

KION GROUP AG

Conference Call

Gordon Riske (CEO), Dr Thomas Toepfer (CFO) – Wiesbaden, 19 October 2017



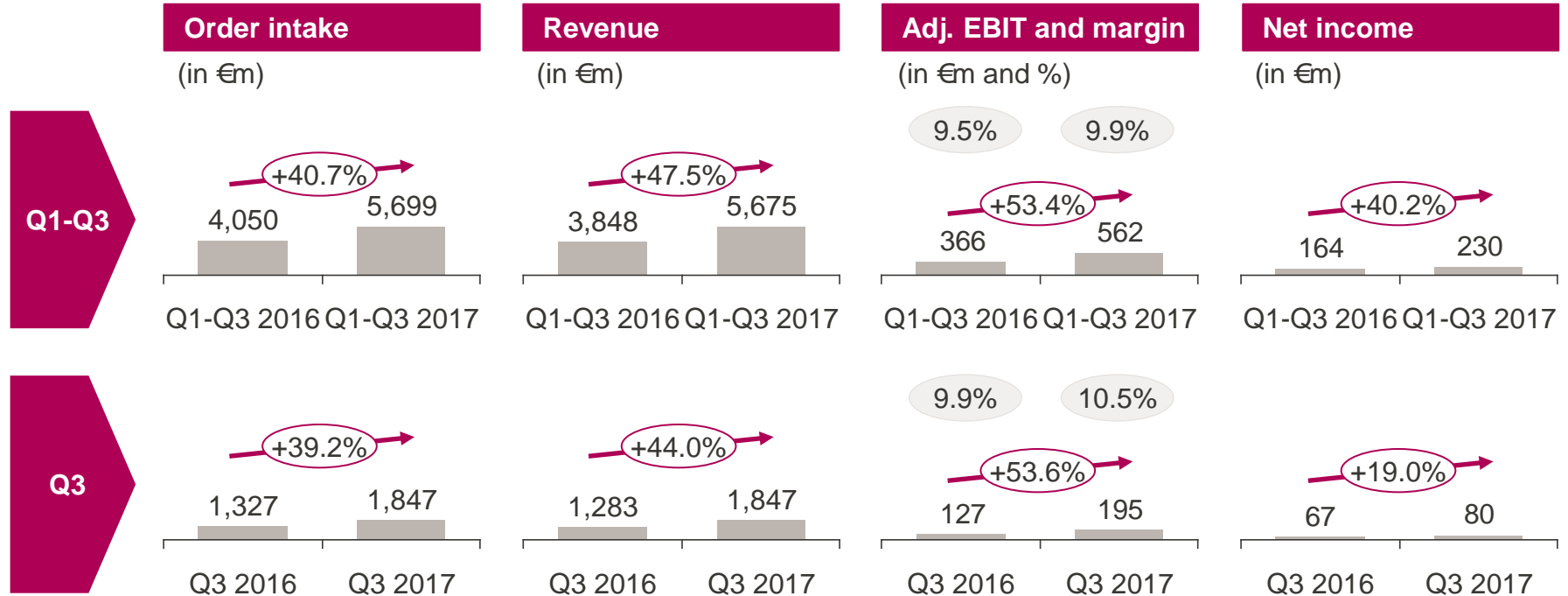
KION Group publishes preliminary results for Q1-Q3 2017 and slightly adjusts outlook



- Order intake and revenue is €5.7bn in Q1-Q3 2017
- Group achieves adjusted EBIT of €562m; adjusted EBIT margin is 9.9%
- Outlook for Group slightly lowered
- Reasons are customers` hesitation to invest and delays in project decisions by customers in the Supply Chain Solutions segment

