

KRONES

Conference Call

FY 2014 and Q1 2015

April 30, 2015



Financials 2014

Q1 2015



Krones reached its targets for 2014 and is optimistic for 2015

Revenue rose 4.9 % in 2014 to €2.95 billion.

Profitability, measured as the EBT margin, improved from 6.0 % to 6.5 %.

Dividend for 2014 to increase over previous year's regular dividend, from €1.00 to €1.25 per share.

For 2015, Krones is expecting revenue growth of 4 % and an EBT margin of 6.8 %.

Preliminary figures 2014 confirmed

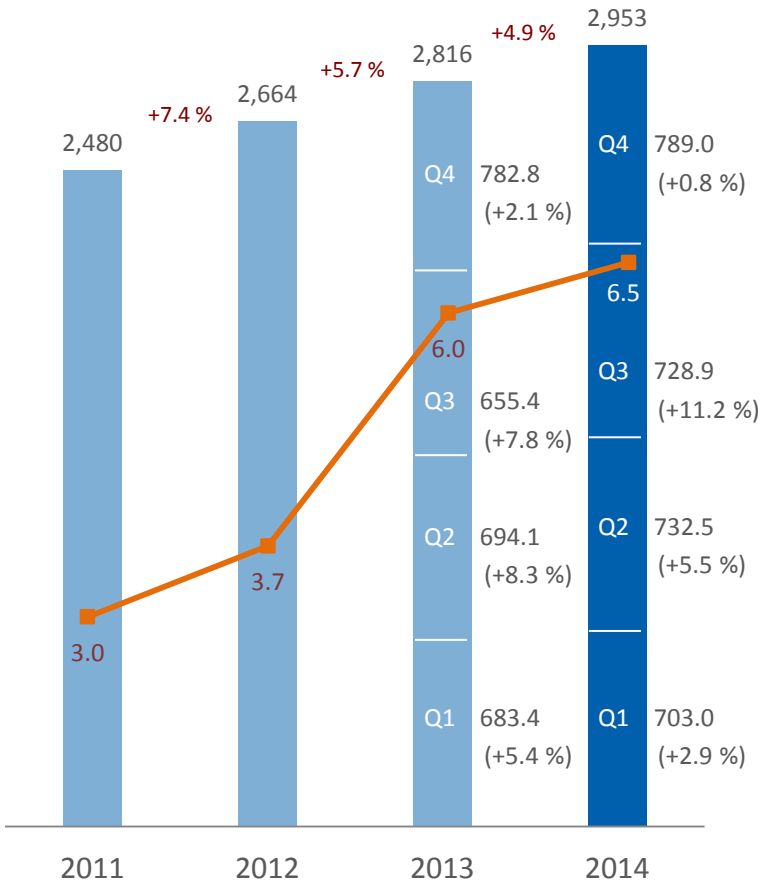
		2014	2013	2012	2011
1 Revenue	(€ billion)	2.95 (+5 %)	2.82 (+6 %)	2.66 (+7 %)	2.48 (+14 %)
2 EBT	(€ million)	192 (+13 %)	170 (+72 %)	99 (+32 %)	75 (+6 %)
3 Net income (after tax)	(€ million)	136 (+14 %)	119 (+75 %)	68 (+55 %)	44 (-14 %)
4 EBT-Margin	(%)	6.5	6.0	3.7	3.0
5 Dividend per share	(€)	1.25* (+25 %)	2.00** (+33 %)	0.75 (+25 %)	0.60 (+50 %)
6 ROCE	(%)	16.4	16.7	10.0	7.9
7 Net financial position (cash 31.12.)	(€ million)	336	240	133	125
8 Orders received	(€ billion)	3.04 (+8 %)	2.80 (+3 %)	2.72 (+8 %)	2.51 (+15 %)
9 Orders on hand (31.12.)	(€ billion)	1.08 (+9 %)	0.99	1.00 (+5 %)	0.94 (+4 %)
10 Free Cashflow	(€ million)	152 (+127 %)	67 (+119 %)	31	-7
11 Employees (31.12.)		12,624 (+3 %)	12,285 (+3 %)	11,963 (+5 %)	11,389 (+8 %)

* as per proposal for the appropriation of retained earnings

** including a €1.00 special dividend

Krones is on growth track for 2014

Revenue development (€ million)



Return on sales (on EBT) (%)

Targets 2014

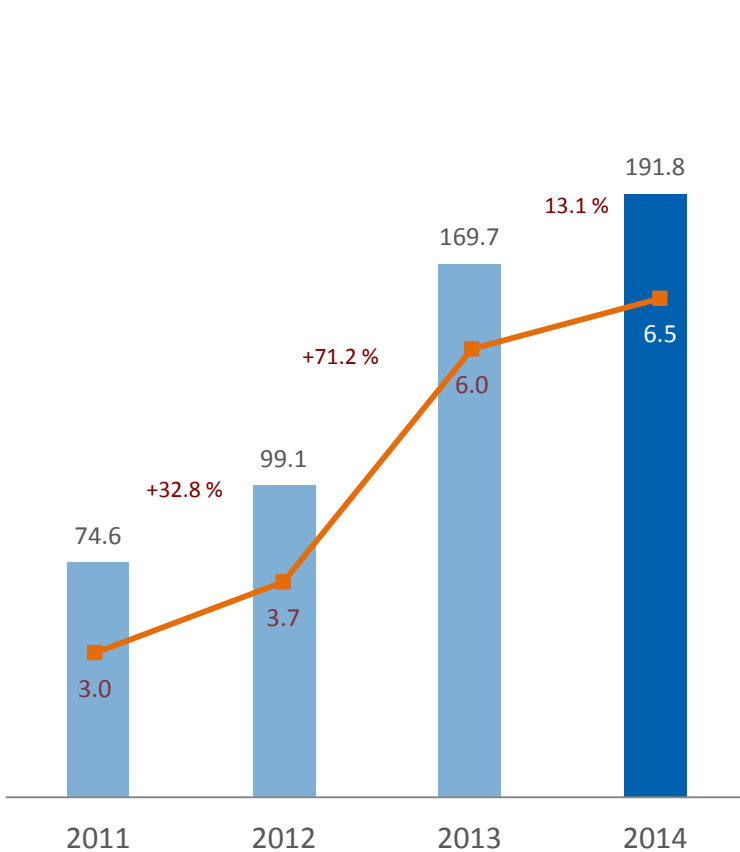
- Growth 4 %
- EBT-Margin by 6.2 %
- ROCE > 16 %

