

Continuous cost reduction

Performance based fleet management





Cost reduction by partnership Ultimate support in Aluminium production

Today staying competitive means investing permanently in new technologies, helping to reduce operational costs. Not only the technology itself, also advanced/sophisticated financial possibilities will make a difference in the profitability of your operations. At the background of demographic and political changes and in a complex market which - above all - is ruled by aluminium prices, it is more and more key to stay on top of expenditures.

Saving by outsourcing your fleet

Hencon wants to go a step further in growing the profitability of your business and wants to facilitate you to start with this new technology in a financially comfortable way, and taking away all concerns that innovating technology is sometimes associated with.

Saving by using new technology

One important and immediate saving is labour cost, but also maintenance costs and damages - two important components in the cost of ownership of a fleet - will be reduced in such a way that the ROI can be shortened to a very short time. This in combination with a longer life expectation of this type of equipment (due to lack of damages and a technology which is far less subject to



wear & tear), accumulate to an overall cost reduction that can never be equalled by traditional rolling material, operated by men.

The initial investment for purchasing Automated Guided Vehicles, which is more important than the CAPEX involved with purchasing traditional rolling equipment, should not be seen as a brake on the savings that this new technology can bring to your organization. Even if the CAPEX would be higher, using this type of technology will immediately effect the operational cost in such a way that the break even point will be reached in 2 to 5 years, depending on the application and the degree of automation. Hencon is willing to elaborate a business case for your particular business showing the savings for your particular business when investing in AGV's.

Until now, the focus was on creating a smart and cost saving product. Hencon enables you to reduce your cost even more by offering another approach of purchasing this new technology. When it comes to savings, predictability and is an important element.

Hencon's Fleet Management Division will allow you to monitor your costs very accurately, avoiding unpleasant surprises. In this approach we will step away from the initial investment that you need to make in your own fleet and you can even consider to outsource your fleet of automated (and/or other) vehicles to Hencon, partially or entirely. Instead of purchasing new machines, we offer the possibility to completely outsource your fleet and we will make sure that mutually predetermined goals will be



achieved. We keep your fleet operational at all times and we can aim for additional cost savings by integrating automated vehicles (reducing your labour costs), progressively or as a starting point. By the beginning of a new business year, you will perfectly know in advance which will be your costs and your savings for the following 12-72 months. Allowing you to choose for an off-balance method, operating your fleet becomes an operational cost, rather than assets filling your balance and consuming your cashflow.

Continuity in your operation

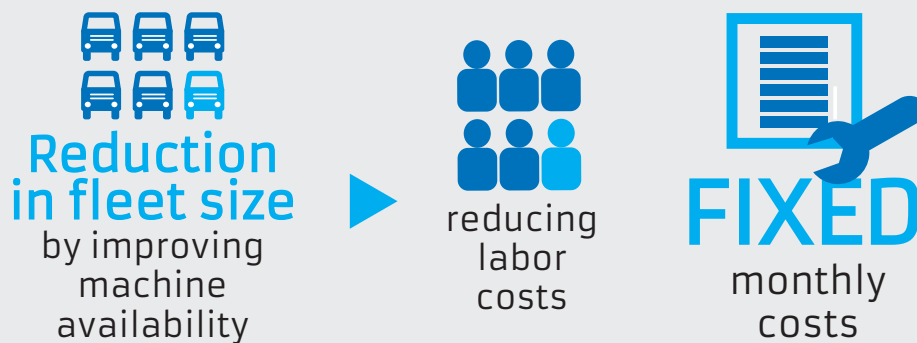
One aspect which is important in this perspective is that purchasing new technology can be perceived as risky or even threatening. If there is one thing which is more important than cost saving, it would probably be the assurance of continuity

in your operations at all time. No risks can be accepted when it comes to assure the production of the plant. Hencon is convinced that maximum partnership can only be achieved by not only sharing in these risks but even taking away all risks for your operations. In our set up, Hencon will be made accountable for achieving smart goals and KPI's, not just for the well functioning of your fleet.

By doing so, Hencon's incomes will be made entirely dependent from achieving these KPI's (related to your costs and savings, production time and goals). Creating a linear and predictable cost model, excluding unexpected costs (expensive repairs, damages, spare parts, downtime of machines,...) will help you to focus on your core business: producing aluminium.

Your benefits

- Continuity in your operation (risk sharing)
- Sustainable & continuous cost savings, starting from day 1 (no initial investment)
- 100% predictable OPEX costs, payment spread evenly over time
- Your fleet in excellent shape, using the newest technologies
- We assure availability of your equipment to support your operations
 - All risks for Hencon.



More information about your possibilities

Hencon started up the Fleet Management Division in 2016 and we rolled out already the complete management of the entire fleet of rolling equipment in two primary plants (one in Sweden, one in The Netherlands).

We believe that the future is more than building solid and reliable vehicles, but also in the way we build partnership with our customers. If you would like to have more information about possibilities that we can offer in your plant, please contact us:

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