



KUKA

KUKA AG
Presentation
Financial results 2011

March 28, 2012



Highlights 2011

Record year 2011 for KUKA

- **New record levels** achieved
 - **Orders received** up 36% to € 1.55 billion
 - **Sales revenues** rose continuously in 2011; +33% to € 1.44 billion
 - **EBIT** up to € 72.6 million (2010: € 24.8 million)
- Robotics and Systems reached **target EBIT margins** YE 2011
 - Q4/11: Robotics 9.0% and Systems 4.4%
- **Earnings after taxes** strongly improved from € -8.6 million to € +29.9 million
- Free cash flow € +6.5 million (2010: € -37.3 million) despite strong sales growth

Full year 2011

	Guidance	Achievement
Sales revenues	~€ 1.35 billion	€ 1.44 billion
EBIT-margin	>5%	5.1%



Financial results

Profitability strongly increased

(€ million)	Q4/10	Q4/11	Delta	2010	2011	Delta
Order received	280.1	337.2	20.4%	1,142.3	1,553.0	36.0%
Sales revenues	324.6	403.2	24.2%	1,078.6	1,435.6	33.1%
Gross profit	60.9	75.6	24.1%	204.0	281.7	38.1%
in % of sales revenues	18.8%	18.8%	–	18.9%	19.6%	–
EBITDA	16.6	30.3	82.5%	47.0	99.4	>100%
in % of sales revenues	5.1%	7.5%	–	4.4%	6.9%	–
Earnings before interest and taxes (EBIT¹)	11.5	22.3	93.9%	24.8	72.6	>100%
in % of sales revenues	3.5%	5.5%	–	2.3%	5.1%	–
Capital expenditure	-7.4	-13.0	75.7%	-15.4	-30.3	96.8%
Net debts				60.3	32.6	-45.9%
Employees	5,990	6,589	10.0%	5,990	6,589	10.0%
Cash Earnings	12.7	15.8	24.4%	23.4	65.9	>100%
Cashflow from operating activities	14.3	52.7	>100%	-24.8	36.4	–
Free Cashflow	8.4	39.6	>100%	-37.3	6.5	–

- Very low level of indebtedness: net debt to EBITDA at 0,3
- Equity increased by 27% from € 198.1 million (31.12.10) to € 252.4 million (31.12.11)

1) Adjusted to take into consideration finance costs included in operating result (IAS 23R)