Achieved targets 2014

- Growth 4.9 %
- EBT-Margin 6.5 %
- ROCE 16.4 %

Krones increases EBT disproportionate

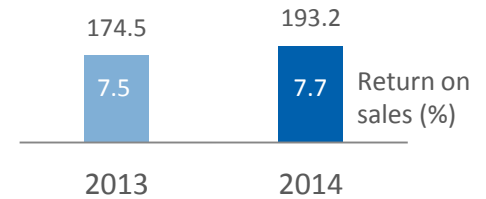
EBT (€ million)



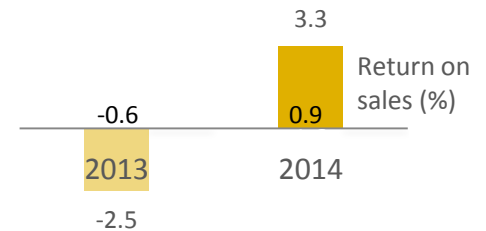
Return on sales (on EBT) (%)

EBT development segments (€ million)

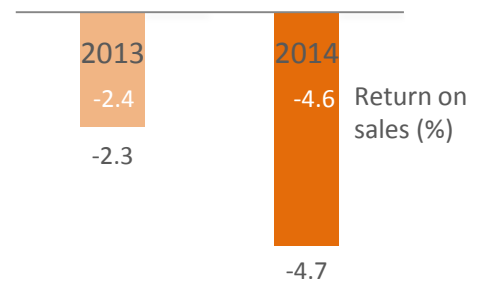
Machines and lines for product filling and decoration



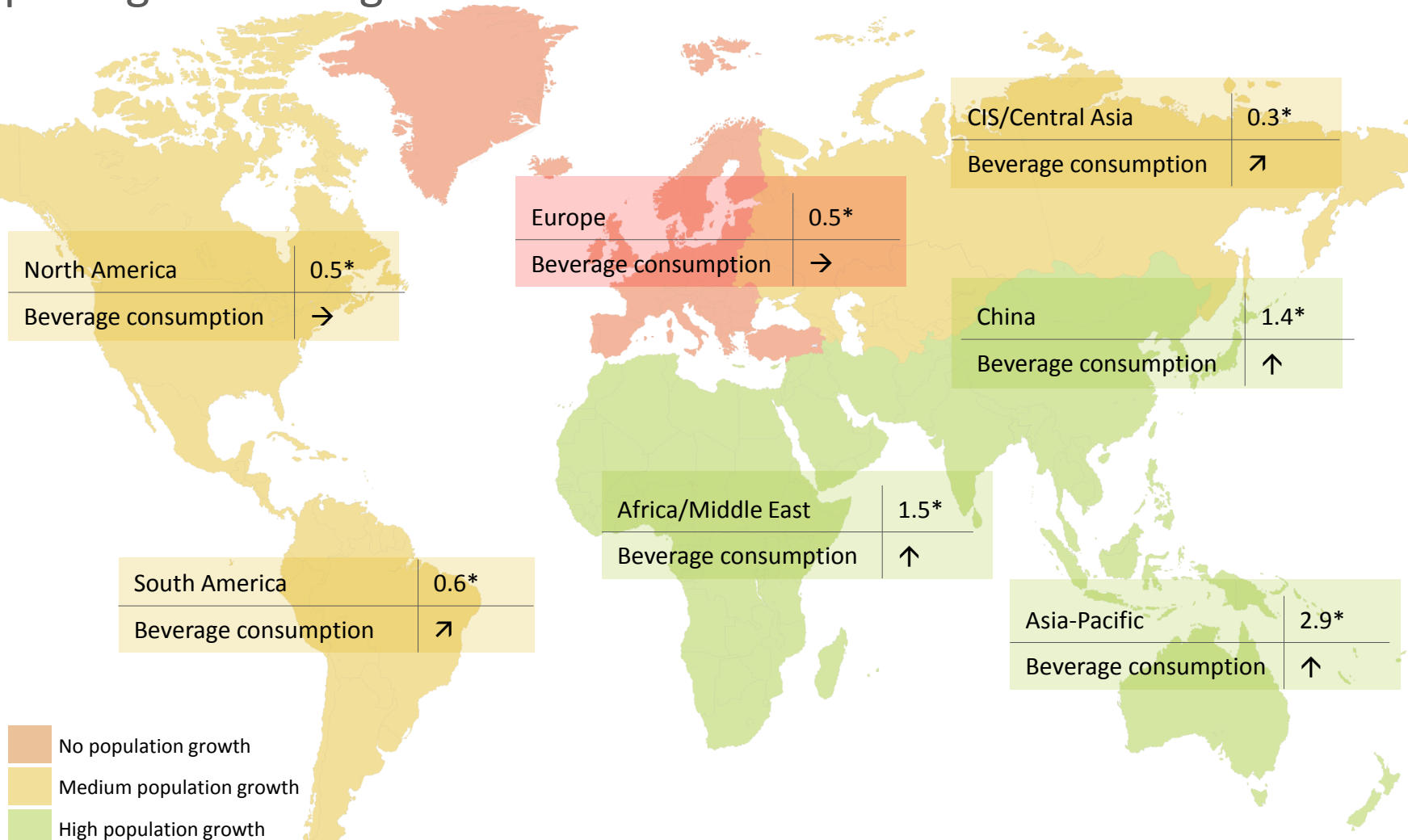
Machines and lines for beverage Production / process technology



Machines and lines for low output range



Population growth is driving demand for packaged beverages



■ No population growth
■ Medium population growth
■ High population growth

Source: International Monetary Fund

*approx. population 2020 (billion)



