

KION Group Update Call Q1 2012

Gordon Riske, CEO
Harald Pinger, CFO
Wiesbaden, May 16th, 2012



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KION key facts

Diversified market leader



#1

KION is European #1 and Global #2

6

A well positioned global player with six unique brands

1

Million

Installed truck base worldwide support after sales business

22,100

Employees¹, approx. 1,200 sales locations worldwide

28%

Order intake of new trucks from BRIC and other growth regions



Key financials

In € millions	2008	2009	2010	2011	Q1/12
Revenue	4,554	3,084	3,534	4,368	1,144
EBITDA adj. ²	709	311	462	665	176
Margin	15.6%	10.1%	13.1%	15.2%	15.4%
EBIT adj. ²	358	(29)	139	365	101
Margin	7.9%	(0.9)%	3.9%	8.3%	8.9%

¹ Approx. as of 31 March 2012

² Adjusted for one-off items and PPA

KION Group starts 2012 with a record first quarter

Highlights Q1 2012



Order intake increases by 4.3 per cent compared with Q1 2011 to €1.207 billion

Revenue grows by 12.6 per cent year on year to €1.144 billion

Structural improvements made in recent years have consistently delivered margin improvements: EBIT[1] margin hits new record of 8.9 per cent

Market environment stabilising at a high level

KION Group starts 2012 with a record first quarter

Highlights Q1 2012



Order intake increases by 4.3 per cent compared with Q1 2011 to €1.207 billion

- KION Group order intake above market development
- Order book increased to € 984m; providing reliable visibility for the business

Revenue grows by 12.6 per cent year on year to €1.144 billion

Structural improvements made in recent years have consistently delivered margin improvements: EBIT[1] margin hits new record of 8.9 per cent

- New record EBIT margin in a first quarter
- Continuous margin growth as a result of structural improvements of the past years and increasing volumes
- Consolidation of European plants progresses:
STILL / OM counterbalance truck production consolidated in Hamburg since March 2012;
Relocation of warehouse truck production from Montataire (F) to Luzzara (I) in H2 2012

Market environment stabilising at a high level

Further expansion of sales and service network

- KION South Asia to support the Linde, STILL and Baoli brands in this growth region
- Acquisition of remaining shares in Linde Creighton Ltd – Linde now fully owns all dealers in the UK

Summary order intake (units) Q1 2012

Q1 2012: Order intake development above market



KION Order Intake

- Q1 2012 growth of +7% to 39.100 units
 - Especially driven by counterbalance trucks
 - Germany, UK, EEU and China driving growth
 - March 2012 best month since June 2006
- Order intake from growth regions at 28% (Q1 2011: 24%)
- Order book increased to € 984m

