



Robit[®]

Bulletin

Robit Plc Customer Magazine

2 | 2017



Drilling record in silver mine

**Robit at trade shows
across the globe**

Robit Mega Dealer Meeting 3.0 message:

“Think differently, act gigantic!”



Granite:

**From the bottom of
the pit to the rooftops**

Growth

Through Partnerships

Dear reader,

Robit has been listed on the Nasdaq Helsinki stock exchange for six months now. Although the change imposed new structural requirements and, of course, expectations on us, it is also an enabler of growth. We now truly have the widest portfolio of drilling tools in the world, and we have been working very hard and honing our operating models on a global scale to make the best use of our position.

We have made the largest production facility investment in Robit's history – more than €10 M – in Korea, where production will take off next year in new premises. The investment will bring our production capacity to a whole new level, and will also support the growth of other products in our portfolio.

Our distributors from around the globe gathered at the Mega Dealer Meeting 3.0 event in the UK in October. Distributors play an integral role in our sales network – in a way, they are part of the Robit family. We want them to feel that there is no better partner than Robit. This ensures a win-win for everyone; while boosting our growth we can also improve the business opportunities of local companies.

2017 has been yet another year of growth. To continue growing in 2018 and beyond, however, we need to take significantly bigger leaps. This also calls for a major push to reinforce and grow our personnel and will no doubt open up interesting career paths for those who are interested.

In conclusion, I would like to extend my warmest thanks to our customers and distributors, not to mention our entire personnel, who I can be very proud of. Here's to a wonderful year ahead!

Mika Virtanen
CEO



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From left: Owner of ECI Dane Braden, his
Drilling Foreman George Aday and Safety
Manager Sam Crutcher



Granite

*From the Bottom of the Pit to
America's Rooftops*

Harvey, Irma, Maria – familiar names to all of those who watched the news on the hurricanes wreaking havoc around the Gulf of Mexico in 2017. As unlikely as it may seem, they are part of the reason why the drillers in a granite quarry in Arkansas are quite busy these days.



*I was introduced to Robit's CEO at the Conexpo trade show in Las Vegas. I had a really good first impression of him and we got along good. We were having excessive wear of bits, chucks and hammers at our Arkansas site because of the material we were drilling. Robit said they could help us with that, so I decided to give them a try. It turned out my drilling foreman **George Aday** had already tested Robit tools, but as he had been buying them through a distributor, he had found the prices too high.*

Sometime after Conexpo, I visited the new Robit factory in Sherman, Texas and placed a first order for DTH hammers and bits. At first, we had some bits that did not work so good, but Robit did some redesign based on our feedback. Ever since, their products have worked better than anything we have used before. I would say we are very happy with Robit products and service as well.

Dane Braden
President, Explosive Contractors, Inc.

Asphalt shingle is the most popular roofing cover in the United States – it's relatively easy to install and not very expensive. The base mat of the shingle is saturated with asphalt and the top surface is coated with mineral granules. These granules add durability and protect the asphalt from the deteriorating effects of ultra-violet radiation. They also give the shingles their colour.

However, when a hurricane strikes, no amount of granules will protect a roof unless it's carefully storm-proofed. Each year, thousands of roofs in the hurricane-prone areas in South-Eastern US are damaged, if not entirely ripped away, by storms. This has boosted the production of roofing shingles and, consequently, the demand for mineral granules in the area.

Small clouds of grey dust rise from the ground as **Justin Brandt** operates the drill in his orange-red rig in a granite quarry in central Arkansas. He drills 5.75" (14.6 cm) holes that go 14–15 metres deep into the hard rock. Later, the holes will be loaded with explosives and detonated; the blasted rock will then undergo a two-stage process of crushing and grinding, finally resulting in granules about 2 mm in diameter – the perfect coating material for asphalt shingles.

The orange-red drill rig belongs to Explosive Contractors, Inc. (ECI). Besides Arkansas and their home state Missouri, ECI operates dozens of drilling and blasting jobsites in Kansas, Illinois, Wisconsin, and Oklahoma, employing a fifty-strong regular staff and a large number of subcontractors.