Financials 2014

Q1 2015

Krones continues profitable growth trend

Revenue rose 5.1 % to €738.9 million in the first quarter 2015

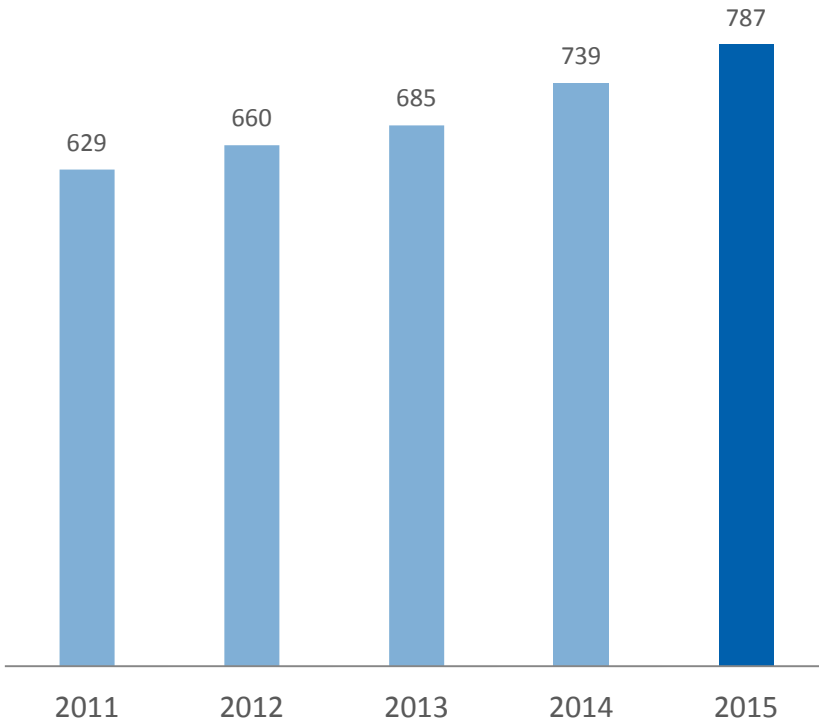
New orders at Krones were up 6.5 % to €787.0 million.

Profitability improved further. EBT margin increased from 6.1 % to 6.8 %.

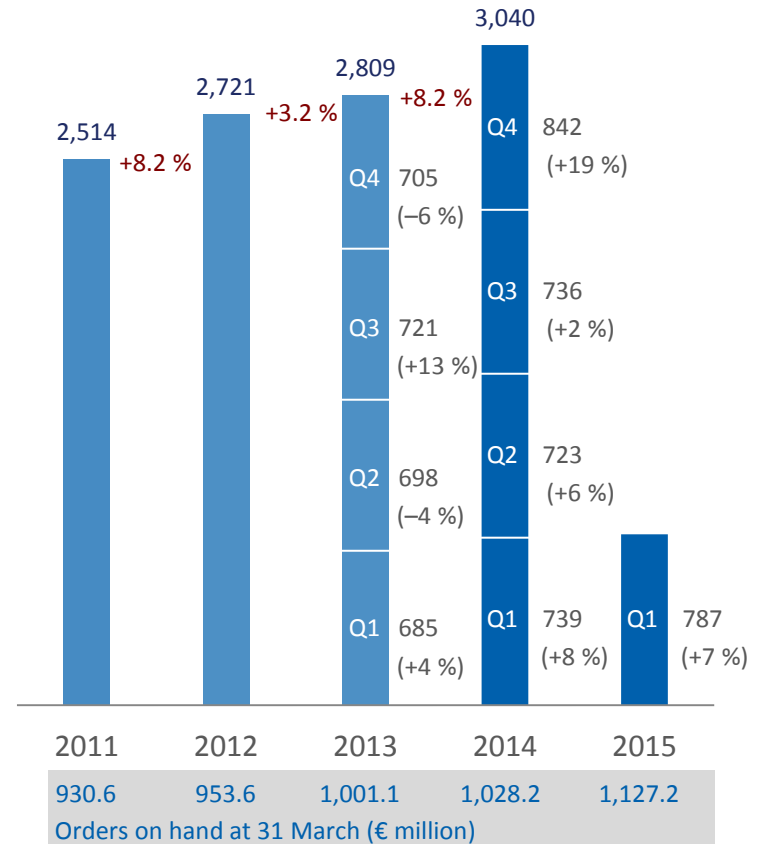
Krones is expecting 4 % revenue growth and an EBT margin of 6.8 % for 2015.

New orders rose 6.5 % in Q1 2015

New orders Q1 (€ million)

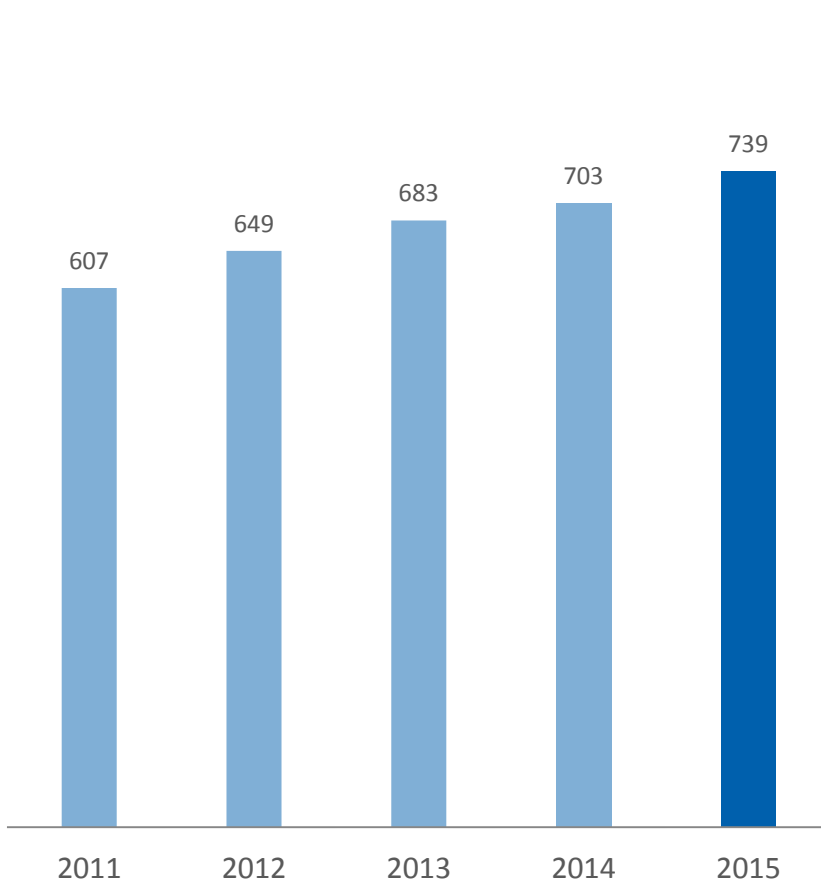


New orders by quarter (€ million)

