

Value 
Shaping success

Conference Call
FY 2013 and Q1 2014
April 30, 2014

Highlights 2013

KRONES continues solid, profitable growth trend

- Revenue improved by 5.7% from €2,664.2 million in 2012 to €2,815.7 million in 2013 slightly above expectation.
- KRONES generated an EBT margin of 6.0% in 2013 and managed to reach the top end of the margin target.
- KRONES proposes a dividend of €2.0 per share (previous year: €0.75 per share).

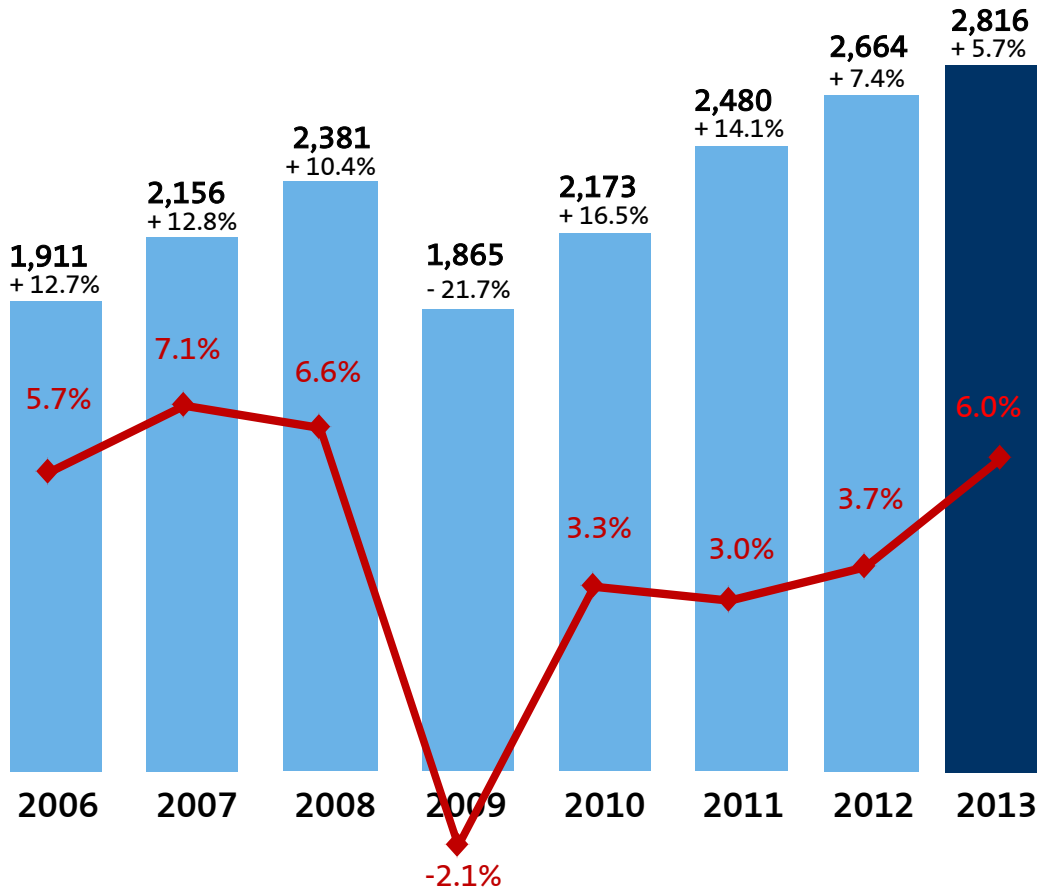
KRONES confirms preliminary figures as of December 31, 2013

Preliminary figures 2013 confirmed

Financial year		2013	2012	2011	2010
Sales revenues	in €bn	2.82 (+6%)	2.66 (+7%)	2.48 (+14%)	2.17 (+17%)
EBT	in €m	169 (+71%)	99 (+32%)	75 (+15%)	71 (-)
Net income (after tax)	in €m	119 (+75%)	68 (+54%)	44 (+5%)	51 (-)
ROS	in %	6.0%	3.7%	3.0%	3.3%
Dividend per share	in €	2.00* (+33%)	0.75 (+25%)	0.60 (+50%)	0.40
ROCE	in %	16.7%	10.0%	7.9%	8.1%
Net financial position (cash 31.12.)	in €m	240	133	125	147
Orders received	in €bn	2.81 (+3%)	2.72 (+8%)	2.51 (+15%)	2.19 (+14%)
Orders on hand (31.12.)	in €bn	0.99	0.99 (+5%)	0.94 (+4%)	0.91 (+1%)
Free Cash flow	in €m	67.0	30.6	-7.4	2.3
Employees (31.12.)		12,285 (+3%)	11,963 (+5%)	10,378 (+8%)	10,575 (+3%)

