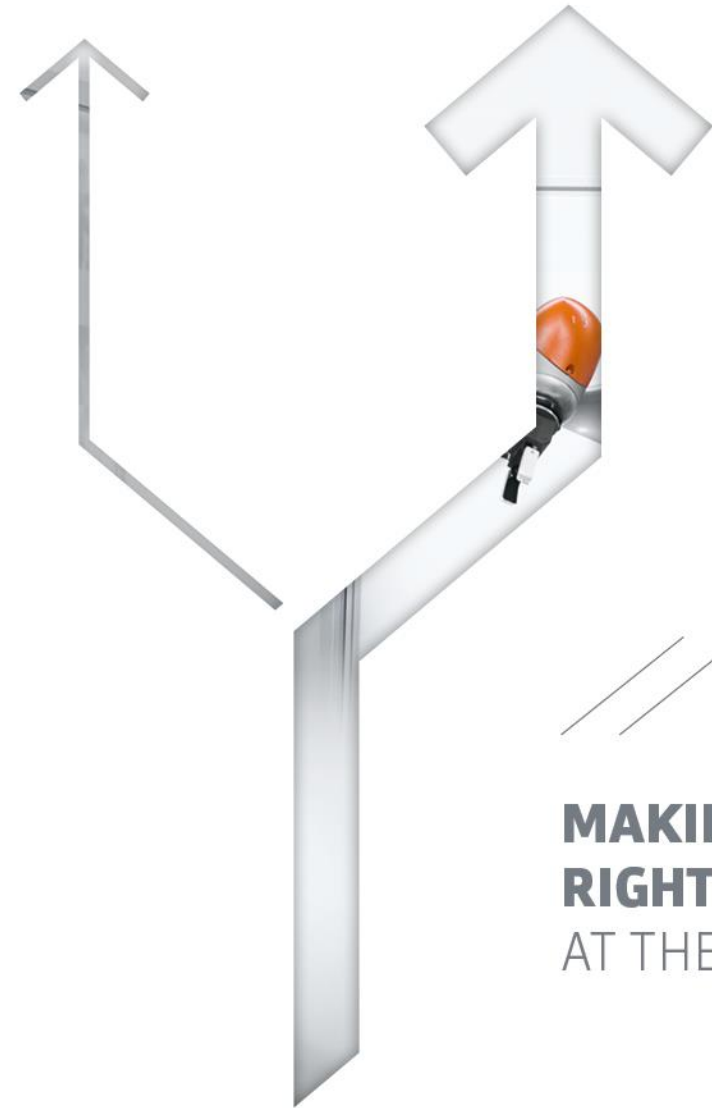


**KUKA**



# KUKA Aktiengesellschaft

Financial Results 2016  
March 22, 2017



**MAKING THE  
RIGHT DECISIONS  
AT THE RIGHT TIME**

2016 – a successful and important year for KUKA

## €3.4 billion

Orders received (+20.6%)



## 5.6 % EBIT margin<sup>1</sup>

6.6% in 2015



## €2.9 billion revenues

(-0.6%)



## €86.2 million

Earnings after taxes (-0.1%)

1) Before PPA Swisslog (2016: €10.8 million; 2015: €58.7 million) and before one-off effects of the Midea Group takeover (2016: €28.0 million)



