

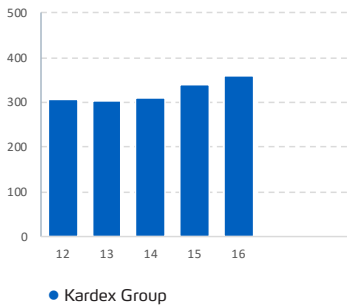
2016

**Short Version
Annual Report**

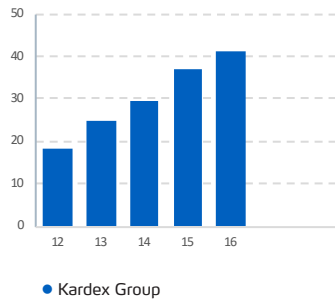
kardexgroup

Kardex Group at a glance

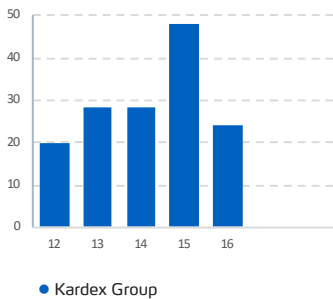
Net revenues
in EUR millions



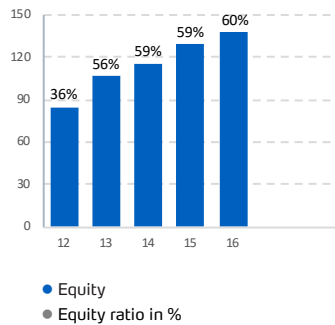
Operating result (EBIT)
in EUR millions



Net cash flow from
operating activities
in EUR millions



Equity and equity ratio
in EUR millions and in %



Highlights and key figures in 2016

Profitable growth continues

Kardex Group improves double-digit EBIT margin

Kardex Remstar operational result increases again

Kardex Mlog back on growth path

Planned payout to shareholders increased further

Key figures

EUR millions

1.1.-31.12.	2016		2015		+/- %
Bookings	373.6	104.2%	349.6	103.5%	6.9%
Order backlog (31.12.)	137.8	38.4%	124.3	36.8%	10.9%
Net revenues	358.5	100.0%	337.9	100.0%	6.1%
Gross Profit	128.4	35.8%	122.8	36.3%	4.6%
OPEX	87.1	24.3%	85.7	25.4%	1.6%
EBITDA	46.3	12.9%	42.4	12.5%	9.2%
Operating result (EBIT)	41.3	11.5%	37.1	11.0%	11.3%
Result for the period (net profit)	30.8	8.6%	28.5	8.4%	8.1%
Net cash flow from operating activities	24.2		48.2		-49.8%
Free cash flow	16.4		42.7		-61.6%
ROCE	42.3%		46.2%		-8.5%
	31.12.2016		31.12.2015		+/- %
Net working capital	65.6		51.4		27.6%
Net cash	105.7		112.3		-5.9%
Equity/Equity ratio	138.2	59.6%	129.4	58.7%	6.8%
Employees (FTE)	1 552		1 509		2.8%
	2016		2015		+/- %
Reduction of nominal value per share (CHF)	3.30		3.00		10.0%

Report to the shareholders

Continued profitable growth for the Group

The Kardex Group performed well once again in the 2016 financial year. Both divisions reported good bookings, increased revenue and improved profitability in challenging markets. Kardex Remstar increased its profitability once again on the basis of a good revenue mix and stringent cost control. Kardex Mlog experienced a strong growth spurt, while maintaining its margins. At Group level, the EBIT margin increased to a new record level of 11.5%.

Good bookings and increasing revenue

A strong increase in bookings in the case of Kardex Mlog and a continuing rise in demand at Kardex Remstar resulted in bookings of EUR 373.6 million, an increase of 6.9% or EUR 24.0 million on the previous year (EUR 349.6 million). The order backlog at the end of the year was EUR 137.8 million, up around 11% on the previous year's value. The good bookings had a positive impact on the revenue level. Revenue increased by 6.1% to EUR 358.5 million (EUR 337.9 million) in the period under review, or by 7.2% to EUR 362.2 million when adjusted for currency effects. Currency effects had a slightly negative effect on the annual result in 2016, whereas in the previous year the rise in the value of the US dollar against the euro had a significant positive effect.