* As per proposal for appropriation of retained earnings

KRONES 2013 targets fully achieved



Sales on EBT in %

Targets 2013

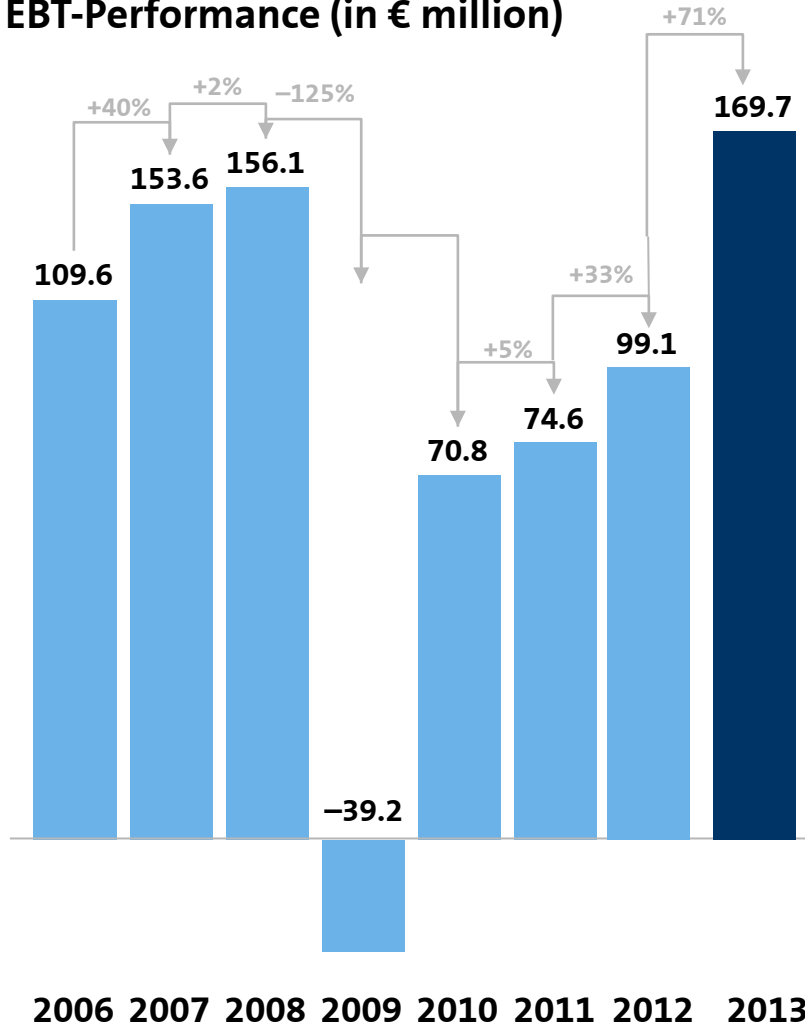
- Sales 2.75 €bn
- Growth 4%
- EBT 165 €m
- ROS 5.8 – 6.0%

