

### Danfoss Power Solutions Your **strongest partner** in mobile hydraulics

powersolutions.danfoss.com

# The power we need to build the future

CHANGE. It is an ever-present force in our modern world. A variety of forces working independently to reshape our global economy, our world's population, and the very shape of our planet.

Keeping up with these changes requires powerful tools. Tools that push, pull, propel, lift, and haul with the precision and efficiency only hydraulics can provide.

Danfoss Power Solutions - a world-class provider of mobile hydraulics for the construction, agriculture, and other off-highway vehicle markets - is a segment of the Danfoss Group and provides the power our changing world needs to thrive.

Overall, Danfoss is a global leader focused on energy-efficient solutions. Serving the world with a wide range of products, Danfoss offers air conditioning and cooling, heating, electric motor controls, energy alternatives such as solar and wind power, and mobile machinery solutions. These solutions are typically sold to original equipment manufacturers, wholesalers, contractors, and installers worldwide.



## 7 billion

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people in the world - and counting - rely on mobile hydraulics to power our changing world

## A partner you can build with

You'll be in trustworthy hands when you team up with our experts. We are committed to bringing you the best, most innovative solutions that will build results long into the future.

#### Improving with your needs

Your constantly changing needs are our top priority. You need innovative and improved ideas to stay ahead of the world's demands. That's why we look to you for feedback. You help us grow and improve to better serve you long into the future. When you need solutions closer to home, we've expanded and moved our operations closer to you. When you need the newest solutions and the best experts, we've hired and implemented talent planning and leadership programs. To keep you successful, we continuously look for ways to add new talent and ideas throughout our organization. We maximize our efficiency and maintain strong accountability, alignment, and action to better serve your needs, as well as those of our modern world.

#### Quality you can trust, time after time

The role you provide for our modern world requires consistent, world-class quality. At Danfoss we hold a high standard with each of our products. They must pass through exacting processes and controls to ensure we deliver the quality you need - and deserve.

#### Your friendly expert

You need hydraulic components and electronic controls to power and propel your equipment to build our modern world. But there's more. You also need support you can go to. Danfoss strives to be that "friendly expert" - technical and professional, yet very approachable.

# 6 out of 10

people will live in cities by 2025 requiring hydraulics and electronics to enhance construction equipment to clear land, build roads, construct buildings, and deliver solutions

#### A world of applications

When you look inside today's cutting-edge equipment, you'll find Danfoss. Our components are used in a wide range of vehicles within every industry, including construction, agriculture, road building, material handling, turf care, specialty equipment, and more.

#### **Product lines**

Hydraulic pumps and motors Proportional valves Electronics Steering components Orbital motors



increase in farm output since 1948 thanks to help from hydraulically and electronically enhanced agricultural machinery







# PRODUCTS Know-How in Motion<sup>®</sup>

You see the results of our work around you. Think about the office buildings you work in, the bridges you cross, and the fields of grain that supply your food. It is vital that the machines we use to improve our modern world have the ability to be effectively controlled with every function, from basic vehicle movement to complex work tasks. The equipment you use can be optimized with Danfoss hydraulic systems, including controlling electronics and software.



#### PLUS+1°

control systems provide manufacturers a faster and easier way of customizing controls for machines

#### Your strongest partner in mobile hydraulics

Hydraulics move fluid power to various areas of a machine to make it move. The strength of hydraulic power literally multiplies the capacity of work that machinery is able to do. In fact, year after year, the application of hydraulics continues to grow - providing a powerful go-to solution for design engineers. And with greater power comes greater results. With a tradition of know-how spanning more than 50 years, Danfoss helps manufacturers achieve superior efficiency through superior hydraulic component design and electronic controls.

#### **Cutting-edge electronics**

Increased engine efficiency, decreased power loss, and reduced emissions are more important than ever in modern machines. Danfoss supplies the latest electronics (including joysticks and sensors) and software to make your job easier. It gets even simpler with our innovative PLUS+1<sup>®</sup> control systems that provide you an easier way of customizing controls for your machines.

#### "I didn't know hydraulics could do that."

You'll find solutions at work in surprising ways. They're in snow groomers that prepare ski runs. They're part of harvesters that collect tomatoes, beets, potatoes, and carrots. And they're bringing in the day's catch on fishing trawlers. Through a blend of hydraulics and electronics, Danfoss is proud to supply much of the power that today's machines use to efficiently build our world, feed the planet, and enrich our lives.





# HISTORY Global from the start

Many organizations operate globally today as a result of recent macroeconomic trends. At Danfoss, our worldwide operations have always been part of who we are.

