelligent products are

increasingly playing a role. For this reason, R&M has created a dedicated department for software engineering in Serbia.

We are forecasting reduced dynamism on the market for 2019. Also, several major projects are drawing to their close. Nevertheless we are optimistic about gaining further market share in the new year. In particular, we have to further optimize our competitiveness with new products and process improvements.

The Board of Directors and Executive Board would like to thank the more than 1,200 R&M employees worldwide for their extraordinary commitment in the dynamic business year 2018. Together we have achieved significant milestones to ensure

our success in the future. We would like to thank our customers and business partners for the trusting collaboration. R&M will continue to provide you with extensive support in your projects in 2019.

Hans Hess

Chairman of the Board of Directors

Michel Riva

CEO

On the Way to Being a System Provider

A significant expansion step is taking R&M further down the road to becoming a system provider. The expansion of the manufacturing plants shaped the financial year 2018. This will see a sustainable increase in the productivity of the new plants. They are introducing common standards. And this will result in a perfect, international operations network.

R&M pursues a strategy of sustainable expansion. The company is increasingly changing from being a component provider to a system provider. Consequently a cable manufacturing plant should be in the portfolio. R&M made the corresponding step in May 2018 when it took over Transportkabel DIXI a.s. in Děčín, Czech Republic. Since August 1, the fiber optic cable manufacturer has been trading as Reichle & De-Massari Czech Republic a.s. This means that R&M itself controls a large part of the value-added chain in the offered solutions.

The plant gives R&M opportunities to extend and optimize the fiber optic program. R&M can now offer high-grade cable by the meter, fiber optic assemblies and pre-terminated cables more flexibly in all business fields. Furthermore, the Czech plant develops new kinds of project and customer-specific cable constructions.



In the future, optical fibers from R&M will come from the company's plant in the Czech Republic.

Greater capacity

At the site in Bangalore in India, R&M opened up a new, prestigiously designed plant in August 2018. It strengthens the growth strategy in India and in the Asia Pacific region. Production is increasing manufacturing capacities and raising logistic flexibility. R&M supplies the Asian region with a complete fiber optic portfolio from Bangalore. More than 300 highly qualified employees work here. The move from the old plant to the new one went smoothly; an exemplary performance and a good example of a Swiss/Indian success story.

The production plants in Brazil, Bulgaria, Dubai, Saudi Arabia and the US were also extended during the financial year. The plant taken over from Peltier in Brazil in January 2018 has been completely integrated in the supply chain. R&M also extended the manufacturing capacities there. Additional capacities were created in Bulgaria to be able to make more advanced multi fiber assemblies and fiber optic platforms.

The market organization in Germany created a new fast-track line. This makes it possible to react more quickly to customer requirements. In Switzerland, R&M is offering more customizing alongside the powerful fast-track line. The Swiss market organization also created a service department. It supports customers and partners with, for example, measurements and consulting. The expansion strategy also continues to



Markus Stieger-Bircher, COO

«At the site in Bangalore in India, R&M opened up a new, prestigiously designed plant in August 2018. It strengthens the growth strategy in India and in the Asia Pacific region. More than 300 highly qualified employees work here.»



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In 2018, R&M opened a new, state-of-the-art facility for fiber optic products in Bangalore.

The expansion is succeeding because R&M acts resolutely in a transparent and target-oriented manner. Infrastructures and resources have to keep step with corporate growth.

include systematically gaining top-quality suppliers and partners in Eastern Europe and Asia. India plays an important role as a procurement market.

Standardized processes

The expansion is succeeding because R&M acts resolutely in a transparent and target-oriented manner. Infrastructures and resources have to keep step with corporate growth. At the same time, R&M is increasing the productivity of all plants with the lean management program *pearl* launched world-wide. Overall, this is how a well-organized supply chain comes into being.

Among other things, standard operating procedures were defined for all plants. These cover processes, equipment, data and documents. This standardization means R&M can increase the interoperability of the plants. Information is exchanged using SAP and SharePoint. With the launch of the new SAP Dispocockpit, the factories can plan more precisely and reduce delivery times. In Dubai and the USA, production was integrated into the SAP system. The ISO 9001/14001:2015 group certificate is now valid for virtually all production plants and should very soon represent the entire corporate group.

Interculturally successful

The number of R&M employees incl. temporary workers grew in the financial year by 24%. On all continents, the workforce guarantees effective collaboration beyond boundaries.

The plants and market organizations must find common paths. They must be able to collaborate smoothly, respectfully and in pursuit of goals on an intercultural basis. This is one of the most important success factors for R&M. Microsoft SharePoint promotes international collaboration. At the same time, productivity shall increase and the concept of R&M quality thinking be established everywhere.

With its internal values program, R&M constantly trains employees so that they can fulfill the high demands. The focus in 2018 was COOPERATE. In training sessions and



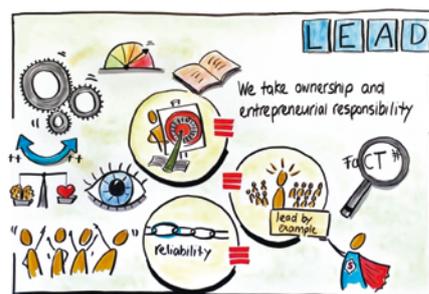
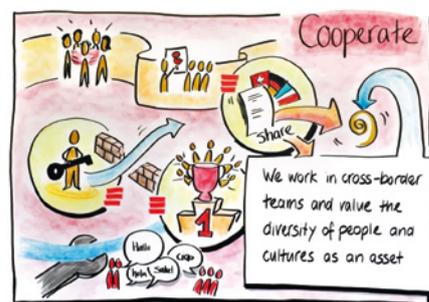
The production plant in Brazil was also extended considerably.

workshops, management consolidated the capability and motivation for networking and intercultural cooperation worldwide.

The connectivity sector is changing. Competitors from Asia are very much on the rise. The digital transformation and new technologies such as 5G services are changing the market. To be able to hold its own in this environment and be a part of it, R&M will have to be more agile in future.

This can be achieved with flatter hierarchies, decentralization and more self-responsibility. Multifunctional and multicultural teams have to be able to work together smoothly and support each other. As part of the values program, these capabilities were trained and experiences swapped.

In the 2019 business year, the training sessions will be continued with the LEAD program. Management expects the organization to be more agile, learn to act more quickly and take more responsibility.



Increasingly a Partner for Large-Scale Projects

Hospitals, airports, data centers, malls, office complexes and FTTH rollout; R&M again accompanied numerous impressive projects in 2018. Quality, know-how and commitment make R&M a trusted partner in large-scale projects.



Stefan Ries
Head of Global Key Account Management

«To handle key projects successfully, you often need to react quickly to the unexpected. R&M can overcome such situations thanks to the outstanding commitment of its employees and agile management structures.»

