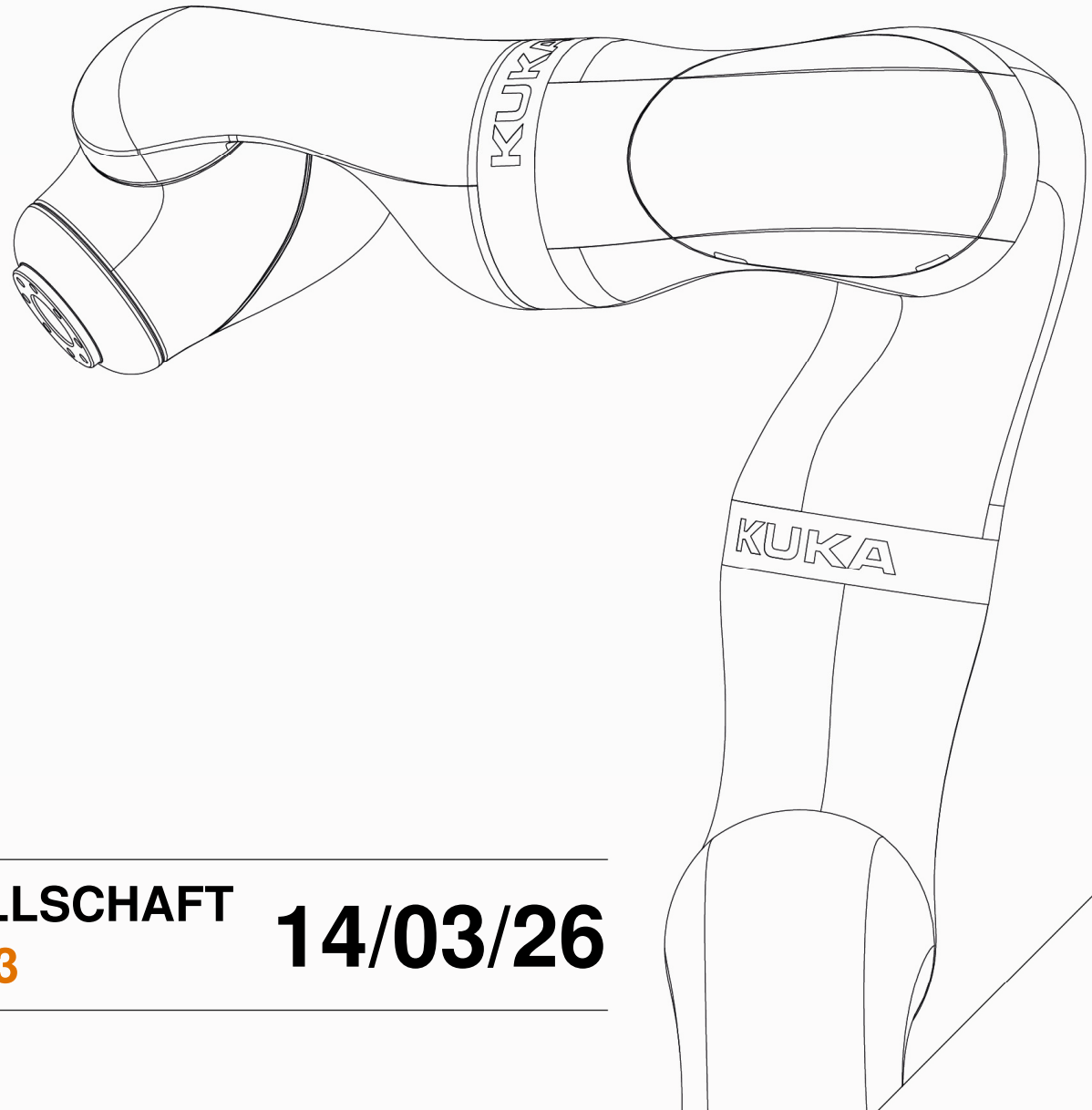


KUKA



KUKA AKTIENGESELLSCHAFT
Financial results 2013

14/03/26

Financial highlights 2013

Guidance fulfilled

- High level of **orders received** (€1.88 billion) and book-to-bill ratio¹ of over 1 (1.06)
- **Revenue** up 2% to €1.77 billion
- **EBIT²** up 9.7% to €120.4 million
 - **EBIT margin** increased significantly to 6.8% (2013: 6.3%)
- **Earnings after taxes** up from €55.6 million to €58.3 million
 - Earnings after taxes without effects of finance cost optimization around €63 million
- **Free cash flow** up from €77.1 million to €95.4 million
- **Dividend recommendation** for 2013: 30 cents per share

Guidance for 2013 fulfilled

	Guidance	Achievement
Revenue	~€1.8 billion	€1.8 billion
EBIT margin	~6.5%	6.8%



1) Ratio of orders received to sales. 2) Adjusted to take into consideration finance costs included in operating result (IAS 23 R)

Operative highlights 2013

A successful year for KUKA

China

- Opening of a new plant in **Shanghai**
- **Great Wall** order for 300 robots
- Body shop order in China with KUKA robots
- Order from **Volkswagen AG** for MQB platform



North America

- Acquisition of systems engineering business of **Utica enterprises**
- Systems engineering order from a **new automotive customer**: \$250 million

Utica
Automation, Inc
Press Room Automation

Utica
PRODUCTS, INC.
Form & Pierce Systems

Utica
Body & Assembly

Utica Laser Systems
WELDING & CUTTING LASER SYSTEMS

General Industry

- **Siemens/KUKA cooperation** for machine tools
- Acquisition of **Reis Robotics**

REIS
REIS ROBOTICS



Service robotics

- Premiere of **LBR iiwa**
- **Siemens Healthcare** frame contract for 360 medical robots

