

KRONES

Financial Year 2015

Preliminary Figures

Conference Call March 17, 2016



Highlights 2015

Financials 2015

Outlook 2016

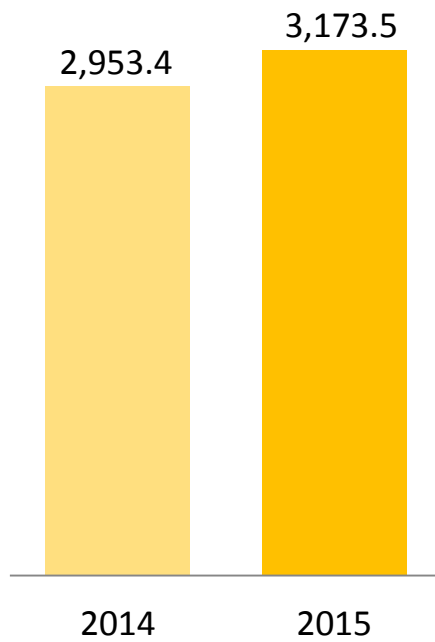
Krones achieved its targets for 2015 and is positive for 2016

Revenue increased by 7.5 % to 3.17 bn €

EBT Margin increases from 6.5 % prior year to 7.0 %

Dividend for 2015 planned at 1.45 € per share
(prior year 1.25 € per share)