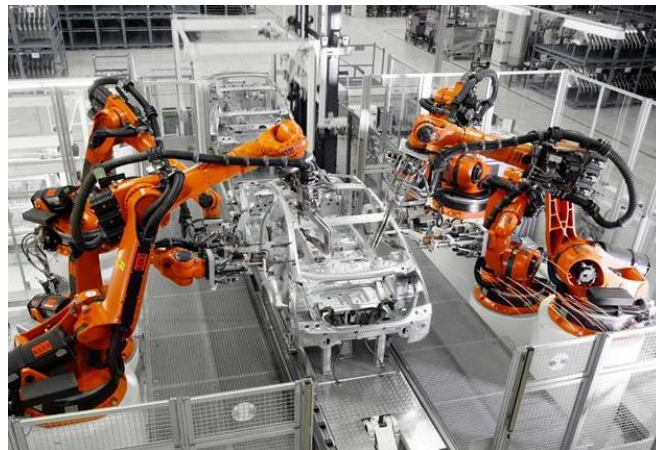
## Operational highlights



Hannover Messe



Industry 4.0



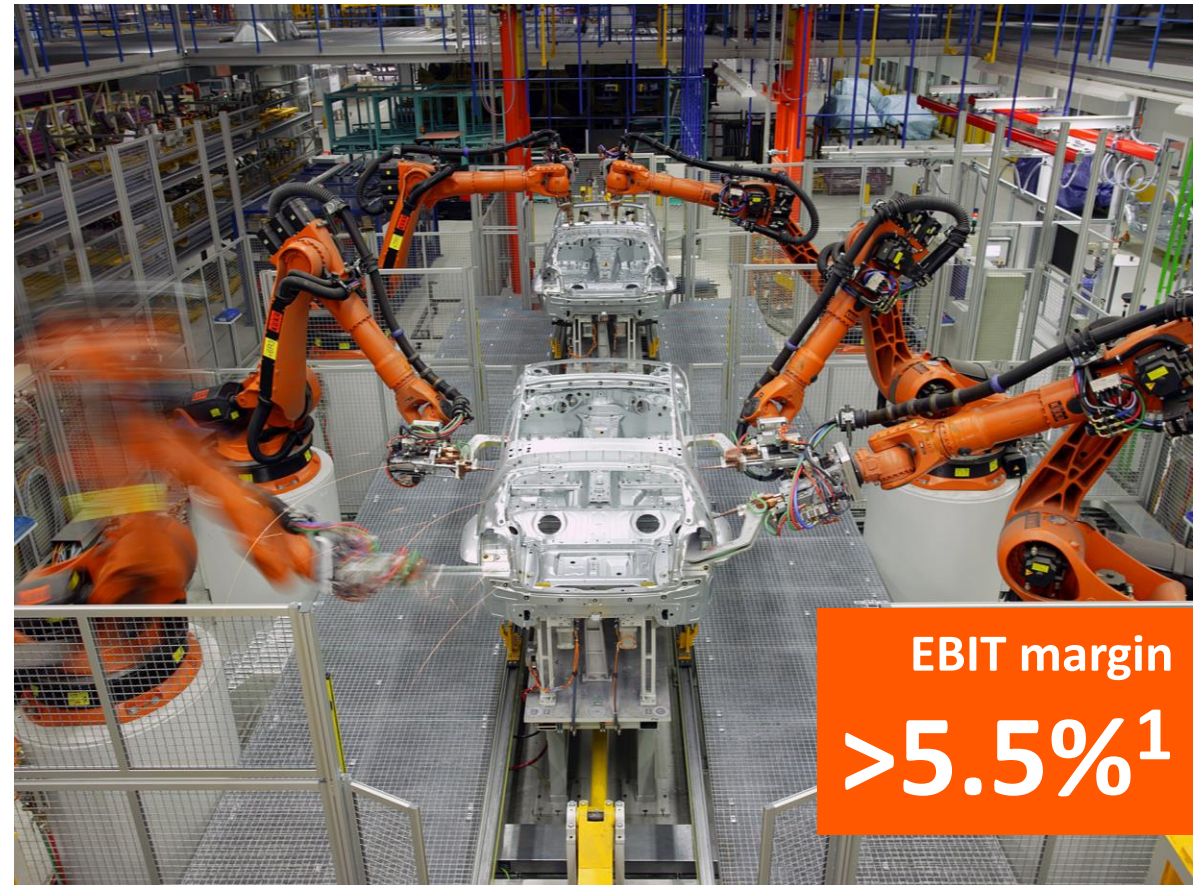
DAIMLER

Large-scale orders



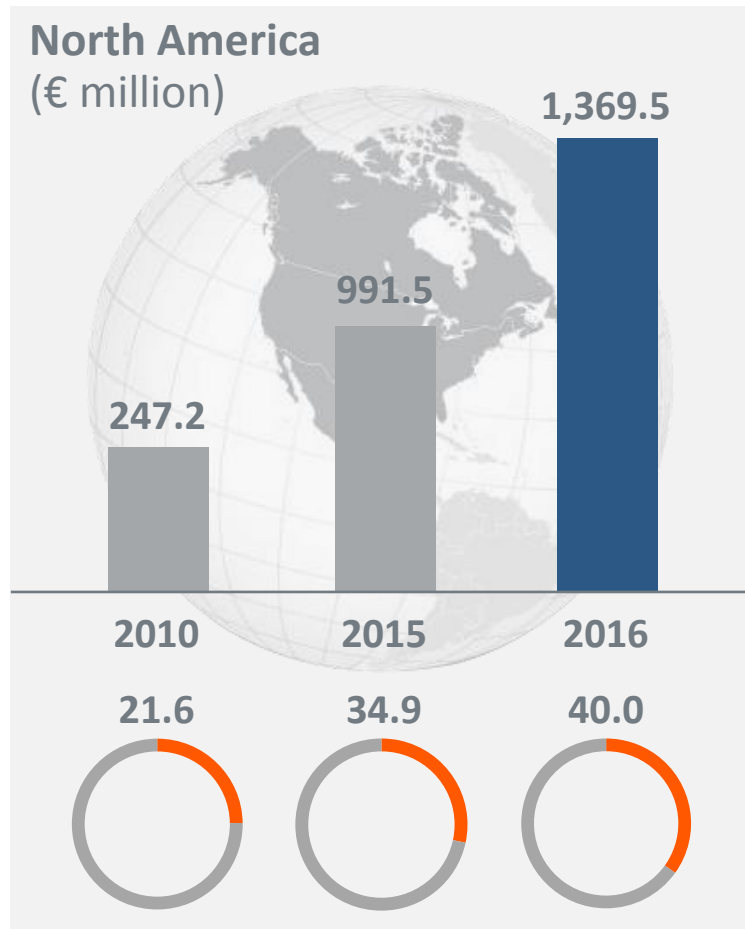
Inauguration of the Development and Technology Center in Augsburg

## Outlook 2017: KUKA Group



1) Before purchase price allocation for Swisslog and before growth investments

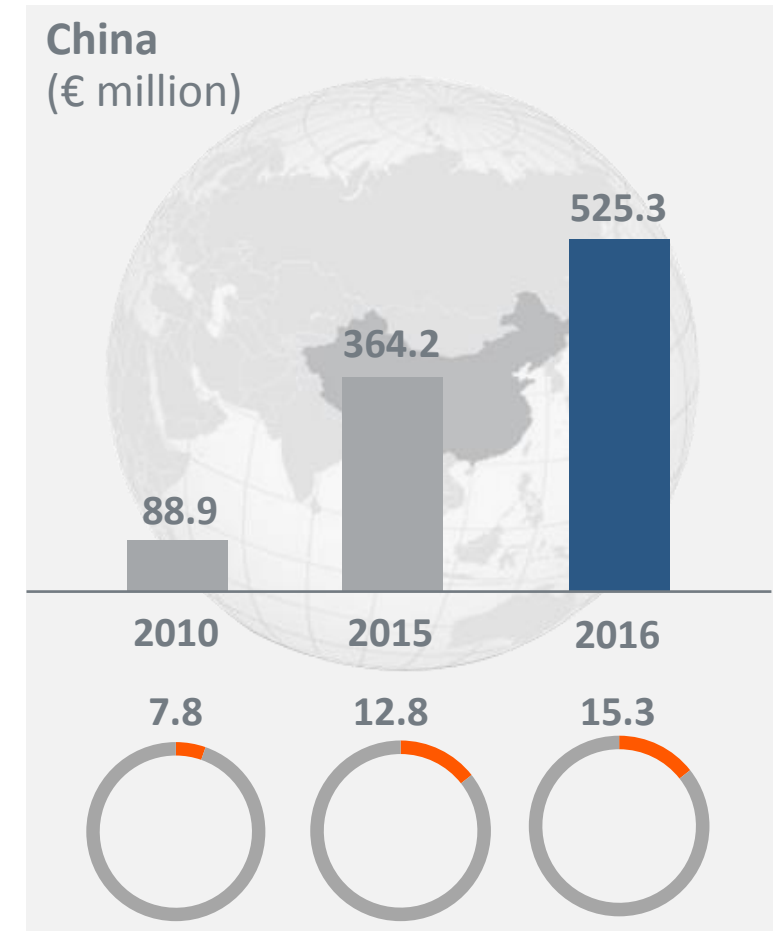
## Order received 2016: over 50% from China and North America



### Drivers of automation

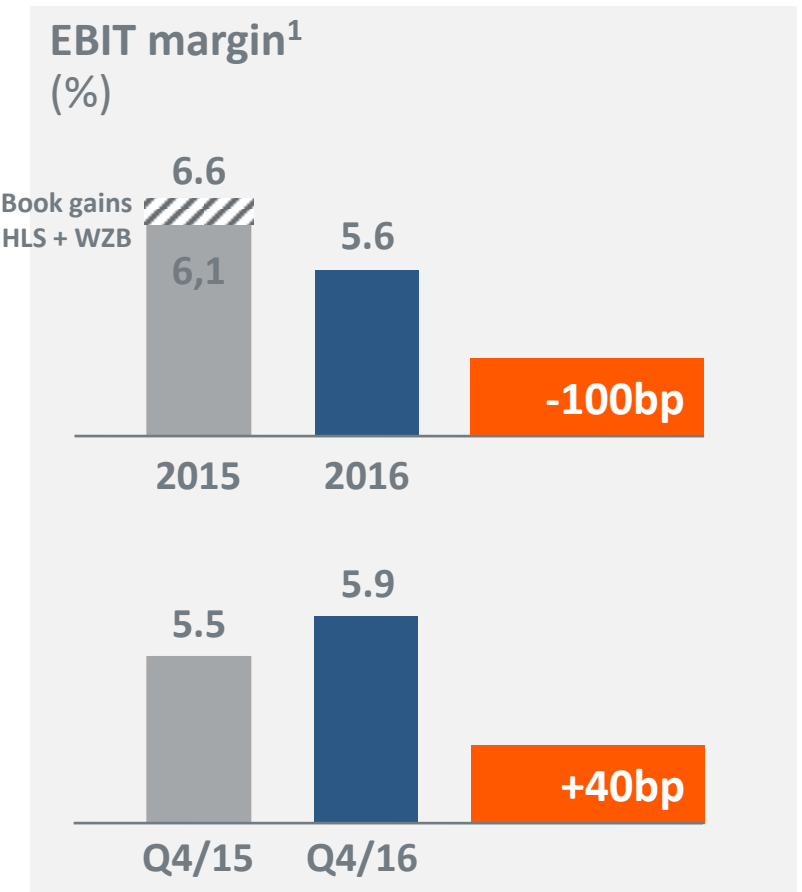
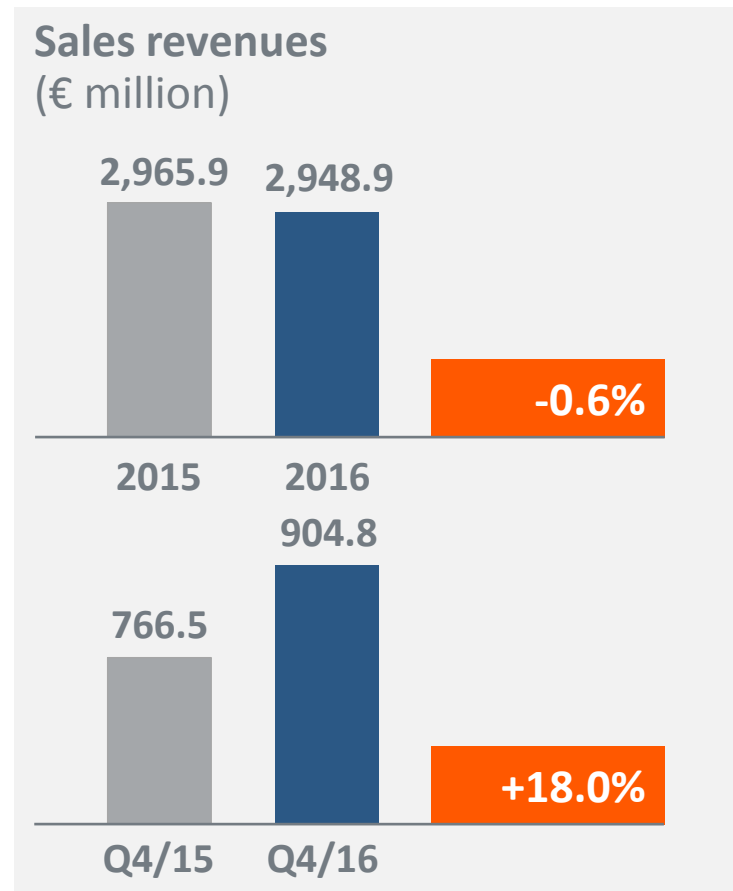
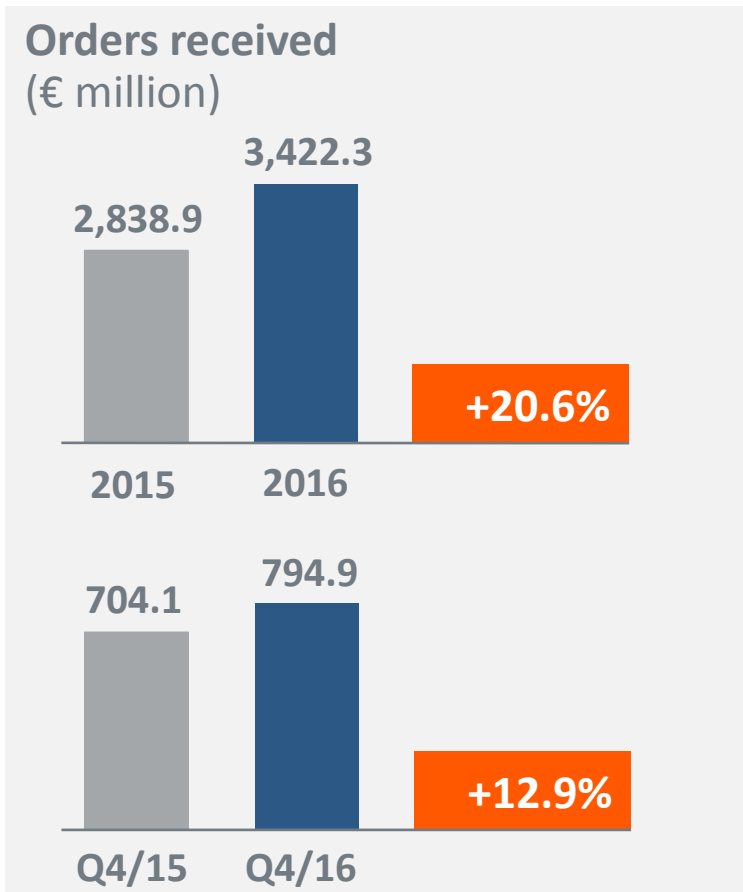
- **North America:**  
Low energy costs, new technologies
- **China:**  
High wage increases, growing customer demands for quality, and industrial strategy