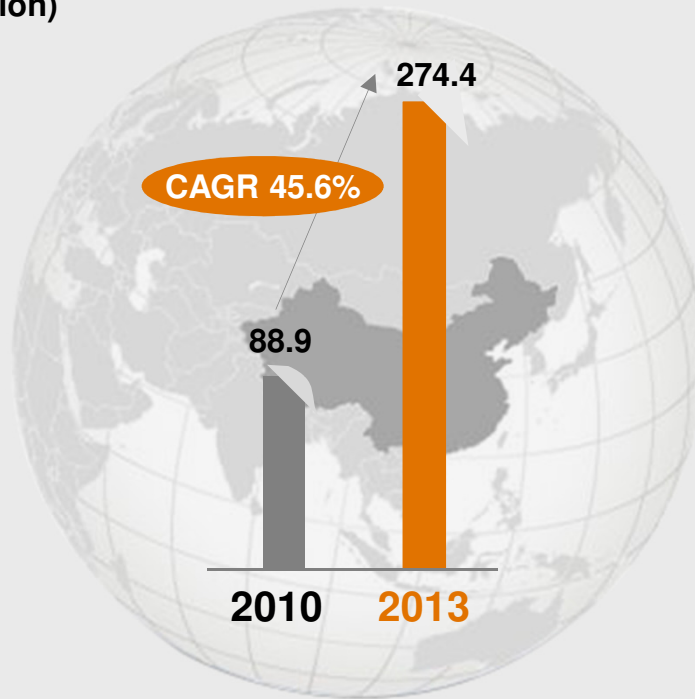


Orders received

Increased shares in China and North America

Orders received

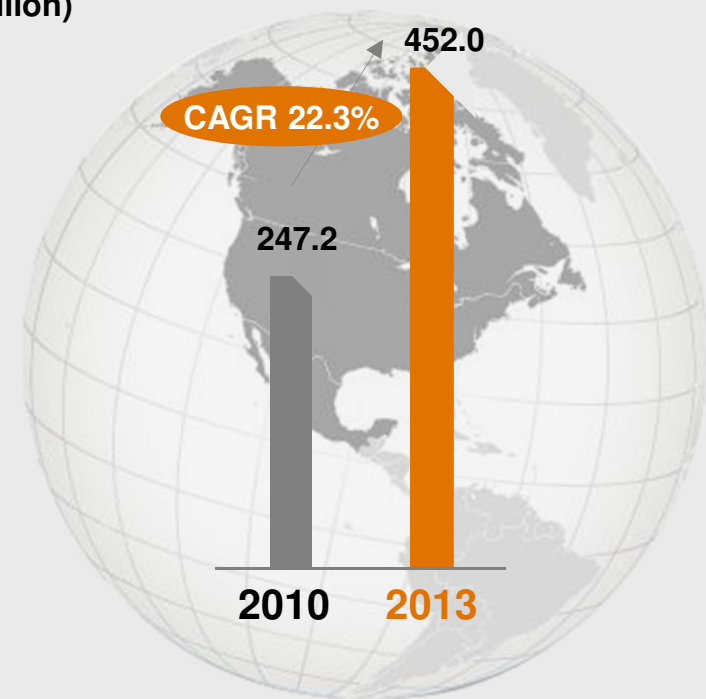
(€ million)



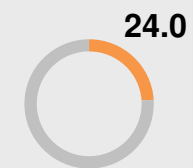
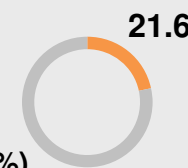
Share of group's total orders received (%)



(€ million)

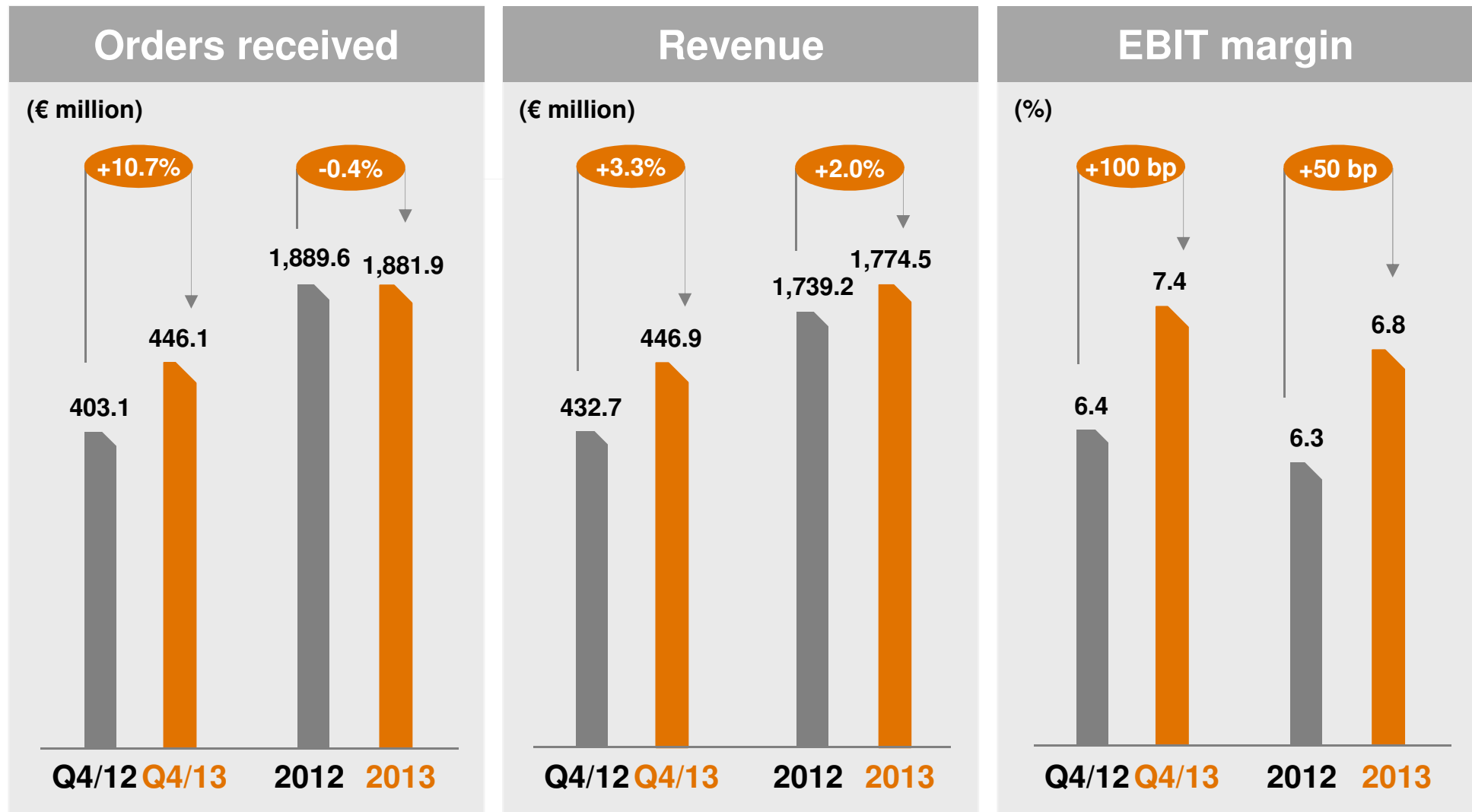


Share of group's total orders received (%)



