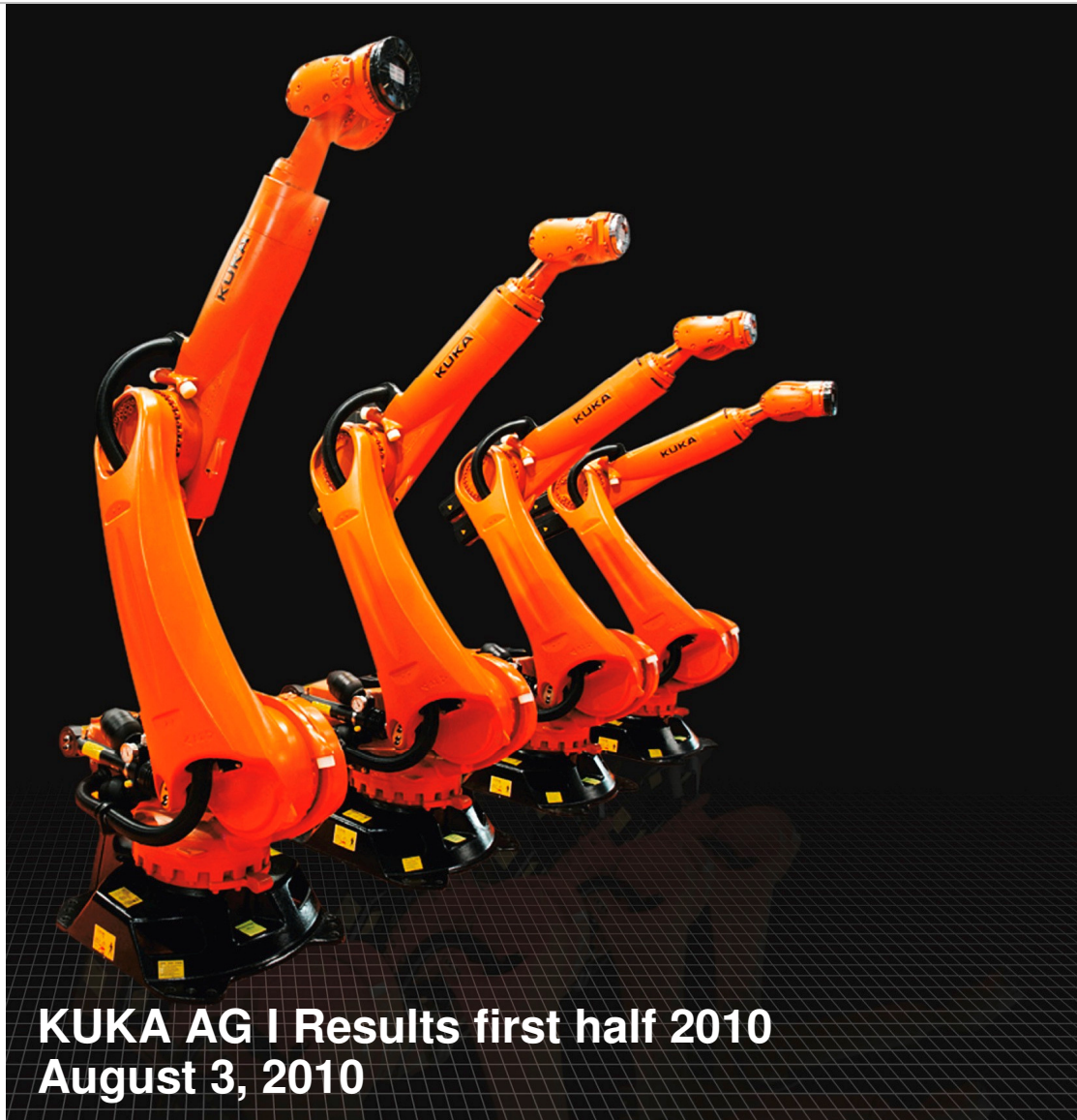


KUKA



**KUKA AG | Results first half 2010
August 3, 2010**

QUANTEC - the new
generation of industrial
robots



Q2/10 and H1/10 highlights

Successful turnaround

- **Orders received** up sharply to € 547.7 million in H1/10
 - Robotics: Q2/10 best quarter ever (€ 131.7 million)
 - Systems: Major order from automotive in Brazil
- Orders received growth will be reflected in increasing **sales and operating profit in H2/10**
- Higher sales and cost reductions **improved EBIT margin** substantially: 2.5% in Q2/10
- **Guidance raised** for 2010