Rich in quartz and thus very hard and abrasive, the Arkansas granite is a true challenge for any rock tool. Drill bits and hammers tend to wear out quickly. "Every time we need to shut down the machine to change bits, we lose production", says **Dane Braden**, President and owner of ECI.

Recent months have seen a remarkable increase in production at the Arkansas site: replacing their previous Down-the-Hole drill bits and hammers with DTARobit tools has really made a difference for ECI. This did not happen overnight though: it required some testing, analysis, and product improvement by Robit until the optimal set of tools was developed. Today, the hammers are drilling up to twice as far as the previous ones.

This sounds like good news for all the other granite quarries in the area as well.

New Products



Robit Evolution: the best button bit in the world

Year by year, Top Hammer rock drills have grown more powerful, posing challenges at the front end of the drill string: drill bits need to endure ever higher impact powers and frequencies as well as allow efficient flushing. Robit took up the challenge.

Listening carefully to feedback from experienced customers, Robit set out to develop the world's best hard rock button bit, and came up with the Robit Evolution Series.

The smaller end of the series is particularly designed for high power, high frequency drilling in drifting and tunnelling applications. Customers have reported

grinding intervals up to 60 % longer, and lifetimes 20 % longer than conventional hard rock button bits.

In the medium to large sizes, significant performance improvements were achieved by focusing on flushing properties. Through simulations and field tests, the optimal depth and shape of flushing grooves was found, and an extra flushing hole was introduced in the middle, optimizing air flow. All these combined give the new bit up to twice the lifetime compared to conventional bits.

Design patent for the Evolution Series drill bits is pending.

BulrocRobit WH4" – Heavy-Duty Hammer for Well Drilling

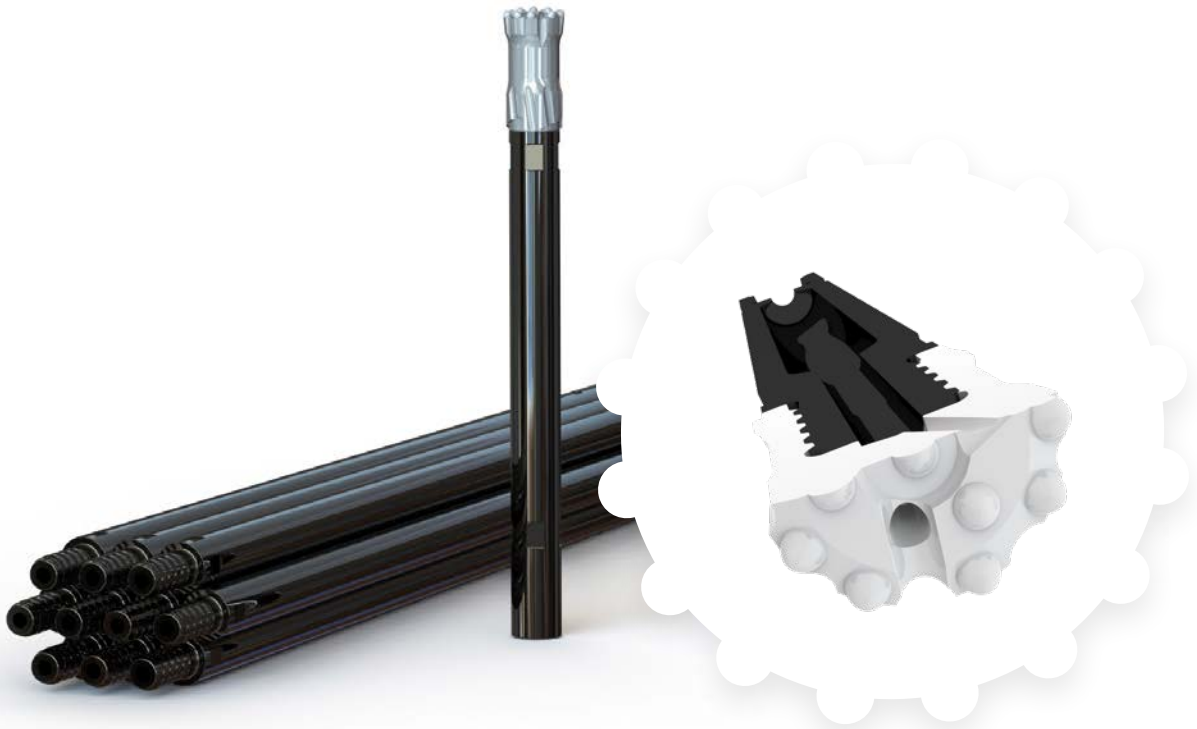
Energy efficiency is a hot topic in all productive activity these days, and heating is no exception. Geothermal heating is steadily gaining popularity, and today thermal wells are being drilled more frequently than water wells.