Achieved targets 2013

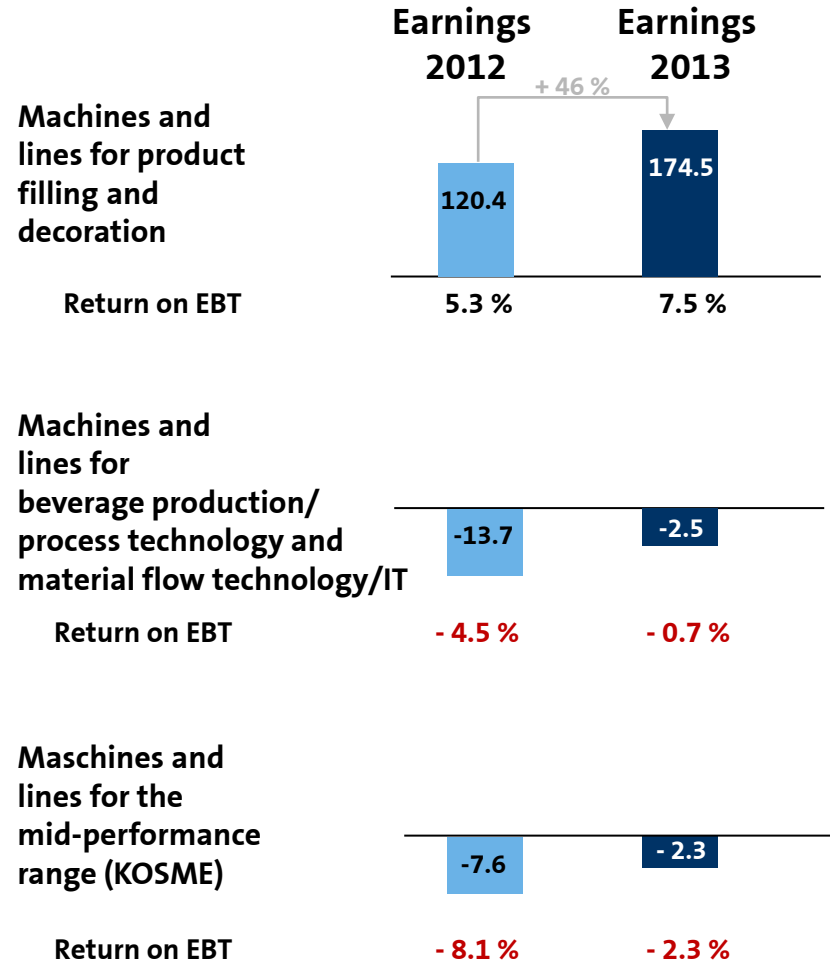
- Sales 2,816 €m
- Growth 5.7%
- EBT 169.7 €m
- ROS 6.0%

Earnings performance and segments

EBT-Performance (in € million)