Operating result increases to EUR 41.3 million

The higher revenue was accompanied by a rise in expenditure for sales activities and an increase in the number of employees. The Group headcount increased by 43 full-time positions and totaled 1 552 at the end of the period. Expenditure on R&D activities was once again deliberately increased in absolute terms and, as in the previous year, accounted for 2.8% of revenue. Overall, operating expenditure increased moderately by 1.6% to EUR 87.1 million compared to the previous year. At EBIT level, the operating result increased by 11.3% to EUR 41.3 million, corresponding to an EBIT margin of 11.5%. The tax rate increased to 22.8% (20.8%) as there were fewer tax loss carryforwards. The Kardex Group's annual profit increased by 8.1% to EUR 30.8 million (EUR 28.5 million). This result equates to a return on capital employed (ROCE) of 42.3% (46.2%).

High EBIT margin for Kardex Remstar

Following strong growth during the previous year, Kardex Remstar consolidated its position as market leader in its segment of the intralogistics market. At EUR 289.3 million, its bookings were up 3.3% on the previous year and revenue increased by 3.9% to EUR 283.9 million.

In terms of geographic regions, the European and Asian markets made a greater contribution to growth, while the upheaval in the Middle East and Africa and downward trends in the North American market had a negative effect on revenue. At EUR 40.3 million or an EBIT margin of 14.2%, the operating result reached a new record level, 11.0% above the previous year's result. The improvement in the margin was facilitated by increased volumes, a better revenue mix and good cost management. In the course of this improvement, the company is increasing the EBIT margin target range to between 7% and 15% (over the cycle). The intralogistics market is increasingly influenced by global trends such as increased digitization or the path to Industry 4.0. Kardex Remstar has therefore expanded its technology expertise, created a new Head of Technology function and appointed a proven intralogistics expert to this role.

Profitable growth path at Kardex Mlog confirmed

Demand across all elements of the product portfolio offered retained at a high level. Despite the focus on projects with a well-balanced opportunity/risk profile proved itself once again, it was still possible to accelerate growth. Bookings rose by 21.5% to a record EUR 84.7 million (EUR 69.7 million), benefiting from wide-spread, solid demand across the entire range of products and services. Total revenue increased by 16.1% to EUR 75.1 million. The operating result increased to EUR 3.8 million (EUR 3.4 million), corresponding to an EBIT margin of 5.1% (5.3%). Following a successful return to a solid growth path, Kardex Mlog's focus in the coming years will be on operational excellence in order to sustainably secure profitability in the defined target range (EBIT margin 4% to 6% over the cycle).

Equity ratio increases to 60%

The Kardex Group has no debts and shows no potential depreciation risks. As of the end of 2016, the balance sheet total had risen slightly to EUR 232.0 million. The Group enjoys a solid equity ratio of 59.6% (58.7%) and net cash of EUR 105.7 million (EUR 112.3 million). The net working capital increased to EUR 65.6 million at the end of the year (EUR 51.4 million), which is due mainly to the higher accounts receivable. These were driven by strong revenue in December and amounted to EUR 59.6 million, or around 24% more than one year ago, at the end of the year. The higher accounts receivable and a significantly lower level of advance payments at the end of the year are a snapshot in time and in combination with higher investment spending led to a lower reported free cash flow of EUR 16.4 million (EUR 42.7 million).

Higher payout once again

The Board of Directors will apply for a payout of CHF 3.30 (CHF 3.00) at the Annual General Meeting in the form of a nominal value reduction. The current nominal value of the Kardex share is CHF 7.35 and thus still offers scope for the continuation of tax-free payouts to individuals who are resident in Switzerland.

Outlook

The Board of Directors and Group Management look forward confidently to the current 2017 financial year. Despite the economic and political uncertainty in some markets, both divisions are well positioned to exploit the continued positive market potential. Moreover, the good order backlog levels and the stabilizing nature of the service business in both divisions provides some protection against any possible economic fluctuations. On the whole, the Group expects to perform well within the framework of the financial goals that have been announced.

Thank you

We would like to thank our partners and customers for the very pleasing development of our cooperation, our shareholders for their confidence and all our employees for their great commitment to Kardex.



Philipp Buhofer
Chairman of the Board of Directors



Jens Fankhänel
Chief Executive Officer

Division Kardex Remstar

Operating result increases once again

In the 2016 financial year, Kardex Remstar managed to improve its results once again in a challenging market environment. Bookings increased slightly by 3.3% to EUR 289.3 million, leading to a 3.9% increase in revenue to EUR 283.9 million. In combination with an improved revenue mix, this resulted in the division's best ever operating result of EUR 40.3 million.

New business is stable

Despite the upheaval in the Middle East and Africa and downward trends in the North American market, new business remained stable overall. Revenue increased by 1.2% to EUR 196.4 million and bookings remained at last year's level at EUR 198.9 million.

Steady growth in the service business

Revenue in the service sector increased once again. Compared to the previous year, it grew by more than 6%; services now account for 28.9% of revenue. The continually growing installed base, additional services and new service ranges offer the potential to further increase this less cyclical share of revenue from the current EUR 82.1 million.

