



**Press Release
from Adler Modemärkte AG**

Technology Leadership Reinforced:

ADLER Modemärkte Launches first Roll-out of Service Robot "TORY" in European Retail Operations

40 Stores to be Equipped with TORY by August 2019

Haibach/Ilmenau, 11 March 2019. Following the conclusion of the pilot phase launched in 2015, ADLER Modemärkte will use the RFID service robot developed by MetraLabs on a long-term basis: "TORY has proven its reliability and commercial viability in an initial test phase covering five ADLER stores over the past three years", said Carmine Petraglia, Chief Commercial Officer at Adler Modemärkte AG. The service robot will now be rolled out at 40 ADLER stores between April and August 2019. After that, all structurally suitable ADLER stores will be equipped with a TORY performing automated inventory-keeping tasks. By doing this, ADLER continues to live up to be a technology leader: following the comprehensive introduction of RFID technology throughout the Group in early 2014, the Company has already laid the technological foundations for using TORY. The current roll-out represents a further milestone in the digitalisation era. "One special feature at ADLER is surely that such innovative topics are developed and promoted using the Company's own resources", said Patrick Schiller, Head of IT.

ADLER expects the average useful life for the robot to be five to seven years. The costs for introducing it will be offset by the significant reduction in the amount of activities performed manually. For instance, TORY will perform inventory-keeping activities meaning that no external service providers will be required to conduct a physical periodic inventory. The return on investment (ROI) will thus already be achieved after 1.5 years.

For ADLER customers, the biggest benefit is the improved availability of merchandise: increased transparency in the flow of merchandise will render it easier to predict customer needs, which can be given greater weighting in allocation in the future.

After the stores close, TORY begins its inventory by moving on its own through the sales area, scanning RFID tags as it goes. In this way, it records the number and exact location of the products, making it possible to identify shortages and misplacements on a daily basis and trigger replenishment orders promptly. Thanks to MetraLabs's navigation software, TORY orients itself using existing shelves and walls, and is able to avoid obstacles. Boasting a 99% capture rate, TORY is highly reliable and efficient. Once the inventory has been performed, TORY returns to its charging dock.

As the developers of TORY, MetraLabs has set its sights on establishing service robots in retail in order to increase the availability of merchandise, to create shopping experiences and make work processes more pleasant. This will enable employees to save time in the future, which they can spend on improving customer service. Additional TORY functionalities in the testing phase include optical shelf gap recognition and planogram checks in food retail and goods transport.

About ADLER Modemärkte AG:

ADLER Modemärkte AG, headquartered in Haibach near Aschaffenburg, Germany, is one of Germany's largest and most important textile retailers. In 2018, according to preliminary figures, the Group earned €507.1 million in revenue and generated €20.7 million in EBITDA (adjusted: approximately €26.1 million). As at 31 December 2018, ADLER has 3,786 employees and currently operates 178 stores, 150 of which are located in Germany, 23 in Austria, three in Luxembourg, two in Switzerland, plus an online shop. The Company focuses on large-space concepts offering in excess of 1,400 m² of retail space. With its many own brands and selected external brands, ADLER offers a highly diverse product range. Thanks to more than 70 years of tradition and strong customer loyalty, ADLER considers itself to be the market leader within its target group of affluent customers aged 55 and over.

For further information: www.adlermode-unternehmen.com; www.adlermode.com

About MetraLabs GmbH:

MetraLabs GmbH, with its registered office in Ilmenau, Germany, develops and sells mobile service robots which collect data autonomously and automate processes. The company specialises in service robots for retail and offers comprehensive solutions from planning and development through to installation and maintenance. In 2018, MetraLabs was named a finalist for "The Spark" – a German digital prize awarded by Handelsblatt and McKinsey&Company.

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