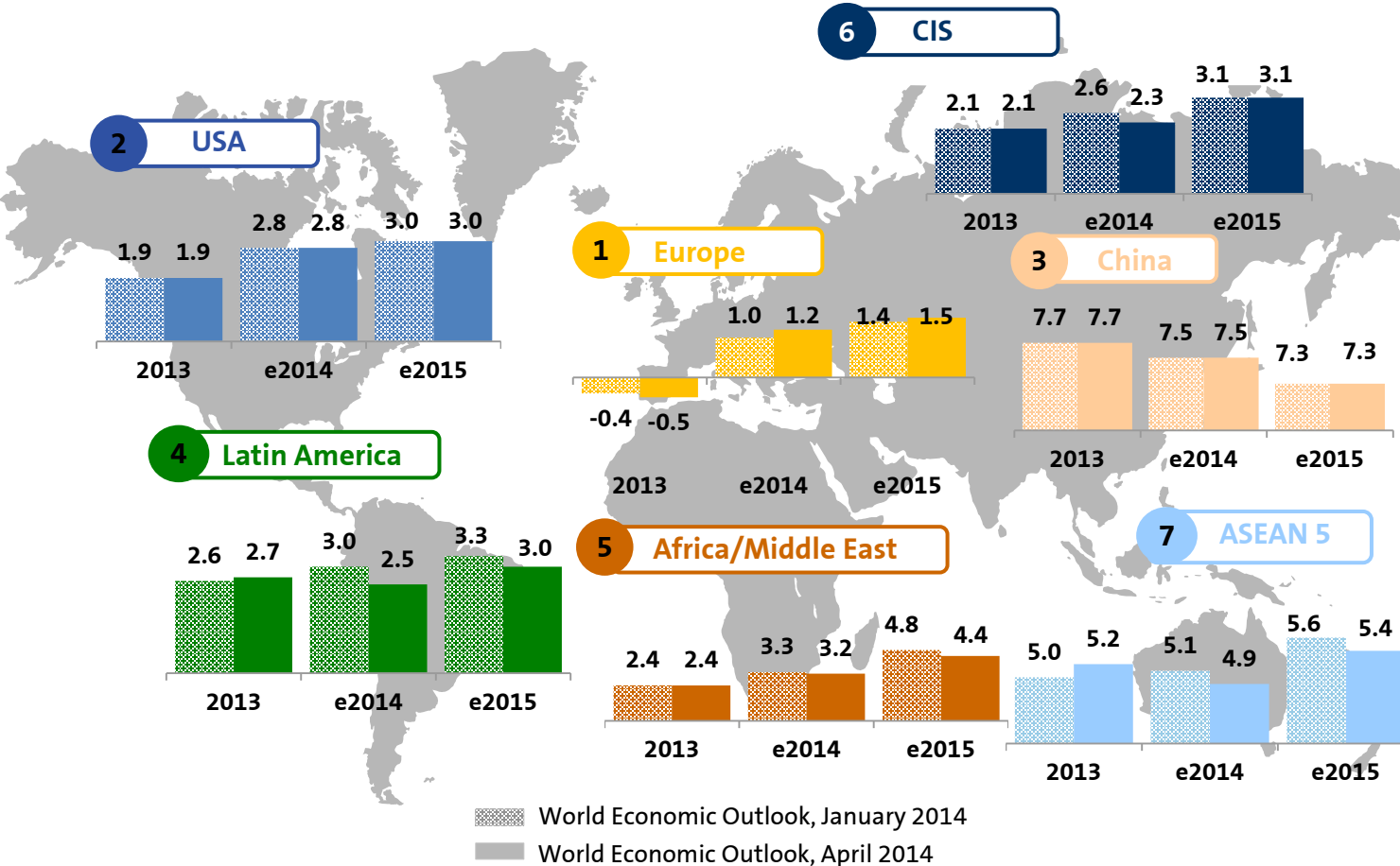


Earnings performance by segment (in € million)



Economic outlook per region

Development of GDP 2013 – 2015 (as of April 2014)



Global

2013	e2014	e2015
3.0	3.6	3.9

GDP gives a good indication for the beverage consumption



Highlights Q1 2014

KRONES is right on schedule after the first quarter

- Revenue improved 2.9% to €703.0 million in the period from January to March 2014.
- New orders were up 7.8% to €738.8 million.
- Earnings performance increased further. EBT margin widened from 5.7% to 6.1%.
- KRONES is standing by its earnings target for 2014 as a whole.

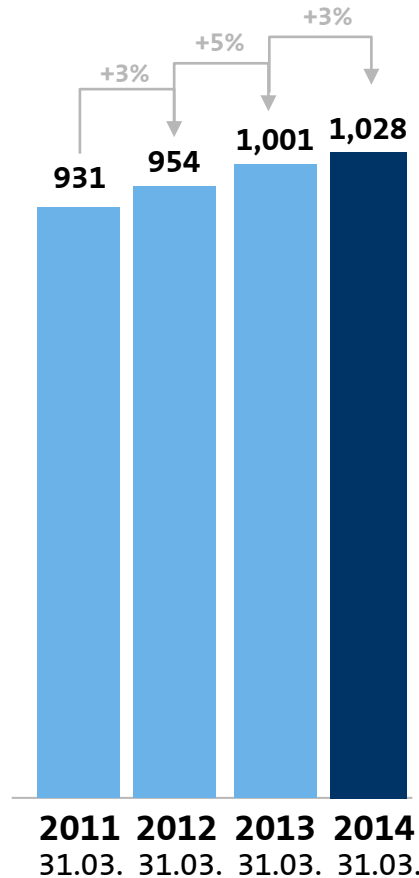
KRONES confirms its growth target of 4% and its EBT margin target of around 6.2% for 2014

With a 8% increase in orders received in Q1 KRONES is on track for 2014

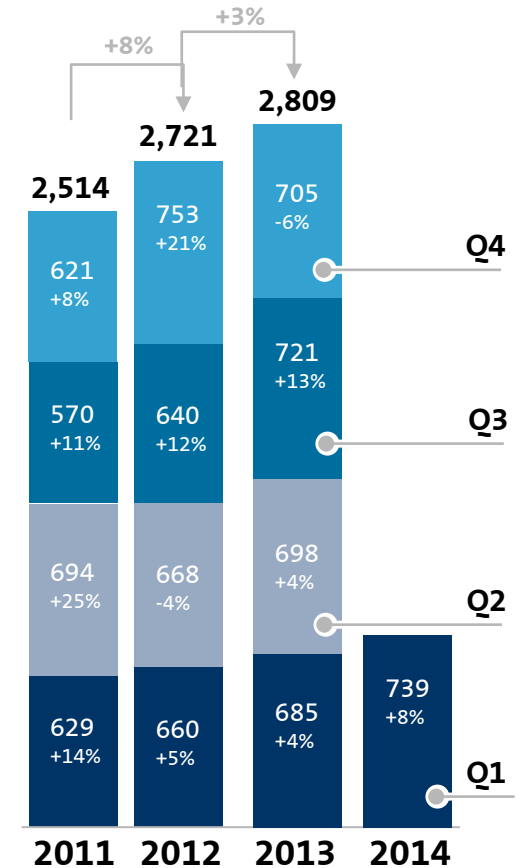
Trend by region

	2012	2013	2014
Central Europe	↗	↘	↗
Western Europe	↗	→	→
Eastern Europe	→	↗	→
CIS/Central Asia	→	↗	→
Middle East/Africa	↗	↗	↗
China	→	↘	→
Asia/Pazific	↗	↗	↗
North- and Central America	→	↘	↘
South America	→	→	→