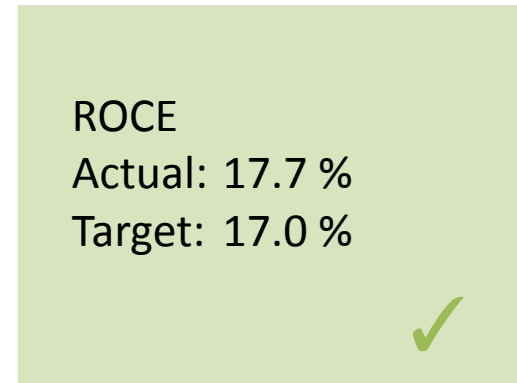
Krones achieved all targets for 2015



in € million



in %



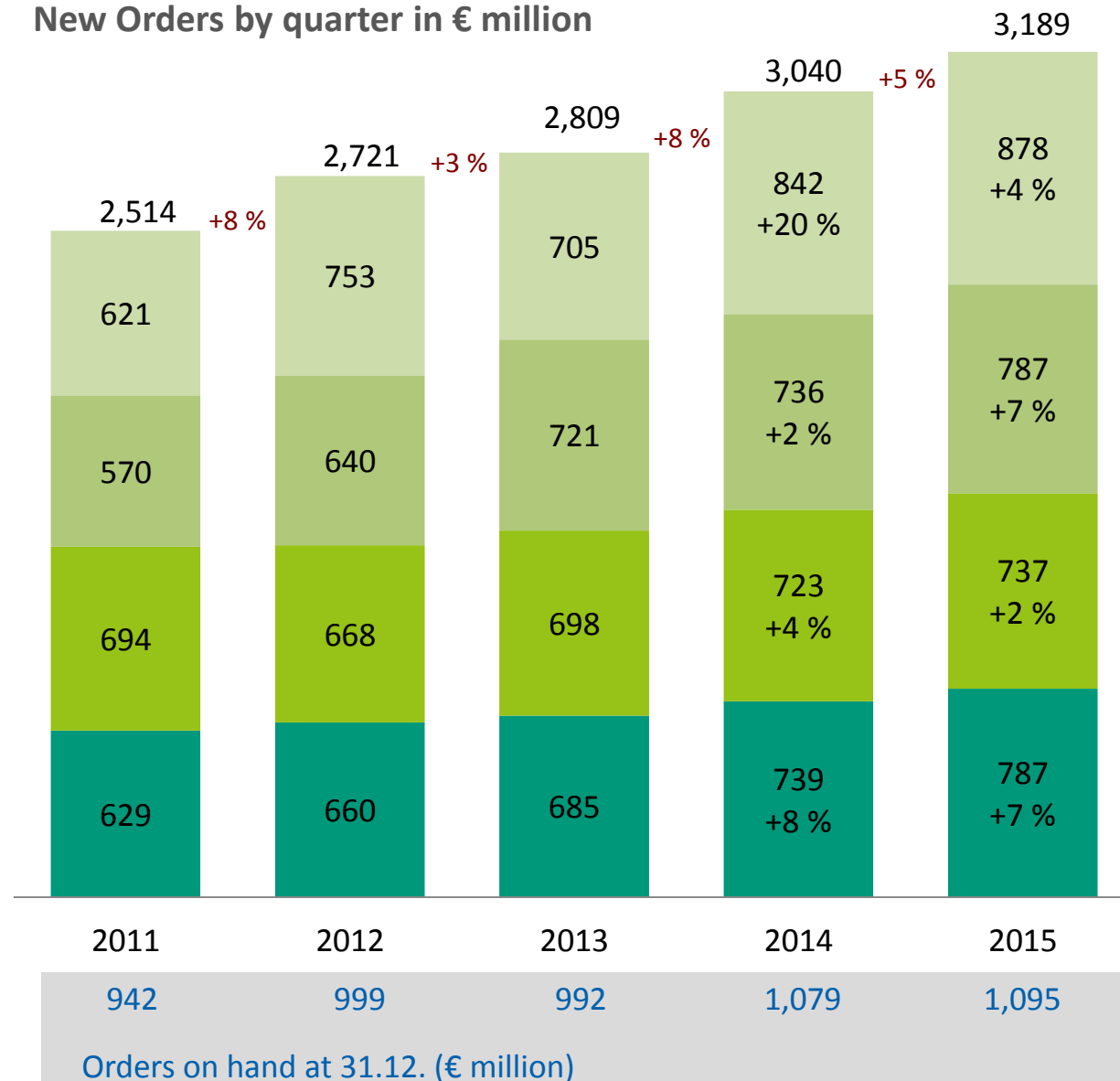
in %

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Orders received rose 4.9%

New Orders by quarter in € million

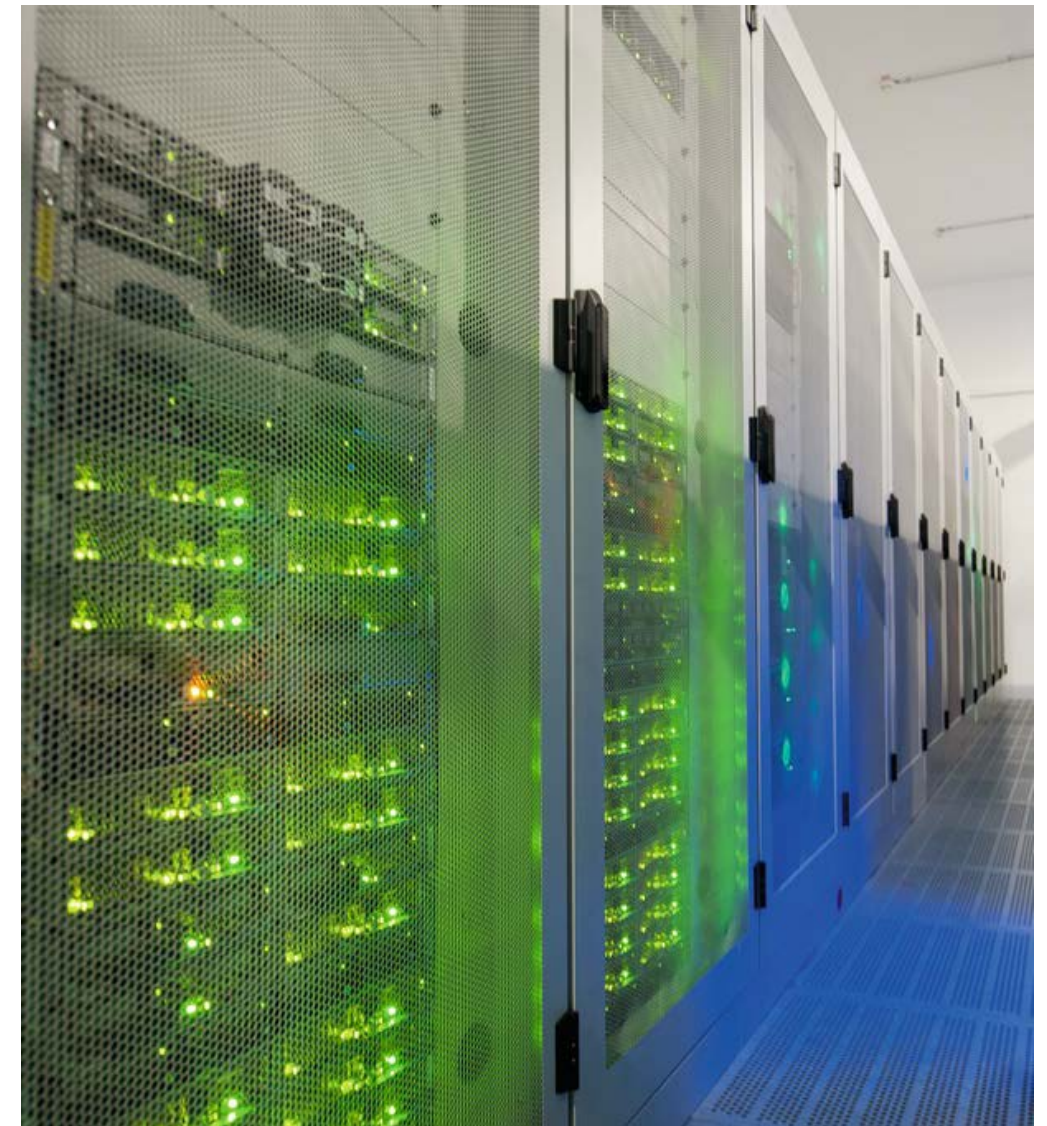
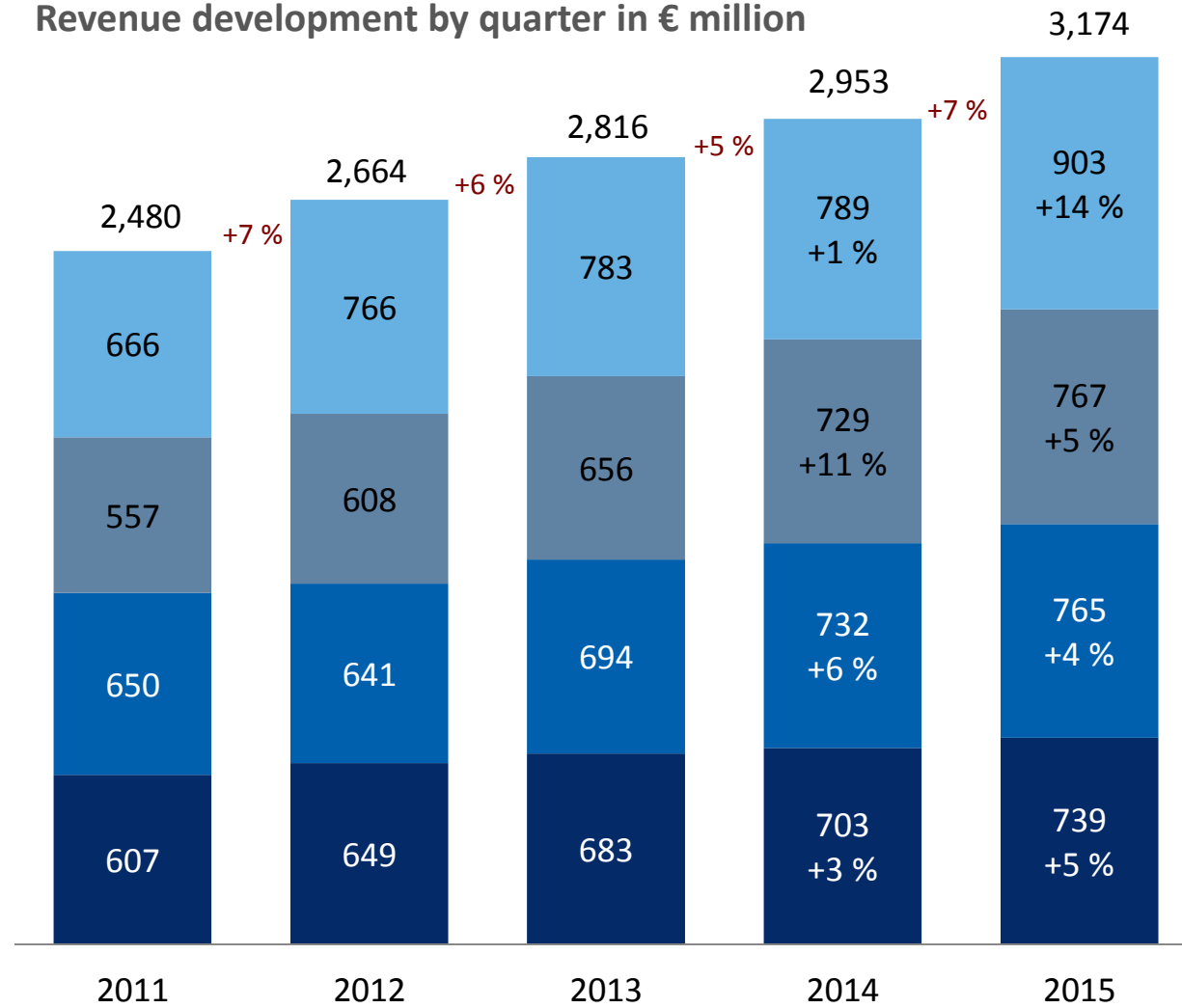


Trend by region

Central Europe	→
Western Europe	→
Eastern Europe	→
CIS/Central Asia	→
Middle East/Africa	↗
China	↘
Asia/Pacific	↗
North America	→
South America	→