With a successful line of ring bits and pilots for well drilling already in the market, Robit is now introducing a powerful well drilling hammer, BulrocRobit WH4". Its robust design is built on Bulroc's and DTA's solid know-how.

The extra heavy-duty hammer, specifically designed for the Nordic hard rock conditions, has reached impressive drill metres in test drillings. It features optimized air flow, excellent penetration rates, and efficient flushing; test customers have also reported fuel savings.

The WH4" will hit the markets in early 2018.





Robit Drill Tubes – straighter holes for long hole drilling

Hole depths in long hole drilling can reach up to 30–40 metres. The longer the hole, the more drilling rods are required, potentially causing the hole to deviate from the planned direction. With drill tubes, this problem can be avoided.

string is less prone to bending, resulting in straighter holes. The impact impulse travels more effectively through the tube and the tube joints, improving drilling efficiency. Flushing works better in the tubes as well.

Robit Drill Tubes is a new product line for Top Hammer long hole drilling. Drill tubes have several advantages: thanks to the tube's rigid design the drill

The Drill Tubes product line, consisting of tubes, dedicated shanks and button bits, is manufactured in Finland.



Breaking Records in a Silver Mine

By the summer of 1546 **Juan de Tolosa**, a Spanish Basque conquistador, had grown frustrated. He had led several expeditions in search of silver in North-Central Mexico, with little success other than a handful of silver-rich rocks he'd obtained from local natives. On September 8th his luck finally changed.

De Tolosa had hit a mother lode that soon turned out to be one of the richest silver deposits in the world. Within a few decades, the mining camp he founded on the spot grew into a prosperous city called Zacatecas, which later became the capital of the state carrying the same name. By the 18th century, the state of Zacatecas produced no less than one fifth of the world's silver.

Almost 500 years after de Tolosa, the silver deposits in the state of Zacatecas show no sign of depletion. One of the largest underground mines in the area is called El Saucito, near the city of Fresnillo, some 50 km north of Zacatecas City, owned by Fresnillo plc. Operational since 2011, it produces some 22 million oz (more than 620,000 kg) of silver per year, along with some gold, lead, and zinc.





The Rock Bits Tools task force ready for action. From left: Gustavo Martinez, Jorge Rodriguez, Felipe Azpilcueta, Ricardo Castillo, Carlos Torres.



To maintain and ramp up production, extensive mine development is constantly underway. In 2017, some 24,000 meters of rock will be excavated by the contractors at El Saucito. In such a scale, successful performance requires a reliable supply of all consumable parts of the drill string, such as bits, rods, couplings, and shanks.

Several contractors at El Saucito have chosen Robit's tools, supplied by their local Robit distributor Rock Bits Tools. "It's all about communicating and following up with the customer, so we can ensure we have the right drilling parameters and good conditions on the drill rig. Rock Bits Tools are doing a great job serving our customers", says Sales Director **Jorge Leal** of Robit S.A.C.