Orders on hand in €m

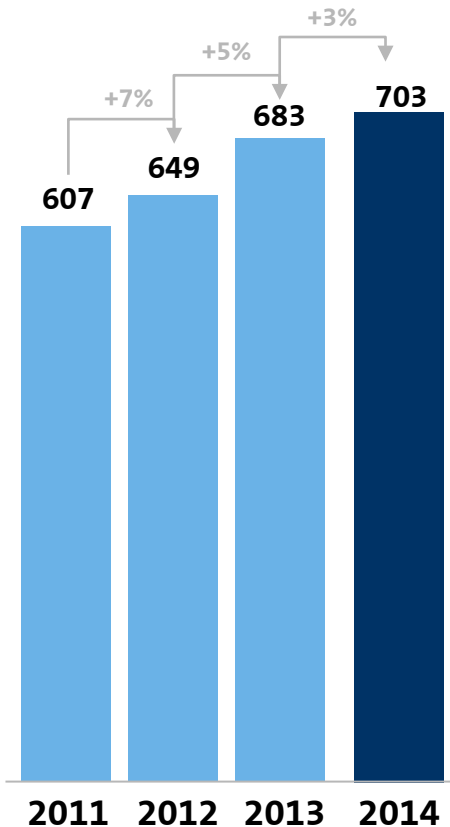


Orders received in €m



Sales increased by 3% in Q1 2014, but sales split does not reflect full year

Sales Q1

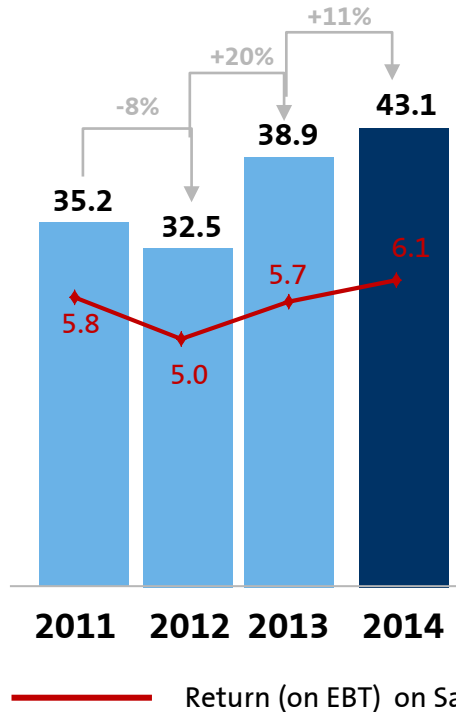


Sales per Region (in €m)

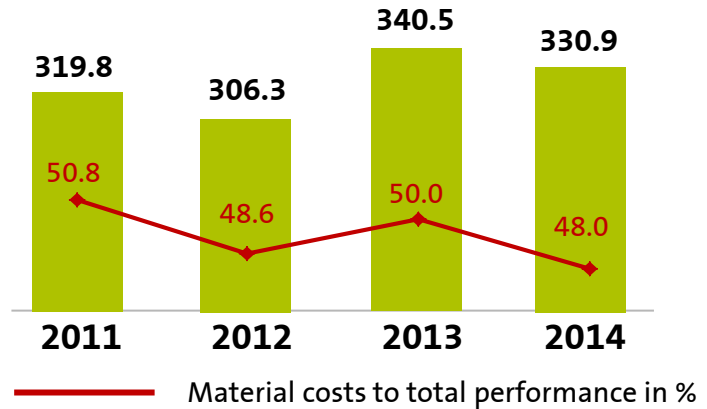
Germany	89.5	12.7%
Central Europe	27.9	4.0%
Western Europe	116.4	16.6%
Eastern Europe	31.6	4.5%
CIS and Central Asia	58.4	8.3%
Middle East/Africa	47.6	6.8%
Asia/Pacific	112.9	16.0%
China	37.3	5.3%
South America/Mexico	129.5	18.4%
North America	51.9	7.4%
Σ	703.0	100.0%