Today's Danfoss Power Solutions is the result of three pioneering companies -Sundstrand in the U.S., Sauer Getriebe in Germany, and Danfoss Fluid Power in Denmark. Over the years, Sauer-Sundstrand formed a joint venture, and in 2000 merged with Danfoss Fluid Power to become Sauer-Danfoss. In 2013, Danfoss bought the remaining outstanding shares of Sauer-Danfoss. The company then changed its name to Danfoss Power Solutions, a segment of the Danfoss Group.

Through our history, we've developed a groundbreaking product legacy, originating the hydrostatic transmission, as well as creating orbital motors and steering units. We were also the first to introduce load-sensing proportional valves, and the first to control them electronically. Today, seamless integration of electronics and hydraulics is key to our business - and yours.







TO Danfoss



We can make a difference

The work you do makes a difference in the world around us. We are proud to be part of that difference. To continue to take part in the important work you do around the globe, Danfoss moves forward with a spirit of continual renewal. We're proud to say, "It's always a new day at Danfoss." And to meet all of your needs, we are more focused and agile than ever.

Just as you adapt to the ever-changing needs of the world, Danfoss adapts to your ever-changing needs. We live in a continuous learning environment driven to think ahead and to be our best. We are always on the lookout for opportunities to renew our approach - adding new talent to our organization, developing increasingly efficient processes, being flexible, and adapting with you.

We know you expect true quality, innovation, and a unique customer experience. We are committed to delivering that. Every day we challenge and reshape ourselves to drive true customer satisfaction and solutions within Danfoss Power Solutions and exceed your expectations.





in Danfoss Power Solutions are committed to being your strongest partner in mobile hydraulics

# Our business strategy for success

# There are many ways we measure and pursue success at Danfoss.

One is by consistently achieving and maintaining our strong market leadership position related to our competition in our core businesses. Each day, we work to build on our solid partnerships - and achieve an even stronger position in the markets we serve to better serve you. Leadership begins with listening. Customer perception studies provide valuable input during our strategy and product development efforts. We work with customers to optimize machines and test them in real-world conditions.

Another sign of our success occurs at the individual level - when you receive a unique customer experience and build meaningful relationships with those who serve you. This happens when our partners achieve results they could not have experienced elsewhere. This spirit of service occurs through our sales channels each day. And it continues to grow, as we continually add new ways for you to get the assistance and information you need - when you need it.

Everything we do helps us work toward our goal of continuous, strong financial performance. This is a natural result of overall performance, sound business practices, and an aligned vision. By being customer-focused, an employer of choice, forward-thinking, and responsive, we'll continue to add bottom-line results.







### 56 factory & 51 sales

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locations in the entire Danfoss Group around the world to better meet your needs

### 20 factory & 28 sales

locations in Danfoss Power Solutions around the world to serve our customers at a local level

# PARTNERSHIP How we work with our customers

We're committed to being your strongest partner. How? By serving our partners where they are - in more ways than one.

First, we go where our customers are - literally. For example, many of those we serve are in diverse locations all over the world. As a result, we are, too - with regional offices, production plants, committed distribution partners, and other facilities that deliver solutions on time - in your "neighborhood." Our expanding presence in China is just one example.

Second, we position ourselves to meet our customers where their needs are. We know that a key to our success is understanding and solving customer needs - just like the advances we made to allow large equipment manufacturers to more easily use our system development software. Our long-standing relationships and strategic partnerships with original equipment manufacturers keep us in tune with their challenges.





of carbon dioxide enter our air each year. Danfoss strives to be an environmental leader wherever we do business

-Scittin





# Solutions come first

We put our industry-leading know-how in motion, focusing on our strengths in mobile hydraulics. With decades of applications expertise and experience, we know how to truly be a partner that listens - to understand your unique needs, and then create custom solutions with new or existing products. For example, our engineering departments are dedicated to finding optimum system designs and solutions - using the latest tools to calculate, simulate, create, and test new advances.

Part of this process involves adapting and bending technology to meet specific needs. And we do it with everincreasing efficiency and control. In this way, we allow you to differentiate your offerings. We become a resource you can use as it makes sense for your applications - applying our expertise and knowledge to create the greatest value for your end users. After all, when you succeed, we succeed.

#### **Creating the future**

We face the constant challenge of changing with the growing world. We try to equip you for that challenge by developing the next generation of solutions to meet those needs before they are even here. To achieve that, we partner with original equipment manufacturers - working closely with their engineering departments to create future solutions, and in turn, maintaining proprietary development for our customers. We continue to work on our next generation of digital hydraulics - knowing that our core technology will serve you well into the future.