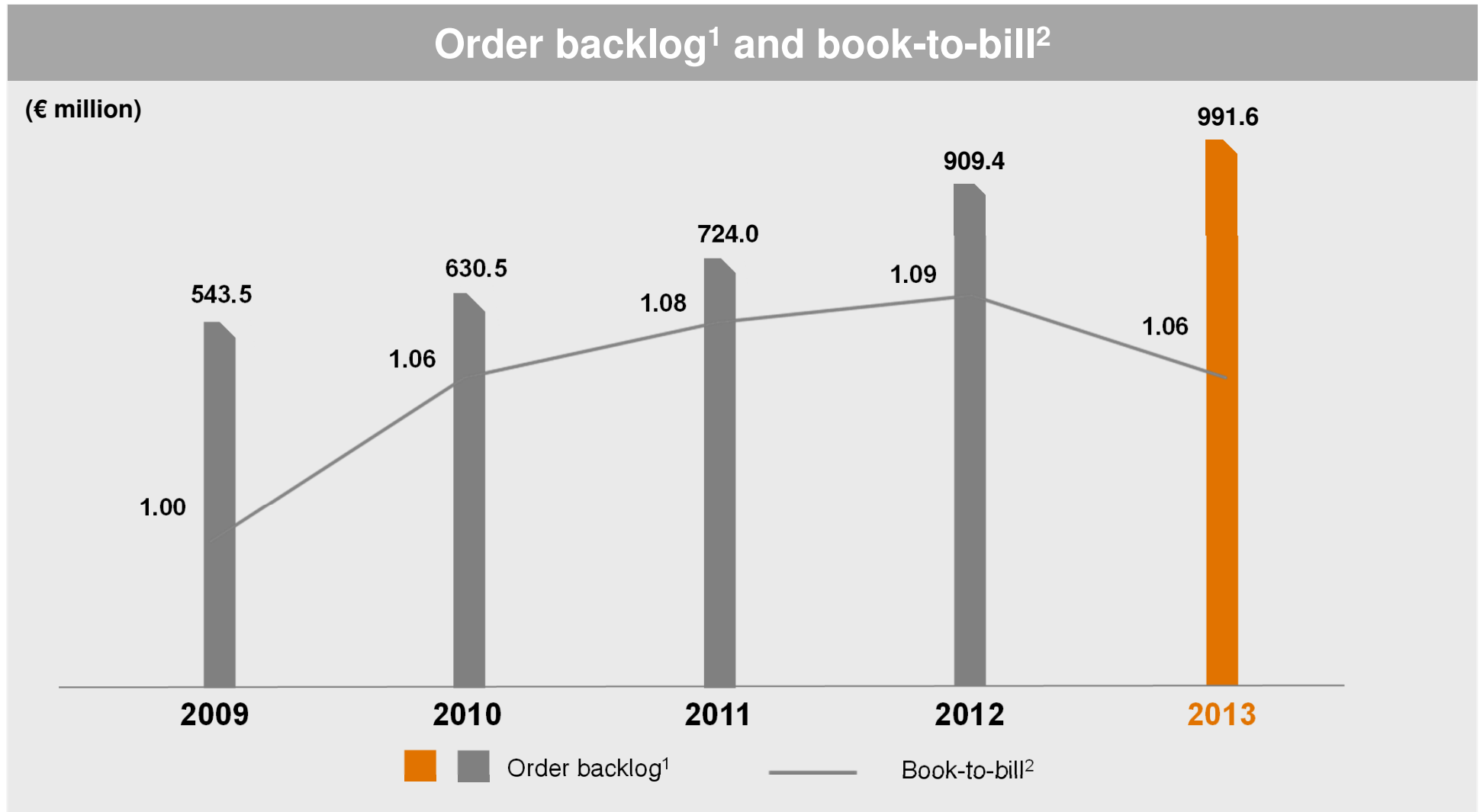
Key financial figures

Development: orders received, revenue and margin



Order backlog¹

High order backlog¹ assures high capacity utilization

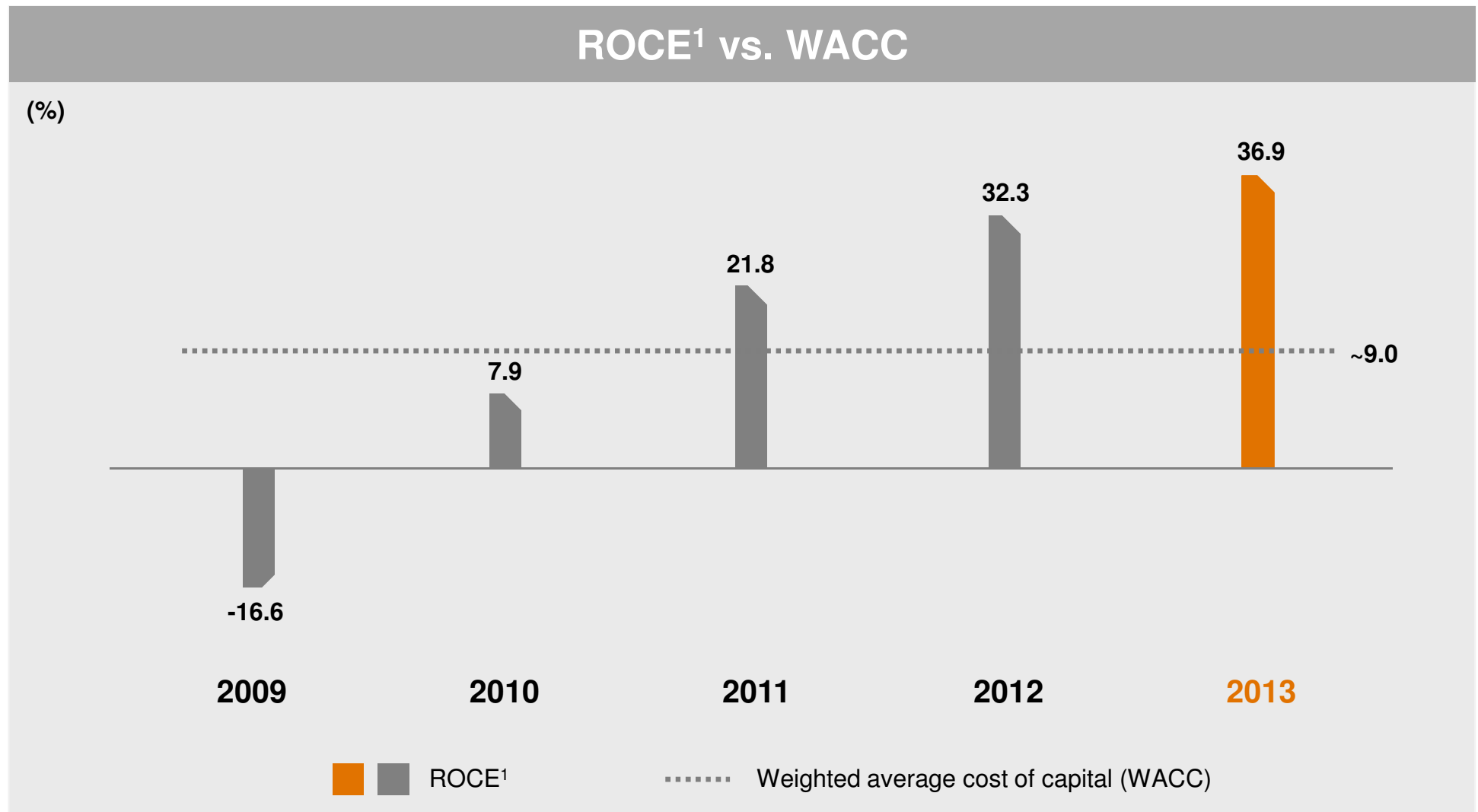


1) All figures as of 31.12.

2) Ratio of orders received to sales.