- **Capital increase successfully completed**
- **New generation of industrial robots QUANTEC** presented at Automatica
- Close cooperation with DLR¹ in **health care applications**

1) Deutsches Zentrum für Luft- und Raumfahrt



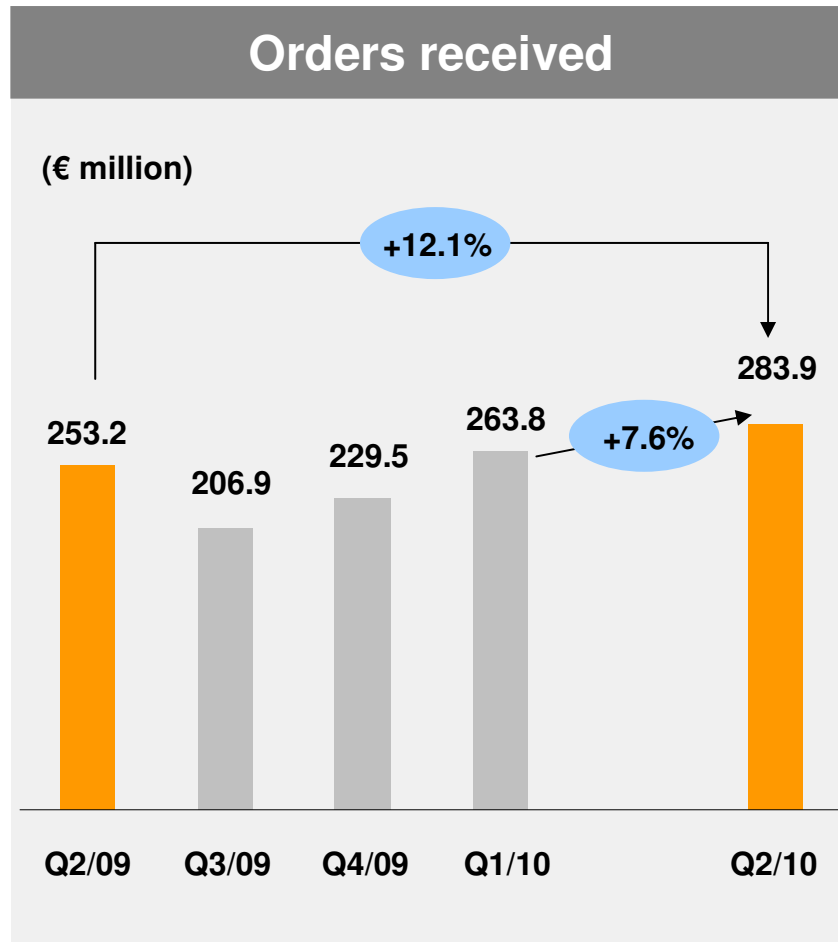
Financial results

Key figures Q2/10 and H1/10

€ million	Q2/10	Q2/09	Delta	H1/10	H1/09	Delta
Order received	283.9	253.2	12.1%	547.7	466.9	17.3%
Sales revenues	271.0	210.7	28.6%	480.1	437.7	9.7%
Gross profit	52.2	38.3	36.3%	90.8	89.4	1.6%
in % of sales revenues	19.3	18.2	-	18.9	20.4	-
EBITDA	12.5	-17.2	-	16.4	-10.8	-
in % of sales revenues	4.6	-8.2	-	3.4	-2.5	-
EBIT	6.7	-23.1	-	5.0	-22.9	-
in % of sales revenues	2.5	-11.0	-	1.0	-5.2	-
Capital expenditure	3.4	6.5	-47.7%	5.3	11.1	-52.3%
Employees (06/30)	5,774	5,891	-2.0%	5,774	5,891	-2.0%