Q1-Q3 Preliminaries – Group Key Financials

Continued profitable growth despite headwinds



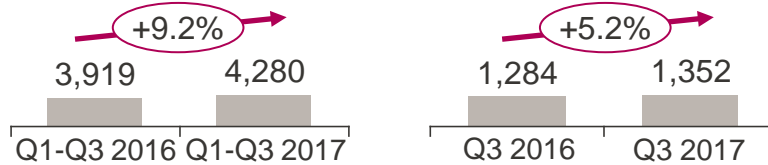
Industrial Trucks & Services

Normalised growth and stable margin in Q3 2017

Preliminaries

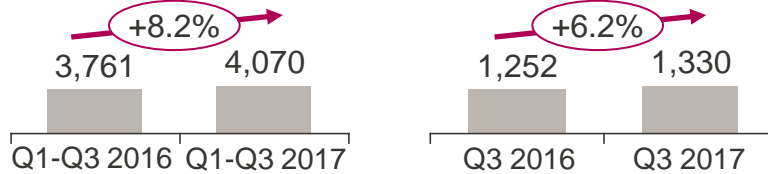
Order intake

(in €m)



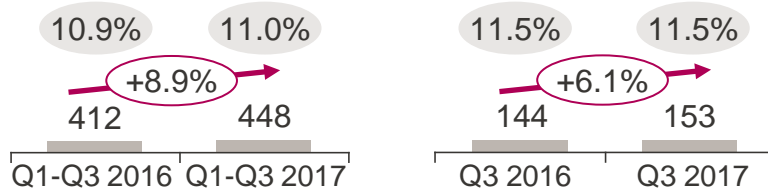
Revenue

(in €m)



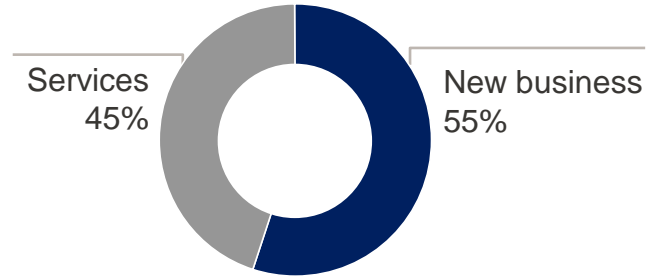
Adj. EBIT and margin

(in €m and %)



Revenue by category

Based on FY 2016 financials

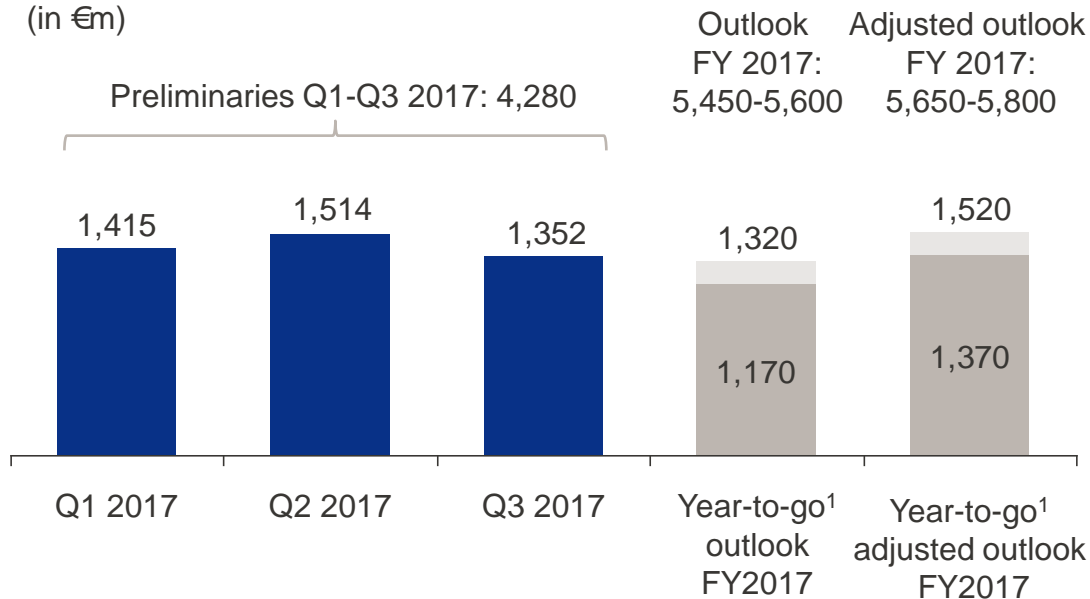


Industrial Trucks & Services

Outlook increased to reflect continued strong momentum

Order intake

(in €m)