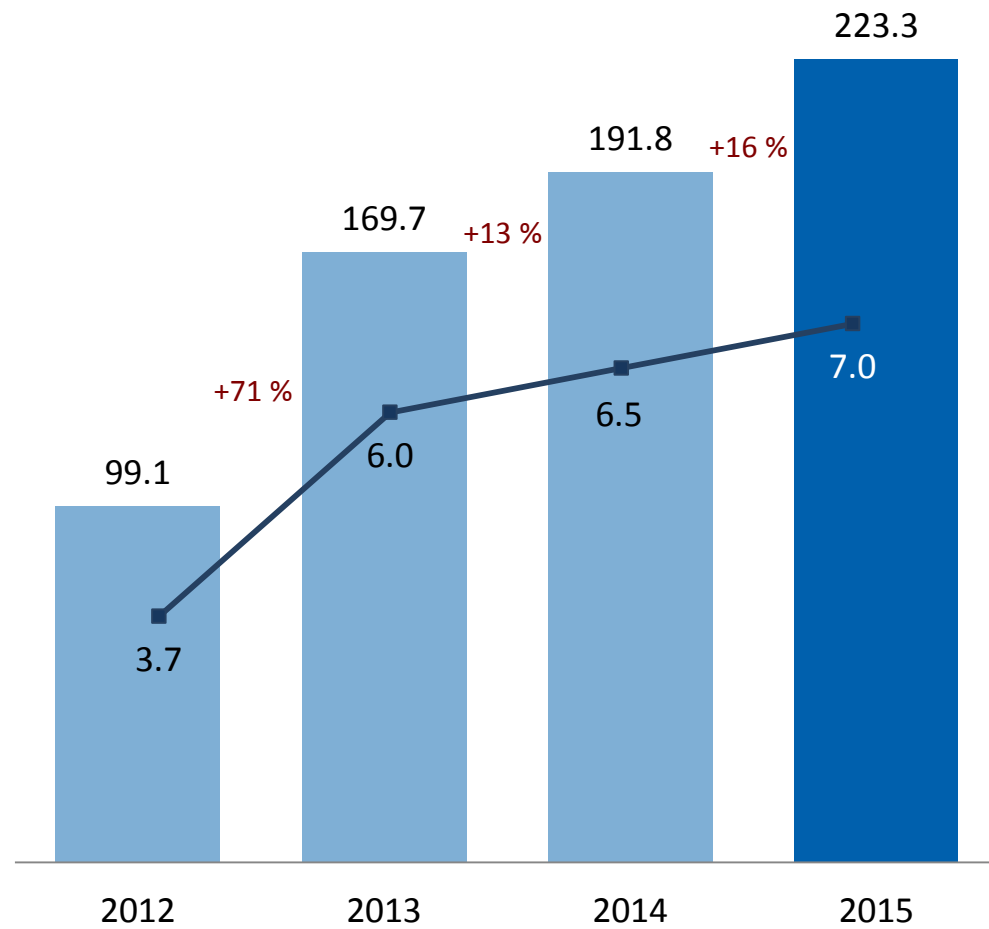
Revenue increased above-average

Revenue development by quarter in € million



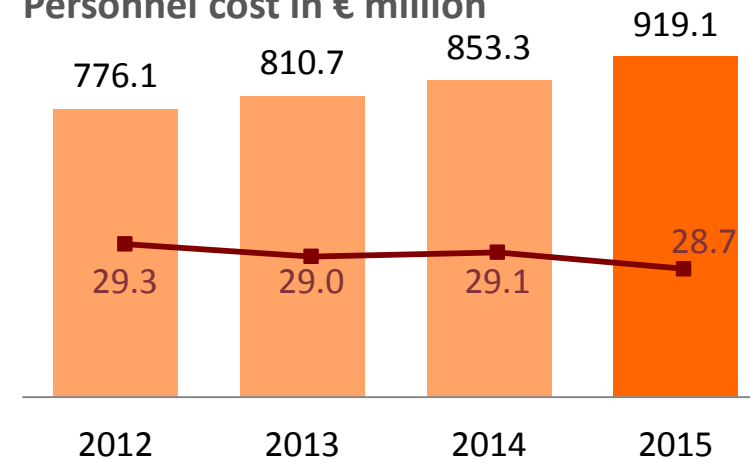
Strong increase of EBT margin

EBT in € million



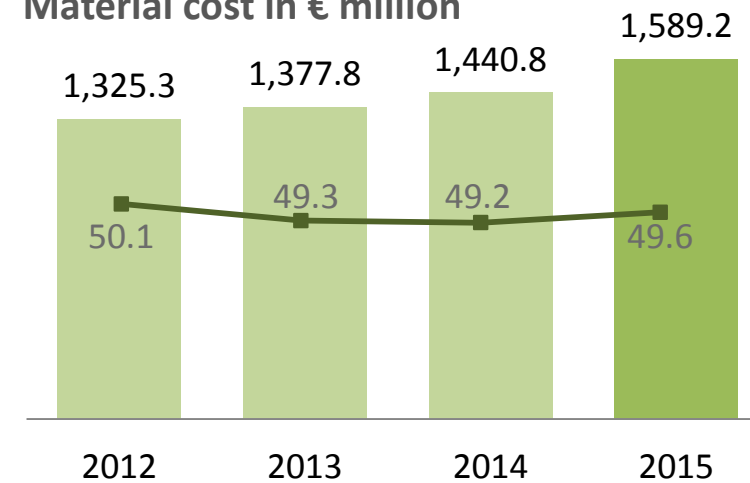
Return on sales (EBT margin) in %

Personnel cost in € million



Personnel cost to total performance (%)

