Press conference / analysts' meeting on 27 April 2011

Welcome!

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Secure future and value retention. Excellent solutions and value creation. Good communications and esteem.

Group figures 2008 – 2010 in summary

Financial year	2008	2009	2010
Sales revenues in €bn	2,38 (+ 11 %)	1,87 (- 22 %)	2,17 (+ 17 %)
Earnings before taxes (EBT) in €m	156 (+ 1 %)	- 39 (-)	71 (-)
Net income (after tax in €m	107 (+ 5 %)	- 35 (-)	51 (-)
Dividend per share in €	0.60	0.00	0.40 proposed
Net financial position in €m (net cash on 31.12.)	108	136 (+ 51*)	147 (+ 67*)
Orders received in €bn	2.33 (+ 1 %)	1.92 (- 18 %)	2.19 (+ 15 %)
Order backlog in €bn (31.12.)	0.84 (- 6 %)	0.89 (+ 6 %)	0.91 (+ 2 %)
Capital expenditure (excluding (R&D) in €m	81 (- 2 %)	65 (- 20 %)	56 (- 14 %)
Employees (31.12.)	10.333 (+ 8 %)	10.238 (- 1 %)	10.575 (+ 3 %)

* Value of redeemed treasury shares on cut-off date

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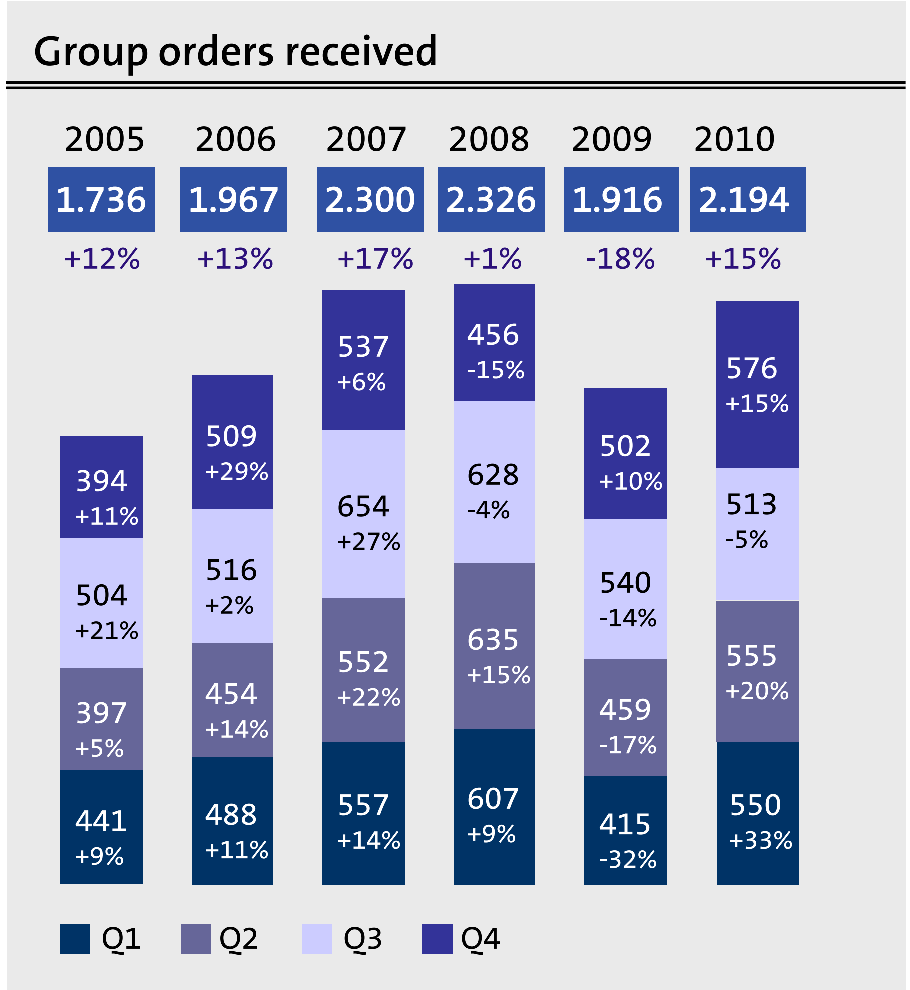
Group orders received (in €m)

Region	2008	2009	2010
Central Europe	↘	→	↘
Western Europe	→	↘	↗
Eastern Europe	↘	↘	↗
CIS/Central Asia	↗	↘	↗
Middle East/Africa	↗	↘	↘
China	↗	↗	↗
Asia/Pacific	↗	↘	↗
North and Central America	↘	↘	↗
South America	↗	↘	↗



Order backlog in group, 31.12. (in €m)