Profit & Loss

Net results increased to € 29.9 million

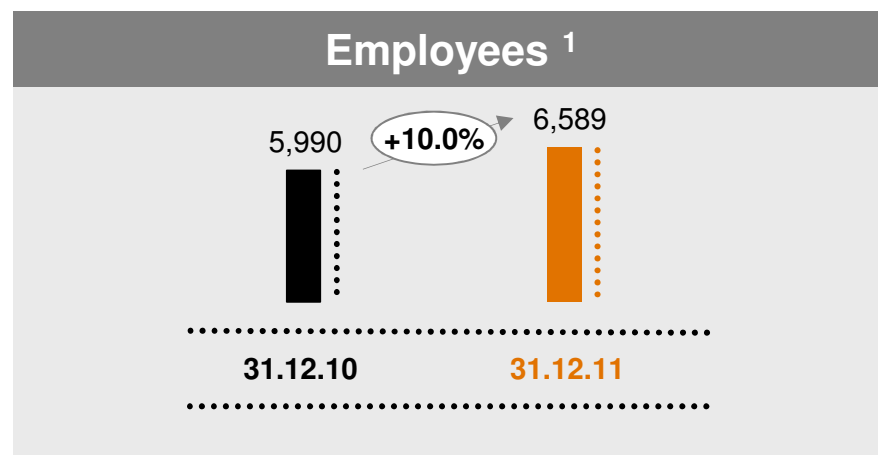
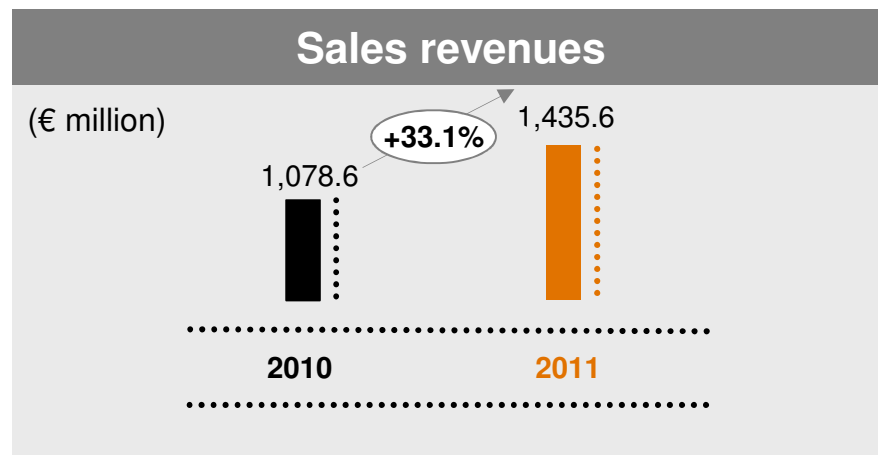
(€ million)	Q4/10	Q4/11	Delta	2010	2011	Delta
Sales revenues	324.6	403.2	24.2%	1,078.6	1,435.6	33.1%
Cost of sales	-263.7	-327.6	24.2%	-874.6	-1,153.9	31.9%
Gross profit	60.9	75.6	24.1%	204.0	281.7	38.1%
Selling expenses	-27.4	-29.1	6.2%	-86.9	-99.5	14.5%
Research and development costs	-7.4	-8.3	12.2%	-29.5	-37.7	27.8%
General and administrative expenses	-18.8	-21.6	14.9%	-76.3	-78.9	3.4%
Other operating income and expenses	0.3	3.1	>100%	6.3	-1.4	–
Earnings from operating activities	7.6	19.6	>100%	17.6	64.2	>100%
Reconciliation to earnings before interest and taxes (EBIT)						
Financing costs included in operating results	3.9	2.7	-30.8%	7.2	8.4	16.7%
Earnings before interest and taxes (EBIT¹)	11.5	22.3	93.9%	24.8	72.6	>100%
Financial results	-6.9	-4.7	-31.9%	-22.1	-18.2	-17.6%
Earning before tax	0.6	14.9	>100%	-4.5	46.0	–
Taxes on income	1.3	-5.3	–	-4.1	-16.1	>100%
Net results	1.9	9.6	>100%	-8.6	29.9	–

1) Adjusted to take into consideration finance costs included in operating result (IAS 23R)



Stability

KUKA is on a robust and solid footing



KUKA stability

Solide basis

- Increase of full time employees significantly lower than growth of sales revenues in 2011
- Solid and long term structure of balance sheet
- EBIT Break Even
 - Approximately 30% below current level of sales revenues
- Relatively low level of net debt