**Share in % of total order received**





## Group: Q4/16 and FY16



1) Before purchase price allocation Swisslog and before Midea one-off effects in 2016

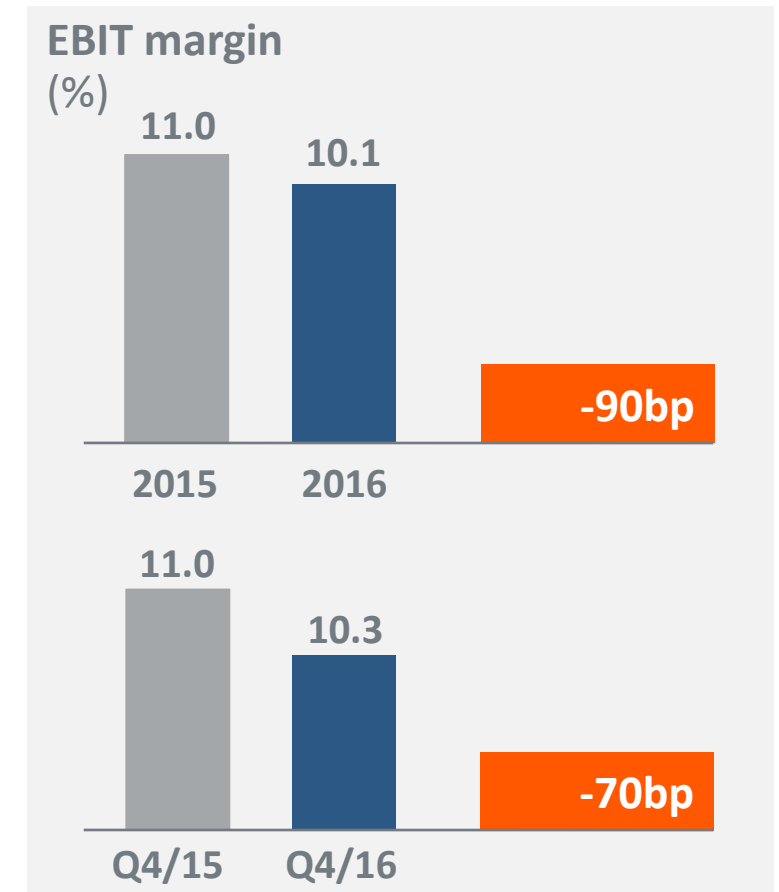
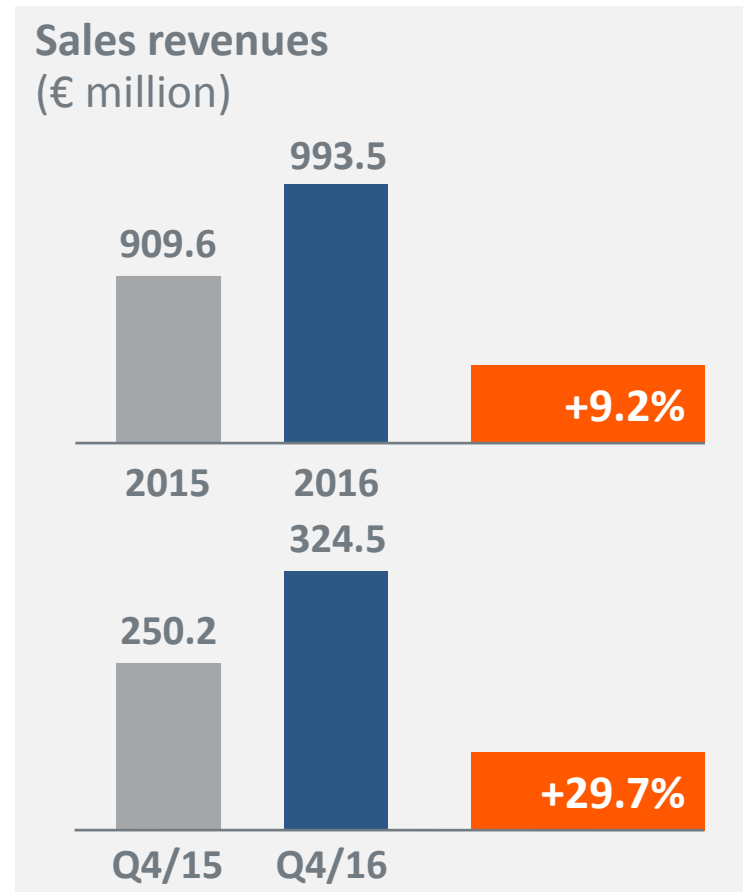
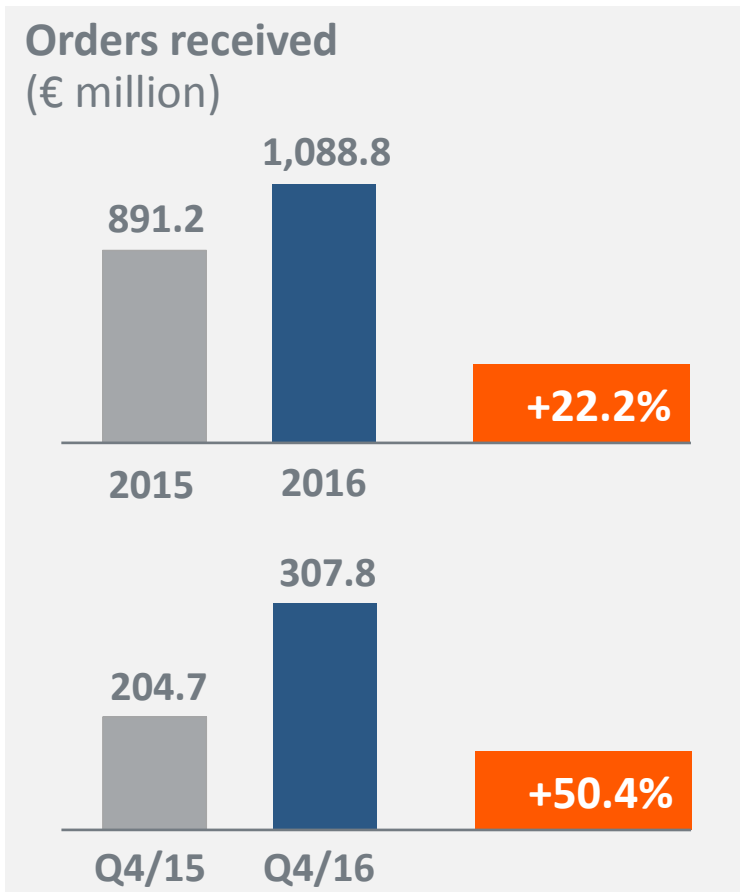