AVT

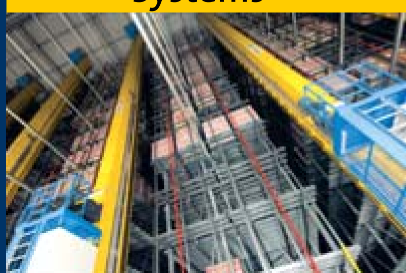
Filling and Packaging Technology

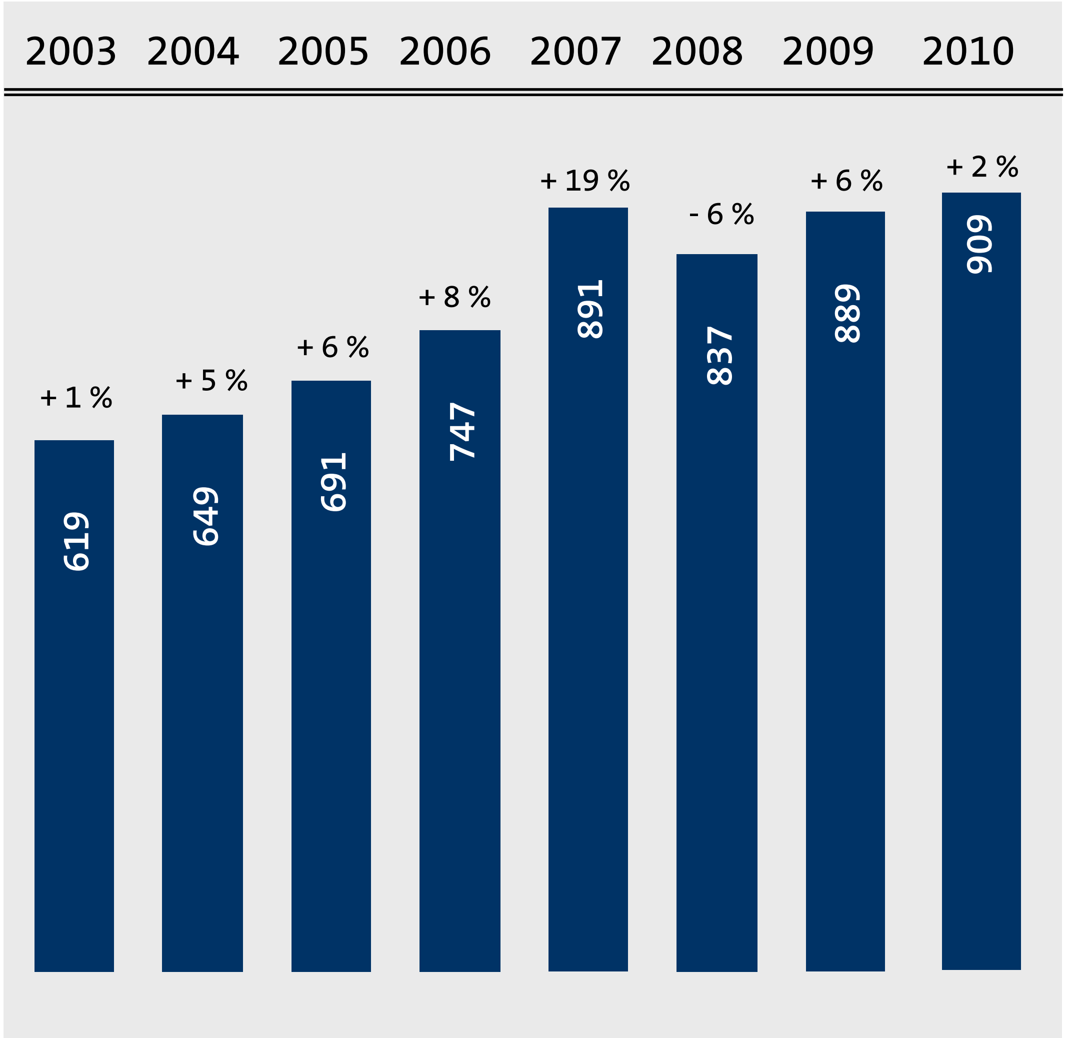
PT

Process Technology

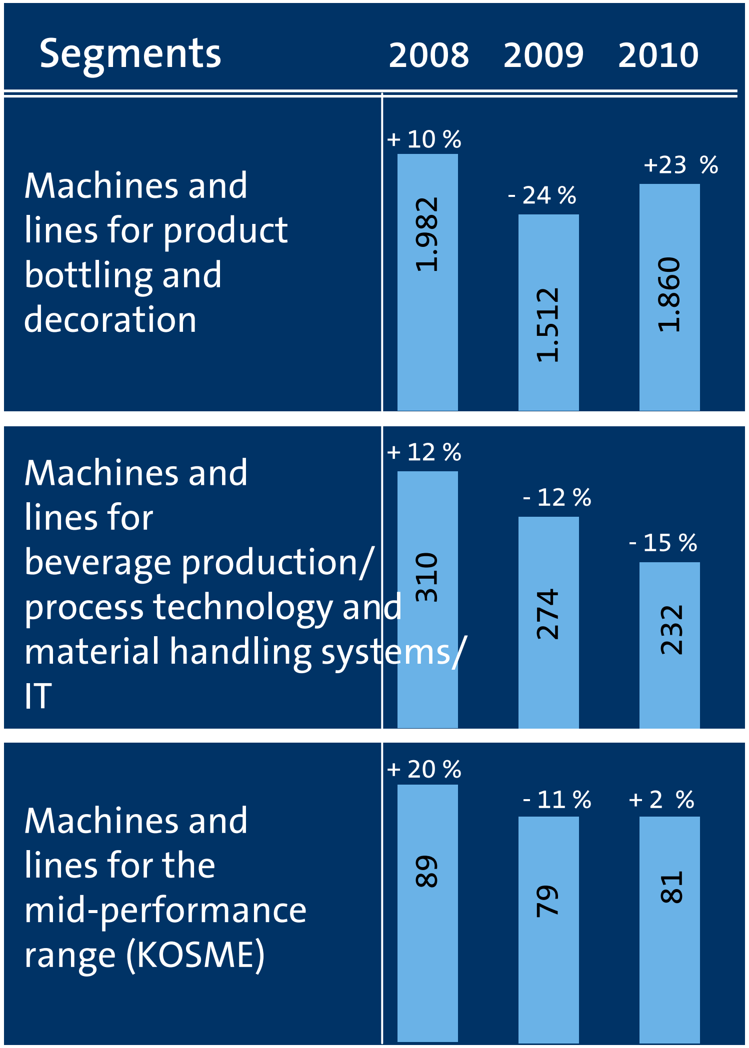
MFT

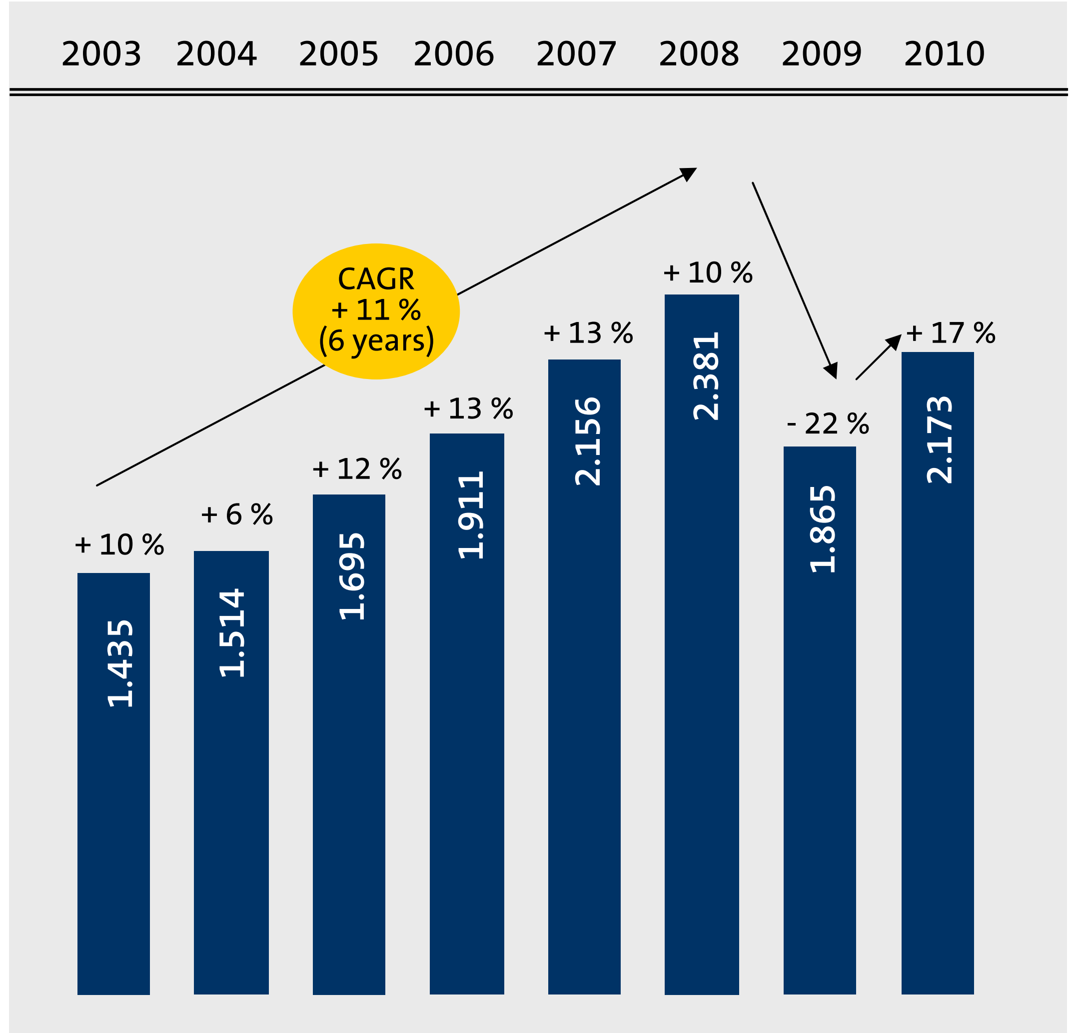
Material Handling Systems





Sales performance/segmentation in the group (in €m)





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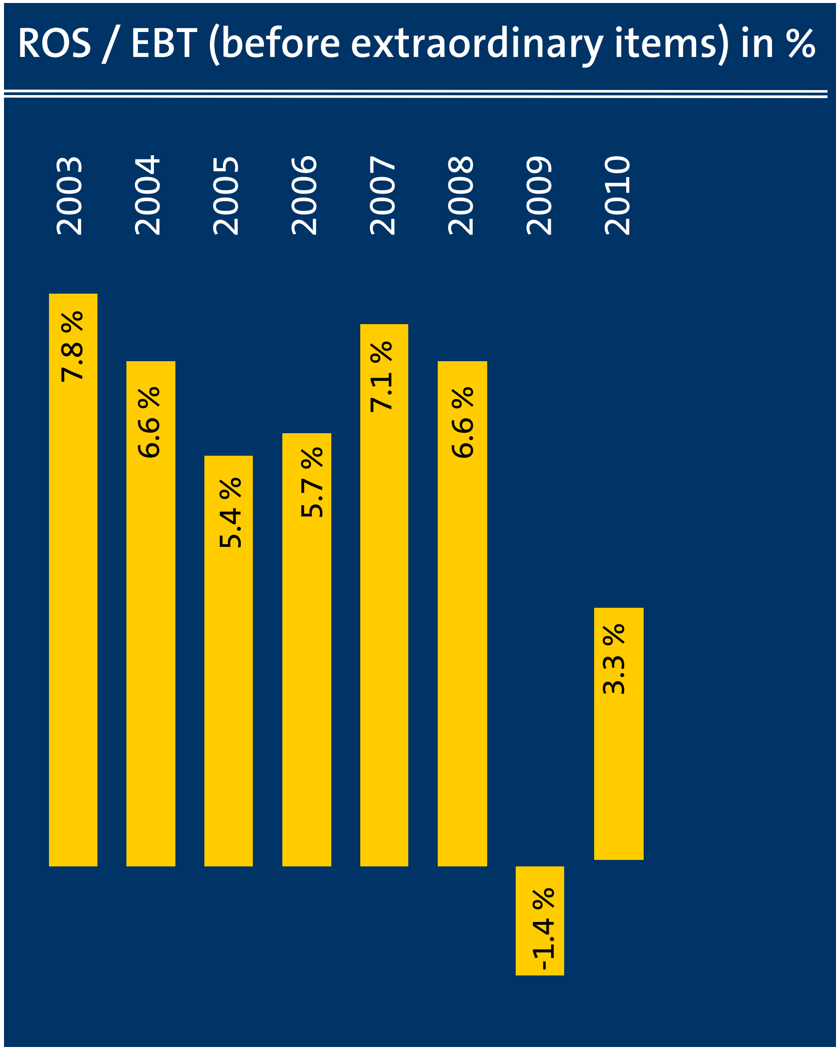
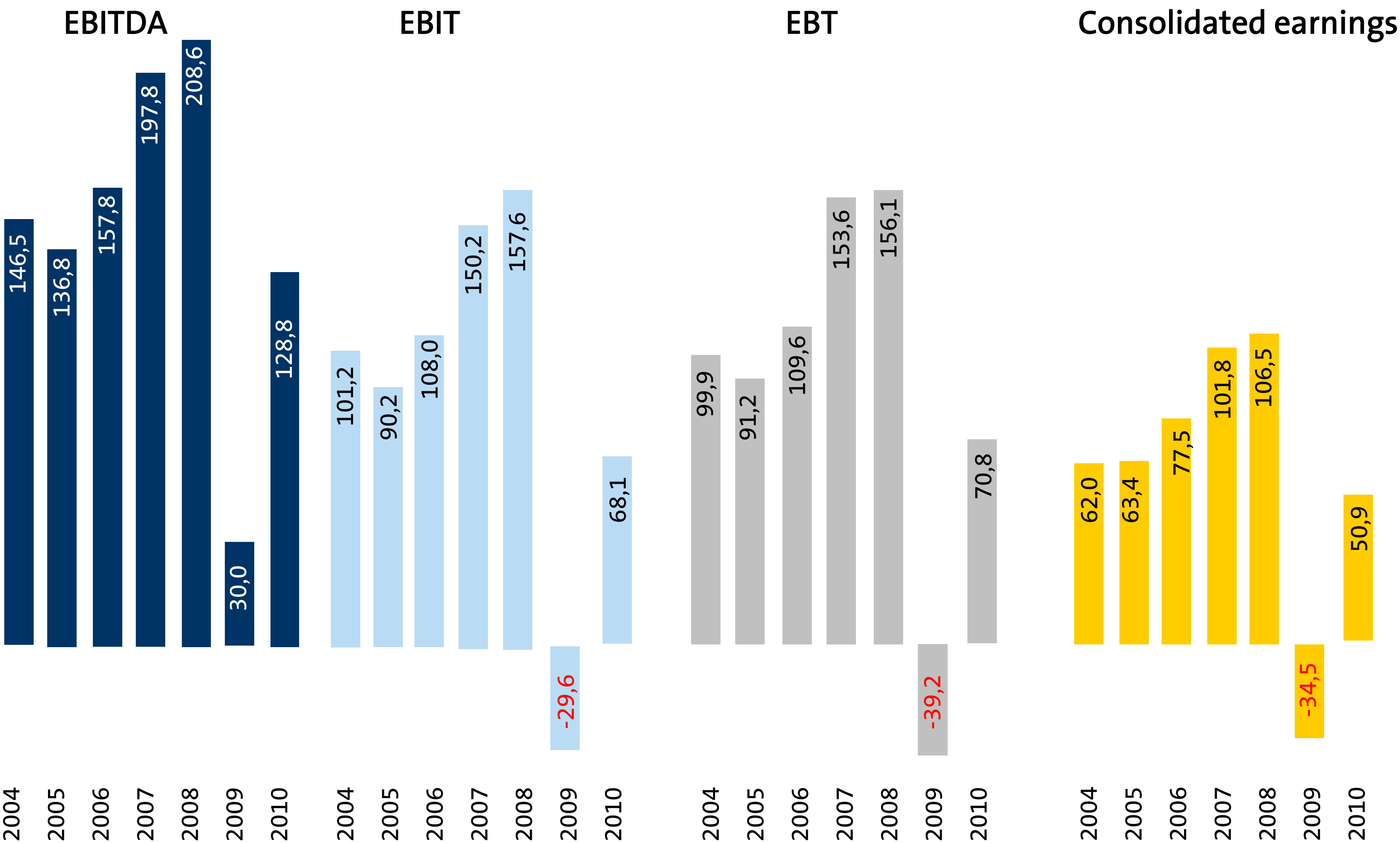
Consolidated earnings (in €m) and return on sales