OEM business gains momentum

The OEM sales channel, which was launched two years ago, contributed EUR 5.3 million (EUR 2.1 million) to earnings and now represents approximately 2% of the total volume. This confirmed the expected upward trend with the established partners.

Regional differences in development

With a revenue share of around 73%, Europe remains the most important sales region for Kardex. In particular, demand in southwest Europe increased significantly; in Central Europe it remained stable at a high level. Demand in the UK and in northern European countries, meanwhile, was more subdued. Revenue declined slightly in America, as a certain amount of uncertainty surrounding political and economic developments manifested itself from the second quarter onwards. In Asia, sales increased slightly compared to the previous year. Development was mixed in the various countries in the region. Revenue fell by almost 50% in the crisis-ridden Middle East and in Africa.

EBIT margin above target range

Bookings in the Kardex Remstar division increased by 3.3% to EUR 289.3 million and revenue increased by 3.9% to EUR 283.9 million (adjusted for currency effects: 4.6% and 5.2% respectively). The order backlog at the end of the period under review was EUR 90.4 million, this equates to 4.5% more than a year ago.

EBIT increased by 11.0% to EUR 40.3 million, corresponding to a margin of 14.2% (13.3%), which is above the target range previously announced (7% to 13%). The improvement in the margin was facilitated by increased volumes, an improved revenue mix and good cost management.

Enhanced technology expertise

The intralogistics market is increasingly influenced by global trends such as increased digitization and the path to Industry 4.0. These trends will be a major influence on intralogistics solutions in the future. A high degree of innovation is therefore required in order for Kardex Remstar to continue to live up to its claim as technology leader in this changed market environment.

In order to achieve this goal and to embed the expertise even more securely in the company, a new function of Head of Technology was created and a proven intralogistics expert has been appointed to this role.

In the area of product development, the main focus was on the market introduction of new products. These include the LR 35 and LT 35 automated storage systems of the recently launched Vertical Buffer Module product family, which has been received favorably in the market. With this product family, Kardex Remstar is filling the gap that previously existed in its products and solutions portfolio, especially for tasks in mini-load logistics. To date, around a dozen pilot systems have been installed in Europe. These help to collect additional market experiences and implement product optimizations based on customer feedback.

Creating jobs

Kardex Remstar's solid performance is also reflected in the headcount. The number of full-time positions increased by 2.0% to 1 281 jobs.

Employees will be given more autonomy following the introduction of the new management model introduced in 2015/2016. The aim is to create an environment that promotes creativity and provides space for new ideas. This framework takes on board the company's high level of maturity and helps to secure Kardex Remstar's market leadership in the long term.

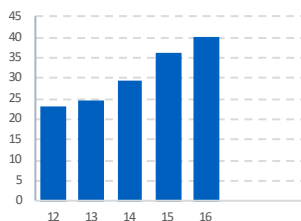
Outlook for 2017

The market for intralogistics solutions remains attractive despite the political and economic challenges in some markets. A good order backlog, a high operative performance level and planned technological innovations are the cornerstones for a positive performance in the current 2017 financial year. Kardex Remstar is well positioned to remain a preferred supplier of intralogistics solutions and to achieve profitable growth.

Consolidated key figures for the Kardex Remstar Division

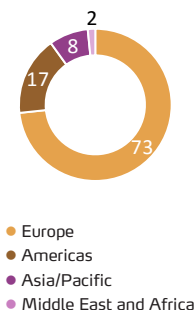
EUR millions	2016		2015		+/-%
Bookings	289.3	101.9%	280.1	102.5%	3.3%
Order backlog (31.12.)	90.4	31.8%	86.5	31.7%	4.5%
Segment net revenues	283.9	100.0%	273.3	100.0%	3.9%
EBITDA	44.6	15.7%	40.9	15.0%	9.0%
Operating result (EBIT)	40.3	14.2%	36.3	13.3%	11.0%
Employees (FTE on 31.12.)	1 281		1 256		2.0%

Operating result (EBIT)
in EUR millions

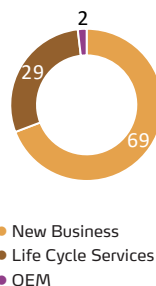


● Kardex Remstar

Net revenue by market region
2016 financial year in %



Net revenue by sector
2016 financial year in %



Division Kardex Mlog

Back on track for growth

Kardex Mlog confirmed the profitable growth path achieved in the previous year. Bookings rose by 21.5% to EUR 84.7 million and led to an increase of 16.1% in revenue, bringing it to EUR 75.1 million. The operating result increased to EUR 3.8 million, which equates to an EBIT margin of 5.1%.

