

- Arca ■ 5100 Tibet Spring Water
- Suntory ■ Sinalco International
- Al Rawdatain ■ SUN Inbev Ukraine

smi **now**

Magazine 2008 02



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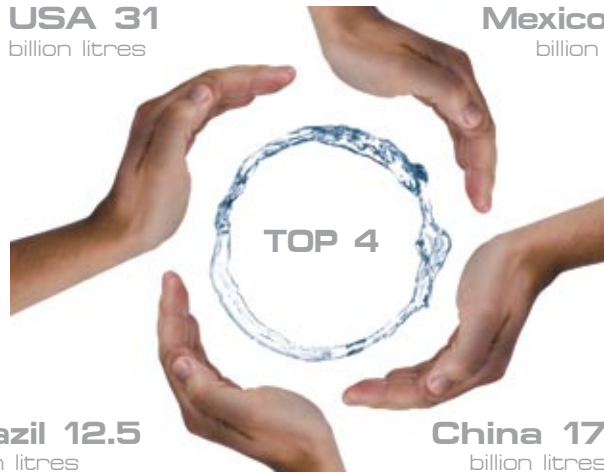
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smi3 NOW

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USA 31
billion litres

Mexico 20
billion litres



packaged water
consumption increases by
7.8% per year

A world consumption equal to 180 billion litres, makes packaged water the most important segment of the beverage sector. Western Europe and North America have the highest consumption share (40%), but Eastern Europe, Asia and Africa show an "explosive" increase.

Brazil 12.5
billion litres

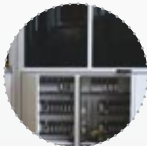
China 17
billion litres



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SYSTEM**



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CABINET**



**REDUCED OVEN
PITCH**

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- > Up to 20 moulds
- > Up to 1800 BPH per cavity

>> PAG.40



CUSTOMER SERVICE CENTRE

- > Plan
- > Solve
- > Maintain
- > Enhance

>> PAG.48



Arca



WATER & CSD
Embotelladoras Arca
 Coca-Cola Group
 Monterrey, Mexico
 >> 4 shrinkwrappers
 SMI LSK 35 F
 >> conveyor belts

■ Mexico is the number one consumer of Coca-Cola in the world, with an average of 225 litres per person; a disproportionate number which has surpassed the inventors. The consumption in the USA is "only" 200 litres per person. This fizzy drink is considered an essential part of the Mexican people's diet and can be found even where there is no drinking water. Such trend on the Mexican market is also evident in economical terms as it represents about 11% of the global sales of The Coca Cola

Company.

On the whole, the CSD industry in Mexico has recently become aware of a consolidation process destined not to end, characterised by mergers and acquisitions amongst the main bottlers. The producers have widened their product portfolio by also offering isotonic drinks, mineral water, juice-based drinks and products deriving from milk. Coca Cola Femsa, one of the main subsidiaries of The Coca-Cola Company in the world, operates in this context, as well as important

local bottlers such as ARCA, CIMSA, BEPENSA and TIJUANA.

These businesses, in addition to the products from Atlanta, also produce their own label beverages. SMI has, to date, supplied the Coca Cola Group with about 300 secondary packaging machines, a third of which is installed in the Americas. SMI has been, for years, contributing in the modernisation and widening process of many bottling establishments in Mexico where, in 1997, it chose to set up a subsidiary to readily and efficiently answer the ever increasing demands of the Mexican and Central American clients.



Coca-Cola

■ The Coca-Cola Company distributes 4 out of the 5 top beverage brands in the world: Coca-Cola, Diet Coke, Sprite and Fanta. During 2007, the company

worked with over 400 brands and over 2,600 different beverages. As well as classic CSD - the Group's core business - the Atlanta company markets bottled water (Dasani, Ciel, KIN, Lilia, Multiva), juices and fruit based drinks (Minute Maid, Fruitopia, Appletiser, Andina Nectar), sport drinks (Powerade, Aquarius, Aquactive), energy drinks (Burn, Real Gold, KMX, E2), cold tea (Nestea, Gold Peak, Enviga in joint venture with Nestlé) and coffee (like the new Chaqwa and Far Coast products, launched in 2006).

The highest developments have been achieved in the bottled water division, also thanks to recent acquisitions in the natural and functional drinks sector (including low-calorie drinks such as Coca-Cola Zero, Nestea, Aquarius and Powerade).

The Coca-Cola Company, the trademark's owner, does not, in most cases, bottle its own beverages; it produces concentrated syrups and sells them to the bottlers' distribution network, spread over 200 nations, who has the licence to produce, bottle and distribute their products. It is also an important shareholder in the main production holding of the "Coca-Cola-branded" beverages, like Coca-Cola Enterprises (North America, UK, France, Benelux), Coca-Cola HBC (operating in most of Europe, including Italy), Coca-Cola Femsa (Central and Latin America) and Coca-Cola Amatil (Oceania).

■ SMI Centroamericana S.A. de C.V.

The offices and warehouses of SMI Centroamericana are situated in a modern building in the Gustavo A. Madero delegation, one of the main industrial areas of Mexico City, a few minutes from the most important communication networks.

Highly specialised mother-tongue personnel supply a high quality service in marketing promotions for SMI and SMIPACK machines, offering clients with suitable solutions for achieving desired sales objectives and operating efficiency; technical after-sales service assistance for plant installation and maintenance; supplying spare parts, with optimisation of delivery times and reduced transport costs.

The competence, professionalism and customer-orientation of SMI Centroamericana's marketing and engineering staff represent the key factors in achieving excellent selling results in Mexico and in the nearby countries.

To everyone their own taste:

SMI's choice for modernising the production lines of the "mezclado" product.



■ The plant modernisation process in Mexico seems never ending and involves all The Coca-Cola Company's main bottlers: FEMSA, ARCA, CIMSA, BEPENSA, TIJUANA have made considerable investments in the productive lines for cans and PET bottles dedicated to soft drinks, water and other marketed products.

There has been an increase in the manufacturing capacity through the installation of new lines, and a dynamic packaging development to readily and efficiently face the ever evolving market.

Suppliers capable of best satisfying large companies' requirements, both with advanced technology machinery and operating flexibility, have been privileged in this innovative phase.



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SMI's constant technology upgrading has enabled it to answer the expectations of The Coca-Cola Company bottlers, who have recognised the commitment in assuring them the possibility to offer a comprehensive service fit for their clients and a notable economic return for their investments. The following ones have been particularly appreciated: the on-site presence of an engineering assistance service, the availability to understand client's requirements and therefore to plan the modernisation of each single production line, the fast supply of machinery. The optimisation of the maintenance costs has also been welcomed, thanks to the use of common spare parts amongst the different machines installed at every bottler's. SMI has recently finalised marketing agreements with The Coca-Cola Company's main bottlers in Mexico. The "Jugos del Valle" company, owned by the "Coca-Cola Femsa" group, has decided to increase productivity by purchasing high speed shrinkwrappers, amongst which, two SK 600P (max. 60 ppm) for bottling cans in single and double lane, and one SK 800P (max. 80 ppm) for packaging glass bottles.

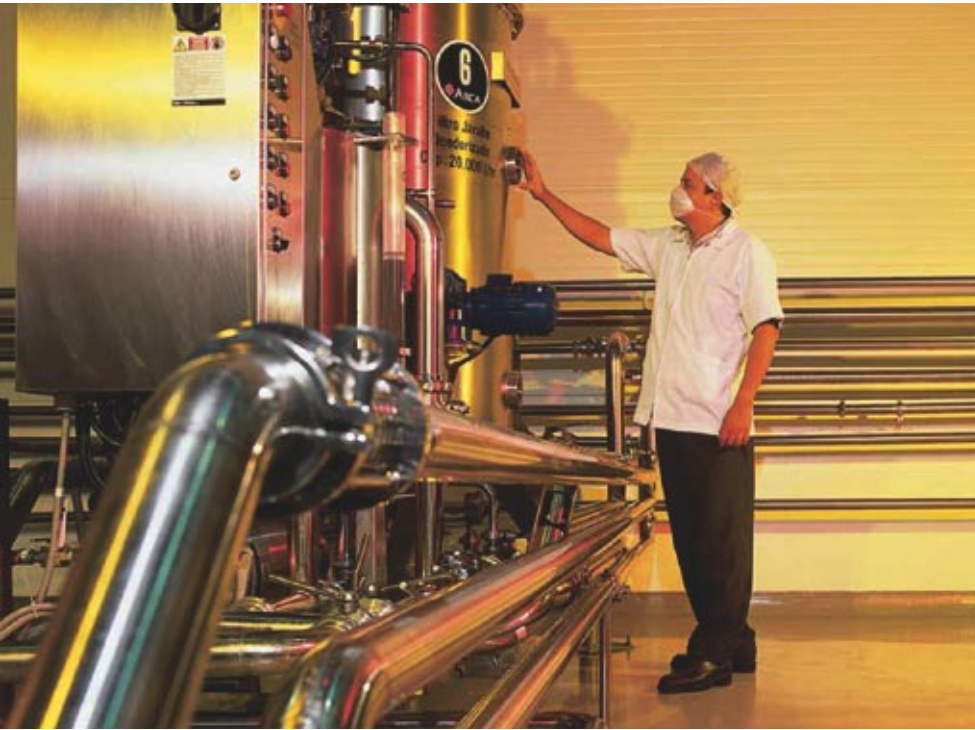


Arca brands:



- Coca-Cola, Coca-Cola Light, Sprite, Sprite Light, Fanta, Fresca, Manzana Lift, Delaware Punch, Senzao, Kin-light, Mickey Aventuras, Ciel, Club Soda, Lourdes, Purasol, Sierra Azul, Sierra Azul (Mineral), Topo Chico, Joya, Joya Light, Bimbo, Manzanita Kris, Sangria Don Diego, Tipp, Topo Chico Flavors.





▪ SMI technology in the service of ARCA bottling lines

In ARCA's many bottling lines there are currently over 20 SMI hi-tech packers running. Since 2000, the year of the first supply, a tight business relationship has grown between the two companies, above all thanks to the high-quality standards of SMI packaging machines and to the guarantee of a locally based after-sales service operation provided with spare parts stock.