Financial performance of the KRONES group in €m



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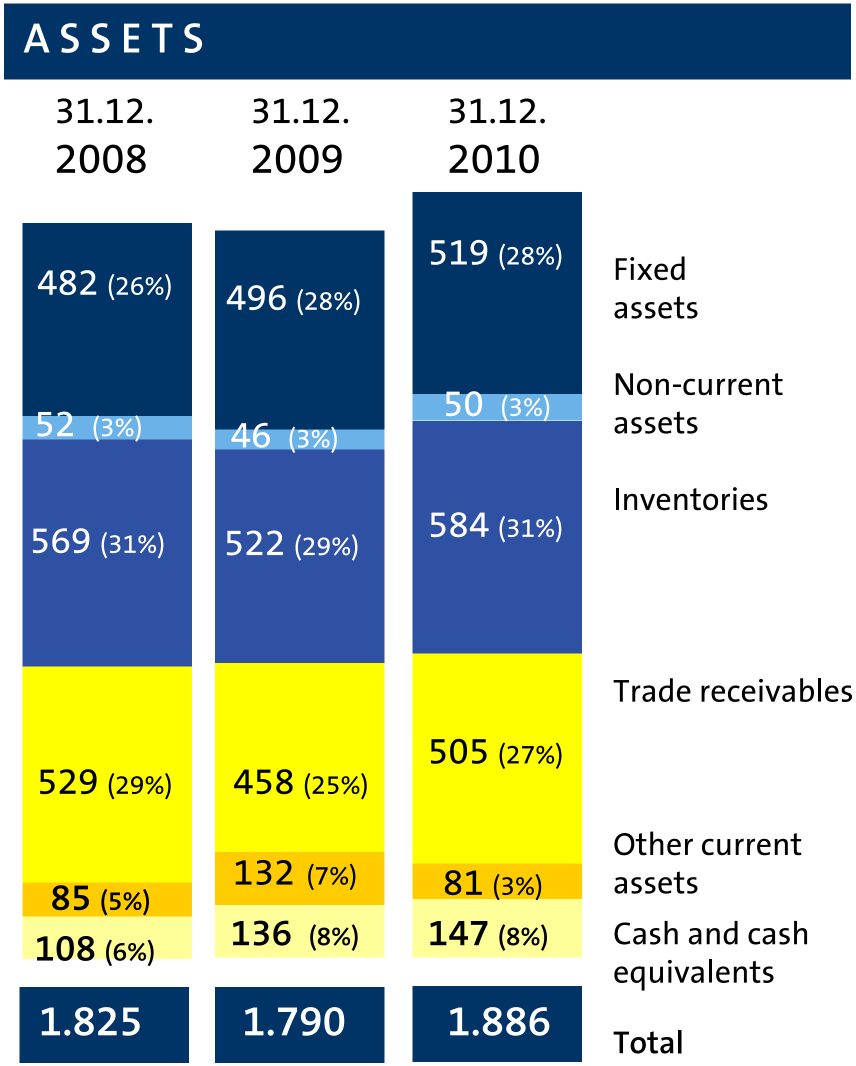
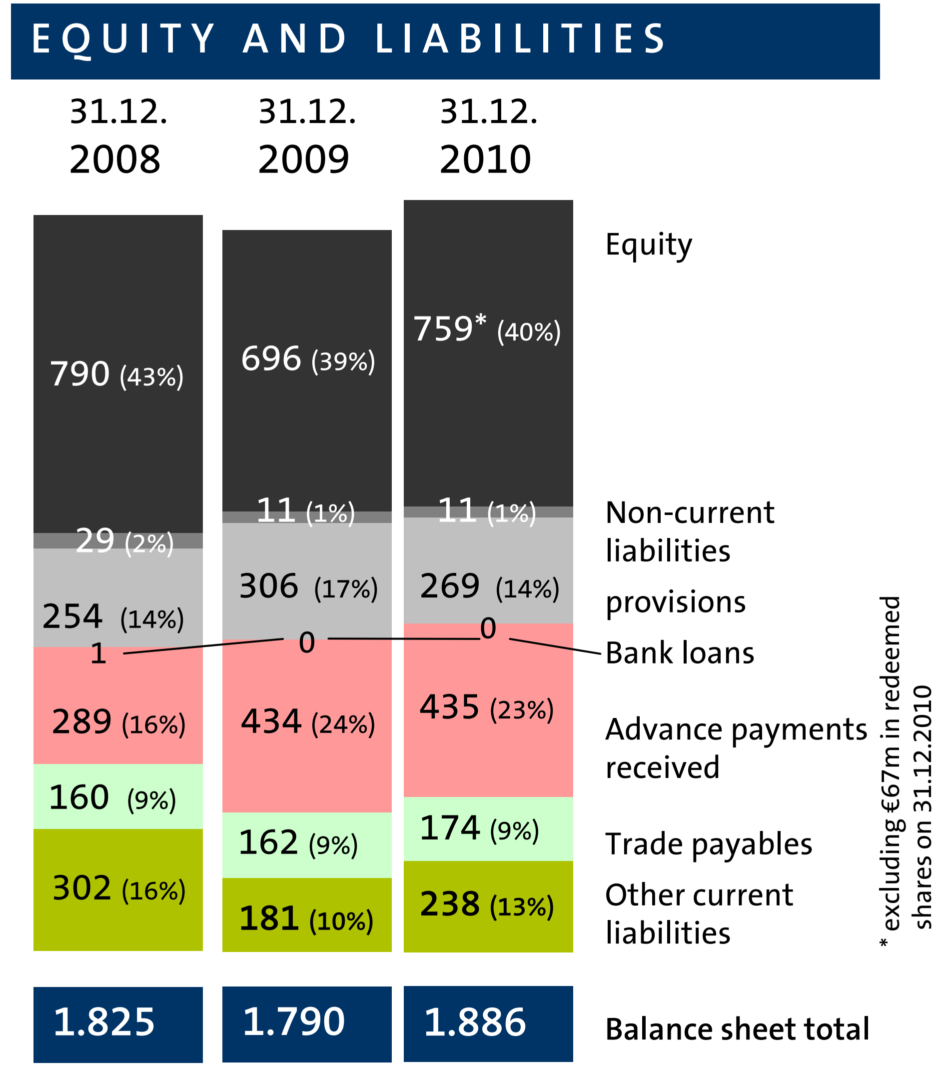
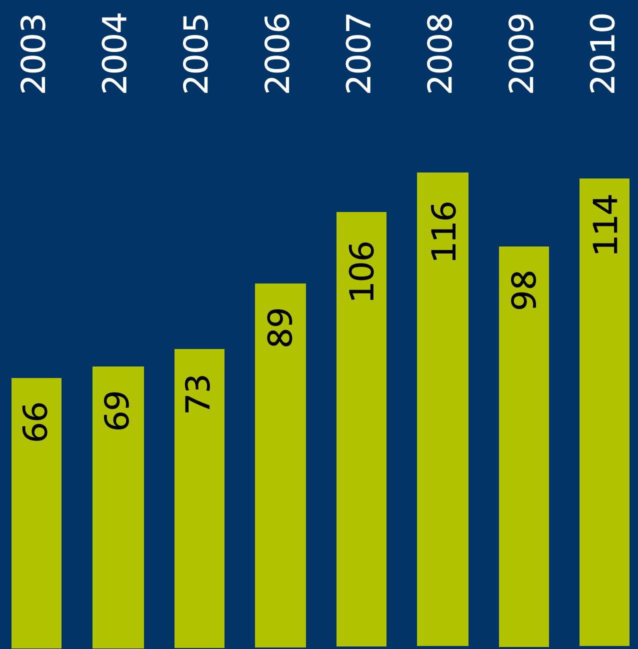
Consolidated balance sheet (in €m)





Innovation / Research & Development

Expense for innovation, R&D in €m



Primary innovation aims

Reduction in the Total Costs of Ownership (TCO) for customers

Reduction in the complexity of the machines and lines
Consistent orientation of the production and assembly structures to the less complex modular products

"enviro": Reduction in the use of energy and media

Realisation of new product concepts (see Interpack 5/2011)

Process automation and simple operator concept to enhance line availability

All-in-one solutions (PT-AVT-MFT/ITS) for the supply chain of our customers

KRONES invests some 5 % of its sales revenues in R&D and innovation every year

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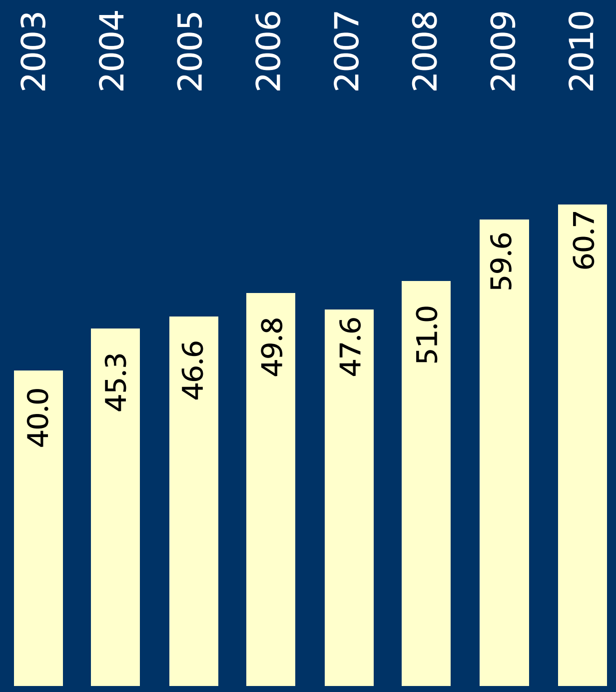
Capital expenditure, depreciation, amortisation and write-downs (in €m)

Depreciation, amortisation, and write-downs

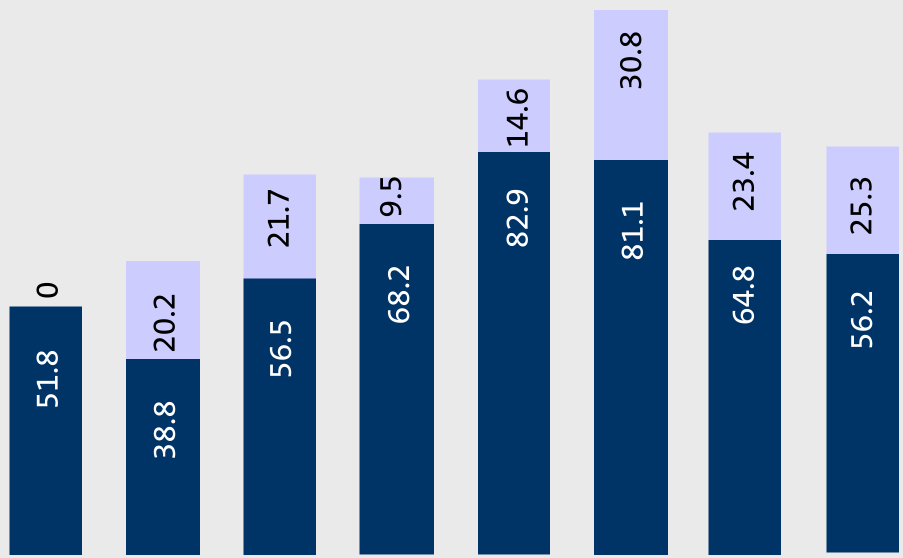


1.3	1.3	1.7	1.6	2.0	2.2	1.5	1.3

Ratio of capital expenditure to tax depreciation

Capital expenditure

2003	2004	2005	2006	2007	2008	2009	2010
51.8	59.0	78.2	77.7	97.5	111.9	88.2	81.5
		+29%	-1%	+25%	+15%	-21%	-8%



Capitalised development costs
Property, plant and equipment and intangible assets