Potentials

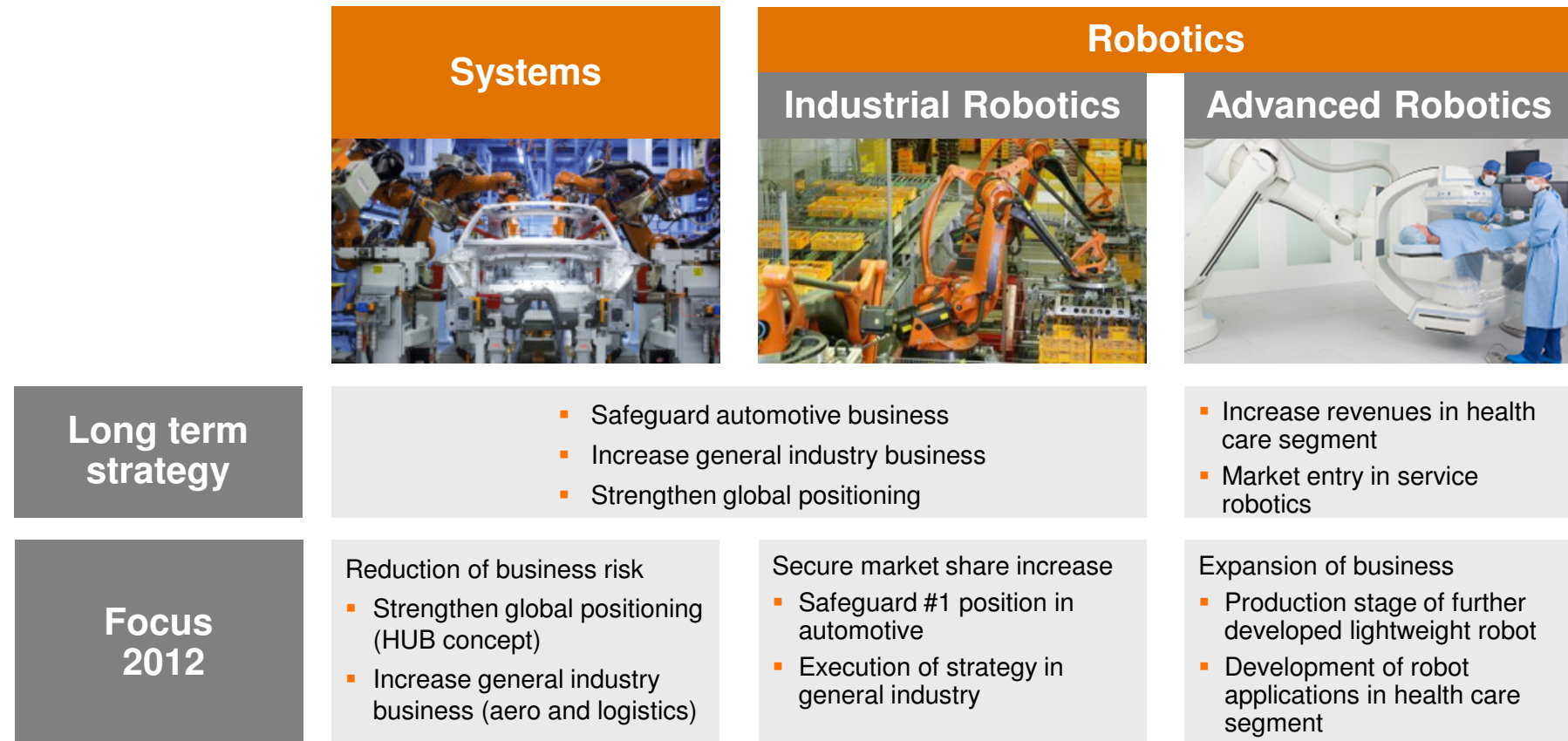
- High order backlog (€ 724 million)
- Continuing strong customer demand