R&M is increasingly acquiring orders of grand proportions. Investors, providers and project managers know: R&M is a partner with expertise in complex and long-term installations. Some references:

Over the coming years, **Swisscom** is modernizing fiber optic distribution in more than 900 central offices. In 2018, and after an in-depth evaluation process, Swisscom awarded R&M the contract to deliver the distribution platforms. The advantages for Swisscom: more planning freedom, lower operating expenses.

The multinational carrier **Etisalat** has been using the SYNO dome closure since 2017 and since this year the R&Mfoxs distribution platform. The SYNO dome closure is helping lay maintenance-free fiber optic distributors underground in the United Arab Emirates. Here too there were compelling product advantages. Network operation will become more efficient, more reliable and more economical. Etisalat is one of the leading companies realizing FTTH coverage.

The **St George Hospital** in Sydney was looking for solutions for the network infrastructure of its extension. The challenge: Some copper links had to be longer than the standard 100 meters. R&M came up with the answer during early technical consulting. During the installation in 2017/2018, R&M teams on site guaranteed the smooth running of the project.

The **Istanbul New Airport** will be the first fully digitalized airport in the world. The first construction section went into operation

in 2018. The airport equipped important data center areas with solutions from R&M, including the Ultra-High Density platform Netscale and the infrastructure management system R&MintelIPhy. The customizing capability was what tipped the balance in favor of R&M. Furthermore, R&M cut a convincing figure in terms of the modularity, security, flexibility, capacity and cost effectiveness of the products.

A successful long-term project for R&M is **Kraków Airport** in Poland. The most recent section: the Air Traffic Control (ATC) Tower, opened in February 2018. Equipped with a high-security LAN from R&M. The presentation, the long-term collaboration and the





Martin Kellenberger
Head of Consultancy

good reputation of R&M products built up over decades convinced the customer. The quality and operational reliability were the winning factors here. There was also an innovation on top: R&MinteliPhy monitors the LAN's 15,500 ports. R&M set up a local special team. It implements and attends to the monitoring system. In other large-scale aviation projects, industry experience, performance and product security, customizing capability as well as local project support were important.

Mega projects are starting almost every day on the data center market. R&M provides them with anything from basic equipment to complete solutions. One example of this

is the **Safe Host SA** data center in Gland. With a performance of 40 megawatts and usable space of 14,000 m², it is the largest of its kind in Switzerland. The customer was pleased with the commitment and dedication as well as the expertise of the R&M contacts.

Swiss quality, warranty, service and the R&M quick mounting technology were the qualities which led **ABC Verdun** to choose R&M. The largest shopping mall in Lebanon houses 200 stores on 140,000 m² of usable space. R&M is the only supplier to offer an integrated 25-year system warranty on cabling, the LAN, monitoring systems and building management.

«Today it is no longer enough just to offer top-quality products. We do everything in our power to realize system solutions which cater exactly to customer desires and local requirements. This additional service leads to close business relations and maximum customer satisfaction.»



Success factors for collaboration in large-scale projects

Business model: R&M aims to acquire large-scale projects. Business development and time to market usually take several years. During this time, customers benefit from consulting, design, prototyping, engineering etc.

Swissness: Customers want the precision and quality of a renowned Swiss brand. They want something valuable they can always rely on. They appreciate the stability of R&M and the personal contact with the owners.

Customer relations: R&M is present all over the world. Specialist, reliable expert personnel and qualified partners are always close at hand. Customers, project managers, installers and experts from R&M meet on a level playing field. And that engenders trust.

Process: R&M nurtures rigidly organized, target-oriented project management. It starts with business development and extends far beyond the installation. And this is how customers always know how things will progress.

Support: R&M provides know-how even before the project begins. On-site splicing, quality assurance in ongoing projects and lots more are all part of the service. That takes the pressure off everyone involved. R&M reacts in an agile and flexible way to their spontaneous desires.

Commitment: For large tasks, R&M sets up international teams which feel 100% responsible. They coordinate engineering, logistics

and communication, installation and services. That allows projects to be carried out quickly and on time.

Portfolio: The wide-ranging, modular, innovative R&M portfolio is perfect for key projects. Components for all network levels fit together smoothly. Scalable complete solutions can thus be developed without any complications.

Customizing: Together with the customer, R&M quickly realizes tailor-made solutions, localizations and custom-made products. Platforms can be pre-terminated individually within the relevant region. This helps the project managers stay flexible.



Reliable Partner in Fiber Optic Expansion

As a partner of the telecommunications sector, R&M is supporting the rollout of fiber optic networks in more than 40 countries. Large-scale projects, consulting and service are becoming increasingly important. The advanced product portfolio convinces the carriers because it helps them to implement their strategies and business models quickly.

The Fiber to the X/Fiber to the Home (FTTX/FTTH) market is growing globally between 5% and 10% per year and is even gathering momentum. In 2018, the market for passive infrastructure achieved a magnitude of around CHF 9.6 billion in the FTTX/FTTH sector. These figures are based on reports from analysts at MarketsandMarkets.

Against this backdrop, R&M was able to extend its position as a complete supplier for FTTH connectivity in the year under review. The market segment Public Networks once more contributed significantly to the result of the Group. Sales in this area once again reported two-digit growth.

In Germany and Switzerland, as well as in the Middle East, Asia Pacific and Latin America



regions, R&M was once more given the nod for several key projects. The connection and distribution platforms Polaris-box, SYNO dome closure and ODF played a decisive role in this.

R&M's special capability to provide customized solutions for utilities, cable operators and carriers also played a part in the company's success. The company is also committed to tailoring the supply chain to large-scale projects. This means that R&M can fulfill customers' individual volume requirements at any time.

The decentralized plants, local engineering hubs and the sales organizations on site secure important competitive advantages for R&M. Namely: short delivery times, high flexibility, expert consulting as well as market-specific, fast and uncomplicated solutions for regional requirements. With the Czech cable facility acquired in 2018 R&M has also extended its offer to cover specific cable types.

