

KUKA Aktiengesellschaft

Financial Results 2014

March 25, 2015

2014¹ - the best year in KUKA's corporate history

€2.2 billion
orders received
(+18.4%)

6.8 %EBIT margin
6.8% in 2013



€2.1 billion sales revenues
(+18.1%)



€89.8 million free cash flow (organic)
-€198.5 million (incl. acquisitions)



€68.1 million earnings
after taxes (+16.8%)

Operative highlights 2014

Acquisitions



Presentation of human-robot collaboration at Automatica



Joint Venture Yawei



ZF Supplier Award

Groundbreaking of the Development and Technology Center in Augsburg

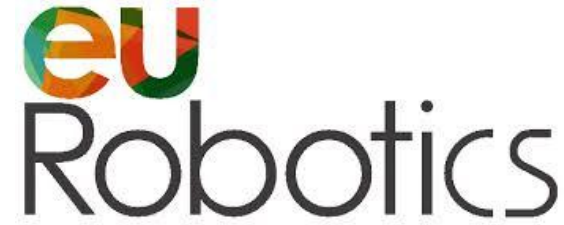


KUKA – leading innovation

„Innovationspreis der deutschen Wirtschaft“



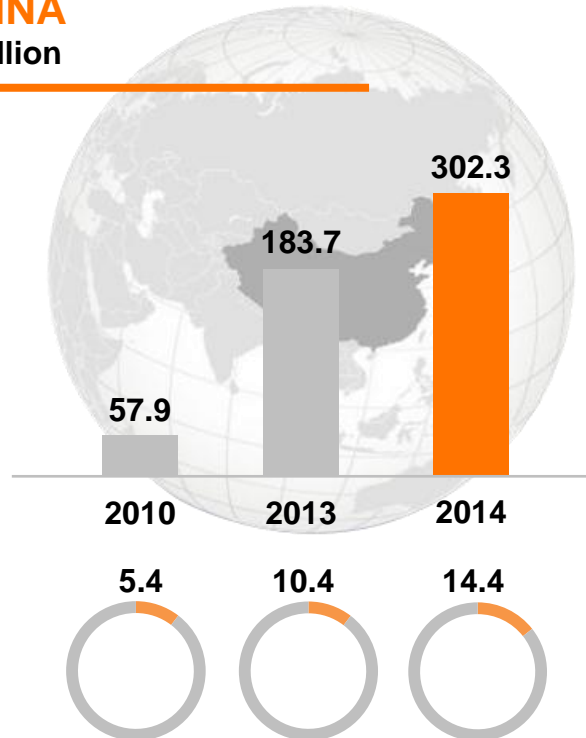
euRobotics Technology Transfer Award



Sales revenues – increased shares in China and North America

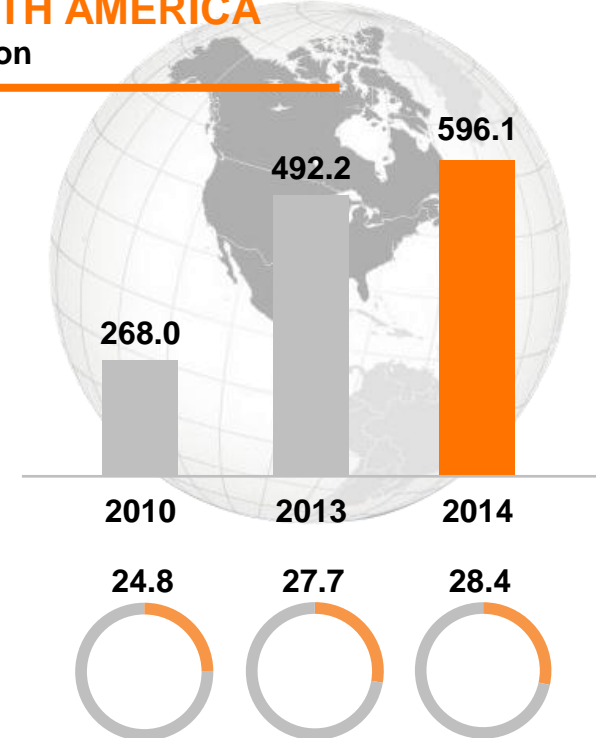
CHINA

€ million



NORTH AMERICA

€ million



Share in % of total sales revenues

Outlook 2015



~ €2.8 billion

SALES REVENUES



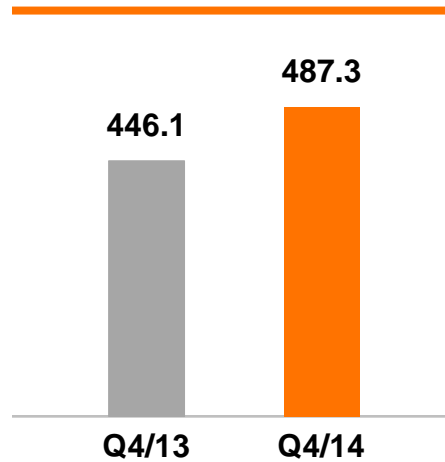
~ 5.5%¹

EBIT MARGIN

