

SWISSLOG – STATUS

Investor Relations Presentation

March 2010

swisslog

DISCLAIMER

This document contains certain forward-looking statements, recognizable by the use of words such as "expects", "anticipates", "future" or similar expressions or by discussion of strategies, plans or intentions, etc. Various factors, known and unknown risks and imponderabilities, many of which are beyond our control, may cause actual developments and results to differ substantially in the future from those reflected in forward-looking statements contained in this document. Against the background of such uncertainties, readers should not rely on forward-looking statements. Swisslog assumes no responsibility to update forward-looking statements or to adapt them to future events or developments.

CONTENT

- **Business activities**
- Results 2009
- Shareholder structure
- Conclusion and outlook

Swisslog

Provider of logistics solutions for warehouses, distribution centers and hospitals

Warehouse & Distribution Solutions (WDS)

Healthcare Solutions (HCS)



Net sales 2009 (MCHF)

413
64%

237
36%

Group

650
100%

Employees (FTE)

1 180

846

2 044

BUSINESS FOCUS AND PRODUCTS OF WAREHOUSE & DISTRIBUTION SOLUTIONS

Chapter 1

Business activities

Business Focus

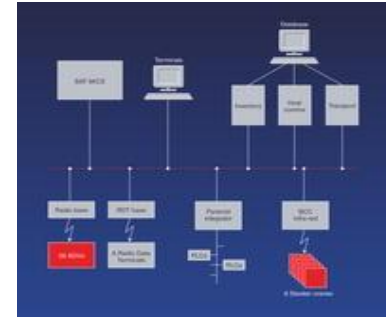
- General contracting & implementation of automated warehouses and distribution centers
- Planning & engineering
- Software for automated and manual warehouses/distribution centers
- Pallet cranes and conveyors
- Miniload cranes
- Process consulting
- Customer support

Products

Automated warehouse/distribution center



Cranes and conveyors



Warehouse management software

BUSINESS FOCUS AND PRODUCTS OF HEALTHCARE SOLUTIONS

Chapter 1

Business activities

Business Focus

- Logistics automation for hospitals based on 2 product groups and 5 product lines
- Planning & engineering
- Implementation
- Hospital logistics consulting
- Customer support

Products

Automated Materials Transport Systems (AMTS)



Pneumatic Tube Systems (PTS)



Automated Guided Vehicles (AGV)



Electrical Track Vehicles (ETV)

Automated Drug Management Systems (ADMS)



PillPick



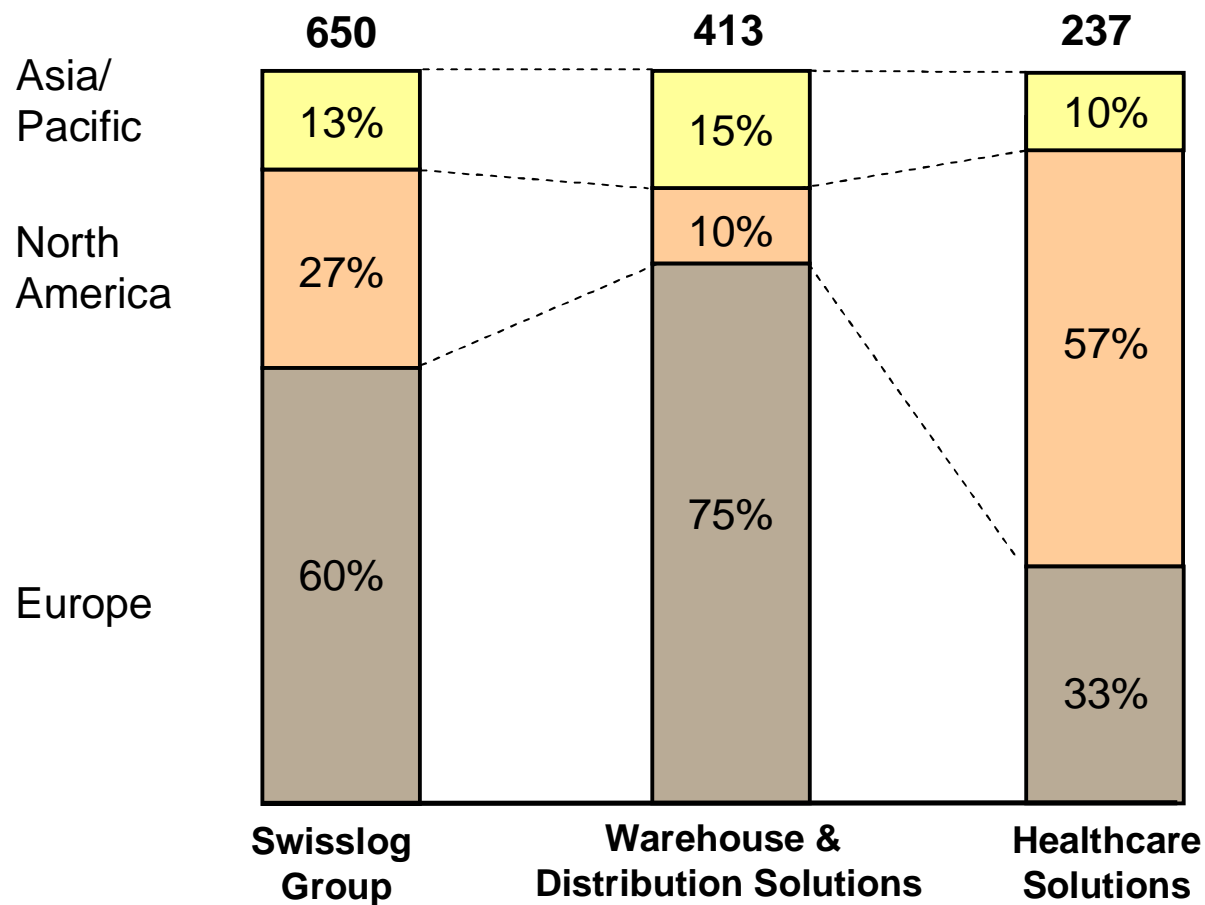
BoxPicker

GEOGRAPHIC SPLIT OF NET SALES 2009

Chapter 1

Business activities

in MCHF



2008: Asia/Pacific: 8%, North America: 33%, Europe: 59%

Market dynamics

- Postponements/cancellations of projects due to economic crisis
 - New warehouses/distribution centers
 - Modernization/expansion of existing installations
- High price pressure for remaining projects; partially compensated by lower prices for hardware equipment
- Relatively stable demand for customer support

Competition

- Continued consolidation of industry; however process is currently slowed down due to financing restrictions (only one major deal in 2009: FKI Logistex)
- Hardware suppliers have become major competitors of Swisslog