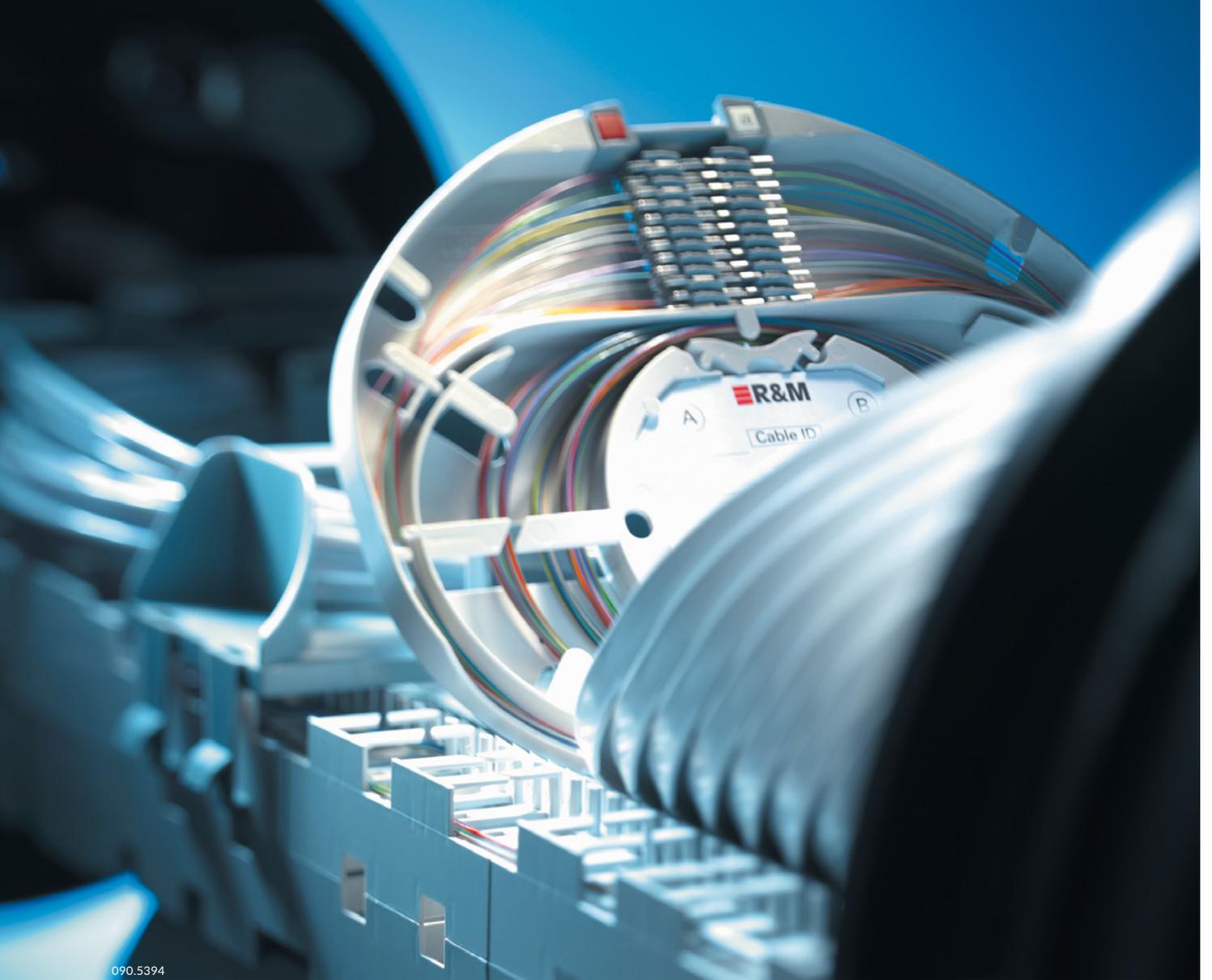
Carriers are increasingly using the expertise gathered over decades regarding Public Networks. R&M experts support them in the planning, evaluation and development of business models. Furthermore, R&M provides consulting services and oversees the projects on site in terms of logistics.

R&M is increasingly receiving customer inquiries for services such as measuring services. This takes the pressure off installation



Richard Schöbel
Market Manager Public Networks

«Fiber optic expansion is progressing sustainably worldwide. Thanks to innovative solutions and simple handling, network providers all over the world rely on R&M products.»



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companies and carrier construction departments and guarantees error-free commissioning of new fiber optic infrastructures. R&M is planning to extend this service.

Driving forces

The desire for fast transmission rates and the digital lifestyle are driving the demand for fiber optic networks. Cellular phone net-

works of the fourth and fifth generation (LTE, 5G) require dense, efficient fiber optic networks in backhaul. Carriers are investing massive sums of money on merging mobiles, FTTH, the Internet of Things (IoT) and data centers and realizing smart cities. R&M benefits from these driving forces and continues to count on growing demand.

More than 25 countries are already providing 50% of telecommunication customers with FTTH. In around five countries, coverage is over 90%. The United Arab Emirates (UAE) and Singapore lead the field. In the UAE, the provider Etisalat sets leading standards worldwide in the cost-efficient expansion, management and availability of fiber optic networks. Etisalat relies on R&M platforms.

In Europe, particularly in Germany, the expansion of fiber optic networks is steadily increasing even in rural areas thanks to state subsidies. In the emerging markets, towns and local utilities are increasingly investing in fiber optic networks.

Compelling quality

The high-quality products from R&M are perfectly suited for the current carrier projects. Alongside Etisalat, companies such as GTT Communications Benelux and Swisscom confirmed this in the financial year.



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They emphasize the advantages of the R&M platforms: unproblematic assembly, long lifespan, simple maintenance, short latency and high operational reliability. Thanks to their modular principle, they can easily be scaled or equipped with additional sub-racks at a later date. This means carriers gain more planning freedom. They can react to market requirements flexibly, quickly and in small steps. The advantages also convinced Swiss

telecommunications provider Swisscom in the financial year. After an in-depth evaluation process, the customer opted for the R&Mfoxs ODF as the new distribution platform for its central offices.

More flexibility

Encouraged by this success, R&M is driving on the FTTX program. Major investments were made in product development in 2018.

In 2019 the new ODF system PRIME is to be launched. It will increase the packing density of optical distributors.

The Polaris family for building entry points and the splice closure range for the access area are gaining new variants. They will give network operators – whether large carriers, utilities or cable operators – even more flexibility in network expansion over the last mile.

Etisalat sets FTTH standard

In the UAE, 94.3% of all network subscribers already have an FO connection. A significant amount of the FTTH infrastructure is provided by Etisalat.

The multinational carrier is driving the digital future forward in its domestic market, something which has made it possible for the carrier to take a leading role in FTTH coverage worldwide. With the resolute implementation of innovative products, Etisalat is setting

a standard in the telecommunications sector. Etisalat's FTTH infrastructure is designed to support upcoming technologies.

Currently the carrier's focus is on expanding the FTTH network and further improving its quality and reducing its maintenance effort. For this reason, the enterprise was looking for reliable, scalable and flexible FO systems. This was made possible by deploying the SYNO dome closure from R&M. It is suitable

for use in the harsh environment and completely maintenance-free. The modular nature of the R&M platform allows technicians to make modifications to the connections very easily, and with minimal risk to services of other customers.

With the SYNO dome closure from R&M, Etisalat has now been able to move the critical fiber distribution hub units underground. This is more attractive. It also reduces civil engineering costs. The patch-free cabling solution eliminates the possibility of tampering and unintentional disconnection of cables.

Thanks to the support from technology partners such as R&M, the UAE continue to be able to occupy a leading position worldwide in future-proof FTTH projects.



