

KION Group Update Call H1 2012

Gordon Riske, CEO

Harald Pinger, CFO

Wiesbaden, August 14th, 2012



Agenda



1	Highlights H1 2012	Gordon Riske
2	Update Financials H1 2012	Harald Pinger
3	Introduction of new CFO Thomas Toepfer	Harald Pinger Thomas Toepfer
4	Outlook	Gordon Riske

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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

22,250

Employees¹, approx. 1,200 sales locations worldwide

30%

Order intake of new trucks from BRIC and other growth regions



Key financials

In € millions	2008	2009	2010	2011	LTM ³
Revenue	4,554	3,084	3,534	4,368	4,566
EBITDA adj. ²	709	311	462	665	707
Margin	15.6%	10.1%	13.1%	15.2%	15.5%
EBIT adj. ²	358	(29)	139	365	402
Margin	7.9%	(0.9)%	3.9%	8.3%	8.8%

¹ Approx. as of 30 June 2012

³ Based on 30 June 2012

² Adjusted for one-off items and PPA

KION Group continues profitable growth in 2012

Highlights H1 2012



Order intake of €2.410 billion even slightly above strong H1 2011 with €2.353 billion

- KION Group order intake clearly above market development: order intake in units +1.6 % vs. market: -3.2%
- Order book continuously on high level of approx. €1 billion; providing reliable visibility for the business

Revenue grows by 9.4 per cent year on year to €2.311 billion

Structural improvements made in recent years have consistently delivered margin improvements: EBIT[1] margin hits new H1 2012 record of 9.2 per cent

- New quarterly record EBIT[1] margin of 9.5 per cent
- 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

Further expansion of sales and service network

- KION South Asia to support the Linde, STILL and Baoli brands in this growth region

Summary order intake (units) H1 2012

KION continues to outgrow market



KION Order Intake

- H1 2012 growth of 2% to 75.500 units
 - Solid performance supports growth above market
 - Germany, UK, EEU and China driving growth
- Order intake from growth regions at 30% by mid-year
- Order book continuously on high level of approx. €1billion

Market Development

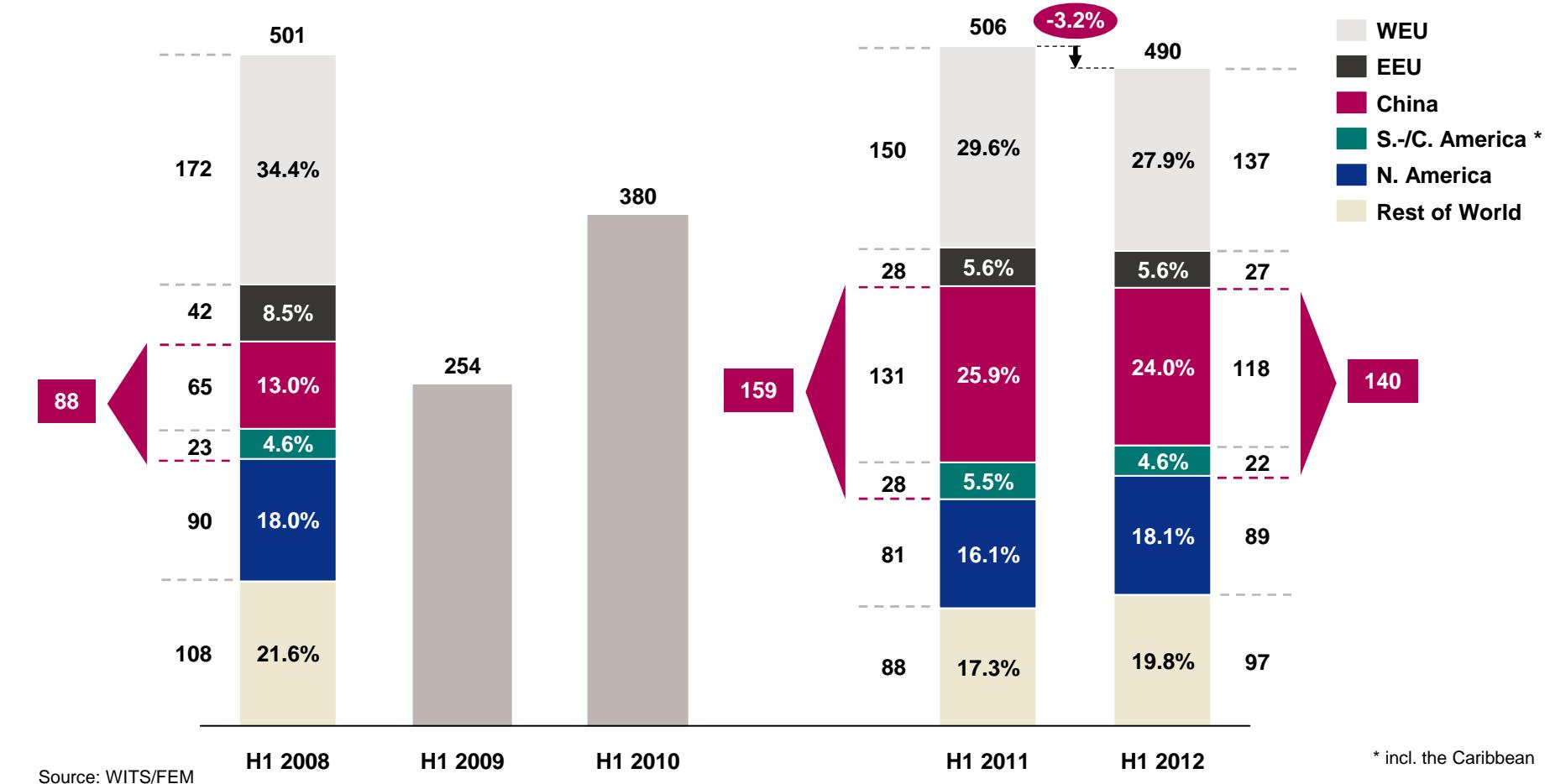
- Global market below previous year on robust level
 - After improved first quarter slower second quarter
 - Western European market environment challenging
 - Regional differences persist

