

KRONES

Conference Call

First Half Year 2015

July 23, 2015



Krones continues profitable growth trend

Revenue from January to June 2015 grew 4.8% to €1,503.7 million.

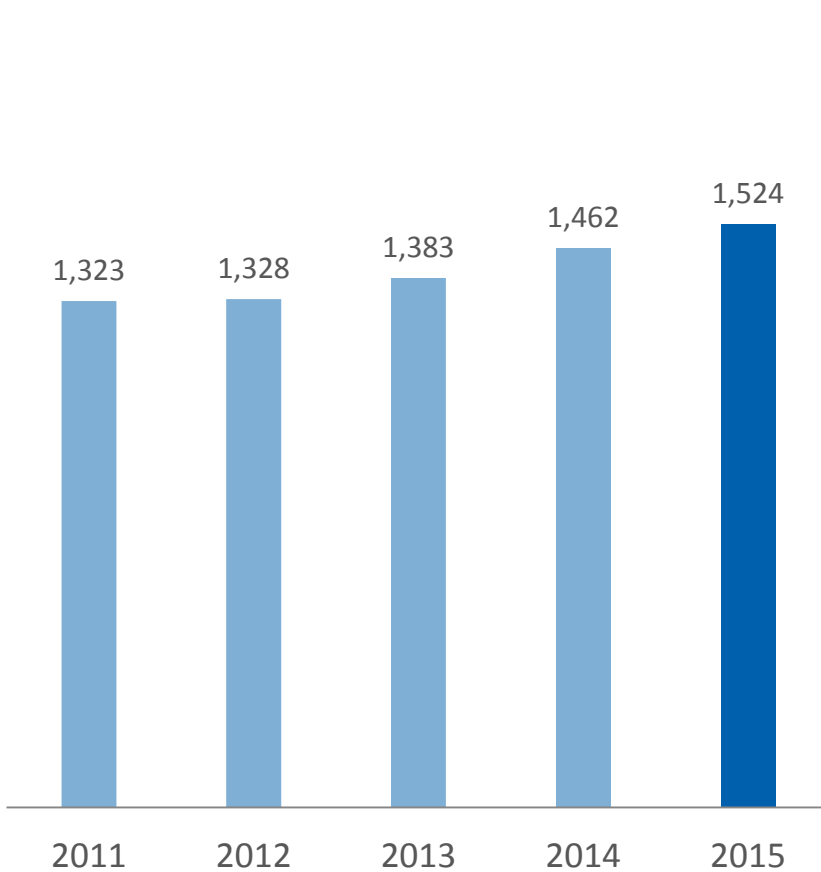
New orders exceeded year-earlier period by 4.3%.

EBT margin improved sharply, from 6.2% to 6.9%,
in the first half.

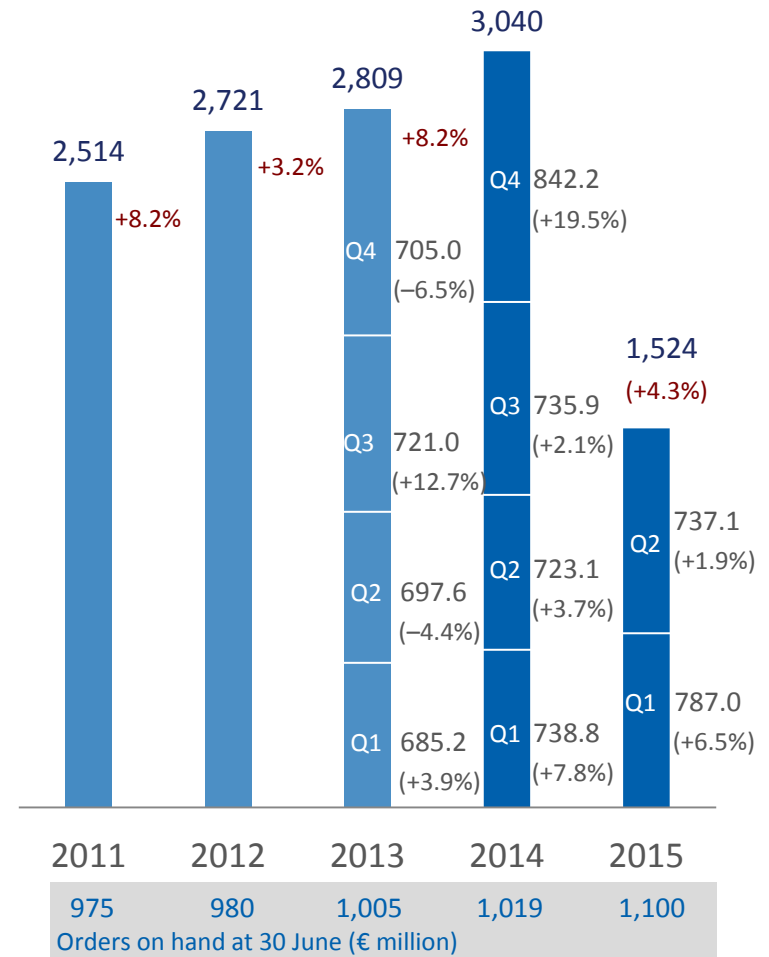
Krones has raised its EBT margin target for 2015
from 6.8% to 7.0%.