Cominvi, one of the contractors Robit is serving at El Saucito, has reached impressive results with Robit's tools in drifting and tunnelling. "Each drilling tool has a life expectancy relative to a specific mine or area. In El Saucito for example, a shank that lasts around 5,000 drill metres can be considered high quality. Recently, Cominvi drilled 9,196 metres on one of their drifters with our shank adapter COP1838 R38 038/435. To our knowledge, that's a record", Jorge says with a tinge of pride in his voice.

There may yet emerge new opportunities for breaking that record: the ore resources at El Saucito alone are estimated to last for another 25 years.

Brand-building in Sydney

AIMEX, held every 2 years in Sydney, Australia, is one of the leading mining exhibitions in the Asia-Pacific region. One of the 350+ exhibitors last August was DTARobit, introducing themselves for the first time nation-wide as one entity.

- Considering the increased activity in the mining sector, the timing was right for us. Safety, productivity, and cost reductions are the key challenges in mining today, and DTARobit are strongly aligned with them. AIMEX was also a good platform for launching the Robit brand into the Australian marketplace, says **Wayne Beaton**, Group Sales and Marketing Manager, DTARobit.

- We also launched and demonstrated new product lines such as the Evolution Series of Top Hammer

Bits. Thanks to Evolution's step change design, both our customers and competitors showed very close attention to the range!

- The Robit Sense Systems demos drew quite a bit of attention as well, as did the DTA DTH cutaway hammers – they provided the customers a “hands-on look and feel” how DTA's RC and conventional DTH hammers work.

- All in all, AIMEX helped us increase our brand image. We identified some good leads and potential distributors in the South Pacific. Converting one prospect to a customer usually more than recoups the investment of the show, Wayne concludes.



The Robit team at AIMEX, from left: Richard Epstein, Dawie van der Walt, Mark Thwaites, Barry Pappin

Giant Trade Show in Jakarta

Mining Indonesia is the biggest mining event in Southeast Asia. Held in September 2017 in Jakarta, the trade show attracted more than 20,000 visitors from over 30 countries. Among the 2,500 exhibitors were also Robit and its local distributor PT. Marton.

- We presented our full product portfolio. All products seemed to interest our customers equally, as did Robit's strong growth as a global operator, says **Juha Niskanen**, Robit's Sales Director Asia.

PT. Marton has been Robit's partner since 2011 and represents Robit on a broad scale, from sales and

marketing to providing customer advice, product testing and maintenance.

Trade fairs are always an important marketing channel for Robit, and Mining Indonesia is no exception.

- We met a lot of our current customers, as well as potential new ones. We scheduled a number of new product presentations and test drillings at our customers' quarries. We expect clear sales growth and a brisk 2018 in this market area, says a pleased Juha.



From left: Mr. Sun Yang Choi (Robit), Mr. Juha Niskanen (Robit), Mr. Marzuki Widjaja (PT. Marton), Mrs. Anita Ang (PT. Marton), and Ms. Eunike Dwi Widjaja (PT. Marton).

Robit On the Ascent at Maxpo

Maxpo, Finland's largest exhibition of construction machinery, took place at the Hyvinkää airfield in September 2017. The technology-loving crowd flowed in to marvel at the largest machines in the country. Robit also took part in the trade show, attracting its share of industry professionals.

How did it go, Sales Director Kari Färilin?

- We did a bigger show than ever. Our stylish stand next to the runway near the main gate reflected the airfield theme. We had our own 'taxiway', our product display mimicked a luggage carousel, and we even had a 'VIP' lounge. We wanted our impressive stand to reflect that we are a truly global company with the broadest product range in the business, Kari recounts.

- We had four display tents, each focusing on one product group. The most buzz was generated by the Sense Systems tent, which featured our groundbreaking digital control system. The demo equipment was in active use.

- Despite the lousy weather – three days of cold and rain! – we can be pleased with the turnout. It was our main domestic event this year, and even though we are well-known in Finland, there are always new contacts to be made. If done right, trade fairs are a fruitful venue for marketing, customer relations and visibility, Kari concludes.