Outlook FY 2017: 5,450-5,600
 Adjusted outlook FY 2017: 5,650-5,800

Explanations

- Order intake in Q3 2017 shows continued growth but at a more normalised level
- Performance year-to-date is higher than anticipated, driven by continued momentum across regions
- Outlook is therefore increased for order intake and revenue
- Outlook for adjusted EBIT remains unchanged due to material cost headwinds and FX transaction effects

1. Year-to-go calculated as upper and lower ends of outlook ranges for order intake less Q1-Q3 2017 preliminary order intake

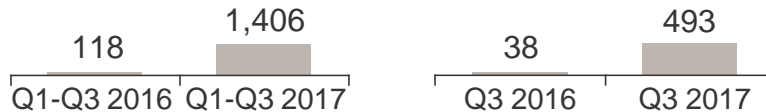
Supply Chain Solutions

Topline lower than anticipated but strong margin step-up

Preliminaries

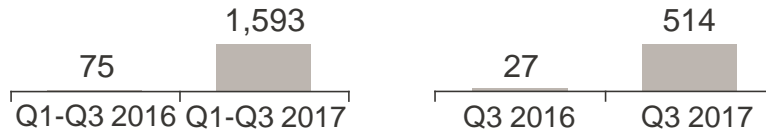
Order intake

(in €m)



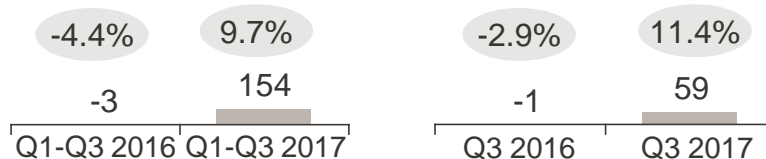
Revenue

(in €m)



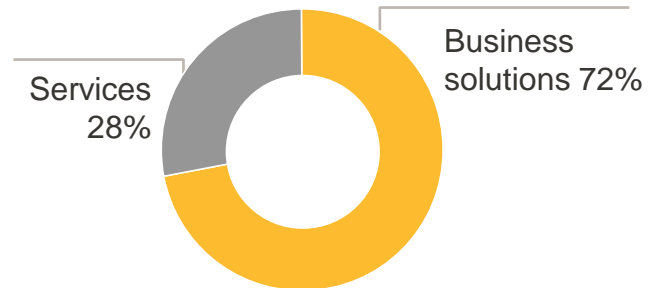
Adj. EBIT and margin

(in €m and %)



Revenue by category

Based on FY 2016 financials



Segment composition

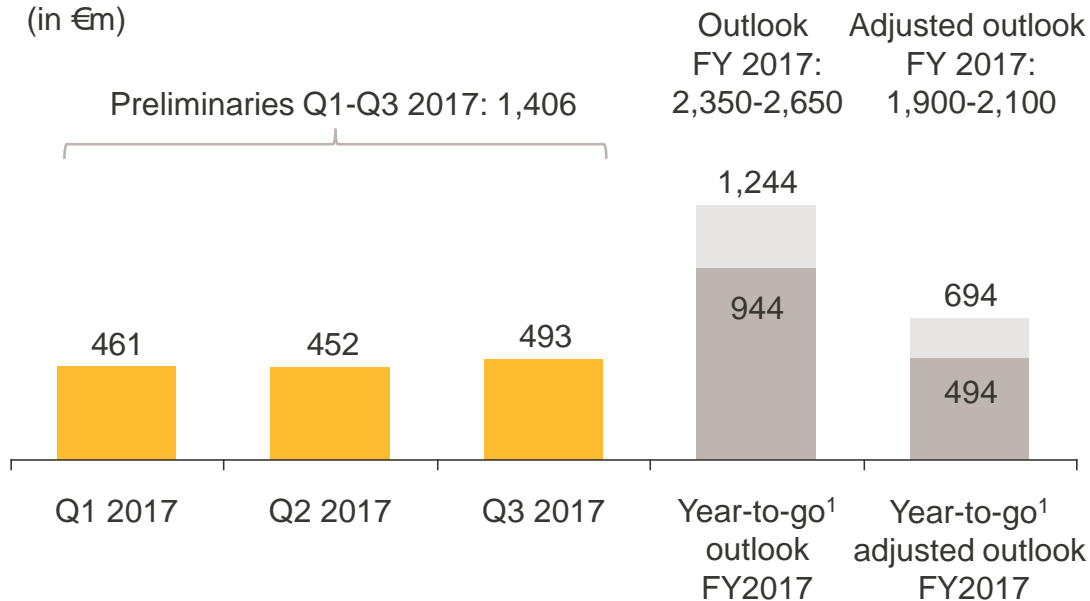
- Egemin: consolidated as of Aug 2015
- Retrotech: consolidated as of Mar 2016
- Dematic: consolidated as of Nov 2016