1) FTEs



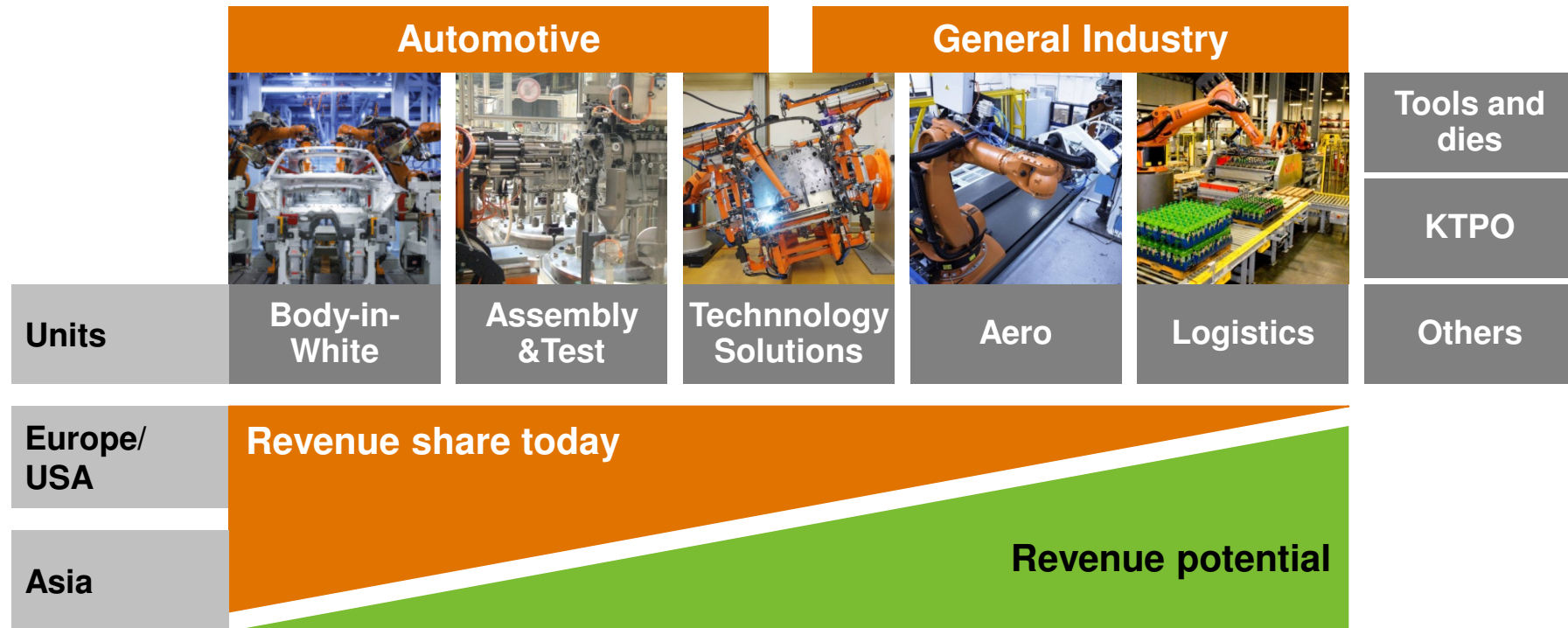
Strategy

Boost value of KUKA