## Group: key figures for Q4/16 and FY16

(€ million)	Q4/15	Q4/16	Delta (%)	FY15	FY16	Delta (%)
Sales revenues	766.5	904.8	18.0	2,965.9	2,948.9	-0.6%
Gross operating result	180.4	217.9	20.8	698.0	766.5	9.8
in % of sales revenues	23.5	24.1	-	23.5	26.0	-
EBITDA	59.8	67.1	12.2	259.1	205.3	-20.8
in % of sales revenues	7.8	7.4	-	8.7	7.0	-
Earnings before interest and taxes (EBIT)	29.7	44.6	50.2	135.6	127.2	-6.2
in % of sales revenues	3.9	4.9	-	4.6	4.3	-
Earnings after taxes	22.9	7.2	-68.6	86.3	86.2	0.1
Capital expenditure	39.3	36.5	-7.1	107.0	99.6	-6.9
Equity ratio (in %)	-	-	-	30.8	33.0	-
Net liquidity (Dec. 31)	-	-	-	199.9	113.0	-43.5
Employees (Dec. 31)	-	-	-	12,300	13,188	7.2
Cash earnings	59.3	64.3	8.4	260.8	203.9	-21.8
Cash flow from current business operations	134.6	64.2	-52.3	169.2	-9.6	-
Free cash flow	88.5	26.2	-70.4	95.7	-106.8	-



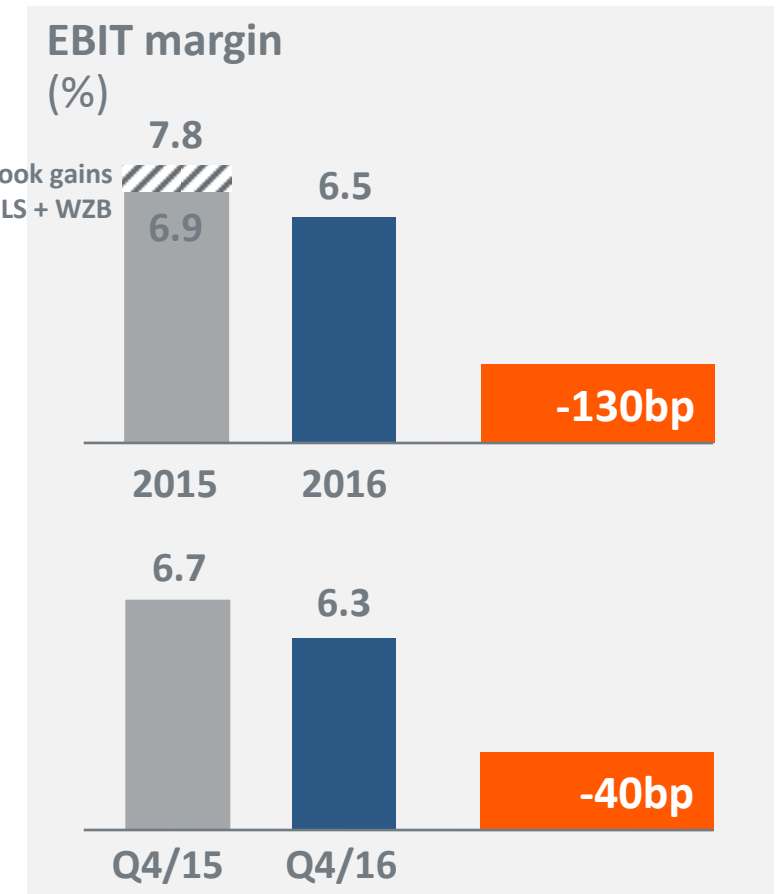
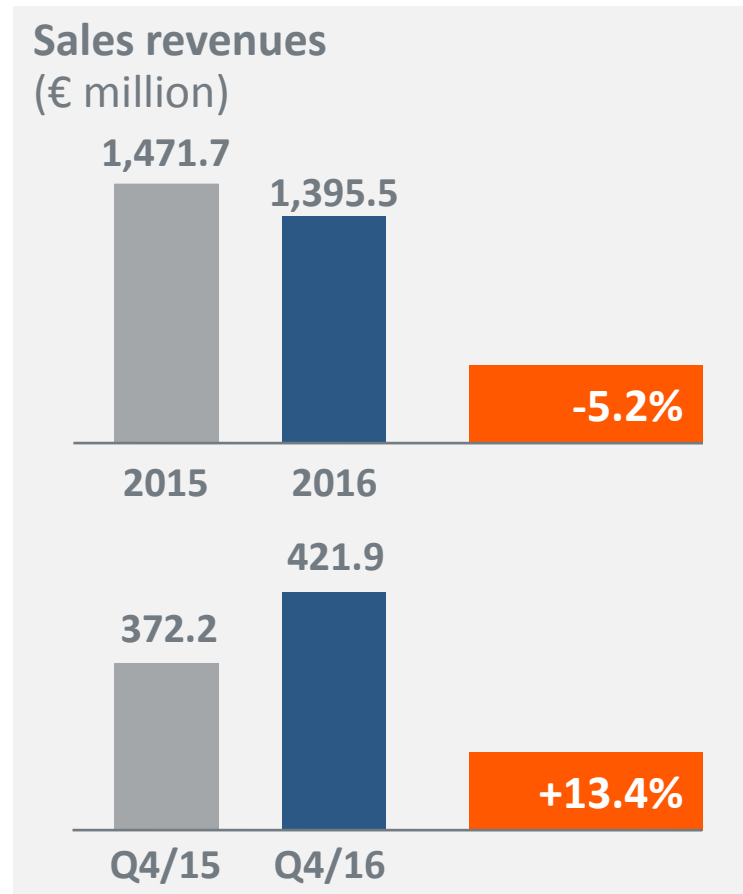
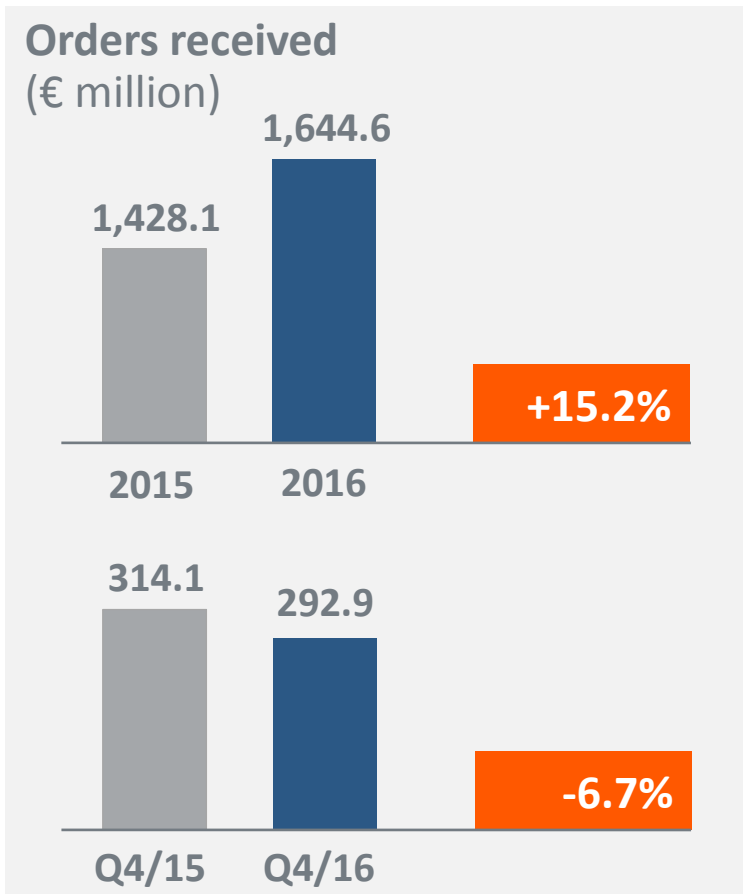
## Robotics: Q4/16 and FY16