For these reasons ARCA trusted SMI experience also for the renovation of its bottling lines situated in Culiacan, Juarez, Matamoros and Mexicali.

In each of these 4 bottling plants, in 2008 SMI installed a LSK 35F shrinkwrapper and relevant conveyor belts to pack the innovative multi-taste product bundle (mezclado). The production lines "upgrade" will go on next year and will be extended to other factories of ARCA group.

The "CIMSA" group, with the recent acquisition of a LSK 35F shrinkwrapper (max. 35 ppm) coupled with a HA series handle applicator, has aimed at an innovative packaging as it is not easy to find packages with handles on the Mexican market. In the LSK 35F packaging machine, PET bottles with different capacity (between 0,25 and 3 l) are clustered in multiple formats, which confirms the machine's operating flexibility.

All main bottlers of The Coca-Cola Company rely upon SMI's experience to support latest trends coming from soft drinks and bottled water consumers. Researchers show that consumers prefer purchasing packages with bottles of the same size but with different taste. Bundles with "multi-taste" bottles have then become quite popular: for example, a 6-bottle bundle containing two Coca-Colas, two Fantas and two Ciel waters.

The multi product package, better known as "mezclado", is not new on the Mexican market as it has been available in shops for a few years already; the novelty is the packaging automation, previously carried out manually.



For this purpose, SMI has studied a conveyor belt system at the input of the LSK shrinkwrapper, to lane the bottles according to the taste, and a roller belt at the output, to guarantee package cooling before manual palletisation.

■ EMBOTELLADORAS ARCA. Some history

Embotelladoras Arca was constituted in 2001 from the merger of Argos, Arma and Procor, three of the eldest bottling companies in Mexico. This is how the second largest bottler of The Coca-Cola Company's products in Latin America is born. The firm was constituted with the aim to increase its added value, by offering consumers with an excellent service and a complete range of high quality products, competitive and made up of prestigious trademarks. With offices in Monterrey, it has a contract with The Coca-Cola Company to bottle and distribute beverages belonging to the Atlanta-based company in Northern Mexico, mainly in Nuevo Leon, Coahuila, Sonora, Sinaloa, Baja California, Baja California Sur and Tamaulipas. It also sells its own label beverages and distributes other brand products. Every day Embotelladoras Arca serves more than 15 million consumers by operating through 13 bottling plants and 60 distribution centres. Since 2007, it has been widening its product portfolio by adding snack foods from Bokados. In March 2008, after signing an agreement

to purchase The Coca-Cola Argentina, it extended its activity to South America. Embotelladoras ARCA invests time, knowledge and resources to favour local economic growth, and is committed to safeguarding the environment through the development of plastic containers' recycling projects.



Above: The meeting between ARCA's Mr. Raul Montemayor and SMI Sales Area Manager for Mexico, Mr. Roberto Cagnis.



New LSK shrinkwrapper:

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Competitive price, low operational costs, modular structure, user-friendly technology, small size: a 10-meter-long machine offering all of the technology you need!

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Bottling & Packaging Solutions

> shrinkwrappers and tray packers > wrap-around casepackers > PET blow moulding machines > conveyor systems

5100 Tibet Spring water.



WATER & CSD
5100 Tibet Spring Water
Tibet Glacier M.W. Co. Ltd.
Lhasa (Tibet), China
» casepacker
SMI WP 350



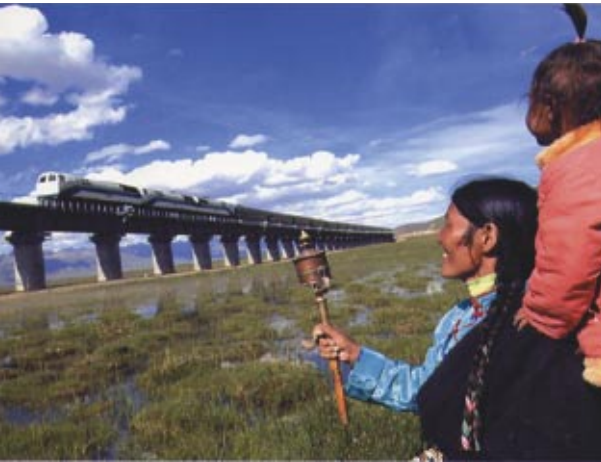
Right side: the "prayer flags" welcome visitors on the Nyenchen Tanggula mountain chain

▪ "Top of the world" bottling

The "5100" water flows at 5,100 m (above sea level) from the Dongziong source, south of the Nyenchen Tanggula mountain chain, on the Qinghai-Tibet plateau, one of the few areas in the world without pollution. For this reason, "5100", pure, clean and uncontaminated, can be a health support.

The bottling plant belongs to Tibet Glacier Mineral Water Co. Ltd (located near the capital city of Lhasa at 4,300 m (above sea level), which was founded in 2005 during one of the most considerable marketing investments made in Lhasa in the last few years.





"It is a magic light blue road which brings the motherland's affection to the confining areas. From now on, the mountains will no longer be high and the roads will no longer be long, happily joining the various ethnic groups."

■ These are the words from the "Light Blue Road" song written by the Tibetan population, and sang by the Tibetan singer Basang, to celebrate the opening of the Qinghai-Lhasa railway line on 1st July 2006.

The "Sky Train", which holds the record as the highest railway in the world - the longest situated on an upland - stimulated the development of the Tibetan market, giving new economic vitality to this region, better known to the world for its Buddhist Monks.

This new technologically advanced and, at the same time, environment-friendly structure, in the Tibetan imagination represents a bridge towards happiness, thanks to the creation of new job opportunities for Tibet's workers, who can now make use of a new and efficient means of transport.

After all, the "Tibet Express" has

■ BEIJING-LHASA: an incredible journey on the "Sky Train"

The Beijing-Lhasa railway line, also known as the "Qinghai-Tibet line", connects the capital of China and the capital of Tibet, covering 4,200 Km in 48 hours. Its route serves 44 stations and enables a circulation of eight trains at the same time.



The construction works started in 1956 and the final leg was inaugurated on 1st July 2006.

The "Sky Train" is an engineering masterpiece which climbs up impracticable mountain routes, up to a height of 5,029 m (above sea level), and runs on the highest track in the world; the previous record was held by a mere thirty kilometre route which, at a height of four thousand metres, winds up the well known Machu Picchu peak in Peru.

The passenger carriages are pressurised and air-conditioned like aircrafts, with high protection windows against UVA rays, as 80% of the railway stands at a height of 4,000 m. The highest station is Tanggula, over 5,000 metres (above sea level) high.

Long stretches of the railway are rested on permafrost, that is permanent glaciers, with temperatures well below zero.

7 tunnels have been dug-out (amongst which the Fenghuoshan Tunnel, 1,338 m long, built at a record high of 4,905 m above sea level) and 286 bridges built to allow the crossing of the bare, impracticable and untouched Tibetan mountains.



favoured the spread of the "5100" mineral water, which comes from the 5,100 m-high Tibetan glaciers and is distributed in China, and therefore abroad, after travelling on the new railway line.

The Tibet Glacier Mineral Water Co. Ltd company, bottler of the "5100" water, has particularly enjoyed the economic advantages from

the new transport system.

"The realisation of the Qinghai-Tibet railway line began before the construction of our factory", says Jiang Xiaohong, Tibet Glacier Mineral Water Co. Ltd Managing Director, during an interview with China Radio International, "which means we moved after having received the news.

The first year of operation, after opening to the traffic, shows that we made the right choice".

The sales of "5100" water have noticeably increased to the point that, with the current productive capacity of 300,000 tonnes per year, the company has become the largest water bottler in Tibet.

Tibet: "Asia's water tank"

■ The sources of the main rivers in China and south-eastern Asia are born on the Qinghai-Tibet. The Brahmaputra, Mekong, Yangtze, Indus, Yellow River and Salween are fed by the Tibetan glaciers. The "Roof of the world" is also famous for sheltering a number of species belonging to the mountain wildlife, able to reproduce itself and survive only in a "special" eco-friendly, primeval and uncontaminated context. The mineral water of the plateau represents one of the most important trade resources of the region; starting from 2006, the Qinghai-Lhasa railway line has reduced transport costs, making distribution to China and abroad possible.



■ SMI IN CHINA



The constant commitment to achieve client's satisfaction, has brought SMI to decide to be directly present on the Chinese territory with two representative offices in the industrial poles of Nanjing and Guangzhou.

The highly specialised and constantly updated mother-tongue staff ensures a high quality service both in marketing activities and in engineering assistance service, for installing and maintaining the plants.

The supply of spare parts on the premises, has also made it possible to optimise delivery timing and reduce transport costs.

Competence, professionalism and availability of SMI marketing and engineering personnel in China, represents a key factor in the excellent sales results reached by SMI in this area.



SMI and “5100”: together at high altitude

■ Tibet Glacier Mineral Water Co. Ltd holds the world record for the bottling plant situated at the highest altitude on sea level. The company represents the largest water bottler in Tibet, with a productive capacity of 300,000 tonnes per year. The geographical location at 4,300 m (above sea level) requires the use of advanced technology bottling systems, which enable the company to constantly face difficult challenges due to extreme weather conditions. The need to care the product packaging process is not to be undervalued,

since the water is distributed in the whole of China and abroad.

Aware of such need, Tibet Glacier Mineral Water Co. Ltd has turned to SMI for the supply of a wrap-around casepacker model WP 350 of the WP series, to be inserted in the 25,200 BPH bottling line.

We can therefore confirm that SMI packaging machines are installed in every part of the world, as they are planned for facing extremely different climate conditions.

Packaging in corrugated cardboard box is the ideal solution for distributing Tibet Glacier Mineral



The choice of the Tibetan company to collaborate with SMI, has been positively influenced by the excellent reputation of Smigroup in the whole Asian continent, where it is considered a highly qualified and reliable partner.

In fact, more than 40% of the 350 SMI packaging machines installed in China is represented by wrap-around casepackers.

To face the extreme climate conditions on the "roof of the world", Tibet Glacier Mineral Water Co. Ltd has decided to rely on SMI efficient technology, whose packaging machines are distinguished by the modular design, operating flexibility and high performances, thanks to fully automated processes, electronic control of the machine axis and field-bus wiring.