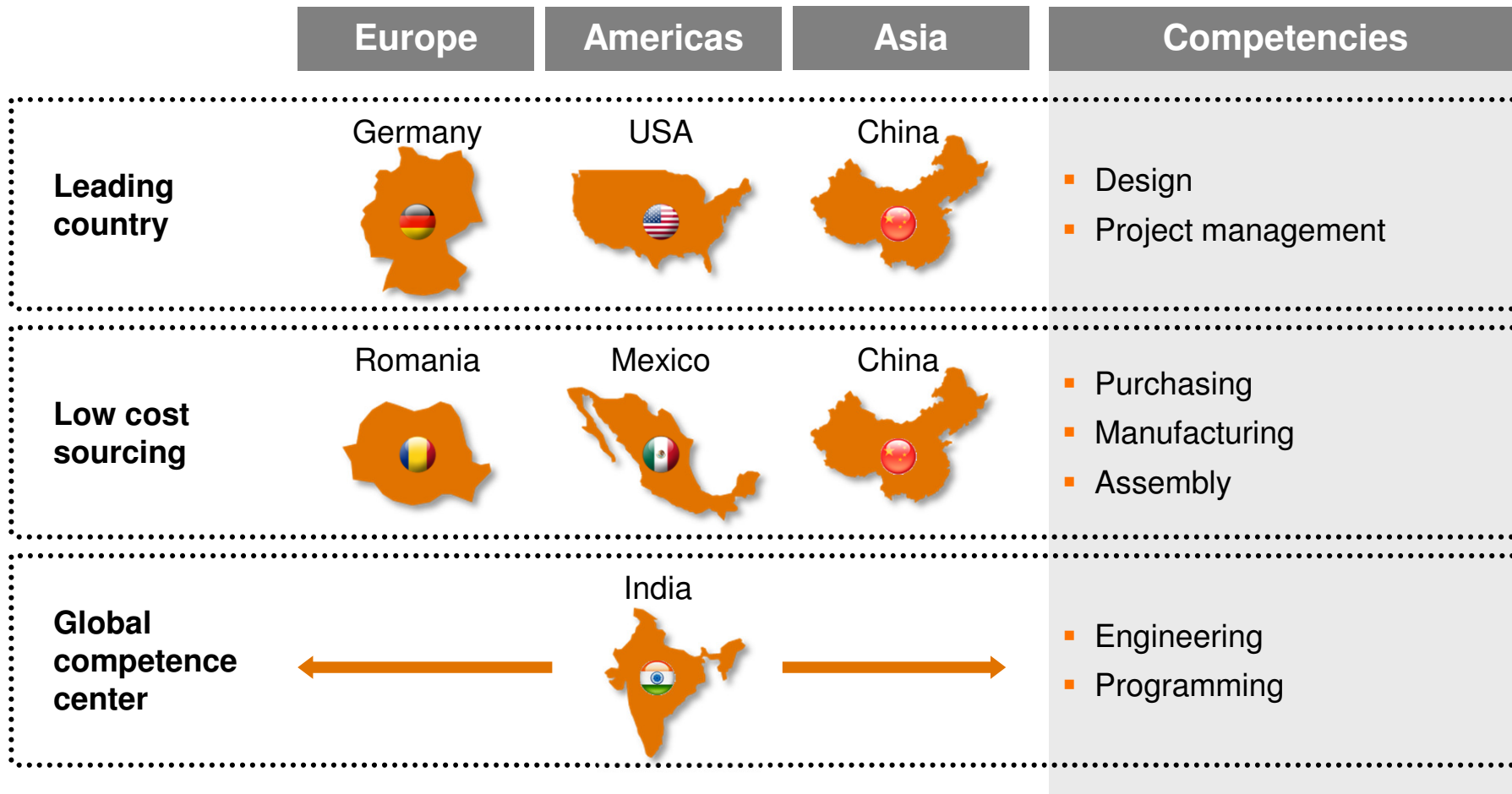
Systems - strategy

Units of focus in automotive und general industry