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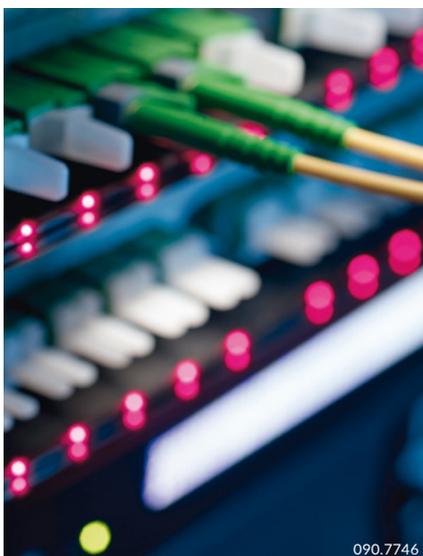
Signpost for Data Centers

New records in the data center market are dominating the financial year 2018. On the road to 100 and 400 Gigabit Ethernet, fiber optic transmission and connection technology is becoming an unimaginably large area. R&M helps data center operators to manage this complexity and this is fueling sales.

The Data Center market segment had already surpassed the sales targets in the first months of the reporting year. The exceptionally positive boom continued. In total, R&M's worldwide sales on the data center market again witnessed a double-digit increase. For six years in succession, the sales figures of this market segment have been reaching new all-time highs.

A historic performance for R&M. The business segment is in a continuously good state, confirming that both the products and the market strategy are sustainable.

Data center investors are increasingly relying on R&M as a connectivity supplier. In the



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hyperscale segment, R&M has created a strong position for itself as a quality brand and supplier in large-scale projects.

Intense communication, PR and marketing activities in trade journals and on social media channels are promoting awareness of the brand.

In some regions, R&M surpassed comparable sales developments in the industrial sector. The market organizations in Europe and North America achieved sales records. But the region Middle East also surpassed its target with a double-digit plus. The USA confirmed its position as the largest individual market. R&M will continue to invest in the US market in the coming years to further extend the market position.

Accurate development

The contribution of the innovative product lines Netscale and R&MintelIPhy is particularly outstanding. Both ranges achieved sales records in the financial year. In fact, the sales of Netscale Fiber Optic Assemblies even doubled.

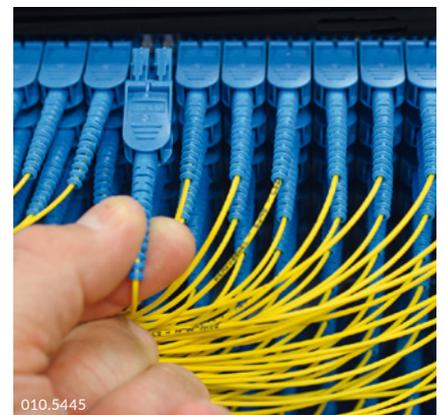
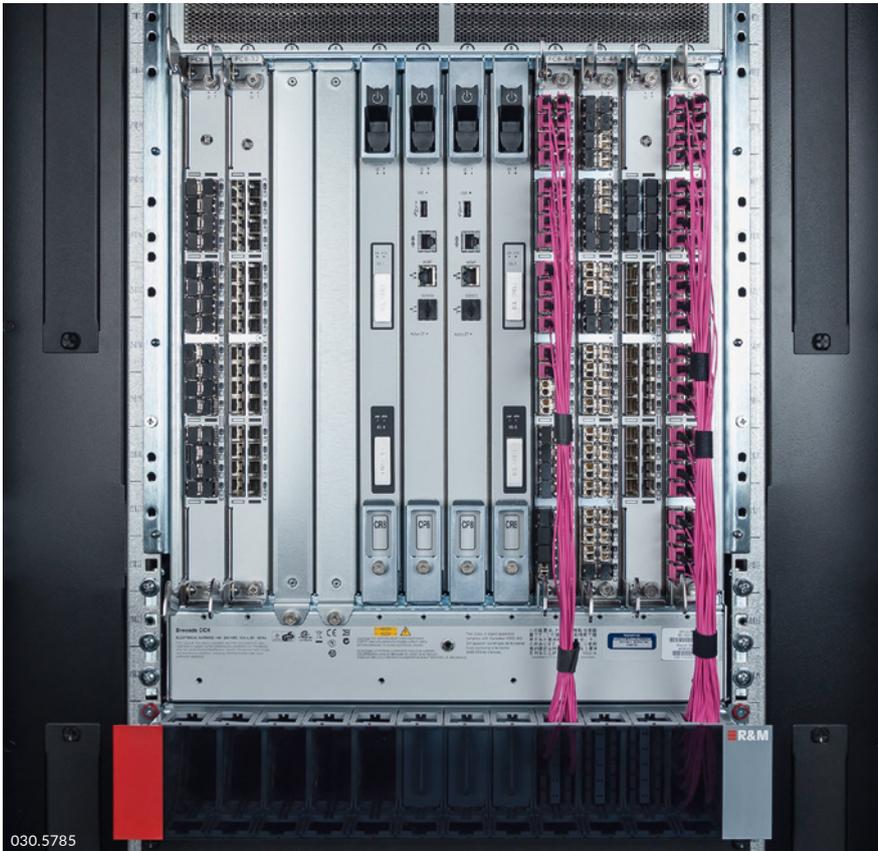
In the USA, R&M achieved first sales successes with the new, high-density Mercury splice distributor system developed on site. It is suitable for use in the data center interconnect and campus backbone fields. In terms of packing density, quick mounting technology, handling and modularity, Mercury is setting new standards.



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Dr. Thomas Wellinger
Market Manager Data Center

«Our clients are growing. And they are doing it really quickly. But growth also means complexity. It is our task to make this manageable for our clients.»



Feedback from the market confirms that R&M satisfies acute customer requirements without fail. In this case, the necessity to master complex connectivity as well as be able to offer agile, stable, cost-efficient services. The high-density distribution platform Netscale and R&M *MinteliPhy*, the system for automated infrastructure management (AIM), are a great help in this. The reason why product development is unerring: Experts from the industry are also involved in the innovation process. The R&M engineers learn directly from the customers. And this is how they know exactly where the everyday problems lie. They can then design a product in a way that it can be useful long term.

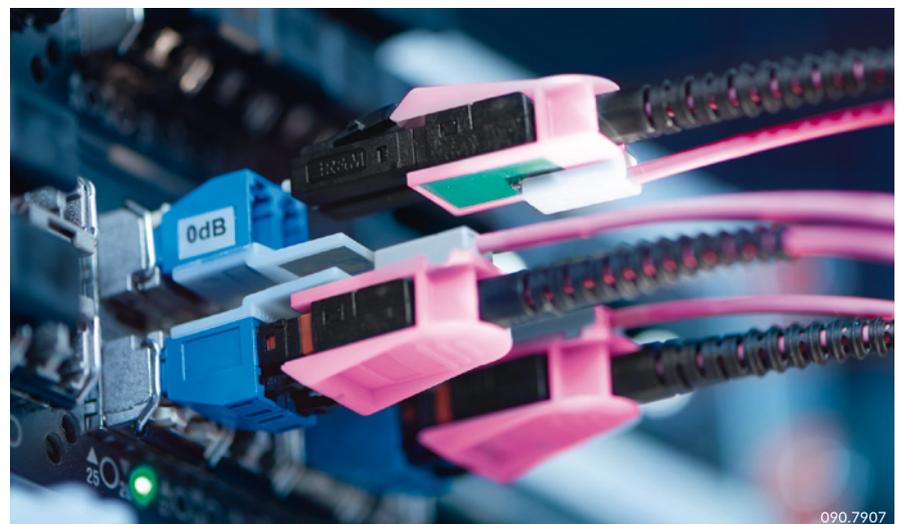
Further milestones

With the Port Monitoring cable, R&M is now setting a further milestone on the road to success of the infrastructure management system R&M *MinteliPhy*. This innovation was launched in Singapore in October 2018. The Port Monitoring cable is used to monitor

connectivity in the network segment between patch panels and device ports. This results in 100% end-to-end visibility for the first time.