More bookings lead to good order backlog levels

Demand across all elements for the range of products and services offered remained at a high level. Compared to the previous year, bookings increased by 21.5% to EUR 84.7 million, the highest level in the division's history. In doing so, it succeeded in retaining its strict risk management policy. As a result, the order backlog amounts to EUR 47.5 million, 25.3% higher than the previous year.

Well-balanced revenue mix

The significant increase in bookings was reflected for the most part in the revenue, which increased by 16.1% to EUR 75.1 million. In the Integrated Subsystem sector, revenue increased by 20.7%. The revenue mix remained roughly balanced, with project business accounting for around 61% of revenue and service business (including modernizations) accounting for 39%.

Slight shift in regional distribution of revenue

The volume of business conducted outside the domestic German market increased in importance. Austria, the Benelux countries and other European countries now account for around one-fifth of sales. Market entry opportunities are also being examined outside the German-speaking countries. The aim is to further reduce the dependency on the German market to less than 70% of revenue in the medium term.

EBIT rises to EUR 3.8 million

New employees have been hired to exploit opportunities in the market and to deal with the increased order backlog. The headcount increased by around 7%, from 246 to 263 full-time positions. Most of the associated higher costs could be offset by increased volumes and efficiency gains. Overall, this resulted in an EBIT of EUR 3.8 million compared to EUR 3.4 million in the previous year. This equates to an EBIT margin at the previous year's level of 5.1%, which is within the announced target range of 4% to 6%.

Innovative new products

The first deliveries of the new dynamic sorting buffer MSequence have been recorded and the first orders for the second phase of the MMove pallet shuttle have been submitted by customers. Increasing digitization and the path to Industry 4.0 will be the key drivers for future innovations. Kardex Mlog focuses its development activities on preparing components and their related range of services. Recently developed software applications will round off the range of offers.

Strategic focus on operational excellence

Following a challenging phase of focusing that began in 2012, and the subsequent return to profitable growth in the last two years, the strategic focus in the coming years will concentrate on operational excellence. The

specific measures planned will include focusing on certain customer segments in the sales process where higher margins can be achieved. Risk management activities will be subdivided into technical and contractual aspects and internal processes will be simplified. Overall, the business model will be embedded even deeper in the division and the focus will be on good risk management and a balanced revenue mix.

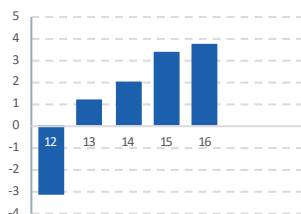
Outlook for 2017

The market for intralogistics solutions in Central Europe remains attractive despite economic challenges in some EU countries. The high order backlog will have a positive effect on revenue in 2017 and Kardex Mlog expects to achieve continued profitable growth and to sustainably secure the profit margin within the defined target range (EBIT margin of 4% to 6%).

Consolidated key figures for the Kardex Mlog Division

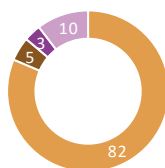
EUR millions	2016		2015		+/-%
Bookings	84.7	112.8%	69.7	107.7%	21.5%
Order backlog (31.12.)	47.5	63.2%	37.9	58.6%	25.3%
Segment net revenues	75.1	100.0%	64.7	100.0%	16.1%
EBITDA	4.4	5.9%	4.0	6.2%	10.0%
Operating result (EBIT)	3.8	5.1%	3.4	5.3%	11.8%
Employees (FTE on 31.12.)	263		246		6.9%

Operating result (EBIT)
in EUR millions



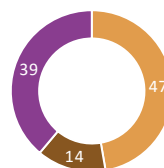
● Kardex Mlog

Net revenue by market region
2016 financial year in %



● Germany
● Austria
● Benelux
● Other

Net revenue by sector
2016 financial year in %



● Integrated Subsystems
● Products
● Life Cycle Services

Segment reporting 2016

Income statement

EUR millions	Operating segments				
	Kardex Remstar	Kardex Mlog	Kardex AG Zurich (Holding)	Eliminations	Kardex Group
Net revenues, third party					
- Europe	208.0	74.8	-	-	282.8
- Americas	47.6	-	-	-	47.6
- Asia/Pacific	23.6	-	-	-	23.6
- Middle East and Africa	4.5	-	-	-	4.5
Total net revenues, third party	283.7	74.8	-	-	358.5
Net revenues, with other operating segments	0.2	0.3	-	-0.5	-
Net revenues	283.9	75.1	-	-0.5	358.5
Cost of goods sold and services provided	-169.0	-61.6	-	0.5	-230.1
Gross profit	114.9	13.5	-	-	128.4
Gross profit margin	40.5%	18.0%			35.8%
Marketing and sales expenses	-41.0	-5.2	-	-	-46.2
Administrative expenses	-24.1	-3.7	-5.1	2.2	-30.7
R&D expenses	-9.1	-0.8	-	-	-9.9
Other operating income	1.2	-	2.4	-2.2	1.4
Other operating expenses	-1.6	-	-0.1	-	-1.7
Operating result (EBIT)	40.3	3.8	-2.8	-	41.3
EBIT margin	14.2%	5.1%			11.5%
Financial result, net					-1.4
Result for the period before tax					39.9
Income tax expense					-9.1
Result for the period					30.8
Depreciation and amortization	4.3	0.6	0.1	-	5.0
EBITDA	44.6	4.4	-2.7	-	46.3
EBITDA margin	15.7%	5.9%			12.9%