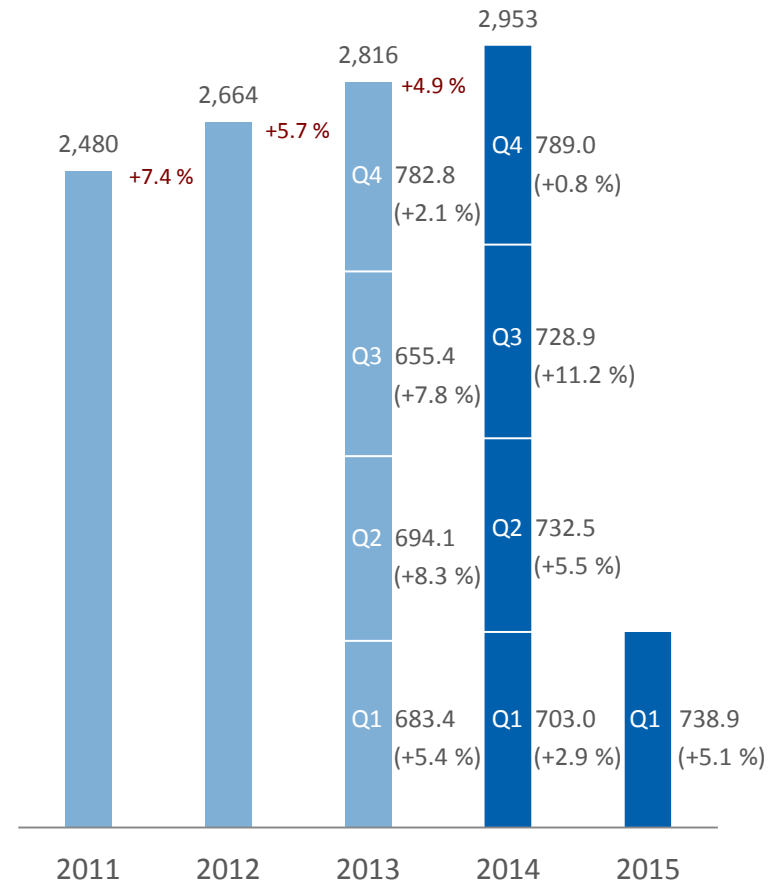


Revenue rose 5.1 % in Q1 2015

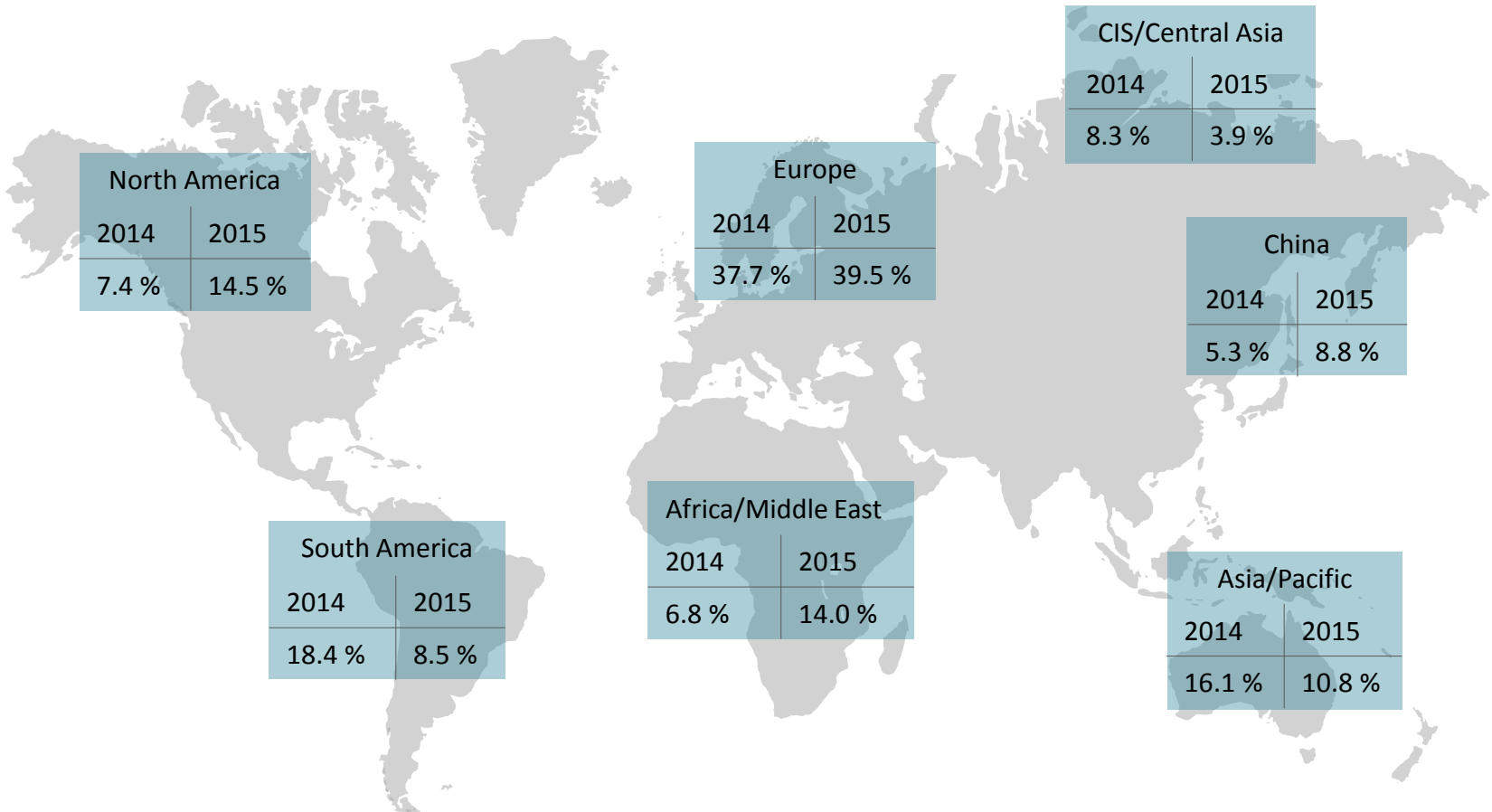
Revenue development Q1 (€ million)



Revenue development by quarter (€ million)