Global market order intake (units)

Markets slower on robust level



Industrial trucks order intake by region (in k units)

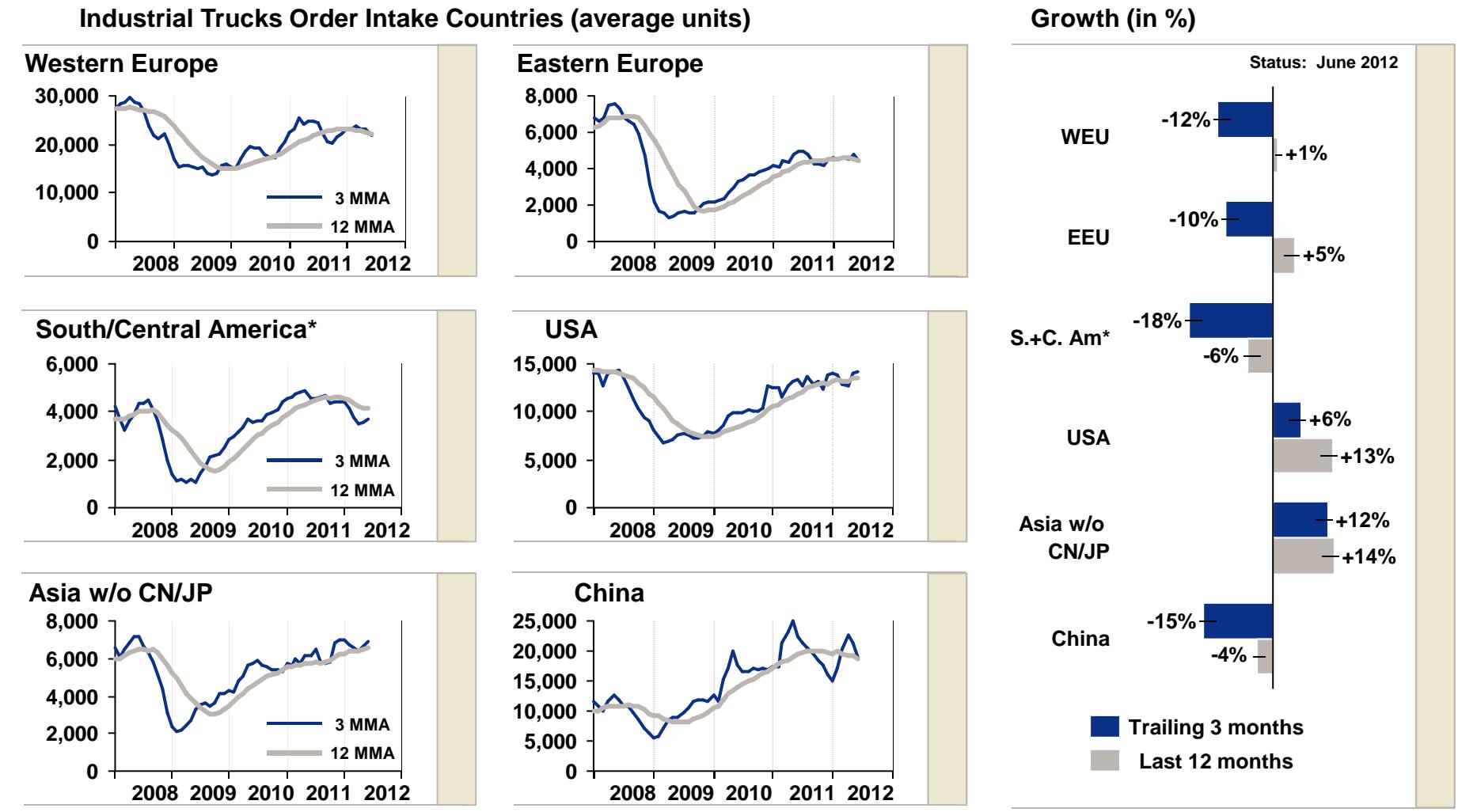


Source: WITS/FEM