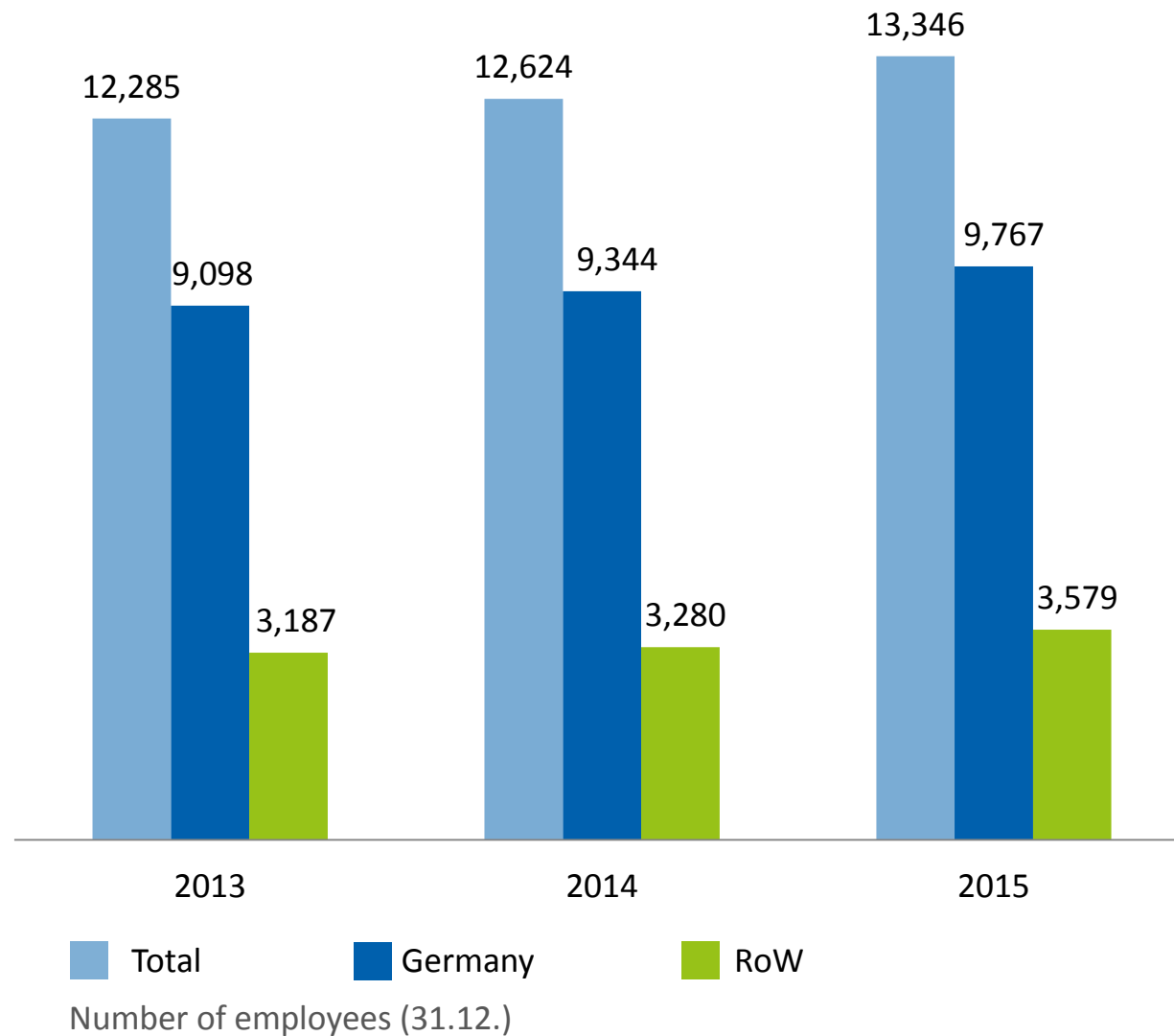
Material cost in € million



Material cost to total performance (%)

Krones continues to grow its workforce in Emerging Markets

Krones employee worldwide



Krones employee development in the Emerging Markets

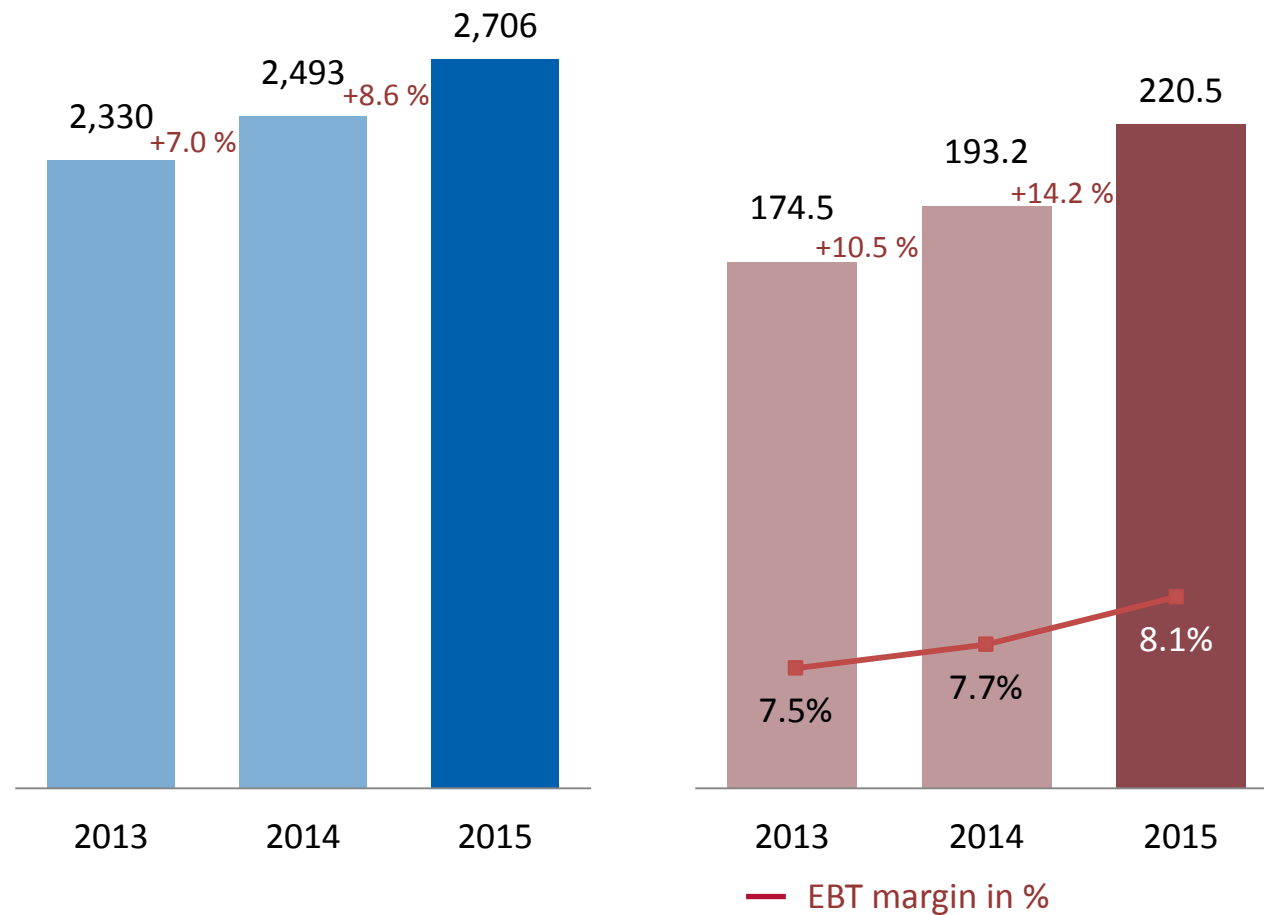
Year	South America	Africa	Asia	CIS/East Europe	China	Total
2013	485	339	400	132	325	1,681
2014	501	363	453	136	385	1,838
2015	519	376	502	147	451	1,995

Machines and lines for product filling and decoration



Product filling and decoration: profitable growth

Revenue development in € million EBT development in € million



Regionalization of the LCS business

Consistent modular product structure as basis for reduction of costs and economies of scale