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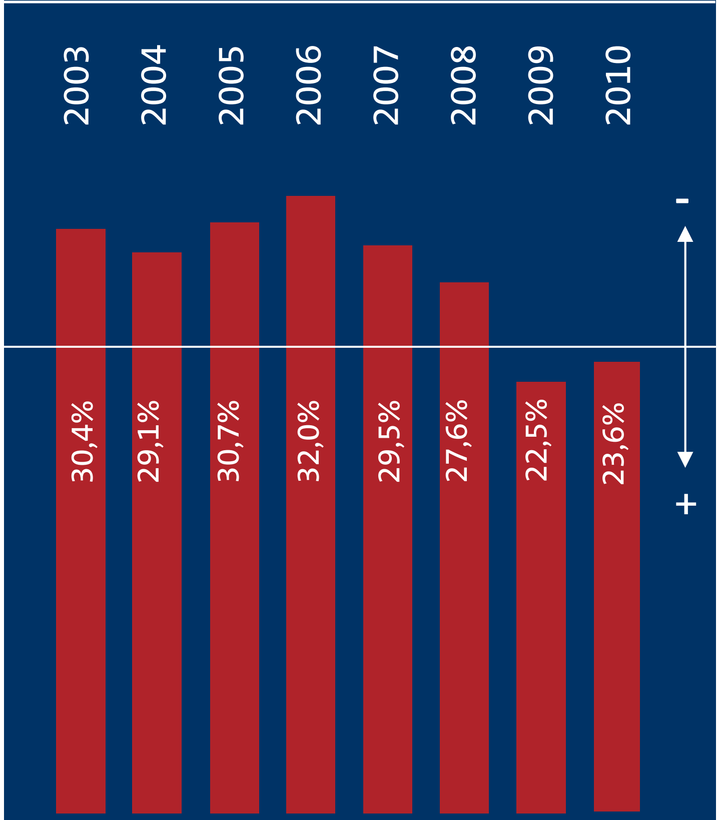
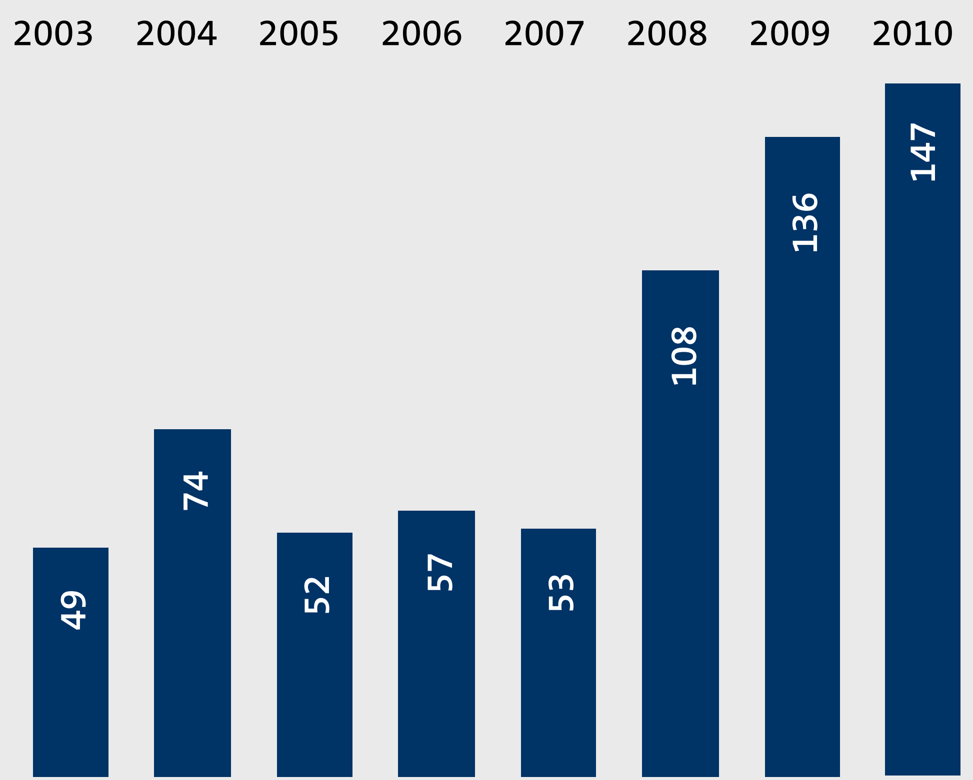
Working capital and financing

Working capital as % of sales



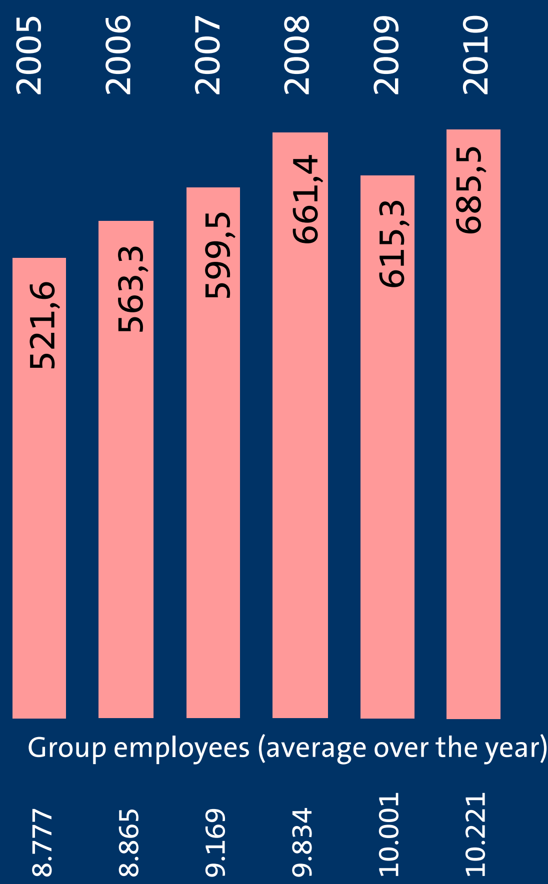
Net financial position (net cash) in €m

(Cash and cash equivalents less bank liabilities)

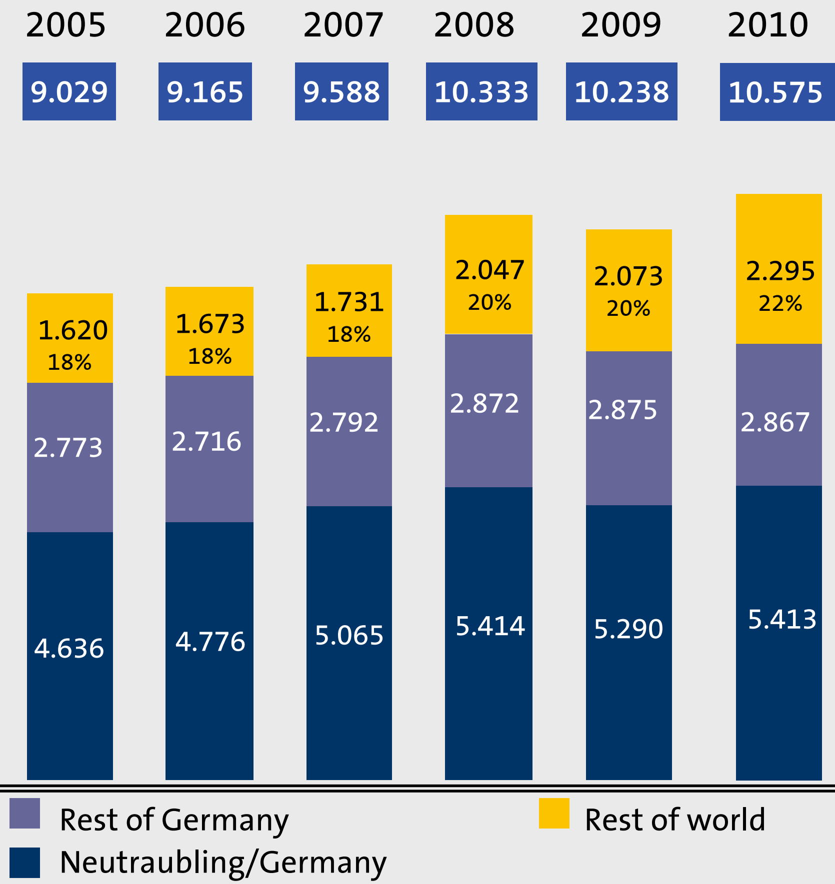


Number of employees and personnel expenses (in €m)

Personnel expenses



Employees (31.12.)



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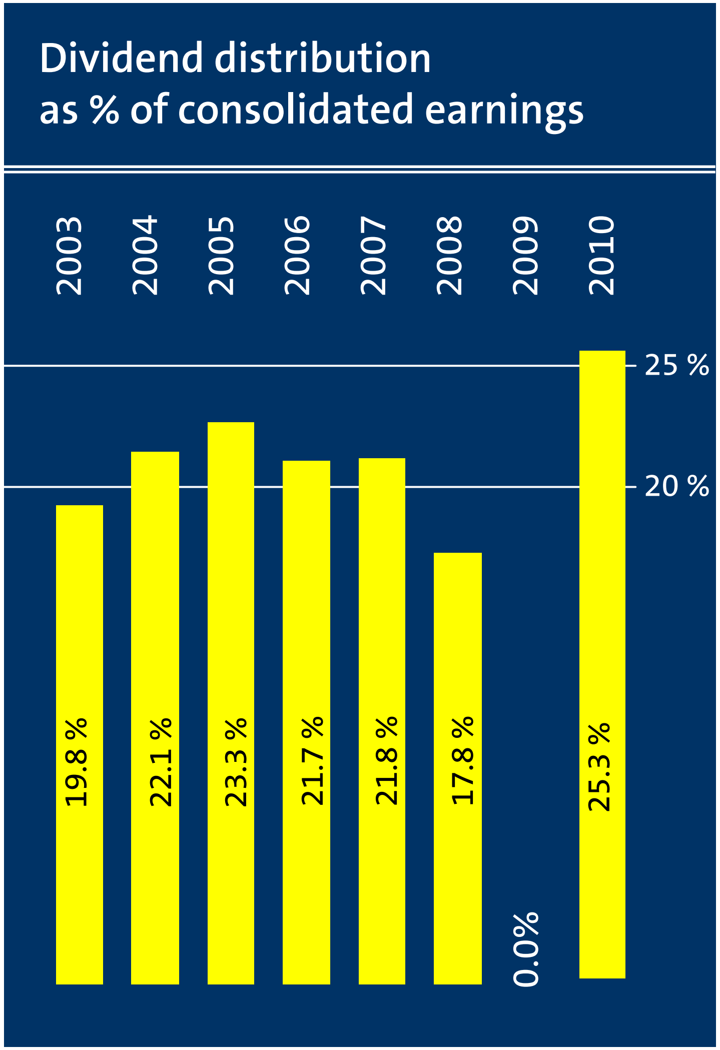
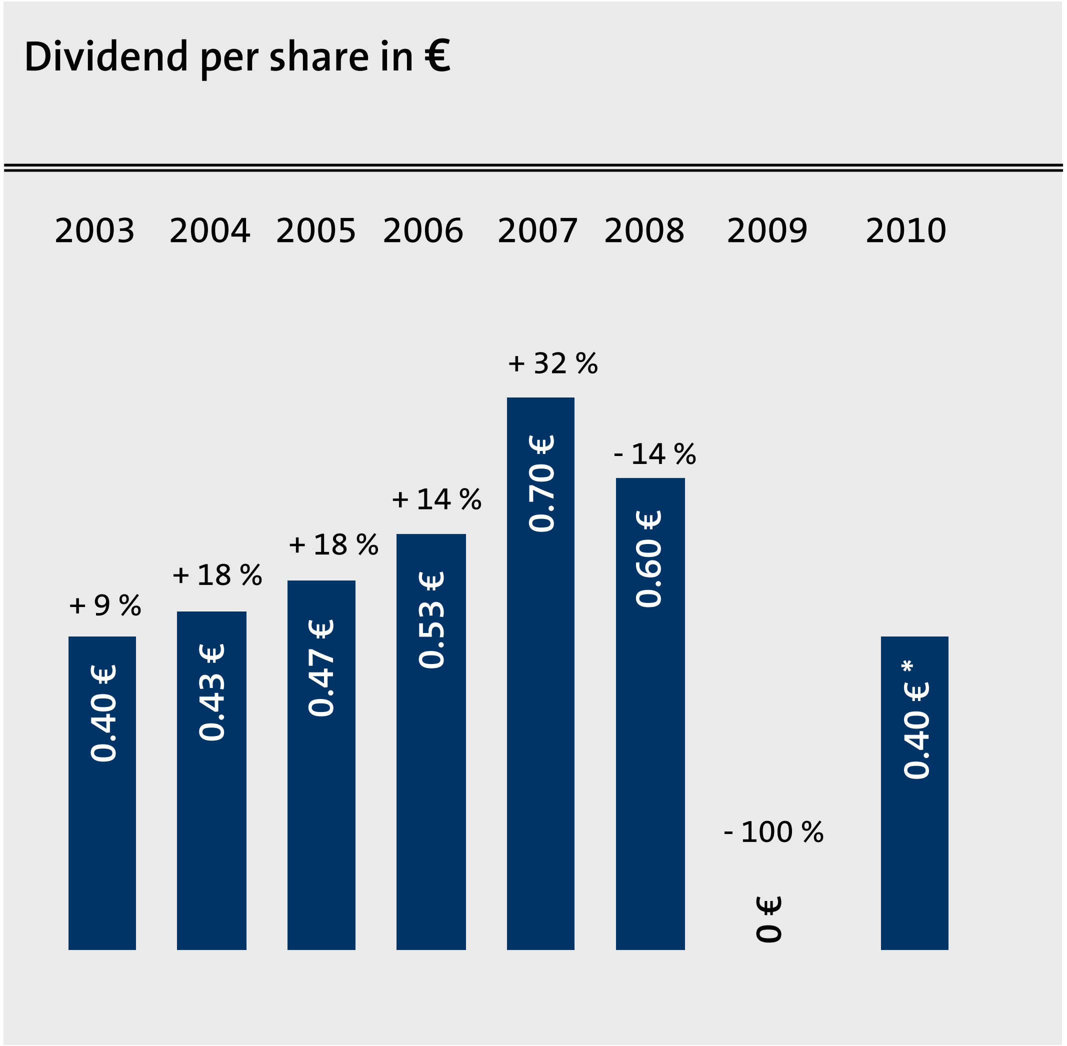
Dividend distribution and dividend policy