New orders rose 4.3% in 1st HY

New orders 1st HY (€ million)

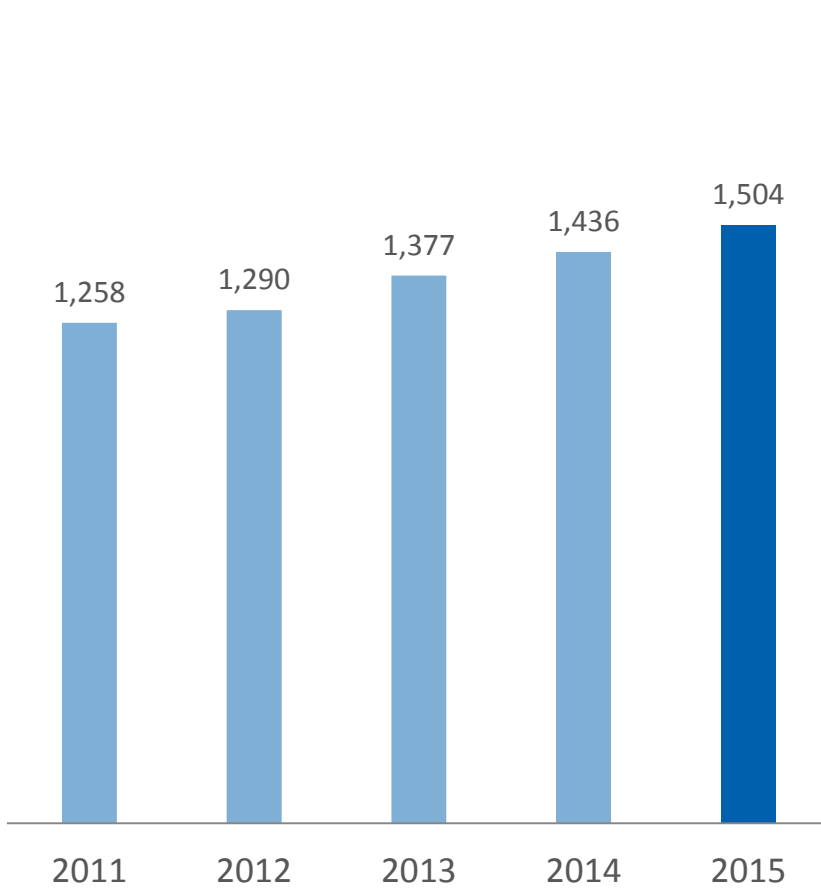


New orders by quarter (€ million)