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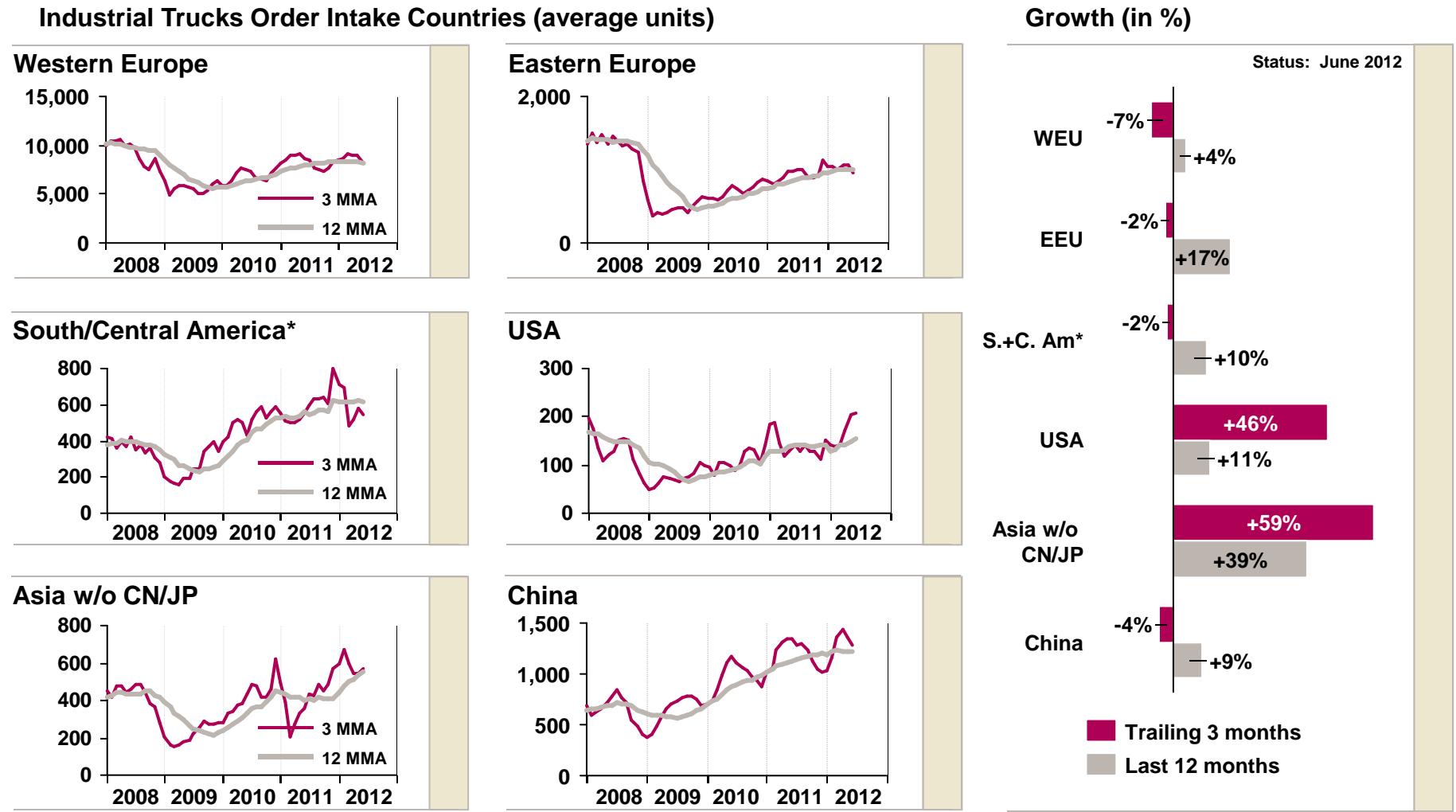
Market order intake (countries)

After improved Q1 slower Q2 development



KION order intake (countries)