EBT-Margin increased significantly based on higher productivity

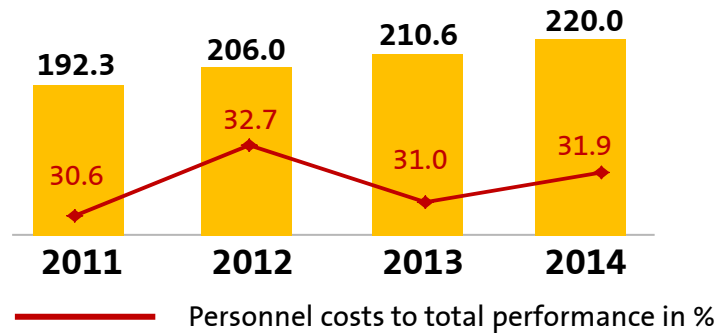
EBT in €m Q1



Material costs in €m Q1

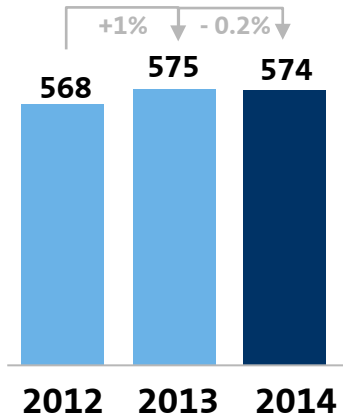


Personnel costs in €m Q1



Product filling and packaging: cost efficiency program increases margin

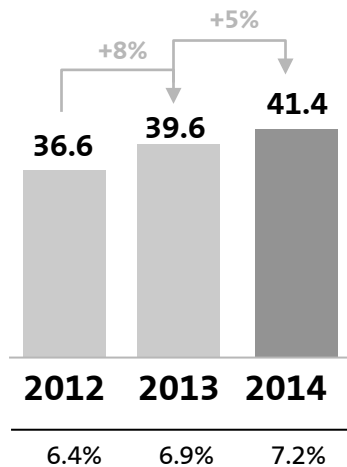
Sales development Q1



Key Topics 2014

- Taking our LCS business further into the regions
- Reducing costs now to offset future cost increases
- Increasing modular production of dry end components
- Buying globally and benefit from low-cost countries
- Putting our new in-house logistics concept to work

EBT development Q1



Mid term targets:

Growth 4 – 6%, EBT 8%

Return on Sales

Contiform AseptBloc – new standard for aseptic (germ-free) beverage filling

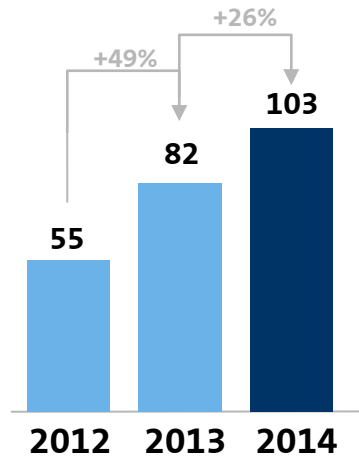


- Minimum media consumption compared to conventional aseptic solutions
- Further reduction of TCO for filling of sensitive beverages such as juices, iced tea, energy drinks, and dairy drinks
- Preform sterilisation with H_2O_2
- Expansion of the aseptic portfolio
- Cost effective: Up to 144 hours of continuous production and filling up to “the last drop”
- Highest product safety and reproducible production conditions

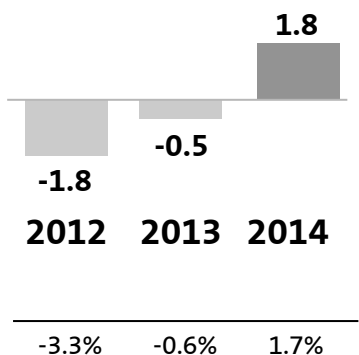
Our combined expertise in aseptic technology and stretch-blow moulding has yielded a unique integrated concept.

Process technology: turnaround with positiv EBT margin

Sales development Q1



EBT development Q1



Key Topics 2014

- Expansion of the component business (Operativ start of Evoguard in 2014 and Acquisition of HST Homogenizers)
- Extension of the product portfolio to include process technology for non-alcohol products
- Local structure of services for turnkey projects
- Klug has filed for insolvency

Mid term targets:
Growth 8 – 10%, EBT 4%

Process technology for Softdrinks – syrup room by KRONES

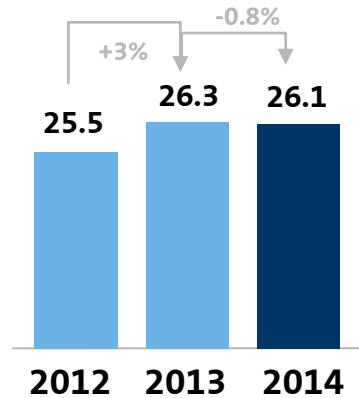


- The design is composed of sugar dissolving unit, sugar syrup pasteuriser and powder solving unit
- The modular unit design enables to process different raw material qualities
- A new software allow for quick changes in the mixing process
- The unit system facilitates additions to the production portfolio