Financial results

Orders received substantially higher



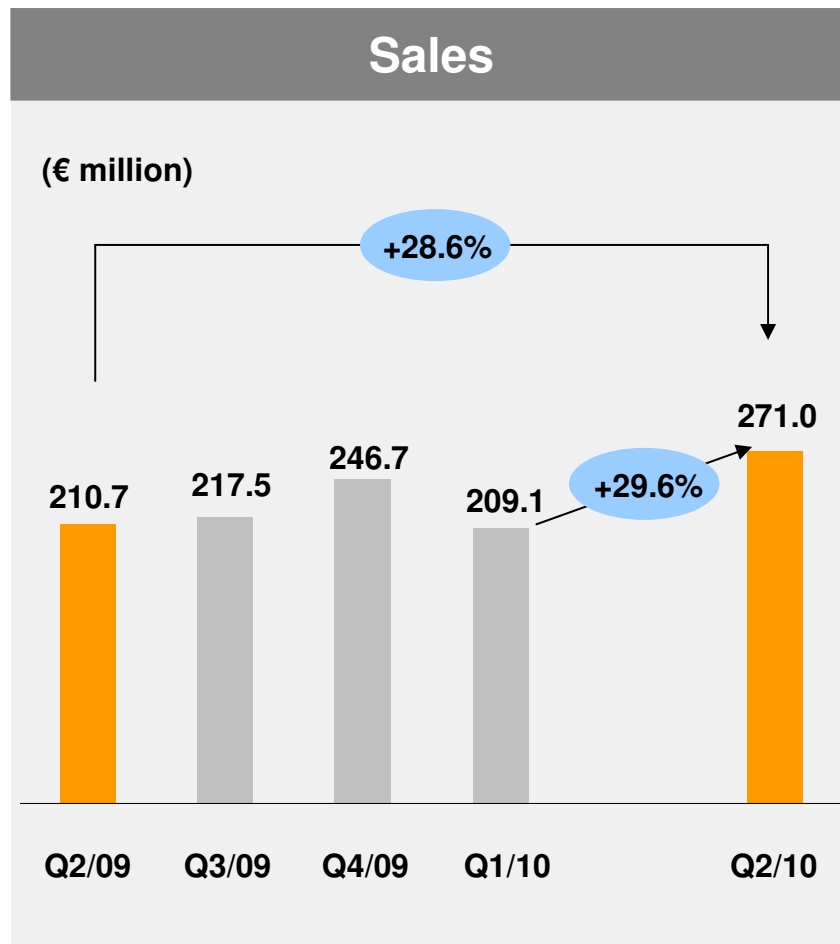
Development

- Orders received climb 12.1%
- Robotics: orders received increased 57.3% to € 246.4 million in H1/10
 - Robotics outperforms market: VDMA Robotics and Automation +53% in H1/10
- Systems: orders received increased by 2.0% due to strong automotive order volume in Q2/09