Group: Orders received – sales revenues – EBIT margin

ORDERS RECEIVED

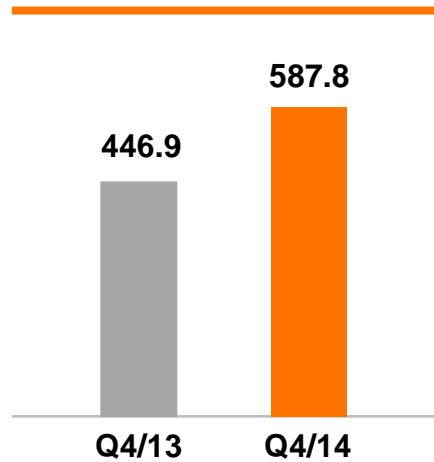
in € million



+9.2%

SALES REVENUES

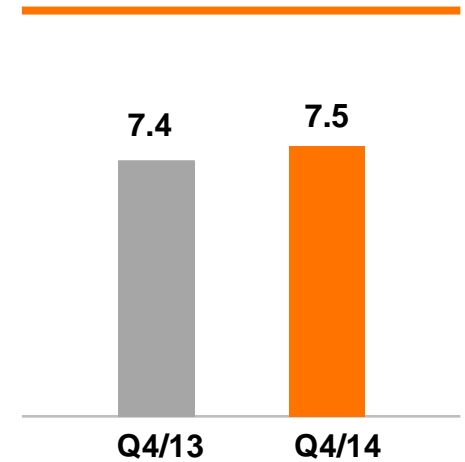
in € million



+31.5%

EBIT MARGIN

in %



+10bp

Key figures² for Q4/14 and FY14

(€ million)	Q4/13	Q4/14	Delta (%)	FY13	FY14	Delta (%)
Sales revenues	446.9	587.8	31.5%	1,774.5	2,095.7	18.1%
Gross operating result	123.6	149.7	21.1%	438.5	525.5	19.8%
as % of sales revenues	27.7	25.5	–	24.7	25,1	–
EBITDA	43.6	56.2	28.9%	158.4	184.9	16.7%
as % of sales revenues	9.8	9,6	–	8.9	8.8	–
Earnings before interest and tax (EBIT)	32.9	44.0	33.7%	120.4	142.0	17.9%
as % of sales revenues	7.4	7,5	–	6.8	6.8	–
Result after taxes	16.6	68.1	–	58.3	68.1	16.8%
Capital expenditure	40.9	47.4	15.9%	74.7	94.3	26.2%
Equity ratio (in %)	–	–		27.5	27.3	–
Net liquidity (Dec. 31)	–	–		146.5	32.6	-77.7%
Employees (Dec. 31)¹	–	–		7,990	12,102	51.5%
Cash earnings	38.1	27.8	-27.0%	115.3	127.3	10.4%
Cash flow from current business operations	91.8	63.7	-30.6%	221.0	167.0	-24.4%
Free cash flow	16.1	-269.8	–	95.4	-198.5	–