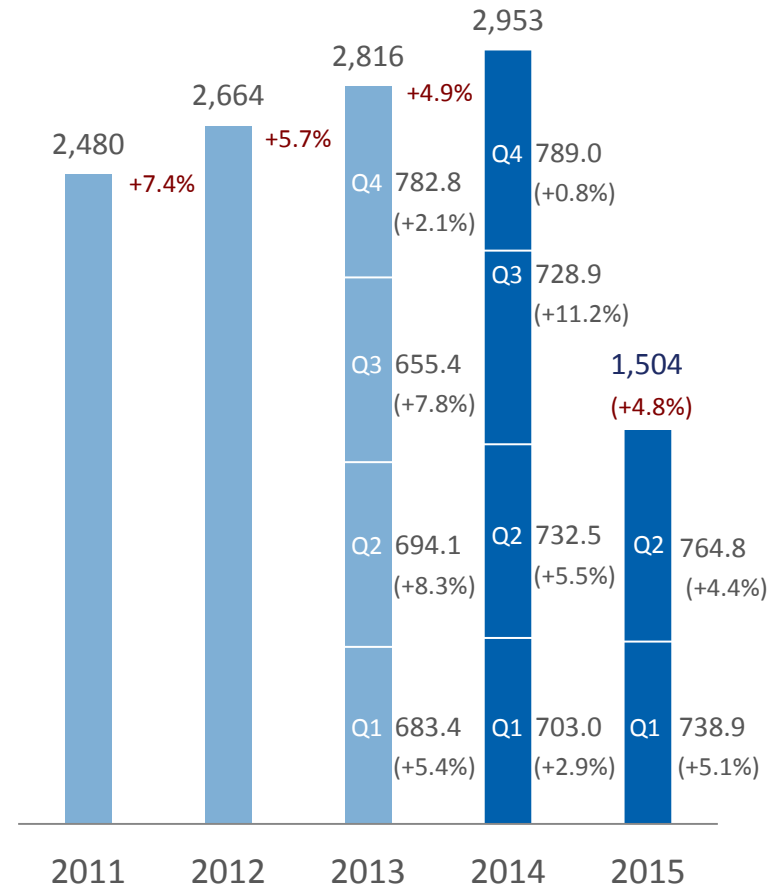


Revenue rose \approx 5% in 1st HY

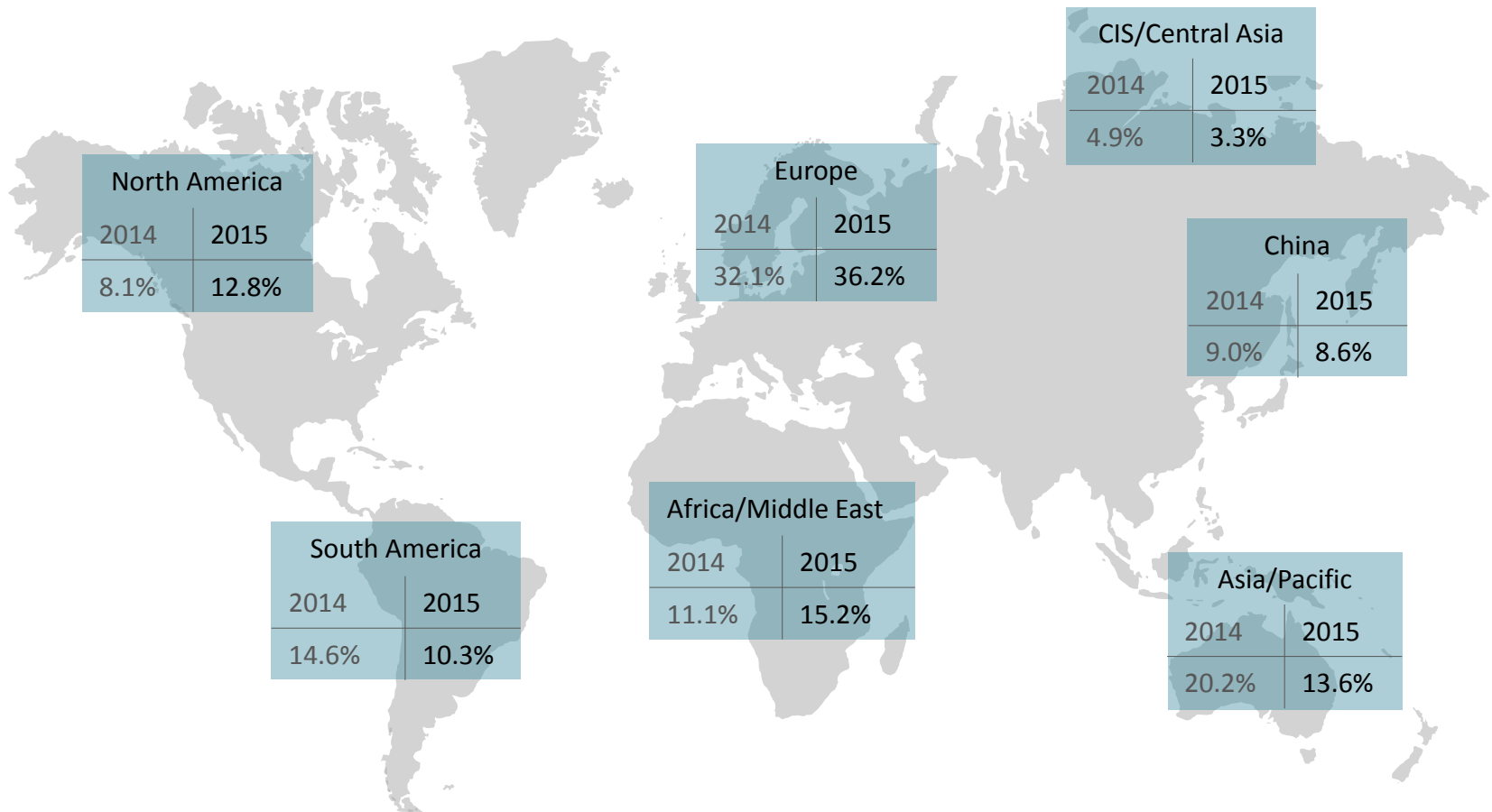
Revenue development 1st HY (€ million)



