

## **Vuzix Smart Glasses Will be Key Component of DHL Global Augmented Reality Program**

***Vuzix to participate in the global roll-out of DHL expanded programs for Vision Picking in the United States, The Netherlands and United Kingdom***



ROCHESTER, N.Y., August 31, 2016 - Vuzix® Corporation (NASDAQ: VUZI), a leading supplier of Smart Glasses, Augmented Reality (AR) and Virtual Reality (VR) technologies and products for the consumer and enterprise markets, is pleased to announce that the Company's M100 and next generation M300 Smart Glasses will be key components of DHL's global AR program. DHL is one of the world's largest logistics companies.

In 2016, the Ubimax vision picking X-Pick software solution was successfully implemented with Vuzix M100 Smart Glasses to deliver effective solutions to customers internationally, including DHL. DHL's well documented pilot program drove a 25% increase in efficiency using this solution. DHL has subsequently moved towards broader implementation at additional sites. Vuzix will participate in the global roll-out of DHL's expanded pilot programs for vision picking, as DHL Supply Chain expands its vision picking program over the next six months across different industries. The initial expansion phase will focus in the United States, Europe and the United Kingdom.

Pickers are equipped with Vuzix Smart Glasses that visually display where each picked item needs to be placed on the trolley. Vision Picking enables hands free order picking at a faster pace, along with reduced error rates. Throughout 2016, the smart glasses will be piloted across various industries such as technology, retail, consumer and automotive industries. The data available from these pilots will further determine the technology's potential for even broader implementation. The sites are spread across the United States, Mainland Europe and the United Kingdom, with the Ricoh facility in Bergen op Zoom, the Netherlands, where the solution was first tested, being the launch site for this new phase.

AR is a market with exceptional [growth](#) potential. The AR and VR market is said to be the next big thing after smartphones, although estimates vary significantly. Goldman Sachs estimates a base case of \$80 billion for both virtual and augmented reality by 2025, while M&A advisory firm Digi-Capital predicts a total volume of \$150 billion by 2020. The current success of mobile app Pokémon Go reflects the market potential, as are 225 venture capital investments worth \$3.5 billion made in AR / VR over the last two years.

DHL Supply Chain will be one of the first companies to widely implement the technology into their operations. The initial 2014 test in the Netherlands showed a significant increase in productivity, reduced error rates and overall rise in employee satisfaction, proving that augmented reality can make an impactful difference in reality. The following video highlights the use of smart glasses in improving efficiency in warehouse applications: <https://www.youtube.com/watch?v=I8vYrAUbOBQ>.

“DHL will be expanding into further programs with the M300 following the strong productivity improvements they were able to achieve with the M100. We expect that these efforts, moving to the M300, will see even stronger ROIs and translate into productive implementation,” said Paul Travers, President and Chief Executive Officer at Vuzix.

“The Vision Picking Program is DHL Supply Chain’s first translation of what augmented reality solutions can look like for supply chains. The broad spectrum in which the technology can be applied across various sectors is exciting to us, and the potential of this technology for business is still largely untapped. We believe this program is a game changer in how we run our supply chain operations and deliver added value to our customers,” states Markus Voss, CIO Supply Chain.

### **About Vuzix Corporation**

Vuzix is a leading supplier of Smart-Glasses, Augmented Reality (AR) and Virtual Reality (VR) technologies and products for the consumer and enterprise markets. The Company's products include personal display and wearable computing devices that offer users a portable high quality viewing experience, provide solutions for mobility, wearable displays and virtual and augmented reality. Vuzix holds 43 patents and 23 additional patents pending and numerous IP licenses in the Video Eyewear field. The Company has won Consumer Electronics Show (or CES) awards for innovation for the years 2005 to 2016 and several wireless technology innovation awards among others. Founded in 1997, Vuzix is a public company (NASDAQ: VUZI) with offices in Rochester, NY, Oxford, UK and Tokyo, Japan.

### **Forward-Looking Statements Disclaimer**

Certain statements contained in this news release are "forward-looking statements" within the meaning of the Securities Litigation Reform Act of 1995 and applicable Canadian securities laws. Forward looking statements contained in this release relate to, among other things, the success and impact of the DHL programs with the M100 and M300 smart glasses, and the Company's leadership in the Video Eyewear, VR and AR display industry. They are generally identified by words such as "believes," "may," "expects," "anticipates," "should" and similar expressions. Readers should not place undue reliance on such forward-looking statements, which are based upon the Company's beliefs and assumptions as of the date of this release. The Company's actual results could differ materially due to risk factors and other items described in more detail in the "Risk Factors" section of the Company's Annual Reports and MD&A filed with the United States Securities and Exchange Commission and applicable Canadian securities regulators (copies of which may be obtained at [www.sedar.com](http://www.sedar.com) or [www.sec.gov](http://www.sec.gov)). Subsequent events and developments may cause these forward-looking statements to change. The Company specifically disclaims any obligation or intention to update or revise these forward-looking statements as a result of changed events or circumstances that occur after the date of this release, except as required by applicable law.

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