STRATEGIC DEVELOPMENT OF SWISSLOG – WAREHOUSE & DISTRIBUTION SOLUTIONS

Chapter 1

Business activities

- Enlargement of footprint in light goods technologies
 - Acquisition of Evomatic for cranes (Tornado)
 - OEM partnership with Interroll for conveyors (Quickmove)

- Establishment of Technology Center with responsibility for
 - Light goods technologies
 - Pallet goods technologies
 - Software products
 - Innovation

- Major efforts to reengineer core processes (Simplicity Program) to streamline sales and project management processes

- Substantial investments in innovation
 - New software generation: Warehouse Manager (WM), Automation Manager (AM), Graphical User Interface (SPOC)
 - Beverage and retail solutions

Market dynamics

- Overall market far less affected by economic crisis compared to other industries
- Fewer Pneumatic Tube Systems (PTS) projects for new hospitals in North America due to end of hospital construction boom
- Reduced demand for PillPick in North America due to funding restrictions of hospitals
- European and Asian (China) markets with no signs of a recession driven slow down
- Customer support and modernizations as stable income source on a global level

Competition

- Automated Materials Transport Systems (AMTS): Unchanged competitive situation with strong positioning of Swisslog
- Automated Drug Management System (ADMS): Major players (McKesson, Omnicell, Carefusion, Emerson) with ambitions to expand their position, emergence of start up companies mainly in North America

STRATEGIC DEVELOPMENT OF SWISSLOG – HEALTHCARE SOLUTIONS

Chapter 1

Business activities

- Enlargement of ADMS portfolio to cover full supply chain of medication administration within hospitals
 - Addition of “High Speed Packager” (OEM partnership with TCG)
 - Launch of “dual temperature BoxPicker”
 - Other areas under investigation
- Establishment of separate ADMS Business Unit in North America
- Increase of market share of Pneumatic Tube Systems via acquisitions of local players
- Continuation of Design to Cost Programs in all Product Centers leading to better cost/benefit ratios of offered products
- Substantial investments in innovation in Pneumatic Tube Systems to address changing customer needs (safety, environmental conditions, ergonomics)

CONTENT

- Business activities
- **Results 2009**
- Shareholder structure
- Conclusion and outlook

- Solid results in demanding economic environment
 - Order intake increased
 - Net sales and EBIT reduction in-line with expectations
 - Net result substantially improved

- Major orders from existing and new customers

- Strategic direction further deepened
 - Expertise in light goods technologies strengthened
 - Automated drug management systems portfolio expanded

- Strong balance sheet
 - Equity ratio 40%
 - Net cash position of MCHF 104.3

- Unchanged dividend of CHF 0.02 per share proposed

FINANCIAL OVERVIEW – SWISSLOG CONTINUING

Chapter 2

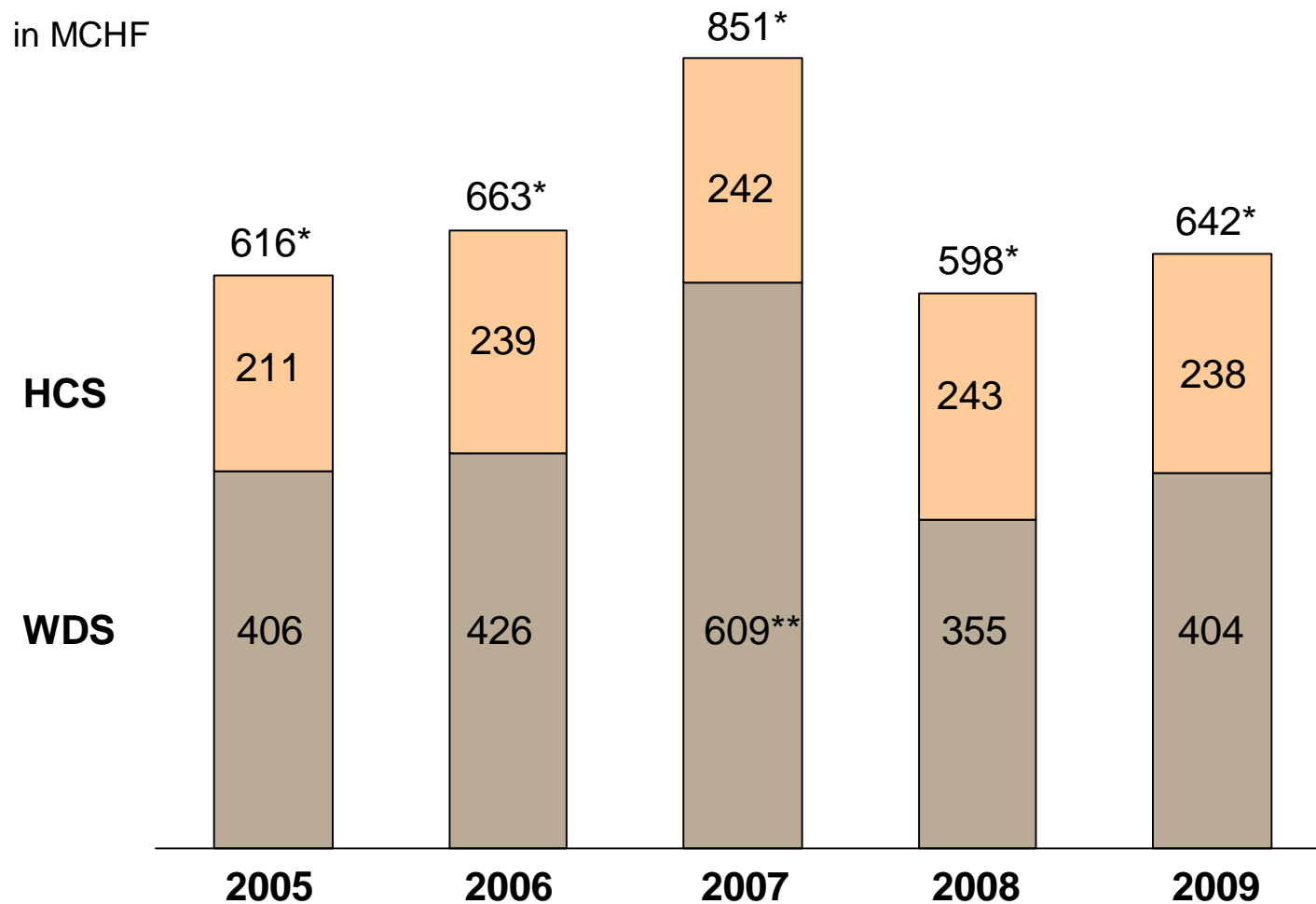
Results 2009

in MCHF	1.1.-31.12.09	1.1.-31.12.08	Change in % CHF	LC	
Order intake	642.0	598.0	7.4%	12.1%	■ 4 major orders (2008: 1)
Order backlog	446.4	445.6	0.2%	-2.6%	■ Stable order backlog
Net sales	649.9	786.1	-17.3%	-14.1%	■ Lower net sales due to reduced backlog end of 2008
EBITDA	39.5	41.1	-3.9%	-3.9%	■ Weaker operating results due to lower net sales
EBIT	28.4	35.3	-19.5%	-19.5%	
<i>EBIT/EBIT margin</i>	4.4%	4.5%			
Result continuing op.	17.7	17.9	-1.1%	-1.1%	■ Stable result from continuing operations
Result discontinued op.	0.0	-6.7	100.0%	100.0%	
Net result	17.7	11.2	58.0%	58.0%	■ Improved net result (2008: loss from divestment of Wassermann)
Employees (FTE)	2 044	2 145	-4.7%		■ Reduction of employees