Another determining factor in choosing a SMI product, is the good quality/price ratio and the after sales assistance service guaranteed by the two Chinese subsidiaries in Nanjing and Guangzhou.



Water Co. Ltd products all over the world.

Packs made with SMI wrap-around casepackers offer important advantages in the conveyance operation: PET bottles contained inside the package are protected from impact, abrasions and mechanical stress as, whilst moving, the carton thickness works as a shock absorber.

The "5100" mineral water is distributed in square PET bottles of 0.33/0.5/1 l capacity and in round bottles of 1.5 l PET. The smaller bottles, 0.33 and 0.5 l, are packaged in the traditional 4x6 format, whereas the 1 and 1.5 l bottles in 3x4 format.



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WATER & CSD

Suntory
 Suntory Ltd. Group
 Kumamoto, Japan
 » shrinkwrapper
 SK 450 T



On top: the Aso volcano in the Japanese city of Kumamoto

- The heat-shrinking film: an innovative packaging for the Japanese market.

The launch on the Japanese market of the “Tennensui Aso” natural mineral water represents an interesting novelty, both for the type of product introduced, a “new entry” in the company’s wide range, and for the package “look”. In Japan most products are, in fact, distributed in a cardboard box. Suntory Limited has decided to use heat-shrinking film, relying on the advanced technology of SMI machines. This type of packaging offers a cost-effective alternative to corrugated cardboard and it plays a key role in the product marketing strategies, since the use of film printed with decorations and images allows to catch the consumer’s eye.



Packages made with heat-shrinking film can be more easily handled, conveyed and recycled.

■ Suntory Limited's dynamism is effectively synthesized in the company slogan "Yatte Minahare!" (Go for it!).

The renowned Japanese group is determined to supply a unique tasting product, which can satisfy the palate and be aesthetically good to look at. It knows the consumer's taste changes and so it commits to differentiate its production to follow the market trends.

The Osaka-based company is eclectic both in the variety of products and in the constant innovative packaging. It recognises the importance of the wrapping to catch the buyer's eye and in supplying content information.

In 2008 the Kumamoto establishment of Suntory Limited invested in the installation of a 36,000 BPH PET line to bottle "Tennensui Aso" natural mineral water, entrusting SMI with the supply of a SK 450T shrinkwrapping machine: 2 l square bottles are clustered in 3x2 film only format, whereas the 0.5 l round bottles are packaged in tray and film 6x4 format.

SK series is constituted by fully automatic machines for packaging plastic, metal or glass containers.

Depending on the model chosen, it is possible to make packages in film only, cardboard pad and film, tray only, cardboard tray and film, reaching a



maximum speed of 360 packs per minute. All SK models feature an electronic system for product grouping and are available in single or double lane operation.

They are also equipped with automatic format change and electronic control of the film-cutting unit, by means of a brushless motor.

This guarantees constant film tensioning and better cutting precision. In this way, the package aesthetic quality gets highly improved.

■ Suntory's origins

Suntory Limited was founded in 1899 when Shinjiro Torii opened a wine shop in Osaka and started to produce and sell his own wine "Suntory".

In 1921, following business growth, the "Kotobukiya" company was founded, changing its name to "Suntory" in 1963 (named after the popular product), and started to produce beer as well with the same name. In 1997, the company became a licensed bottler and distributor of the Pepsi Cola drinks in Japan.



Suntory:

A product range for every consumer's tastes

■ Suntory Limited is the eldest alcoholic beverages producer and distributor in Japan and has, in years, extended its activity to Asia (mainly China), to the United States and to Europe (in particular Scotland and France).

It has, in time, confirmed its success thanks to the capacity to differentiate the product range and keep up with consumers tastes.

The beverages sold by the Japanese group represent the answer to the market trend for the various drinks categories:

- > LEMON is an authentic Japanese green tea-based beverage, launched in 2004
- > the SUNTORY OOLONG TEA has become a very popular brand
- > BOSS is canned coffee nicknamed "The worker-friendly coffee"
- > PEPSI is the famous cola-tasting beverage





▪ Water for life

Suntory Limited promotes environment defence, as shows the "water for life" slogan, which expresses the group's commitment to protect water, source of life and "infinite and precious land resource".

The company announces the will to work towards a sustainable society, "resonant of people and nature", and invests in activity to safeguard green spaces, developing eco-friendly and recyclable products.

The programme for forest protection titled "Natural Water Forest" and the opening of the "Suntory School of Forest and Water" to educate children to respect the environment are amongst the most recent initiatives. Suntory Limited recognises that many ingredients of its products are nature's gifts, and demonstrates its determination in safe keeping it.



> the DAKARA drink is reputed to be the "daily healthy drink"

> SUNTORY NATURAL WATER is a natural water from an uncontaminated source.

The company's aim is to enrich its offer "so that each consumer can enjoy his favourite drink, anywhere and at any time".






WATER & CSD

Arabian Aerated Water Co.
Sinalco International
Jaber, Jordan

- >> stretch-blow moulder
SMI SR 8
- >> shrinkwrapper
SMI SK450 P



Right: the cutting of the ribbon by Jordan's Minister of Trade and Industry, Eng. Amer Al-Hadeedy.

▪ Who Arabian Aerated Water Co. is

The company was founded in 1953 in Basra, south of Iraq, for bottling "Sinalco" brand beverages, licensed by Sinalco International GmbH & Co. KG. The production and trading began in 1954, and after two years, a second company was founded in Baghdad, which subsequently became the company's head office.



The immediate success and growing demand brought AAWC to install other productive lines in 1986, and to build a new company in 2000. The German beverages became "leader" on the Iraqi soft drinks market. The launch of two bottling lines in 2005 has been followed by the opening in 2008 of the Al Jaber plant in Jordan.

■ After the 2005 celebrations for its 100th anniversary, Sinalco has celebrated the opening of a new PET bottling line in Jordan. The Iraqi company, Arabian Aerated Water Co., which boasts 55 years of joint venture with Sinalco International, announced the intention to expand its trade into the Syrian-Jordan free trade zone of Al Jaber.

The new manufacturing unit is dedicated to bottle Sinalco beverages of different tastes, like: Cola, Orange, Mela, Cito, Cloudy Lemon and Mulberry. The highest political and entrepreneurial officers attended the opening ceremony; the new establishment opened its doors to the Jordanian Minister of Trade and Industry, Eng. Amer Al-Hadeedy; the Syrian Minister of Economic Affairs and Trade, Dr. Amer Lutfi; Sinalco International Managing Director, Mr. Mongi Goundi; and the Deputy General Manager of Arabian Aerated Water Co, Mr. Hussain Al-Rahmani.

SMI had the privilege to participate to the event by supplying both its machinery for blowing the PET bottles and the secondary packaging.

It can be confirmed that the SMI engineering/trade staff supported Arabian Aerated Water Co. in this important developing project.



Top: moments from the opening ceremony of the Al Jaber plant.

Above: Mr. Hussain Al-Rahmani, Deputy General Manger of Arabian Aerated Water Co. and Mr. Mongi Goundi, Sinalco International Managing Director, during the delivery of the event brass.



From left: The Deputy General Manger of Arabian Aerated Water Co., Mr. Hussain Al-Rahmani, with the Jordan's Minister of Trade and Industry, Mr. Eng. Amer Al-Hadeedy, and Syria's Minister of Economic Affairs and Trade Dr. Amer Lutfi

The opening of the Al Jaber factory was positively welcomed by the inhabitants and by the over 50 employees of the company.

"Sinalco" beverages will initially be sold in Iraq, Jordan and Syria, and later in Saudi Arabia.

■ 7 August 2008: a day which marked the expansion of Sinalco in the Middle East

Al Jaber, 7 August 2008. The official opening of Sinalco's brand new production unit in Jordan took place with a great celebration, which was attended by many authorities from Jordan, Syria, Iraq and nearby countries.

The event was a great success amongst guests, who had the opportunity to see, closely, the state-of-the-art technology of the installed machinery.

Arabian Aerated Water Co. turned to SMI's experience for supplying and installing a 8-cavity rotary stretch-blow moulding machine (SR8 model) and a shrinkwrapper to pack PET bottles in the pad and film configuration.

After an accurate evaluation of the client's expectations, SMI worked hard to study the new

2.25 l PET bottle, and to find the best solution for the secondary packaging of already existing bottles (0.33/1/1.5 l).

The four bottles, blown from the eight-cavity machine at a speed of 12,000 bph (1.5 l) are packaged by an SK 450P shrinkwrapper in 4x3 film only and pad + film format (0.33 l) and 3x2 film only and pad + film format (1/1.5/2.25 l).

■ Packaging solutions as flexible and different as consumers

To support market trend and consumers' preferences, "Sinalco" beverages are proposed in a wide and flexible range, by size and type of packaging. Bottle capacity varies from 0.33 to 2.25 l, distributed in returnable and non returnable glass, in PET and in can.

The original and legendary "Sinalco" bottle is available for the following drinks:

- > **Sinalco Cola**
- > **Sinalco Cola light**
- > **Sinalco Orange**
- > **Sinalco Apfelschorle**
- > **Sinalco Zitrone**

The German brand prefers the innovative and eco-friendly PET instead of the non returnable glass.



Sinalco

Yesterday and today

■ "Sinalco" is the name of a fruit-based soft drink created in 1902 by the German psychotherapist Friedrich Eduard Bilz, which he initially called "Bilz Brause".

It is an health elixir made with a mix of seven tropical fruits and its success was so huge that many tried to imitate it; therefore in 1905 it was decided to register the trademark with a new name to protect the product.

Many contests among customers were launched: in the end the name "Sinalco" was selected, which comes from the Latin expression "sine alcohole", e.g. without

alcohol.

The German beverage started conquering the world in 1907, in particular South America and the Middle East.

In 1937 the red circle, which became its symbol, was created and, in occasion of its fiftieth anniversary, a characteristic bottle was made.