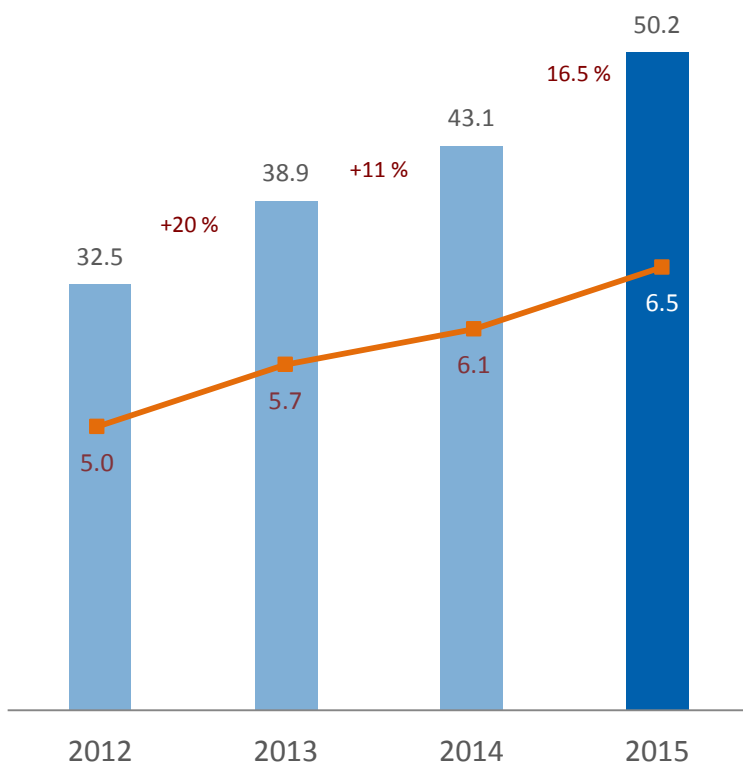
Revenue per region in Q1 2015



Share of Emerging Markets of consolidated revenue: 48.9 % (Prior year: 59.4 %)

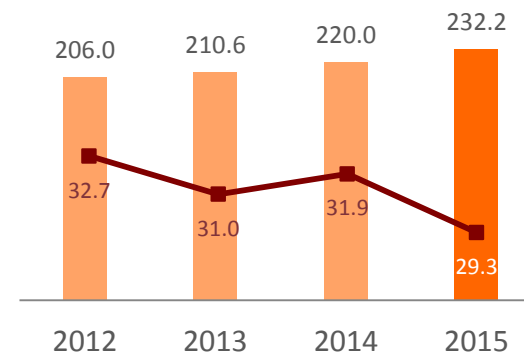
Strong increase of EBT margin based on the performance improvement

EBT Q1 (€ million)



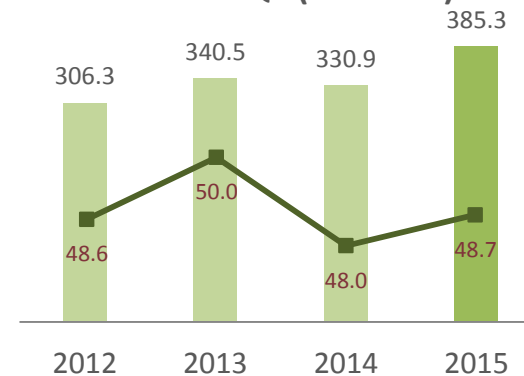
Return on sales (on EBT) (%)

Personnel costs Q1 (€ million)



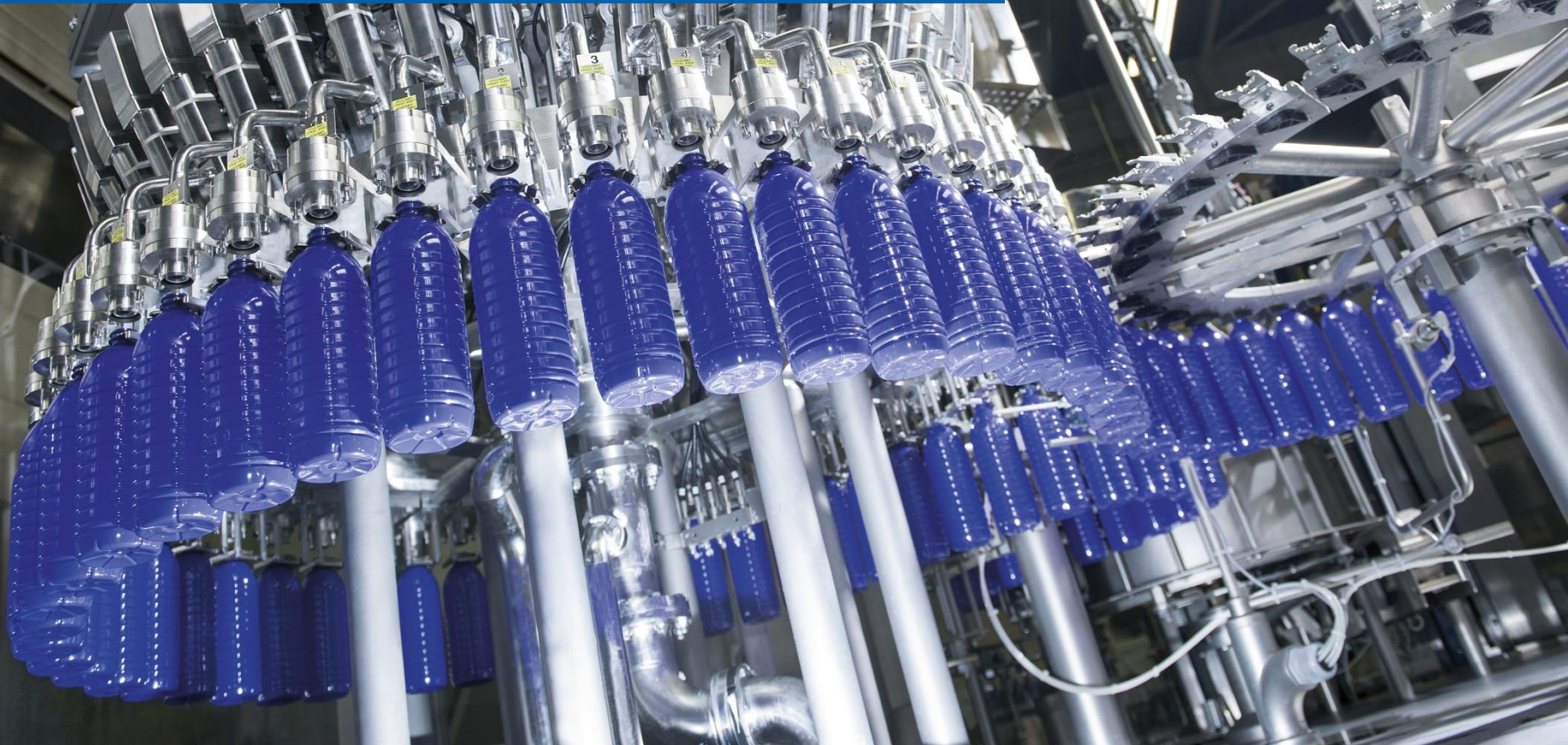
Personnel costs to total performance (%)