ORDER INTAKE DEVELOPMENT

Chapter 2

Results 2009



* Swisslog continuing operations after eliminations

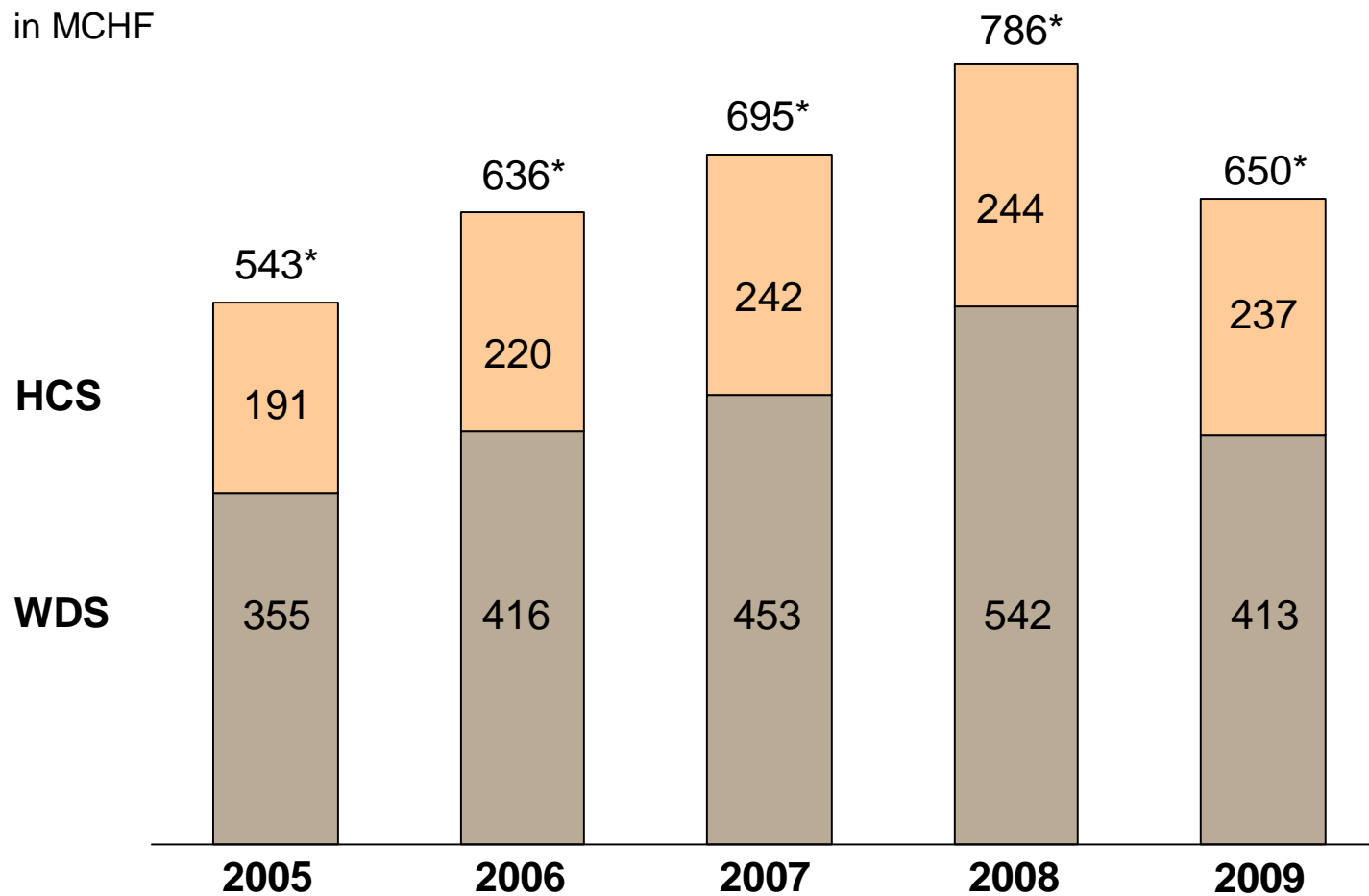
** MCHF 210 from dm-drogerie markt

NET SALES DEVELOPMENT

Chapter 2

Results 2009

in MCHF



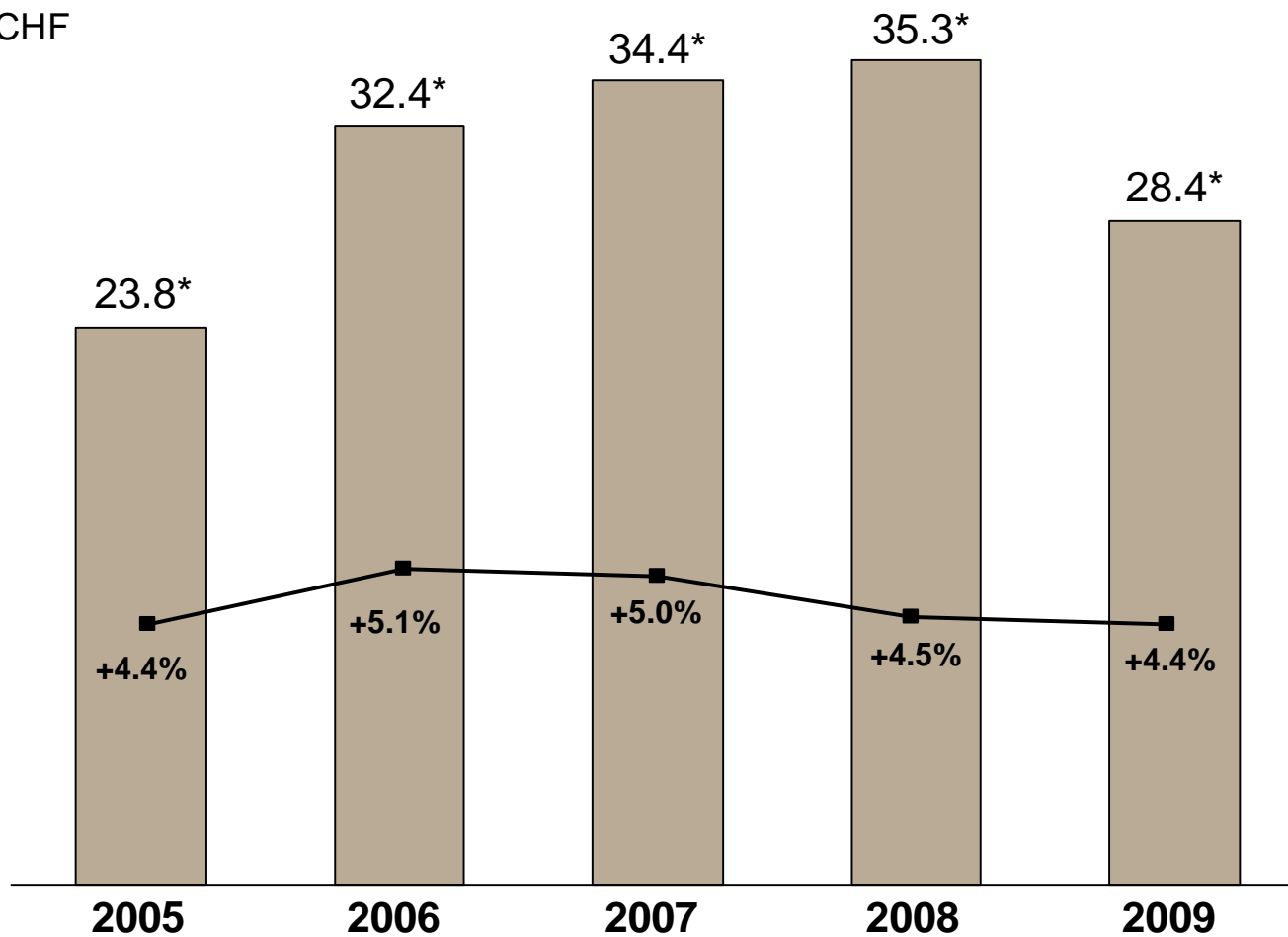
* Swisslog continuing operations after eliminations

EBIT AND EBIT MARGIN DEVELOPMENT

Chapter 2

Results 2009

in MCHF



* Swisslog continuing operations

WAREHOUSE & DISTRIBUTION SOLUTIONS

Chapter 2

Results 2009

in MCHF	1.1.-31.12.09	1.1.-31.12.08	Change in % CHF	LC
Order intake	403.8	354.9	13.8%	20.6%
Order backlog	299.7	298.2	0.5%	-4.3%
Net sales	413.2	542.6	-23.8%	-20.1%
EBITDA	23.6	24.8	-4.8%	-4.0%
EBIT	15.1	21.3	-29.1%	-27.7%