Profitability

ROCE¹ significantly improved



1) ROCE is the ratio of EBIT to average capital employed (annual report 2013 page 174)

Financial results

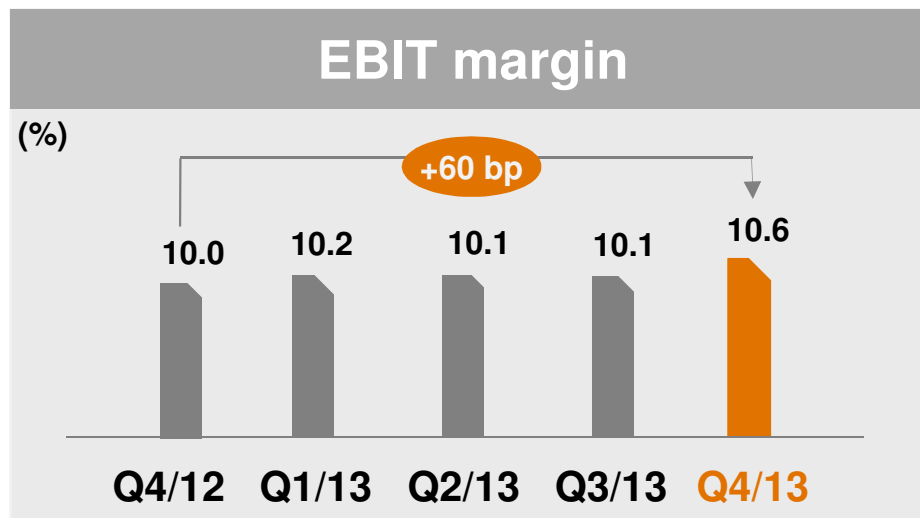
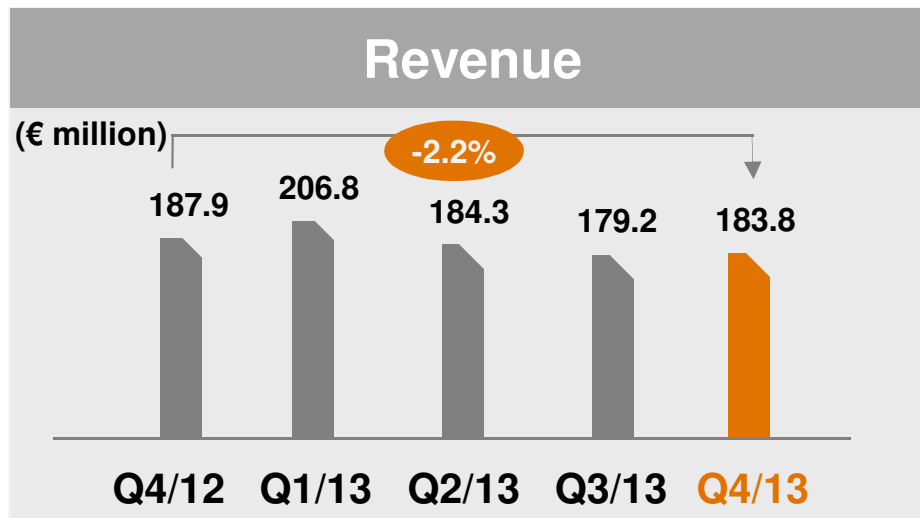
Key figures for Q4/13 and FY13

(€ million)	Q4/12	Q4/13	Delta (%)	FY12	FY13	Delta (%)
Revenue	432.7	446.9	3.3	1,739.2	1,774.5	2.0
Gross operating result	114.5	123.6	7.9	385.9	438.5	13.6
as % of revenue	26.5	27.7	-	22.2	24.7	-
EBITDA	35.4	43.6	23.2	138.5	158.4	14.4
as % of revenue	8.2	9.8	-	8.0	8.9	-
Earnings before interest and tax (EBIT¹)	27.6	32.9	19.2	109.8	120.4	9.7
as % of revenue	6.4	7.4	-	6.3	6.8	-
Earnings after taxes	13.2	16.6	25.8	55.6	58.3	4.9
Capital expenditure	12.4	40.9	-	42.8	74.7	74.5
Net liquidity (31.12.)	-	-	-	42.8	146.5	-
Employees (31.12.)	-	-	-	7,264	7,990	10.0
Cash earnings	14.7	38.1	-	92.4	115.3	24.8
Cash flow from current business operations	117.4	91.8	-21.8	117.9	221.0	87.4
Free cash flow	106.6	16.1	-84.9	77.1	95.4	23.7

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

Robotics

Stable on a high level

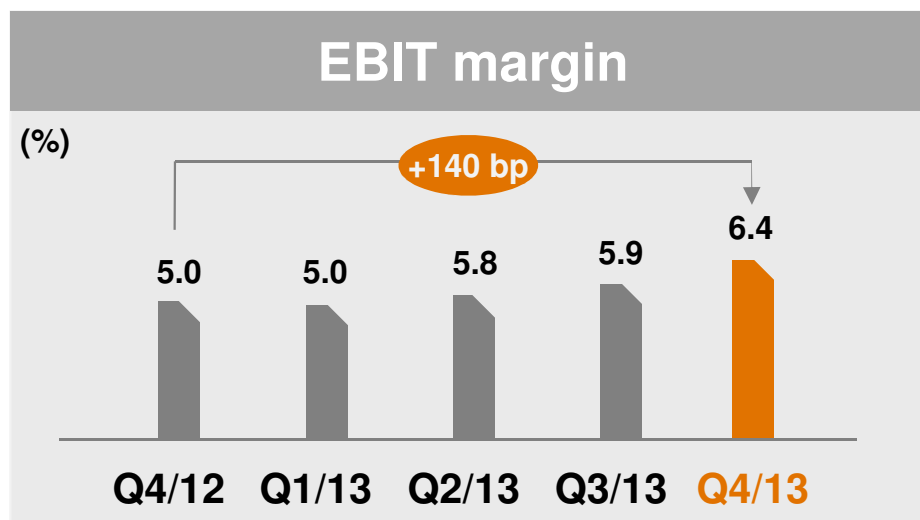
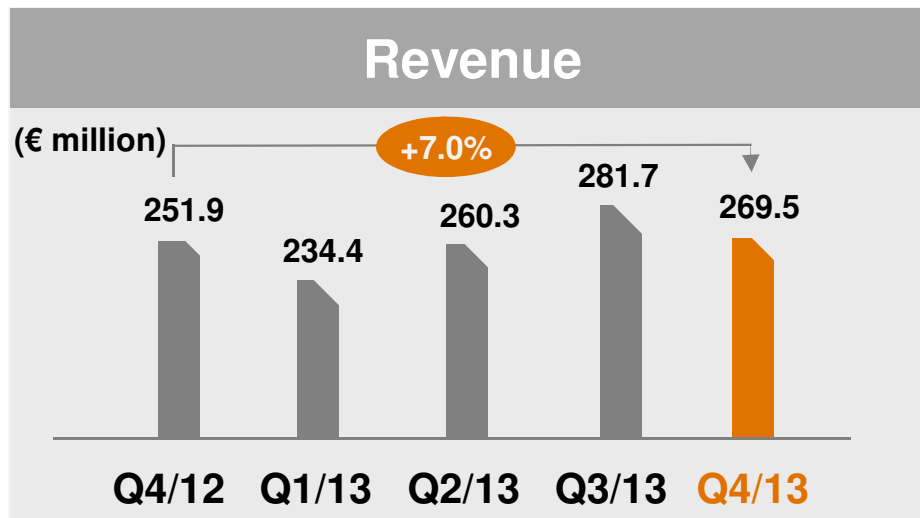


