



PRESS RELEASE

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Record financial results for KNAPP

KNAPP AG looks back once again on a record year. In the past business year 2015/16, the Styrian intralogistics expert KNAPP AG increased its net revenue by 25 percent to 581.97 million euros and made a profit of 30.52 million euros. This tremendous result marks an all-time-high in the company history and is part of a long-term strategy for growth.

The KNAPP group continues along the path to success, recording the best ever result in its company history. In comparison to the previous year, the company not only increased net sales revenue by 25 percent, but also the relative EBIT margin to 5 percent. The export quota remains consistently high at 97 percent. Europe is the strongest sales region with a turnover share of 75 percent. With 20 percent of the net sales revenue, North America is a steadily growing market. The Managing Board, Gerald Hofer, Franz Mathi and Christian Grabner are pleased with the success of the past business year. In 2016, KNAPP plans to strengthen and expand the global subsidiary network with moderate growth and a record level of consolidation.

3,000 employees worldwide

“We have succeeded in obtaining 650 million euros worth of orders across all the subsidiaries and individual companies in the KNAPP group. That is a new record in our company history and underlines our position on the market as industry partner,” declares CEO Gerald Hofer. The KNAPP group employs over 3,000 employees from numerous countries. Around 300 new jobs were created in the past year, 200 of them in Styria – at the headquarters in Hart bei Graz and at the three other sites in Dobl, Grambach and Leoben.

Solutions for production logistics

In addition to the core business areas healthcare, fashion, retail, food and food retail, KNAPP has extended its focus to include the industrial sector and pooled its know-how in *KNAPP Industry Solutions* based in Dobl bei Graz. “We can perfectly illustrate progressive automation in conjunction with production, assembly and distribution as part of the strategies and demands of Industry 4.0 with our process and system know-how. As part of this, it is crucial for us to always keep the idea *zero defect* in mind. With our innovative Vision technology, we offer attractive solutions that reach beyond the quality and service areas and that have been very well-received on the market,” explains COO Franz Mathi. The lighthouse project of Industry 4.0 is currently underway in Styria at Pankl Racing Systems in the areas of logistics and quality assurance.

Product innovations and solutions

30 million euros, around six percent of net sales revenue were invested in the past year in research and development. “KNAPP distinguishes itself through its innovative strength and was

once again able to develop new products and solutions ready for the market. This also includes the continual further development of our process software, shuttle systems and ergonomic work station series Pick-it-Easy, high-speed sorters and the latest in robot technology,” stresses CFO Christian Grabner. The image recognition and processing technology as well as the "SmartWorker" solutions that are pooled in the 100 % subsidiary ivii are particularly interesting for industrial companies worldwide and enable reliable quality checks to be integrated into every process step.

In addition to the investments in R&D, the various sites have continued to be expanded. Alongside the expansion of the Leoben and Dobl sites, the day care centre and company cafeteria at the KNAPP headquarters in Hart bei Graz were also extended. What's more, the global subsidiary and production network is invariably strengthened through these site expansions. Further investments are also pouring into IT and tools in order to cater to customer requirements more efficiently and quickly.

Growth in core business areas

It is becoming increasingly difficult to plan business models across all sectors and they require flexible system solutions that develop in line with market requirements and thereby support the customer in each and every phase in the best way possible. KNAPP recognized this challenge several years ago and has turned it into a significant strength. “We can offer our customers solutions that are ready for production, highly-flexible, efficient and with high investment security in order to overcome the challenges they are currently facing,” explains Hofer.

The high level observed in the healthcare market segment has increased once again. With its shares in the KHT Apostore group, KNAPP is in a position to work with the entire pharmaceutical supply chain – from manufacturers, wholesale and through to pharmacies. Alongside the core markets in Europe, KNAPP experienced significant growth in the North American region in the established market segment healthcare.

Furthermore, the fashion and lifestyle sectors are booming. “We were able to convince major market players of our system expertise thanks to our portfolio with vente-privee,” reports Franz Mathi. KNAPP once again scored points in food retail and online food retail with its innovative solutions and technologies. Proof of this are orders from the REWE group and the French online retailer Auchan. The SPAR distribution centre in Ebergassing, Austria also went into operation recently. Over the past few years, KNAPP has developed innovative systems such as Open Shuttles for pallets that will replace conventional pallet conveyor systems, and the ergonomic picking system Pick-it-Easy Move specially designed for the food retail sector. Solutions that are pioneering and in demand on a global scale. Christian Grabner, “we are on excellent course with these new system solutions and we expect high growth rates in this sector over the course of the years to come.”

Globalization will continue

KNAPP AG is ideally positioned on the global market in its core business areas and has started the new business year with a good level of incoming orders. “Our focus for the next period is in the expansion of our global network,” explains Christian Grabner. And in the face of the far-reaching consequences of BREXIT Gerald Hofer provides reassurance, “we are in a solid and

technologically strong position. We are striving to compensate for the considerable effects of BREXIT with our innovative systems and technologies.”

About KNAPP AG

KNAPP is an internationally operating company and is one of the world market leaders in warehouse logistics and automation. An export rate of 97 % reflects the international orientation of the company. Founded in 1952, today KNAPP has more than 3,000 employees worldwide, with 2,000 in Austria. The company headquarters are located in Hart bei Graz, with additional Styrian locations in Leoben, Grambach and Dobl.

As solution provider, the company is committed to providing one-stop custom-designed intralogistics solutions. Around the world numerous partners in the healthcare, retail, fashion, media, optics and office sectors, as well as mail-order businesses and logistic service providers trust in KNAPP's innovative logistics solutions and integrated logistics software. Renowned KNAPP customers include Hugo Boss, Olymp, SPAR, Avon Cosmetics and Würth.



The Managing Board of KNAPP AG from left to right: COO Franz Mathi, CEO Gerald Hofer, CFO Christian Grabner [Photo credit: © KNAPP AG]



KNAPP shuttle systems

KNAPP shuttle systems form the heart of a modern warehouse. For every demand there is a suitable shuttle solution that can be seamlessly integrated into the logistics system with customized software and ergonomic work stations. [Photo credit: © KNAPP AG]



Open Shuttle for supplying work stations

The free-moving Open Shuttles can be used flexibly within the warehouse. According to the principle of swarm intelligence, they distribute orders autonomously between themselves and can be used for transport tasks as well as for supplying work stations. [Photo credit: © KNAPP AG]



Open Shuttle for pallets

The Open Shuttles for pallets convey pallets within the warehouse with full flexibility. The driverless warehouse vehicles transport up to 1,300 kg, navigating freely and autonomously through the warehouse.

[Photo credit: © KNAPP AG]