Further new fiber optic developments and AIM products are to follow. These technol-

ogies are playing an ever greater role. On the road to 100 and 400 Gigabit Ethernet, data centers will only make progress with complex fiber optic networks. This is why R&M is expecting the demand for advanced connectivity solutions to continue to increase.





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Safe Host: service in perfection

Swiss market leader Safe Host SA has built Switzerland's largest data center in Gland. The capacity corresponds to a performance of 40 Megawatts over a usable area totaling 14,000 m². Managed services for corporate customers and organizations are the company's core offering. The operational reliability of the data center fulfills the guidelines of the Swiss financial regulatory authority FINMA. Customers can rely on a zero-error tolerance and need have no hesitation in entrusting their data to the professional service provider.

Flexibly usable spaces, cabinets and racks are available for hosting, colocation and server housing. The Safe Host team supports customers from moving their servers right through to setting them up in the data center.

And Safe Host expected services of equal perfection from its suppliers and project partners. The cabling had to correspond perfectly to the infrastructures and services from the outset. R&M met the requirements because constant, reliable first-hand support and co-responsibility in the project were guaranteed.

The connectivity solution also met the requirements. Among other things, it cut a convincing figure in terms of quality, performance, reliability, high density and ease of use. An additional efficiency advantage for Safe Host: For specific applications and high-density units R&M delivered completely pre-terminated and tested cabling units.



Photo: Lucien Kolly

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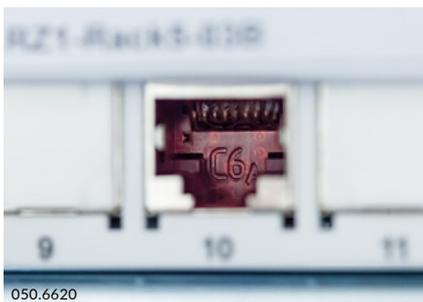


Quality Always Wins Through

The market places its trust in the quality leader. This proved to be true in 2018. There has been a growing demand for connectivity offers for local data networks. Spearheading technological development, R&M smooths the way to the next generation LAN and intelligent building.

R&M has also attained notable successes in the market segment LAN Cabling. The growth in sales, which almost attained double-digit status, considerably surpassed the figures of the last two financial years. In a price-sensitive environment, there was an increased demand for top-quality patch cords and installation cables. System business also increased.

Customers recognize that the product quality of the patch cords plays a decisive role. In the age of 10 Gigabit Ethernet, high cabling availability can only be ensured with continuous high end connectivity.



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Sales of Cat. 6_A EL modules also rose considerably. Customers use them primarily for cabling suitable for 10G. Today, more than 50% of the links sold by R&M in LAN operations are 10 Gigabit Ethernet (10G) ready. The change in generation to 10G has been completed. Copper cabling continues to enjoy great significance.

In a parallel development, the market is becoming increasingly interested in Passive Optical LAN (POL). This fiber to the desk solution for expansive campus and building networks offers technical and economic advantages. In 2018, R&M realized a number of POL projects.

The demand for top-quality copper connectivity was the reason behind the entry into Cat. 8.1 technology. R&M is one of the technology leaders. The global Cat. 8.1 solution for 25 and 40 Gigabit Ethernet will be launched at the beginning of 2019. R&M is thus one of the first suppliers to have been able to develop such a solution. It is one of R&M's distinguishing features that it is capable of offering progressive overall LAN solutions.

Future: digital building

Digital transformation also includes building technology. R&M is positioning itself in this sector as a pioneer for the cabling of intelligent buildings. Power over Ethernet (PoE) plays an important role in this. It extends the possibilities of use of structured copper cabling.



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Matthias Gerber
Market Manager LAN Cabling

«LAN cabling is increasingly tapping new areas of application in intelligent building automation.»



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PoE technology supplies small end devices with electricity via the local data network. This makes it possible to integrate numerous components of building technology and the Internet of Things (IoT) into the LAN. They exchange information via the Internet Protocol (IP). The result is a standard and intelligent Ethernet/IP building network which replaces proprietary bus systems.

R&M supports four-pair PoE (4PPoE) standardized in 2018. This new, efficient PoE

generation works with relatively high currents. The requirements made of the reliability of copper connectivity are increasing. With the *PowerSafe* label introduced in 2018 for products which are particularly suitable for PoE, R&M guarantees that these transmit data and electricity reliably.

In this case too, the fact that R&M is the technology leader is proving to be an advantage. R&M is the only supplier to be integrating IDC technology in patch cords.

It guarantees a permanently stable and protected contacting of the conductors – something which is extremely important for PoE applications.

Zone cabling and the cabling of the digital office ceiling open up further perspectives for IP-aided building networks. R&M is already making solutions available for the leading network devices in this market environment.

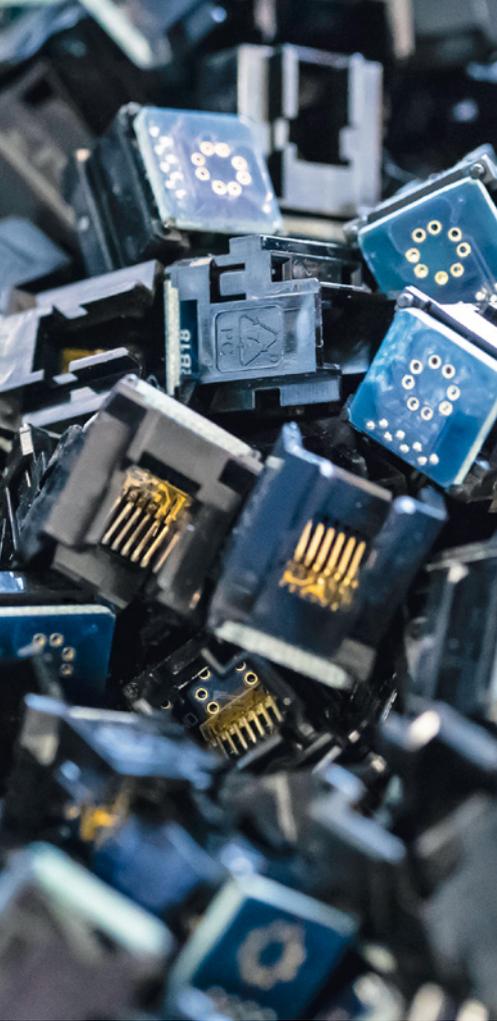
In Ethernet technology, another evolutionary step appears to be round the corner: Single Pair Ethernet (SPE). It could mean the breakthrough for IoT and Digital Building.