Material costs Q1 (€ million)



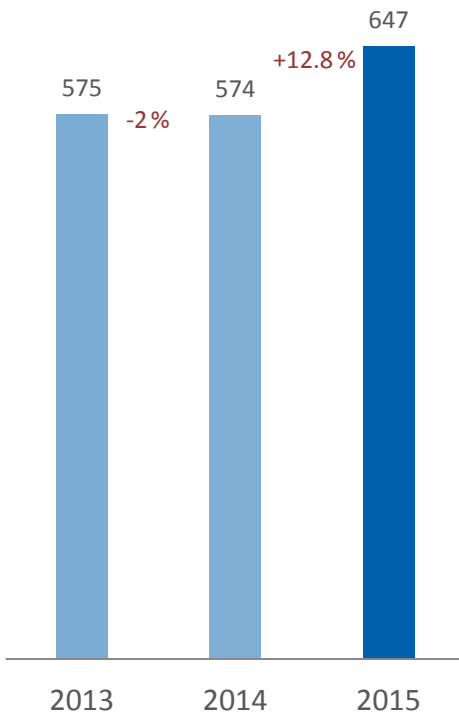
Material costs to total performance (%)

Machines and lines for product filling and decoration

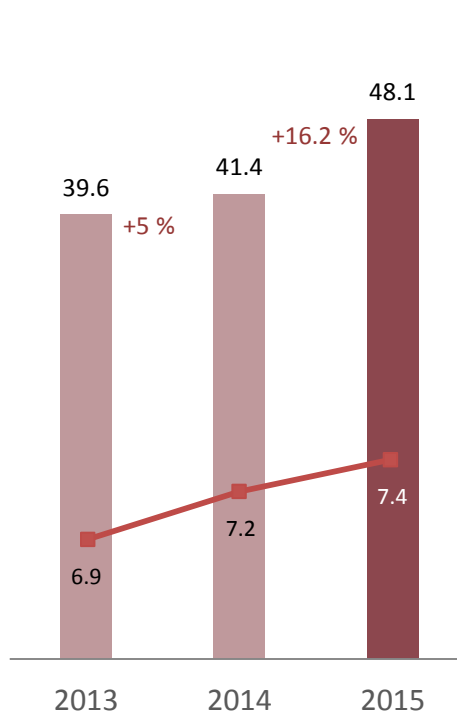


Product filling and decoration: Improvement of profitability

Revenue development Q1
(€ million)



EBT development Q1
(€ million)



— Return on revenue (%)

Regionalization of the LCS business

Cost reduction program to compensate cost increases

Expansion of modular production for dry part and labelling

Global procurement strategy

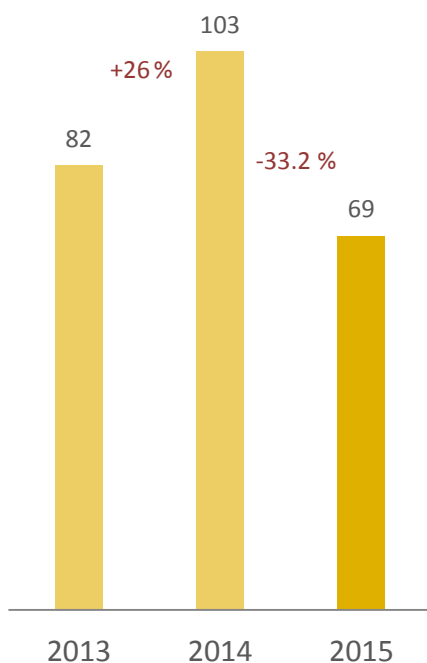
Midterm targets:
Growth 4-6 %; EBT margin 8 %



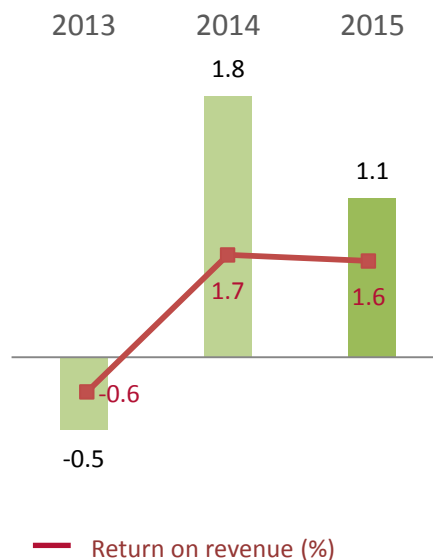
Machines and lines for beverage production / process technology

Beverage production/process technology: volatile sales development

Revenue development Q1
(€ million)



EBT development Q1
(€ million)



Expansion of the component business
(operative start of Evoguard in 2014 and
acquisition of HST homogenizers)

Strengthening the product portfolio for carbonated
softdrink applications and water treatment.