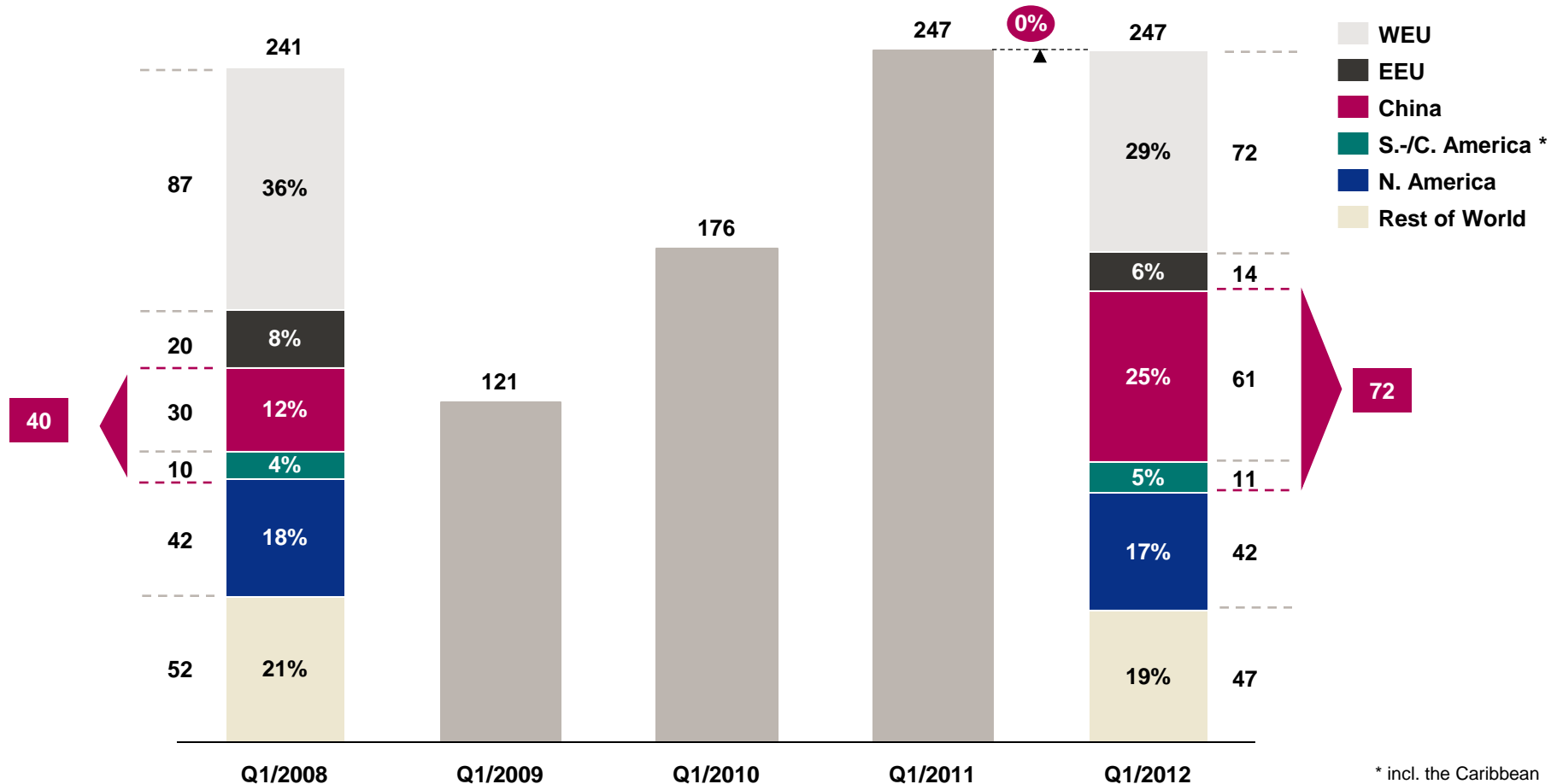
Market Development

- Global market stable on high level
 - Western Europe impacted by weak Spanish and Italian economy
 - Eastern Europe, America, and Asia show growth

Global market order intake (units)

Global market remains stable at high level

Industrial trucks order intake by region (in k units)



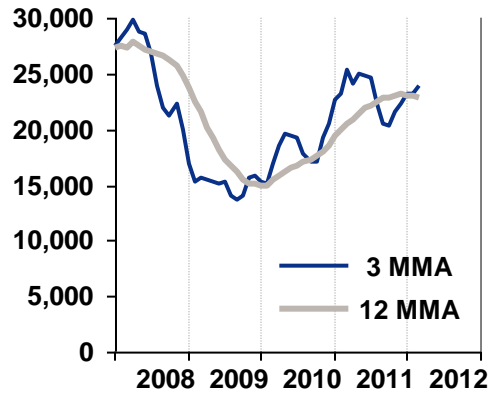
Source: WITS/FEM

Global market order intake (units)

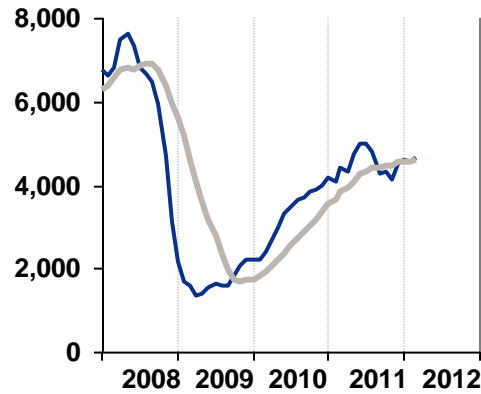
Regions stabilise against high levels in previous period

Industrial trucks order intake countries (average units)