Segment reporting 2015

Income statement ¹

	Operating segments				
EUR millions	Kardex Remstar	Kardex Mlog	Kardex AG Zurich (Holding)	Eliminations	Kardex Group
Net revenues, third party					
- Europe	193.6	64.6	-	-	258.2
- Americas	49.8	-	-	-	49.8
- Asia/Pacific	21.5	-	-	-	21.5
- Middle East and Africa	8.4	-	-	-	8.4
Total net revenues, third party	273.3	64.6	-	-	337.9
Net revenues, with other operating segments	-	0.1	-	-0.1	-
Net revenues	273.3	64.7	-	-0.1	337.9
Cost of goods sold and services provided	-162.7	-52.5	-	0.1	-215.1
Gross profit	110.6	12.2	-	-	122.8
Gross profit margin	40.5%	18.9%			36.3%
Marketing and sales expenses	-40.5	-4.7	-	-	-45.2
Administrative expenses	-23.0	-3.4	-4.6	2.0	-29.0
R&D expenses	-8.8	-0.5	-	-	-9.3
Other operating income	0.9	0.3	2.0	-2.0	1.2
Other operating expenses	-2.9	-0.5	-	-	-3.4
Operating result (EBIT)	36.3	3.4	-2.6	-	37.1
EBIT margin	13.3%	5.3%			11.0%
Financial result, net					-1.1
Result for the period before tax					36.0
Income tax expense					-7.5
Result for the period					28.5
Depreciation and amortization	4.6	0.6	0.1	-	5.3
EBITDA	40.9	4.0	-2.5	-	42.4
EBITDA margin	15.0%	6.2%			12.5%

¹ Restated

Consolidated balance sheet

EUR millions	31.12.2016	31.12.2015 ¹
Property, plant and equipment	27.6	24.8
Intangible assets	2.0	2.0
Financial assets	7.8	7.1
Non-current assets	37.4	33.9
Inventories and work in progress	18.8	15.2
Trade accounts receivable	53.6	45.5
Other receivables	12.3	11.2
Prepaid expenses	4.2	2.1
Cash and cash equivalents	105.7	112.5
Current assets	194.6	186.5
Assets	232.0	220.4
Share capital	40.1	56.4
Capital reserves	31.1	31.1
Retained earnings and Translation differences	68.3	41.9
Treasury shares	-1.3	-
Equity	138.2	129.4
Non-current provisions	18.4	17.7
Non-current liabilities	18.4	17.7
Trade accounts payable	14.5	11.8
Current financial liabilities	-	0.2
Current provisions	7.9	8.3
Accruals	36.1	34.4
Other current liabilities	16.9	18.6
Current liabilities	75.4	73.3
Liabilities	93.8	91.0
Equity and liabilities	232.0	220.4

¹ Restated

Consolidated cash flow statement

EUR millions	2016	2015 ¹
Result for the period	30.8	28.5
Depreciation and amortization	5.0	5.3
Changes in provisions and pension liabilities	0.2	3.1
Other non-cash items	-0.1	-1.5
Change in accounts receivable	-8.3	3.6
Change in inventories and work in progress	-3.4	3.0
Change in other receivables and prepaid expenses	-3.2	-0.8
Change in accounts payable	2.8	0.9
Change in other current liabilities and accruals	0.4	6.1
Net cash flow from operating activities	24.2	48.2
Purchase of property, plant and equipment	-6.8	-4.1
Sale of property, plant and equipment	0.2	0.1
Purchase of intangible assets	-1.0	-0.5
Purchase of financial assets	-0.2	-1.0
Net cash flow from investing activities	-7.8	-5.5
Free cash flow	16.4	42.7
Acquisition of treasury shares	-1.5	-0.2
Disposal of treasury shares	0.2	0.2
Change in current financial liabilities	-0.2	0.2
Dividend paid	-	-12.1
Reduction of nominal value	-21.5	-4.8
Net cash flow from financing activities	-23.0	-16.7
Effect of currency translation differences on cash and cash equivalents	-0.2	1.4
Net change in cash and cash equivalents	-6.8	27.4
Cash and cash equivalents at 1 January	112.5	85.1
Cash and cash equivalents at 31 December	105.7	112.5
Net change in cash and cash equivalents	-6.8	27.4

