# KION Group at a glance

A world leader in Supply Chain Solutions, Industrial Trucks, Services

<table>
<thead>
<tr>
<th>European</th>
<th>Global</th>
<th>World-renowned brands</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. 1 + Global No. 2</td>
<td>in more than 100 countries with more than 33,000 employees</td>
<td>are clear industry leaders</td>
</tr>
<tr>
<td>in Industrial Trucks and Services</td>
<td>worldwide support after sales business</td>
<td></td>
</tr>
</tbody>
</table>

- 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

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
- Profitable growth
- Capital efficiency
- Profitability
- Resilience

Growth
Strategy “KION 2027“
Strategic fields of action set priorities

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

Industrial trucks demand grows approx. 1.5x World GDP\(^1\)

<table>
<thead>
<tr>
<th>Year 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\(^2\)
- **+9%** Global warehouse capex\(^3\)

Growth drivers

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

Source: WITS/FEM, IMF; Modern Materials Handling 2011-2018

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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
KION Group segments
A unique and complete material handling offering

KION Group segments

- Industrial 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

- DEMATIC

- KION Group

- Financial Services
  - FENWICK
  - VOLTAS
KION Group segments
A unique and complete material handling offering

Industrial Trucks and Services

Supply Chain Solutions

DEOMATIC

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

Tailored Supply Chain Solutions

- **Industrial 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 systems direct cases and totes to the appropriate check-in workstations in the receiving operation.

**PICKING SYSTEM**
West mounted RF devices, pick-to-light systems and pick by voice systems improve productivity in the pick and case modules.

**E-TRUCKS**
Electronic trucks are the first choice wherever 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 travel times to bring larger amounts of goods between storage and production line.

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

**WAREHOUSE EXECUTION SYSTEM SOFTWARE**
The software manages and directs receiving, storage and all shipping functions including order management, planning and optimization, as well as resource management.

**FLEET DATA MANAGEMENT**
Fleet management software bundles and joins up all data for fast analysis and optimization of all material handling equipment.

**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.

**OPERATIONS MANAGEMENT CENTER**
Software systems provide managers and supervisors with a comprehensive, real-time view of production and distribution.

**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**
- Customized 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

<table>
<thead>
<tr>
<th>Industrial trucks</th>
<th>Automation systems</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 6 suppliers 2018</td>
<td>Top 6 suppliers 2018</td>
</tr>
<tr>
<td>1 Toyota</td>
<td>1 KION GROUP</td>
</tr>
<tr>
<td>2 KION GROUP</td>
<td>2 SSI Schäfer</td>
</tr>
<tr>
<td>3 Mitsubishi Logisnext</td>
<td>3 Toyota (Vanderlande + Bastian)</td>
</tr>
<tr>
<td>4 Jungheinrich</td>
<td>4 Daifuku</td>
</tr>
<tr>
<td>5 Crown</td>
<td>5 Honeywell (Intelligrated)</td>
</tr>
<tr>
<td>6 Hyster-Yale</td>
<td>6 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: Segment overview**

A world leader in industrial trucks with a strong service business

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**Key financials**

<table>
<thead>
<tr>
<th>(in €m)</th>
<th>Q1-Q2 2019</th>
<th>2018</th>
<th>2017(^1)</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>3,084</td>
<td>6,211</td>
<td>5,859</td>
<td>5,383</td>
</tr>
<tr>
<td>Revenue</td>
<td>3,147</td>
<td>5,922</td>
<td>5,572</td>
<td>5,203</td>
</tr>
<tr>
<td>Adjusted EBIT(^2)</td>
<td>327</td>
<td>655</td>
<td>643</td>
<td>587</td>
</tr>
<tr>
<td>Adjusted EBIT Margin(^2)</td>
<td>10.4%</td>
<td>11.1%</td>
<td>11.5%</td>
<td>11.3%</td>
</tr>
</tbody>
</table>

**Revenue by product\(^5\)**

- Services: 48%
- New Business: 52%

**Revenue by geography\(^3,5\)**

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

**Truck order intake by industry\(^4,5\)**

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

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\(^1\) 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
Integrated Industrial Trucks and Services business model
Global capital goods ecosystem of products and services

- New truck sales
  ~ 48% of new truck sales carry financing contracts

Ongoing customer relationship (e.g. short-term rental) triggers new truck sales

- Financial Services
  Most financing contracts also contain service contracts

- Rental and used trucks
  After duration of financing, trucks are used in rental fleet or sold as used trucks

- Aftersales and service solutions
  Ongoing customer relationship (e.g. short-term rental) triggers new truck sales

KION GROUP AG | Corporate Presentation | July 2019
### Industrial Trucks and Services

A unique range of products serving customer needs worldwide

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
<th>Image</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal combustion (IC) counter-balanced trucks</td>
<td>Mainly used outside</td>
<td><img src="image1" alt="Image" /></td>
</tr>
</tbody>
</table>

| Electric (E) counter-balanced trucks | Mainly used inside | ![Image](image2) |

<table>
<thead>
<tr>
<th>Warehouse technology: rider trucks</th>
<th>Faster transportation of loads</th>
<th><img src="image3" alt="Image" /></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Specially designed for warehouse requirements</td>
<td><img src="image4" alt="Image" /></td>
</tr>
</tbody>
</table>

| Warehouse technology: pedestrian trucks | Transportation of loads at a walking pace | ![Image](image5) |

| Tractors | Industrial processes / train stations / airports | ![Image](image6) |

| Automated and autonomous vehicles | Warehouse & distribution solutions | ![Image](image7) |

