

- 1. Highlights**
2. Market Update
3. Financial Update
4. Outlook

Q1 2019 Financial Highlights

KION Group starts financial year 2019 with strong first quarter

Order intake

€2.1bn

+12.4% y-o-y

Revenue

€2.1bn

+13.0% y-o-y

Adj. EBIT¹

€182m

Margin of 8.8%

Free cash flow

€82m

+€69m y-o-y

1. Adjusted for PPA items and non-recurring items

Q1 2019 Strategic Highlights

Continued expansion of product portfolio and footprint

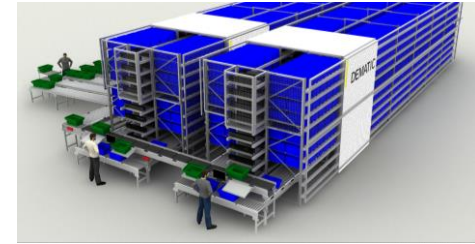
» PROMAT: Linde showcases full warehouse line for NAM market



» PROMAT: Dematic introduces micro fulfillment system



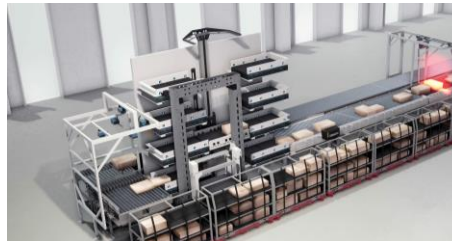
» PROMAT: Dematic introduces merchandise returns system



» Linde expands fuel cell drive to roadster family



» Dematic tests concept for fully automated last mile solution



» New IT&S facilities planned in Poland, China and India



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Industrial Truck Market

Global market declines in Q1

Order intake unit growth y-o-y (in %)

North America			
Q2/18	Q3/18	Q4/18	Q1/19
7.6%	2.9%	-9.5%	-21.3%

Western Europe			
Q2/18	Q3/18	Q4/18	Q1/19
19.4%	13.4%	4.0%	-4.4%

China			
Q2/18	Q3/18	Q4/18	Q1/19
30.4%	11.9%	3.2%	+11.2%

Eastern Europe			
Q2/18	Q3/18	Q4/18	Q1/19
27.5%	20.8%	14.6%	-4.0%

South/Central America			
Q2/18	Q3/18	Q4/18	Q1/19
7.8%	-6.1%	-4.1%	-3.1%

World			
Q2/18	Q3/18	Q4/18	Q1/19
18.9%	9.7%	1.2%	-2.7%

Source: WITS/FEM

Industrial Truck Market

KION orders remained at same high level as in the previous year

Industrial trucks: Regional development

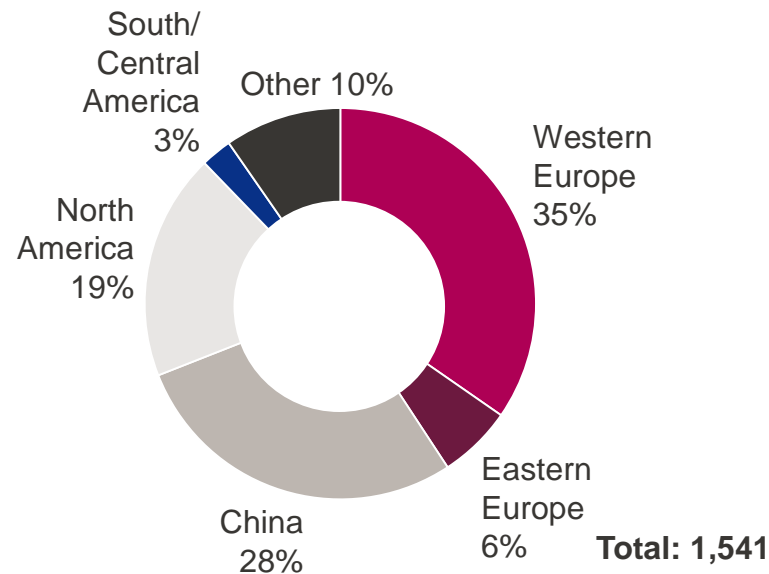
Order intake (in '000 units) and growth y-o-y (in %)