Financial results

Strong sales growth in Q2/10



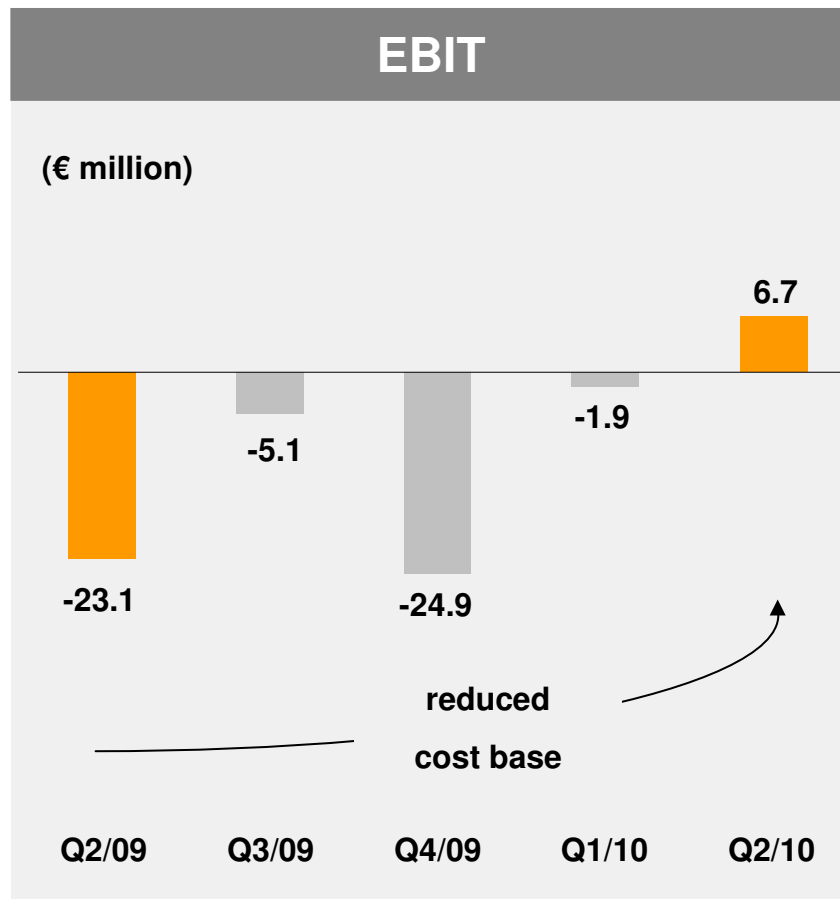
Development

- Sales climbed 28.6% to € 271.0 million in Q2/10
- Book-to-bill ratio: 1.05 in Q2/10
- Robotics: sales increased 55.8% with substantial share of automotive
- Systems: sales growth of 16.5% in Q2/10 driven by strong US business



Financial results

EBIT back into very positive territory



Development

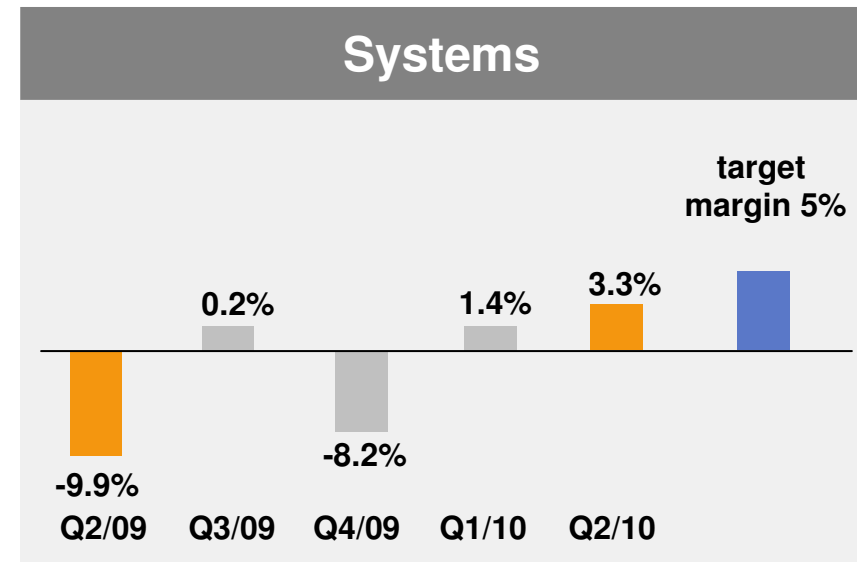
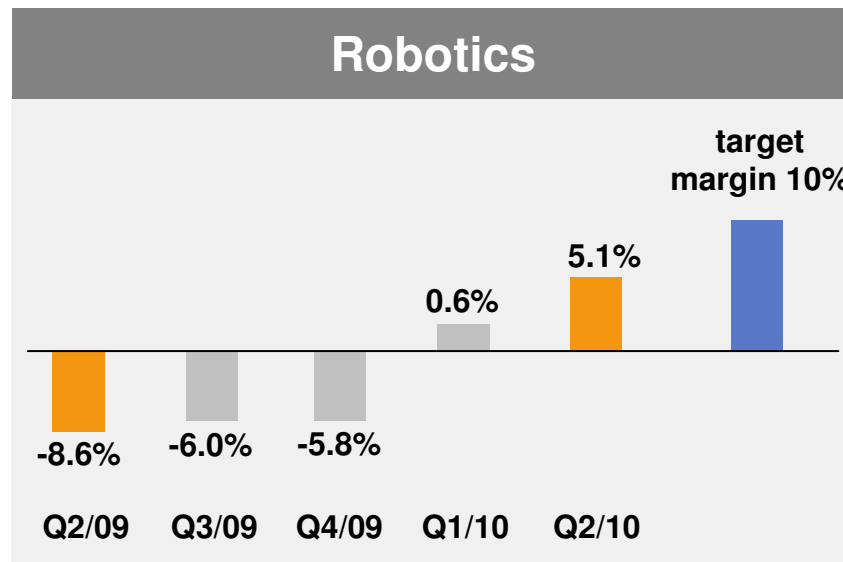
- EBIT turnaround:
 - Cost reduction
 - Increased sales
 - Fewer restructuring costs
- EBIT margin increased to 2.5 percent (Q2/10)
- Overhead costs¹ down sharply from € 112.4 million in H1/09 to € 87.4 million in H1/10

1) Total: Sales, R&D, general administration costs and other operating income/expenses.