Revenue development by quarter (€ million)



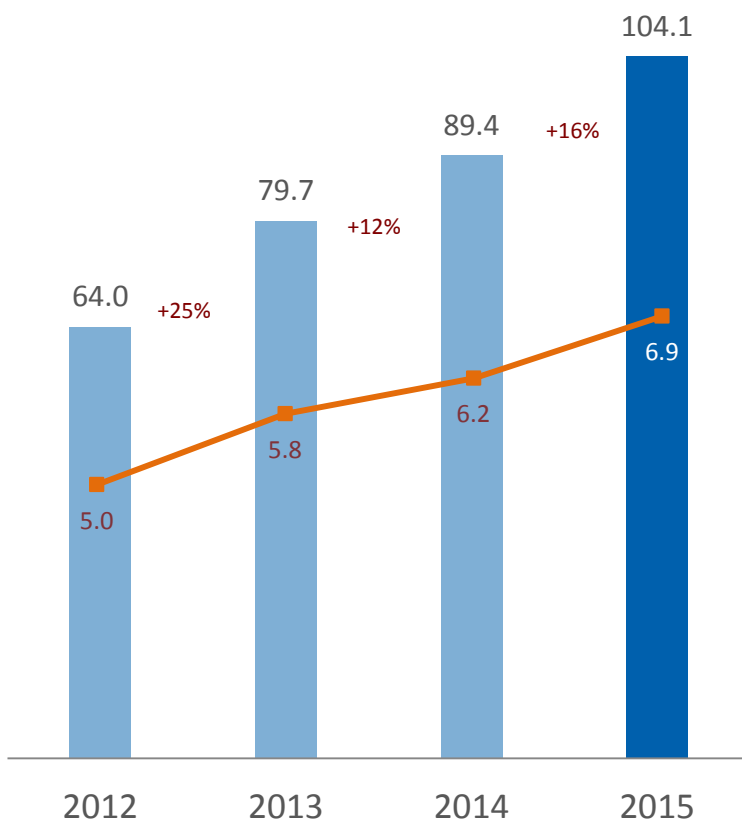
Revenue per region in 1st HY 2015



Share of Emerging Markets of consolidated revenue: 53.7% (Prior year: 62.9%)

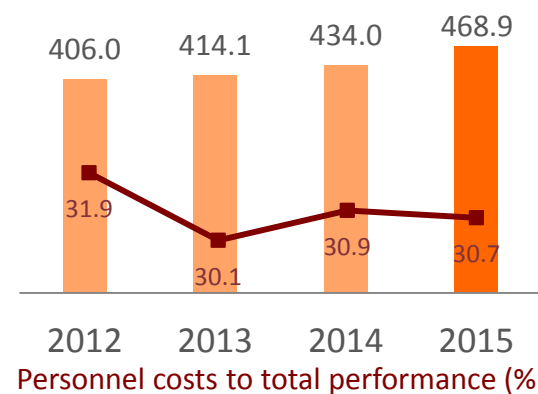
Strong increase of EBT margin based on the performance improvement

EBT 1st HY (€ million)

