KION Group at a glance
A world leader in Supply Chain Solutions, Industrial Trucks, Services

- European No. 1 + Global No. 2 in Industrial Trucks and Services
- Global presence in more than 100 countries with more than 33,000 employees
- Global No. 1 in Supply Chain Solutions
- 1.4 million Growing truck base worldwide support after sales business
- Around 1,700 sales and/or service locations
- More than 6,000 installed warehouse systems at customers
- World-renowned brands are clear industry leaders
KION Group at a glance
A truly global player with a well-balanced portfolio

2018

€ 8.0 billion revenue
9.9% adjusted EBIT margin
~ 33,000 highly skilled employees

Revenue 2018

Industrial Trucks and Services: 74%
Supply Chain Solutions: 26%
Americas: 21%
EMEA: 68%
APAC: 11%
New Business: 57%
Services: 43%
## Our shared KION Group values

<table>
<thead>
<tr>
<th>OUR SHARED KION GROUP VALUES</th>
</tr>
</thead>
<tbody>
<tr>
<td>INTEGRITY</td>
</tr>
<tr>
<td>COLLABORATION</td>
</tr>
<tr>
<td>COURAGE</td>
</tr>
<tr>
<td>EXCELLENCE</td>
</tr>
</tbody>
</table>

### INTEGRITY
- We do what is right.

### COLLABORATION
- We trust each other.

### COURAGE
- We change and innovate.

### EXCELLENCE
- We create outstanding customer value.
Strategy “KION 2027“
Aspiration for profitable growth

- Grow above the material handling market
- Provide attractive return on capital for shareholders
- Remain most profitable player in the industry
- Maintain profitability across business cycle
- Provide attractive return on capital for shareholders
- Remain most profitable player in the industry
- Maintain profitability across business cycle
- Grow above the material handling market

Growth
Capital efficiency
Profitability
Resilience
Profitable growth
Strategy “KION 2027“
Strategic fields of action set priorities

- Efficient use of energy, new energy sources
- Automation solutions for our customers
- Digital solutions and processes
- Innovation ecosystem, agile development processes
- High-performing products, efficient processes
- Innovation
- Performance
- Energy
- Digital
- Automation
Growth drivers and trends
Attractive market with growth profile above GDP

**Industrial trucks demand grows approx. 1.5x World GDP**

Growth in % per year

<table>
<thead>
<tr>
<th>Period</th>
<th>Global new trucks</th>
<th>Global GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980-1990</td>
<td>4.1%</td>
<td>3.3%</td>
</tr>
<tr>
<td>1990-2000</td>
<td>4.2%</td>
<td>2.8%</td>
</tr>
<tr>
<td>2000-2010</td>
<td>3.0%</td>
<td>2.5%</td>
</tr>
<tr>
<td>2010-2018</td>
<td>8.6%</td>
<td>2.8%</td>
</tr>
</tbody>
</table>

**Automation systems: Growth indicators 2018**

- +14% Global E-commerce growth
- +9% Global warehouse capex

**Growth drivers**

- Globalization
- Industrialization
- Fragmentation of Supply Chains
- E-Commerce
- Industry 4.0
- Automation
- Digitalization

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1. Calculated based on CAGRs for new truck sales and GDP for 1980-2018
2. Outlook for global e-commerce growth in 2018; E-Commerce Foundation
3. Projected capital expenditure growth for warehousing equipment and technology in 2018; Peerless Research Group 2018

Source: WITS/FEM, IMF; Modern Materials Handling 2011-2016
KION Group segments
A unique and complete material handling offering

KION Group segments

Industial Trucks and Services

Operating Units
incl. Financial Services
Linde MH EMEA
STILL EMEA
KION Americas
KION Asia Pacific

Supply Chain Solutions

Operating Unit
Dematic

Corporate Services

Internal service entities
Holding functions

KION Group segments

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KION Group segments
A unique and complete material handling offering

Industrial Trucks and Services

Supply Chain Solutions

DEMATIC

Corporate Services
Integrated total offering across KION
From industrial trucks to fully automated warehouses

Tailored Supply Chain Solutions

- **Industial Trucks and Services**
- **Supply Chain Solutions**

- **Very Narrow Aisle (VNA) Trucks**
  - They have a lifting operating platform, and can be used both as order pickers and also for putting load units into and out of stock.

- **Automated Storage and Retrieval System (ASRS) and Shuttle**
  - High density, compact automated storage for cases, totes or pallets allows more staging and buffering capacity in less space.

- **Goods-to-Person Picking**
  - Inventory is automatically delivered from the ASRS to a workstation where a person picks items for an order or kit.

- **Sortation System**
  - Convey and sort system directs cases and totes to the appropriate checkpoint workstations in the receiving operation.