The trademark rights were purchased by the Hövelmann group in 1994 and the Deutsche Sinalco was constituted and three years later became Sinalco International GmbH & Co. KG. A century from its creation, the popular beverage registered its





second greatest triumph: in 2003 - only in Germany - 100 million litres (against 41 million in 2002) were sold, whereas in 2004, after the market launch of the 0.5 l bottle - that joined the already popular 1 l package - 164 million litres were sold.

Today, "Sinalco" drinks can be purchased in 85 countries and, as well as the original product on sale since 1905, the German company proposed different taste variations: orange, lemon, cola, grapefruit, forest fruit, some of which in the "light" version.

Sinalco International GmbH & Co. KG is the worldwide owner of the trademark rights and operates as franchisor, giving a number of subsidiaries in different countries the right to trade its products.

The German company has built a tight relationship with its partners so that all head office directives are respected in terms of essence supply, production recipe, distribution agreements and use of technological applications.



■ PET containers and the respect for the environment

SMI engineering office is constantly engaged in designing new PET containers and is able to offer innovative solutions to clients so as to reduce the quantity of material used in order to lower energy costs.

The "light-weighting", e.g. the study of bottle shape aimed at reducing the weight of preforms, plays an important role.

It is based mainly on the calculation of the "top load", meaning the maximum load the bottle can bear during palletisation.

Huge eco-friendly benefits are gained thanks to the use of oil-based materials.

The reduction of the heat necessary to shape the material also means energy saving.

The advantages of the package recycling are not to be undervalued; in fact it is thinner and, therefore, can be more easily compressed and takes up less space during waste collection.



0.33 litres
1.00 litres
1.50 litres
2.25 litres



Al Rawdatain.



WATER & CSD

Al-Rawdatain

Al-Rawdatain Water Bottling Co.
Safat, Kuwait

>> casepacker

SMI WP 300

>> shrinkwrapper

SMI SK 350 T

>> handle applicator

SMI HA 35

>> divider

SMI DV 500

>> conveyor belts



■ Al Rawdatain in brief

The Al Rawdatain Water Bottling Co. foundation dates back to 1980. The bottling and trade of the mineral water with the same name began in 1983 and immediately registered a great success amongst consumers due to its freshness, purity and mineral richness.

The demand evolution in the following years determined the introduction of new products and the use of innovative containers.

The company also proposed the supply and installation of water heating systems.

After undergoing careful laboratory analysis to guarantee the highest safety and quality standards, the water is bottled in PET containers and distributed in Kuwait and abroad thanks to an efficient logistics system.

At the beginning of 2008, Al Rawdatain Water Bottling co invested in the widening of its production range by installing a new 18,000 bph PET line in the Safat factory, for which it purchased from SMI the end-of-line packaging machines and the conveyor belts from the labeller to the palletiser.

“Sweet” water in Kuwait: A precious source

■ The area called “Al-Rawdatain”, from the Arab “Rawda” meaning “garden land, enriched with water and flourishing vegetation”, stands in northern Kuwait and features geological properties making it a unique place in the world. The geological “birth” of this desert oasis and of the whole Kuwait dates back to the Palaeozoic Age: the high-quality water streaming from it is the result of the rainfalls which, in the course of millions of years, have enriched it with mineral salts featuring precious natural properties. The only source of drinking water in Kuwait in the past

was constituted by rain and the construction of large wells, the main ones near Udailliah, Shamiya, Adilliya, Hawally and Nugra: but it was salty and impure water.

In that area, characterised by scarce rainfalls, an alternative source of water was to draw it from Shata Al Arab and Al-Basra rivers, by using special sailing ships.

With the country’s economic growth, the increasing demand for fresh water made it necessary to build sea water distillation and desalination plants. However, continuous subsoil drillings brought to the discovery



of the Al-Rawdatain source, the eldest drinking water source in Kuwait, and still the best.

The water gushes from the subsoil and is rich in mineral salts, which naturally dissolve.

Such properties distinguish it from other types of drinking water available in the desert, obtained through chemical processes for salt elimination and water purification, such as reverse osmosis and carbon filtration.

As the English poet Samuel Coleridge had his "Old Marine" shout in a ballad two centuries ago:

<<Water, water everywhere and not a drop to drink>>.

Soon the "Marine" may not be the only one to desperately look at the useless stretch of salty water.

Less than 1% of the earth's water is sweet and it is quickly running out: the number of people who today do not have enough water - one billion - is destined to grow by 2050.

On the basis of such an estimation, the idea to "produce" drinking water was born. It determined the spread, on a large scale, of desalters from China to the Persian Gulf, to Israel, to Spain, to Florida.

The production of water through chemical processes has increased by nearly 50% in the last three years and, according to recent statistics, should double in less than ten years.

The boom of the desalters has been mainly registered on the rich coasts of the Middle East, which have managed to cover the high costs of desalination plants.

Waters in this way obtained are defined "drinking waters" or "health waters", as only those coming from natural sources can be classified as "natural mineral waters".



Integrated systems: Fluid movements with SMI solutions

■ Al Rawdatain mineral water is bottled in square PET containers in 0.33/ 0.5/1.5 l formats and is packaged both in corrugated cardboard box with the WP300 wrap-around casepacker and in film only and film + tray bundles with the SK350T shrinkwrapper.

The bundles packaged in 5x4 format (for 0.33 and 0.5 l bottles) and in 3x2 format (1.5 l bottle) are conveyed towards the HA 35 machine for the application of a handle, whereas the other bundles only run through it in transit.

The sorting of the square bottles is assigned to a DV500 divider-laner, which receives the loose products in a single row, divides them into more rows and lanes them towards the secondary packaging machines.

All SMI machines are built with first quality material, which guarantees working reliability and long-lasting functionality.

The use of wear and tear-resistant components reduces cleaning and maintenance operations

and drastically lowers running costs.

Al Rawdatain Water Bottling Co. turned to SMI to purchase the end-of-line machinery and the whole set of conveyor belts to transport loose containers and packed product.

Product movements must be fluid and constant, in order to guarantee maximum operating flexibility and successfully manage sudden flow variations due to unforeseen functioning problems of each machine. The use of an automation and control system of the latest generation, along with the employment of sophisticated sensors, allows to keep top efficiency levels in all phases of the production cycle.

■ SMI's solutions allow the optimal handling of the product flow - through an accurate study of the accumulation, distribution and conveyance dynamics - and distinguish themselves for:

- > modular structure easily adaptable to various types of containers and flows
- > format change times reduced to a minimum to quickly shift from a product to another
- > high running reliability thanks to frame and components made of AISI 304 stainless steel
- > lowest noise and friction levels
- > clearly defined cleaning and maintenance interventions
- > simple and intuitive starting and control operations
- > user-friendly technology thanks to the POSYC operator panel featuring touch-screen LCD
- > energy consumption and operating costs among the lowest on the market.



InBev.



BEER SECTOR
SUN InBev Ukraine
InBev Group
Desna - Ukraine
>> stretch-blow molder
SMI SR 20
>> shrinkwrapper
SMI SK 602 F



■ SUN InBev Ukraine is considered as the ambassador of the beer culture in Ukraine. Since 2000, it has been following the traditional brewing method, inherited from the parent company Interbrew (now InBev). It is the national representative of InBev, the world largest brewer, born out of the merger between Interbrew and AmBev. SUN InBev Ukraine has been the undisputed leader of the Ukrainian beer market for more than 7 years, with a market share up to 38% (2007) and an output of more than 10 million hectolitres of beer (2007). The bottling plants are situated in Desna, Rogan and

Yantar breweries. The Chernigiv Brewery (Desna) has been part of Interbrew since 1996, followed by Mykolaiv (Yantar) in 1999 and by Kharkiv Brewery (Rogan) in 2000. In 2006 the three companies merged to form a single entity called SUN InBev Ukraine.



The new PET line:

Innovations developed from consumer's needs

■ Aiming at deeply understanding the lifestyle and preferences of today's and tomorrow's consumers, InBev constantly offers innovative products and tailor-made services, according to everyone's expectations.

The search for new packaging solutions, such as PET containers, is part of that approach. The polyethylene has been used for long by various InBev markets and it has proven to be a winning choice in the Eastern market.



The sales increase induced the company to invest in new plants for beer PET bottling.

At Chernigiv plant in Desna, a high-speed line at the output of 36,000 bph, realized by Sacmi Filling and SMI, has been recently installed.

Sacmi Filling supplied the filler model volo-mas 80/140/20, the labeller, the 4-infeed palletizer and the conveyor systems.

The blowing of 1 l PET bottles at an output of 36,000 bph, of 1,2 l bottles at an output of 32,000 bph and of 2 l bottles at an output of 24,000 bph has been entrusted to the 20-cavity SR20 blow-moulder manufactured by SMI.

Smigroup also supplied the conveyors for the transportation of preforms and a shrinkwrapper, SK 602F model, for the



packaging of bundles on double lane, in 4x3 (1/1.2 l) and 3x2 (2 l) pack collations, film only.



InBev & Smi:

Special attention to the quality and the environment



■ INBEV in synthesis

With world-wide activity, InBev is a "global beer" producer. InBev is a publicly traded company (Euronext: INB) based in Leuven, Belgium. The company's origins date back to 1366, and today, it is the leading global brewer.

As a true consumer-centric, sales driven company, InBev manages a carefully segmented portfolio of more than 200 brands.

This includes true beer icons with global reach like Stella Artois® and Beck's®, fast growing multi-country brands like Leffe® and Hoegaarden®, and many consumer-loved "local champions" like Skol®, Quilmes®, Sibirskaya Korona®, Chernigivske®, Sedrin®, Cass® and Jupiler®.

InBev employs close to 89,000 people, running operations in over 30 countries across the Americas, Europe and Asia Pacific. In 2007, InBev realized revenues for 14.4 billion euros.

For further information visit www.inbev.com

■ The production of beer is an art which dates back to the past centuries; with more than 600 years of experience, InBev has been able to launch top quality products on the market. SUN InBev Ukraine has gained the consumers' confidence by implementing new technologies, though maintaining the traditional brewing methods.