<i>EBIT/EBIT margin</i>	3.7%	3.9%		
Employees (FTE)	1 180	1 285	-8.2%	

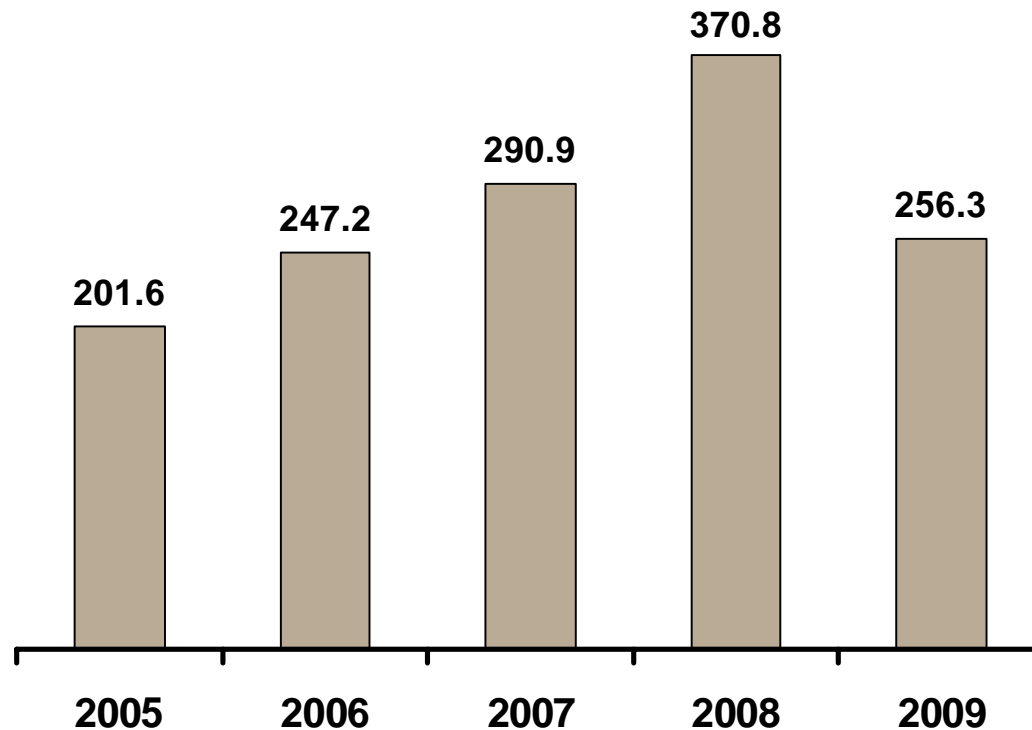
- 4 major orders (Wärtsilä, Hangzhou CF, Target, Tine); negative currency translation effects in 2009 (-6.8%)
- Reduced net sales due to lower order intake in 2008 and negative currency translation effects (-3.7%)
- Decreased operating results due to net sales reduction
- Reduction of employees

WAREHOUSE & DISTRIBUTION SOLUTIONS – NEW BUSINESS

Chapter 2

Results 2009

Net sales* in MCHF



Facts 2009

- Demand for New Business projects hit by economic recession
- 4 major orders

Measures to improve profitability

- Launch of comprehensive business process reengineering program (Simplicity)
- Reduction of staff