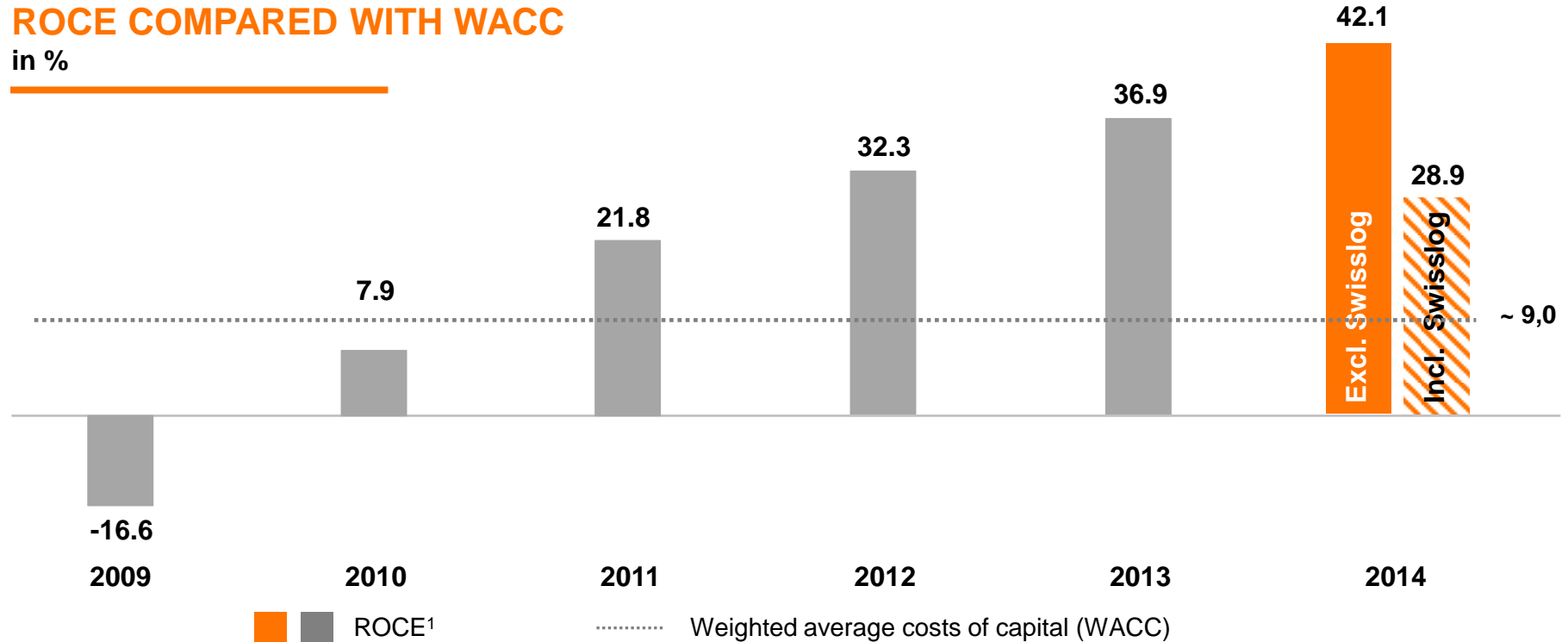
1) Swisslog 2,369, Reis 1,032, Alema 87

2) Inkl. Reis und Alema

ROCE¹ – value added for shareholders

ROCE COMPARED WITH WACC

in %

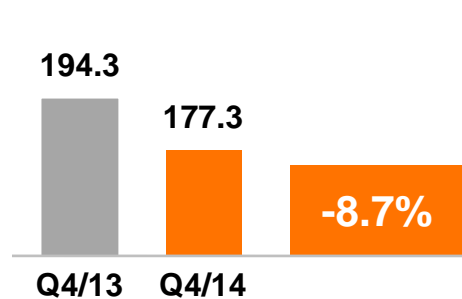
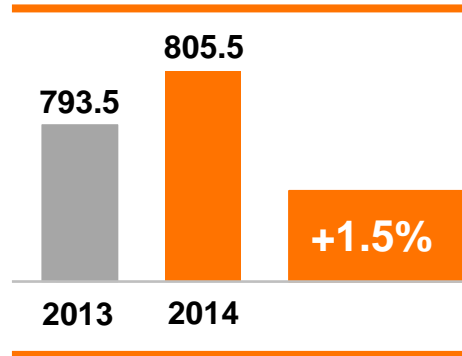