- **Picking System**
  - Wide mounted RF devices, pick-to-light systems and pick by voice systems improve productivity in the piece and case modules.

- **E-Trucks**
  - Electric reach trucks are the first choice whenever noise reduction and freedom from exhaust gas pollution are priorities.

- **Warehouse Trucks**
  - Reliable models in the product range from low lift pallet trucks up to tailored “Very Narrow Aisle” (VNA) trucks are often the heart of warehouses.

- **Conveyor System**
  - Work-in-process materials are conveyed from workstation to workstation in the production area.

- **Tugger Trains**
  - Reduce time to bring larger amounts of goods between storage and production line.

- **Palletizing System**
  - Pallets are assembled in a strategic sequence using manual, semi-automated or automated methods.

- **Internal Combustion Trucks (IC)**
  - From compact to heavy duty — the diesel and LPG truck range provides the right machine for material handling outside the warehouse.

- **Fleet Data Management**
  - Fleet management software bundles and joins up all data for fast analysis and optimization of all material handling equipment.

- **Operations Management Center**
  - Software systems provide managers and supervisors with a comprehensive, real-time view of production and distribution.

- **Warehouse Execution System Software**
  - The software manages direct receiving, to-shipping functions including order management, planning and optimization, as well as resource management.

- **Automated Guided Vehicles (AGV)**
  - Pallet pick up, transport and drop-off is accomplished automatically using automated guided vehicles.
Industry 4.0 and Internet of Things (IoT)
How the KION Group adds value to customer operations and warehouses

Intelligent trucks
- Trucks equipped with electronic control unit
- Increased efficiency also from driver assistance systems

Cloud based fleet data management
- Fleet data services connect trucks with management tool
- Financial and security benefits

Automated trucks
- Full range of automated series trucks
- Enable automation of the entire material flow

Automation systems
- Customised integrated soft- and hardware intralogistics solutions
- Solutions for robotic piece picking
Benefits for the customer
Cost-efficient material handling

✓ Acceleration of product handling & shipment
✓ Prevention of accidents & damages
✓ Optimization of operation times & energy consumption
## Market-leading positions globally

A unique player in Intralogistics 4.0

### Industrial trucks

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Toyota</td>
</tr>
<tr>
<td>2</td>
<td>KION Group</td>
</tr>
<tr>
<td>3</td>
<td>Mitsubishi Logisnext</td>
</tr>
<tr>
<td>4</td>
<td>Jungheinrich</td>
</tr>
<tr>
<td>5</td>
<td>Crown</td>
</tr>
<tr>
<td>6</td>
<td>Hyster-Yale</td>
</tr>
</tbody>
</table>

### Automation systems

<table>
<thead>
<tr>
<th>Rank</th>
<th>Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>KION Group</td>
</tr>
<tr>
<td>2</td>
<td>SSI Schäfer</td>
</tr>
<tr>
<td>3</td>
<td>Toyota (Vanderlande + Bastian)</td>
</tr>
<tr>
<td>4</td>
<td>Daifuku</td>
</tr>
<tr>
<td>5</td>
<td>Honeywell (Intelligrated)</td>
</tr>
<tr>
<td>6</td>
<td>Knapp</td>
</tr>
</tbody>
</table>

- Unique combination of industrial trucks and automation systems
- Market-leading positions globally

Source: Börsen-Zeitung, 26 April 2019
Industrial Trucks and Services
Industrial Trucks and Services: Segment overview
A world leader in industrial trucks with a strong service business

Current key financials

<table>
<thead>
<tr>
<th></th>
<th>Q1 2019</th>
<th>2018</th>
<th>2017¹</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>1,510</td>
<td>6,211</td>
<td>5,859</td>
<td>5,383</td>
</tr>
<tr>
<td>Revenue</td>
<td>1,509</td>
<td>5,922</td>
<td>5,572</td>
<td>5,203</td>
</tr>
<tr>
<td>Adjusted EBIT²</td>
<td>149</td>
<td>655</td>
<td>643</td>
<td>587</td>
</tr>
<tr>
<td>Adjusted EBIT Margin²</td>
<td>9.9%</td>
<td>11.1%</td>
<td>11.5%</td>
<td>11.3%</td>
</tr>
</tbody>
</table>

Revenue by product⁵

- Services: 49%
- New Business: 51%

Revenue by geography³,⁵

- South America: 2%
- North America: 2%
- RoW: 3%
- Asia: 10%
- EEU: 9%
- Spain: 4%
- UK: 7%
- France: 15%
- Italy: 7%
- Germany: 24%
- Rest of WEU: 15%
- UK: 7%

Truck order intake by industry⁴,⁵

- Other Industries: 22%
- Logistics: 17%
- Metals: 12%
- Food: 10%
- Chemicals: 10%
- Paper & Print: 3%
- Construction: 6%
- Beverage: 6%
- Wholesale: 7%
- Automotive: 8%