Development

- **Share of orders received in General Industry and Service** up from 54% in 2012 to 60% in 2013
- **China:** 2nd largest robot market for KUKA after Germany with a share of 16%
- **EBIT margin** constant above 10% despite increased R&D
- **Operational Excellence** successfully established and further developed
- **320 employees** in R&D

Systems

Significant increase in profitability

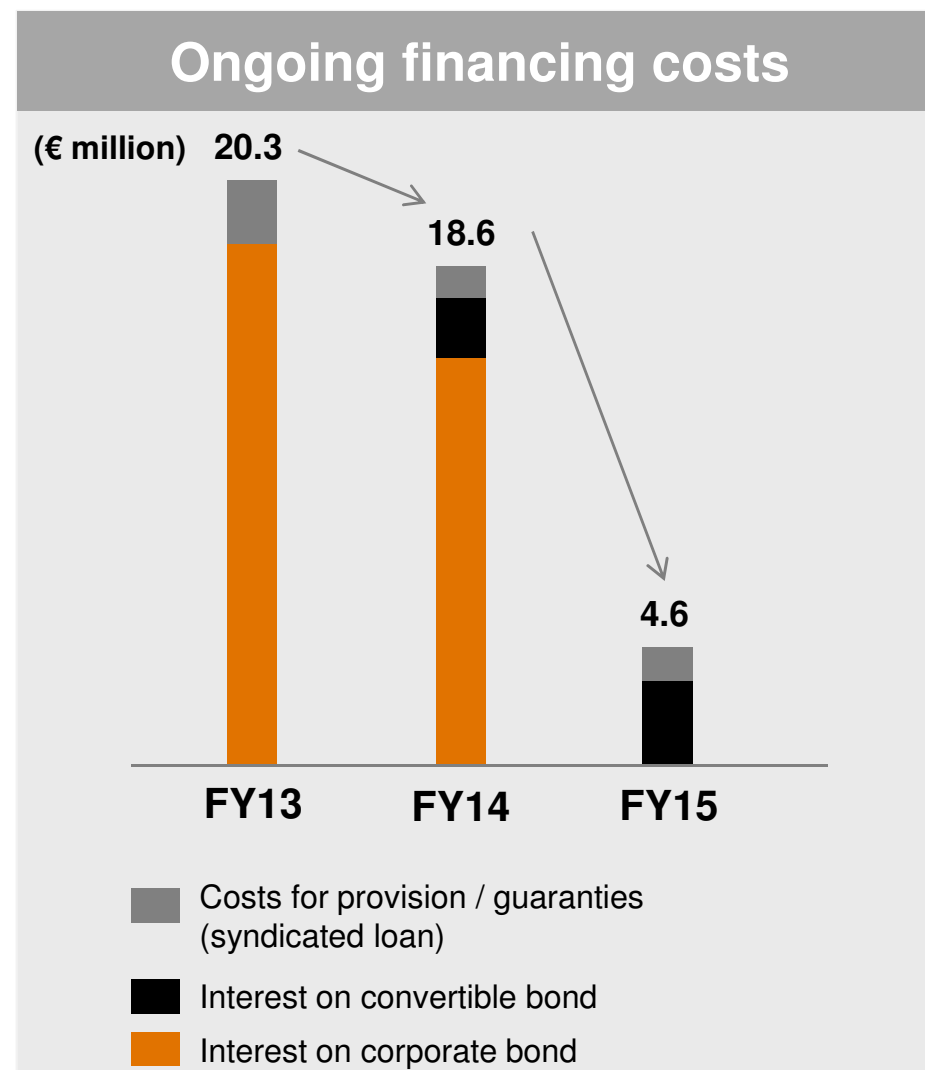
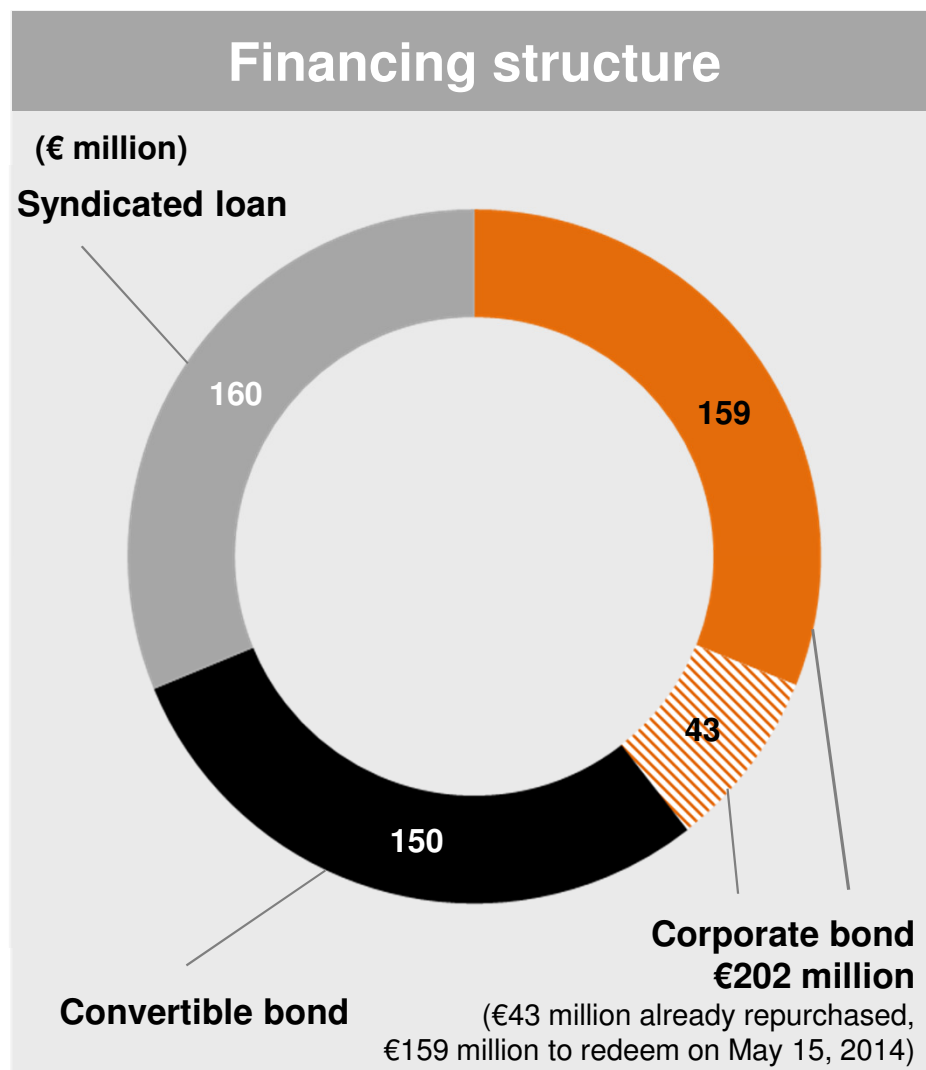