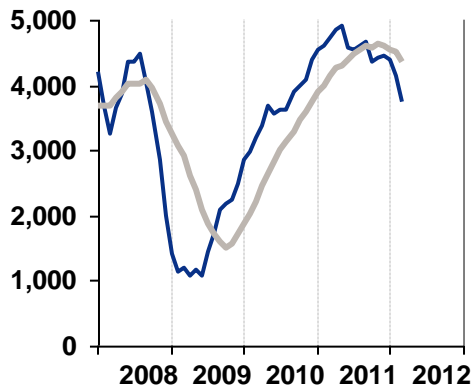
Western Europe



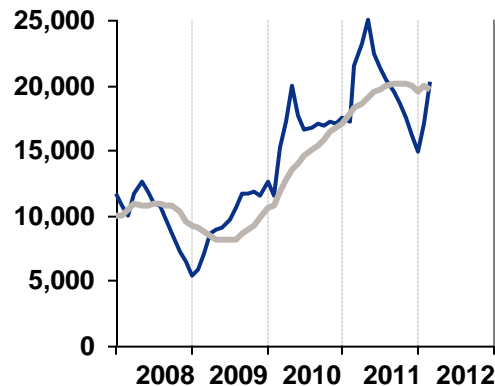
Eastern Europe



South/Central America*



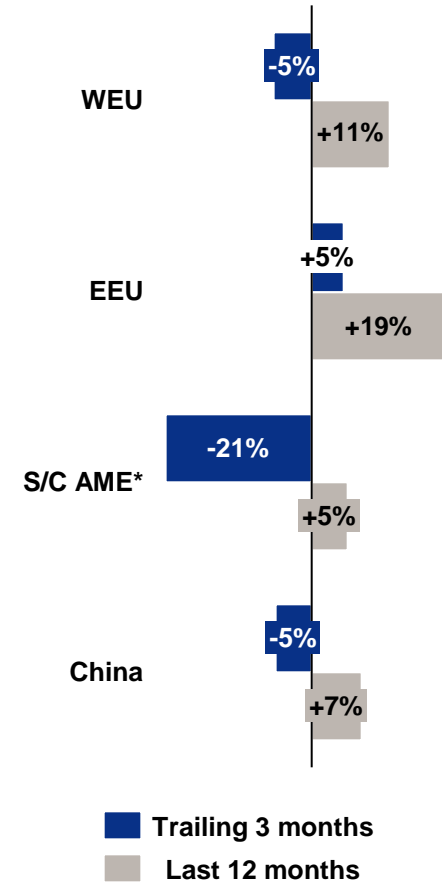
China



Source: WITS/FEM

Growth vs prior year (in %)