* Dividend proposal to the AGM

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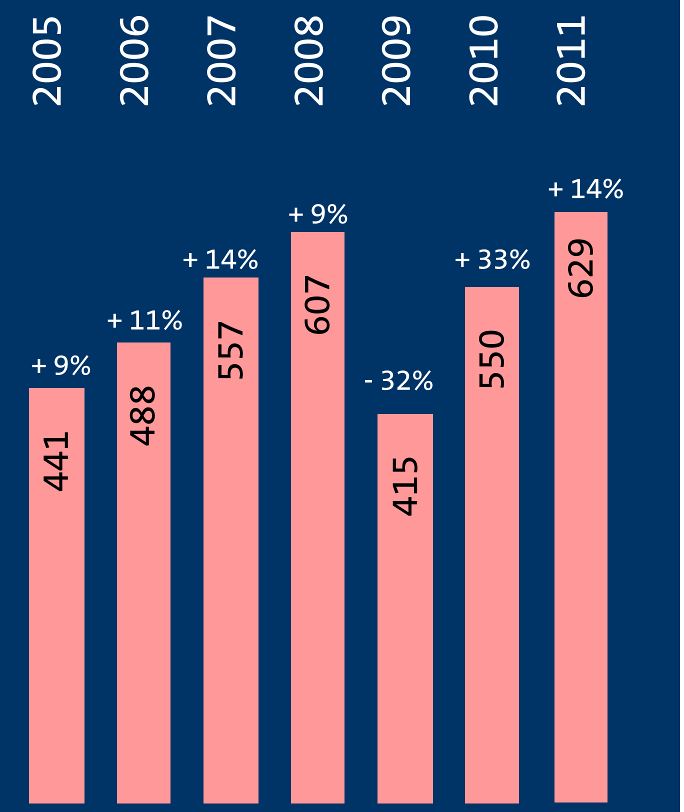
1 Financial year 2010

2 Interim Report Q1 2011
The outlook for 2011

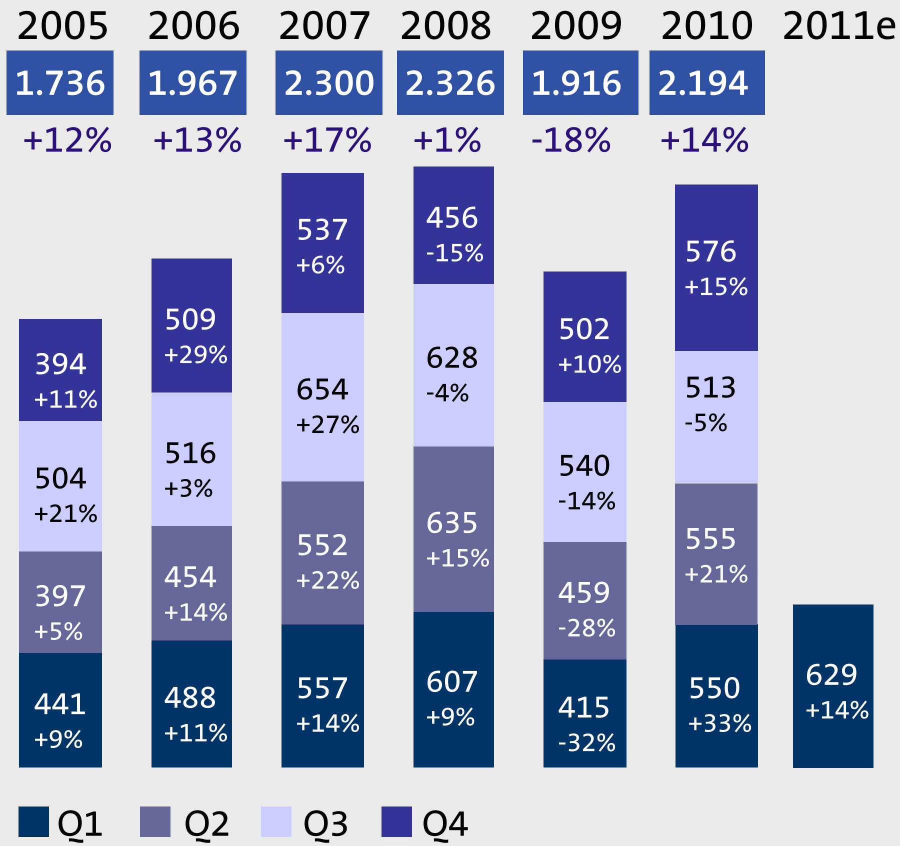
3 "Value"
Strategic realignment 2011ff

Interim Report 1st Quarter 2011: Group orders received (in €m)

Orders received, 1st quarter



Group orders received



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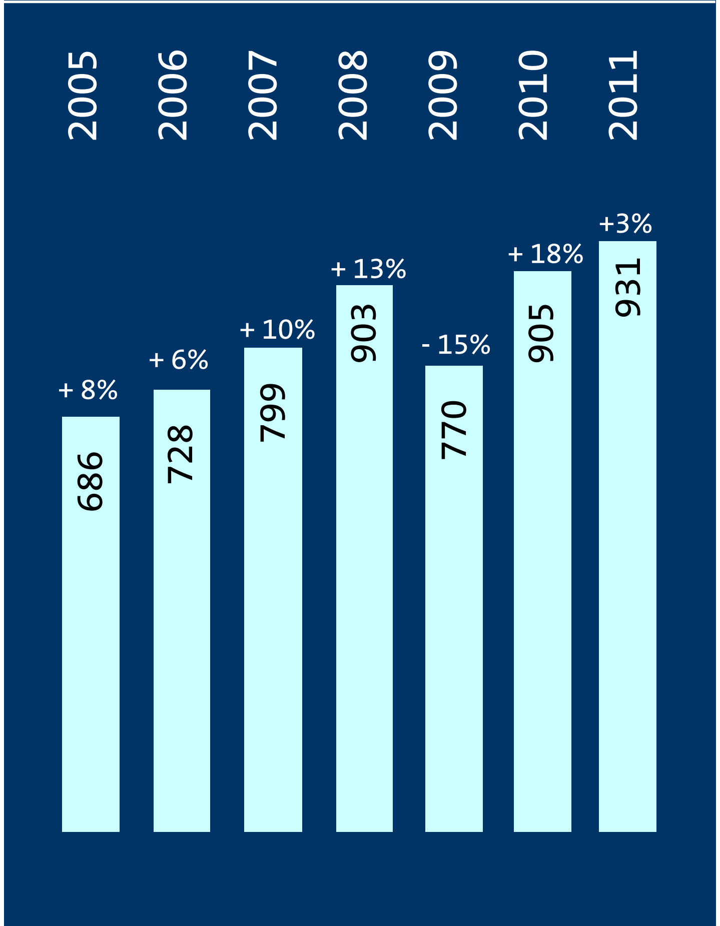
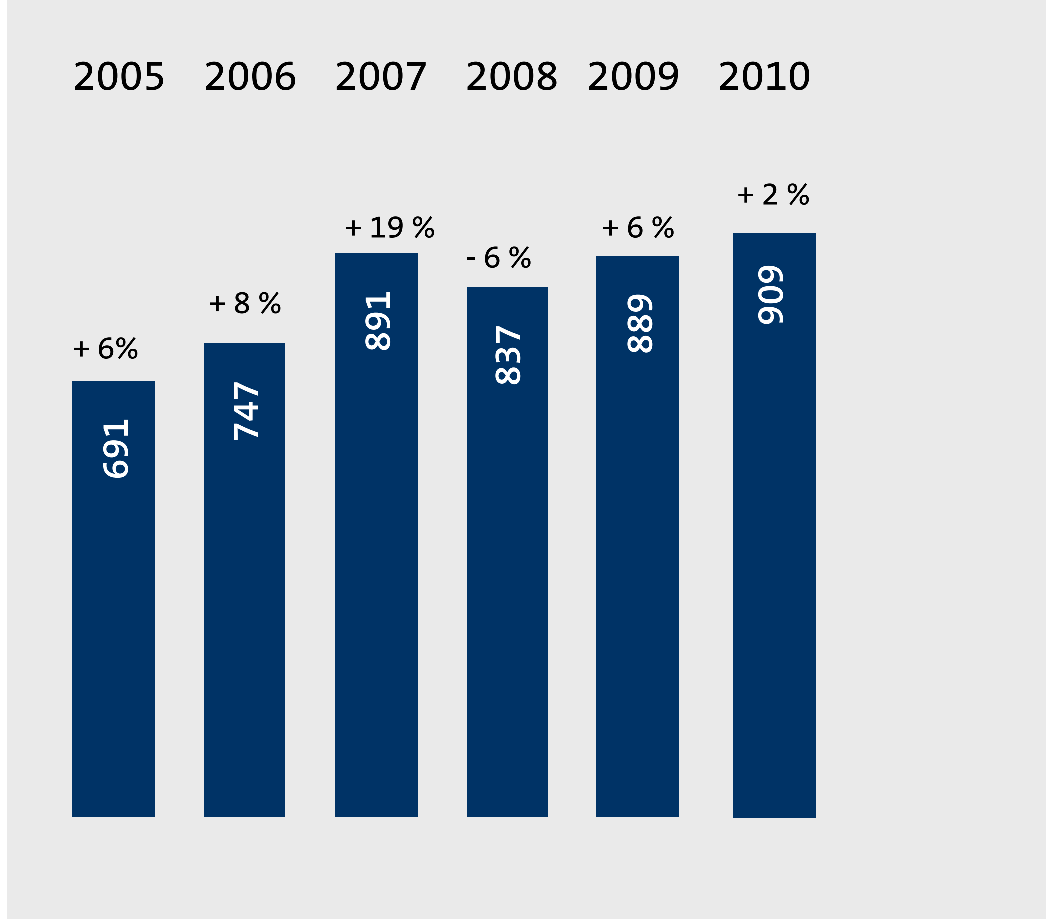
Interim Report 1st Quarter 2011: Group order backlog (in €m)

Order backlog, 31.03.

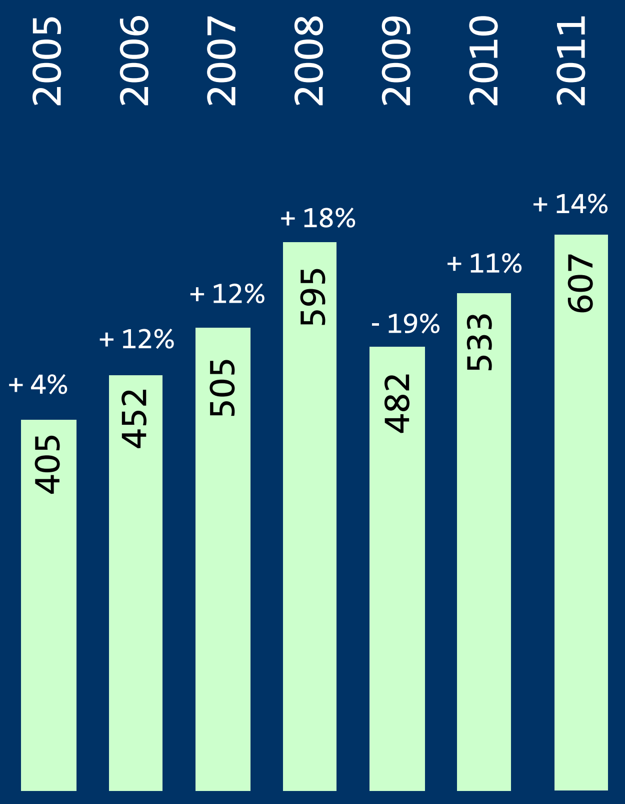


Group order backlog, 31.12.