Development

- Share of orders received in **North America** at 37% in 2013
- **EBIT margin** in all quarters of 2013 5% or significantly better
- Strengthening of local know-how in USA and China through **local management**
- **Global delivery capability** expanded
- **Operational Excellence** successfully implemented

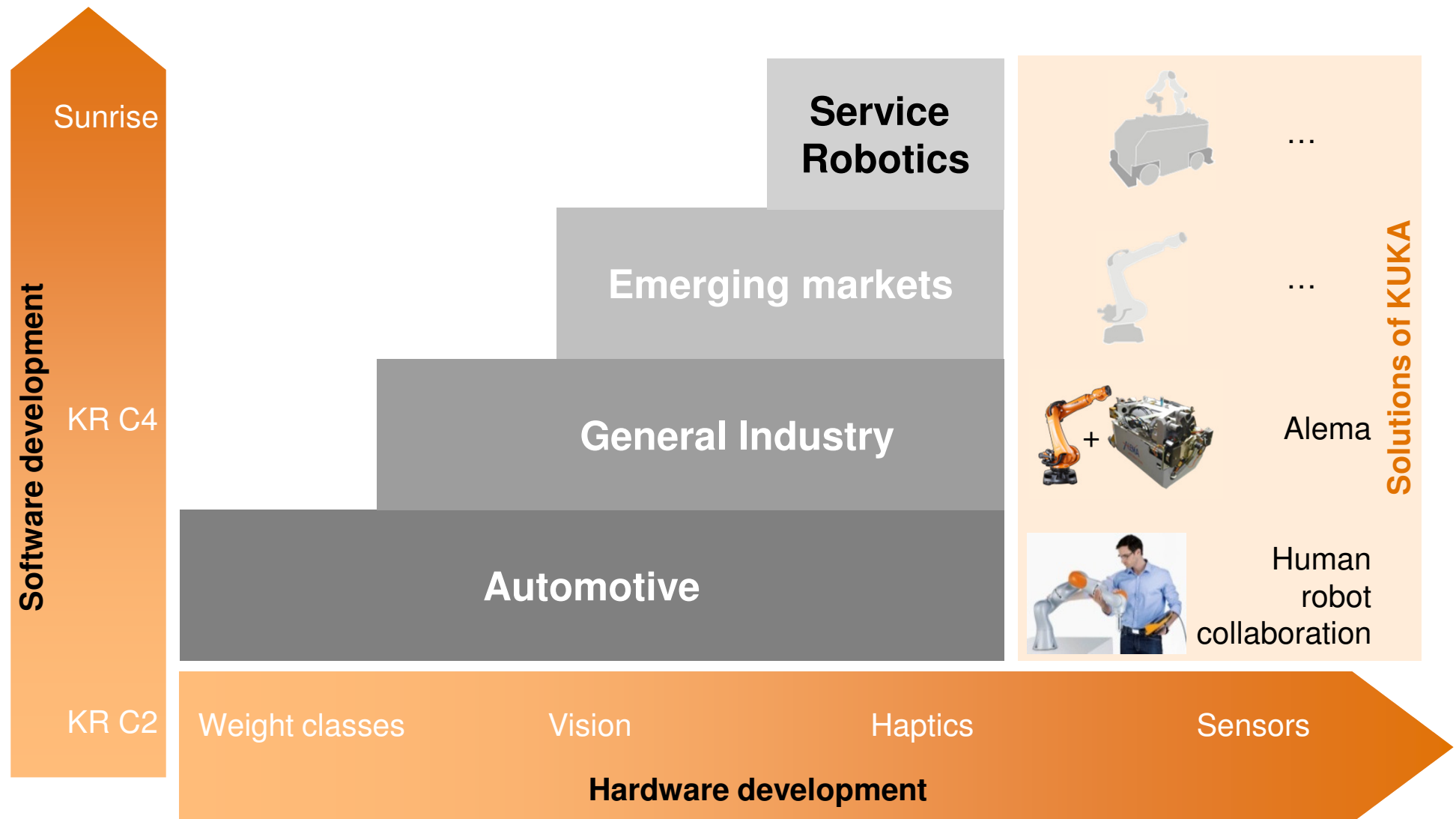
Financing

Long term oriented and cost-optimized



Growth

Hardware – software - solution



Growth

Focus: Technology – Region – Market



LBR iiwa



China



General Industry

Growth – technology

LBR iiwa creates new markets

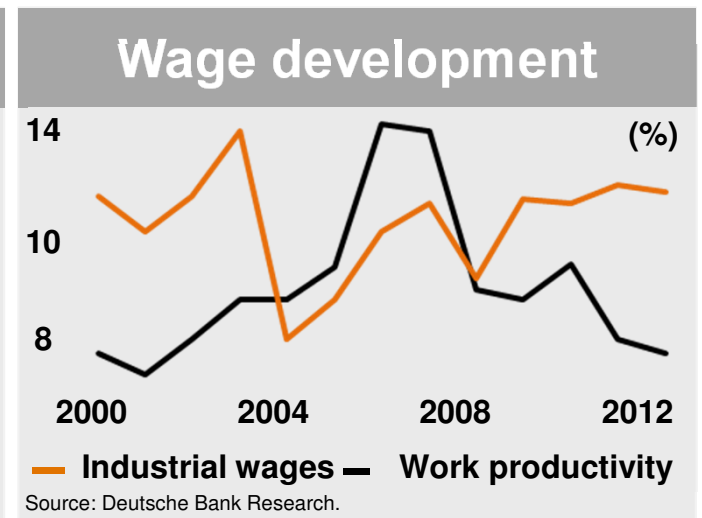
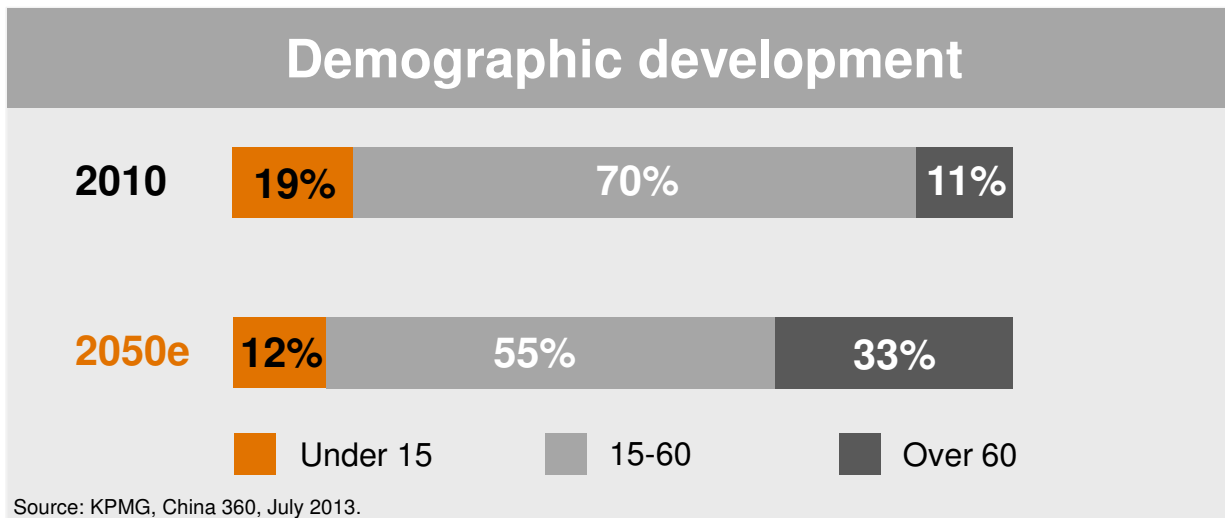
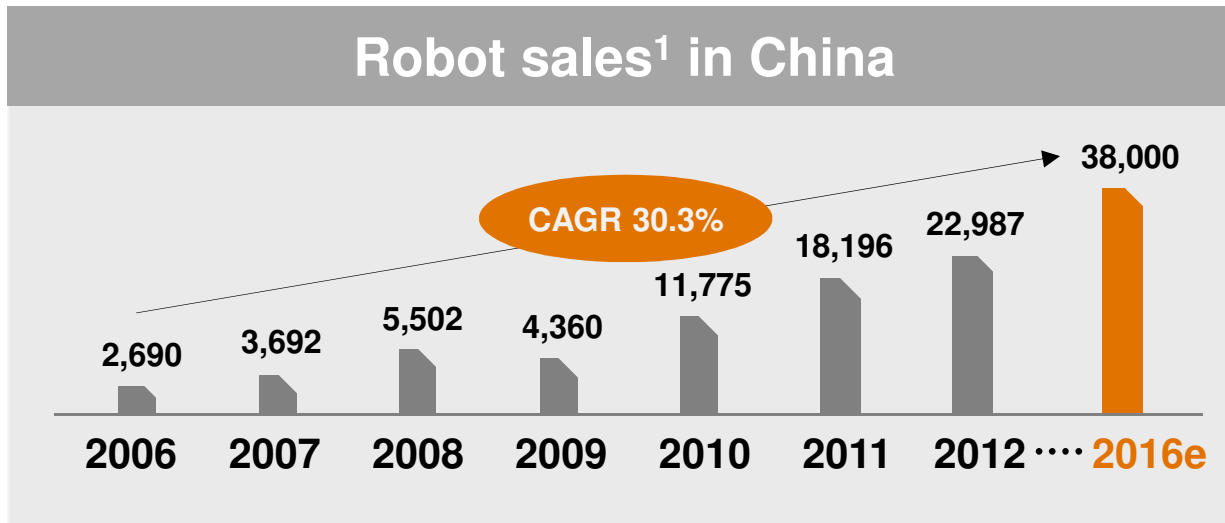