YTD 1.6% ahead of previous year



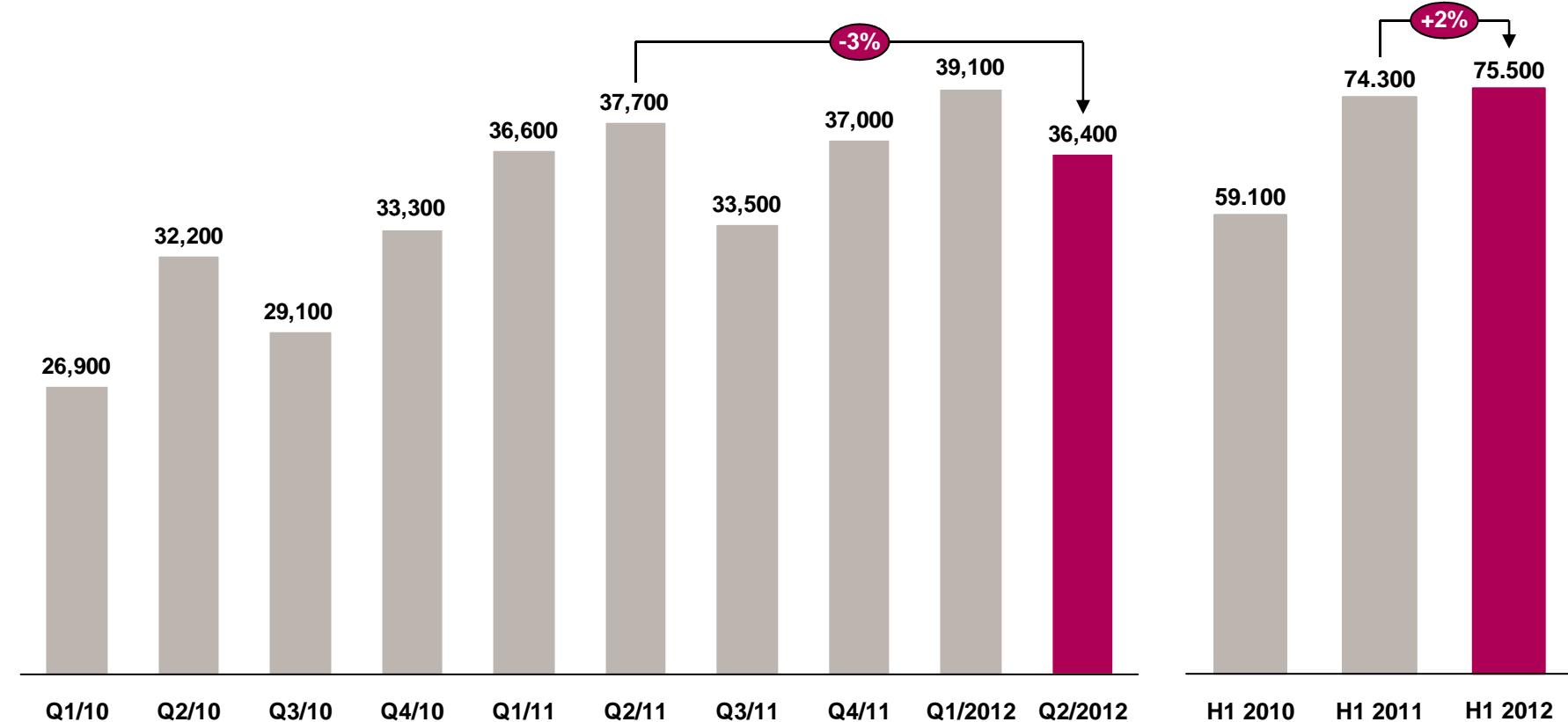
*) South/Central America incl. the Caribbean

KION order intake (units)

H1 2012: 2% above previous year



Industrial trucks order intake (in units)



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Summary

Strong H1 performance – good visibility for the business



- **Order intake** again strong leading to **€2,410m** (above H1 2011 level)
- **Order book** increased to **€1,008m**
- **Revenues** of **€2,311m +9.4%** vs. PY, driven by strong order intake
- **Adjusted EBIT** for H1 of **€213m** with margin of 9.2%
 - **Adjusted EBIT** for Q2 of **€111m** with **record margin of 9.5%**
- **FCF** of **€8m** below H1 2011 level
 - **FCF** for Q2 with **€82m** above prior year due to EBIT and TWC
- **Net Debt** at **€2,735m** incl. adverse currency effects in Q2 of **€32m**
- **Leverage** on LTM basis at 3.9x
- **FTE** of **22,250** increased by 1,734 FTE compared to prior year (thereof 783 FTE from new consolidations)

Financial overview

H1 results confirm positive trend over last quarters



[m€]	H1 2012	H1 2011	Δ (H1/12 vs. PY) in %	LTM
Order Intake	2.410	2.353	2,4%	4.739
Revenue	2.311	2.113	9,4%	4.566
EBITDA	364	320	13,9%	614
Adjusted EBITDA	363	322	12,9%	707
<i>Margin</i>	<i>15,7%</i>	<i>15,2%</i>		<i>15,5%</i>
EBIT	196	159	23,5%	250
Adjusted EBIT	213	175	21,3%	402
<i>Margin</i>	<i>9,2%</i>	<i>8,3%</i>		<i>8,8%</i>
FCF	8	20	-59,6%	222
TWC	754	729	3,4%	
<i>in % of Revenue</i>	<i>16,3%</i>	<i>17,3%</i>		
Capital Expenditures	59	51	14,7%	141
Headcount (FTE) incl. apprentices	22.250 *	20.516	8,5%	