For instance, the installation of the new SMI blow-moulder at Chernigiv plant in Desna is part of a project of blowing costs optimization and performance improvement. The SR 20 stretch-blow moulder manufactured by SMI, like all models of the SR series, is supplied with the innovative Air Recovery System as a standard equipment, which minimizes the energy costs and reduces the compressed air consumption up to 40%; thanks to this system, a part of the air of the blowing circuit (40 bar) is recovered and recycled, that is to say it is used for the pre-blowing circuit (4-16 bar) and for the machine service air. If the recycled air is not used for the pre-blowing circuit or for the service air circuit, it can be used for the low-pressure circuit of other external systems.

The ARS consists of two exhaust valves for each stretch-blowing station: the first one introduces the

air into the air recovery system tank; the second one discharges the air that can not be recycled. The operating pressure of the pre-blowing cycle is controlled by an electronic regulator, whereas the service air circuit pressure is controlled by manual reducers.

This innovative system, supplied with every model of SMI blow moulders, increases the machine's value, thanks to their environment-friendly technology and to the reduction of the energy costs.



▪ The market of beer in PET bottles

The market of beer in PET bottles continues gaining market shares and recording great approval from the consumers.

The pursuit of innovation through the introduction of new packaging methods is an integral part of the marketing strategies, provided they comply with the quality, environment and economy requirements.

The beer bottled in PET demonstrates that the packaging has a great influence on the buying decisions.

Beer bottlers have recently met with great success, especially among the young adult consumers, by offering the innovative PET container, expected to be a good way to make the product look newer, younger and adventurous.

Furthermore, the use of polyethylene is bound to another key concept for the modern marketing strategies: the idea of "convenience" for the consumer.

The strong competition between the industries of this sector requires a constant pursuit of new packaging solutions. The wide range of materials used for the packaging is an attempt to draw the consumer's attention and to follow the most recent market trends.



InBev acquires Anheuser-Busch:

Market share and synergies

■ On 13 July 2008, InBev and Anheuser-Busch announced an agreement to combine the two companies, forming the world's leading global brewer.

The combined company will be called Anheuser-Busch InBev (A-B-I).

The combination of Anheuser-Busch and InBev will create the global leader in the beer industry and one of the world's top five beverage manufacturers.

On a pro-forma basis for 2007, the combined company would have generated a global volume of 460 million hectolitres, revenues of US\$36.4 billion (Euro 26.6 billion) and an EBITDA of US\$10.7 billion (Euro 7.8 billion).

The expanded company will be geographically diversified, with leading positions in the world's top five markets - China, U.S., Russia, Brazil and Germany - and balanced exposure to developed and developing markets.

A combination of Anheuser-

Busch and InBev will result in significant growth opportunities from leveraging the companies' combined brand portfolio, including the global flagship Budweiser brand and international market leaders such as Stella Artois and Beck's, maximizing the new company's unparalleled global distribution network and applying best practices across the new organization.

Budweiser and Bud Light are the largest selling beers in the world, and the new company will have an unmatched portfolio of imports, local premiums and local core brands.

The merger is expected to be completed by the end of 2008.



▪ The beers of InBev

SUN InBev Ukraine produces and sells 10 beer brands:

> 2 global brands: Stella Artois and Beck's;

> 5 multi-country brands: Leffe, Brahma, Staropramen, Hoegaarden and Lowenbrau;

> 3 national brands: Chernigivske, Rogan, Yantar.



1.00 litres
1.20 litres
2.00 litres





New TS.



■ The wide range of SMI secondary packaging solutions and applications has been further enriched thanks to the recent introduction of the NEW TS (New Tray Stacker) accessory device, which can be mounted on all SK series automatic shrinkwrappers (F, P and T models) and on all CM series combined packaging machines. The NEW TS stacks on

two or more layers a wide range of plastic, metal or glass containers already packaged in cardboard tray and pad and wraps them in heat-shrinking film, guaranteeing the end user the maximum operating flexibility and reduced format change timing. The "fit-in" type cans can also be stacked without pad or tray between the layers, or at the bottom of the pack, for

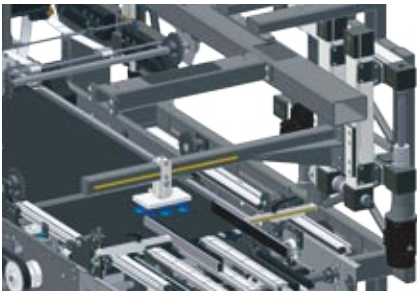


- **The new TS device stacks:**
 - › trays
 - › "Over The Top" clusters
 - › "fit-in" tins or jars
 - › briks
 - › small jars

a cost-effective packaging in heat-shrink film.

The production speed varies depending on the product characteristics and can reach a maximum of 60 ppm.

The NEW TS was intended to be an accessory device of reduced size, easily integrated in the standard frame of SMI shrinkwrappers and combined machines; it is inserted after the trayformer and can be installed both on new packaging machines and on pre-existing machines, without having to purchase a new or dedicated plant or having to rearrange the-of-end line spaces.





SR series

■ At Interpack 2008 SMI exhibited an eight-cavity rotary stretch-blow moulding machine which, as well as the integrated cabinet, was equipped with a new preform heating module with 40mm chain pitch. Thanks to the innovative technology applied, the preform holder mandrels chain pitch has been

reduced to 40mm for the SR standard models and to 80mm for the SR HC models.

This enabled to increase production speed by about 20%, respect to the older models of stretch-blow moulding machines, maintaining the same preform heating time and heating module energy consumption.

SR stretch-blow moulders:

At...reduced pitch

The performance improvement has been obtained without jeopardising the compactness of the machine, which has kept the same dimensions of the models with heating module chain pitch at 50 mm.

SMI stretch-blow moulding equipment are the ideal solution for high speed and low cost production of PET and PP containers of various dimensions, and can reach a maximum production of 1,800 bph per cavity with bottle neck ring \varnothing lower than 38.5 mm. Even for bottle with neck ring \varnothing higher than 38.5 mm, SMI's SR series standard stretch-blow moulders offer competitive performances and boast a quality / price ratio amongst the best on the market.

SMI technological innovations exhibited at Interpack 2008 were also regarding the rotary SR HC series stretch-blow moulders designed for high capacity container production (up to 10 litres).



The heating module chain pitch on the SR HC models has been reduced to 80mm from the previous range at 100mm, with an increase in production of about 20% with the same preform heating cycle time and energy consumption level.



SR stretch-blow moulders: Integrated automation

■ SMI presented the fourth generation of the SR series rotary stretch-blow moulders at Interpack trade fair held in April 2008.

Compared to the previous generation machines, new SMI's SBMs for high speed stretch-blow moulding of PET and PP containers are characterised by a series of important technological innovations, amongst which the electrical cabinet integrated in the machine frame and the



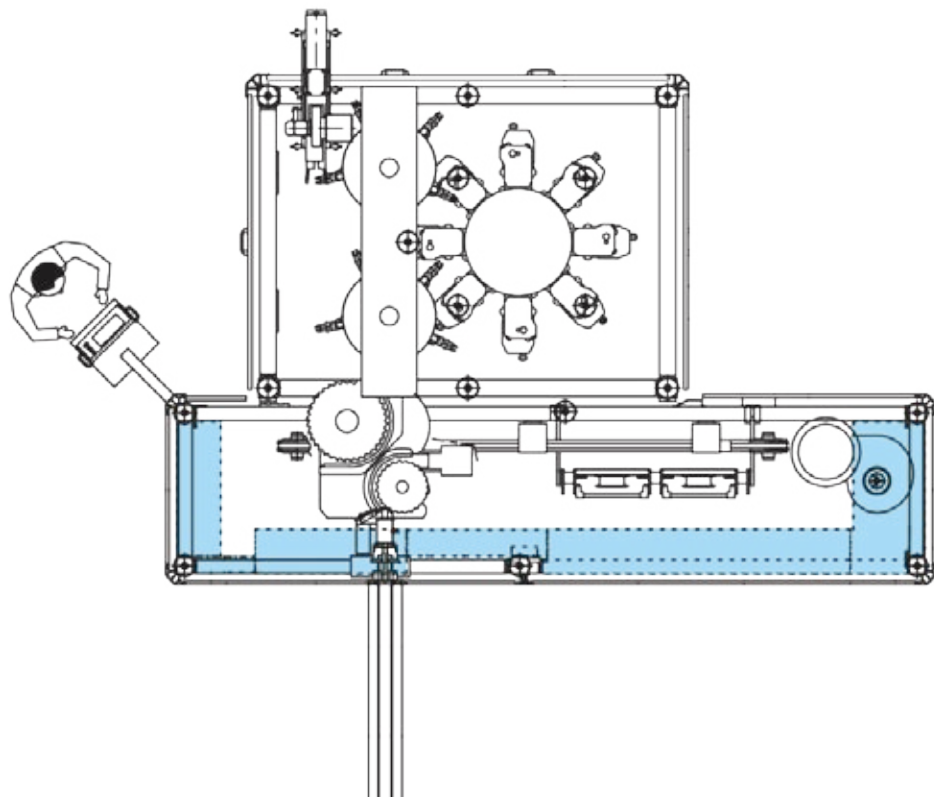
40mm heating module chain pitch. The integrated electrical cabinet is a novelty in this sector and SMI is currently the only manufacturer to offer it on its blow moulders, now made of one compact block.

SMI Research & Development Centre has drastically reduced the encumber of the electrical plant to the point it has been integrated in the machine module with remarkable advantages for the end user.

The elimination of the external electrical cabinet has enabled to reduce the stretch-blow moulder size and to further simplify the installation and testing operations.

Thanks to the new integrated electric cabinet, all power supply cables (overhead or ground) used for connecting the external electrical cabinet to the stretch-blow moulder, have been eliminated, with a drastic reduction in handling, maintenance and energy costs.

The use of pre-cabled and pre-tested wires, mounted directly on the machine module during assembling,



simplifies and shorten the installation operations at the customer's site.

Currently, SMI rotary stretch-blow moulders only need one cable for powering the entire plant and guarantee the operator a safer and more comfortable working environment.





Smipack.