From left: Kari Alenius, VP EMEA, Kari Färilin, Sales Director Finland and Minna Haavisto, Executive Assistant, drawing lots to select the happy winner of a flight bag.

Building Thailand's Infrastructure

Power generation, irrigation, road construction, railroad tunnels – when it comes to building the backbone for Thailand's economy, Right Tunnelling Ltd. is playing an active part in it.

Founded in 2000, the first project Right Tunnelling undertook was a tunnel excavation for the massive Khun Dan Prakan Chon Dam construction in the province of Nakhon Nayok, initiated by His Majesty the King. Since the completion of the dam in 2005, the local communities have enjoyed a constant supply of water for irrigation, and damages caused by flooding have decreased. The dam itself has become a major tourist attraction, with fishing and other outdoor activities.

Since the beginning, Right Tunnelling earned a reputation as a reliable contractor for civil engineering projects and has grown into the leading tunnel contractor in Thailand, with operations also in the neighbouring Laos and Myanmar.

Similarly, Robit has earned a reputation as a trusted partner for Right Tunnelling, providing them with Robit rock tools such as drill bits, rods, couplings, and shanks, as well as BulrocRobit hammers.

- Our cooperation with Right Tunnelling has been really smooth for several years. We have frequently visited their jobsites in Thailand and Laos to gain insight about their challenging drilling conditions so we can design the optimal tools for them, says **Antti Mäkinen**, Sales Director, Southeast Asia.

The latest jobsites where Robit's tools have been put to the test include a railway tunnel, commissioned by the State Railway of Thailand in the province of Saraburi, the Maetaeng-Maengad water tunnel near Chiang Mai, and a headrace tunnel for a diversion dam in a hydropower project in the Bolikhamxay province in Laos.



Get To Know



Mikko Vuojolainen

Mikko Vuojolainen, M.Sc. (Eng.), MBA, is Robit's Vice President, Americas, since October 2017. Mikko has an extensive international executive experience in heavy machinery. When he's not working, you will find Mikko on the golf course or hiking – as long as he has time to spare from his caretaker duties.

How did you end up working at Robit?

I wanted a change of industry and to be closer to actual customers. My criteria and what Robit was looking for happened to be a good match. My motivation was also increased by the opportunity to work for a company situated in my home town.

What would you say are Robit's strengths in the Americas?

High-quality products, hard-working people, and good references. In-house production in Sherman, Texas also gives us a strong edge. We stand out by genuinely listening to the customer's problems and reacting to them quickly. We have a good reputation, although it's still rather limited.

What are the short-term goals for Robit Americas?

In a nutshell: strong growth. This includes several tasks, such as strengthening our distributor network with new representatives. Improving storage capacity and local manufacturing are also key objectives.



Kari Färilin

Kari Färilin joined Robit in June 2017 as Sales Director, Finland. He has worked in the industry for more than 30 years. Children having left the nest, Kari lives with his wife and their dog. He spends his spare time flying planes, farming in small-scale, or elk hunting. He also has a passion for motor sports and snowmobiling.

How did you end up working at Robit?

The growing, agile, fast-moving company piqued my interest, and I realised it fit my core competency quite well. I already knew the Finnish markets when it comes to excavation, rock construction and the mining industry.

What do you intend to focus on as Sales Director?

Robit has an excellent reputation, but it's mostly known as a manufacturer of drill bits. One of my key tasks is to spread the word that our product range is much more diverse. For example, thanks to Bulroc and DTA, we now have our own hammers in the piling business, and they must be actively marketed. In mining, the message has already started to get through.

How is the business outlook from Finland's perspective?

In a word – excellent. Construction is still growing, and there are some gigantic plans in mining. Contractors won't be short of work, and we must be closely involved in this. We are seeking volume; the capacity is there, and that's why we are in a competitive position also in terms of price.