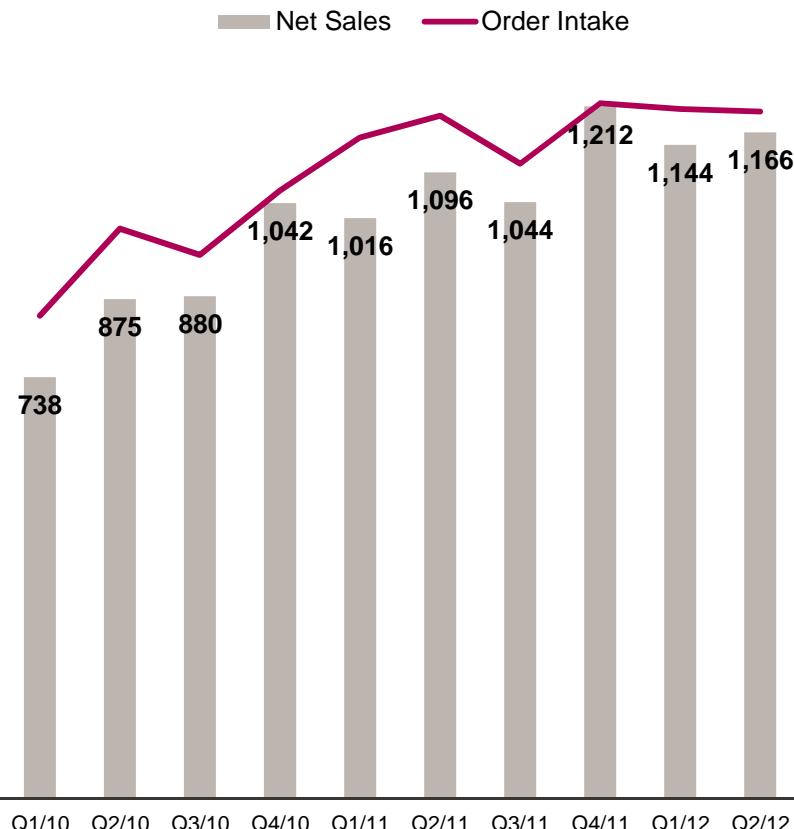
* Actual 2012 includes +783 FTE from first time consolidation effects (thereof 300 FTE not budgeted in 2012)

QTD development

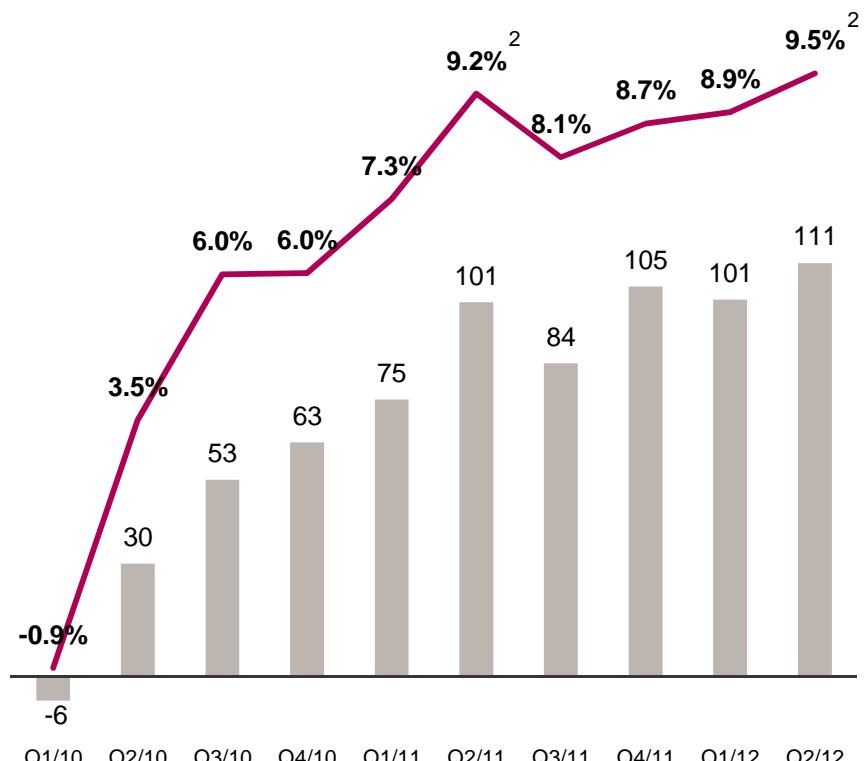
Best quarterly adj. EBIT margin in KION history of 9.5%