¹ Restated

Information on the Kardex share

Share capital and capital structure

	2016	2015	2014	2013	2012
Par value per share (CHF)	7.35	10.35	11.00	11.00	11.00
Total registered shares	7 730 000	7 730 000	7 730 000	7 730 000	7 730 000
Number of treasury shares	16 700	-	-	-	21 500
Number of dividend-bearing shares	7 713 300	7 730 000	7 730 000	7 730 000	7 708 500
Registered capital (CHF 1 000)	56 816	80 006	85 030	85 030	85 030
Conditional capital (CHF 1 000)	-	-	-	-	-
Authorized capital (CHF 1 000)	-	-	-	-	-
Total voting rights	7 713 300	7 730 000	7 730 000	7 730 000	7 708 500

Key stock exchange figures per share

CHF	2016	2015	2014	2013	2012
Share price high	99.90	82.00	47.55	44.35	26.70
Share price low	57.80	40.20	37.60	23.05	11.65
Closing rate	95.25	78.00	46.25	39.20	24.40
Average volume per trading day (no. of shares)	12 596	16 528	14 719	23 239	30 242
Market capitalization - CHF million (31.12.)	736.28	602.94	357.51	303.02	188.61

Key figures per share¹

CHF	2016	2015	2014	2013	2012
Earnings per share (EPS) ² - basic	4.34	3.94	3.74	4.95	3.34
Earnings per share (EPS) ² - diluted	4.34	3.94	3.74	4.95	3.34
Price earning ratio (closing rate)	21.95	19.79	12.34	7.93	7.32
Dividend	-	-	1.65	1.25	1.20
Extraordinary dividend	-	-	-	1.40	4.00
Reduction of nominal value ³	3.30	3.00	0.65	-	-
Equity	19.18	18.10	18.01	16.89	13.35

¹ From May 2010 until July 2013, the Kardex Group consisted of the divisions Kardex Remstar, Kardex Stow and Kardex Mlog. As of July 2013 the Kardex Stow Division no longer belongs to the Group. These changes affect the comparison of the key figures per share.

² Calculated by the generally accepted method (net result/average number of outstanding shares).

³ 2016: Reimbursement by reduction of the nominal value as proposed to the Annual General Meeting to be held on 20 April 2017.

The registered shares of Kardex AG are traded by the Swiss Reporting Standard of SIX Swiss Exchange in Zurich, Switzerland. They are contained in the SPI (Swiss Performance Index). Stock exchange symbol: KARN; Swiss securities number: 10083728; ISIN number: CH0100837282; Bloomberg: KARN SW Equity; Reuters: KARN.S. Current prices can be seen at www.kardex.com.

Share price performance

Kardex AG (Holding) share

On SIX Swiss Exchange 1 January 2016 to 31 January 2017 based on the daily closing price in CHF



The value of the Kardex share rose by 22.1% from CHF 78.00 to CHF 95.25 in 2016. In the year under review Kardex paid in May a reimbursement by reduction of the nominal value of CHF 3.00 per share in July 2016. The overall performance for the year was 26.0%.

Shareholder structure

As at 31 December 2016, there were 1 951 shareholders (1 739) entered in the share register. The following shareholders held 3% or more of the outstanding share capital of Kardex AG at year end:

	31.12.2016	31.12.2015
BURU Holding AG and Philipp Buhofer	23.6%	23.7%
Alantra Partners S.A.	4.8%	-
Credit Suisse Funds AG	3.9%	-

Based on the proposal of the Board of Directors to the Annual General Meeting up to 75% of the net profit (based on the consolidated group result) shall be paid out to the shareholders.

Extract of the Corporate Governance Report

Group structure

The Kardex Group is divided into the two divisions or segments Kardex Remstar and Kardex Mlog.

The Kardex Group is led by the Board of Directors and the Group Management, which consists of CEO Jens Fankhänel, CFO Thomas Reist and Hans-Jürgen Heitzer, Head of the Kardex Mlog division.

