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## **Krones significantly improves revenue and profitability in first three quarters of 2024**

- Krones' revenue growth continued in the third quarter (+13.2%) versus prior year. In the first nine months of 2024, Krones increased revenue by 11.2% year on year to €3,874.8 million, which is within the growth forecast for the full year 2024.
- At €1,323.2 million, order intake from July to September 2024 exceeded the figure in the preceding quarter (€1,310.2 million) and almost matched the high level of the third quarter of 2023 (€1,327.7 million). Order intake in the first nine months of 2024 increased slightly compared to the strong previous year (€4,113.6 million) to €4,116.1 million. At €4,363.6 million, the order backlog was 6.6% higher at the end of September 2024 than a year earlier.
- Despite higher material and personnel costs, the EBITDA margin increased in the first three quarters due to the company's efficiency gains from 9.5% in the previous year to 10.1%. This is within the guidance range for the full year 2024.
- The company significantly improved free cash flow (before M&A activities) between January and September by €311.1 million to +€145.0 million (previous year: -€166.1 million).
- Based on the positive development in the first three quarters, Krones has confirmed the guidance for the full year 2024. The company expects revenue growth of 9% to 13%, an EBITDA margin of 9.8% to 10.3% and ROCE of 17% to 19%.

Following the positive first half of 2024, the third quarter also went well for Krones. The company remained on its profitable growth track and, after the first nine months, confirmed the Group financial targets for the full year 2024.

### **Revenue up 11.2% in first three quarters – order intake remains at high level**

Krones' strong revenue growth continued in the third quarter of 2024. At €1,318.7 million, revenue increased by 13.2% compared to the previous year (€1,164.7 million). Efficiency in production improved due to good material availability. In the previous year, production output was affected at times by tight supplies of electrical components. Part of the revenue growth is due to the acquisition of Netstal Maschinen AG.

In the first nine months of 2024, revenue went up by 11.2% year on year, from €3,485.6 million to €3,874.8 million. In total, growth in the first three quarters was therefore within the full-year 2024 guidance range of 9% to 13%.

At €1,323.2 million in the third quarter of 2024, order intake increased slightly relative to the second quarter (€1,310.2 million) and nearly matched the high level of the third quarter of the previous year (€1,327.7 million). Order intake from January to September 2024 came to €4,116.1 million (previous year: €4,113.6 million). Customer order activity therefore remained stable at a high level in the first three quarters of 2024. The book-to-bill ratio in the first nine months was 1.06. Despite critical overall economic conditions, the willingness of customers from the beverage industry to invest remains good. Krones also expects a book-to-bill ratio greater than 1 for the full year 2024.

Due to the stable order intake, the order backlog continued to rise from January to September. At €4,363.6 million as of the end of September 2024, Krones' order backlog was up 5.9% on the 2023 year-end (€4,122.3 million). Compared to a year earlier (€4,094.4 million), the order backlog increased by 6.6%. The very large order backlog ensures production capacity utilisation through to the end of 2025.

### **Krones improves profitability – EBITDA margin up from 9.5% to 10.1% in first three quarters of 2024**

Despite ongoing high personnel and material costs, Krones' profitability further improved between January and September 2024. This was mainly due to the good capacity utilisation and the company's increased efficiency. Earnings before interest, taxes, depreciation and amortisation (EBITDA) went up in the first three quarters of 2024 by 17.7% year on year, from €332.3 million to €391.1 million. The EBITDA margin improved significantly from 9.5% to 10.1%. This placed the figure for the first nine months within the full-year guidance range of 9.8% to 10.3%.

Earnings before taxes (EBT) went up between January and September 2024 by 17.1% to €275.6 million, while the EBT margin rose to 7.1% (previous year: 6.8%). On the bottom line, the consolidated net income of €200.7 million for the first three quarters of 2024 was 14.2% higher than in the previous year. This corresponds to earnings per share of €6.35 (previous year: €5.56).

In the third quarter of 2024, Krones' EBITDA increased by 21.6 % year on year to €134.9 million. The EBITDA margin went up from 9.5% to 10.2%. EBT improved by 21.0% to €89.9 million. Krones generated consolidated net income of €65.7 million in the third quarter, up 21.0% year on year. Earnings per share increased to €2.08 (previous year: €1.72).

### **Free cash flow (excluding M&A activities) significantly improved by €311.1 million**

From January to September 2024, Krones generated free cash flow of €145.0 million before M&A activities. This represents an improvement of €311.1 million compared to the previous year (–€166.1 million). The main reason is the significantly smaller increase in working capital in the first nine months compared to the previous year.



Krones spent a total of €178.9 million on M&A activities in the first three quarters of 2024. Free cash flow nevertheless improved by €246.7 million to –€33.9 million (previous year: –€280.6 million). Despite the M&A activities, higher capital expenditure and the increased dividend payout, Krones’ net cash amounted to €301.9 million at the end of September 2024 (previous year: €284.8 million). In addition, Krones has around €850 million in unused lines of credit.

The third financial performance target, return on capital employed (ROCE), went up significantly to 18.3% in the first nine months of 2024 (previous year: 17.0%).

### **Krones confirms full-year group financial targets for 2024**

The business environment continues to be challenging for Krones. There are various uncertainties, such as geopolitical risks in Europe, the Middle East and other parts of the world. Material shortages and the global supply chain problems that could result from military action along important trade routes likewise remain a source of uncertainty.

After the successful first three quarters, Krones is fully on track to achieve the Group targets for the 2024 financial year and has confirmed them. This is based on the current expected development of the markets relevant to Krones.

Krones expects revenue growth of 9% to 13% in 2024. On the basis of rising revenue, an ongoing disciplined price strategy and rigorous implementation of the cost optimisation measures, Krones aims to improve profitability again this year compared to 2023. At group level for 2024, the company forecasts an EBITDA margin of 9.8% to 10.3% (2023: 9.7%). For the third performance target, ROCE, Krones expects an increase to between 17% and 19% (2023: 16.3%).

All forecast figures for 2024 include the effects of the acquisition of Netstal Maschinen AG, which has been consolidated within the Filling and Packaging Technology segment since 28 March 2024.

Krones has published the full quarterly statement for the first three quarters of 2024 online at: [https://www.krones.com/media/downloads/Q3\\_2024\\_e.pdf](https://www.krones.com/media/downloads/Q3_2024_e.pdf)

**Contact:**

Olaf Scholz

Head of Investor Relations, Krones AG

Phone: +49 9401 70 1169

E-Mail: [olaf.scholz@krones.com](mailto:olaf.scholz@krones.com)