For Immediate Release

# SATO Launches New Group Companies in the Philippines

*Demonstrates long-term commitment to serving all customers*

**Manila, January 5, 2017 –** SATO, a leading global provider of Auto-ID solutions that empower workforces and streamline operations, announced it will launch two new group companies in the Philippines. By establishing SATO Philippines AIDC Solutions Inc. and SATO Philippines Auto-ID SP Inc., the SATO Group seeks to better serve customers in the country. SATO Philippines AIDC Solutions Inc. was registered with the Philippine Economic Zone Authority (PEZA[1]) and began engaging with PEZA-registered foreign companies from January 3, 2017 while SATO Philippines Auto-ID SP Inc. will do business with non PEZA-registered local companies from February 2017.

The Philippines is projected to be the 20th largest economy by 2050[2] (currently #36) due to its growing workforce and ease of communication in English, which is one of its two official languages. Manufacturing is also shifting from China to Southeast Asia, including the Philippines, due to rising wages and changes in production costs in China. These combined factors further supported SATO's decision to expand its presence in the country.

SATO has maintained a presence in the Philippines through a network of business partners and a representative office. The opening of two new group companies will not only further strengthen its foothold in this market, but more importantly enable SATO to provide stronger direct support for business partners and customers and reach out to more local manufacturing, retail, logistics and healthcare companies and related government agencies in the market that can benefit from world-class AIDC solutions.

SATO Philippines AIDC Solutions and SATO Philippines Auto-ID SP President Katsutoshi Moriyuki explained, "Over the past couple of years, we have been able to build a robust network of business partners in the Philippines. We believe that by establishing these two new companies, we can now offer customers and business partners timelier direct support and peace of mind as well as solutions that are of greater value to them."

"The Philippines is an exciting place to be and with the positive economic outlook of this country, we are certain that SATO can support businesses there," said SATO Asia Head Hayato Shindo. "This expansion plan is one of the key drivers of SATO's growth strategy for Asia and we look forward to not only better catering to the diverse AIDC needs in this country but also contributing towards the country's economic growth."

For more details, please visit www.satophilippines.com.

1. A Philippine government agency tasked to promote investment: www.peza.gov.ph/

2. PwC forecast based on GDP:
http://www.pwc.com/gx/en/issues/the-economy/assets/world-in-2050-february-2015.pdf

*About SATO*
*SATO (TOKYO:6287) is a leading global provider of Auto-ID solutions that connect people, goods and information. It serves a diverse range of customers, delivering end-to-end solutions that streamline operations, empower workforces and help customers reduce their environmental impact. For the fiscal year ended March 31, 2016, it reported revenues of JPY 105,504 million (US $880 million*). More information about SATO can be found at www.satoworldwide.com or www.linkedin.com/company/sato-worldwide.*

**Conversion is based on an average exchange rate of 1 US Dollar = 120.14 Japanese Yen*

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