Regional structure for processing, including
engineering, procurement and project management

Syskron Holding founded as independent entity to
bundle Intralogistic business of Krones

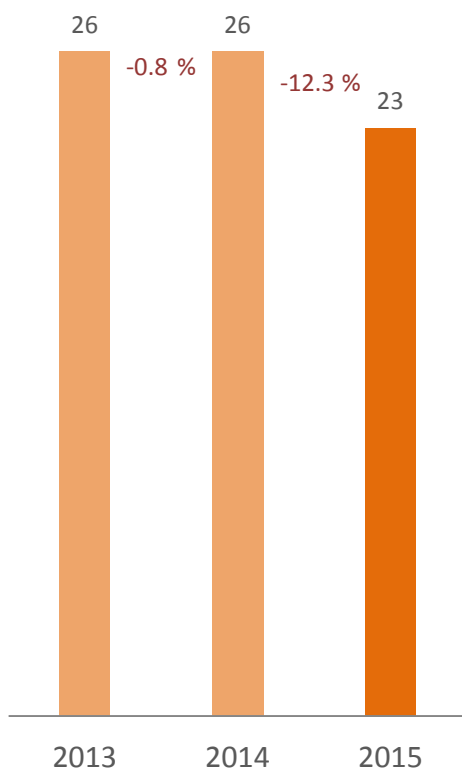
Midterm targets:
Growth 8-10 %; EBT margin 4 %

Machines and lines for the
low output range

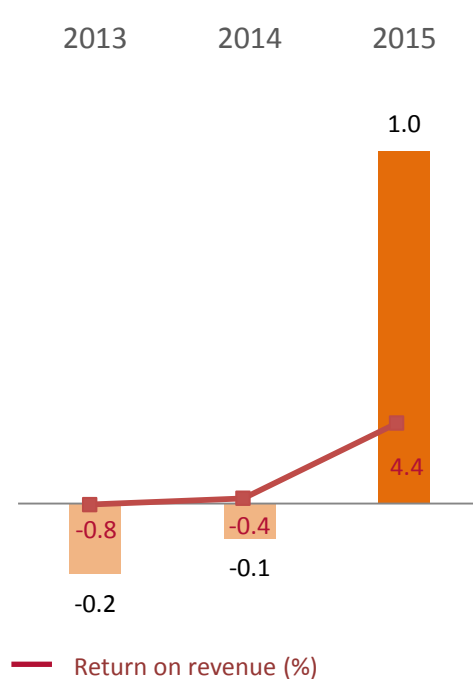


Segment for the low output range: Successful restructuring

Revenue development Q1
(€ million)



EBT development Q1
(€ million)



Restructuring program in the final stage.
Operating result is proving profitability

Strengthening product portfolio of
Kosme Italy in Filling and Labelling.
Emphasise on Labelling

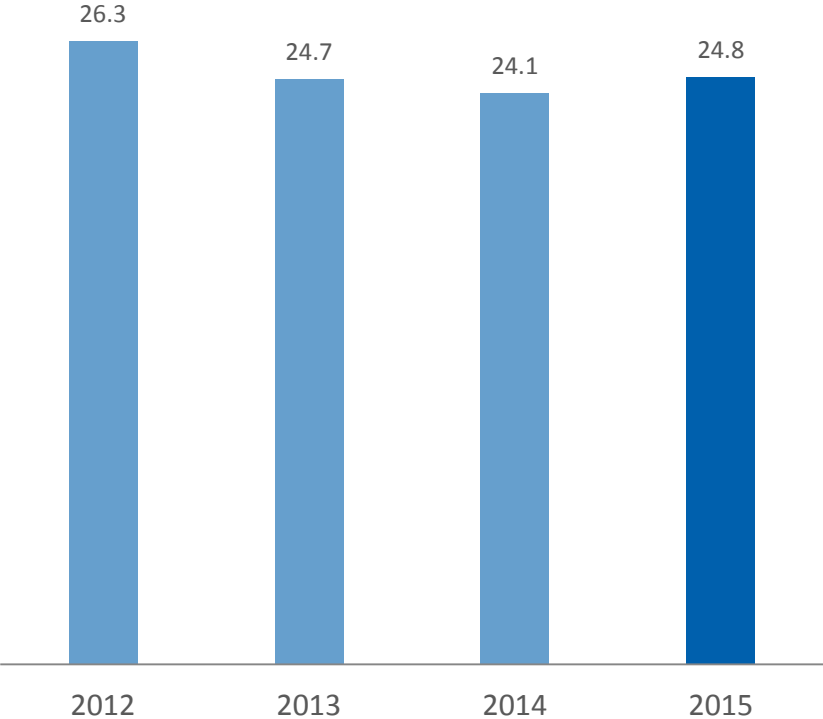
Further investment in Kosme
sales structure

Target for 2015:
EBT margin 4 %

Midterm targets:
Growth 5 %; EBT margin 5 %

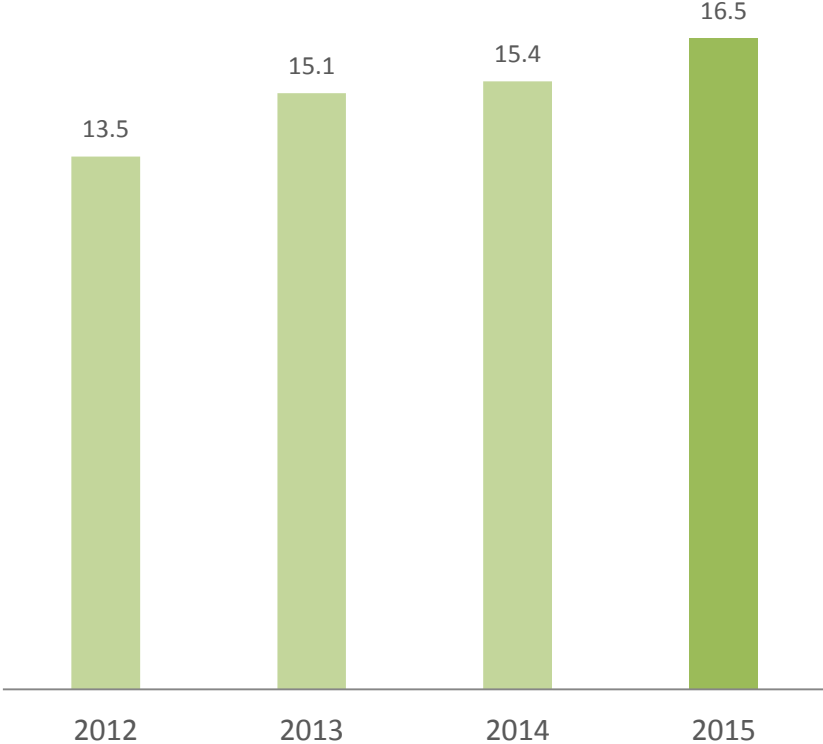
ROCE increases as planned

Working capital* Q1 (%) of revenue



*LTM (Last twelve months)

ROCE* Q1 (%)