Board of Directors	Functions / Committees
Philipp Buhofer (1959, Swiss citizen) Since 2004	Chairman of the Board Audit Committee, Compensation and Nomination Committee
Felix Thöni (1959, Swiss citizen) Since 2011	Vice Chairman of the Board Audit Committee, Compensation and Nomination Committee
Jakob Bleiker (1957, Swiss citizen) Since 2012	Member Chairman Audit Committee
Ulrich Jakob Looser (1957, Swiss citizen) Since 2012	Member Chairman Compensation and Nomination Committee
Walter T. Vogel (1957, Swiss citizen) Since 2006	Member Compensation and Nomination Committee
Group Management	Functions
Jens Fankhänel (1965, German citizen)	CEO & Head of Kardex Remstar Division
Thomas Reist (1971, Swiss citizen)	CFO
Hans-Jürgen Heitzer (1962, German citizen)	Head of Kardex Mlog Division

«one share – one vote»

The 7 730 000 registered shares of Kardex AG have a nominal value of CHF 7.35 each. Each registered share corresponds to one vote at the General Meeting ("one share – one vote" principle) and is eligible for dividends. The right to apply the special rules concerning treasury shares held by the company is reserved, particularly in relation to the exception from the entitlement to dividends.

Registration rules

The registered shares of Kardex AG may be purchased by any legal or natural person. Nominee registrations are permitted. The purchasing of shares is subject to the following limitations on nominee registrations:

The company may refuse registration as a shareholder with voting rights in the share register if upon request the purchaser does not expressly declare that they hold the shares in their own name and for their own account. The Board of Directors is entitled to delete an entry in the share register with retroactive effect from the date of that entry if such entry was based on false information. It may hear the shareholder or beneficiary in question in advance.

In each case, the shareholder or beneficiary in question must be immediately informed of the deletion.

Shareholders' participation rights

On 31 December 2016, there were 1 951 shareholders entered in the share register. A majority of them had their registered office or domicile in Switzerland. Each Kardex AG registered share entitles the holder to one vote at the General Meeting. There are no voting right restrictions. Furthermore, any shareholder has the right to have his shares represented at the General Meeting by written proxy by an independent voting proxy, another shareholder with voting rights or a third party.

Shareholders representing at least 1% of the shares issued may request in writing that items be added to the agenda, specifying the proposed resolutions. Such items must be submitted to the Board of Directors in writing at least 40 days before the General Meeting.

Duty to make an offer upon change of control

In accordance with § 4 of the company's Articles of Incorporation, a purchaser of Kardex AG shares is only obliged to make a public offer under the terms of article 135 (the opting-up clause) of the Financial Market Infrastructure Act (FMIA) if his holding exceeds 49% of the company's voting stock.

Statutory auditors

PricewaterhouseCoopers AG, Zurich, Switzerland, have been the statutory auditors of Kardex AG since 2014.