	Q1 2019	
	Market	KION
Western Europe	-4.4% ↓	-3.9% ↓
Eastern Europe	-4.0% ↓	+2.8% ↑
China	+11.2% ↑	+2.9% ↑
North America	-21.3% ↓	+21.0% ↑
South/Central America	-3.1% ↓	+28.0% ↑
World	382.2 -2.7% ↓	53.4 -0.2% ↓

Source: WITS/FEM

Industrial trucks: Market by region

Order intake FY 2018 (in '000 units)



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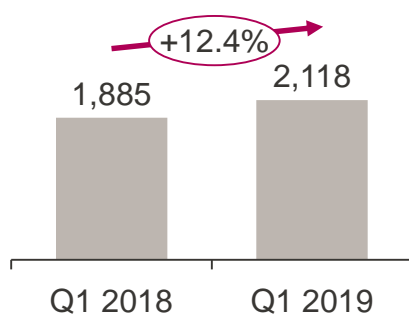
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Q1 2019 Key Financials

Continued growth momentum and improved operating performance

Order intake

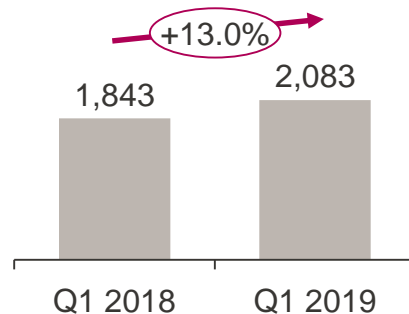
(in €m)



- Order book of €3.4bn above year-end level
- FX effect of +€25m¹

Revenue

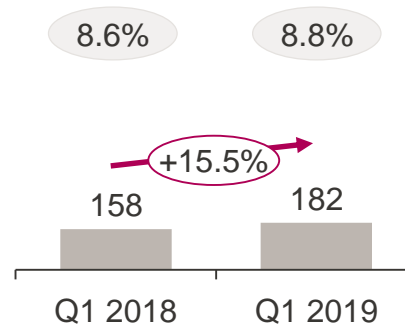
(in €m)



- Book-to-bill ratio 1.02x
- FX effect of +€25m¹

Adj. EBIT and margin

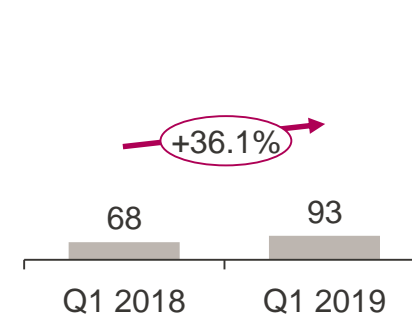
(in €m and %)



- Margin increase
- Continued inefficiencies in production and slightly higher material cost
- FX effect of +€4m¹

Net income

(in €m)



- Operating performance and lower PPA items

1. Translation effect

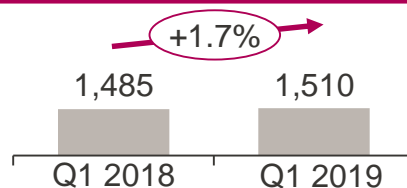
Industrial Trucks & Services

Continued growth momentum

Key financials¹

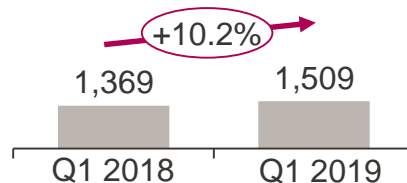
Order intake

(in €m)



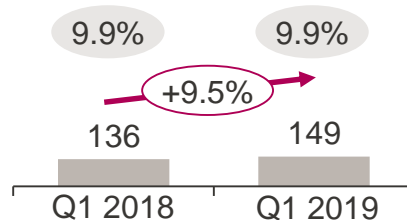
Revenue

(in €m)



Adj. EBIT and margin

(in €m and %)



1. Translation effects in Q1 2019: order intake: -€5m; revenue: -€4m; adjusted EBIT: €0m

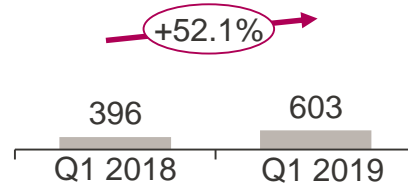
Supply Chain Solutions

Strong growth across regions

Key financials¹

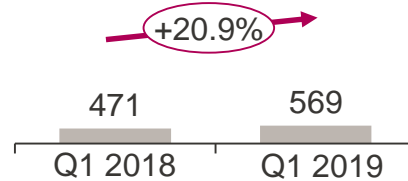
Order intake

(in €m)