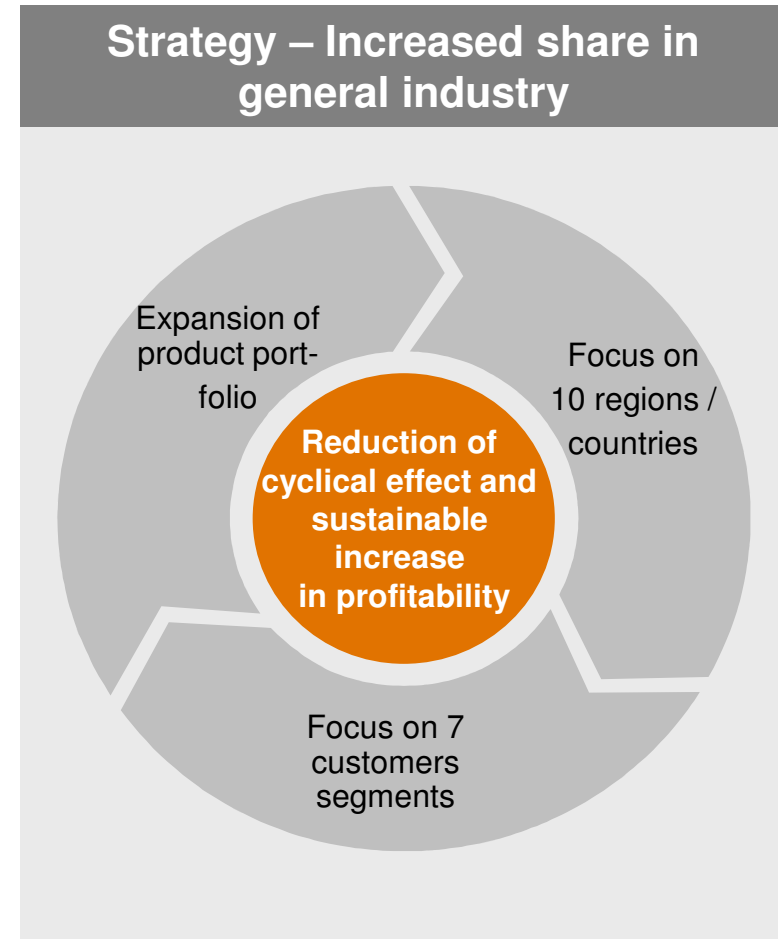
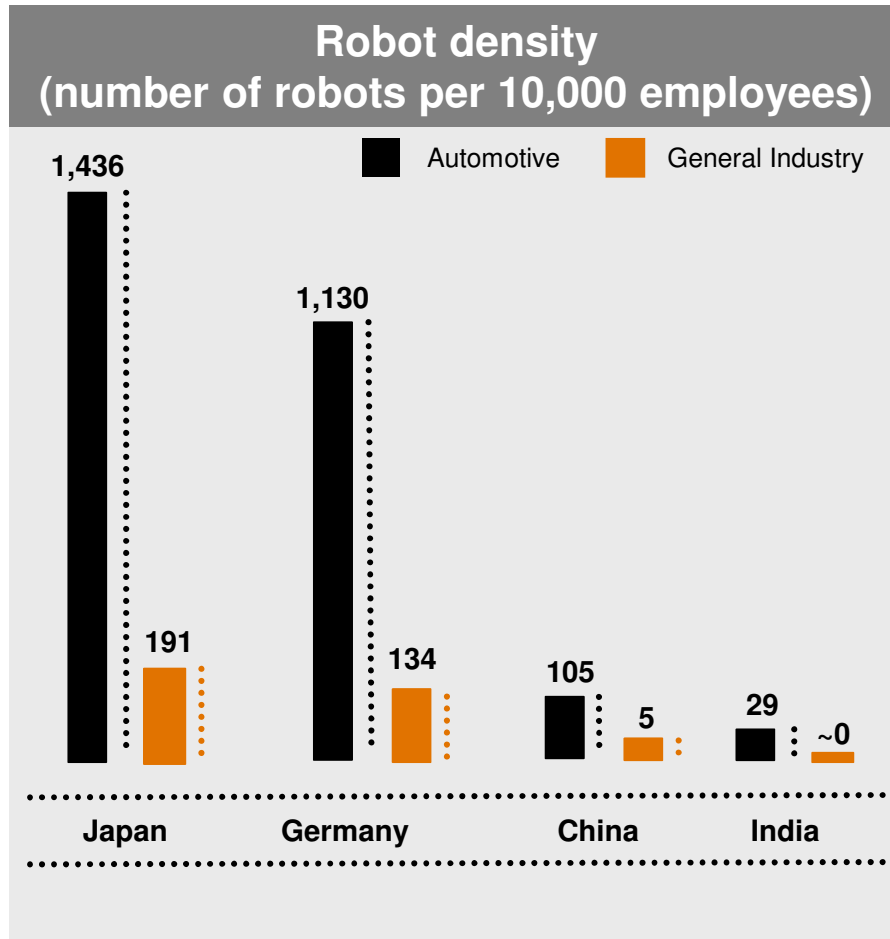
Systems - strategy