Global procurement strategy including best-cost country sourcing

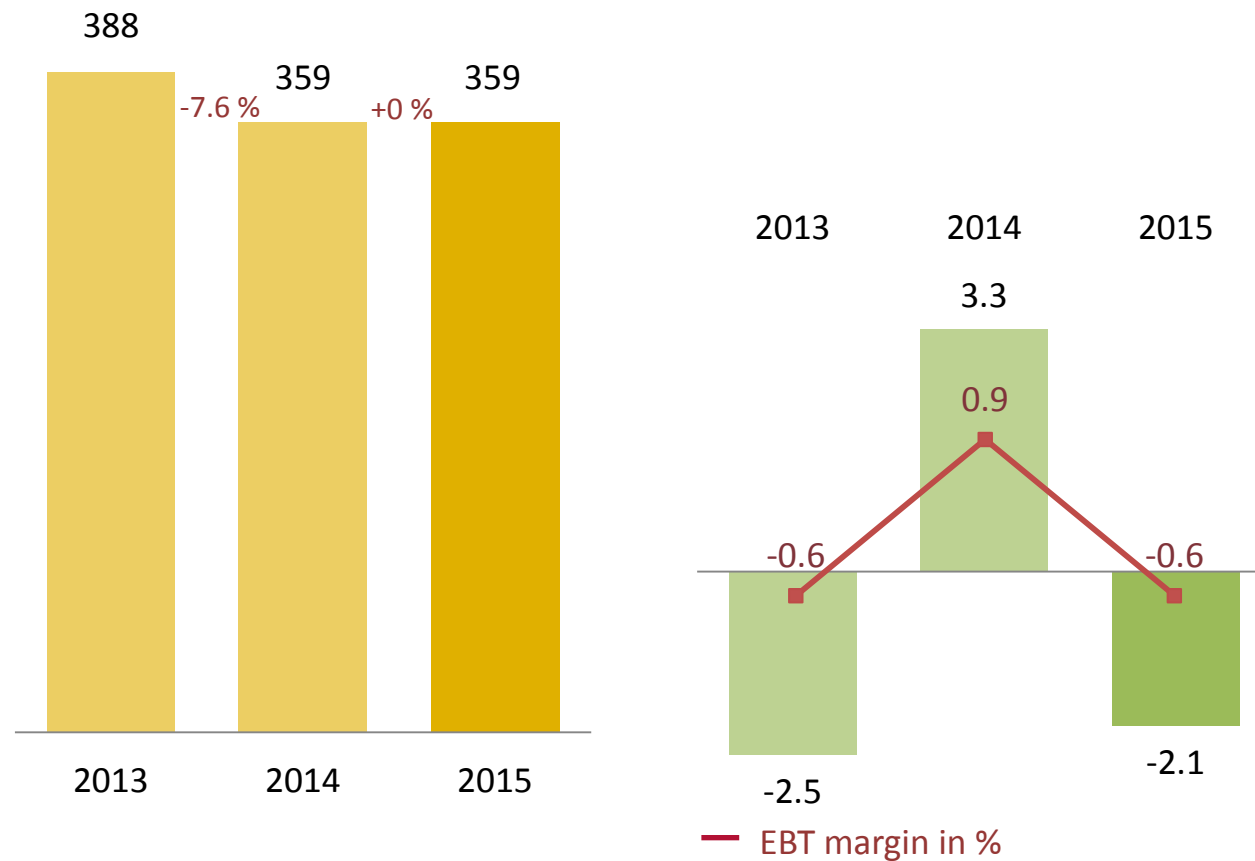
Midterm targets:
Growth 4-6 %; EBT margin +8 %

Machines and lines for
beverage production / process
technology



Beverage production/process technology: operative break-even

Revenue development in € million EBT development in € million



Expansion of the component business

Strengthening the product portfolio for carbonated soft drinks applications and water treatment.

Regionalization of structure

Reorganisation started to handle volatile beer market

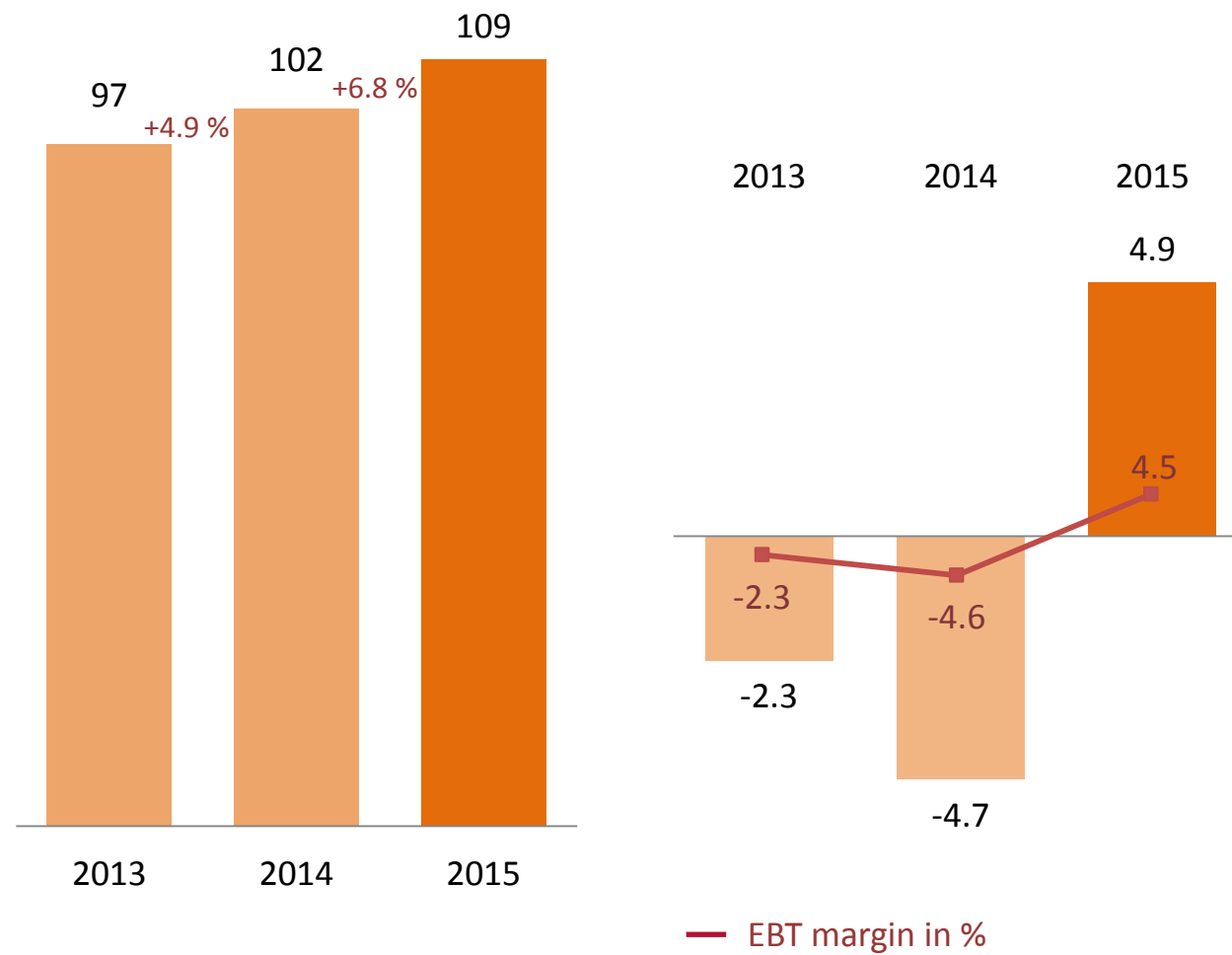
Midterm targets:
Growth 8-10 %; EBT margin 4 %