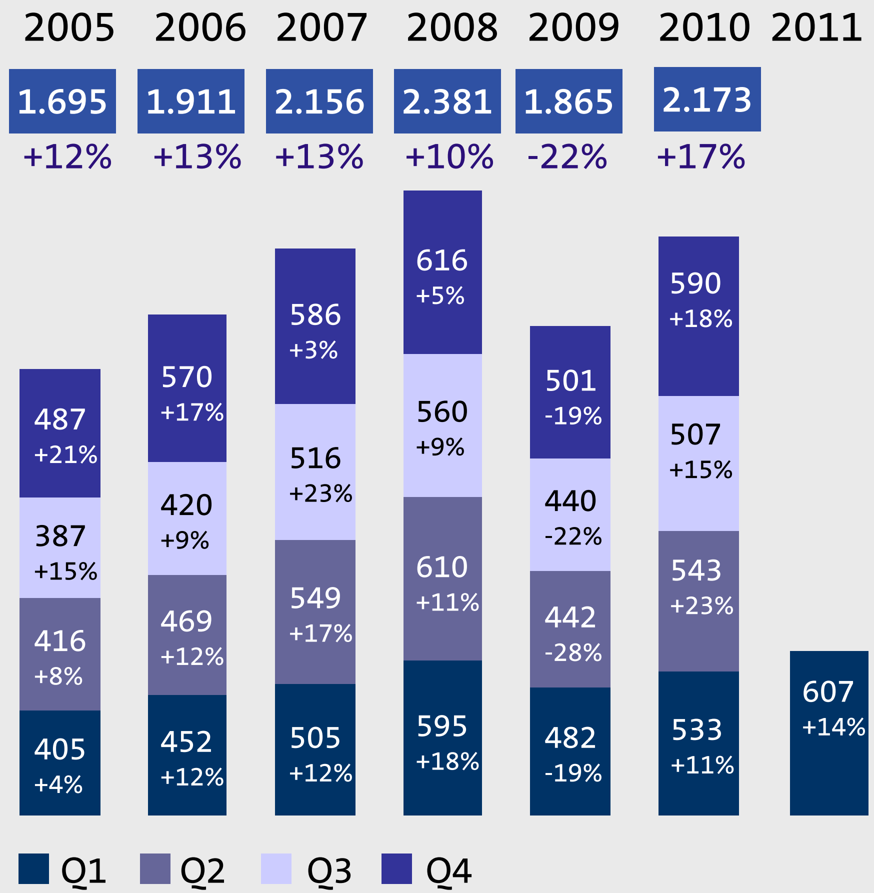


Interim Report 1st Quarter 2011: Group sales (in €m)

Sales, 1st quarter



Group sales



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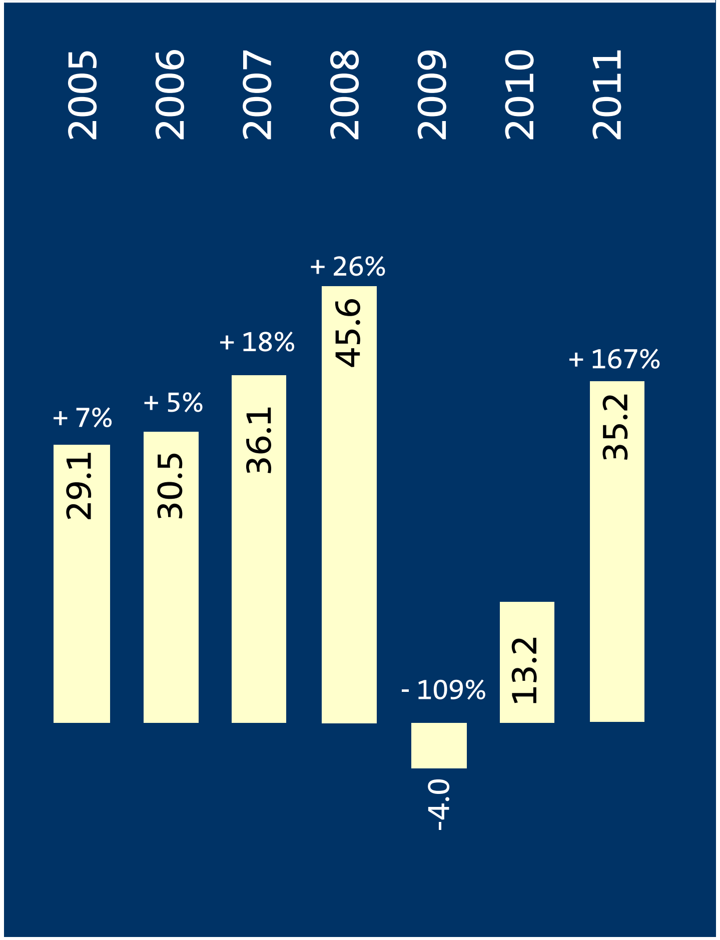
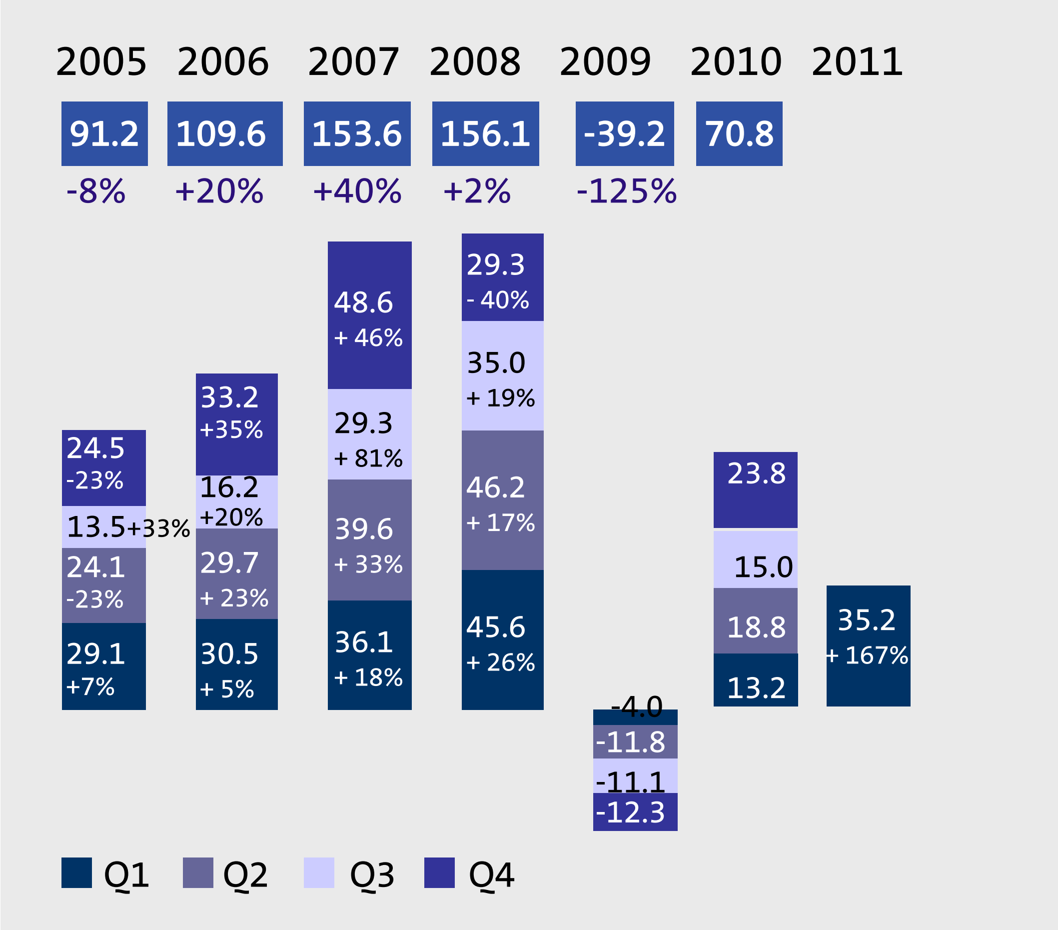
Interim Report 1st Quarter 2011: Consolidated earnings before tax (in €m)

Earnings before tax, 1st quarter



Consolidated earnings before tax



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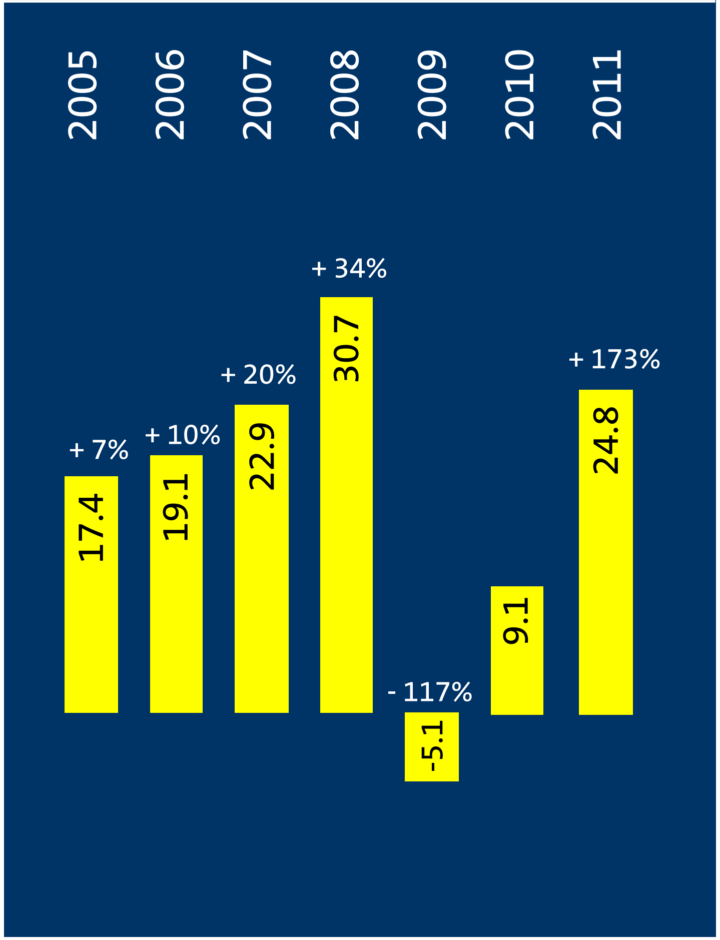
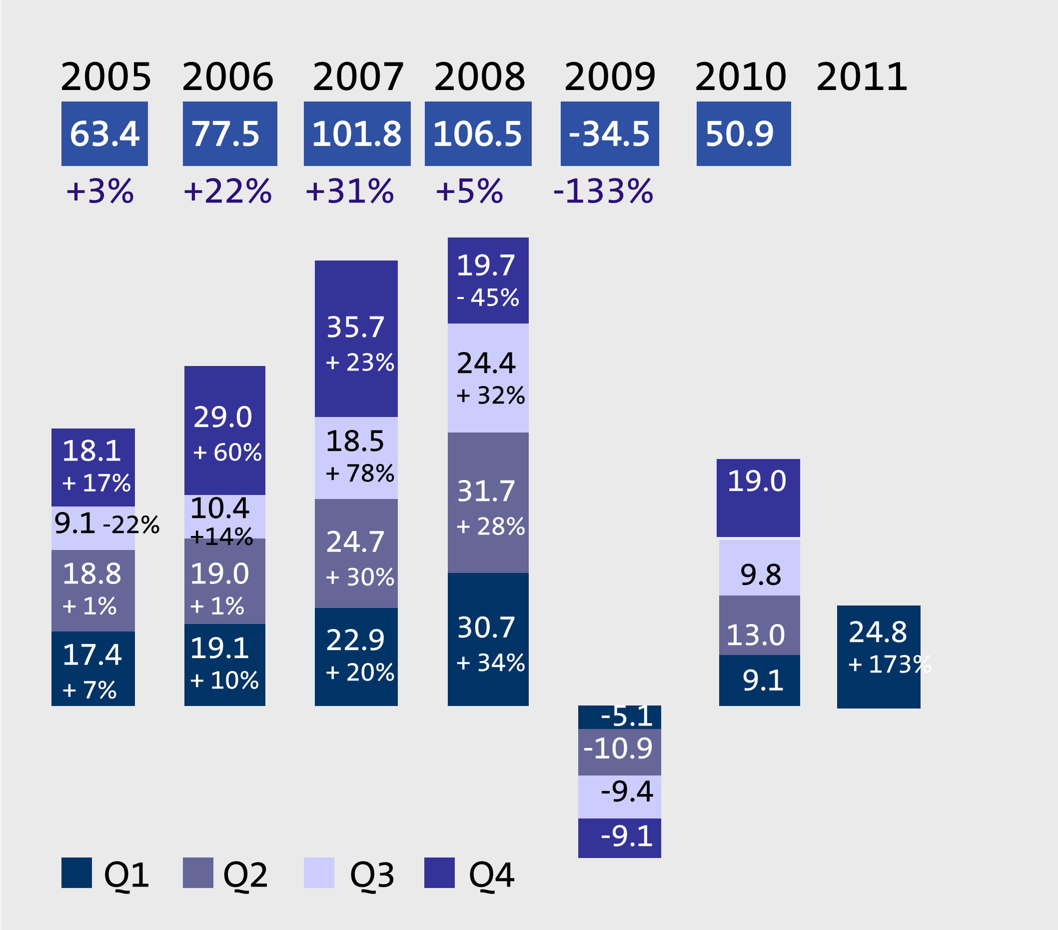
Interim Report 1st Quarter 2011: Consolidated earnings after tax (in €m)