Increase efficiency through internationalization



Robotics – growth market general industry

Opportunity - Low robot density in general industry



Robotics – increase share in general industry

Potential market for Robotics growing by 20,000

Medium and heavy payload
(worldwide 2011: ~80,000 robots)

Small payload
(worldwide 2011: ~20,000 robots)



KR Quantec/KR C4
(Automotive)



KR Quantec/KR C4
(General Industry)



Portfolio development
(General Industry)

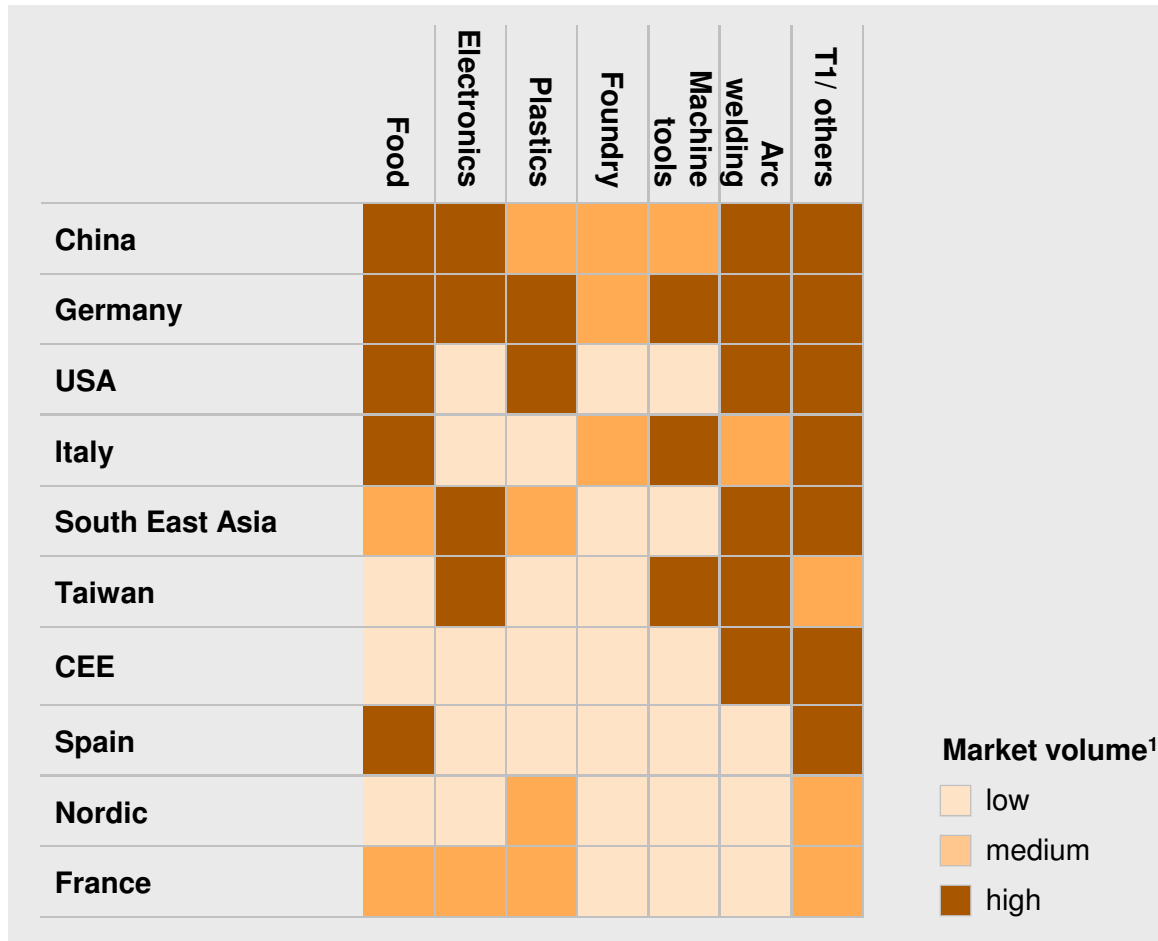


Source: IFR and KUKA estimate: approximately 100,000 articulated robots have been sold in 2011.



Robotics – increase share in General industry

Focus on 10 countries/regions and 7 segments



- ### Measures
- Concentration on 10 countries/regions and 7 customers
 - GI managers for sectors and countries/regions appointed
 - On-site unit „Sales, Service and Product Management“ in all countries/ regions
 - Increase number of industry specialists
 - Set up of key account management in general industry

1) Source IFR. Market volume p.a. - high: >300 robots/ medium 150-300 robots/ low <150 robots.



Advanced Robotics

High margin potential in health care/ service robotics



Radiation therapy

- Products on the market with Accuray and Forte



Diagnosis

- Product on the market with Siemens



Minimally invasive surgery (soft/hard)