MONOBLOCK SHRINKWRAPPERS WITH SEALING BAR

■ Semi-automatic:

- > BP800

■ With in-line infeed:

- > BP800AS
- > BP802AS
- > BP1102AS

■ With 90° infeed:

- > BP802AR 230R
- > BP802AR 340P





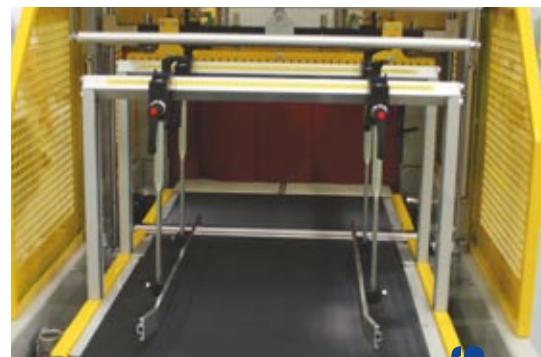
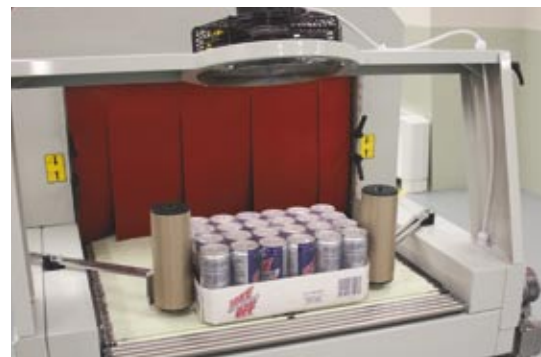
■ Following the debut of the new BP800 monoblock semiautomatic shrinkwrapper, already on the market for a few months, in October 2008 SMIPACK introduced two new in-line automatic shrinkwrappers, BP800AS and BP802AS models.

They, too, are based on the monoblock structure and will replace the BP700AS model currently in production, as with the BP800 shrinkwrapper compared to the BP700.

The new in-line automatic shrinkwrappers repropose the technical innovations added on the BP800 model.

The monoblock structure guarantees the advantages of more compactness and easier movement inside the production unit, as the packaging machine is equipped with both feet and wheels; the larger sealing bar offers the possibility to use polyethylene reels with larger bands of up to 750 mm.

Amongst the improvements made to the new models, not to be forgotten is the cutting blade pneumatic movement system and the use of a modular electronic card; the Flextron® technology enables to memorise up to 10 programmes and to check





the machine functions like temperature and sealing time, opening of sealing bar, oven temperature, oven conveyor speed, pack count device.

Access to the electric plant has also been improved. The reel positioning is simple and fast thanks to the addition of loading rollers on the lower and upper unwinders.

The launching of the new models has offered the occasion to carry out a restyling of the small scales, product-stop presser, cooling fan and compacting rollers (optional).

The oven conveyor, whose speed is controlled by an inverter, is now equipped with glass fibre bars (SMI's patent) and the new supplementary chain which guarantees better flow, and supports larger weighing products.

By the end of 2008, SMIPACK will launch an in-line shrinkwrapper for larger products, which will be called "βP1102AS", and two new shrinkwrappers with 90° input: the "βP802AR 230R" (with automatic regrouping) and the "βP802AR 340P" (without automatic regrouping).



BP800AS

It is a compact frame in-line shrinkwrapper, characterised by:

- > 760 mm sealing bar
- > Mono chamber tunnel (identical to the BP800 one) with total installed power of 17270W
- > No connecting conveyor between the shrinkwrapper and the tunnel
- > Fixed speed infeed belt
- > New guides on the infeed belt enable simpler and faster width and height adjustments
- > With irregularly-shaped products, it is possible to set the pack length as well as work with the photocell reading
- > Manufacture of longer products up to 1200 mm
- > Automatic or semiautomatic function option
- > Speed up to 11 packs per minute, depending on the type of product handled and its size



BP802AS

It offers productivity enhancement and operating flexibility and is characterised by:

- > 760 mm sealing bars
- > Bi-chamber tunnel with total installed power of 26700W
- > Connecting conveyor between the shrinkwrapper and the tunnel
- > Infeed and connecting belt at variable speed (controlled by inverter)
- > New guides on the infeed belt enable simpler and faster width and height adjustments
- > With irregularly-shaped products, it is possible to set the pack length as well as work with the photocell reading
- > "Long pack" option, which offers the possibility to adapt the infeed and connecting belt speeds to that of the tunnel conveyor, so as to guarantee excellent heat-shrinking quality, even with very long products
- > Introduction of right side operator (optional)
- > Manufacture of products longer than 2000mm
- > Automatic or semi-automatic function option
- > Speed up to 22 packs per minute, depending on the type of product handled and its size

BP1102AS

It is an in-line shrink-wrapper ideal for large packs, characterised by:

- > 1,060 mm sealing bars
- > Bi-chamber tunnel with total installed power of 26700W
- > No connecting conveyor between the shrinkwrapper and the tunnel
- > Infeed belt at variable speed (controlled by inverter)
- > New guides on the infeed belt enable simpler and faster width and height adjustments
- > With irregularly-shaped products, it is possible to set the pack length as well as work with the photocell reading
- > "Long pack" option, which offers the possibility to adapt the infeed and connecting belt speeds to that of the oven conveyor, so as to guarantee excellent heat-shrinking quality, even with very long products
- > Introduction of right side operator (optional)
- > Manufacture of products longer than 2000mm
- > Automatic or semi-automatic function option
- > Speed up to 11 packs per minute, depending on the type of product handled and its size

Customer Service Centre

Different clients have different expectations, which are to be satisfied with personalised solutions.

■ All SMI activities are thought and organised around the “customer satisfaction” concept. This means sharing the client’s objectives and the ability to offer proactive improving ideas. Whoever purchases a SMI product can count on the “Customer Service Centre (CSC)” assistance which provides personalised solutions to improve performance of the systems supplied in terms of reliability, efficiency, energy saving and low handling costs.

■ SMI Customer Service Centre’s numbers

- > **world-wide presence:** over 4,000 machines installed and technical assistance centres on main markets
- > **consolidated experience:** 80 specialised engineers with high professional competence in mechanical, electrical and electronic fields
- > **on-line assistance:** a wide range of technical support services, studied to use all potentials of modern information technologies
- > **on-site assistance** at client’s premises: world-wide qualified staffs of field engineers, able to supply a fast and efficient service depending on the client’s requirements.
- > **wide availability of original spare parts:** fully automated warehouses in Italy and abroad



■ To enable clients to obtain the maximum return on equity (ROE) for investments in machines and plants, SMI has an after sales integrated activity package studied according to the principles of the "Product Life Cycle Management".

The accurate analysis of the product life cycle enables to agree with the client the necessary interventions to prevent the plant's efficiency decline, maintaining, in time, a high level of:

- > production efficiency
- > operating flexibility
- > energy saving
- > minimizing total costs of operation (TCO).

Through the integrated services of the "Product Life Cycle Management", SMI offers the customer a comprehensive portfolio of personalised solutions to:

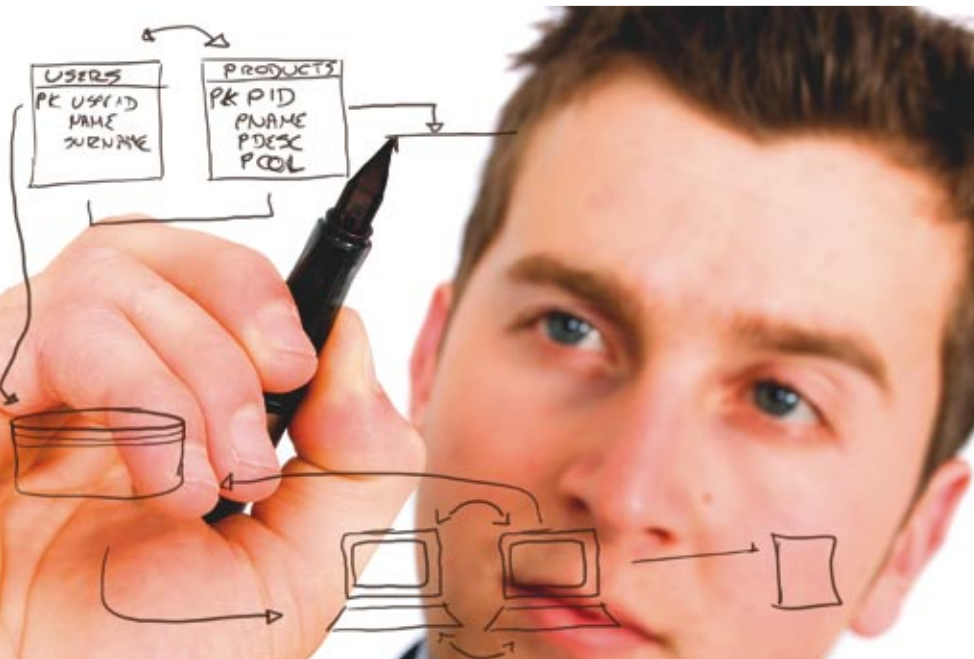
- > PLAN
- > SOLVE
- > MAINTAIN
- > ENHANCE

the efficiency and performance of the systems supplied, during their entire life cycle.



Plan:

A correct activity planning is at the base of any company's success.



■ SMI offers the client an engineering staff with consolidated experience to plan in due advance the installation of the machinery purchased into the production line.

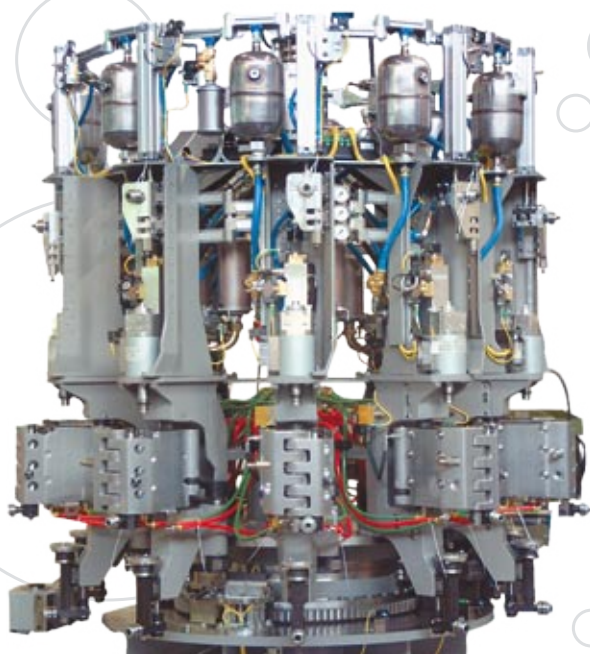
Every intervention of SMI personnel is accurately programmed together with the machine's end user to respect agreed timing and production schedule, in order to minimize discomforts during installation, start-up and commissioning operations.