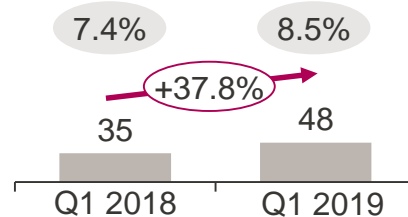
Revenue

(in €m)



Adj. EBIT and margin

(in €m and %)



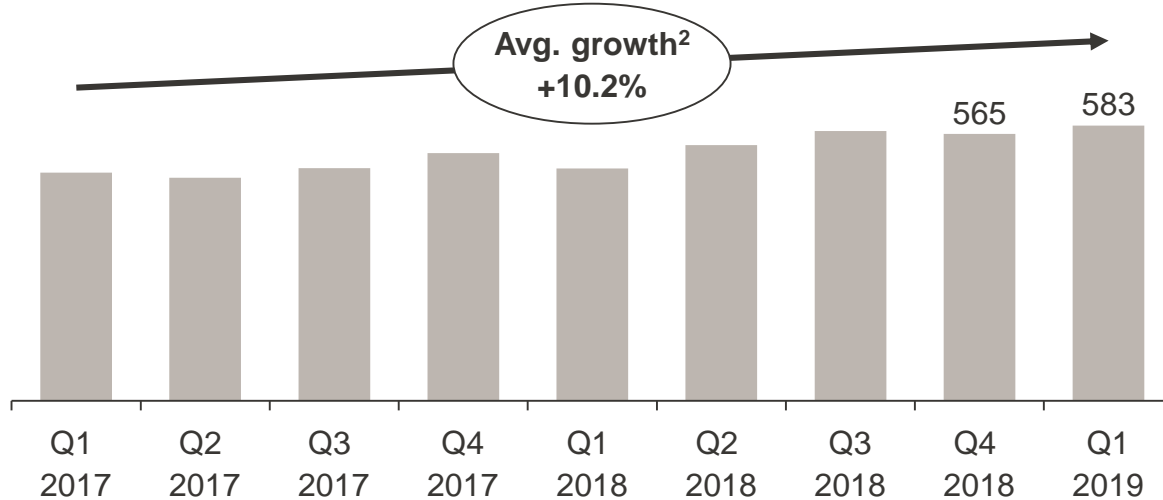
1. Translation effects in Q1 2019: order intake: €29m; revenue: €29m; adjusted EBIT: €4m

Supply Chain Solutions

Continued strong growth in line with market trends

Order intake development

Eight quarter rolling average order intake¹ (in €m)



1. Order intake shown per quarter is the average order intake of past eight quarters 2. Average of y-o-y growth rate on eight quarter rolling average order intake, calculated for period Q1 2017 through Q1 2019

Adjusted EBITDA to Net Income

Significant EPS increase driven by operating performance

(in €m)	Q1 2019	Q1 2018	Change	Description
Adjusted EBITDA	379	341	11.2%	- EBITDA driven by operating performance
D&A	-197	-183		
Adjusted EBIT	182	158	15.5%	- PPA items relate mainly to Dematic
Non-recurring items (NRI)	-1	1		
PPA items	-22	-33		
Reported EBIT	159	126	26.1%	- Net financial expenses reflect improved financing structure
Net financial expenses	-25	-29		
EBT	134	97	38.0%	
Taxes	-41	-29		
Net income	93	68	36.1%	
Reported EPS	€0.79	€0.58	36.2%	

Free Cash Flow Statement

Good cash generation at the start of the year

(in €m)	Q1 2019	Q1 2018	Change
Reported EBITDA	378	342	10.5%
Change in Net Working Capital (NWC)	-43	-95	54.2%
Taxes paid	-35	-40	12.9%
Pension payments	-5	-6	2.5%
Other	-18	-17	-8.0%
Rental capex (net)	-49	-89	42.7%
Change in leased assets and lease receivables/ liabilities, non-cash deferral of leasing profits	-95	-32	>100%
CF from operating activities	132	63	>100%
Operating capex	-56	-49	-13.5%
Acquisitions	0	-1	
Other	6	0	>100%
CF from investing activities	-50	-50	0.5%
Free cash flow	82	13	>100%