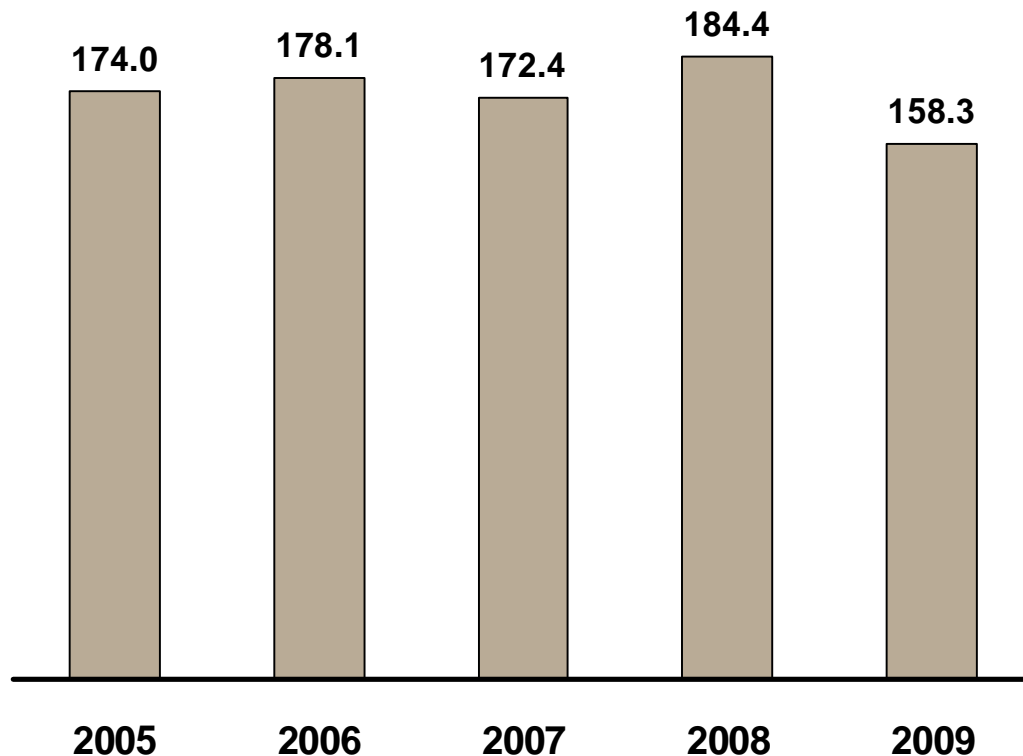
* Segment sales including internal sales

WAREHOUSE & DISTRIBUTION SOLUTIONS – CUSTOMER SUPPORT

Chapter 2

Results 2009

Net sales* in MCHF



Facts 2009

- Demand for modernization/retrofit projects hit by economic recession
- Relatively stable demand for customer services

Measures to improve profitability

- Full exploitation of service potential in projects realized during the last years
- Launch of program to improve sales effectiveness

* Segment sales including internal sales

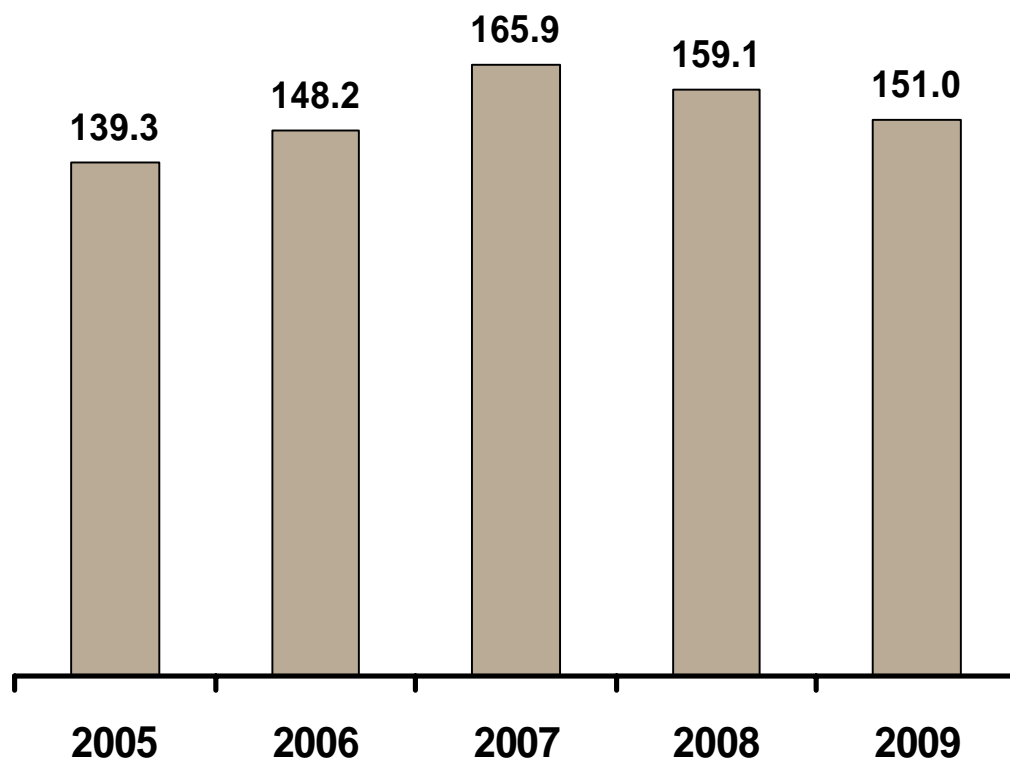
in MCHF	1.1.-31.12.09	1.1.-31.12.08	Change in % CHF	LC	
Order intake	238.4	243.3	-2.0%	-0.4%	■ Stable order intake, order backlog and net sales (minor currency translation effects)
Order backlog	146.7	147.4	-0.5%	0.7%	
Net sales	236.8	243.8	-2.9%	-0.7%	
EBITDA	24.3	26.4	-8.0%	-8.7%	■ Lower operating results due to increased competition
EBIT	22.0	24.3	-9.5%	-10.3%	
<i>EBIT/EBIT margin</i>	9.3%	10.0%			
Employees (FTE)	846	840	0.7%		■ Slight headcount increase