SMI Customer Service Centre operates through a network of technical assistance centres all over the world, which supplies 360° support, through highly qualified mother-tongue personnel.





From now on you can manage air flows at best



SMI's SR series rotary stretch-blow moulders are equipped with an innovative air recovery system, which cuts air consumption up to **40%** and allows energy cost reduction as well.

Thanks to an advanced technology developed by SMI's R&D laboratory, the air recovered during the stretch-blow moulding process can be re-used to feed the pre-blowing circuit and the machine utility line. All this in the respect of the environment.

**SMI: the best technology
for a sustainable growth.**

**smigroup**
Bottling & Packaging Solutions

> shrinkwrappers and tray packers > wrap-around casepackers > PET blow moulding machines > conveyor systems

Solve:

The ever-evolving market demands faster and faster solutions.

■ The engineering staff of SMI Customer Service Centre is at the customer's disposal wherever he is in the world, to provide quick and efficient support and technical suggestions.

ON-LINE assistance

> *Telephone Help Desk.* It is the most immediate form of technical support, dedicated to solving emergency situations. Clients can count on the vast experience of a team of service area managers based at SMI Head Office, able to provide the end user with key information to sort out the machine problems.

> *Smigroup Web Site/Reserved Area:* through a password, the customer can access an interactive menu by which it is possible to consult a wide archive of technical data to repair low-medium complexity troubles.

> *Tele-assistance:* thanks to a peer-to-peer remote connection between the machine's operator panel and SMI engineer's computer, the latter is able to see on his monitor the same information displayed on the operator panel touch-screen LCD. In this way, SMI engineer can carry out a quick

diagnosis of the machine's working parameters and suggest the best way to restore the full efficiency of the plant.

The tele-assistance is also used for updating the machine's automation and control software, as it enables the transferring of large data volumes in a short time.



ON-SITE assistance

> *Restore interventions:* in case the problem on the machine cannot be solved through on-line support, SMI engineers are ready to intervene in person at the customer's factory in order to provide the necessary assistance to restore the machine full functioning. SMI Customer Service Centre has several teams of service engineers with broad experience in mechanical, electrical and electronic fields, who operate both from the head office in Italy and the many subsidiaries abroad.

> *Maintenance interventions:* SMI service engineers are also available for planned maintenance
 - ordinary and extraordinary
 - in order to ensure

the machine's perfect running conditions and efficiency during its entire life cycle.

> *Updating interventions:* should the customer wish to widen the machine's functions or add new applications, SMI Customer Service Centre provides skilful personnel with proven ability and experience to carry out mechanical or electronic updating in a short time and with the minimum inconvenience for the factory's production activity.



■ From the web site **www.smigroup.it** the client, through personal USER ID and PASSWORD provided by SMI, can access the Customer Service Centre Reserved Area, where the following on-line services are available:

- > Contacts
- > On-line assistance
- > Spare parts
- > Training Centre
- > Software upgrade
- > Planned Maintenance



Maintain:

Maintaining the manufacturing line efficient goes further than the ordinary maintenance concept



■ SMI Customer Service Centre has a wide range of services to prevent the machine's efficiency decline during its whole life cycle:

- > original spare parts stock
- > planned preventive maintenance
- > machine check-up on request

Original spare parts stock

To maintain machine's highest efficiency standards, it is essential to use SMI original spare parts, which the client can easily receive to his premises from both the main warehouse of SMI head office (all spare parts) and from SMI subsidiaries' warehouses abroad (key spare parts).

A dedicated software (SMILE) allows to consult the availability of spare parts in all SMI warehouses and get information about:

- > quantity
- > price
- > delivery date
- > buying conditions
- > world-wide shipment

SMI signed an agreement with DHL International which allows to dramatically simplify custom procedures and speed up delivery times.

From DHL web site, SMI customers can follow the delivery status or receive sms or e-mail notification about it.





Machine check-up on request

A client who, for any reason, has not activated the planned preventive maintenance programme can, at any time, request intervention of a SMI engineer to:

- > **verify** the machine's functionality to detect a drop in efficiency due to components wear and tear
- > **carry** out urgent interventions to bring the machine back to maximum productivity
- > **analyse** SMI original spare parts stock at his site for necessary integrations



Planned preventive maintenance

SMI Customer Service Centre offers the client three intervention packages for the machine maintenance according to the use level:

- > 4000 hours
- > 8000 hours
- > 12000 hours

Each package includes:

- > periodical visit of a SMI service engineer for a full

check up of the machine

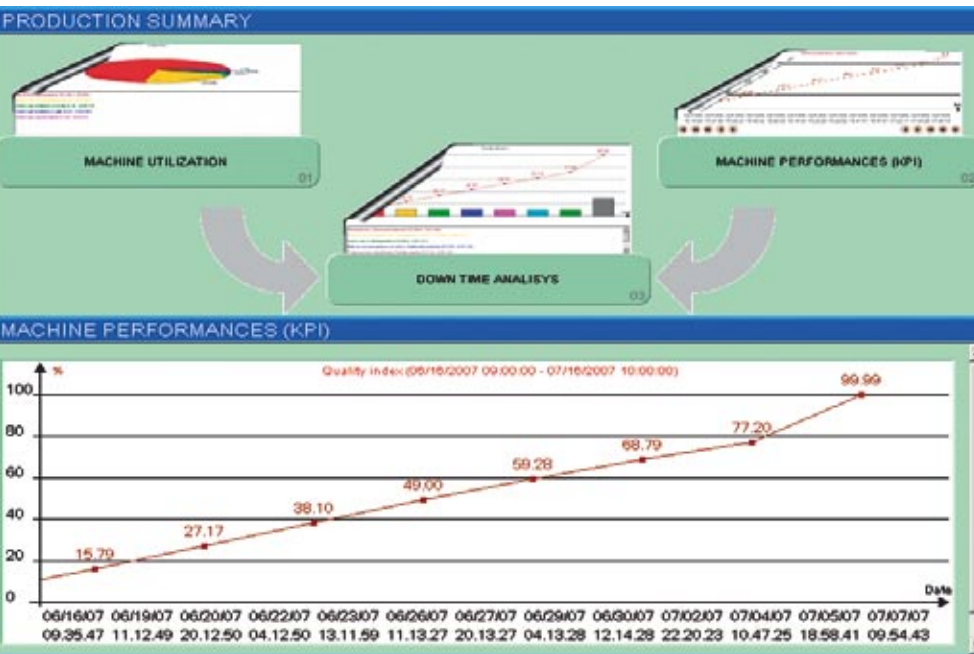
- > detailed account on the machine status, the problems found and the recommended interventions to be carried out

- > replacement of fatigued components, in order to restore the machine's full efficiency and analysis of SMI original spare parts stock of the customer to check if integrations are required



Enhance:

The client can, at any time, count on SMI's experience to improve the machine's efficiency.



Machine's new functionalities

Machine's full potential can be exploited through the implementation of new parts, additional format changes, new accessories. SMI machines versatility plays a key role to guarantee the market success of the client's products, thanks to a wide range of packaging and marketing solutions which match the most innovative market trends. Machine's upgrade ensures:

- > high flexibility of the production
- > greatest return from investments
- > top efficiency of the installation
- > low costs of operation and maintenance

Machine updating

SMI "R&D" centre is committed in researching new solutions and developing new technologies, which enable to build newer machines characterised by:

- > higher productivity
 - > lower running costs
 - > higher environment compatibility
 - > higher operating flexibility
- Through software and

hardware updates, even machines which have already been working for years can:

- > benefit from latest technologies
- > increase production efficiency
- > extend life cycle

SMI Training Center:

Time dedicated to training is always a successful investment

■ SMI Training Centre organises technical training courses, to teach the participants the use of full potential of SMI machines they run.

Courses are held by "senior" engineers in main foreign languages and with the support of latest technologies.

The strength points of SMI teaching proposal are:

- > proven mix of theory-practice training activity, which allows to experience on the machine what learnt in the training room
- > diversified training programmes according to each machine model, number of participants,

level of discussion and days available

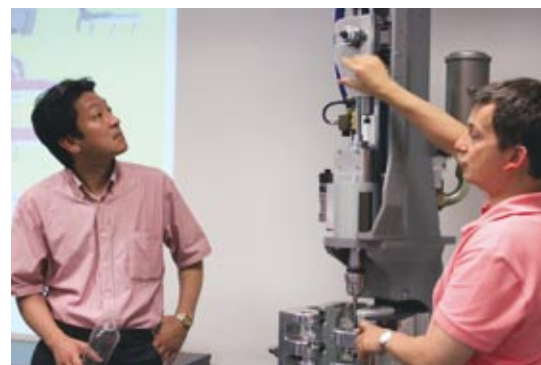
> skilled trainers with proven mechanical and electronic experience, capable of preparing participants to use the full potential of the machine they operate

> specific courses for line operators, maintenance engineers, mechanics, electric and electronic engineers, production managers

> training course in the main foreign languages to a maximum of 6 people, to allow adequate and deep learning of the topics dealt with

> attendance certificate issued at the end of the course

> possibility to arrange training programmes at the client's factory.



2008 Report:

Smigroup consolidates great market position

■ In the first nine months of 2008, Smigroup sales registered remarkable values in all main segments. Over 4,000 SMI packaging machines and over 22,000 SMIPACK packaging machines were running all over the world by the end of September.

SMI has confirmed its leadership position as supplier of secondary packaging and rotary stretch-blow moulding machines for PET/PP containers. The growing market demand for innovative solutions of in-line logistics has allowed SMI to get many orders in this segment as well.

SMIPACK has reached record sales amongst the manufacturing companies of hood packaging machines and has demonstrated growing competitiveness in the category of semi-automatic and automatic sealing bar shrink-wrappers, thanks to the launch of the new β P800, β P800AS, β P802AS and β P1102AS series.

