68% Of Industrial Companies Are Accelerating Deployment of Augmented Reality to Improve Worker Productivity Says New Industry Survey

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Bi-Annual Market Analysis Series for Industrial AR and IoTFinds Sharp Increase in 2019 Industrial Augmented Reality Adoption

BOSTON--(BUSINESS WIRE)--May 8, 2019-- PTC (NASDAQ: PTC) today announced the release of its 2019 "State of Industrial Innovation" report series. The series provides an ongoing review and analysis of the industrial augmented reality (AR) and industrial internet of things (IIoT) markets.

This press release features multimedia. View the full release here: https://www.businesswire.com/news/home/20190508005784/en/

PTC releases 2019 State of Industrial Innovation report series. (Graphic: Business Wire)

Among the findings included in the latest "State of Industrial Augmented Reality" report: AR adoption has become focused on delivering enhanced methods of instruction, guidance, and training for front-line workers, enabling the workforce optimization necessary to address the growing skilled labor shortage the industrial sector faces. According to the "State of the Industrial Internet of Things" report: IIoT is poised to have a breakout year in 2019 as companies seek to improve operational effectiveness, reduce costs, and decrease risk inherent in the modern competitive landscape. Both reports explore the breadth of the increasingly multifaceted opportunities presented by these markets.

"Organizations in industrial settings realize the urgency in improving productivity and streamlining operations to remain competitive and relevant," said Jim Heppelmann, president and CEO, PTC. "The insights offered in these reports validate that the adoption of industrial AR and IIoT is an important step toward achieving these goals."

Highlights from the Report Findings:

The State of Industrial Augmented Reality

- Industrial enterprises are the highest adopters of augmented reality, comprising nearly 60% of the survey responses, with efforts focused on improving worker performance and solving the skilled labor shortage faced by companies worldwide.
- 55% of use cases aimed at improving worker productivity focus on delivering instructions and guidance primarily within manufacturing, service, and training environments.
- Successful pilots are being moved to production within 12 months at a 20% higher rate, year-over-year, allowing early-movers to capitalize on the competitive advantage.

The State of the Industrial Internet of Things

- IoT is becoming commonplace in heavy-industrial environments, with applications expanding across discrete manufacturing in industrial factories representing over 70% of the survey responses.
- Comprehensive, pre-built IIoT solutions are driving more established use cases, such as operational intelligence (31% of total use cases), as well as emerging use cases, such as predictive maintenance (12%) across manufacturing, operations, and service functions.
- Data processing at the device or "edge-layer" (present in 68% of use cases) is a critical capability for solution providers and there are increasing requirements for the same capabilities at the IoT Gateway (37%) and Cloud (34%) layers.
- Industrial enterprises facing global pressures are seeing the need to quickly deploy IIoT to improve operational effectiveness. 89% of respondents to the 2018 IIoT survey are planning to move to production in the next year, up 6% from

2017.

Leveraging PTC's 30+ years of technology experience and incorporating data from a cross-section of over 30,000 PTC global customers and 1,000 PTC technology and service partners, PTC's "State of Industrial Innovation" report series provides a comprehensive view of actionable insights and trends across the industrial ecosystem. To learn more about how industrial AR and IIoT can improve workforce optimization and operational effectiveness, download the "State of Industrial Augmented Reality" and the " State of the Industrial Internet of Things" 2019 reports.

Additional Resources

- Blog: State of Industrial Augmented Reality 2019 Report Highlights Use Cases in Industrial Enterprises
- Blog: State of Industrial Internet of Things 2019 Report Identifies Key Use Cases Driving Operational Effectiveness
- Harvard Business Review: "Why Every Organization Needs an AR Strategy," authored by PTC CEO Jim Heppelmann and Harvard Professor Michael Porter

About PTC (NASDAQ: PTC)
PTC unleashes industrial innovation with award-winning, market-proven solutions that enable companies to differentiate their products and services, improve operational excellence, and increase workforce productivity. With PTC, and its partner ecosystem, manufacturers can capitalize on the promise of today's new technology to drive digital transformation.

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