SPE means: A miniature connector and a single twisted pair link small, remote end devices with the LAN. At the same time, they power the devices. SPE cabling is easy to install, does not require much space and costs very little. R&M is carrying out spade-work in SPE development and is assuming a leading role with its own standard proposals.

This means that nothing can now stop the digital building. R&M offers practice-oriented solutions and shows installers how they can implement the new concepts in the best possible way.



050.6665



Ready for Power over Ethernet

In order to provide excellent medical care you require good infrastructure. With the digitization of health records and enhanced technology in medical equipment, this also now extends to information and communication technology infrastructure. It is also said that the best is only just good enough when it comes to healthcare. For precisely that reason, the NSW State Government, in conjunction with Health Infrastructure and St George Hospital, not only committed to investing in digitizing their newly commissioned Acute Services Building (ASB), but also their entire hospital campus. The ASB opened in October 2017 and provides first class care in what is now a first class facility.



R&M recommended an extended channel solution with the Cat. 6_A U/FTP 650 MHz cable. It permits copper links of over 100 meters in length. This meant sufficient cable reserve could be planned. Unlike a 500 MHz cable standard, the R&M solution supports both Ethernet systems and the transmission of uncompressed UHD video.

Part of the project entailed the expansion of the LAN. The task involved, among other things, planning cabling for long transmission paths. Distances between the new wing and the existing buildings, which at times reach the limits of conventional copper links, had to be overcome.

Furthermore, the project partners selected the certified R&M *PowerSafe* patch cords with IDC technology. These allow the later integration of modern Power over Ethernet applications with up to 100 Watt power supply for terminal equipment. As a result, cables and components from R&M surpass the minimum standards. They fulfill current and future requirements of the hospital.





Committed on every continent



-  R&M Headquarters
-  R&M Manufacturing
-  R&M Sales Offices

Members of the Board of Directors

R&M is an independent Swiss family company. Second-generation owners Martin and Peter Reichle guarantee sustainability and solid values. They plan, approve and monitor corporate strategy on the Board of Directors together with four experts from the industry. These specialists bring expertise onto the Board which has been gained internationally. Their specialist areas are engineering and industrial production, business administration, marketing, strategy and management as well as finances and controlling.



f. l. t. r.: Martin Reichle, Peter Reichle, Hans Hess, Adrian Bult, Andreas Spreiter, Dr. Eng. Michael Reinhard

Hans Hess, Chairman

Swiss nationality (1955), Owner of Hanesco AG; holds Board of Director seats in various companies (Burckhardt Compression Holding AG, Comet Holding AG, dormakaba Holding AG). Previously worked at Sulzer, Huber+Suhner, and Leica in leading positions, was the CEO of Leica Geosystems for 10 years. Diploma in Materials Engineering from the Swiss Federal Institute of Technology (ETH) Zurich; MBA from the University of Southern California, USA. Chairman of Swissmem; Vice-President of economie-suisse.

Martin Reichle, Vice Chairman

Swiss nationality (1967), Co-owner Reichle Holding, Member of the R&M Executive Board 1996–2012, CEO R&M 1999–2011. Diploma in Electrical Engineering from the Technical University in Rapperswil. Various roles in Swiss employee associations.

Peter Reichle

Swiss nationality (1964), Co-owner Reichle Holding, Chairman Reichle Immobilien AG, Member of the R&M Executive Board 1996–2012, COO R&M 1999–2011; previously held management positions in production, logistics and supply chain at R&M and other companies. Swiss federal diploma in Business Administration. Roles in Swiss business organizations and further Board memberships within industrial companies.

Adrian Bult

Swiss nationality (1959), Chairman of the Board of Directors at Swissgrid AG, holds positions on the Board of Directors in various Swiss companies; previously held positions, including CEO and CIO, for the Swisscom group as well as other leading roles within international marketing and management at IBM. Studied Business Administration and Marketing at the University of St. Gallen (HSG).

Dr. Eng. Michael Reinhard

German nationality (1956), holds Board of Director mandates at several Swiss companies. Long-term Member of the Group Executive Board of Geberit International AG, responsible for Operations & Supply Chain; previously held management, marketing and sales positions at Schott AG as well as McKinsey & Company. Studied Mechanical Engineering at the Technical University in Darmstadt, completed a doctorate at the German Plastics Institute (DKI).

Andreas Spreiter

Dual Swiss and British nationality (1968), Member of the Board of Directors and Head of the Audit & Finance Committee at Landis+Gyr Group AG since July 2017. Former Group CFO of Forbo, Group CFO of Landis+Gyr and held various finance management and controlling positions at Landis+Gyr/Siemens Metering. Studied Plant and Production Engineering at the Swiss Federal Institute of Technology (ETH) Zurich.

Members of the Executive Board

R&M stands for continuity in management. The same five-person team has been at the helm of the successful group for years now. The members of the Executive Board are all distinguished by long-term, international experience, expertise, commitment to lean management and a passion for the company. Together with the employees, they drive on the sustainable worldwide expansion. In the past five years, R&M grew by 35%. The number of employees doubled. Today, the Group has production facilities at nine different sites.



Michel Riva, CEO

Swiss nationality (1964), CEO of R&M since August 2012. Previously held international management roles, e.g. at F. Hoffmann-La Roche, Strapex, DuPont de Nemours, and the Forbo Group. Studied Business Administration at the School of Economics and Business Administration (HWV/FH) in Basel; MBA at IMD Business School in Lausanne; Advanced Executive Program at Kellogg Graduate School of Management in Chicago.



Stefan Grätzer, CTO

Swiss nationality (1973), at R&M since 2010, CTO since 2014, previously Head of Corporate Development. Previously held positions at the Institute for Product Design at the Technical University in Rapperswil (HSR), Sultex AG, and STEINEL Solutions AG. Completed engineering degree at the Technical University in Rapperswil (HSR), EMBA from Kalaidos University of Applied Sciences Zurich.



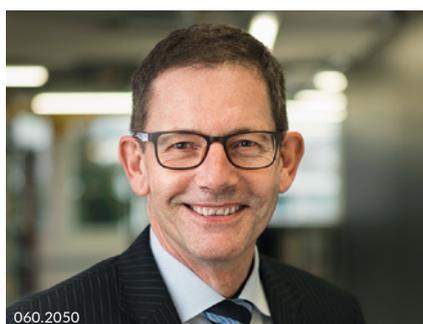
Andreas Rüsseler, CMO

German nationality (1967), CMO of R&M since 2012. Previously worked as an engineer and marketing manager at Quante AG, 3M, held management positions at Huber + Suhner AG. Studied Communications Engineering at the University of Emden (GER); Master of Advanced Studies in Business Administration and Engineering at the University of St. Gallen (HSG).