From January to September 2008, the volume of SMI's exports was similar to the 2007

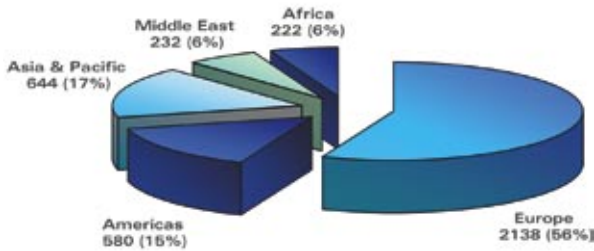


value and it registered a consolidation of the order flow generated by the European market, which represents about 50% of the total. Also satisfying were the exports towards Asia and Middle East, which grew remarkably in comparison with the first nine months of 2007. China, Russia and Turkey continue to be the most important markets for SMI product range. Exports

towards Mexico were good in respect to previous year, since Mexican customers welcomed with great interest the new LSK series of heat-shrinking machines.

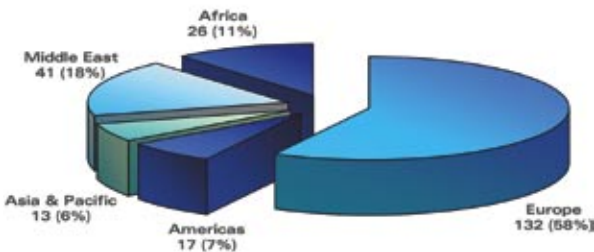
On the other side, sales of SMI stretch-blow moulding machines increased considerably in the first 9 months of 2008 in respect to the same period of year 2007, especially towards Turkey, which took a share

SMI packers in the world



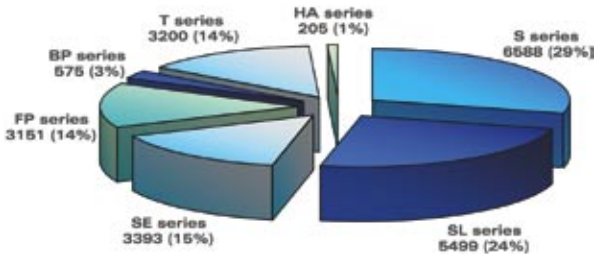
TOT. 3816

SMI stretch-blow moulders in the world



TOT. 229

SMIPACK packers sold



TOT. 22611

* Data refer to October 1, 2008

▪ **Prospects for the year 2009**

Even in Q4 2008 SMI business should be confirming the positive results of the previous six months, thanks to the reliability and versatility of the solutions offered. The demand for SMI and SMIPACK machines, both in Italy and abroad, should remain high in Q1 and Q2 2009 as well. The number of machines delivered by Smigroup in the first three quarters of 2008 gives reason to think that marketing goals set for 2008 will be successfully achieved.



of 12% of the total, and towards Iraq, Iran, Mexico and China, all with a share around 7%. These results allowed SMI to achieve larger market shares and to be trusted as a supplier of technologically

advanced machines to an ever increasing number of clients all over the world. The positive trend in the first three quarters shows that research and innovation are fundamental elements for a constant

growth, which Smigroup has been successfully accomplishing year after year since its foundation, despite the presence of fiercer and fiercer local and multinational competitors.

Exhibitions:

Record attendance in 2008



■ The outcome of the trade shows to which Smigroup participated in the first half of 2008 was satisfactory both in terms of orders received and in terms of new prospects contacted.

The year began with the participation to Upakovka/Upak Italia, a must-be fair held in Moscow by Messe Düsseldorf, in which over 330 exhibitors from 22 nations took part.

Over 24,000 operators from the whole Russian Federation and other CIS countries visited this trade show dedicated to packaging technologies.

A high percentage of Russian, Italian and German exhibitors was registered, but also many companies from France, Czech Republic and Turkey displayed their products.

In Latin American countries the presence of Smigroup in Brazil (Fispal 2008 - San Paolo - 2,000 exhibitors and about 60,000 visitors) and in Mexico (Expopack 2008 - Mexico City - 850 exhibitors - over 30,000 visitors) was greeted by hundreds of clients from markets in constant growth.

Year after year the Sao Paulo do Brasil's fair shows how important the South America's market is, drawing the attention of entrepreneurs from all over the world on innovative packaging solutions.

Whereas Expopack is internationally recognised as the most important event in Mexico: it is, in fact, supported by associations

like The Mexican Packaging Association (AMEE), The Mexican Chamber of Processed Food (CANAINCA), The Food Processing Suppliers Association (FPSA) and the Packaging Professionals Institute (IMPEE).

Committed to explore the Asian markets' potential, SMI has renewed its participation to Propak Asia 2008 (Bangkok > 766 exhibitors and 2,000 visitors) and China Brew & Beverage 2008 (Beijing > over 700 exhibitors and 50,000 visitors).

SMI Thailand's staff, who represented Smigroup at the BITEC fair, met many clients from Korea, Vietnam, Burma, Indonesia and the Philippines; this trade show proved to be of regional interest and not only limited to Thailand.

The show in Bangkok is aimed at meeting the growing demand from the ASEAN (Association of South-East Asian Nations) countries and serves a market of over 600 million people in 10 nations.

China Brew & Beverage 2008 is the most important event in Asia for the bottling technology industry and took place in the brand-new 60,000 sq m international exhibition centre in Beijing.

■ The numbers of Interpack

The 2008 edition of Interpack (Düsseldorf) ended with record figures: 170,000 sq m of exhibiting surface, 179,000 visitors, 18 halls, 2,700 exhibitors, of which 475 were Italian.

The outcome of such an important trade show turned out to be up to Smigroup's expectations, as testified by the hundreds of contacts met, the high number of quotations requested by the visitors and, above all, the new orders received after the fair.

The 2008 INTERPACK PROCESSES AND PACKAGING exhibition generated outstanding business opportunities: during its 50 year history, the "feel" had never been so positive in the exhibitors' stands, meetings with visitors so fruitful and orders so huge.

Visitors' internationality and experience were praised as well, since 65% of them were decision-makers.

In all, 121 nations were represented: 62% of the guests were from European countries, 20% from Asia, in particular from the Indian sub-continent; an important attendance from South and Central America was welcome, too.



Smigroup also took part in the latest edition of Taropak, which always attracts a growing number of companies from Poland and nearby countries.

This year, on a surface of 20,000 sq m, over 700 exhibitors displayed their products to over

40,000 visitors, with an attendance from abroad which exceeded 30% in the 35 years history of the Poznan fair.

EXHIBITIONS

■ Smigroup's presence at Pack Expo International 2008 - Chicago, USA - is to be mentioned as well, since this is the most important exhibition in the United States and Canada.

SMI USA, on a 146 sq m stand, will display an SK450T model automatic shrinkwrapper.

PMMI (Packaging Machinery Manufacturers Institute) is an American business association, aimed at improving and promoting the activity of its 500 members, to satisfy the consumer's demand in terms of packaging material and machinery.

PACK EXPO International 2008 will welcome nearly 2,000 exhibitors on a surface of about 93,000 sq m, and over 45,000 visitors, 6,000 of which from over 125 foreign countries.

PMMI has developed an aggressive marketing strategy, aimed at attracting the highest possible number of decision-makers.

Visitors are usually top managers from thousands of US companies and multinational industries from over 125 nations.

Managers, engineers, manufacturers, quality controllers and R&D experts, production supervisors, purchasing and sales directors, represent 85% of the Pack Expo International's guests.

Through ICE, SMI is also present at events like Iran Agrofood 2008 (Teheran - 25/28 May - 611 exhibitors and about 40,000 visitors), Food & Bev Tec Mumbai 2008 (Mumbai - 13/15 November - 152 exhibitors and nearly 5,000 visitors) and Sibupack 2008 (Novosibirsk - 2/5 December - 200 exhibitors and over 6,000 visitors).



■ EMBALLAGE 2008: Paris, the capital city of packaging



"Pack different in Paris" and "Pack the World" are the slogans of every edition of Emballage - World Packaging Exhibition, which, from 17 to 21 November 2008, will make Paris the international capital of Packaging for one week.

Business, innovation, trends will be the key words for the 38th edition of the "Salon", where over 2,200 companies, 53% of which are international, will present the best technologies from 50 countries, to the over 100,000 visitors awaited in Paris.

The proposals from packaging material manufactures will represent about 40% of the total; the remaining share will be constituted by packaging machine producers, complementary equipment and packaging



services.

Over half of the exhibitors will turn to the food industry and 1 visitor out of 3 will come from the food industry.

Since visitors will be able to attend also on the concomitant IPA fair (World Food Process Exhibition), then they will be able to benefit from an outstanding opportunity to meet a wide range of products, from raw materials to packaged goods. The Salon, of course, will not disregard all the other sectors requiring packaging solutions: 17% of the surface will, in fact, be reserved to the pharmaceutical, cosmetics and personal hygiene industry.

The "Luxury Space", in Hall 6, will be dedicated to the high

range products, which will present winning and original proposals for perfumes, spirits and food delicatessens.

This, not to be missed, biennial event always attracts many visitors from all over the world.

For its 37th edition, Emballage has confirmed its capacity to mobilise the whole of the sector professionals by welcoming 108,054 visitors, 38.4% of which are from abroad.

In 2006, companies supplying primary and secondary packaging systems which invested in R & D were awarded, since they could propose high added value solutions.

For such a reason, Smigroup invests in R & D every year about 4% of its turnover, to always be ready to offer competitive systems and services to an ever growing market.

At Smigroup's stand many new and potential clients will be welcomed to talk about current needs and future projects.

The key feature of our visitors is the high position profile: in fact, we could meet many corporate managers, purchasing directors, R & D experts. This aspect showed that this fair is not only a moment for business deals,

but also for information and research.

The success of the previous edition convinced Smigroup to confirm its participation to Emballage 2008 with a 255 sq m stand, to exhibit a WP450 model wrap-around casepacker equipped with in line blank magazine and pre-assembled partitions inserting device.

SMIPACK, a company owned by SMI, presents a wide range of hood and sealing bar packaging machines, amongst which is the new β P802AR.

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