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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
(in €m)

<table>
<thead>
<tr>
<th></th>
<th>Q1-Q2 2019</th>
<th>2018</th>
<th>2017¹</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>1,109</td>
<td>2,425</td>
<td>2,099</td>
<td>431</td>
</tr>
<tr>
<td>Revenue</td>
<td>1,211</td>
<td>2,055</td>
<td>2,010</td>
<td>366</td>
</tr>
<tr>
<td>Adjusted EBIT²</td>
<td>112</td>
<td>180</td>
<td>189</td>
<td>6</td>
</tr>
<tr>
<td>Adjusted EBIT Margin²</td>
<td>9.2%</td>
<td>8.8%</td>
<td>9.4%</td>
<td>1.6%</td>
</tr>
</tbody>
</table>

Revenue by product³

- Services 26%
- Business solutions 74%

Revenue by region³

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

Revenue by industry³

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

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

\(^1\) AS/RS = Automated storage and retrieval systems
Supply Chain Solutions
Total life cycle support optimizes 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
- Customized programmes can be implemented with minimal disruption to operational schedule
KION Group history
Two centuries of leadership

1819 Foundation of Güldner Motoren-Gesellschaft by Carl von Linde, Hugo Güldner and partners
1890 Formation of Demag, Mech. Werkstätten (Germany)
1900 Foundation of OM
1910 Foundation of STILL
1920 Start of forklift truck production at Fenwick
1930 Formation of Rapistan (USA)
1940 Foundation of Baoli
1950 Linde AG takes over STILL
1960 Dematic Formation of Colby (Australia)
1970 Linde AG takes over OM
1980 351 series sets new design and performance standards for forklift trucks
1990 VOLTAS First manufacturer to introduce ergonomic model in India
Start of forklift truck production at STILL.
First electric trolleys and forklift trucks
2000 Dematic Acquisition of Dematic
2010 JV with Baoli
2012 Volta Acquisiton of Volta Systems
2013 Strategic Partnership with Weichai Power
2014 Dematic acquisition of SDI Group and Reddwerks
2015 Acquisition of Egemin Handling
2016 Acquisition of Egemin Automation
2017 Linde NA becomes KION North America
2018 Joint venture with BMZ for lithium-ion batteries
2019 IPO of KION GROUP AG

Start of forklift truck production at OM
Start of forklift truck production at STILL
Launch of hybrid trucks
Launch of energy saving program Blue Q
First steps towards using lithium-ion battery modules in various electric truck models
Start of iGoEasy
Start of Strategy 2020
Combination of OM and STILL in Italy
Volta becomes KION India
Acquisition of KION GROUP AG
KION Strategy 2027
Dematic acquisition of Retrotech
Linde NA becomes KION North America
Volta becomess KION India
Dematic acquires SDI Group and Reddwerks
Dematic Acquisition of Dematic
Dematic acquires HK Systems
Acquisition of Egemin Handling
Acquisition of Egemin Automation
Joint venture with BMZ for lithium-ion batteries
Shareholder structure
Included in MDAX, STOXX Europe 600 indices and MSCI World

Shareholder structure June 2019

- Free float: 54.9%
- Weichai Power: 45.0%
- 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

More than 1,700 sales and/or service locations in over 100 countries with ~18,000 multi-skilled industrial trucks service staff\(^1\) 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-Q2 2019</td>
<td>2018</td>
<td>2017¹</td>
</tr>
<tr>
<td>Order intake</td>
<td>4,197</td>
<td>8,657</td>
<td>7,979</td>
</tr>
<tr>
<td>Revenue</td>
<td>4,364</td>
<td>7,996</td>
<td>7,598</td>
</tr>
<tr>
<td>Adjusted EBITDA³</td>
<td>804</td>
<td>1,555</td>
<td>1,496</td>
</tr>
<tr>
<td>Adjusted EBITDA margin³</td>
<td>18.4%</td>
<td>19.4%</td>
<td>19.7%</td>
</tr>
<tr>
<td>Adjusted EBIT³</td>
<td>408</td>
<td>790</td>
<td>777</td>
</tr>
<tr>
<td>Adjusted EBIT margin³</td>
<td>9.3%</td>
<td>9.9%</td>
<td>10.2%</td>
</tr>
<tr>
<td>Net income</td>
<td>218</td>
<td>402</td>
<td>423</td>
</tr>
<tr>
<td>ROCE⁴</td>
<td>–</td>
<td>9.3%</td>
<td>9.3%</td>
</tr>
<tr>
<td>Capital expenditures⁵</td>
<td>113</td>
<td>258</td>
<td>218</td>
</tr>
<tr>
<td>Total R&amp;D spending</td>
<td>112</td>
<td>222</td>
<td>212</td>
</tr>
<tr>
<td>Free cash flow⁶</td>
<td>-32</td>
<td>520</td>
<td>474</td>
</tr>
<tr>
<td>Net financial debt</td>
<td>2,129</td>
<td>1,870</td>
<td>2,096</td>
</tr>
<tr>
<td>Employees⁷</td>
<td>33,740</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

- Attractive market with growth profile above GDP
- A global leader: strong home base & well positioned in growth markets
- Technology leadership with strong position in warehouse automation
- Robust integrated business model with high contribution from services
- Profitability benchmark – well prepared for future value creation
- Highly motivated and qualified employees

Strategy „KION 2027“: maintains aspiration for profitable growth
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