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Press release

Swisslog WDS reports record results for 2016 and major Q4 orders

Buchs/Aarau, 24 February 2017 – Major orders from around the world, a significant award, and forward-looking innovations: Swisslog Warehouse & Distribution Solutions (WDS), a leading automation specialist for robot-based and data-driven intralogistics solutions, maintained its successful course in the fourth quarter. Contract awards from Mai Dubai, Stemilt, and one major Asian customer alone generated new orders in excess of 76 million euros in the last three months of the year.

Whether in the automobile or pharmaceutical industry, the food and beverage sector, ecommerce or retail: Wherever customer requirements and specialized expertise in process design are critical, Swisslog made a lasting impact in 2016 with its competence in logistics automation solutions. "2016 was the most successful year in the history of Swisslog Warehouse & Distribution Solutions," states Dr. Christian Baur, Chief Operating Officer of the Swisslog Group and CEO of the Warehouse & Distribution Solutions (WDS) division. "We enjoyed substantial growth through major contracts in all regions around the globe."

Swisslog posted several noteworthy orders, particularly in the fourth quarter.

Swisslog successfully continued its expansion into new markets. The company boosted its business in the Middle East with the award of a contract from **Mai Dubai**, an up-and-coming bottled water producer in the United Arab Emirates. Mai Dubai is pursuing an ambitious expansion strategy and is partnering with Swisslog on a comprehensive logistics automation project. The 18-million-euro project includes implementing a high-bay warehouse for raw and packaging materials as well as constructing a new high-bay warehouse for finished goods. All production and storage areas will be linked via a 1000 m electrical overhead conveyor.

Superior shuttle technology

Increased storage capacity and reduced energy consumption: PowerStore, a new pallet shuttle technology recently added to the Swisslog portfolio, combines all the features that a state-of-the-art, high-throughput storage system needs. **Stemilt Growers LLC**, a major US fruit growing, packing and shipping company, recently decided to invest in the technology. As part of this 12-million-euro project, Swisslog WDS Americas will be responsible for upgrading

the automation in Stemilt Growers' distribution center located in Wenatchee, Washington over the next several years. In addition to supplying warehouse management and software control, Swisslog will also install several state-of-the-art conveyor components.

In the final quarter of 2016, Swisslog Warehouse & Distribution Solutions won a **major contract in Asia** valued at 50 million euros, its largest by far. The logistics system for a major Asian corporation will be equipped with the latest software, conveyor and storage technology components and feature a fully automated storage system for pallets.

Long-term support guaranteed

The long-term support that Swisslog guarantees beyond project completion is a major reason for last year's successes. Swisslog offers 24/7 support for all of its IT and storage systems – either via remote maintenance or on-site System Operations teams – and is committed to continually expanding its service portfolio, for example with virtual reality applications and big data analytics. "Our technical expertise in this arena is growing rapidly," says Dr. Christian Baur. "Every single technological innovation that we successfully deploy holds enormous potential for sustainably reducing the cost of warehouse operations."

A glance at the well-filled order books leaves Baur no doubt. "By developing our expertise in IT and logistics design, we laid the right groundwork for growth several years ago. Winning the 2016 Industry Prize at the Hannover Messe for our <u>innovative human-robot picking station</u>, <u>Automated Item Pick (AIP)</u>, further confirms Swisslog's pioneering role in the development of forward-looking Industry 4.0 technologies."

For the detailed preliminary figures for the 2016 financial year of the KUKA Group, read the KUKA media release >>

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About Swisslog

Swisslog designs, develops and delivers best-in-class automation solutions for forward-thinking healthcare systems, warehouses and distribution centers. We are a single-source supplier of integrated systems and services – from planning, design and implementation through servicing over the entire lifecycle of our solutions. 2,500 talented employees and customers in over 50 countries stand behind the global company's success.

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