Supply Chain Solutions

Outlook adjusted downwards to reflect lower than anticipated run-rate

Order intake

(in €m)



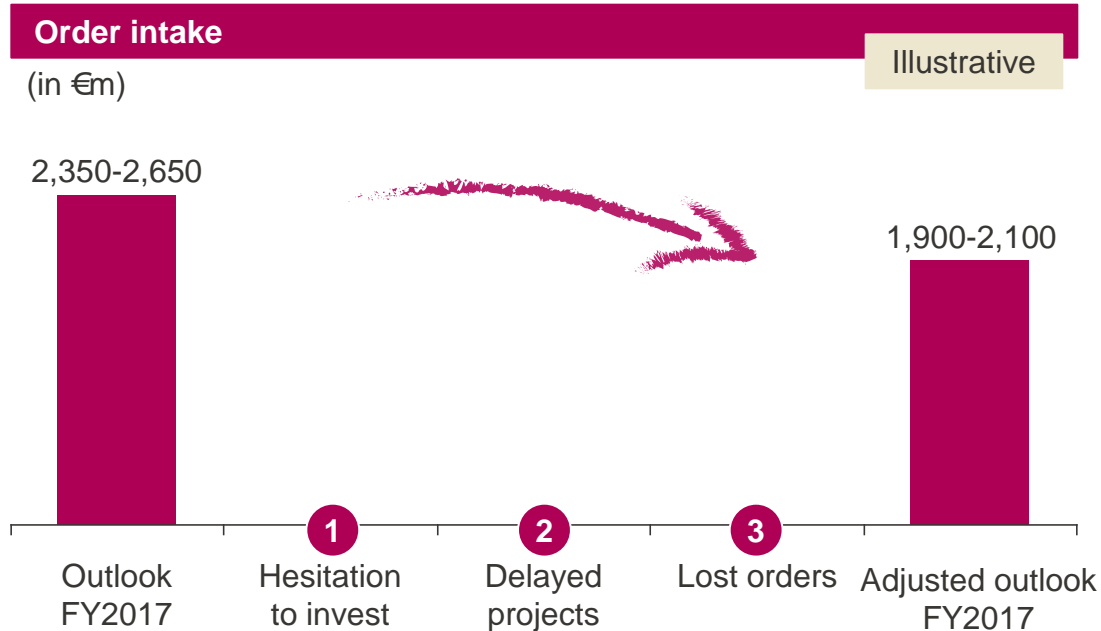
Explanations

- Order intake in Q3 2017 was above level of first and second quarter, but lower than anticipated
- Topline impacted by customers' hesitation to invest, delayed project decisions and lost orders
- Adjusted outlook is based on detailed review of project pipeline and customer discussions
- Outlook is lowered for order intake, revenue and adjusted EBIT
- Long-term growth driver e-commerce and megatrends automation and digitalisation remain fully intact

1. Year-to-go calculated as upper and lower ends of outlook ranges for order intake less Q1-Q3 2017 preliminary order intake

Supply Chain Solutions

Pipeline review has identified key reasons for outlook adjustment



Explanations

- 1 Hesitation to invest despite growth in US retail, esp. General Merchandise and Apparel
- 2 Delayed projects: Longer than expected negotiations as customers push out signing of orders to next quarter/year
- 3 Lost orders including, among others, repercussions due to late deliveries from Monterrey in 2015/16 (pre-acquisition)