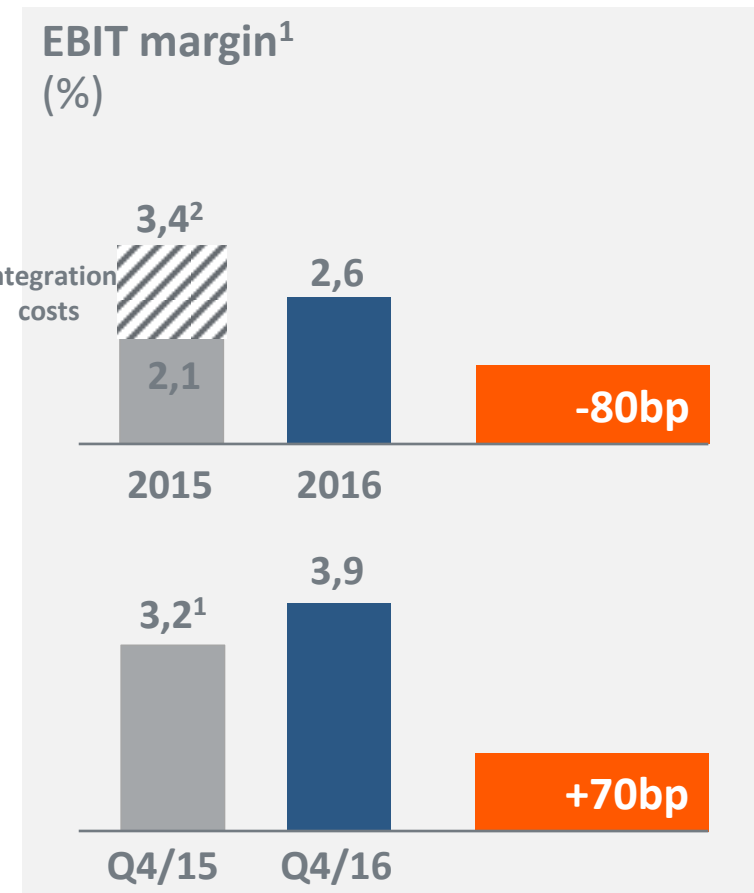
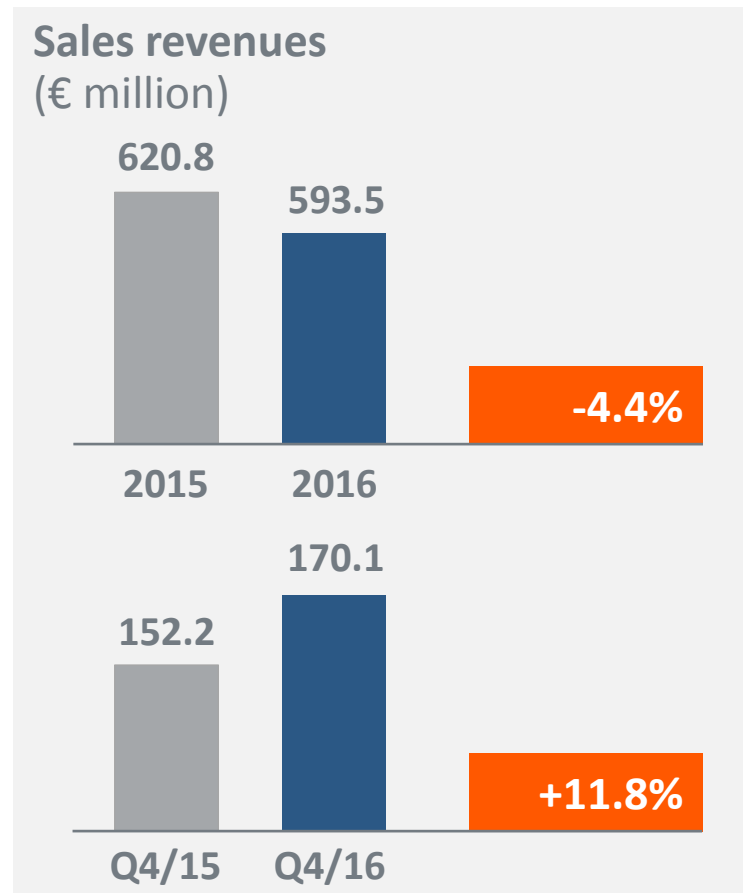
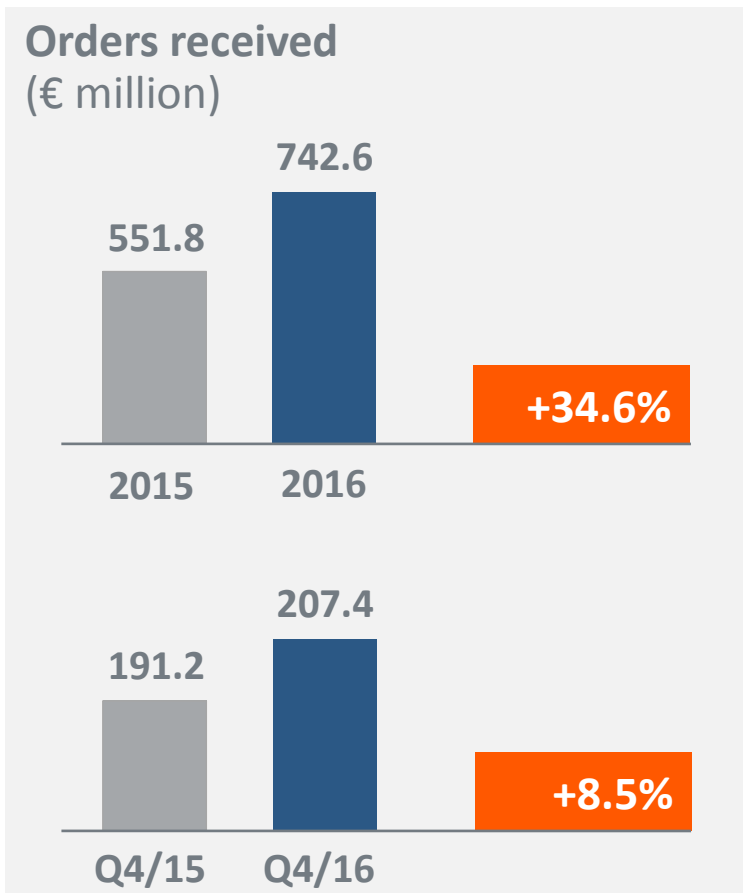