Status: Mar 2012



■ Trailing 3 months
■ Last 12 months

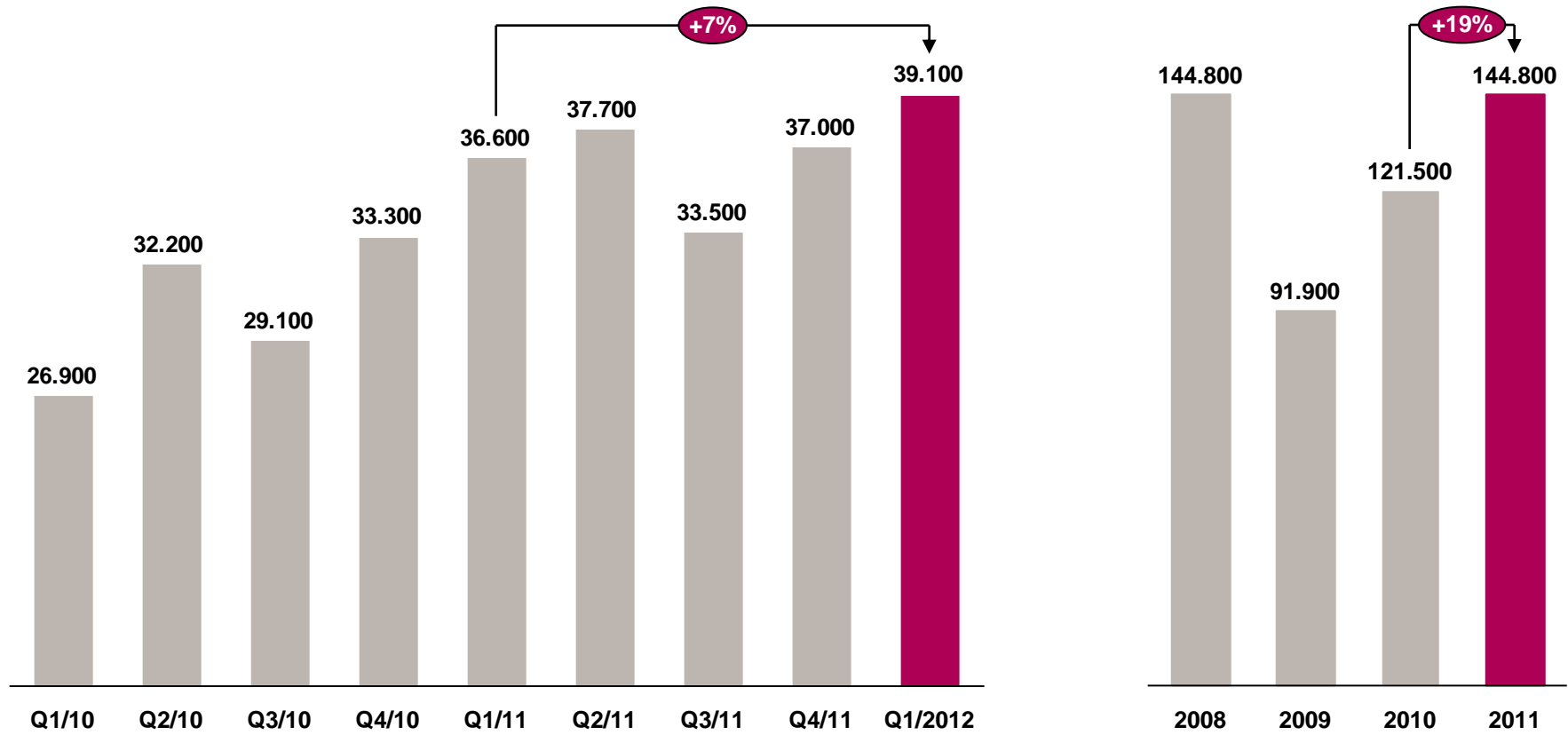
* incl. the Caribbean

KION order intake (units)

Strong Q1 2012: 7% ahead of previous year



Industrial trucks order intake (in units)



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Summary

Record Q1 2012 profitability – reliable visibility for the business



- **Order intake** again strong in Q1 with **€ 1,207m** (on Q4/11 level)
- **Order book** increased to **€ 984m**
- **Revenues** of **€ 1,144m** +12.6% vs PY, driven by strong order intake
- **Adjusted EBIT** of **€ 101m** with a record Q1 margin of 8.9%
- **FCF** with **-€ 74m** below prior year driven by TWC (volume related)
- **Net Debt** increased to € 2,741m driven by FCF in Q1
- **Leverage** on LTM basis is 4.0x
- **FTE** of **22,052** increased by 9.4% compared to prior year (including new consolidations)

Financial overview

Very strong Q1 2012 performance



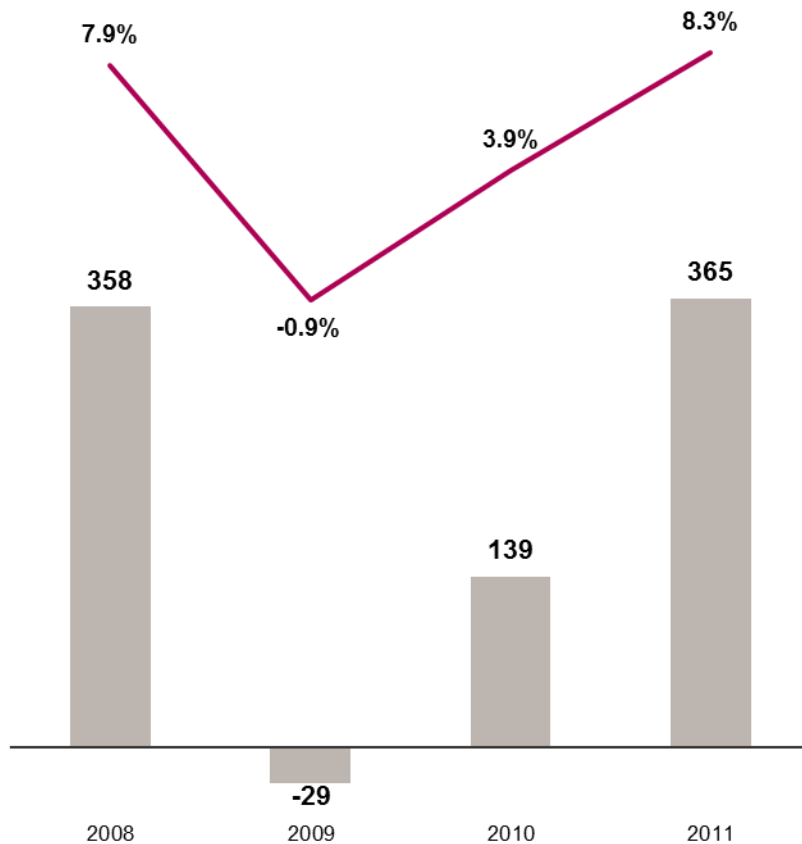
in €m	Q1/11	Q1/12	vs. Q1/11 in %	LTM*
Order Intake	1,157	1,207	4.3%	4,732
Revenue	1,016	1,144	12.6%	4,497
EBITDA	141	174	23.1%	602
Adjusted EBITDA	149	176	18.3%	692
<i>Margin</i>	14.6%	15.4%		15.4%
EBIT	60	91	51.2%	244
Adjusted EBIT	75	101	35.9%	391
<i>Margin</i>	7.3%	8.9%		8.7%
Free Cash Flow	46	-74	<-100%	115
TWC	691	775	12.2%	
<i>% of Revenue</i>	17.0%	16.9%		
Capital Expenditures	22	25	14.4%	136
Headcount (FTE) incl. apprentices	20,154	22,052	9.4%	