¹ Including effects of the first-time adoption of IFRS 15 and IFRS 16
² Adjusted in line with KION Group’s adjusted financial performance indicators
³ Calculation based on German customer base
⁴ Financial Year 2018
⁵ May not add up to 100% due to commercial rounding

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Integrated Industrial Trucks and Services business model
Global capital goods ecosystem of products and services

- ~ 48% of new truck sales carry financing contracts
- Ongoing customer relationship (e.g. short-term rental) triggers new truck sales
- After duration of financing, trucks are used in rental fleet or sold as used trucks
- Most financing contracts also contain service contracts

Financial Services
Aftersales and service solutions

New truck sales
Rental and used trucks

Products
Services
## Industrial Trucks and Services

A unique range of products\(^1\) serving customer needs worldwide

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal combustion (IC) counter-balanced trucks</td>
<td>- Mainly used outside</td>
</tr>
<tr>
<td>Electric (E) counter-balanced trucks</td>
<td>- Mainly used inside</td>
</tr>
<tr>
<td>Warehouse technology: rider trucks</td>
<td>- Faster transportation of loads</td>
</tr>
<tr>
<td></td>
<td>- Specially designed for warehouse requirements</td>
</tr>
<tr>
<td>Warehouse technology: pedestrian trucks</td>
<td>- Transportation of loads at a walking pace</td>
</tr>
<tr>
<td>Tractors</td>
<td>- Industrial processes / train stations / airports</td>
</tr>
<tr>
<td>Automated and autonomous vehicles</td>
<td>- Warehouse &amp; distribution solutions</td>
</tr>
</tbody>
</table>

\(^1\) The products shown are just a selection of our comprehensive product range.
Supply Chain Solutions: Segment overview
Leading in material handling automation solutions

Key financials

<table>
<thead>
<tr>
<th></th>
<th>Q1 2019</th>
<th>2018</th>
<th>2017(^1)</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>603</td>
<td>2,425</td>
<td>2,099</td>
<td>431</td>
</tr>
<tr>
<td>Revenue</td>
<td>569</td>
<td>2,055</td>
<td>2,010</td>
<td>366</td>
</tr>
<tr>
<td>Adjusted EBIT(^2)</td>
<td>48</td>
<td>180</td>
<td>189</td>
<td>6</td>
</tr>
<tr>
<td>Adjusted EBIT Margin(^2)</td>
<td>8.5%</td>
<td>8.8%</td>
<td>9.4%</td>
<td>1.6%</td>
</tr>
</tbody>
</table>

Revenue by product\(^3\)

- Services 26%
- Business solutions 74%
- E-Commerce 47%
- Other 12%
- Parcel 1%
- Grocery 5%
- Wholesale 6%
- Food and beverage 6%
- Apparel 8%
- General merchandise 15%

Revenue by region\(^3\)

- APAC 9%
- EMEA 25%
- Americas 66%

1 Including effects of the first-time adoption of IFRS 15 and IFRS 16
2 Adjusted in line with KION Group’s adjusted financial performance indicators
3 Financial Year 2018
Supply Chain Solutions
Comprehensive integrated range of high-end automation solutions

Advanced warehouse execution system and asset management system

Conveyor
- All conveyor types for assembly, manufacturing and distribution

Sortation
- Focus on fast, reliable sortation
- Full sortation technology range

Storage
- Complete storage range including AS/RS\(^1\), shuttles and racking

Picking
- Voice-directed picking
- Pick and Put-to-Light systems
- Robotic picking

Palletising
- Mixed case palletising solutions

Customer service, upgrades and refurbishments

\(\text{\textsuperscript{1} AS/RS} = \text{Automated storage and retrieval systems}\)
Supply Chain Solutions
Total life cycle support optimises system productivity

Worldwide service network
• More than 600 service employees in 18 countries reach 90% of customers within two hours
• Remote monitoring, diagnostics and support
• Focus on faultless system

Modernization and upgrades
• New life for old systems regardless of make or model
• Increased throughput, productivity and accuracy
• Customised programmes can be implemented with minimal disruption to operational schedule

Modernization and upgrades
Operations support onsite
Consulting, training
Remote monitoring
Customer service onsite
Spare parts service
Modernization, upgrades

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KION Group history
Almost two centuries of leadership