Financial results Q2/10

On track to achieve the target margins



Measures to achieve target margin

- Sale of QUANTEC in 2011
- General industry share should increase starting Q3/10

Measures to achieve target margin

- Savings from of cost cutting program
- Higher efficiencies driven by improved processes (e.g., purchasing)



Operating divisions

Robotics and Systems on track

Robotics						
€ million	Q2/10	Q2/09	Delta	H1/10	H1/09	Delta
Sales revenues	112.8	72.4	55.8%	199.0	169.0	17.8%
Gross profit	31.4	21.2	48.1%	52.9	55.9	-5.4%
in % of sales revenues	27.8	29.3	-	26.6	33.1	-
EBIT	5.7	-6.2	-	6.2	-2.0	-
in % of sales revenues	5.1	-8.6	-	3.1	-1.2	-
Employees (06/30)	2,190	2,084	5.1%	2,190	2,084	5.1%
Temporary workers	179	102	75.5%	179	102	75.5%

Systems						
€ million	Q2/10	Q2/09	Delta	H1/10	H1/09	Delta
Sales revenues	167.9	144.1	16.5%	303.9	282.8	7.5%
Gross profit	18.5	14.3	29.4%	34.5	30.5	13.1%
in % of sales revenues	11.0	10.0	-	11.4	10.8	-
EBIT	5.5	-14.3	-	7.6	-15.4	-
in % of sales revenues	3.3	-9.9	-	2.5	-5.4	-
Employees (06/30)	3,390	3,600	-5.8%	3,390	3,600	-5.8%
Temporary workers	485	498	-2.6%	485	498	-2.6%

Income statement/ cash flow

Operating profit after taxes improved substantially

€ million	Q2/10	Q2/09	Delta	H1/10	H1/09	Delta
Sales revenues	271.0	210.7	28.6%	480.1	437.7	9.7%
Cost of sales	-218.8	-172.4	26.9%	-389.3	-348.3	-11.8%
Gross profit	52.2	38.3	36.3%	90.8	89.4	1.6%
Selling expenses	-21.0	-19.5	7.7%	-39.3	-40.1	2.0%
Research and development expenses	-7.9	-10.9	-27.5%	-14.8	-20.0	26.0%
General and administrative expenses	-21.1	-19.7	7.1%	-37.2	-38.2	2.6%
Other operating income and expenses	3.1	-11.4	-	3.9	-14.1	-
Earnings from operating activities	5.3	-23.2	-	3.4	-23.0	-
Reconciliation EBIT						
Financing costs included in cost of sales	1.4	0.1	-	1.6	0.1	-
EBIT	6.7	-23.1	-	5.0	-22.9	-
Financial results	-4.1	-1.3	-	-9.1	-2.6	-
Earnings before tax	1.2	-24.5	-	-5.7	-25.6	-
Taxes on income	-0.5	-9.7	-	-4.6	-10.4	55.8%
Net result	0.7	-34.2	-	-10.3	-36.0	71.4%
Cash Earnings	8.0	-20.7	-	3.9	-16.9	-
Cashflow from operating activities	-17.6	8.1	-	-12.0	-28.9	58.5%
Free Cashflow	-20.9	1.7	-	-16.3	-40.6	59.9%

Outlook

Guidance increased

Summary

- H1/10 results and high order backlog create **high visibility** and security for 2010
- **EBIT turnaround** achieved in Q2/10
- **Successful capital increase** and **financing** extended until March 31, 2012¹
- **Automatica**: New industrial robot product portfolio secures technology leadership
- **Recurring reductions** of about € 65-70² million for 2010 above plan

Outlook 2010	Old	New
Sales	mid single-digit growth	> € 1 billion
EBIT	positive excluding any special charges	€ 20-30 million excluding restructuring costs of up to € 10 million

1) Condition: refinancing of convertible bond by August 31, 2011. 2) Cumulated 2009 and 2010