* Based on March 2012

Adjusted EBIT

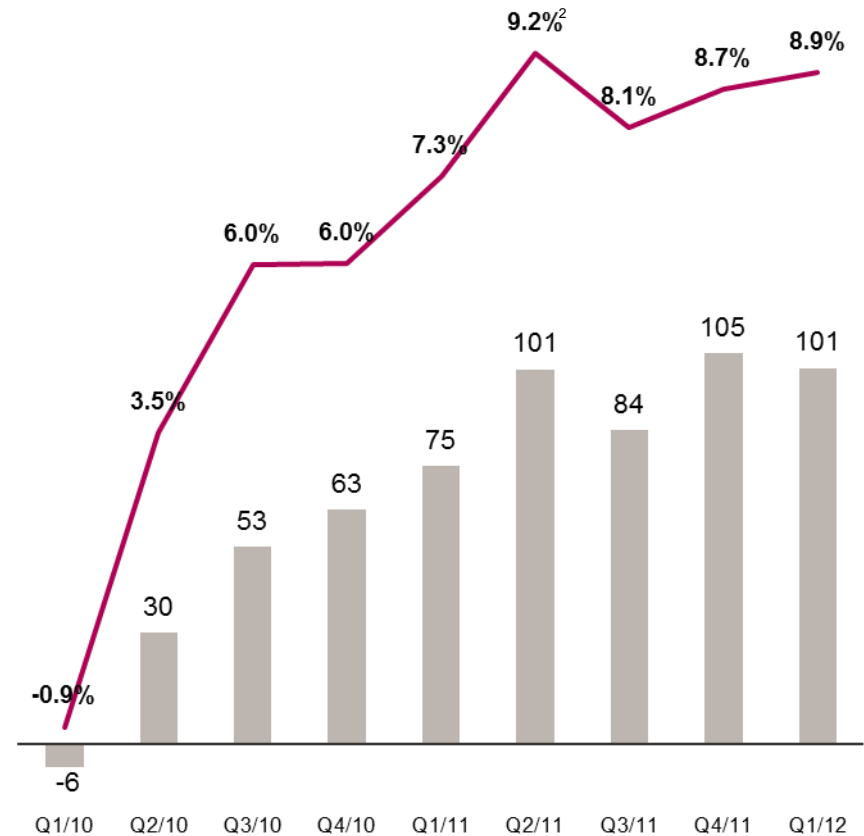
Margin 2011 above 2008 – record Q1 in 2012

Annual adjusted EBIT¹ (€m)



¹ Adjusted for one-off items and PPA

Quarterly adjusted EBIT¹ 2010 - Q1 2012 (€m)