1) ROCE = EBIT divided by the average capital employed
 KUKA Aktiengesellschaft

Robotics – key figures Q4/14 and FY14

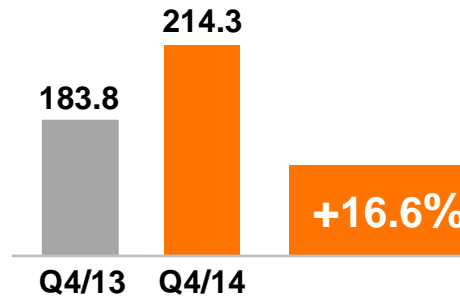
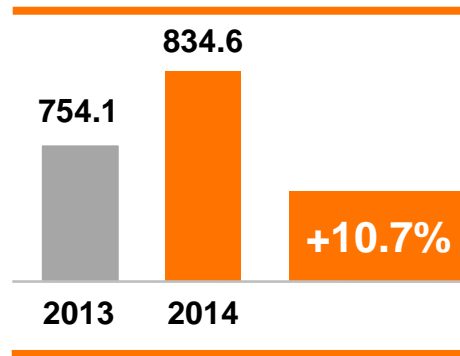
ORDERS RECEIVED

in € million



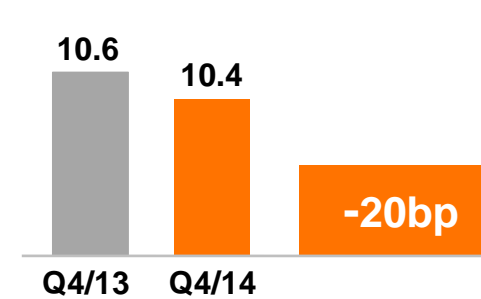
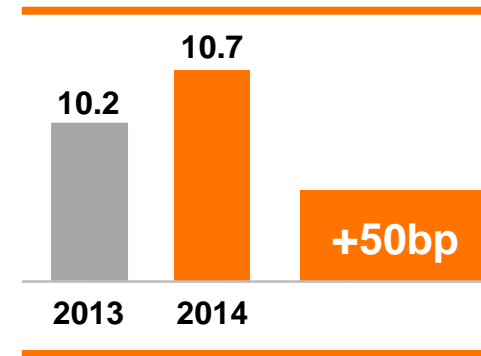
SALES REVENUES

in € million



EBIT MARGIN

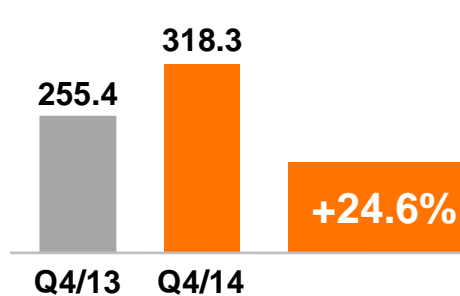
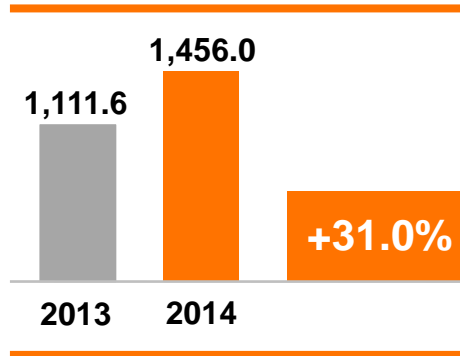
in %



Systems¹ – key figures Q4/14 and FY14

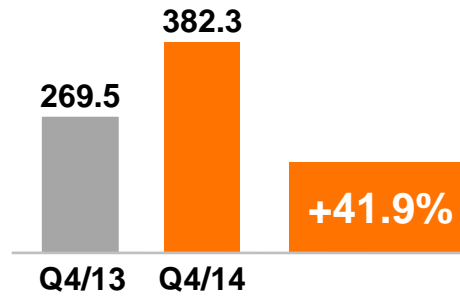
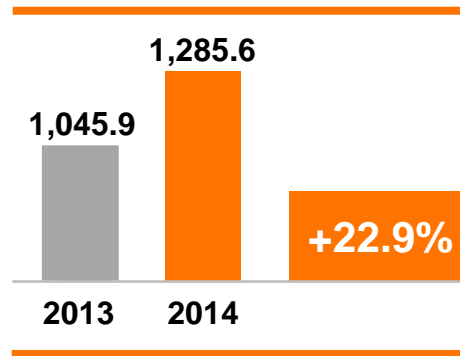
ORDERS RECEIVED