Product advantages

- **Human-machine cooperation** enables automation without safety fences
- **Sensitivity** increases flexible use of robots
- New concepts enable automation in small spaces
- Expanded KUKA's product portfolio in the **low payload range**
- Increased **user-friendliness** with easy-to-use concept

Growth - China

China set to become largest robot market in 2014/2015



1) IFR – International federation of robotics

Growth General Industry – aircraft industry

KUKA - full-range supplier in the aircraft industry



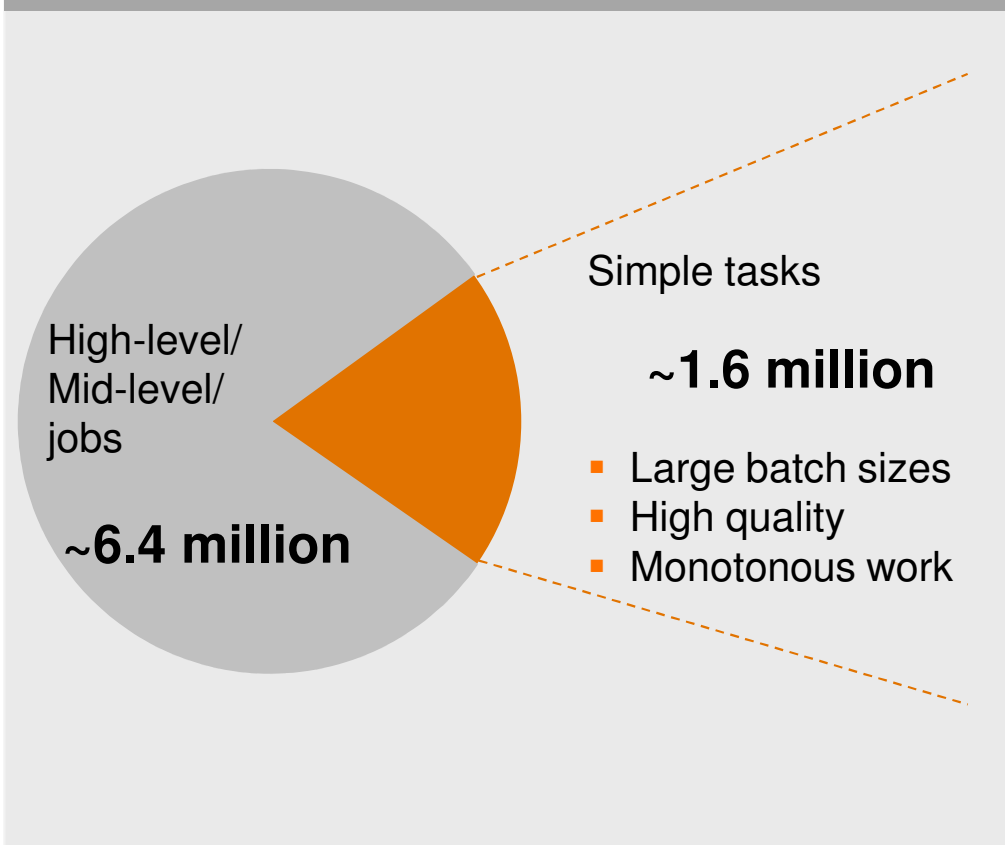
Acquisition of Alema

- KUKA becomes a **full-range supplier** in the aircraft industry:
 - **KUKA**: robot, system and mobility
 - **Alema**: drilling and rivet setting
- The aircraft industry offers high growth through **light automation**
- Increased revenue share from **General Industry**
- Strong global sales structure of KUKA supports Alema products

Growth General Industry – computer, communication, consumer goods (3C)

3C market – high potential for automation

Distribution of work force in 3C market



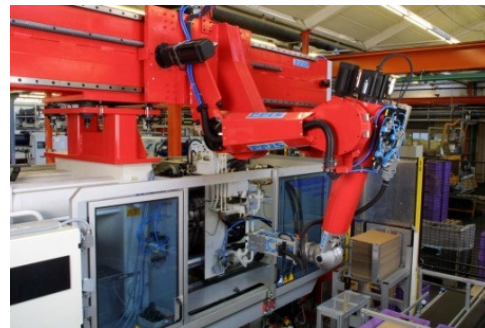
KUKA strategy

- **Strong product portfolio**
 - Expansion in low payload range
 - LBR iiwa
- **Presence in China reinforced**
 - New plant in China opened
 - Strengthened by acquisition of Reis
- **Organization focused**
 - 3C established as division
 - 3C team expanded