Patrick Steiner, CFO

Swiss nationality (1979), at R&M since 2011, CFO since April 2015, previously Head of Group Controlling & Accounting Switzerland. Previously held positions at Jafra Cosmetics Cham as CFO, as well as Controller at Vorwerk Gruppe, Wollerau. Swiss federal diploma as an Expert in Accounting and Controlling.



Markus Stieger-Bircher, COO

Dual Swiss and British nationality (1960), at R&M since 2006, COO since 2011, previously Head of Supply Chain Management. Former roles include engineer at ABB and Head of Logistics at Bühler Uzwil. Diploma in Mechanical Engineering from the University of Applied Sciences Northwestern Switzerland (FHNW) in Windisch, and Diploma in Industrial Engineering (Swiss Technical Association, STV); MBA from City University, Seattle.

Sustainable Success

A new sales record is making the financial year 2018 one of the most successful in R&M's history. The vision of a perfectly networked world continues to motivate us for the future.

As second-generation owners of our family company, we were particularly aware of two aspects in 2018: In the last 25 years R&M has increased sales fivefold and the number of jobs tenfold. Naturally we are very proud of this result. In particular, we are grateful for the fruitful collaboration at eye level with our long-term employees, customers and partners.

People are always at the root of success, particularly the employees of R&M. Four cultural success factors are extremely important to us in this respect.

Continuity and diversity: A healthy mix of long-term and new, different-minded employees results in a healthy mix of continuity, a constant increase in know-how, and the willingness to try out completely new approaches.

Customer-oriented innovation culture: The urge of the R&M workforce to develop ever better products for our customers is part of the company's DNA. It is often the case that custom-fit solutions are developed before customers actually realize they need them.

Daily increase in knowledge: The new, digital world brings with it a lot of changes. This is why we want to continue to promote a «trial & error mentality» when it comes to innovations with the aim of being able to learn fast from our errors.

Intercultural teamworking: R&M comes up with better solutions thanks to good, interdisciplinary collaboration. Good national and international cooperation between the teams is particularly important to us – also beyond the limits of the company with our esteemed business partners.

Opportunities of the digital landscape

«Innovation beyond Connectivity» is our mindset for the future. Using digital support tools, we want to further simplify planning and purchasing processes for our customers. R&M is also developing new services related to Supply Chain and the delivery of overall solutions. Furthermore, the smart connectivity of the future is already beginning today. It will, for example, provide customer-friendly support for the Add, Move & Change processes with proprietary software.

In automated production, R&M has been working on the leading edge for more than 20 years now – not least because of the pressure of the strong Swiss currency. This fascinates visitors to our production facilities time and again.

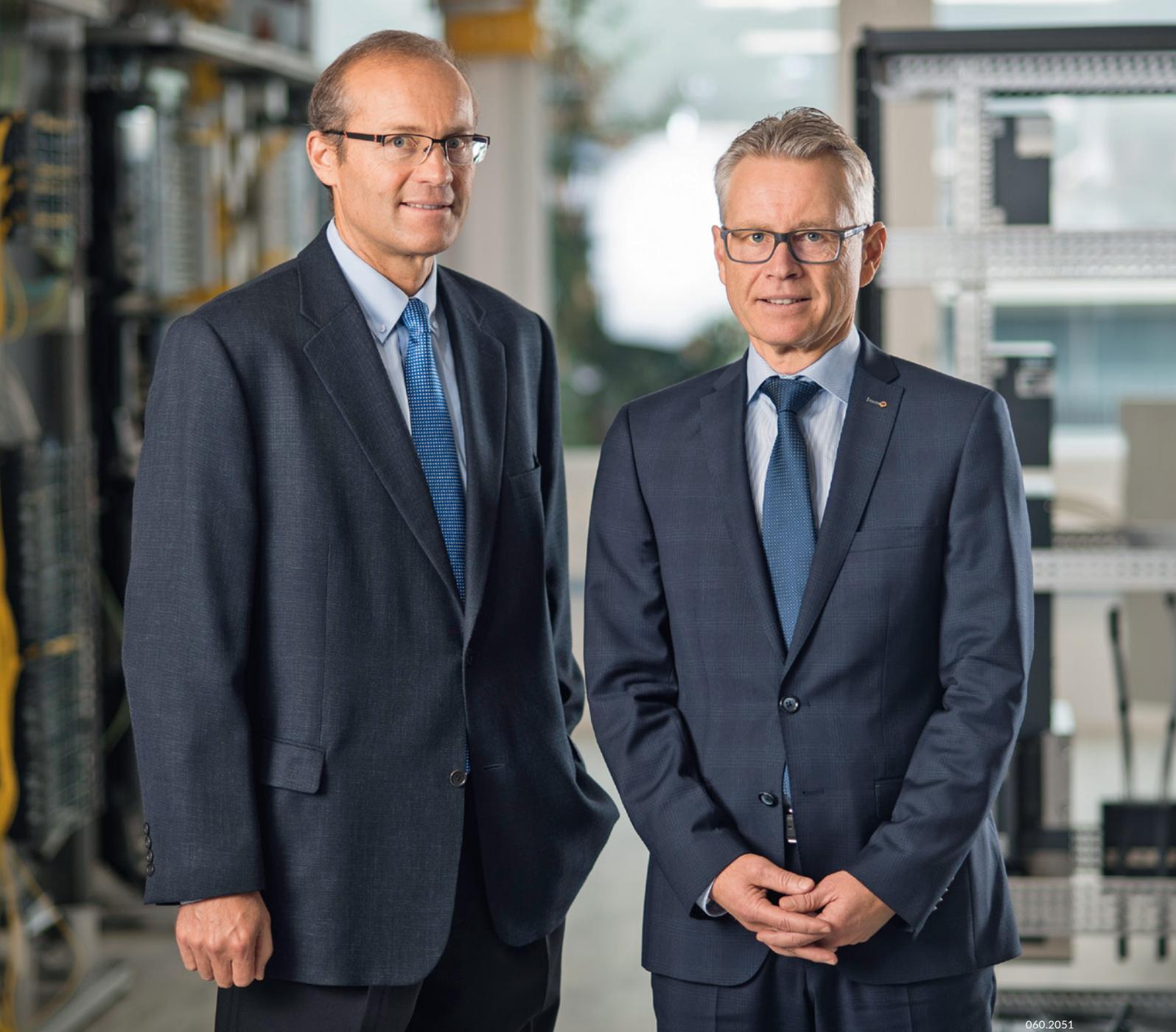
And lastly, we see a lot of opportunities in the digital landscape. This is where we will be able to continue to set ourselves apart from the competition with new R&M solutions. Digitalization will also make it possible to scale many processes at an international level. This can, in turn, improve customer commitment and ensure competitiveness long term.

Our vision

Our underlying motivation is the result of a global need for a fast and unlimited exchange of information. We want to make a significant contribution to helping people and things (IoT) communicate more with each other at an even faster rate. The smart cities that are being planned around the world are a fascinating example of this. And the implementation of our vision is very much being shaped by that fact.