Disclaimer

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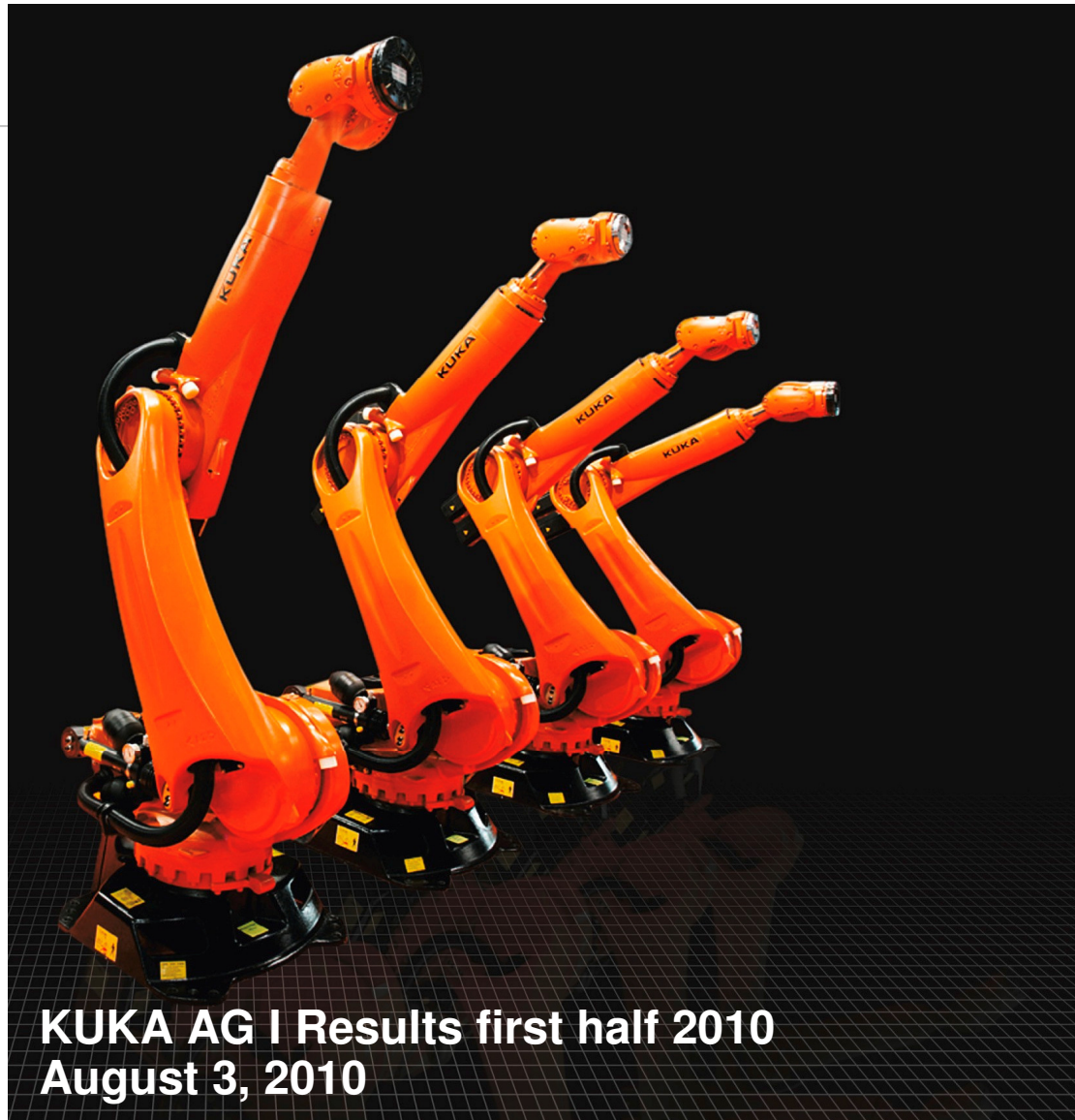


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EBIT bridge

€ million	Q1/09	Q2/09	Q3/09	Q4/09	FY09	Q1/10	Q2/10
Earnings from operating activities	0.2	-23.2	-5.2	-25.0	-53.2	-2.1	5.3
Reconciliation to the operating result (EBIT)							
Financing costs included in cost of sales	0.02	0.07	0.10	0.13	0.32	0.15	1.40
Operating result (EBIT)	0.2	-23.1	-5.1	-24.9	-52.9	-1.9	6.7





QUANTEC - the new
generation of industrial
robots