➔ **3C market: high potential for robot-based automation**

Growth General Industry – foundry, welding

Reis Robotics strengthens KUKA



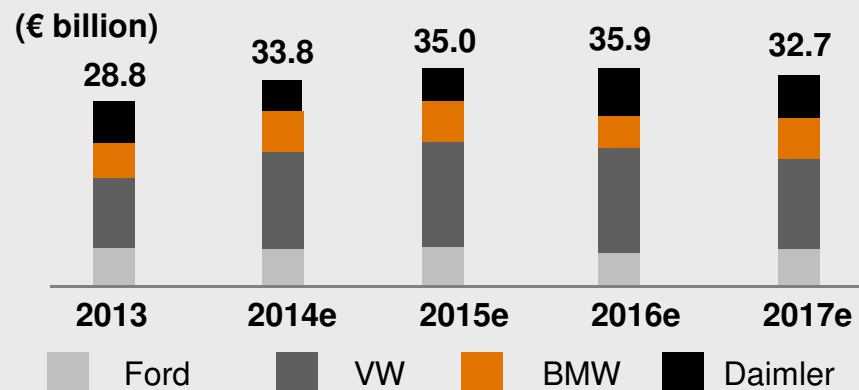
Acquisition of Reis Robotics

- **Reis products** are convincing in terms of quality and innovation
- Strong market position in **General Industry**
 - Foundry, welding/ laser, battery
- Strengthen the presence in **China**
- **Synergies**
 - Global sales structure
 - Efficiency increase
 - Transfer of know-how
 - Procurement

Growth drivers

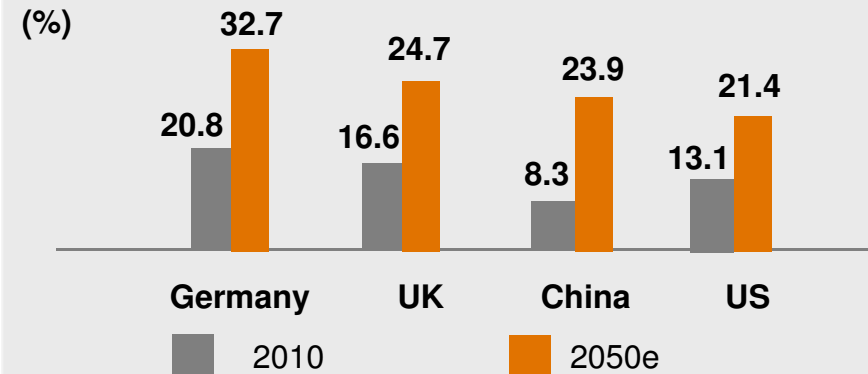
Market development

Consensus CAPEX



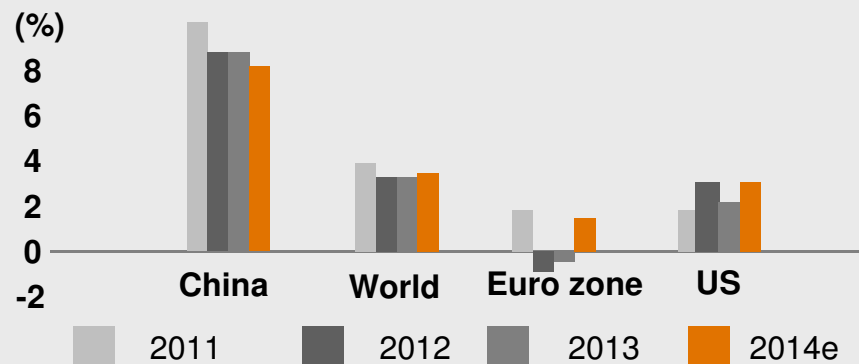
Source: Bloomberg, February 2014

Share of population over 65



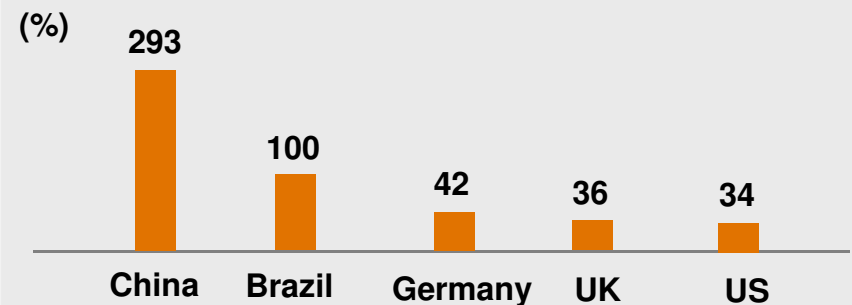
Source: United Nations, 2012 Revision, June 2013

Growth of gross domestic product



Source: IWF, January 2014

Wage increase from 2011 to 2030



Source: PWC, Global labor cost projections, September 2013

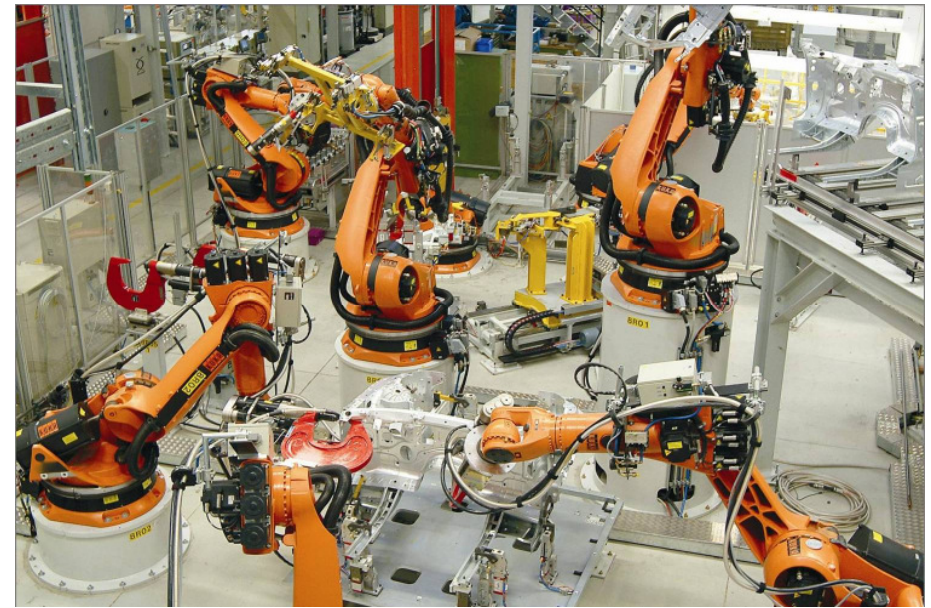
Outlook 2014

Expected revenue and EBIT margin



€1.9 – 2.0 billion

Revenue



~6.0%

EBIT margin

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)	Q4/12	Q1/13	Q2/13	Q3/13	Q4/13	2013
Operating result	25.7	27.2	27.8	28.3	30.4	113.7
Reconciliation of earnings before interest and tax (EBIT)						
Finance costs included in cost of goods sold	1.9	1.2	1.2	1.7	2.6	6.7
Earnings before interest and tax (EBIT)¹	27.6	28.4	29.0	30.0	33.0	120.4

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