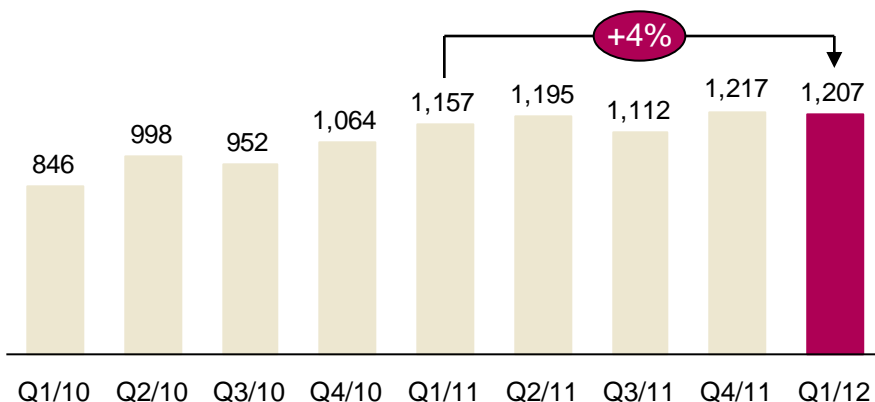
² Incl. an above-average investment result of € 8m

Key financials

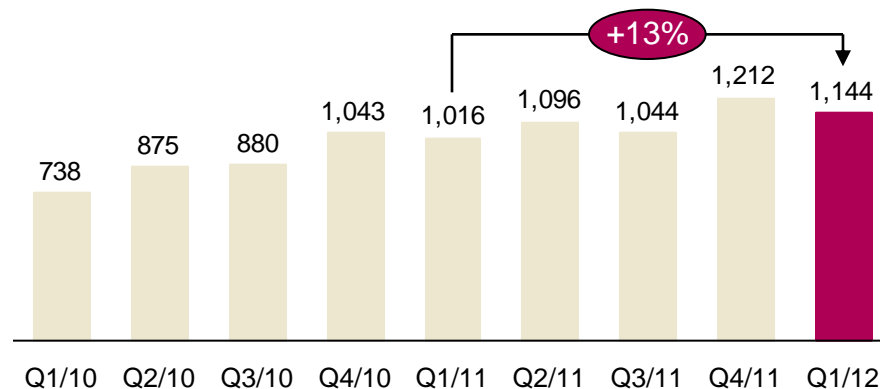
Continued improvement of topline and profitability



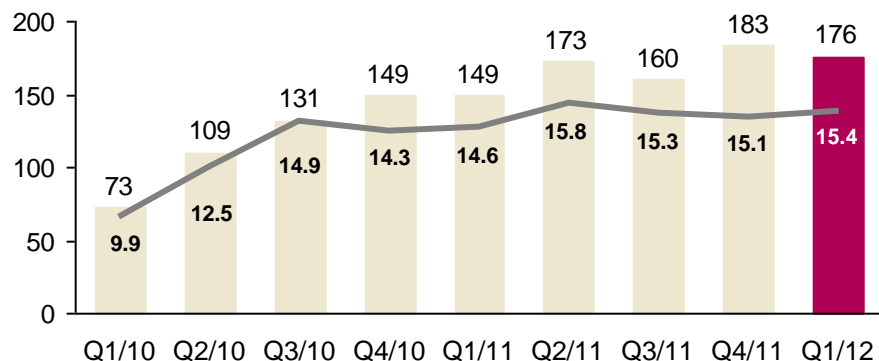
Order intake (all lines of business) €m



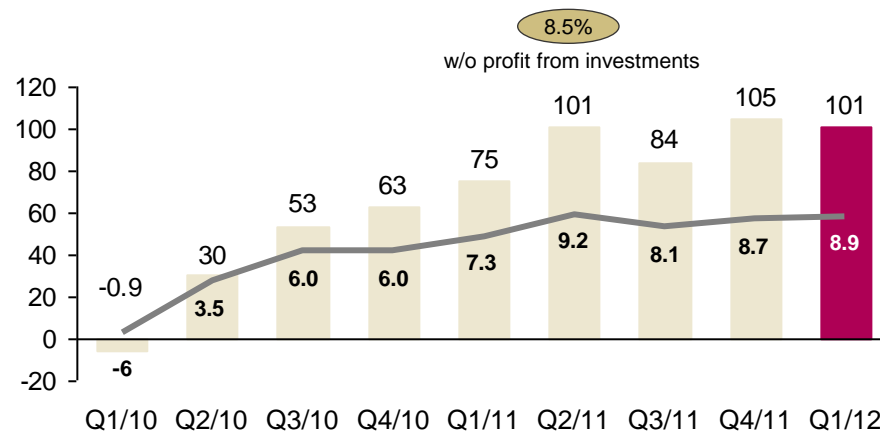
Revenue €m



Adjusted EBITDA €m / Adjusted EBITDA margin (%)