Jaana Rinne

Jaana Rinne, M.Sc. (Econ.), is Group HR Director for Robit since September 2017. Jaana has extensive experience as a HR executive in industry and in expert organisations. When she is not working, Jaana enjoys travelling, being outdoors, doing pilates and playing golf, and spending time with family and friends.

How did you end up working at Robit?

Many things fell into place. I had taken note of Robit's growth and public listing, and the location was close to my home town Tampere. I had the experience, I was drawn towards this growing, international company, and with my background I believed I had something to offer.

From an HR point of view, is Robit somehow different from your previous posts?

HR matters are basically the same whether you have 100 or 10,000 employees – people are people. The scale is just different. In Robit people still have – literally – a face to me. In a really big company, I would never be able to meet everyone face-to-face, but now it's still possible.

What is an HR director's most important task?

Making sure the conditions for working and developing in work are in place in terms of processes and structures. Ensuring that everyone knows what is expected of them, given feedback, and fairly rewarded for good performance. On a day-to-day level, this is of course the supervisor's job; HR provides advice and support. From the company's perspective, HR ensures that the right people are in the right place driving the strategy and goals.



Jukka Pihamaa

Jukka Pihamaa, M.Sc. (Eng.), MBA, has reinforced Robit's global management team since October 2017 as VP Supply Chain. He has a quarter of a century of experience in various roles in large metals and technology companies. In his spare time, Jukka engages in sports, tinkers at his summer cottage, races the track in his Porsche 911, and walks his King Charles Spaniel, Wilma, "the daftest dog in the world".

How did you end up working at Robit?

Robit was a very interesting company with a bright future. I was looking to trade a large company for a more concrete business, and it seems that I have found it. The positive team spirit made an impression on me.

You are VP Supply Chain. What are your areas of responsibility?

I oversee purchases, transport and stocks, as well as production development related to these. Robit's manufacturing is high quality and extensively automated. Now that the company is global, we need to focus on availability on a global level as well, and proactively communicate availability to our customers. We have already taken measures to this end.

How is the industry outlook from your perspective?

The megatrends are in our favour. Urbanisation continues, underground tunnels are being built, and minerals still need to be dug up. Economic cycles in the consumables market are less sharp than in the investment business. If we are flexible and transparent with our customers, make ordering hassle-free and keep prices competitive, we hold the keys to success in our hands.



Thinking **BIG** in **Chesterfield**

Robit Mega Dealer Meeting 3.0 was held at the Casa Hotel in Chesterfield, UK, in October 2017. Some fifty distributors and roughly the same number of Robit employees, including the entire global management team, took part in the event.

The morning of Thursday, 5th October, started out with light rain in Chesterfield, Derbyshire County, England. With Robit's distributors from 25 countries gathered in the conference room of the Casa Hotel, BulrocRobit's Global Product Manager Jonathan Hurt welcomed the guests in his opening speech.

In his keynote speech a bit later, Robit's Group CEO Mika Virtanen outlined the theme for the two-day event. It was loud and clear: Think differently, act gigantic! The words capture the mindset required if and when Robit intends to rise to the next level in global competition – and distributors play a critical role in this.

At the Mega Dealer Meeting, held this year for the third time, distributors received a hefty dose of information not only about Robit's products, but also about the development and latest trends in the

industry as a whole. "But it was certainly not just one-way information: we also focussed on working together in groups and workshops. This is a great way for Robit to gain valuable feedback and improvement ideas directly from the field, from all market regions," stresses Robit's Executive Assistant, **Minna Haavisto**.

In addition to common activities, the programme also featured optional product training sessions and the opportunity to visit BulrocRobit's plant. The event culminated on Friday with dinner and an awards ceremony at Chatsworth House, the stately home of the Duke of Devonshire.

- It looked like a happy bunch of people leaving for home on Saturday, says Minna with a smile.