KRONES is now able to deliver the entire syrup room from a single source

KOSME: balanced utilisation in Q1 results in a break-even

Sales development



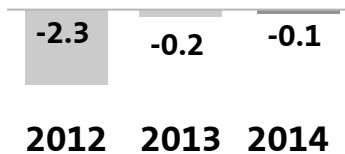
Achievements 2013

- Further development of the LCS business
- Repositioning in the food and health care market

Measures 2014

- production needs to be utilized for the full year
-> break-even reduction needed for flexibility

EBT development



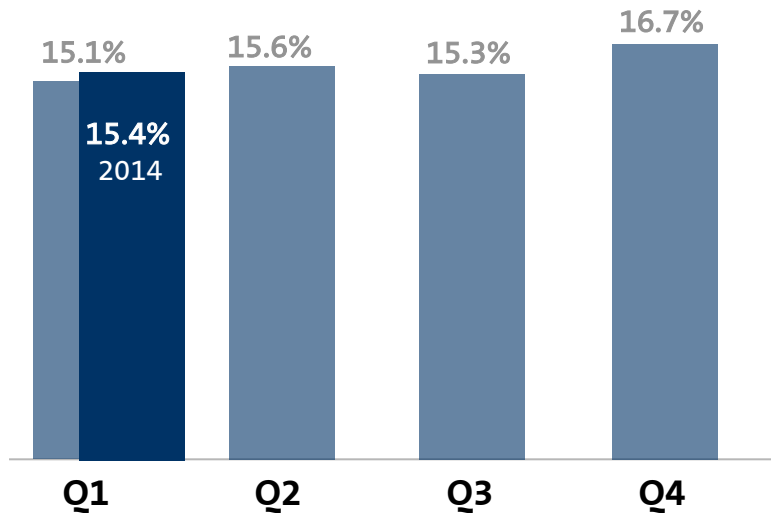
Mid term targets: Flexible Infrastructure, EBT 3%