Quarterly Net Sales 2010 – Q2/2012 (€m)



Quarterly adjusted EBIT¹ 2010 – Q2/2012 (€m)



¹ Adjusted for one-off items and PPA

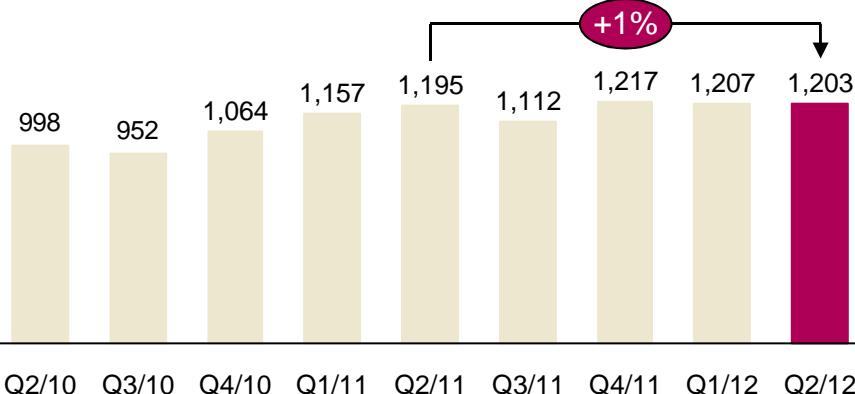
² Incl. an above-average investment result of € 8m in 2011 (compared to 4m in 2012)

Key financials

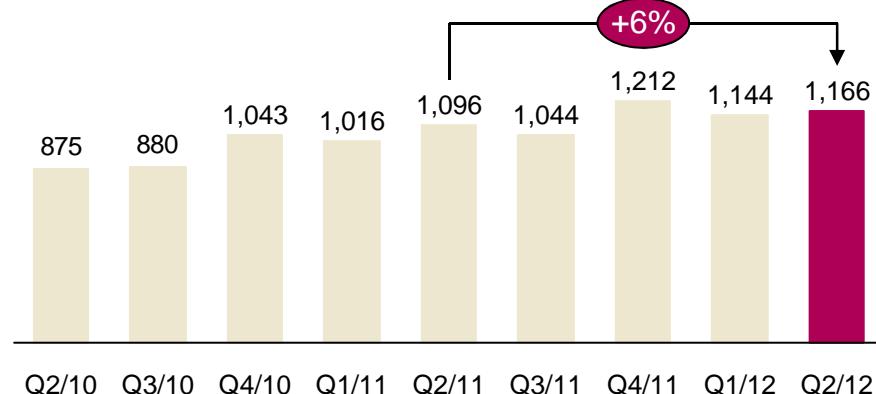
Continued improvement of topline and profitability



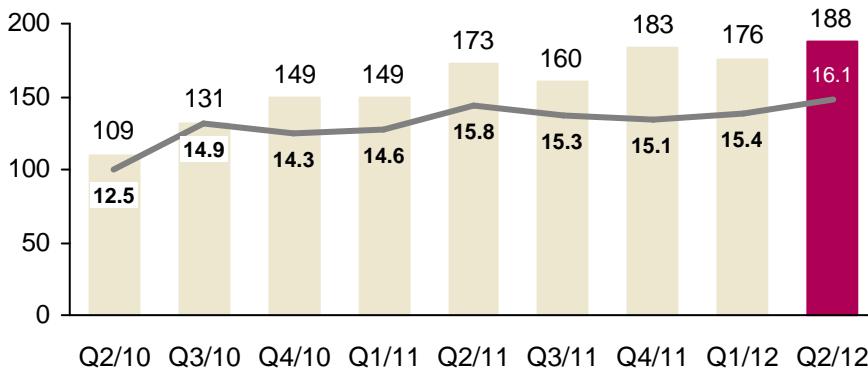
Order intake (all lines of business) €m



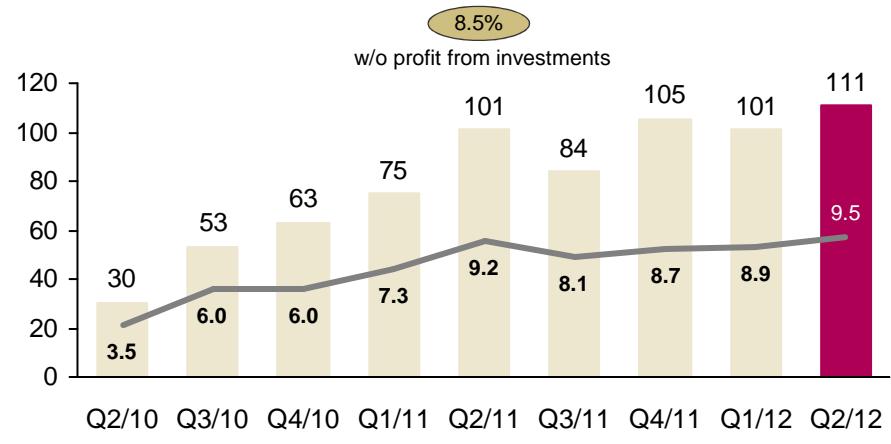
Revenue €m



Adjusted EBITDA €m / Adjusted EBITDA margin (%)



