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KION Group and EP Equipment agree strategic partnership

- **KION Group to acquire a minority stake in a leading Chinese manufacturer to extend its offering in the fast-growing market for entry-level warehouse equipment**
- **The exclusive strategic partnership will focus on joint product development and supply chain synergies, with the aim of capitalizing on growth in the global market**
- **KION Group CEO Gordon Riske: “The cooperation with EP Equipment will further strengthen our position in the booming warehouse equipment market.”**
- **EP Equipment Chairman He Jinhui: “Our partnership will allow us to leverage each other’s strengths to capitalize on market opportunities in China and around the world.”**

Frankfurt/Anji, January 18, 2018 – The KION Group is entering into an exclusive global strategic partnership with leading Chinese manufacturer EP Equipment in the fast-growing market for entry-level, light-duty warehouse equipment.

On Thursday, the KION Group signed an agreement in Anji, China, to acquire a minority stake in EP Equipment. The cooperation will extend KION’s product offering in the segment for entry-level, light-duty warehouse equipment both in China and around the world. The partnership will focus on joint product development and supply chain synergies and is expected to make both parties more competitive in terms of their product offerings. The transaction is subject to the usual closing conditions and regulatory approvals and is expected to be completed in the course of 2018.

“We are delighted to enter into this strategic partnership with EP Equipment. It will allow us to extend our product offering to a much wider range of customers,” said KION Group CEO, Gordon Riske, at the signing of the agreement. “The cooperation will further strengthen our position in the booming warehouse equipment market.”

“EP Equipment has been growing steadily in China and globally, especially in the entry-level warehouse segment, driven by its strong customer focus and its innovative and competitive product range,” said Quek Ching Pong, member of the KION Group Executive Board and Chief Asia Pacific Officer. “By entering into this partnership with

EP Equipment, KION will further strengthen its position as a leading provider of electric-powered material handling equipment.”

“This is a historic moment for EP Equipment,” said He Jinhui, Chairman of EP Equipment. “I am looking forward to our new partnership with the KION Group, which will allow us to leverage each other’s strengths and capitalize on market opportunities in China and around the world.”

He Jinhui founded EP Equipment in 1999. The company employs more than 1,000 people around the world and is particularly prominent in the Chinese and US markets. In 2017, EP Equipment shipped over 50,000 units, more than ever before.

The Chinese market is the largest and most important for industrial trucks and expanded by 40 percent in the first nine months of 2017. Warehouse trucks were a major factor in this growth, with entry-level, light-duty trucks playing a particularly important role within this segment. This is driven by the trend for greater mechanization and upgrading of equipment.

The KION Group

The KION Group is a global leader in industrial trucks, related services and supply chain solutions. Across more than 100 countries worldwide, the KION Group designs, builds and supports logistics solutions that optimize material and information flow within factories, warehouses and distribution centers. The Group is the largest manufacturer of industrial trucks in Europe, the second-largest producer of forklifts globally and a leading provider of warehouse automation.

The KION Group’s world-renowned brands are clear industry leaders. Dematic, the newest addition to the KION Group, is a global leader in automated material handling, providing a comprehensive range of intelligent supply chain and automation solutions. The Linde and STILL brands serve the premium industrial truck segment. Baoli focuses on industrial trucks in the economy segment. Among KION’s regional industrial truck brand companies, Fenwick is the largest supplier of material handling products in France, while OM STILL is a market leader in Italy, and OM Voltas is a leading provider of industrial trucks in India.

With an installed base of more than 1.2 million industrial trucks and over 6,000 installed systems, the KION Group’s customer base includes companies in all industries and of all sizes on six continents. The Group has more than 30,000 employees and is expecting to generate revenue of between €7.4 billion and €7.7 billion in the 2017 financial year.

EP Equipment

EP Equipment, headquartered in Anji, China, is a leading industry manufacturer with production facilities in China and in the USA, as well as subsidiaries in the USA, Europe, and Thailand. Founded in 1999, the company now employs over 1,000 team members worldwide and manufactures a full range of industrial trucks with a focus on electric warehouse equipment. The products are supported by a worldwide dealer network that serves both international key accounts and local customers.

In 2009, EP Equipment purchased a majority interest in Big Joe Forklifts, a US based manufacturer of warehouse equipment with deep expertise in quality manufacturing, after-market support and product customization. In the past years, EP expanded its product line to include entry level stackers, tuggers and order pickers.

Innovation remains the signature strength of the company which, coupled with exemplary aftermarket support and world class customer service, has enabled the company to achieve 50,000 annual units sold in 2017 and at least 20 percent growth each year for the past eight years.

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