Earnings after tax, 1st quarter



Consolidated earnings after tax



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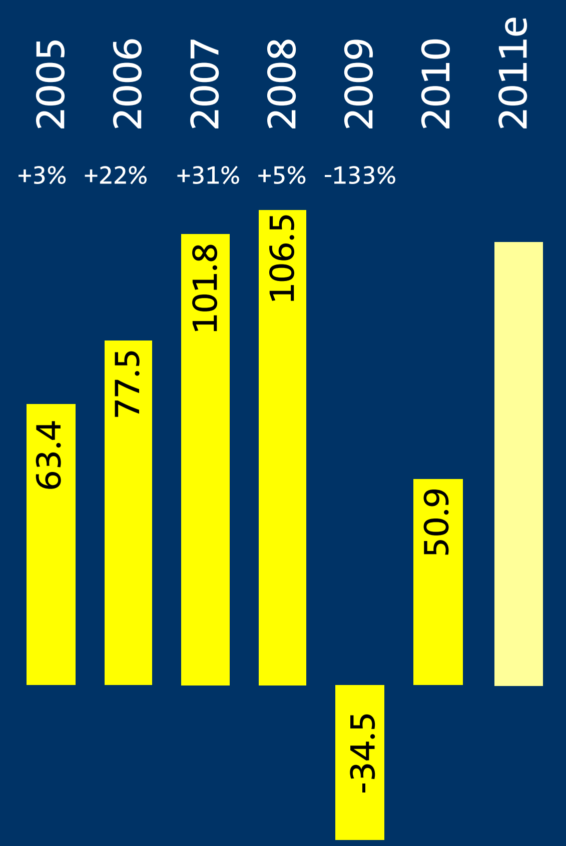
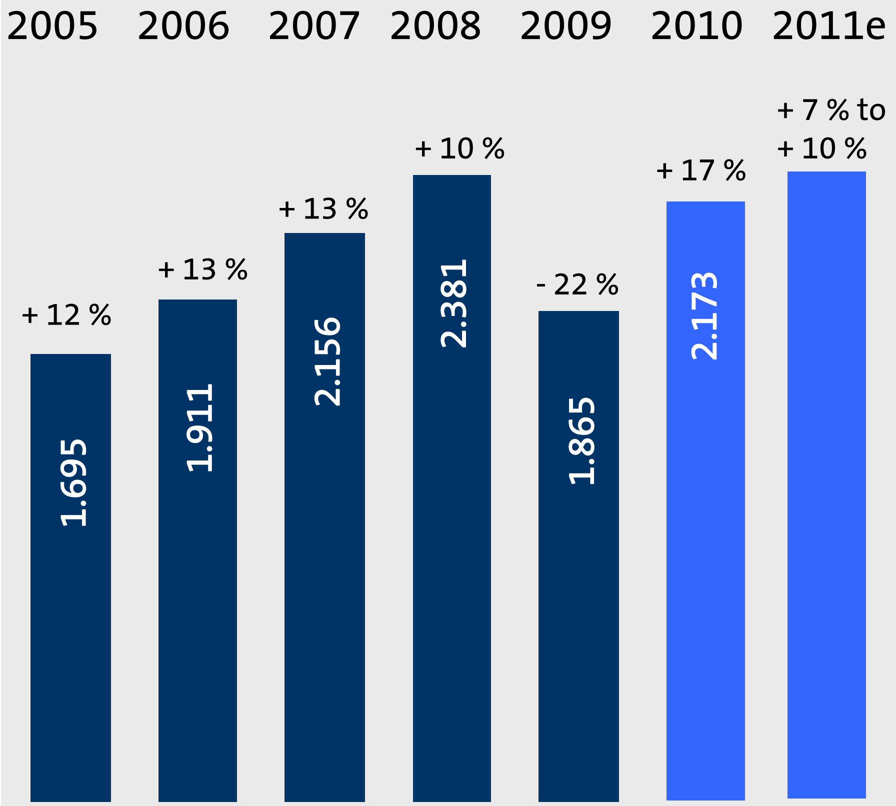
The outlook for 2011

Consolidated earnings after tax (in €m)



Group sales performance (in €m)



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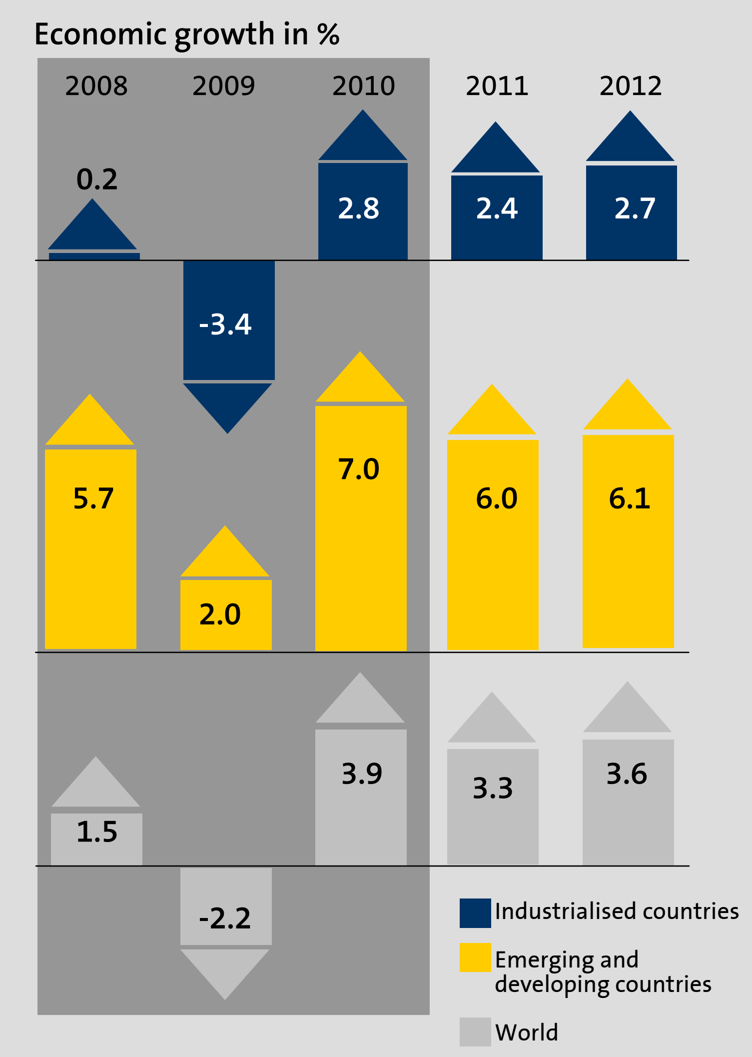
Global economy in 2011 and 2012 continuing to grow



Source: Weltbank (21.01.11), Globus VB-4022

- Upturn effects and strong recovery in 2010 after collapse in 2009, stimulus programmes coming to an end
- Experts expect further growth for 2011 and 2012
- Emerging and developing countries continue to be the engines for global growth

The global economic crisis seems to have passed Nevertheless, a certain lack of confidence prevails. The crisis has shown how deceptive forecasts are and how susceptible the closely interlocked global economy is to shocks and reversals of trends.

(from "think:act", Roland Berger 02/2011)

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The future of the global economy / dependencies

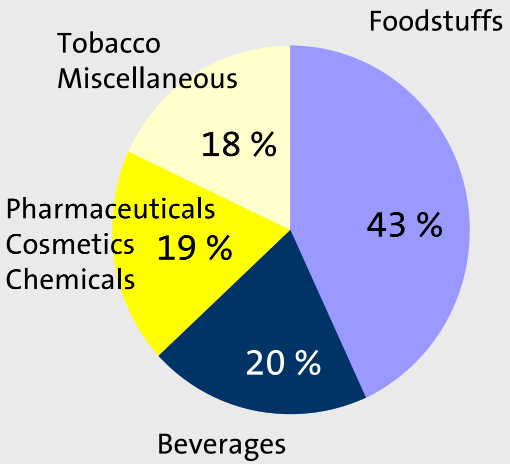
- Volatility
- Trend reversals
- Uncertainty

The crisis will accelerate some changes much more sharply than previously assumed.

- **Global development**
  - Open, unclear, optimistic to critical
  - No reliable trends/forecasts that offer a clear direction
- **Dependencies**
  - Global economic growth / risks and opportunities (bubbles)
  - Monetary policy (inflation, deflation?)
  - Currency policy (exchange rates, exchange rate manipulation?)
  - Increasing protectionism
  - Financial markets (no new regulations that could prevent another crash of the financial system)
  - Lending to businesses (Basel III)
  - Raw materials, procurement market, energy, environment, etc. (shortages, rising prices)
  - Sharp rises in household and public-sector debt (debt crises → deficit reduction / debt redemption)
  - EURO (European convergence), "rescue parachute"
  - Political stability (e.g. MENA region, etc.)