- Dialog with potential partners



Reha-bilitation

- Light weight robot positioned at universities/ research institutions



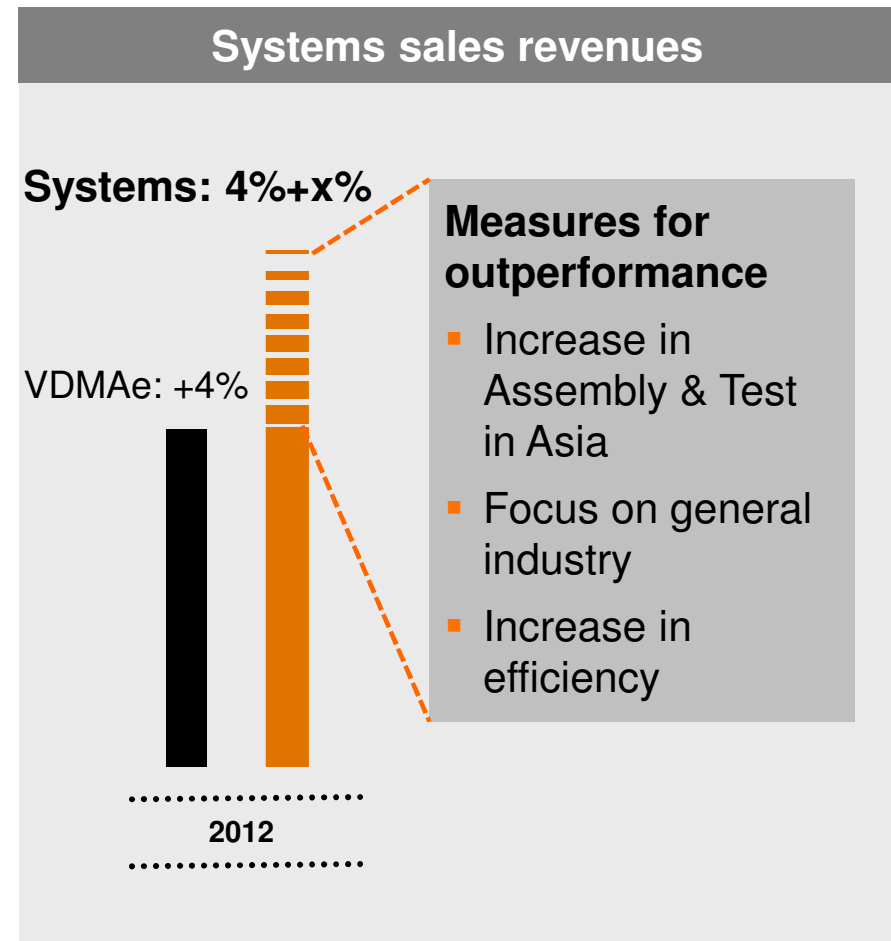
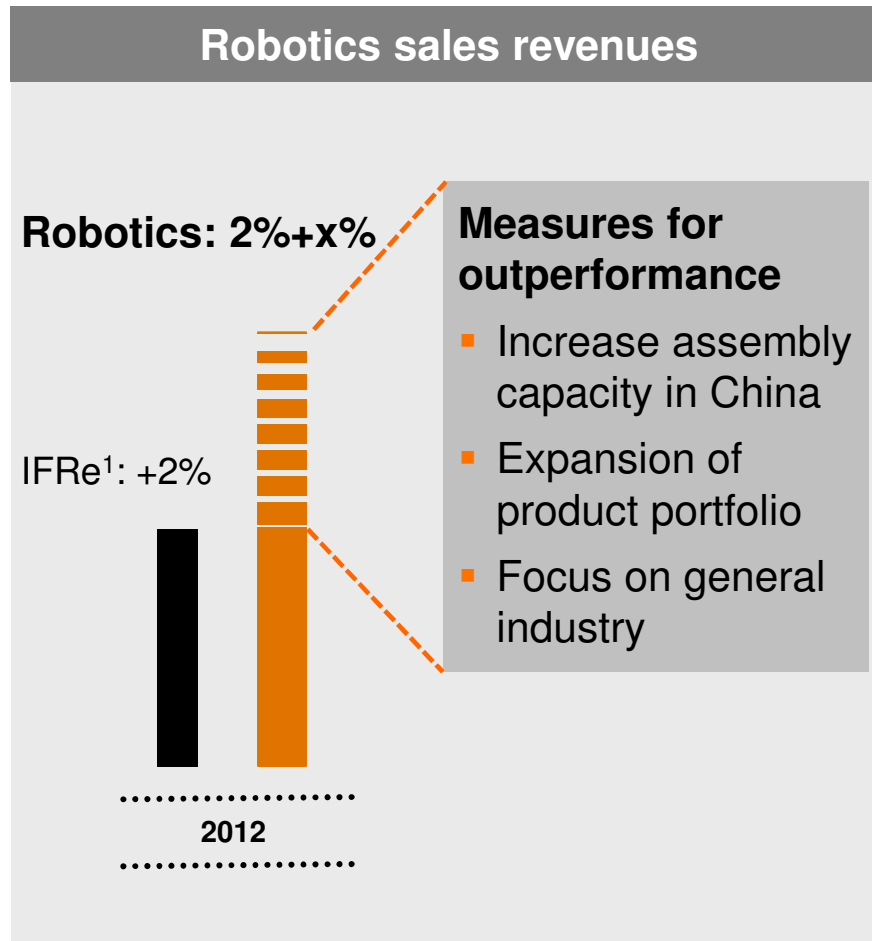
Service robotics

- First pilot project



Outlook 2012

KUKA aims for higher growth rates than the market



1) Number of robots sold.



Outlook 2012

Disproportional growth of EBIT margin expected

- **Development of sales revenues** benefits from high order backlog and continuing demand at Robotics and Systems.

- **Realization of further margin potentials**
 - Robotics:
 - Increased share of KR Quantec
 - Further growth in general industry
 - Systems:
 - Price quality of order backlog
 - Internationalization of the value-creation chain

	2011	2012 expected
Sales	€ 1.44 billion	≥ € 1.44 billion
EBIT margin	5.1%	≥ 5.5%



Disclaimer

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These factors may include, for example, changes in the overall economic situation, exchange rates and interest rates, and changes affecting individual markets.

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IAS 23 R

Reconciliation of EBIT

(€ million)	Q4/10	Q1/11	Q2/11	Q3/11	Q4/11	2011
Earnings from operating activities	17.6	13.0	14.6	17.0	19.6	64.2
Reconciliation to earnings before interest and taxes (EBIT)						
Financing costs included in operating results	7.2	1.7	1.8	2.2	2.7	8.4
Earnings before interest and taxes (EBIT¹)	24.8	14.7	16.4	19.2	22.3	72.6

1) Adjusted to take into consideration finance costs included in operating result (IAS 23R)