- 1819: Foundation of Güldner Motoren-Gesellschaft by Carl von Linde, Hugo Güldner and partners
- 1900: Start of forklift truck production at Fenwick
- 1910: Foundation of OM
- 1920: Foundation of STILL
- 1930: Foundation of Colby (Australia)
- 1940: Foundation of Baoli
- 1950: Dematic acquires HK Systems
- 1960: Linde AG takes over STILL
- 1970: Linde AG takes over OM
- 1980: VOLTAS Launch of hybrid trucks
- 1990: VOLTAS Launch of 39X truck
- 2000: VOLTAS First manufacturer to introduce ergonomic model in India
- 2010: VOLTAS Launch of energy saving program Blue Q
- 2012: DE Tactical First steps towards using lithium-ion battery modules in various electric truck models
- 2013: KION Strategy 2027
- 2014: KION IPO of KION GROUP AG
- 2015: KION Linde NA becomes KION North America
- 2016: KION Voltas becomes KION India
- 2017: KION DEMATIC: Acquisition of Dematic
Shareholder structure
Included in MDAX, STOXX Europe 600 indices and MSCI World

Shareholder structure April 2019

- Weichai Power: 45.0%
- Free float: 54.9%
- KION GROUP AG: 0.1%
Global manufacturing network
Production facilities for Industrial Trucks and Supply Chain Solutions
Strong global sales and service network provides unique access to a global customer base

- **Americas**: ~360 sales and/or service locations
- **EMEA**: ~830 sales and/or service locations
- **Asia Pacific (APAC)**: ~520 sales and/or service locations

More than 1,700 sales and/or service locations in over 100 countries with ~18,000 multi-skilled industrial trucks service staff¹ and more than 3,000 systems engineers

¹ Includes direct and additional external service staff
## Financials
### Key figures

<table>
<thead>
<tr>
<th></th>
<th>KION GROUP AG</th>
<th>Incl. Dematic</th>
<th>KION GROUP AG (excl. Dematic)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1 2019</td>
<td>2018</td>
<td>2017(^1)</td>
</tr>
<tr>
<td>Order intake</td>
<td>2,118</td>
<td>8,657</td>
<td>7,979</td>
</tr>
<tr>
<td>Revenue</td>
<td>2,083</td>
<td>7,996</td>
<td>7,598</td>
</tr>
<tr>
<td>Adjusted EBITDA(^3)</td>
<td>379</td>
<td>1,555</td>
<td>1,496</td>
</tr>
<tr>
<td>Adjusted EBITDA margin(^3)</td>
<td>18.2%</td>
<td>19.4%</td>
<td>19.7%</td>
</tr>
<tr>
<td>Adjusted EBIT(^3)</td>
<td>182</td>
<td>790</td>
<td>777</td>
</tr>
<tr>
<td>Adjusted EBIT margin(^3)</td>
<td>8.8%</td>
<td>9.9%</td>
<td>10.2%</td>
</tr>
<tr>
<td>Net income</td>
<td>93</td>
<td>402</td>
<td>423</td>
</tr>
<tr>
<td>ROCE(^4)</td>
<td>–</td>
<td>9.3%</td>
<td>9.3%</td>
</tr>
<tr>
<td>Capital expenditures(^5)</td>
<td>56</td>
<td>258</td>
<td>218</td>
</tr>
<tr>
<td>Total R&amp;D spending</td>
<td>55</td>
<td>222</td>
<td>212</td>
</tr>
<tr>
<td>Free cash flow(^6)</td>
<td>82</td>
<td>520</td>
<td>474</td>
</tr>
<tr>
<td>Net financial debt</td>
<td>1,825</td>
<td>1,870</td>
<td>2,096</td>
</tr>
<tr>
<td>Employees(^7)</td>
<td>33,564</td>
<td>33,128</td>
<td>31,608</td>
</tr>
</tbody>
</table>

\(^1\) Including effects of the first-time adoption of IFRS 15 and IFRS 16
\(^2\) Annual report 2017, without effects of the first-time adoption of IFRS 15 and IFRS 16
\(^3\) Adjusted for PPA items and non-recurring items
\(^4\) ROCE is defined as the proportion of EBIT adjusted to capital employed
\(^5\) Capital expenditures including capitalised development costs, excluding right of use assets
\(^6\) Free cash flow is defined as cash flow from operating activities plus cash flow from investing activities
\(^7\) Number of employees (full-time equivalent) as at end of period
**KION Group**
A world leader in supply chain solutions, industrial trucks and services

<table>
<thead>
<tr>
<th>Attractive market</th>
<th>with growth profile above GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>A global leader:</td>
<td>strong home base &amp; well positioned in growth markets</td>
</tr>
<tr>
<td>Technology leadership</td>
<td>with strong position in warehouse automation</td>
</tr>
<tr>
<td>Robust integrated business model</td>
<td>with high contribution from services</td>
</tr>
<tr>
<td>Profitability benchmark</td>
<td>– well prepared for future value creation</td>
</tr>
<tr>
<td>Highly motivated and qualified employees</td>
<td></td>
</tr>
</tbody>
</table>
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