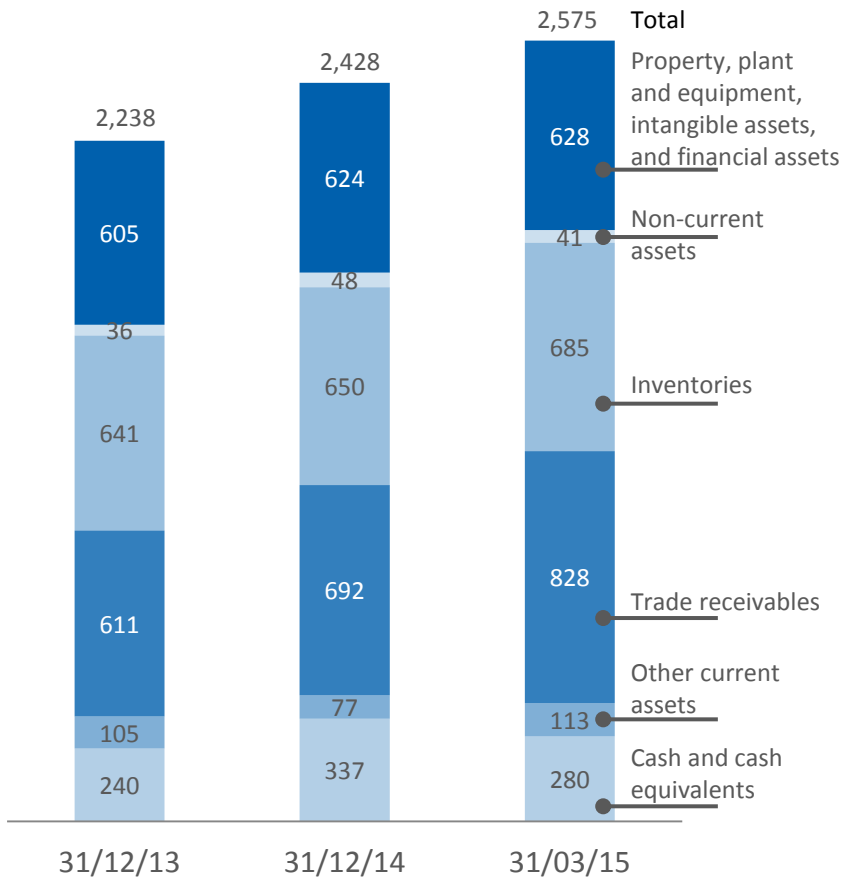


*LTM (Last twelve months)

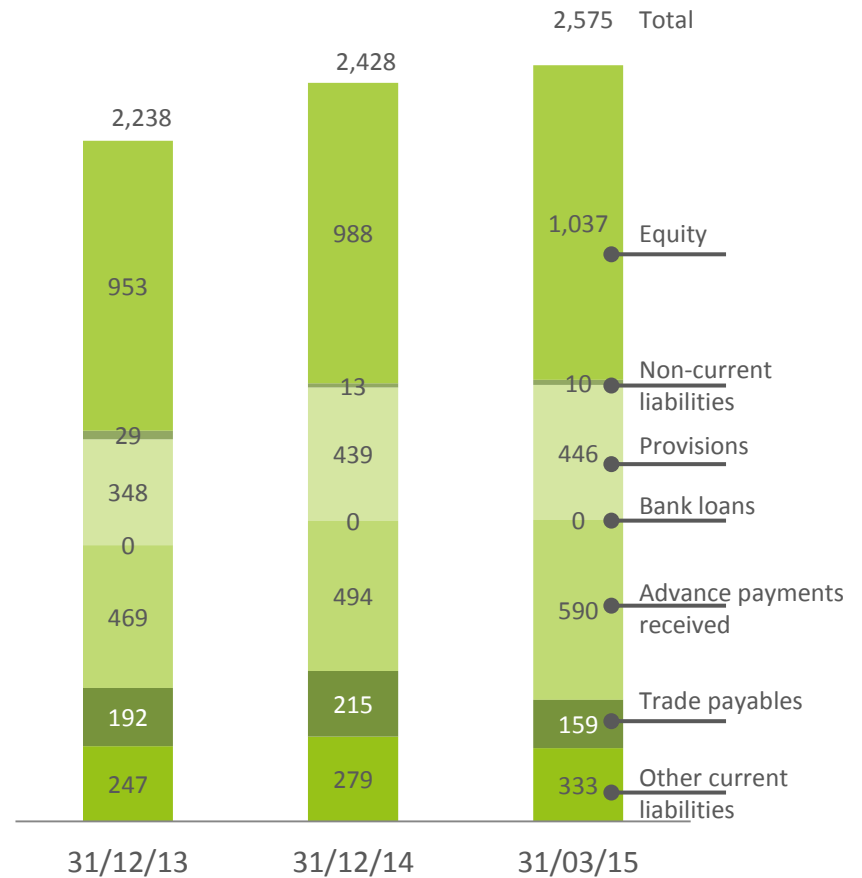
Free cash flow in line with expectations

(€ million)	Q1 2015	Q1 2014
Earnings before taxes	50.2	43.1
+/- non-cash expenses and income	+76.7	+ 76.1
+/- change in Working Capital	-151.7	-135.9
+/- other (mainly tax payments)	-12.0	-10.9
Cash flow from operating activities	-36.8	-27.6
+/- Capex, mainly intangible Assets and property plant and equipment	-15.8	-12.4
+/- other	-3.6	-0.2
Free cash flow	-56.2	-40.2
+/- Financing activities	0.0	0.0
+/- Changes in cash and cash equivalents arising from exchange rates	0.0	0.1
Net change in cash	-56.2	-40.1
Cash at the end of period	280.2	199.8

Equity rose over 1 billion €



Assets in € million



Equity and liabilities in € million

Q1 2015 in line with targets

Target:
Revenue growth
+ 4 %



Q1 2015:
5.1 %



Target:
EBT margin
6.8 %



Q1 2015:
6.8 %



Target:
ROCE
17 %



Q1 2015:
16.5 %



Thank you
for your attention!

Financial Calender 2015

- 17.06.2015 Annual General Meeting
- 23.07.2015 Conference Call concern Q2 2015
- 23.07.2015 Interim Report as per June 30
- 22.10.2015 Conference Call concern Q3 2015
- 22.10.2015 Interim Report as per September 30



Olaf Scholz
Head of Investor Relations

KRONES AG
Böhmerwaldstraße 5
93073 Neutraubling
Germany

Phone +49 9401 70-1169
Fax +49 9401 70-911169

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