Media Release

18 October 2017

Axpo WZ-Systems AG: New heavyweight in the crisis-proof data communications market

Axpo and WZ-Systems AG are joining forces to expand their activities in the area of crisis-proof data communications: In order to expand in this growing market, the Axpo Group is integrating its data communications business with WZ-Systems AG. In the future, the joint business activities of the two companies will operate under the name "Axpo WZ-Systems AG", in which Axpo holds an 80% interest. Rainer Zürcher, the founder of WZ-Systems, has been designated as the CEO of Axpo WZ-Systems AG.

Axpo must be able to communicate and control grid operations in a crisis. To do so, the company maintains its own high-performance fibre optic network with redundant, fail-safe connections, autonomous power supply and two-platform strategy, and provides reliable, high availability data connections. Axpo is present as a carrier in diverse data centres throughout Switzerland and offers a national grid of access points.

WZ-Systems AG was founded in 1992 and has positioned itself among agencies and organisations for rescue and safety (blue-light organisations) as a provider of integrated mobile communication solutions. It supports blue-light organisations in areas ranging from concept, construction, operation, service and maintenance, as well as engineering and support. This includes data centre services and monitoring from its own network operating centre. WZ-Systems is responsible for the construction and operation support of the Polycom networks in various cantons, Liechtenstein, as well as for federal authorities. In addition, the company builds mobile communication networks for energy suppliers, railways, also for example at the Zurich airport, and operates some of these networks.

Driving joint innovation and growth

Axpo's competences in the area of crisis-proof fixed network communications in the industrial area ideally complement the know-how of WZ-Systems in crisis-proof mobile communications particularly for blue-light organisations. In addition, the companies can consolidate complementary customer portfolios. The founding of Axpo WZ-Systems AG creates the prerequisites for innovative business models and future growth. The focus will be on the project business, which includes planning, construction and operation of data communications infrastructure for customers, as well as data network services based on its own infrastructure (CaaS, communication as a service). Axpo WZ-Systems AG will also be an important supplier for the entire Axpo Group in the area of monitoring and controlling power plants and grids, as well as information systems.

Axpo and WZ-Systems have already been in close cooperation for some time in order to develop common products and comprehensive services. For example, the companies have a strategic partner-

ship with Sunrise under which they have been providing blue-light organisations with efficient, flexible, sustainable solutions for crisis-proof voice and data communications under the label "BLUnet" since last summer. Axpo WZ-Systems AG will be able to enter other markets that would have been inaccessible for Axpo owing to the great initial effort, and that WZ-Systems could not penetrate without a strong partner.

Rainer Zürcher, designated CEO of Axpo WZ-Systems AG, comments: "The new company is more than the sum of its parts; we are building up a powerful organisation for a growth market. Requirements are increasing with the growing technical complexity, and customers buy services rather than owning their infrastructure. This is where Axpo WZ-Systems AG can contribute its know-how and generate additional revenues for the Axpo Group."

Concentrated know-how at a state-of-the-art location in Lupfig

Axpo will transfer 26 employees to Axpo WZ-Systems AG, increasing the headcount at the location in Lupfig (Aargau) to about 60 by the beginning of summer 2018. WZ-Systems moved into the new building in 2015. In addition to offices and storage space, the location also includes a network operating centre (NOC) as well as laboratories. The lean, agile, innovative organisation of WZ-Systems will be maintained after the consolidation under the roof of Axpo Power AG.

Additional information
Axpo Holding AG | Corporate Communications
Media Hotline: 0800 44 11 00 (Switzerland) | T +41 56 200 41 10 (International)
www.axpo.com

About Axpo
The Axpo Group produces, trades and distributes energy reliably in Switzerland and in over 30 countries throughout Europe. Around 4500 employees combine the expertise from 100 years of climate-friendly power production with innovative strength for a sustainable energy future. Axpo is an international leader in energy trading and in the development of tailor-made energy solutions for its customers.