Awards and winners 2017

Special performance of the year award

Hard Metal Industries, Australia

Real Mining, USA

Sunjin, South Korea

New dealer of the year award

Güriş, Turkey

Dealer of the year award

EuroDrilling Center, Sweden



The Office Employees of 2017

Sarah Thalhofer



Sarah Thalhofer is the Purchase Ledger at BulrocRobit in Chesterfield, UK. She's been with the company since February 2017.

What's your typical working day like?

I'm keeping track of receiving invoices and check with our purchase manager that we've received all ordered items. Every month I'll process the invoices and pay our suppliers. Also I'm looking after the travel expenses, petty cash etc. Further I've organised some

of our events such as the Mega Dealer Meeting 3.0 and our Christmas Party.

What do you like best about your job?

I like the positive atmosphere here and to be part of a global organisation like Robit. Nearly every day I learn something new about the drilling world and our products, especially as I'm coming from the crafting industry. It's fascinating to see what can be done.

What do you like to in your spare time?

I love to cook and to try new cuisines such as Korean, Indian or Mexican. I love to try new recipes and explore different food markets.

"Sarah worked really hard organising the Mega Dealer Meeting. She also was preparing for finals for her masters in International marketing in the last few days as well."

David Mildren, Managing Director, UK operations



Courtney Wickenden

Courtney Wickenden works for the Robit Inc. Customer Support team in Perth, Australia. She is this year's recipient of the John Egan Award.

"Courtney has done a fantastic job supporting both our customers and sales team as well as identifying and helping to fix problems with the Netsuite system. When required, she also supports manufacturing with issuing and chasing paperwork through production. She will also assemble hammers when volumes are high as she has done recently – just a great all-round team member."

Brian Bowler, VP Australasia, DTARobit

* John Egan was a young employee who passed away in 2010. John was seen as a talent for the future; the award was developed to identify people who have achieved beyond the normal expectations within their sphere of work. The management team nominate a staff member who demonstrates a great work ethic, flexibility, and a great determination to learn.

Gi Hyun Kim



Gi Hyun Kim is a Production Manager at the Donghae factory in Korea. He joined the Robit team in December 2012.

What do you do on a typical working day?

As Production Manager, my work typically includes things like production scheduling, machine maintenance, managing the staff, et cetera.

What do you like best about your job?

I'm keen on continuous improvement, such as developing the workplace environment and optimizing production lines. To me, it's the foundation of the company's development and growth, and seeing the company grow gives me satisfaction.

What do you find most challenging about your job?

Robit Korea will be moving to a new factory soon, and that's keeping me really busy, with all kinds of improvement activities such as production automation. It's a challenge, but at the same time it's another opportunity for us to grow globally.

"Our production team has faced important and difficult tasks this year, especially related to preparations for the new factory. Mr. Kim has been doing a very good job coping with the changes and meeting the goals with his team. He is a key person in adapting our production team to the new state-of-the-art factory."

James Kwack, Managing Director, Robit Korea

Sanna Kortelainen



Sanna Kortelainen works as a Sales Coordinator in Robit's Customer Service Team (CST) in Kerava, Finland. She joined Robit in 2012.

What does your work involve on a daily basis?

All aspects of customer service: emails, phone calls, making and receiving orders, etc. I also deliver goods to construction sites, meet with customers and even operate a forklift and stock shelves, if necessary. I do pretty much everything, from shovelling snow to sales!

What is it like working at Robit?

There's a warm, welcoming atmosphere here, which the customers can also sense when they visit. I learn something new about the industry and Robit's products every day. We have quite a lot of freedom at Kerava to do things our own way. I want to say thanks to the other members of the CST team for their good cooperation – they pretty much keep things under control at Robit.

How do you spend your free time?

I unwind with my family. I run and enjoy being outdoors in general, with or without my dog.

"Sanna is the driving force behind the Kerava location: she takes initiative, is independent and dedicated. She also points out areas that need improving and, in that way, helps develop our operations. Sanna is a great team player."

Seija Hassinen, Customer Service Manager, Robit Finland



Robit wishes all our readers
a successful
2018

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