HEALTHCARE SOLUTIONS – PNEUMATIC TUBE SYSTEMS

Chapter 2

Results 2009

Net sales in MCHF



USD/CHF: 1.25 1.26 1.20 1.08 1.09

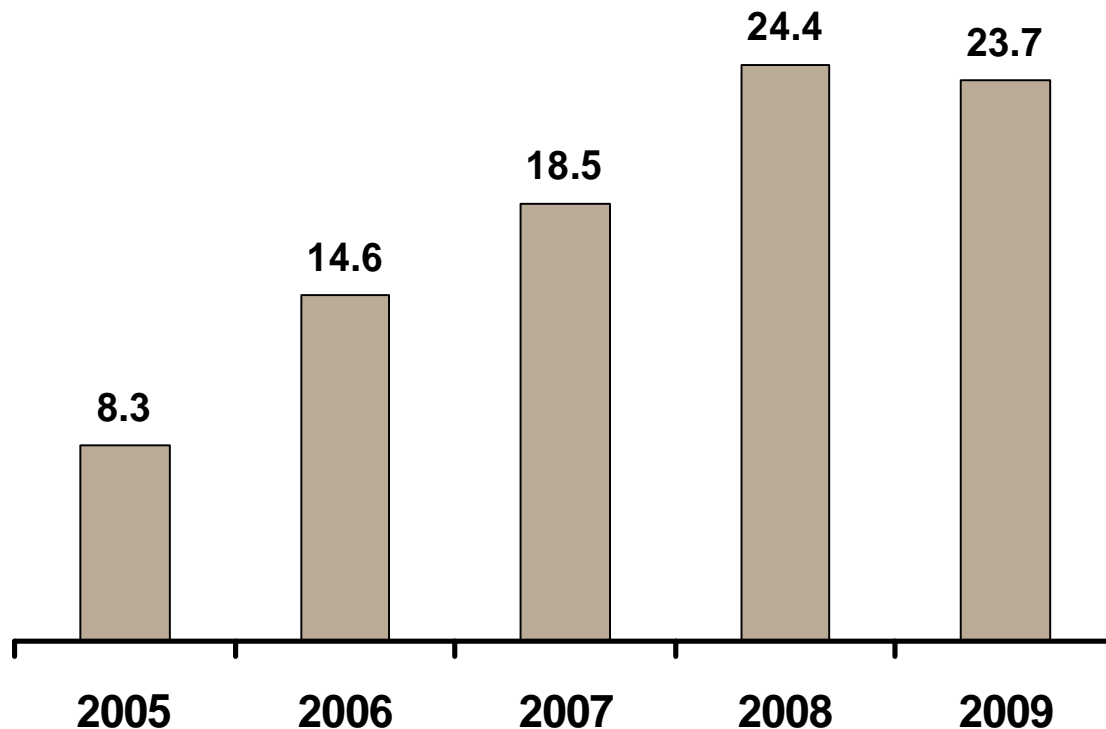
Facts 2009

- Slow-down in demand due to end of hospital construction boom in North America
- Rest of world relatively stable demand

Measures to improve profitability

- Expansion of Customer Support activities in North America
- Acquisition of local players to strengthen market position in Europe

Net sales in MCHF



Facts 2009

- Reduced demand for PillPick in North America due to funding restrictions of hospitals
- Increasing demand in Europe and Asia

Measures to improve profitability

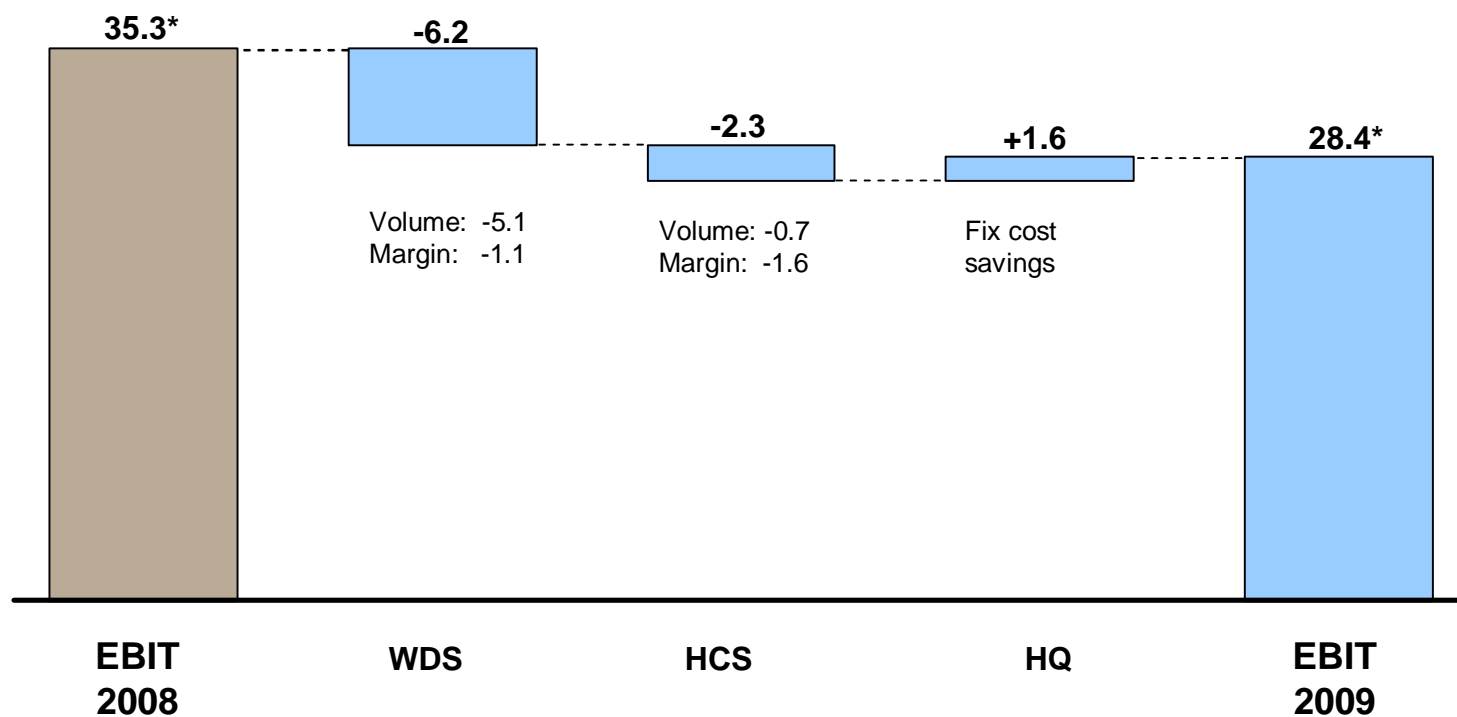
- Strengthening of customer support activities
- Development of markets in Middle East and Southeast Asia
- Broadening of product portfolio

EBIT CHANGE EFFECTS 2008 VS. 2009

Chapter 2

Results 2009

in MCHF



* Swisslog continuing operations

SWISSLOG GROUP – BELOW EBIT LINE

Chapter 2

Results 2009

in MCHF	1.1.-31.12.09	1.1.-31.12.08	Change
EBIT	28.4	35.3	-19.5%
Financial income	4.1	9.4	-56.4%
Financial expense	-8.4	-15.3	45.1%
Taxes	-6.4	-11.5	44.3%
Result continuing operations	17.7	17.9	-1.1%
Result discontinued operations	0.0	-6.7	100.0%
Net result	17.7	11.2	58.0%