Adjusted EBIT €m / Adjusted EBIT margin (%)

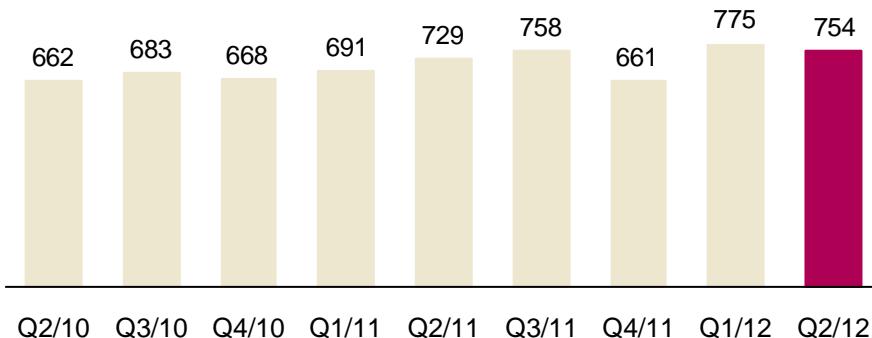


Key financials

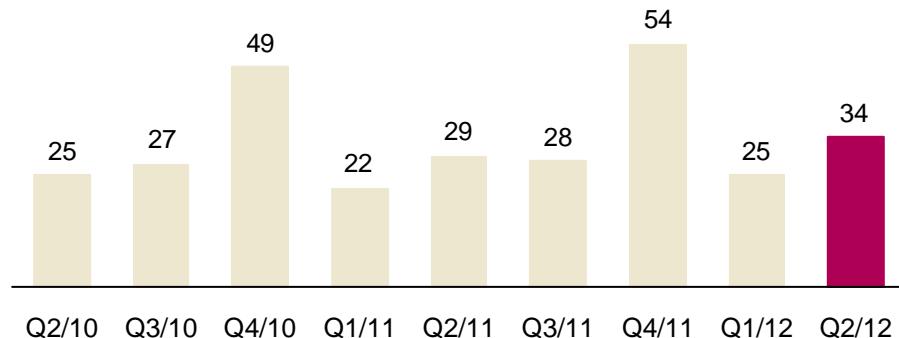
KION again with strong Q2/12 performance