## Systems: Q4/16 and FY16





## Swisslog: Q4/16 and FY16



1) Before purchase price allocation    2) Before purchase price allocation and integration costs in 2015 (€ 8.1 million)

USA is one of the most important markets for KUKA

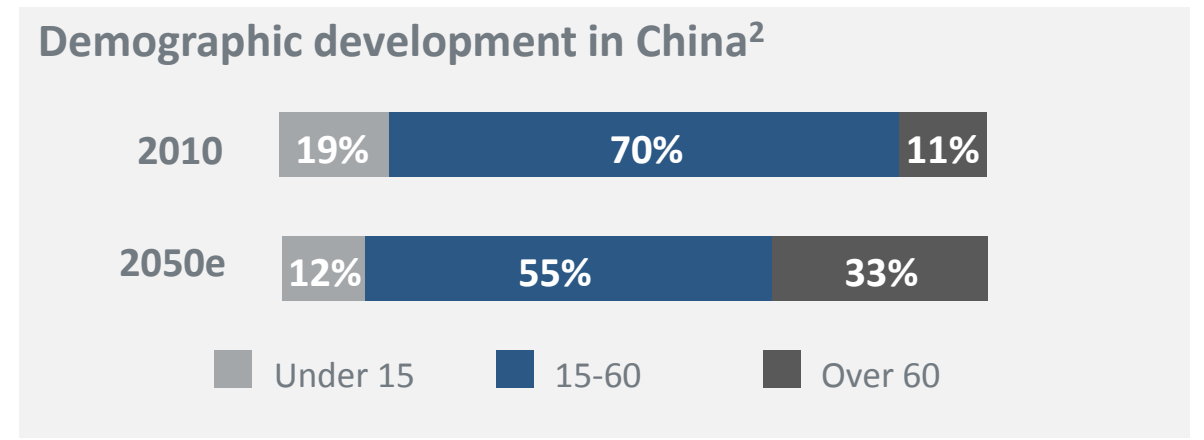
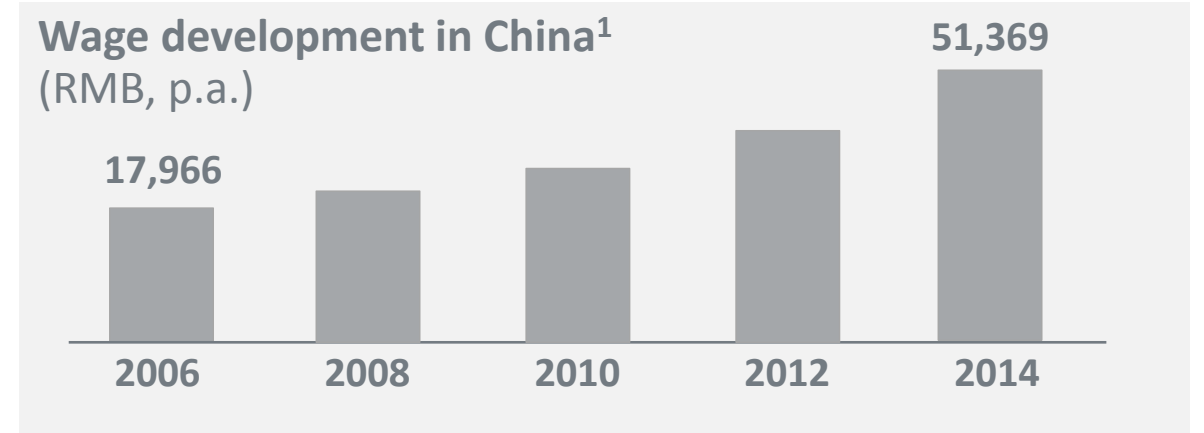
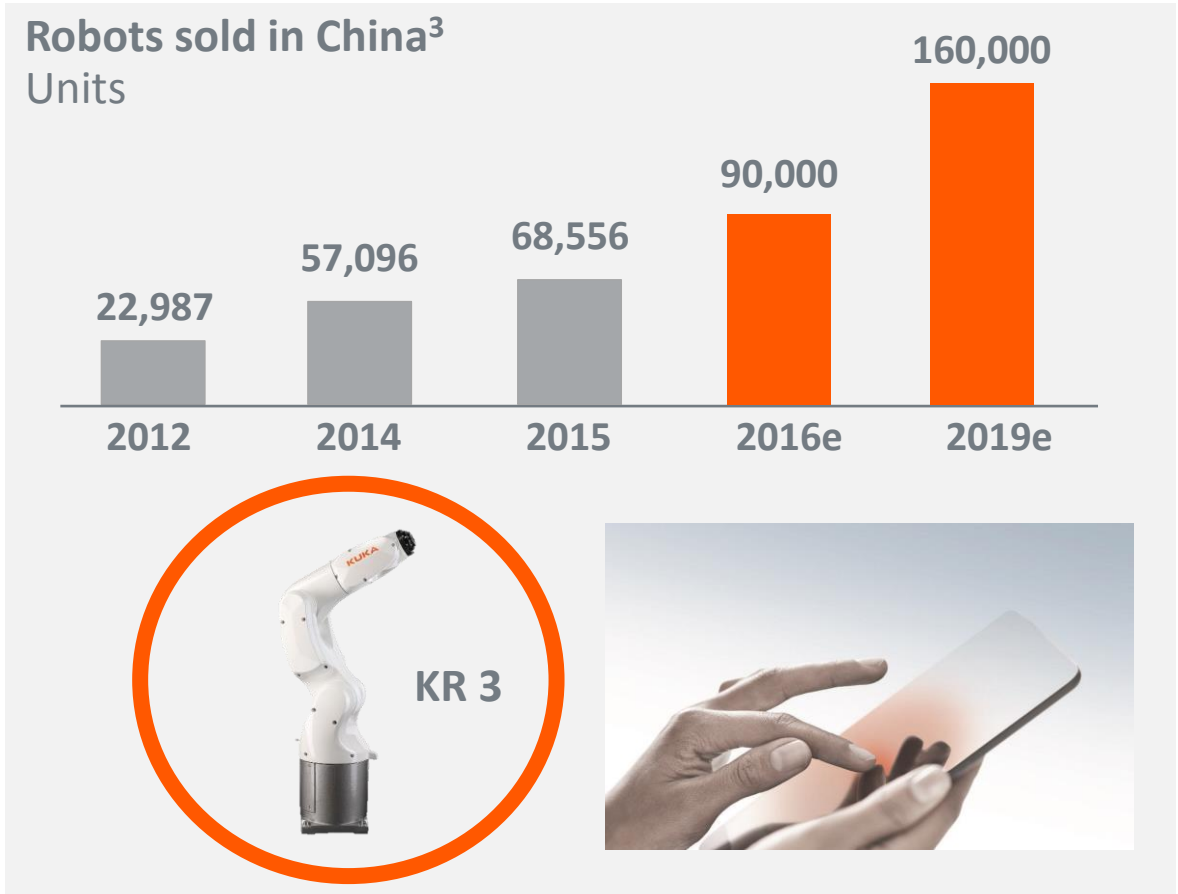


## KUKA in the U.S.

- #1 in automation in automotive
  - Sales revenues in FY16: €0.9 billion
- High degree of vertical integration in the USA
  - Staff: >2,200 local employees
- The U.S. hub drives innovation within KUKA
  - Software activities for Big Data and Industrie 4.0 concentrated in Austin
  - “More to come”



## Goal: #1 in industrial robots in China



1) [www.tradingeconomics.com](http://www.tradingeconomics.com)