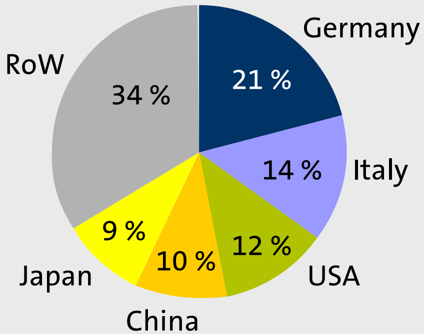
Production of packaging machines (NM only) 2005 – forecast 2015e (in €bn)

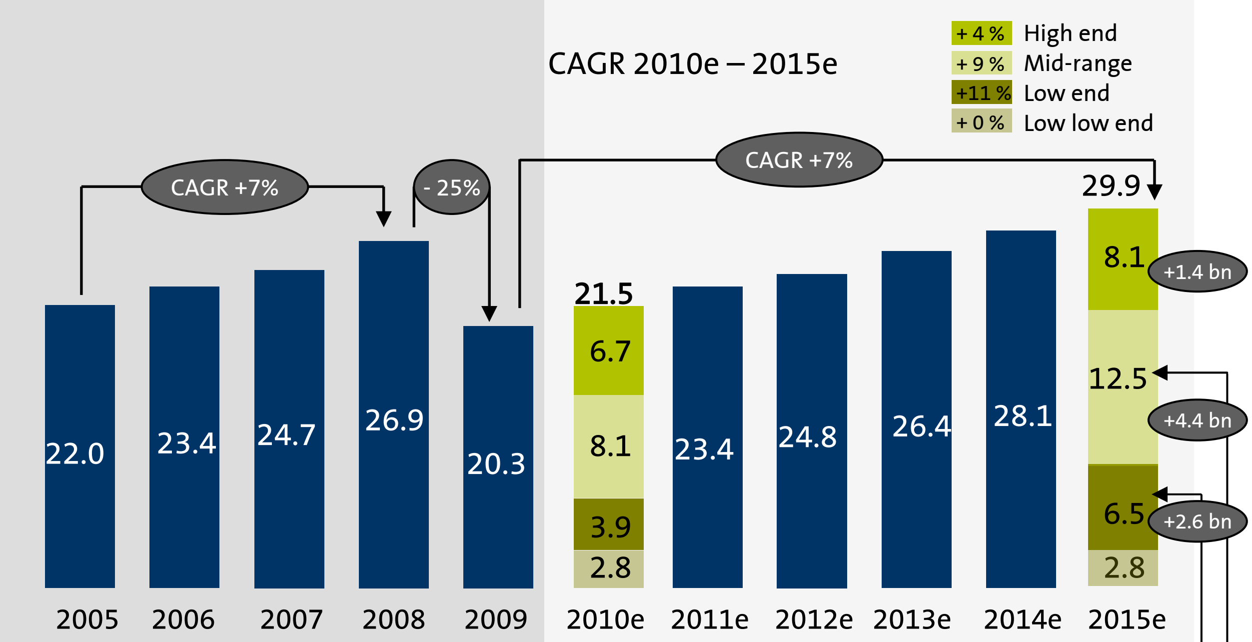
Production (new machines) Segmentation (2008)



approx. 375,000 employees worldwide

Top 5 producers (2010)

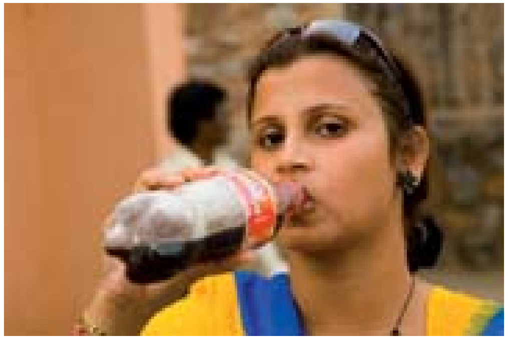




- One of the differentiating factors in mature consumer markets are lines and energy efficiency (= room for high-tech solutions 24x7)
- (Still) local Chinese equipment (large home market) is simpler technology, but sufficient in many applications
- Competition set to become much tougher in the mid-range sector

Sources: Freedonia, Euromonitor, VDMA, Roland Berger, Oliver Wyman, press, KRONES, research project, automation technology

Long-term growth trends essentially secure



- KRONES products and services consumer-oriented ("eating and drinking")
- Dynamic growth in world population => 7 billion people (6.93 billion people at the end of 2010; + 80 million people from population growth p.a.)
- Rising standard of living, especially in emerging countries
- Steady rise in demand for end products
- Rising demand for perfectly hygienic beverages/water and high-quality foodstuffs
- Growing diversity in beverages (new nutritional trends & lifestyle products in industrialised countries)
- Growing complexity (customer differentiation at the point of sale generates a huge increase in the number of containers and packaging forms available)

Clear aims in our sights!

We are engaged with commitment, intelligence and creativity for the future success of KRONES

Strategic realignment 2011-2015

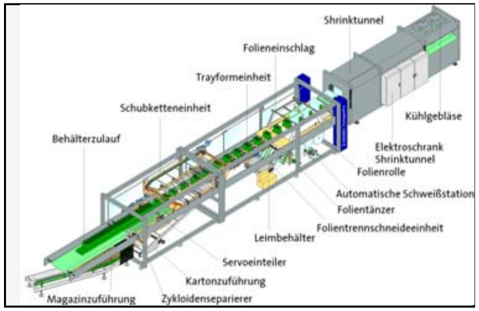
Value

The ability of a company to adapt must always be greater than the speed at which its environment changes.

Roland Berger * 1937
Management consultant

	1 Status quo	
	2 Analysis Future developments, challenges	
Strategic level "Target system"	3 Strategy, goals, planning 2011 - 2015	Target
Operational level "Operating system"	4 Sales management Market, customer, products, innovation	hard facts Figures Data Facts
	5 Cost management Processes, productivity, costs, profitability	
	6 Resource optimisation Risk/opportunity management, attractiveness, flexibility	
Emotional level "Management system"	7 Personnel management Management, motivation, communication, skills, identity, corporate culture	soft facts
	8 Value engineering (creating value) want → can → do	

Operative system → sales management



Value

Commitment to common values

Sales management

- Market
- Customer
- Innovation
- Products

Strategic goals

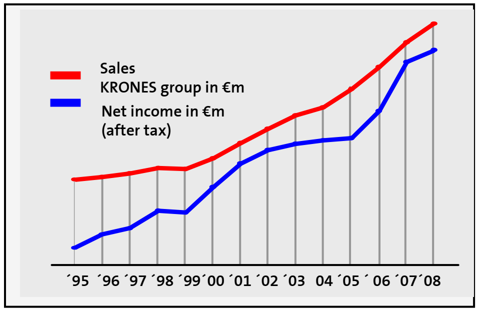
Secure and expand world market leadership and innovation leadership

Strategic challenges

How can we best meet the expectations and requirements of our customers and at the same time improve our competitiveness and results?

→ Achieve and maintain top-rate performances

Operative system → cost management



Value

Commitment to common values

Cost management

- Processes
- Productivity
- Profitability
- Reduction in complexity

Strategic goals

Get whole group and organisation fit for economic excellence

Strategic challenges

How can we improve our efficiency and productivity, optimise our costs and deliver lasting improvements in profitability?

→ Plan economic success, shape it together and achieve it

Operative system → resource management

Value

Commitment to common values

Resource optimisation

- Risk/opportunity management
- Resource optimisation
- Attractiveness
- Flexibility

Strategic goals

Ensure attractiveness and forward compatibility
Make appropriate use of resources

Strategic challenges

How can we continue to improve our ability to seize opportunities and shape the challenges ahead of us?

→ Controlling risks, seizing opportunities and making best use of limited resources

Management system → personnel management

Value

Commitment to common values

Personnel management

- Employees
- Management
- Communication
- Corporate culture / values

Strategic goals

Attract, develop and retain the best managerial staff

Strategic challenges

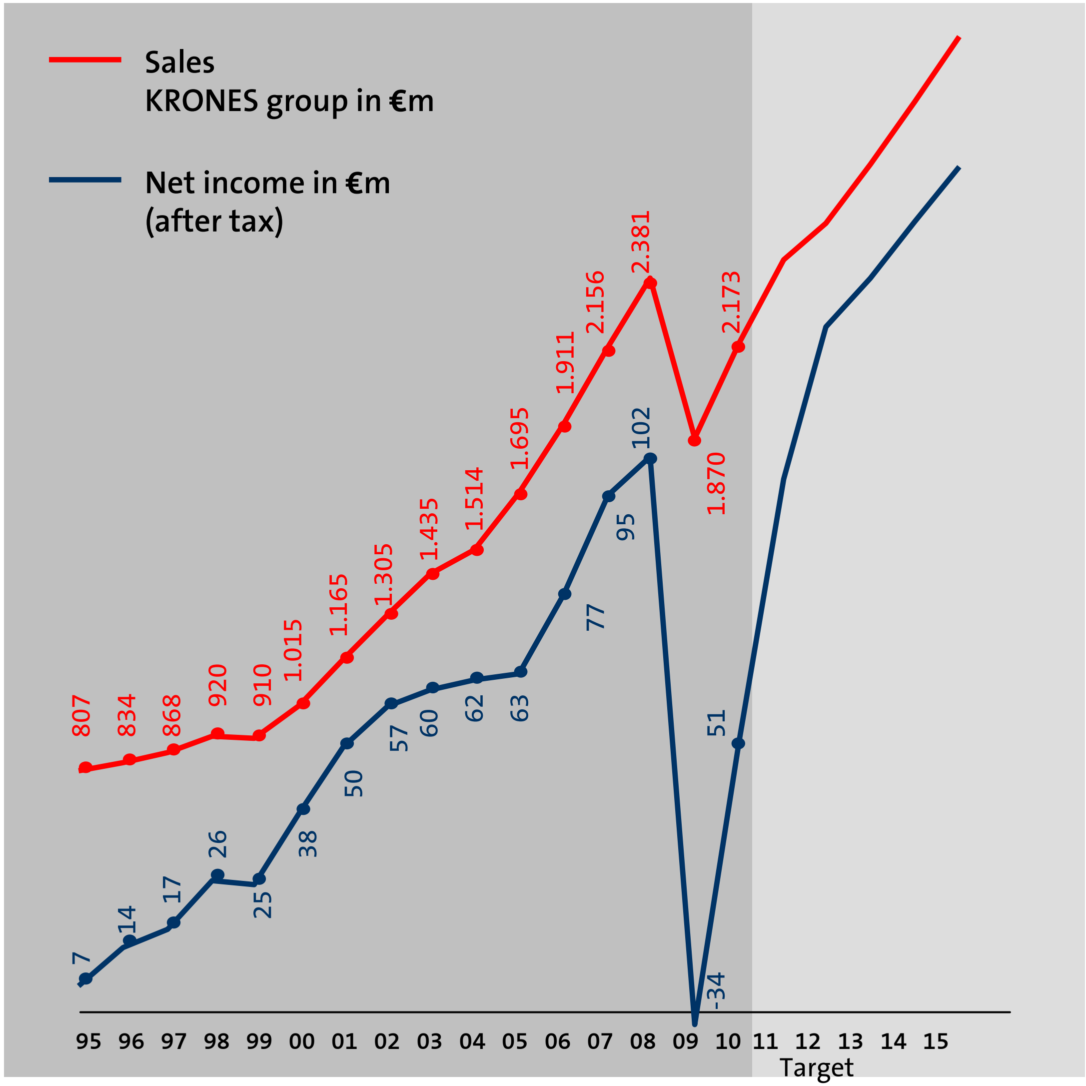
How can we motivate, appropriately manage, mobilise, encourage and develop our staff?

→ It's all about a commitment to common values for staff and management

KRONES group Sales and earnings performance in €m
1995 – 2010 (ACTUAL), 2011 – 2015 forecast

The ability of a company to adapt must always be greater than the speed at which its environment changes.

Roland Berger * 1937
Management consultant



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Thank you!

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