Description

- EBITDA driven by operating performance
- Lower changes in net working capital driven by increase in stock levels which was mostly compensated by higher trade payables
- Lower tax pre-payments

1. Previous year's figures have been adjusted due to changes in presentation

Net Debt

Continued reduction of net debt and leverage

(in €m)	31 Mar 2019	31 Dec 2018
Adjusted EBITDA	1,593	1,555
Adjusted industrial EBITDA ¹	1,269	1,234
Net financial debt	1,825	1,870
Liabilities from procurement leases	422	421
Liabilities from short-term rental financing ²	592	597
Industrial net operating debt (INOD)	2,839	2,888
Net pension liabilities	1,086	1,010
Industrial net debt	3,925	3,898
Leverage on net financial debt	1.1x	1.2x
Leverage on industrial net operating debt	2.2x	2.3x
Leverage on industrial net debt	3.1x	3.2x

Description

- Net debt lowered through continued deleveraging from Free Cash Flow

1. Excludes LTM EBITDA for long-term leasing 2. Includes liabilities from short-term rental financing and liabilities from financial services (rental)

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FY 2019 Outlook Outlook confirmed

(in €m)	KION Group		Industrial Trucks & Services		Supply Chain Solutions	
	FY 2018	Outlook FY 2019	FY 2018	Outlook FY 2019	FY 2018	Outlook FY 2019
Order intake	8,657	8,250 – 8,950	6,211	6,250 – 6,450	2,425	2,000 – 2,500
Revenue	7,996	8,150 – 8,650	5,922	6,050 – 6,250	2,055	2,100 – 2,400
Adj. EBIT	790	805 – 875	655	685 – 720	180	190 – 225
FCF	520	380 – 480				
ROCE	9.3%	9.0% – 10.0%				

Please see disclaimer on last page regarding forward-looking statements

Financial Calendar



Date	Event
09 May 2019	Annual General Meeting
25 July 2019	Interim report for the period ended 30 Jun 2019 (Q2 2019) and analyst call
24 October 2019	Quarterly statement for the period ended 30 Sep 2019 (Q3 2019) and analyst call

Subject to change without notice

Key Financials

	Group figures							Industrial Trucks & Services							Supply Chain Solutions						
(in €m)	Q1 2019	FY 2018	Q4 2018	Q3 2018	Q2 2018	Q1 2018	FY 2017	Q1 2019	FY 2018	Q4 2018	Q3 2018	Q2 2018	Q1 2018	FY 2017	Q1 2019	FY 2018	Q4 2018	Q3 2018	Q2 2018	Q1 2018	FY 2017
Order intake	2,118	8,657	2,287	2,060	2,424	1,885	7,979	1,510	6,211	1,724	1,455	1,546	1,485	5,860	603	2,425	556	598	874	396	2,099
Revenue	2,083	7,996	2,225	1,896	2,031	1,843	7,598	1,509	5,922	1,686	1,418	1,450	1,369	5,572	569	2,055	533	473	579	471	2,010
Adj. EBITDA ¹	379	1,555	457	380	377	341	1,496	324	1,340	395	326	318	301	1,289	62	232	65	56	64	46	236
Adj. EBITDA margin in % ¹	18.2	19.4	20.5	20.0	18.6	18.5	19.7	21.5	22.6	23.4	23.0	21.9	22.0	23.1	10.9	11.3	12.3	11.9	11.1	9.8	11.7
Adj. EBIT ¹	182	790	252	193	187	158	777	149	655	214	157	148	136	643	48	180	50	44	52	35	189
Adj. EBIT Margin in % ¹	8.8	9.9	11.3	10.2	9.2	8.6	10.2	9.9	11.1	12.7	11.1	10.2	9.9	11.5	8.5	8.8	9.4	9.3	8.9	7.4	9.4

1. Adjusted for PPA items and non-recurring items
 Note: Key figures for 2017 were restated due to the initial application of IFRS 15 and IFRS 16

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