

May 31, 2018

Internet of Things – Sulzer boosts pipeline profitability with BLUE BOX™

Turning data into value: Sulzer's BLUE BOX advanced remote analytics platform went live for Phillips 66. Two pipelines with 40 performance-critical pumps (Sulzer and third-party) are connected in real-time. BLUE BOX provides significant savings and substantial operational improvement in the automation of field-testing and targeted service activities to increase the efficiency, performance and reliability of pumps and pipelines.

“The future lies in gaining insight from the available data, and ensuring we have the right information at the right place at the right time – saving tens of millions of dollars every year” – Marc Heggemann, Head of Group Commercial Digital Solutions at Sulzer

Accelerating Industrial Agility

The BLUE BOX™ by Sulzer is a set of smart software services leveraging the Internet of Things (IoT) for asset optimization and real-time predictive maintenance. Using Sulzer's Advanced Analytics Engine, BLUE BOX encompasses the capabilities of data capture, integration, visualization and big data analytics tied together for the explicit purpose of improving the reliability, efficiency and performance of physical assets. BLUE BOX also includes the concepts of condition monitoring, predictive forecasting and real-time actionable insights through remote process transparency. All data analysis components including data modeling, real-time predictive analytics and machine learning are performed in the Sulzer secure cloud platform. Further, this cloud-based solution simplifies regulatory compliance with a minimal IT footprint and was designed to be easily scalable.

In a joint effort, Phillips 66 and Sulzer have introduced comprehensive data management, advanced data analytics and optimization reports to increase availability, improve process safety and reduce the energy consumption of selected Phillips 66 pipeline operations. Sulzer's BLUE BOX provides Operators higher flexibility, better performance, and improved knowledge sharing. All these benefits translate into higher revenue and major cost savings.

Why real-time data analytics with BLUE BOX?

In the oil and gas industry, Operators face three main challenges. Reliability: Case studies revealed annual unplanned outage costs of up to USD 40 million. BLUE BOX strives for cutting these costs by 25%. Efficiency: Large pipeline Operators can pay annual energy bills of USD 50 million to more than USD 100 million. The ambition of BLUE BOX is to save 5% – recurring every year. Performance: Operators want to best leverage existing assets. As needed, BLUE BOX helps to free up throughput worth another USD 10 million annually for a typical pipeline company assuming a 5% capacity increase at an annual revenue of USD 200 million.

In summary, BLUE BOX is a game-changer for Operators improving asset health of individual pumps and of pipelines as a whole.

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Digital transformation – the BLUE BOX vision

Building on real-life experience with BLUE BOX in the market, Sulzer's current R&D efforts target even more powerful predictive maintenance algorithms, machine learning and Smart Asset Management functionalities at system level to help customers revolutionize their business through connected field service. This type of smart industrial solution empowers oil and gas customers at all levels to move from a costly break-fix model to a proactive service model and creates exceptional customer experiences. Customers can choose a winning combination: a digital twin and the expertise of Sulzer, the leading innovator in flow control.

Link to video about the BLUE BOX solution:

<https://www.youtube.com/watch?v=zkuIWVGpeiw>

Link to Sulzer Annual Report: <https://report.sulzer.com/ar17/en/turning-pumps-into-smart-devices/>

Link to website: <https://www.sulzer.com/bluebox>

Sulzer's core strengths are flow control and applicators. We specialize in pumping solutions and services for rotating equipment, as well as separation, mixing and application technology. Our customers benefit from a network of over 180 production and service sites around the world. Sulzer has been headquartered in Winterthur, Switzerland, since 1834. In 2017, we achieved sales of roughly CHF 3 billion with around 14'700 employees. Our shares are traded on the SIX Swiss Exchange (SIX: SUN). www.sulzer.com

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