Machines and lines for the compact class



Compact class: stable profitability

Revenue development in € million EBT development in € million



Restructuring program finished
Set-up for profitable growth

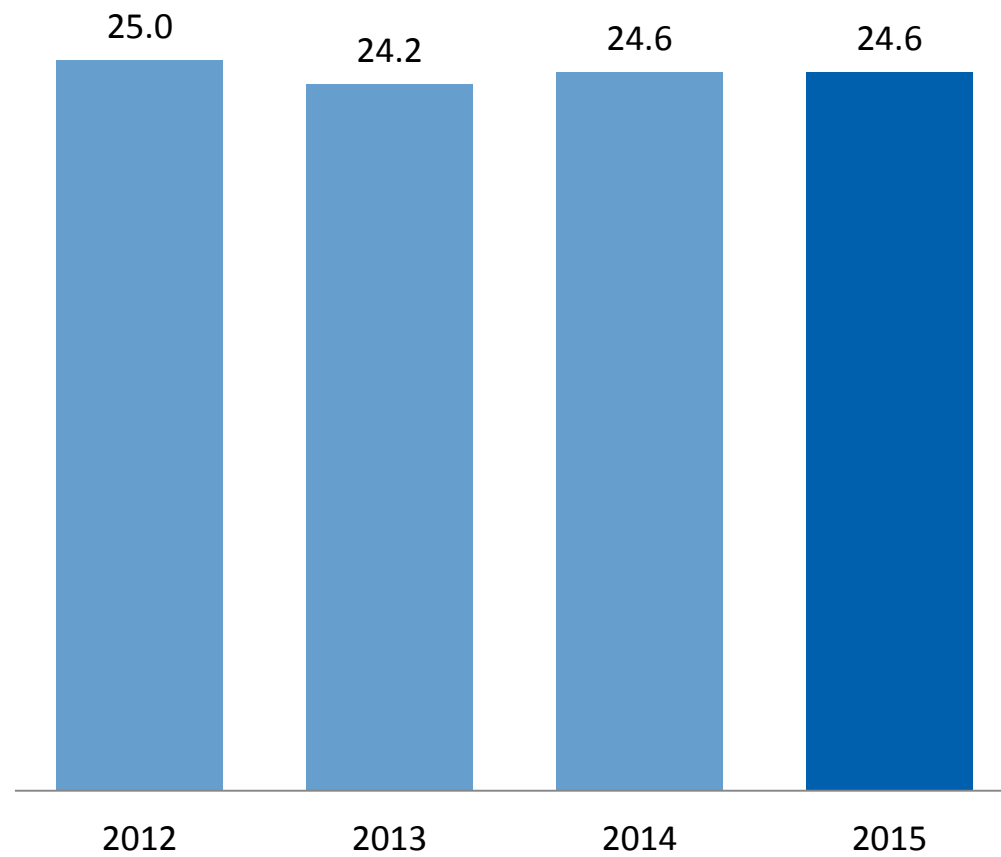
Focus on line business and blowing-, filling- and labelling-machines

Further investment in sales and service structure

Midterm targets:
Growth 4 - 6 %; EBT margin 5 %

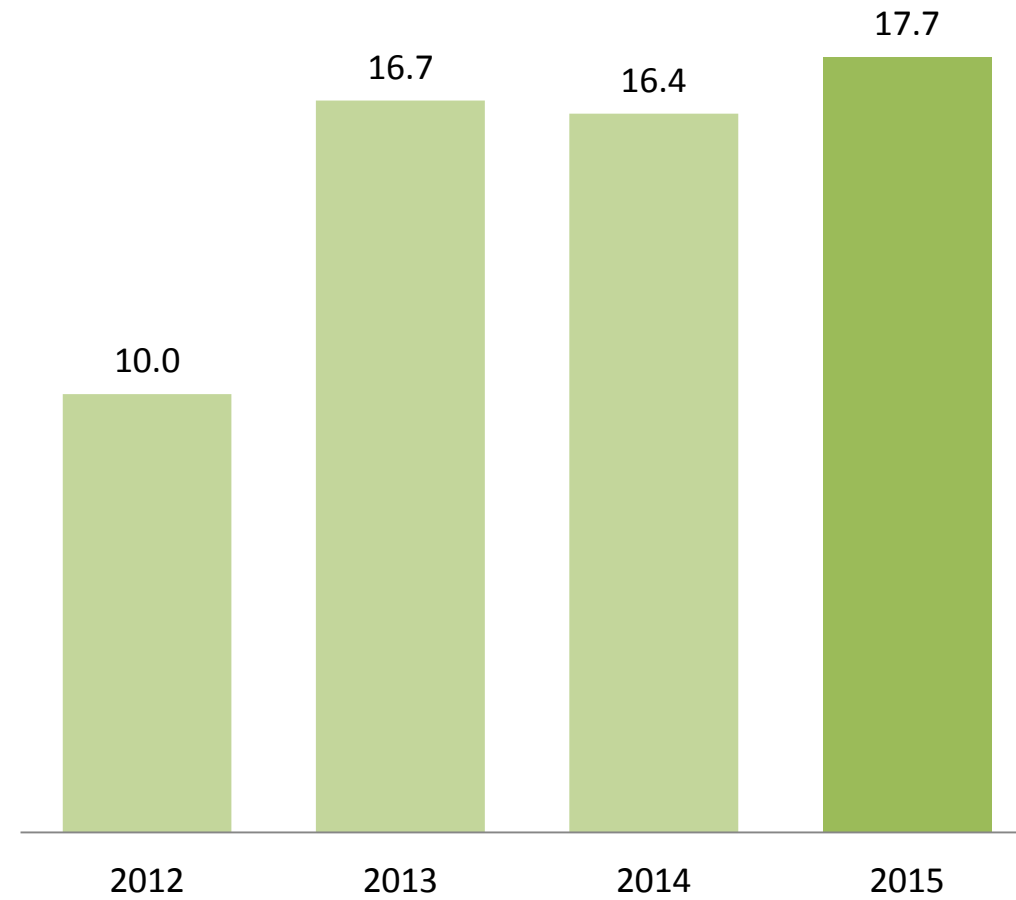
Working Capital below expectations

Working capital* in % of revenue



*LTM (Last Twelve Months)