-18.0% -8.1% -2.4% Return on Sales

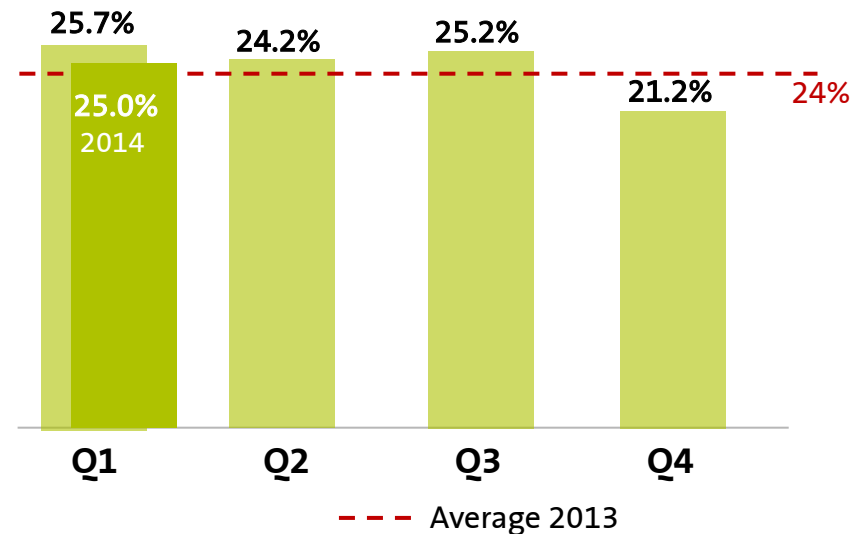


ROCE and working capital (KRONES Group) improved again

ROCE



Working Capital

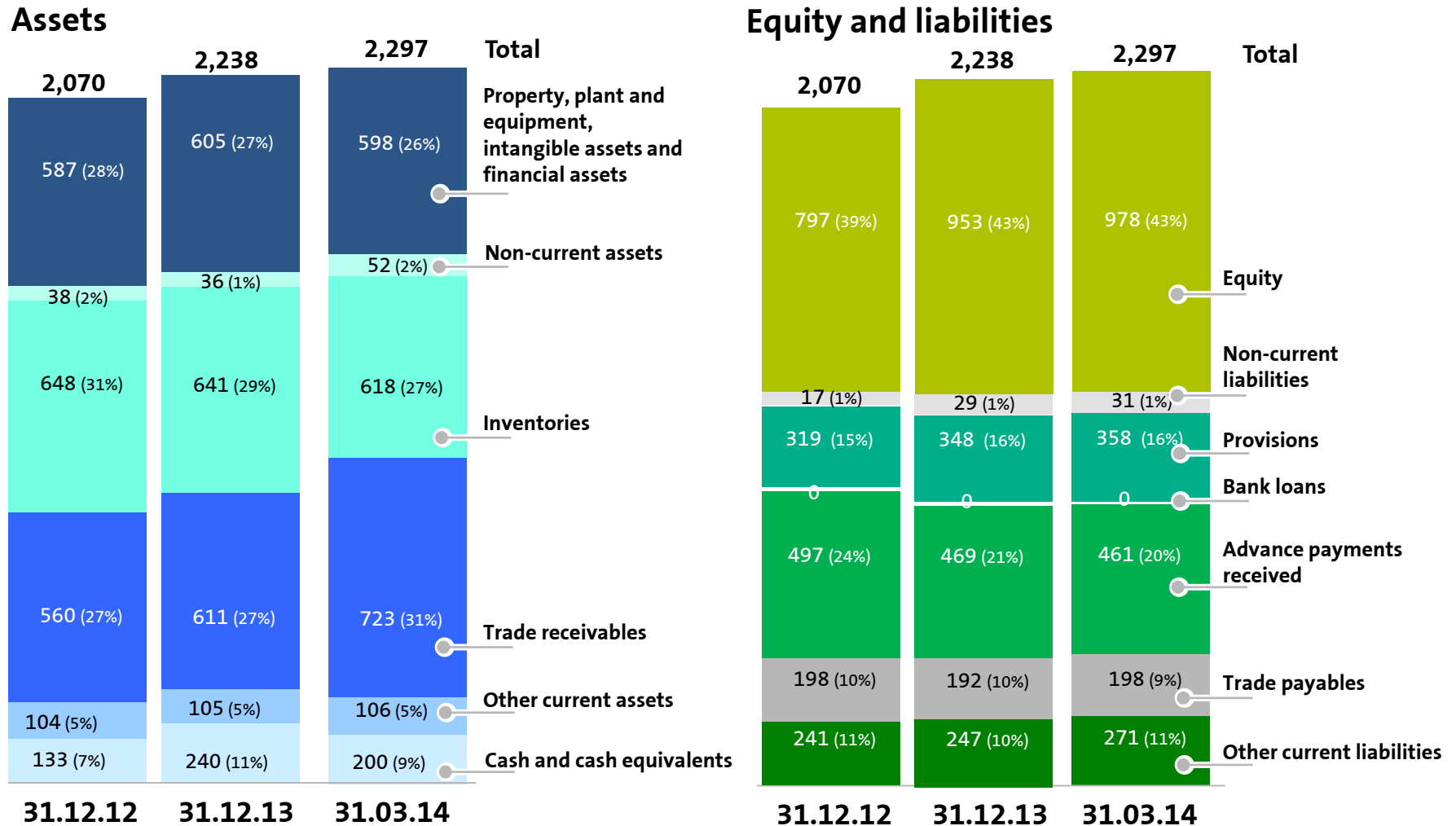


KRONES generated a ROCE of 15.4% which is in line with full year targets
Working Capital was with 25.0% (average 24.1%) very good

Free Cash flow doubled in first 3 month 2014

		Q1 2014	Q1 2013
Earnings before tax	in €m	43.1	38.9
+/- non-cash expenses and income	in €m	76.1	64.6
+/- change in Working Capital	in €m	-135.9	-162.4
+/- other (mainly tax payments)	in €m	-10.9	-6.2
Cash flow from operating activities	in €m	-27.6	-65.1
+/- Capex, mainly intangible Assets and property, plant and equipment	in €m	-12.4	-18.7
+/- other	in €m	-0.2	1.7
Free cash flow	in €m	-40.2	-82.1
+/- Financing activities and other	in €m	0.1	61.1
Net change in cash	in €m	-40.1	-21.0
Cash at the end of the period	in €m	199.8	111.9

Balance sheet in € million



Targets for 2014 confirmed



In 2014, KRONES will focus even further on the value strategy for profitable growth.

KRONES is confident to achieve the three targets:

- Revenue growth of 4%
- EBT Margin of around 6.2%
- ROCE above 16%



Thank you!

Financial calendar

Annual General Meeting 25.06.2014
(Neutraubling)

Interim report 24.07.2014
as per June 30th 2014

Interim report 23.10.2014
as per September 30th 2014



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