Adjusted EBIT €m / Adjusted EBIT margin (%)

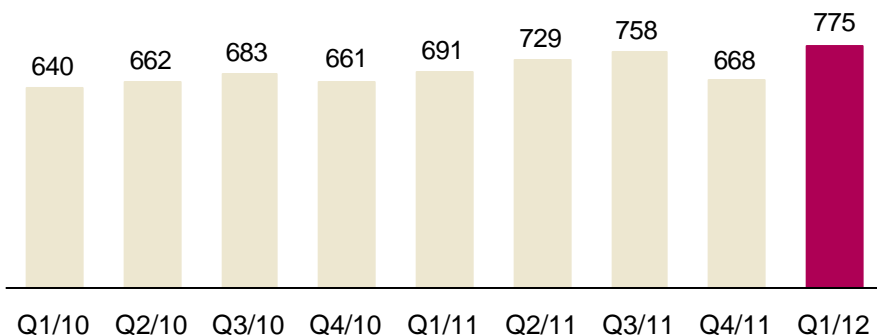


Key financials

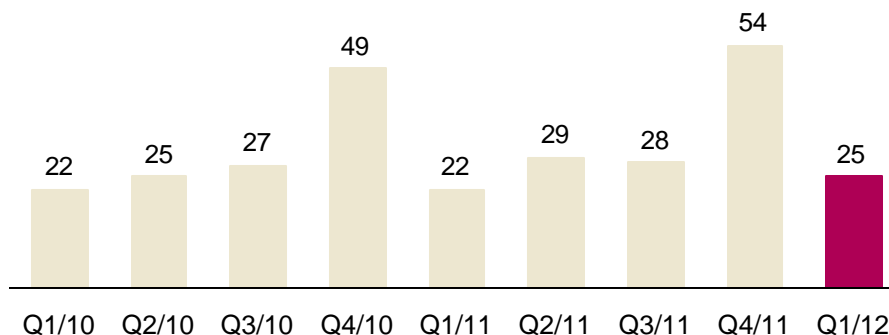
KION with strong Q1/12 performance



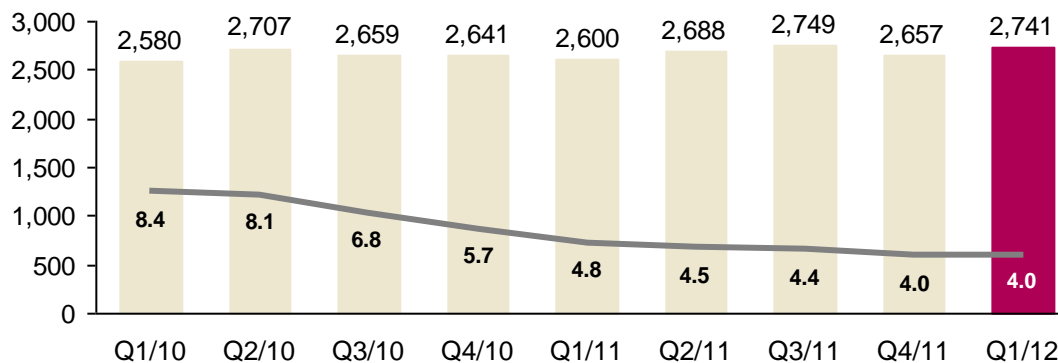
Trade Working Capital (TWC) - as at €m



Capex €m



Net Financial debt in €m / Leverage¹



¹ Net financial debt/LTM adj. EBITDA

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Outlook 2012

Further improvement in margins; market stable at high level



- **The KION Group got off to a highly encouraging start to the year in the first quarter of 2012.**
 - Provided that no severe global economic events have adverse impact on industrial-truck markets or the Company during the remainder of 2012, KION expects to generate modest year-on-year revenue growth.
 - Optimised structures and the raising capacity utilisation should further strengthen full-year profitability.
- **In 2012 the global market for industrial trucks is likely to stabilise at last year's high level.**
 - Sovereign debt crisis continues to pose a risk to global macroeconomic trends.
 - It has had a visible impact on the real economy in recent months, e.g. in Spain and Italy.
 - Some emerging economies are experiencing weaker growth as well.
- **The market for industrial trucks, which form the backbone of the global logistics industry, will retain its appeal over the long term.**
 - KION is excellently placed to benefit from future market growth.
 - Structural optimization of European production facilities is supporting long-term competitiveness.

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