



PRESS RELEASE

msg systems: standard software solution for the dairy industry now available to SAP customers

Emmi AG is the first customer to choose the new SAP® solution for the dairy industry, developed by msg systems and GKC

Munich, February 4, 2014. Swiss market leader Emmi AG is the first customer to choose the SAP® Dairy Management application by msg. Emmi is the largest milk processor in Switzerland and one of the most innovative, premium dairy companies in Europe. Emmi realized net sales of 2,981 million Swiss Francs in 2012 and has of 5,100 employees in Switzerland and abroad. msg systems developed the industry solution as a standard SAP application for the dairy industry and the solution has now been added to SAP AG's solution portfolio.

SAP Standard Software Solution for the Dairy Industry

SAP Dairy Management by msg is an SAP® ERP solution that covers the milk production process – from raw milk procurement to processing the finished products and distributing to wholesalers and retailers – including innovative planning and controlling instruments. The solution is based on the long-standing and widely-installed industry solution FELIX by GKC Dr. Öttl & Partner Dairy and Food Consulting AG (GKC).

In collaboration with GKC, msg systems developed the previously Microsoft technology-based solution in accordance with current business requirements, as well as development standards and guidelines from SAP. It was then expanded into a high-capacity and scalable, as well as internationally deployable solution. Special attention was paid to the specifics of how raw milk is transformed into various finished products and in particular, how the process

is efficiently managed. Flexible planning instruments enable holistic cost and result transparency.

SAP AG tested the new solution extensively during a comprehensive software evaluation process and confirmed that the solution meets SAP's development standards for product quality. SAP Dairy Management by msg has been officially available to SAP customers since October 2013.

"msg systems is a long-standing SAP partner specialized in developing software that complements various industry-specific solutions from SAP," said Dr. Klaus Weber, executive vice president, SAP AG. "We are excited to be bringing the SAP Dairy Management application by msg into the SAP portfolio and thus complementing our offering for this industry."

Emmi AG: First Customer of SAP Dairy Management by msg

The Swiss company Emmi AG, with headquarters in Lucerne, is the first customer to select the new standard software solution. By implementing the new software platform, Emmi aims to further harmonize the business processes in the key market Switzerland, thus maintaining the company's competitiveness.

"We are pleased that SAP has added this innovative solution to its solution portfolio. SAP Dairy Management by msg is a key part of our SAP strategy. This ground-breaking industry application sets the cornerstone for ensuring solid performance, innovation, growth and lasting success," emphasizes Heinz Hodel, CIO at Emmi.

"We want to establish our product – a product that is already in the initial stages of productive use at Deutsches Milchkontor, the leader in the German dairy market – to become *the* industry solution for the dairy industry.

The inclusion in the SAP portfolio and obtaining Emmi as a customer of this new solution are both important milestones on the way to reach this goal," explains Frank Plechinger, member of the board of directors at msg systems ag and responsible for their food industry division.

Emmi AG

Emmi AG is the largest milk processor in Switzerland and one of the most innovative, premium dairy companies in Europe. Emmi's activities in Switzerland focus on the development, production and marketing of a full assortment of dairy and fresh produce products, including the

production, maturation and trade of mainly Swiss cheeses. Abroad, Emmi concentrates its efforts on brand name concepts and specialty products in European and North American markets. At the forefront of their fresh produce products are lifestyle, convenience and health products. In the cheese market, Emmi is the global leader in Swiss cheeses. Emmi customers are primarily from the retail, hotel and gastronomy ("food service") industries, as well as the food industry. With net sales of 2,981 million Swiss Francs in 2012, Emmi realized a net profit of 90 million Swiss Francs. Net sales in the first half of 2013 were close to 1,567 million Swiss Francs, with a net profit of 39 million Swiss Francs. As of June 30, 2013, the company had of 5,100 employees (not including part-time employees) in Switzerland and abroad.

GKC Dr. Öttl & Partner Dairy and Food Consulting AG

GKC was founded in 1987. The company focuses exclusively on enterprise consulting for the food industry, with a special focus on in the dairy industry. Its consistent concentration on select industries and fields has allowed GKC to acquire extensive industry-specific business and technical know-how. Its FELIX applications have had a strong influence on the development of planning and controlling within the dairy industry. In the field of enterprise consulting, GKC supports structural developments, performs cost effectiveness studies and appraisals, determines efficiency potential and optimizes business processes. Furthermore, their consultants possess industry expertise that allows them to facilitate the implementation process.

msg systems

msg systems is an independent, international company group with more than 4,000 employees around the world. The company offers a holistic service spectrum of creative, strategic consulting and intelligent, sustainable and value-added IT solutions for the following industries: automotive, financial services, food, insurance, life science & healthcare, public sector, telecommunications & media, travel & logistics, as well as utilities and has acquired an excellent reputation as an industry specialist over the past 30 years.

Within the group independent companies cover the wide variety of industry and issue-based competence: msg systems ag forms the core of the company group and works in close cooperation with the subsidiaries, both on a business and organizational level. This allows the competence, experience and know-how of all the members to be bundled into a holistic solution portfolio with measurable added value for its customers.

msg systems holds 5th place in the ranking of IT consulting and system integration companies in Germany.

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