ROCE* in %



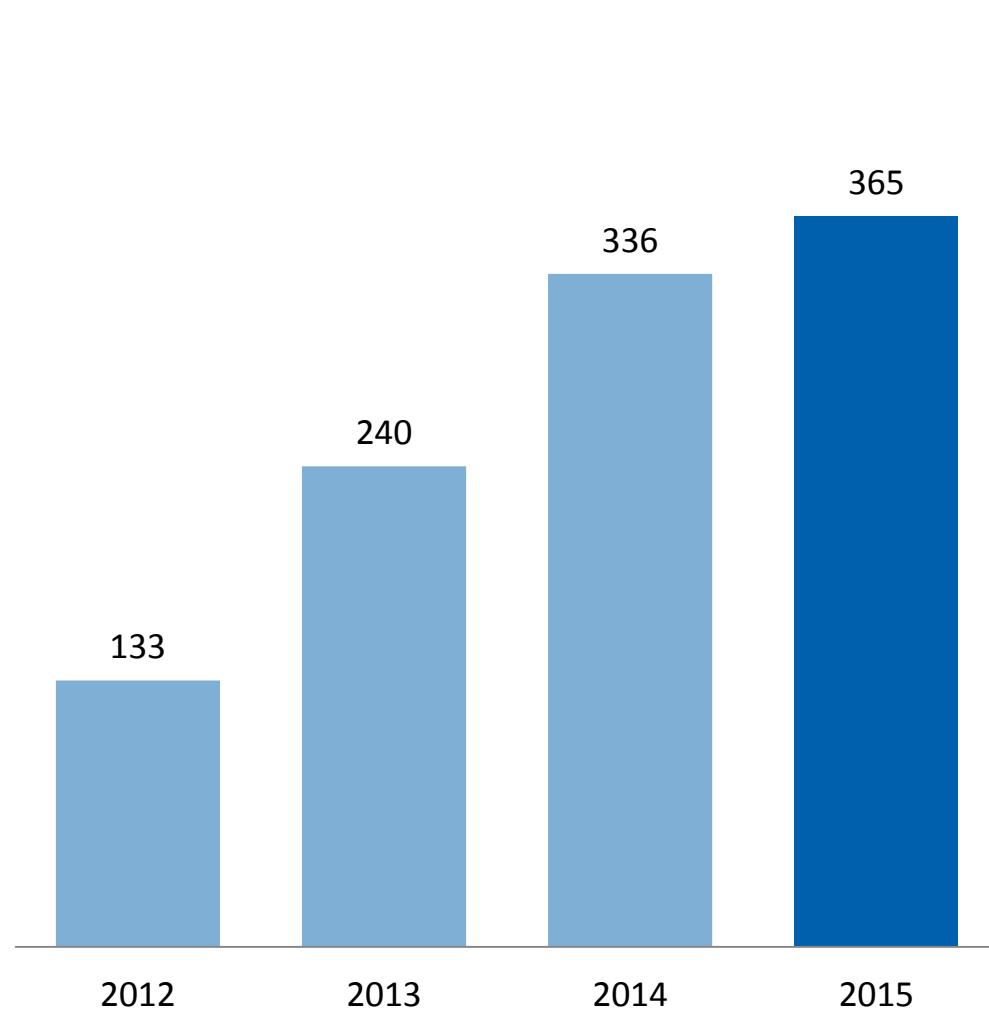
*LTM (Last Twelve Months)

Further increase in cash position

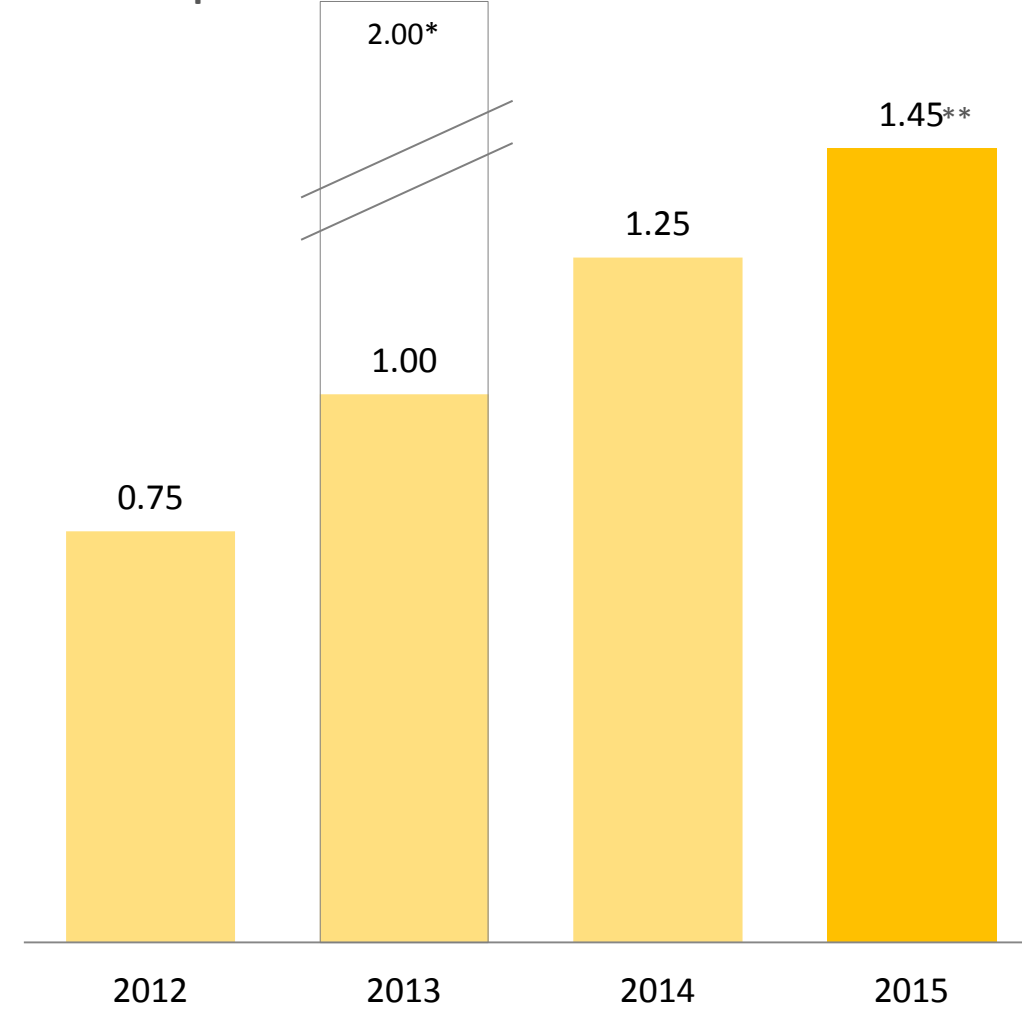
(€ million)	2015	2014
Earnings before taxes	223.3	191.8
+/- non-cash expenses and income	+91.4	+137.2
+/- change in Working Capital	-86.6	-38.9
+/- other (mainly tax payments)	-53.7	-41.3
Cash flow from operating activities	174.4	248.8
+/- Capex, intangible Assets and property plant and equipment	-102.6	-94.6
+/- other	-7.2	-2.1
Free cash flow	64.6	152.1
+/- Financing activities	-39.5	-63.2
+/- Changes in cash and cash equivalents arising from exchange rates	+3.1	+7.6
Net change in cash	+28.2	+96.5
Cash at the end of period	364.6	336.4