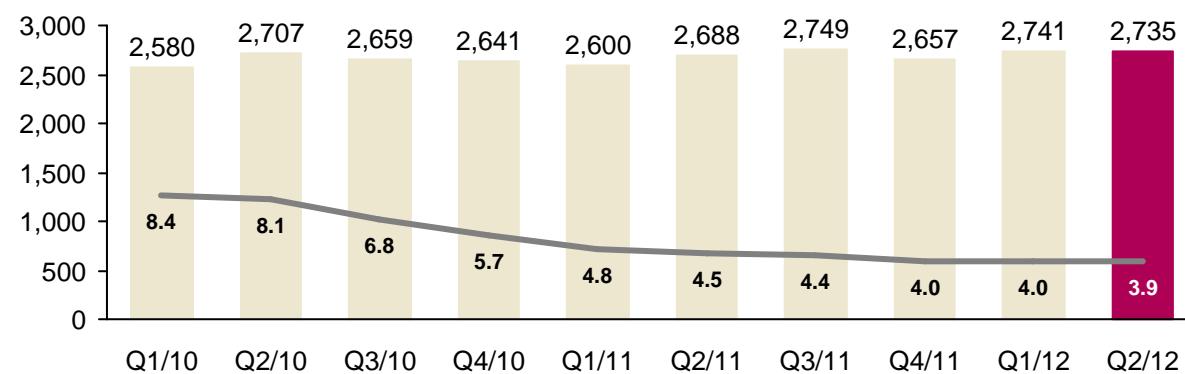
Trade Working Capital (TWC) - as at €m



Capex €m



Net Financial debt in €m / Leverage¹

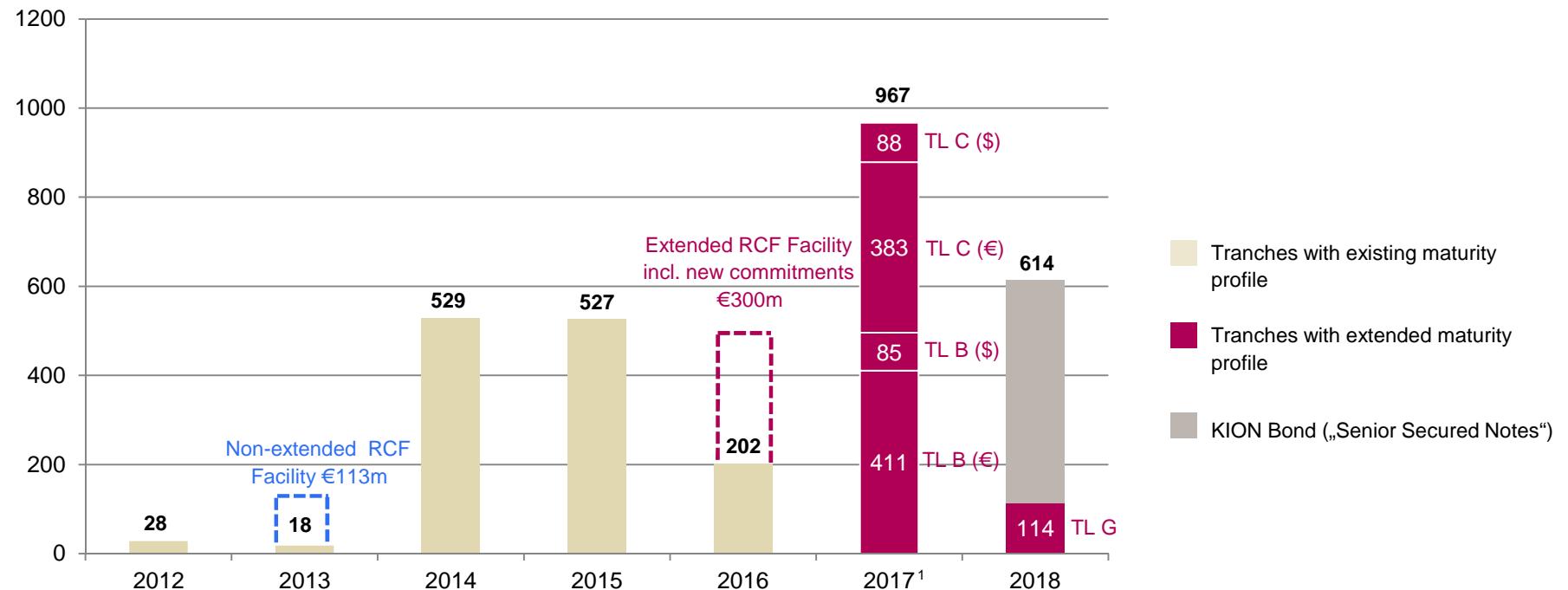


¹ Net financial debt/LTM adj. EBITDA

Maturity profile after “Amend to Extend“



Maturity profile after „Amend to Extend“ as at 31 July 2012 and including new RCF commitments in €m



¹ While the 2nd lien is outstanding, maturities of TLB, TLC and RCF to be 3 months prior to the maturity date of the 2nd lien from time to time.

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Introduction of new CFO Thomas Toepfer



Born 1972 in Hamburg, Germany

From September 2012 **KION GROUP GmbH, Wiesbaden, Germany**
Member of the Executive Board (CFO)

2011 - 2012 **STILL GmbH, Hamburg, Germany**
Member of the Managing Board, CFO und Labour Director

2008 - 2010 **Karstadt Warenhaus GmbH, Essen, Germany**
Member of the Management Board, CFO

2005 - 2008 **Arcandor AG, Essen, Germany**
Director Group Controlling

2004 - 2005 **Hapag-Lloyd AG, Hamburg, Germany**
Director Group Controlling

1999 - 2004 **McKinsey&Company, Inc., Munich/Hamburg, Germany**

Education

1997 – 1999 **WHU – Otto Beisheim Graduate School of Management, Koblenz, Germany**
Ph.D. program
Degree: Dr. rer. pol.

1992 – 1996 **WHU – Otto Beisheim Graduate School of Management, Koblenz, Germany**
Diploma program in Business Administration
Degree: Diplom Kaufmann



Dr. Thomas Toepfer
Member of the Executive Board (CFO)
KION GROUP GmbH
From 01.09.2012

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The KION Group has reached mid-year a very good result.

- 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 rising capacity utilisation should further strengthen full-year profitability.

Global industrial truck market is likely to stabilise around strong level of previous year.

- Sovereign debt crisis continues to pose risks to global macroeconomic trends.
- Growth dynamics of Asian and South American economies slowing down.

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 global market growth.
- Structural optimization of European production facilities is supporting long-term competitiveness.

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