in € million



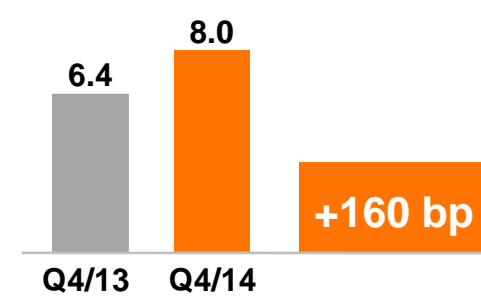
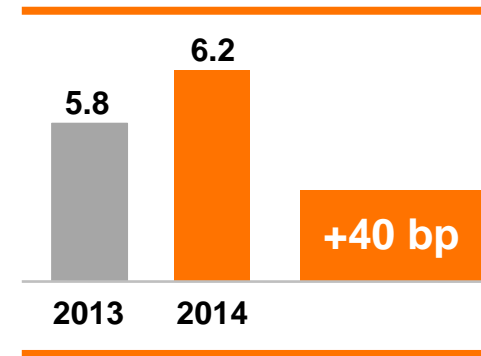
SALES REVENUES

in € million



EBIT MARGIN

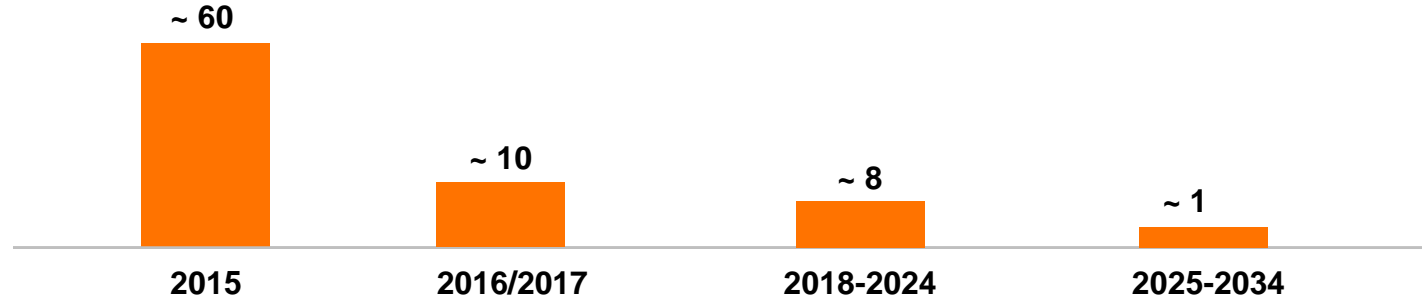
in %



PPA¹ depreciation for Swisslog

Expected development

€ million



- Clear strategy for Swisslog: 1) Increased efficiency 2) New products 3) Sales growth
- PPA depreciation at a high declining-balance rate
- Swisslog already set to enhance earnings before PPA in 2015
- Positive cash flow of Swisslog expected in 2015

Investment in KUKA – new PLM¹ and ERP² systems



PLM¹ system

- Global standardization and harmonization of process steps at Systems
- Standardized, global database for all Systems projects
- **Benefits:** Reduction in project costs, purchasing synergies, more flexible use and better utilization of resources

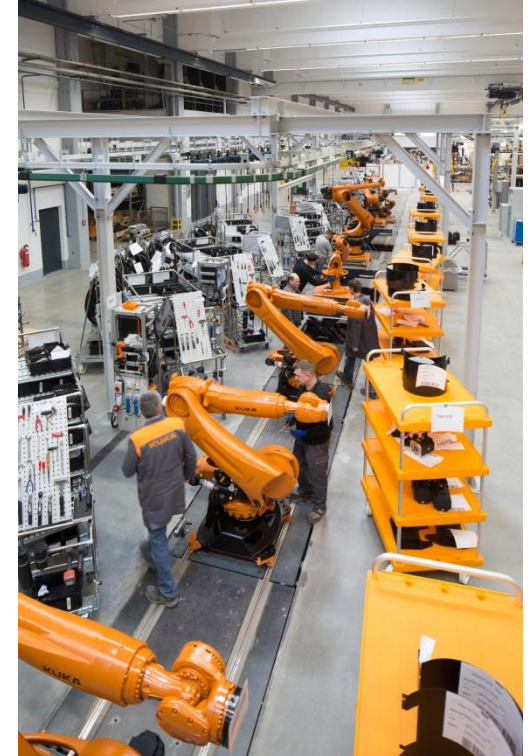


ERP² system

- Global introduction of a standardized ERP² system in all KUKA subsidiaries
- ERP² is the basis for KUKA's strategic transformation and Industry 4.0
- **Benefits:** Networking of business units, more shared services, Sales support, higher efficiency through standardization