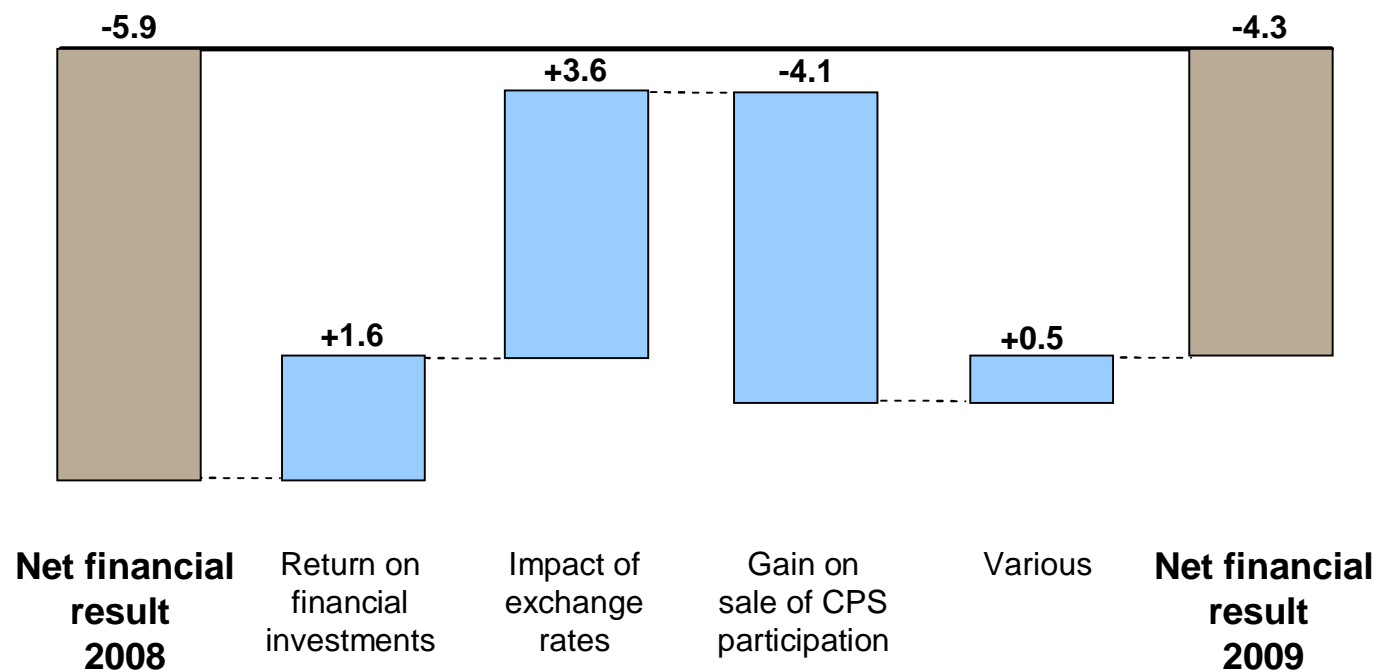
- 2008 including gain from sale of CPS of MCHF 4.1
- Better FX result
- Lower taxes due to lower profits in North America and effects from tax reduction initiatives
- 2008 loss from divestment of Wassermann AG
- Higher net result

NET FINANCIAL RESULT CHANGE EFFECTS 2008 vs. 2009

Chapter 2

Results 2009

in MCHF



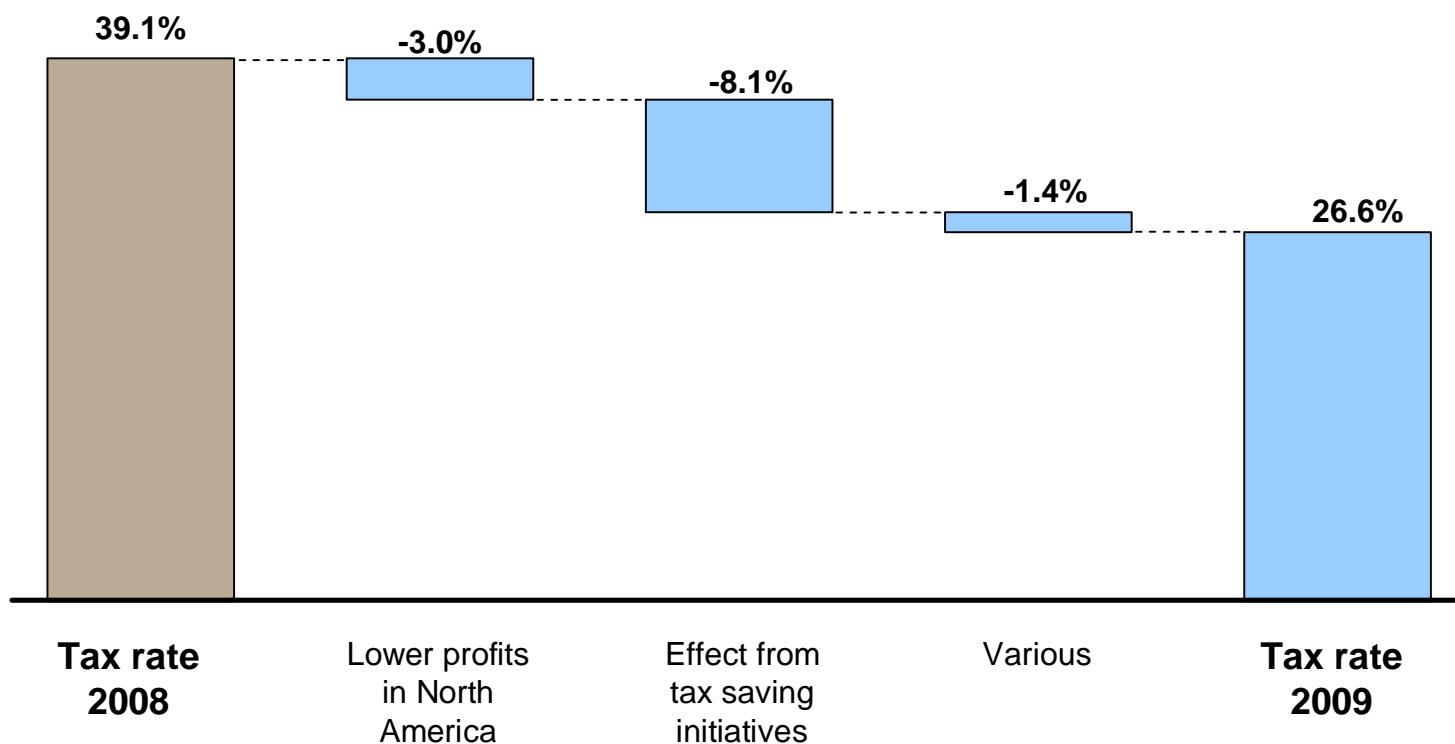
TAX RATE CHANGE EFFECTS

2008 vs. 2009

Chapter 2

Results 2009

Income taxes in % of profit before taxes



SWISSLOG GROUP – CONSOLIDATED BALANCE SHEET

Chapter 2

Results 2009

in MCHF	31.12.2009	31.12.2008
Non-current assets excluding goodwill	38.7	40.6
Goodwill	80.1	78.1
Non-current assets	118.8	118.7
Inventories, trade and other current assets	159.8	192.9
Cash, cash equivalents and marketable securities	124.4	113.3
Current assets	284.2	306.2
TOTAL assets	403.0	424.9
Equity	161.3	148.5
Non-current liabilities	9.7	10.3
Provisions	11.1	10.2
Bank credit, convertible bonds	20.1	37.9
Other current liabilities	200.8	218.0
Current liabilities	232.0	266.1
TOTAL equity and liabilities	403.0	424.9
Net working capital	-52.4	-32.2
Net cash	104.3	75.4