2) KPMG, China 360, 2013

3) IFR – International federation of robotics

## China – sustainable reduction of purchasing costs

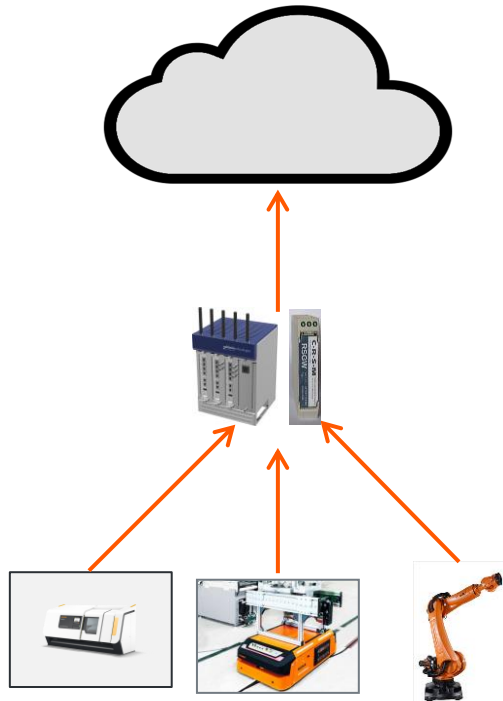


- Sourcing of parts from China enables KUKA to reduce its cost base
- Leveraging synergies within the Midea Group
- Exploiting Midea's purchasing advantages in China