#### **Procuring results**

You rely on us for quality and on-time delivery. That's why we believe global sourcing is essential for our joint successes. This connects us with new talents and ideas that fuel collaboration and growth. We build for the future by using only the best suppliers who pass our certification requirements. We also work with them to implement global supplier standards, and we provide suppliers with comparative performance feedback to continually strengthen the relationship.

#### Smart doesn't equal complex

Delivering unmatched value is our goal. We believe in creating smart solutions that cut out as much complexity and inefficiency as possible. By arriving at streamlined solutions, we can achieve outstanding results for not only our business, but also yours.

#### Adding value through innovation

We learn from the lessons and breakthroughs of the past. Drawing on this experience allows us to create solutions on time and within budget. In this way, our energy is focused on adding value through innovation.

# Meet our leadership team



Eric Alström President & CEO



Daniel Winter Senior Vice President, Finance



Marc Weston Senior Vice President & CMO

Danfoss founder Mads Clausen begins business with annual sales of 466 expansion valves for refrigeration systems

#### first hydraulic product based on a license agreement with Charlynn, USA

Danfoss produces

### **BRIEF HISTORY**

### 1933

### 1946

Sundstrand Machine Tools begins business and Sundstrand Hydro-Transmission is founded in 1961.

### 1961

### 1969

Sauer Getriebe is formed, originating from Hydromechanik Maschinenbau, which was established in the 1950s

#### **DANFOSS POWER SOLUTIONS**

#### Partnering in new ways

Danfoss Power Solutions works within the greater Danfoss Group to provide hydrostatics, work function, controls, and standalone solutions.





Thomas Kaiser President Hydrostatics Division



Domenico Traverso President Work Function Division



Henrik V. Jørgensen President Controls Division



Sandy Miller Vice President, Human Resources

Sauer Getriebe and Sundstrand Hydro-Transmission merge into the Sundstrand-Sauer company, but changes name in 1989 to Sauer-Sundstrand after sale of all interests to Sauer

### 1986

1998

Sauer Inc. goes public on the New York (NYSE) and Frankfurt stock exchanges, and Danfoss Fluid Power is established as an independent company of the Danfoss Group Sauer-Sundstrand and Danfoss Fluid Power merge; business is established as Sauer-Danfoss

2000

Sauer-Danfoss adjusts its business structure to establish four business areas under own brands

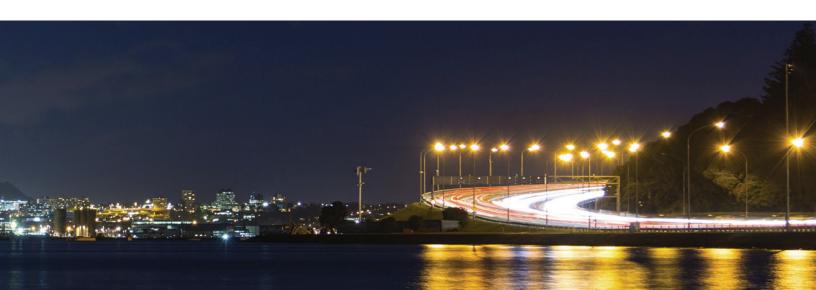
2010

### 2009

Danfoss acquires in two steps all shares held by Sauer, giving it controlling interest and 76% ownership of Sauer-Danfoss

### 2013

In April, Danfoss acquires all outstanding shares of Sauer-Danfoss and becomes 100% owner; in September, Sauer-Danfoss changes its name to Danfoss and operates as the Danfoss Power Solutions business segment within the Danfoss Group







# A World of Opportunity

#### Times may change. Our commitment to you won't.

New trends, needs, and technologies will continue to provide new opportunities. Whether you are one of our customers, suppliers, or employees, we look forward to working with you as your strongest partner for the future.

### Contact us

Ready to work with you

powersolutions.danfoss.com powersolutions@danfoss.com

#### **Danfoss Power Solutions (U.S.) Company**

2800 East 13th Street Ames, IA 50010, USA Phone: + 1 515 239 6000

#### Danfoss Power Solutions Aps Nordborgvej 81 DK-6430 Nordborg, Denmark Phone: + 45 7488 2222

#### Danfoss Power Solutions GmbH & Co. OHG

Krokamp 35 D-24539 Neumünster, Germany Phone: + 49 (4321) 871-0 Danfoss Power Solutions Trading (Shanghai) Co. Ltd. Building #22, No. 1000 Jin Hai Rd Jin Qiao, Pudong New District Shanghai, China 201206 Phone: +86 21 3418 5200

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