KUKA is transforming into a global technology group and is ready for Industry 4.0

We are investing in our future



Outlook – KUKA 2020

DEVELOPMENT

Growth around 100%

Sales revenues
€2.1 billion

2014

KUKA Industries
REIS
REIS ROBOTICS

General
Industry

New products/
Industry 4.0



China



Swisslog /
E-commerce

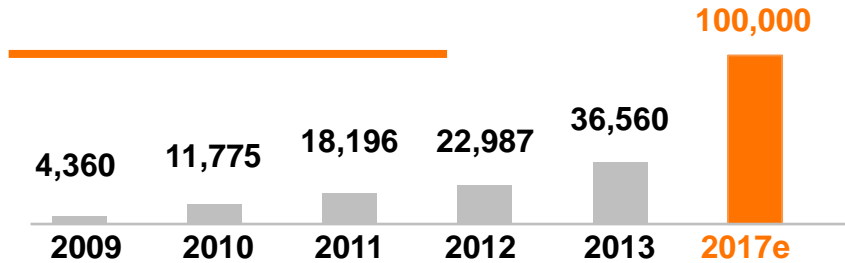
Sales revenues
€4 - 4.5
billion

EBIT margin
> 7.5%

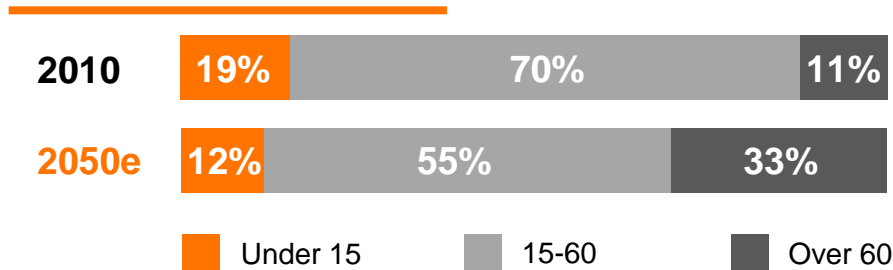
2020

China – largest robot market

ROBOTS SOLD IN CHINA¹

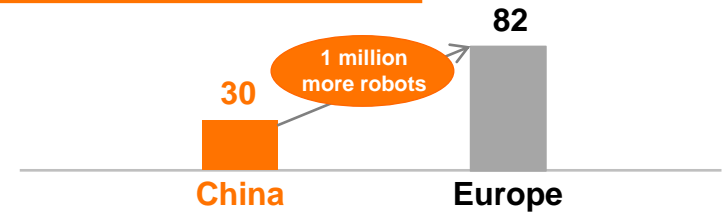


DEMOGRAPHIC DEVELOPMENT²



ROBOT DENSITY⁴

Robots per 10,000 employees



WAGE DEVELOPMENT³

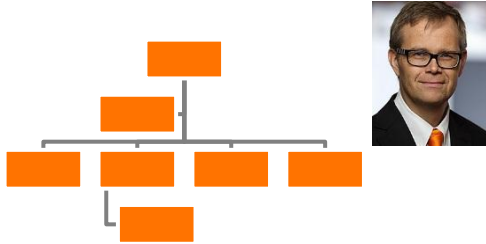
In %



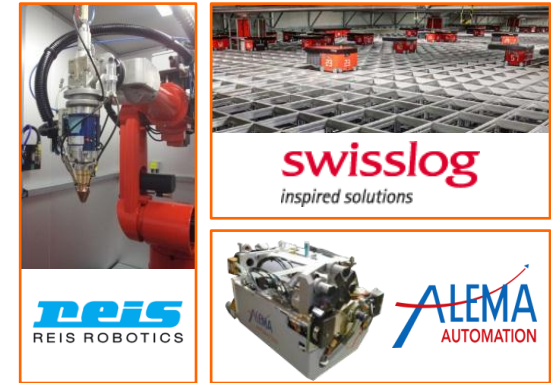
1, 4) IFR – International federation of robotics
2) KPMG, China 360, 2013