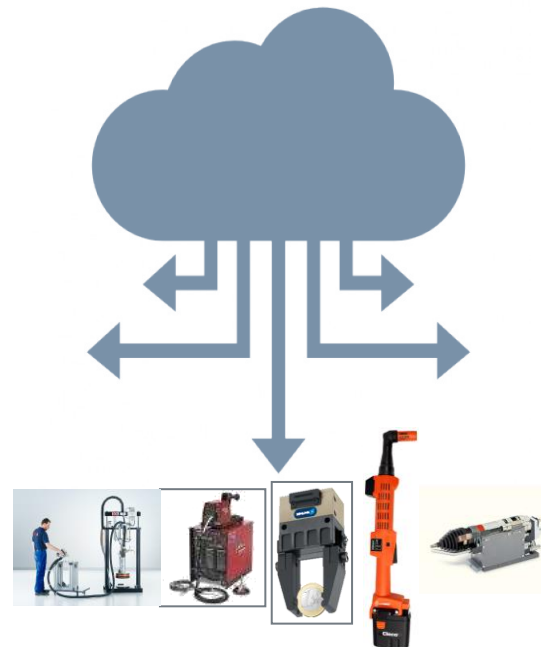


## Important layers of our Industrie 4.0 strategy

### Connected Machines



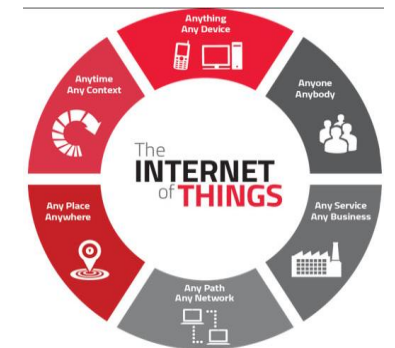
### Manufacturing Ecosystem



### Optimization by Big Data Analytics & AI



### New Business Models



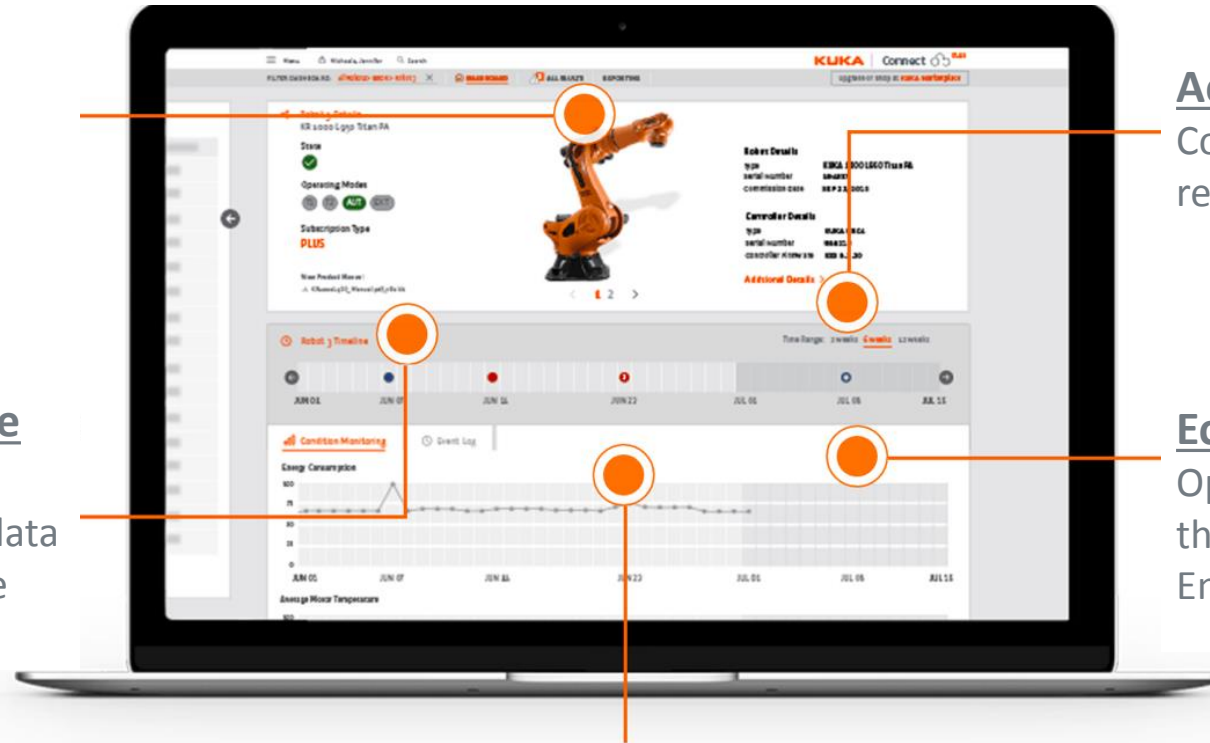
## Shaping Industrie 4.0 – KUKA Connect

### World-class UI/UX

User-friendly, responsive and customizable

### Secure data transfer to the cloud

Architecture enables secure data encryption from robots to the cloud



### Access and analyze data

Comprehensive robot data with real-time notifications

### Ecosystem of possibilities

Open API infrastructure promotes third-party collaboration to Enhance experience

**Free\* service available with zero software installation**

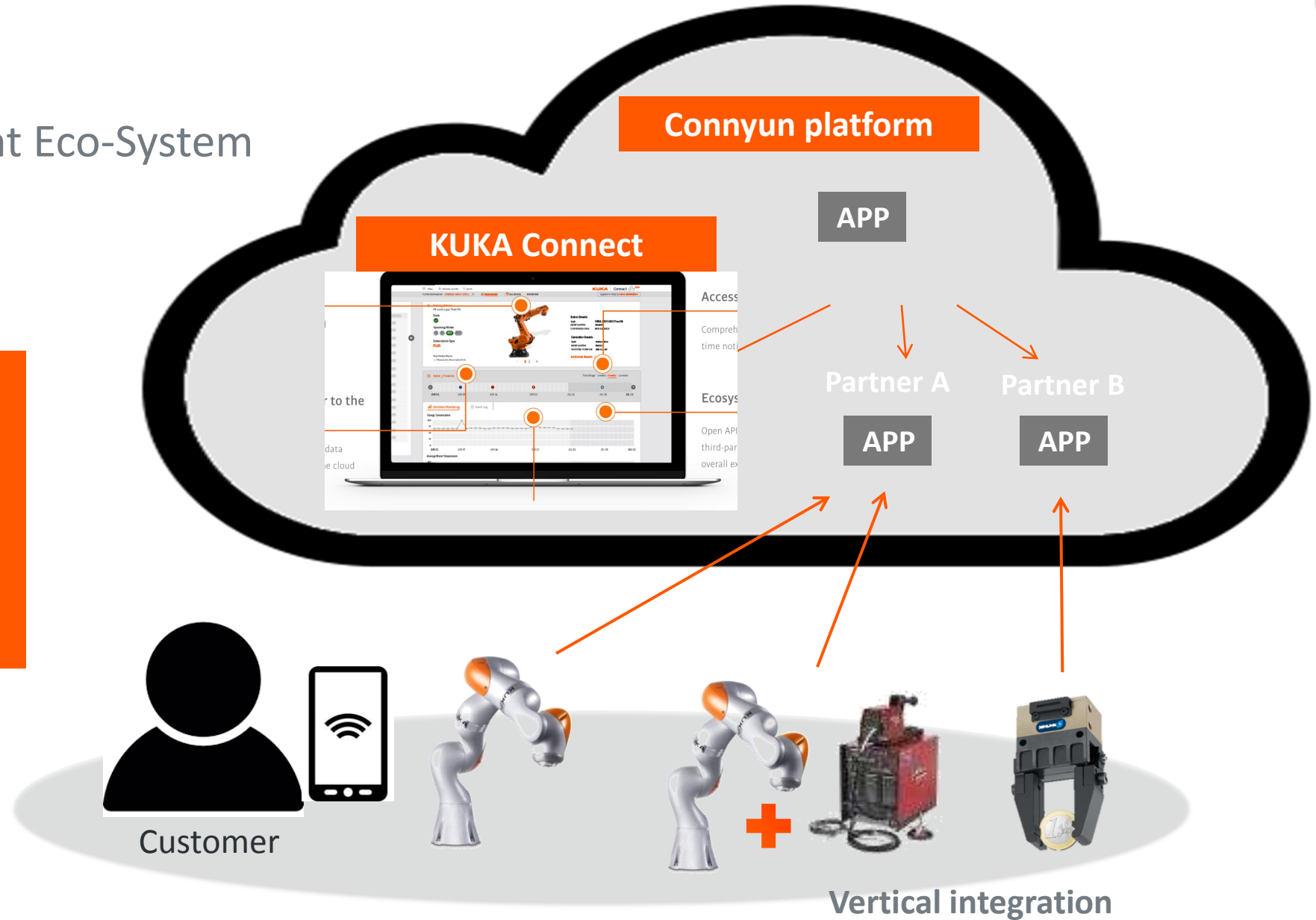
\*Hardware activation fee may apply



## Creating an intelligent Eco-System

**KUKA optimizes customers' processes through:**

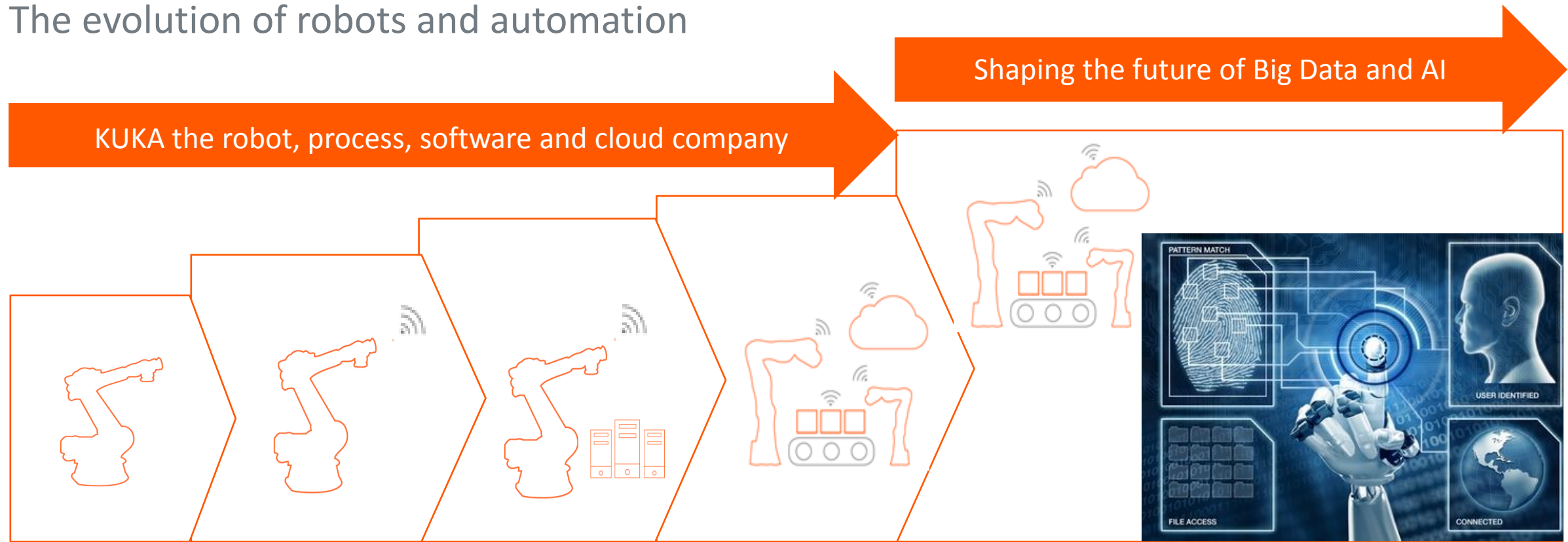
- KUKA Connect and
- KUKA startup Connyun







## The evolution of robots and automation



KUKA the robot, process, software and cloud company

Shaping the future of Big Data and AI

- Robot & Process

- Robot & Process
- Connected

- Robot & Process
- Connected
- Intelligent

- System
- Connected
- Intelligent
- Optimized
- Digital Domain

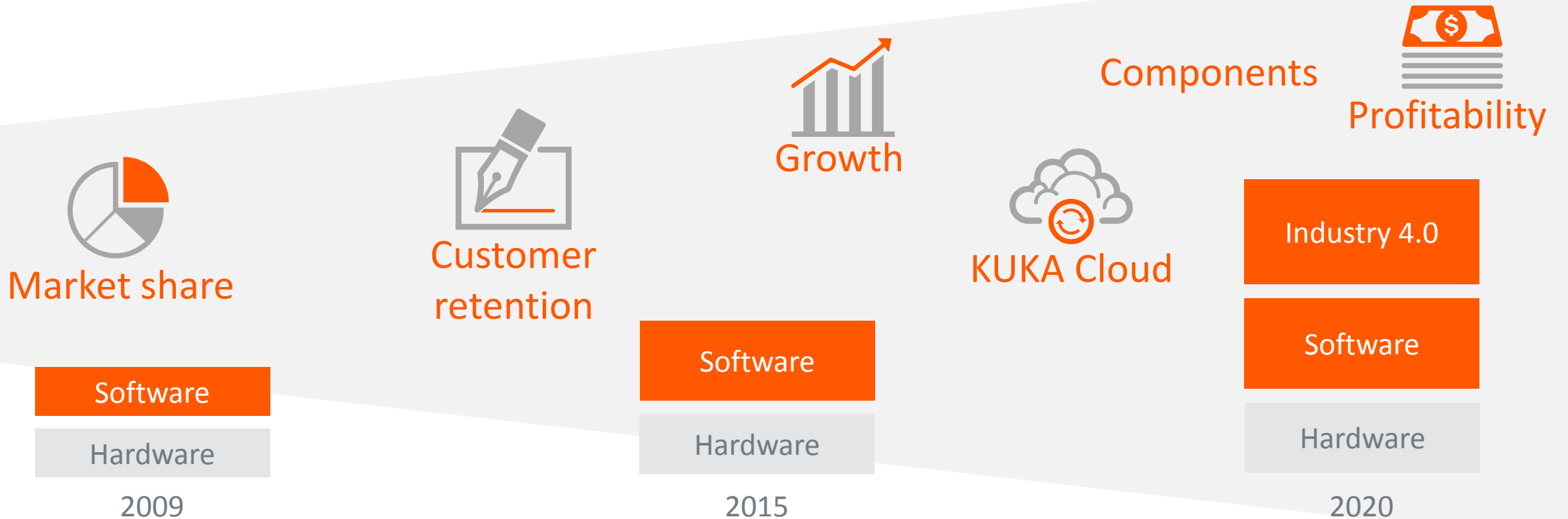
- Different systems
- Connected
- Intelligent
- Optimized
- Digital Domain



- Big Data
- Artificial Intelligence



## Industry 4.0 drives KUKA's future success





## 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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