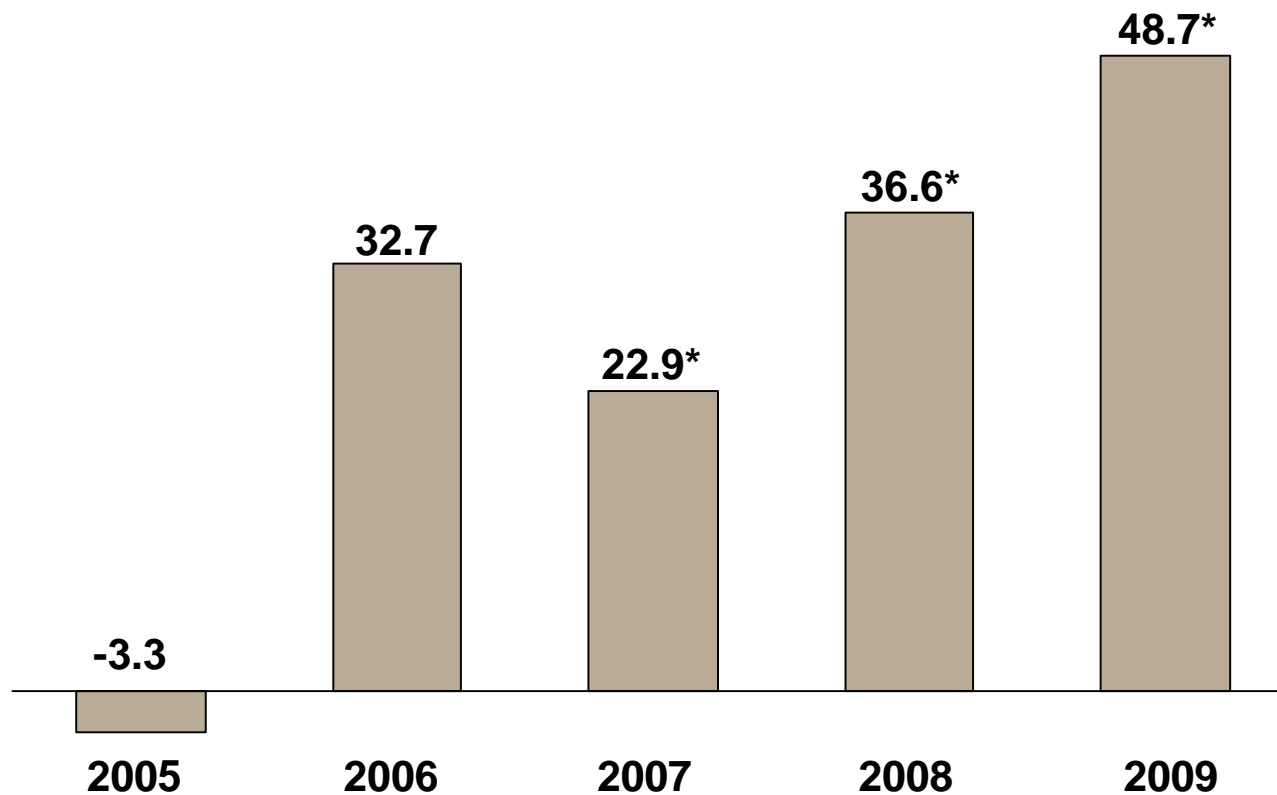
- Slight increase due to acquisition of EVOmatic
- Strong cash position due to good operational cash flow and advance payments
- Equity ratio of 40.0%
- Convertible bonds partially refinanced with bank credit

OPERATING CASH FLOW DEVELOPMENT

Chapter 2

Results 2009

in MCHF



Working capital

changes: -22.4 +9.0 -0.5 +12.1 +16.6

* Swisslog continuing operations

SWISSLOG GROUP – CONSOLIDATED CASH FLOW STATEMENT

Chapter 2

Results 2009

in MCHF	2009	2008
Net cash flow from operating activities	48.7	36.6
Cash flow before changes in working capital	32.1	24.5
Cash flow from changes in working capital	16.6	12.1
Net cash flow from investments	0.2	9.8
Net cash flow from financing activities	-26.6	-23.0
Net cash from discontinued operations	0.0	-0.4
Currency translation differences	0.7	-2.3
Net increase/decrease in cash and cash equivalents	23.0	20.7
Cash and cash equivalents at beginning of period	101.0	80.3
Cash and cash equivalents at end of period	124.0	101.0

- Significant improvement of operating cash flow
- Capex compensated with disposal of securities
- Repayment of convertible bonds partially refinanced with bank credit

CONTENT

- Business activities
- Results 2009
- **Shareholder structure**
- Conclusion and outlook

- Swisslog has 251 276 984 outstanding shares at nominal value of CHF 0.01

- Major shareholders/investors:
 - Baillie Gifford & Co., Edinburgh (3.0%)
 - Pictet Funds SA, Geneva (3.0%)

- More than 13 000 shareholders registered. Registered shares widely spread

- Dispo position around 30%

CONTENT

- Business activities
- Results 2009
- Shareholder structure
- **Conclusion and outlook**

Strategy

- WDS: Increase of own value added for customer projects
- HCS: Expansion of footprint
 - Automated Materials Transport Systems: Increase of market share through round-up acquisitions
 - Automated Drug Management Systems: Enlargement of product offering via acquisitions or cooperations

Operations

- Managing through the cycle:
 - Adjustment of personnel to anticipated workload
 - Rigorous cost management
- Implementation of Simplicity Program WDS New Business
- Profitability improvement of HCS Europe

People

- Strengthening of performance management across worldwide organization
- Continuation of programs for development of management and staff

Conclusion

- Solid results in demanding environment
- Further progress in operational and strategic development
- Solid balance sheet

Outlook 2010

- Market environment remains challenging
- Lower net sales and EBIT between 5 and 10% expected (barring any unforeseen events)

- 15 April 2010: General Meeting of Shareholders
- 17 August 2010: Half-year results
- 19 October 2010: Investor Day