Dividend proposal for 2015: 1.45 € per share

Net-Cash-Funds in € million



Dividend per share in €



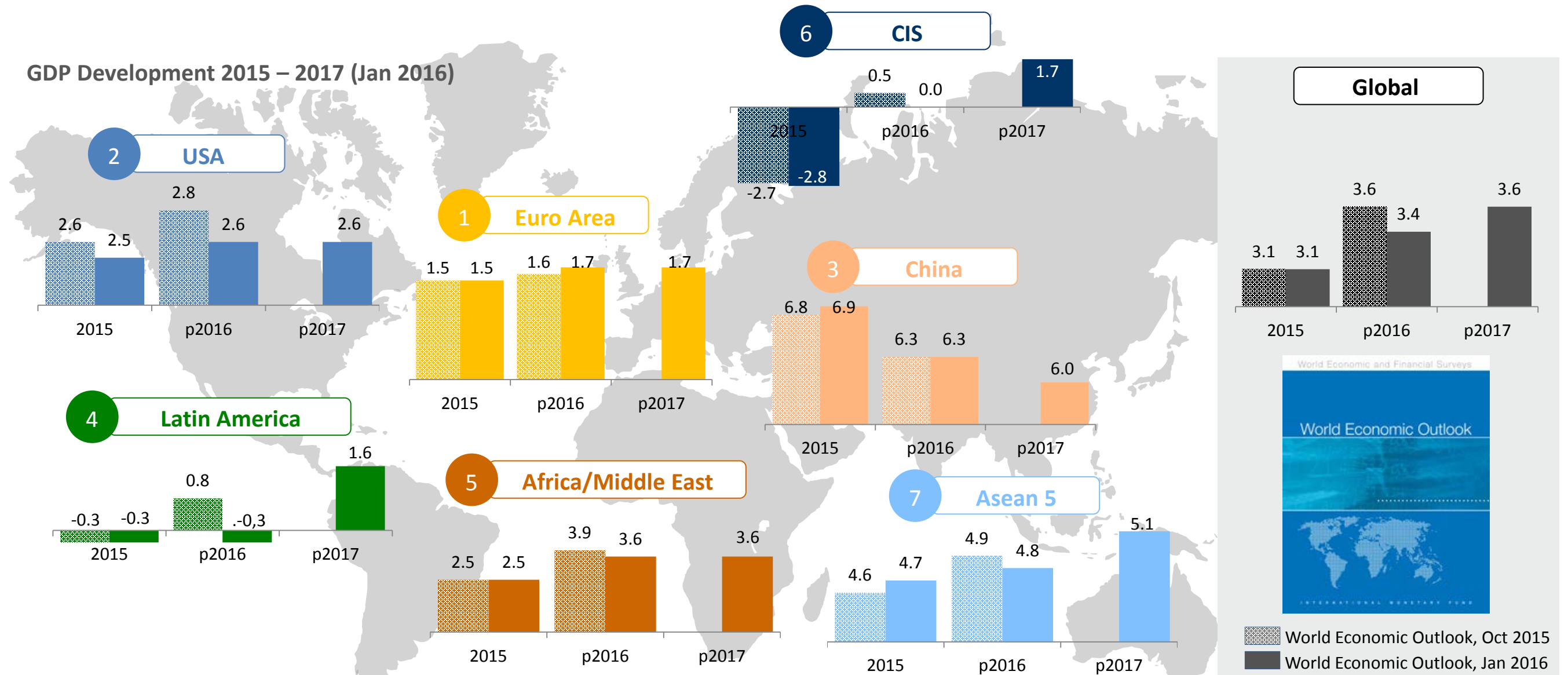
* including a 1.00 € special dividend

** as per proposal for the appropriation of retained earnings

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Economic development by region

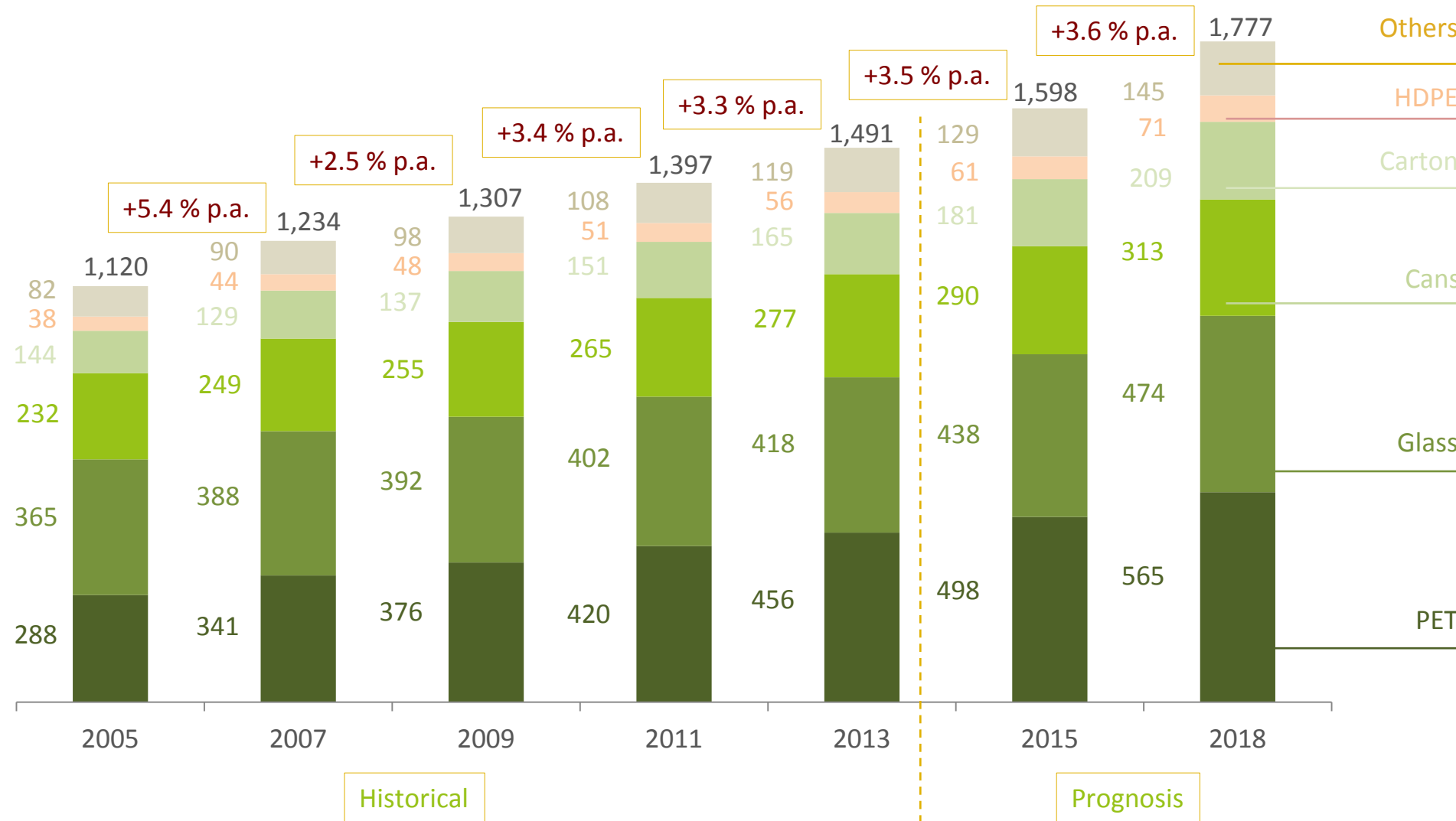


Global economy continues to grow. Growth in **advanced economies** rise in 2016 and hold steady in 2017. Weaker growth in **emerging markets** and **developing economies**. In China slower growth is expected. Russia and Brazil remain in recession.

Quelle: World Economic Outlook Jan 2016

Development of primary packaging 2005 – 2018 market development

Beverage packaging in billion units

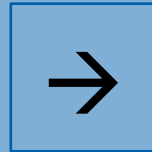


Krones targets 2016

Revenue growth
Target: + 3 %



EBT margin
Target: 7.0 %



ROCE
Target: 18 %



Thank you
for your attention!

Financial Calender 2016

- 28.04.2016 Conference Call Group 2015 und Q1 2016
- 28.04.2016 Annual Report 2015
- 28.04.2016 Interim Report as per March 31
- 28.04.2016 Financial Press Conference
- 15.06.2016 Annual General Meeting
- 21.07.2016 Conference Call Group Q2 2016
- 21.07.2016 Interim Report as per June 30
- 26.10.2016 Conference Call Group Q3 2016
- 26.10.2016 Interim Report as per September 30



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