Accelerating growth in general industry

STRUCTURE



ACQUISITIONS



SEGMENTS/ PRODUCTS



KUKA Industries – robots and plant engineering out of one hand

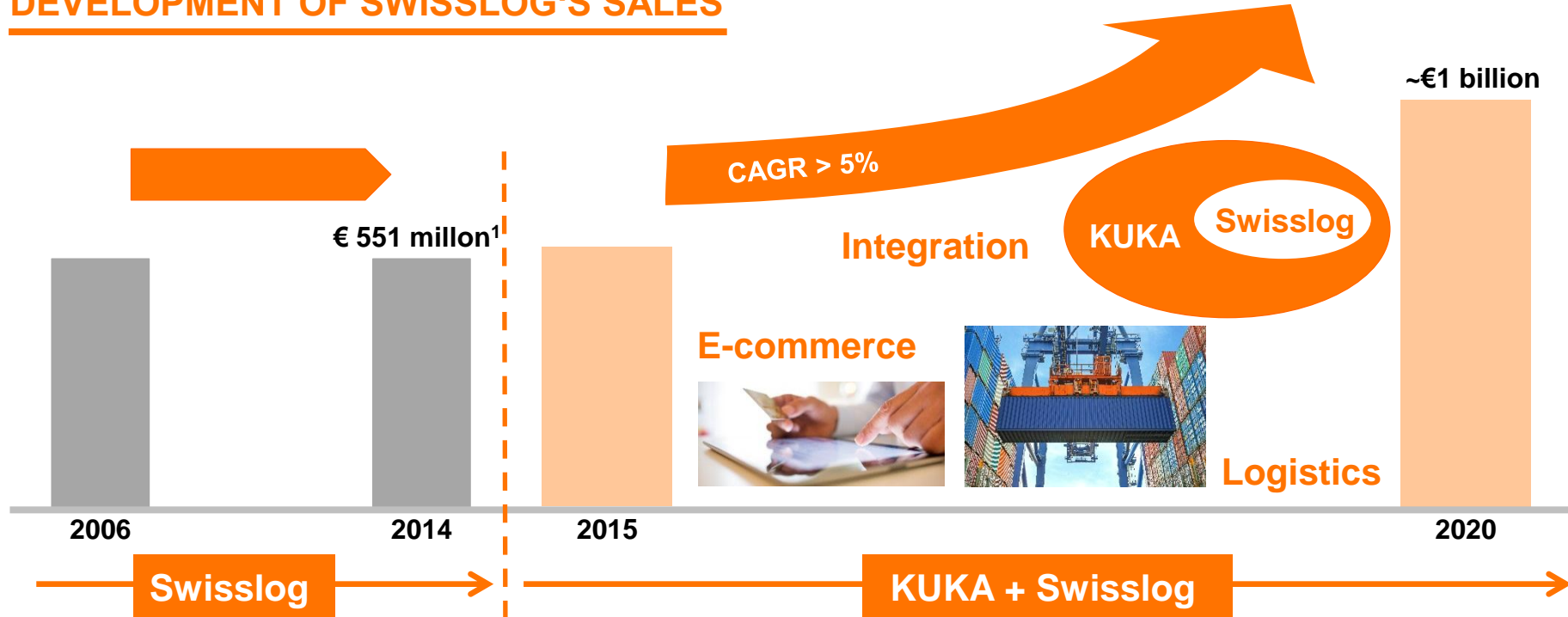


- Reis restructuring completed 
- Management established 
- Technical Solutions and Reis consolidated 
- Expansion of standardization in industries
 - Casting technology
 - Welding
 - Battery
 - Laser