Martin and Peter Reichle

Owners and Members
of the Board of Directors



060.2051

Martin Reichle, Peter Reichle

People are always at the root of success, particularly the employees of R&M. Four cultural success factors are extremely important to us in this respect: continuity and diversity, a customer-oriented innovation culture, a daily increase in knowledge and intercultural teamworking.

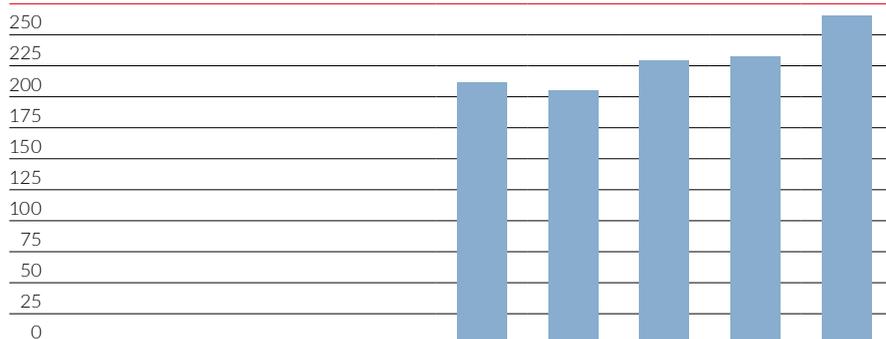
Key Figures

2014 2015 2016 2017 2018

Sales

in millions of CHF, consolidated

211.7 205.1 229.4 232.1 265.1



Growth

compared with the previous year

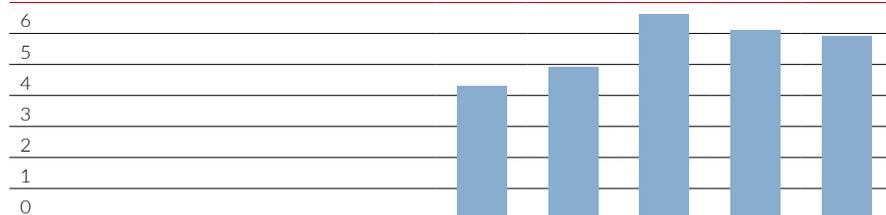
7.3% -3.1%* 11.8% 1.2% 14.2%

* (exchange-rate-adjusted: +2.2%)

EBIT

as a % of sales

4.3% 4.9% 6.6% 6.1% 5.9%



International Sales Revenue

Revenue generated outside of Switzerland was 79% of total sales.

Development Expenses

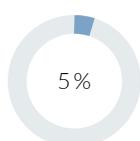
Average development expenditure over the last 5 years: 3.8% of revenue.

Innovative Capacity

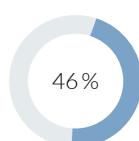
22% of the revenue was generated with products less than three years old.

Number of Employees

as of December 31, 2018: Total 1,232



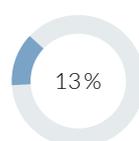
Research and Development



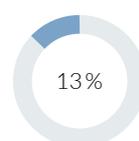
Production



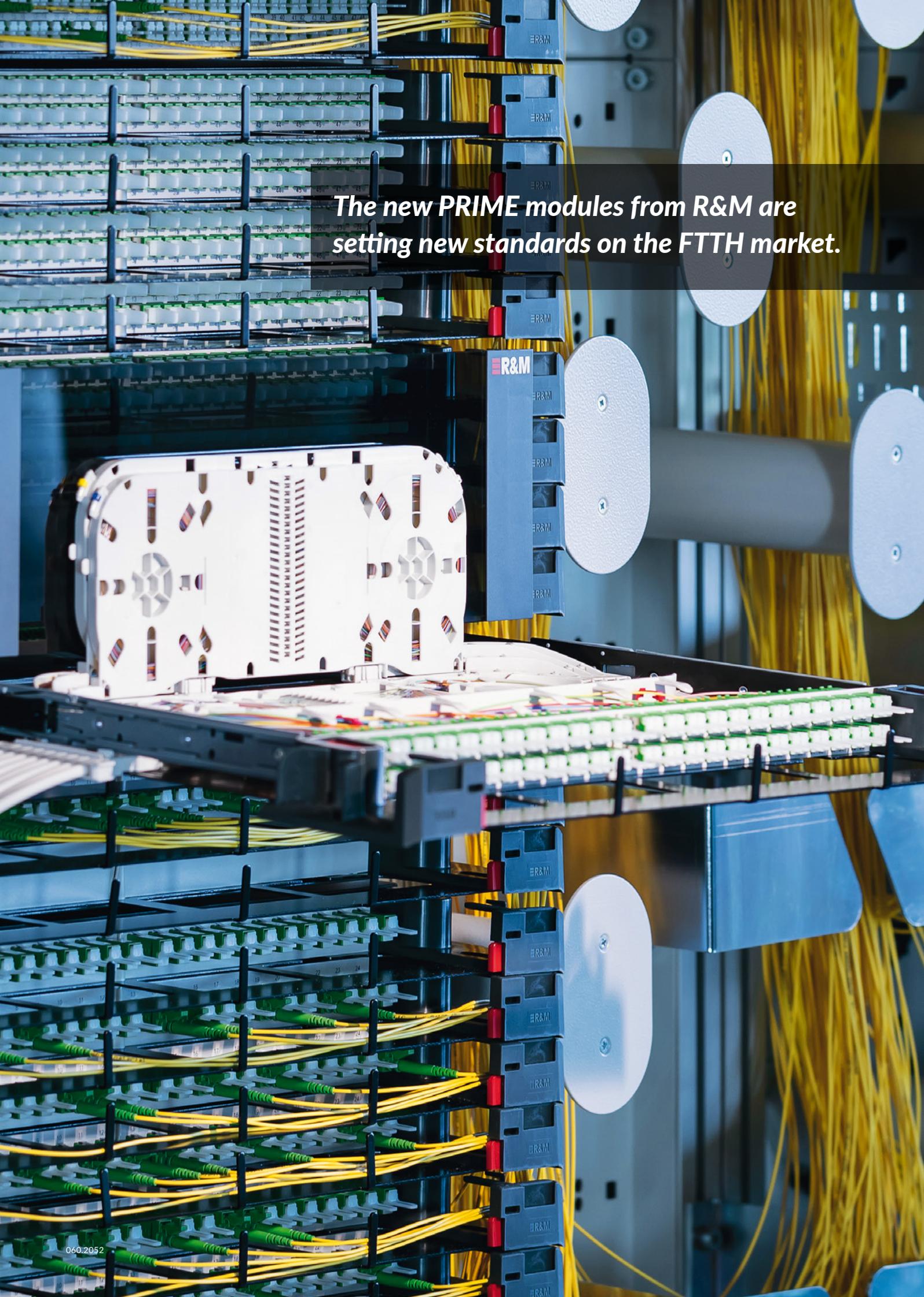
Sales and Marketing



Purchasing and Logistics/
Distribution



Management and Administration



The new PRIME modules from R&M are setting new standards on the FTTH market.

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