FY 2017 Outlook

Guidance adjusted slightly based on Q1-Q3 preliminaries



(in €m)	KION Group		Industrial Trucks & Services		Supply Chain Solutions	
	Outlook	Adjusted outlook	Outlook	Adjusted outlook	Outlook	Adjusted outlook
Order intake	7,800 – 8,250	7,550 – 7,900	5,450 – 5,600	5,650 – 5,800	2,350 – 2,650	1,900 – 2,100
Revenue	7,500 – 7,950	7,400 – 7,700	5,300 – 5,450	5,450 – 5,600	2,200 – 2,500	1,950 – 2,100
Adj. EBIT	740 – 800	715 – 765	605 – 630	605 – 630	195 – 230	170 – 195
FCF	370 – 430	320 – 380				
ROCE	9.5% – 10.5%	9.0% – 10.0%				

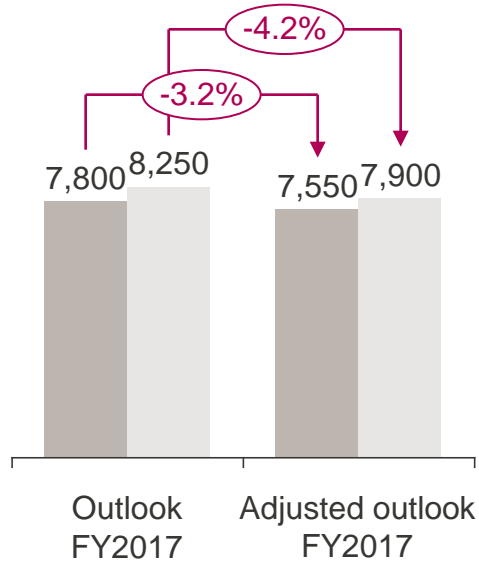
Note: Please see disclaimer on last page regarding forward-looking statements

FY 2017 Outlook

Group outlook for order intake, revenue and adj. EBIT lowered by 1%-4%

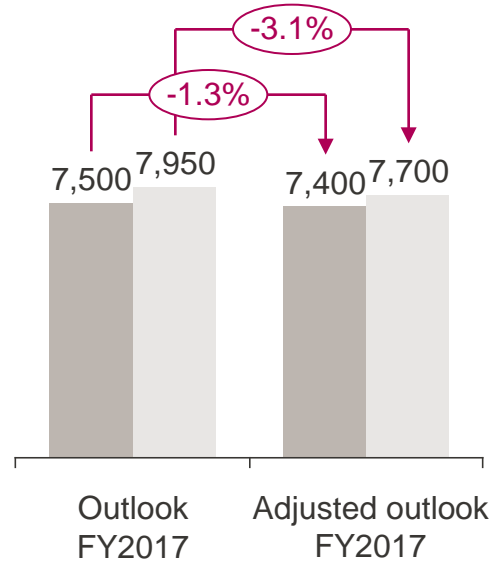
Order intake

(in €m)



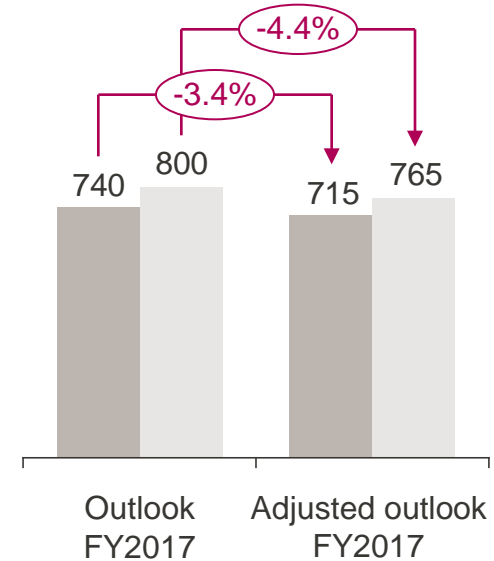
Revenue

(in €m)



Adj. EBIT

(in €m)



Date	Event
26 October 2017	Quarterly statement for the period ended 30 Sep 2017 (Q3 2017) and analyst call
1 March 2018	Financial statements press conference and analyst call Publication of 2017 annual report (FY 2017)
26 April 2018	Quarterly statement for the period ended 31 Mar 2018 (Q1 2018) and analyst call
9 May 2018	Annual General Meeting

Subject to change without notice

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