**Kardex Tool Storage
and Material Handling**

Shuttle XP
Kardex Remstar

Megamat RS
Kardex Remstar

Horizontal
Kardex Remstar

**Kardex Warehousing
and Small Parts Storage**

Megamat RS
Kardex
Remstar

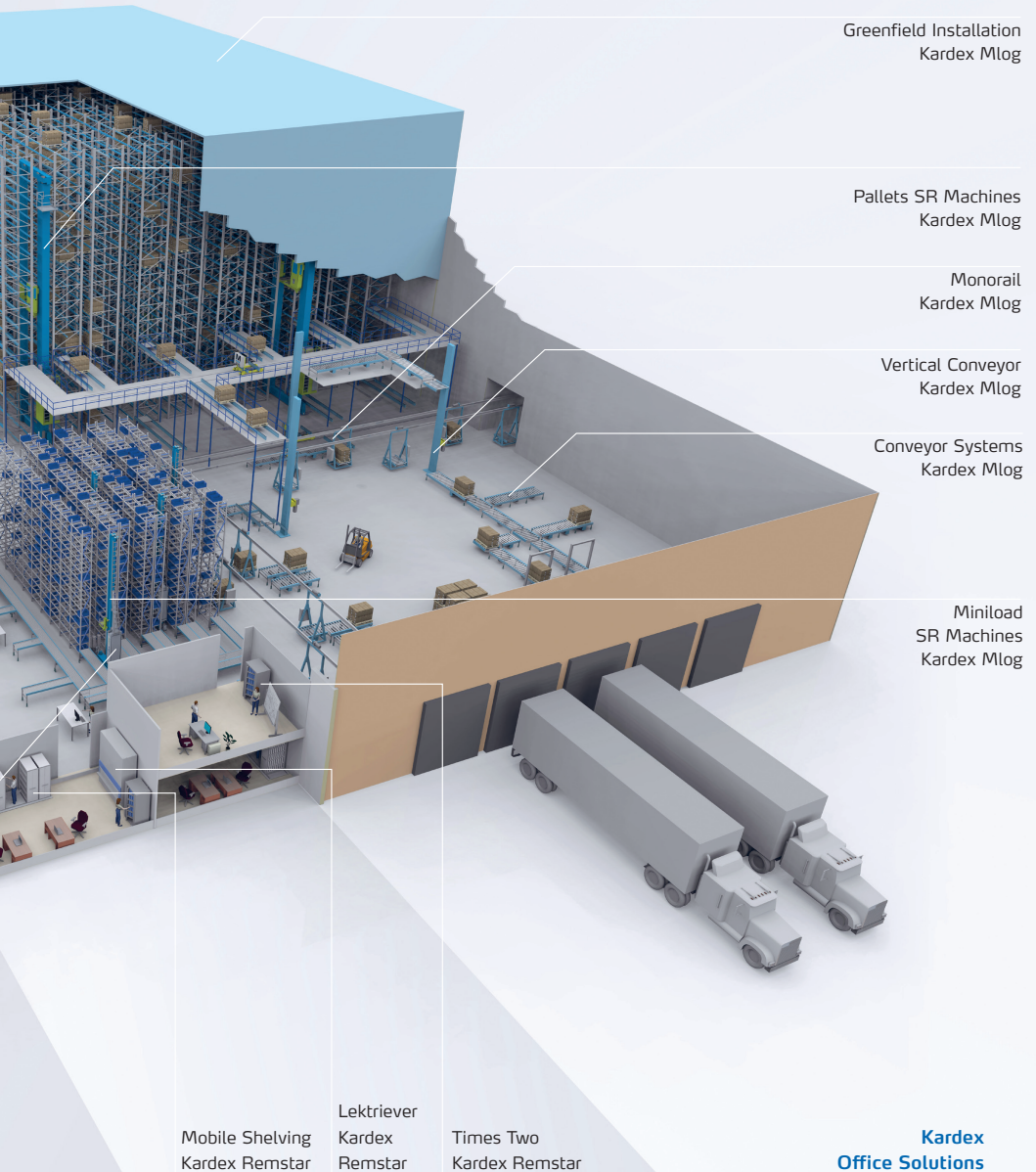
Shuttle XP
Kardex
Remstar

Service
Kardex Mlog and
Kardex Remstar

Conveyor
Systems
Kardex Mlog

Miniload SR
Machines
Kardex Mlog

Kardex High Bay Storage and Conveyor Systems



About us

The Kardex Group is a global industry partner for intra-logistic solutions and a leading supplier of automated storage solutions and materials handling systems. The Group consists of the two entrepreneurially managed divisions Kardex Remstar and Kardex Mlog.

Kardex Remstar develops, produces and maintains shuttles and dynamic storage and retrieval systems, and Kardex Mlog offers integrated materials handling systems and automated high bay warehouses.

The two divisions are partners for their customers over the entire lifecycle of a product or solution. This begins with an assessment of customer requirements and continues via the planning, realization and implementation of customer-specific systems through to ensuring a high level of availability and low lifecycle costs by means of customer-oriented lifecycle management.

Around 1 550 employees in over 30 countries worldwide work for the companies of the Kardex Group.

Kardex AG has been listed on the SIX Swiss Exchange since 1987.

Contact

Kardex AG
Thomas Reist, CFO
Edwin van der Geest, Investor Relations
Tel. +41 44 419 44 79
investor-relations@kardex.com

Contact share register

ShareCommService AG
Europastrasse 29
8152 Glattbrugg, Switzerland
Tel. +41 44 809 58 53

Calendar of events for Investor Relations

2017 Annual General Meeting	20 April 2017
2017 Interim Report	10 August 2017
2018 Media and analysts' conference	1 March 2018
2018 Annual General Meeting	12 April 2018
2018 Interim Report	2 August 2018

This is a short version of the Kardex AG Annual Report. Please find the full version on www.kardex.com in the investor relations/financial reports section.

The Group publishes this short version of the Annual Report in English and German.

This communication contains statements that constitute “forward-looking statements”. In this communication, such forward-looking statements include, without limitation, statements relating to our financial condition, results of operations and business and certain of our strategic plans and objectives. Because these forward-looking statements are subject to risks and uncertainties, actual future results may differ materially from those expressed in or implied by the statements. Many of these risks and uncertainties relate to factors which are beyond Kardex’s ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behavior of other market participants, the actions of governmental regulators and other risk factors detailed in Kardex’s past and future filings and reports and in past and future filings, press releases, reports and other information posted on Kardex Group companies’ websites. Readers are cautioned not to put undue reliance on forward-looking statements, which speak only of the date of this communication. Kardex disclaims any intention or obligation to update and revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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Kardex Group
Thurgauerstrasse 40
8050 Zurich
Switzerland

Tel.: +41 44 419 44 44
Fax: +41 44 419 44 18
www.kardex.com