**Focus
2015**

High sales synergies between KUKA and Swisslog

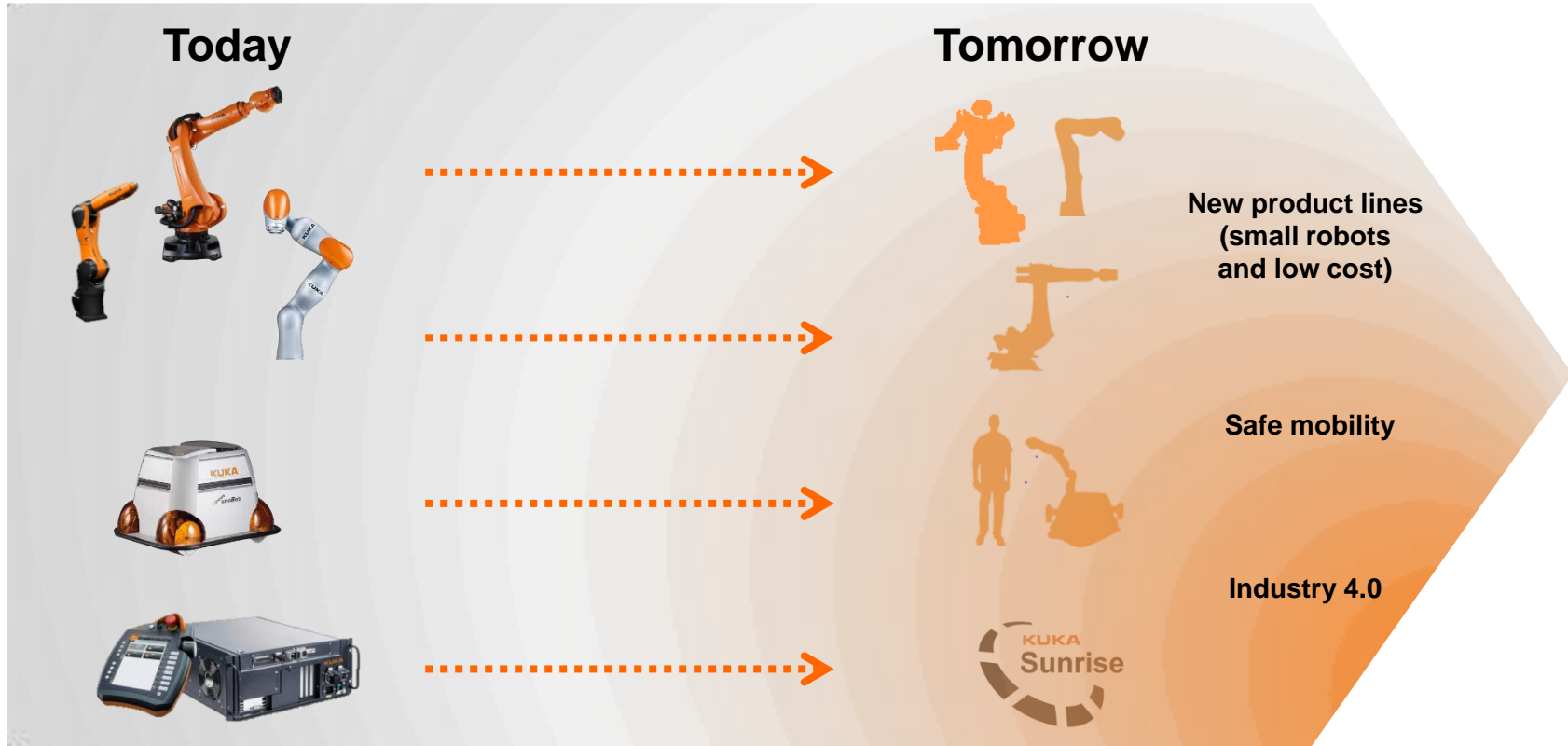
DEVELOPMENT OF SWISSLOG'S SALES



1) Sales of Swisslog FY14: CHF 669.6 million = € 551 million
KUKA Aktiengesellschaft (Average exchange rate EUR/CHF in FY14: 1,215)

New products – we build the future of Industry 4.0

NEW PRODUCTS



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. KUKA Aktiengesellschaft provides no guarantee that the future development and the future results actually achieved will correspond to the assumptions and estimates stated here and accepts no liability if they should fail to do so.

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IAS 23 R – Reconciliation of EBIT

(€ million)	Q4/13	Q1/14	Q2/14	Q3/14	Q4/14
Operating result	30.4	26.4	33.2	35.9	42.7
Reconciliation of earnings before interest and tax (EBIT)					
Finance costs included in cost of goods sold	2.6	0.7	0.9	0.9	1.3
Earnings before interest and tax (EBIT)	33.0	27.1	34.1	36.8	44.0