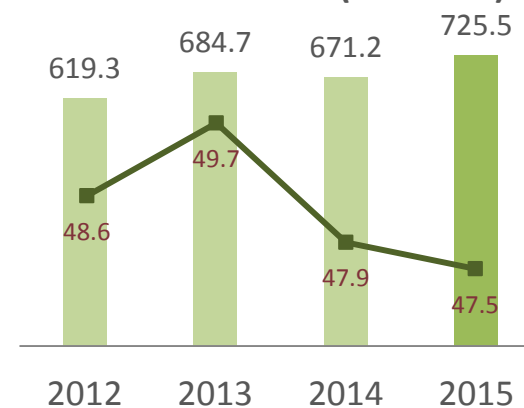


Return on sales (on EBT) (%)

Personnel costs 1st HY (€ million)



Material costs 1st HY (€ million)



Material costs to total performance (%)

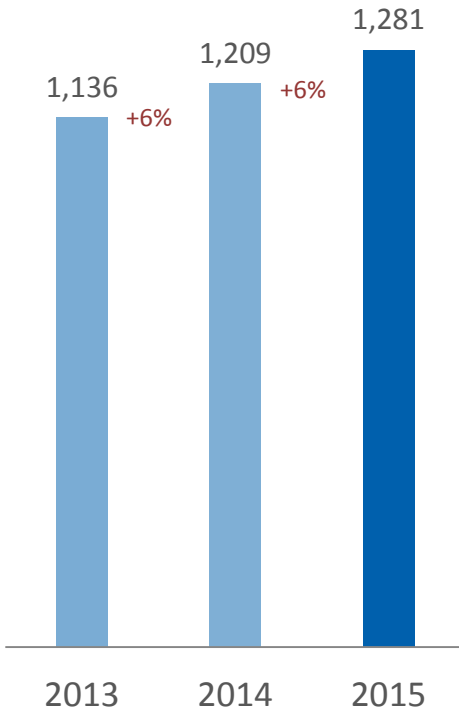


Machines and lines for product filling and decoration

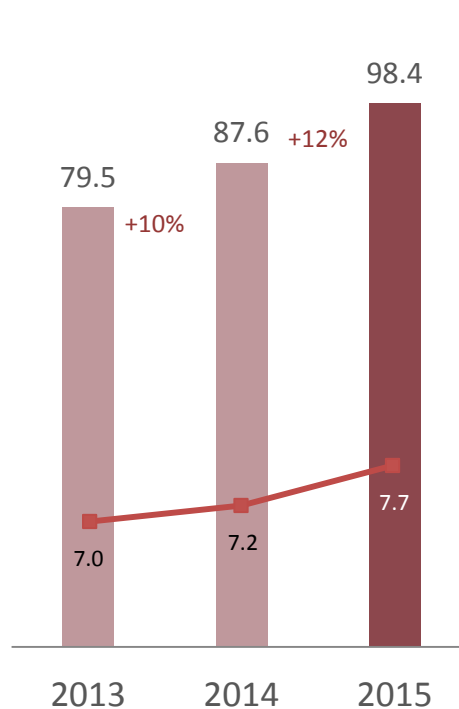


Product filling and decoration: Further improvement of profitability

Revenue development 1st HY
(€ million)



EBT development 1st HY
(€ million)



— Return on revenue (%)

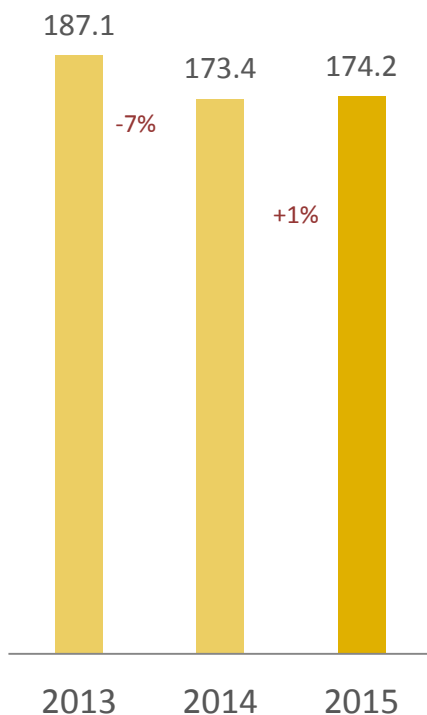
- Regionalization of the LCS business
- Cost reduction program to compensate cost increases
- Expansion of modular production for dry part and labelling
- Global procurement strategy
- Midterm targets:
Growth 4-6%; EBT margin 8%

Machines and lines for beverage production / process technology

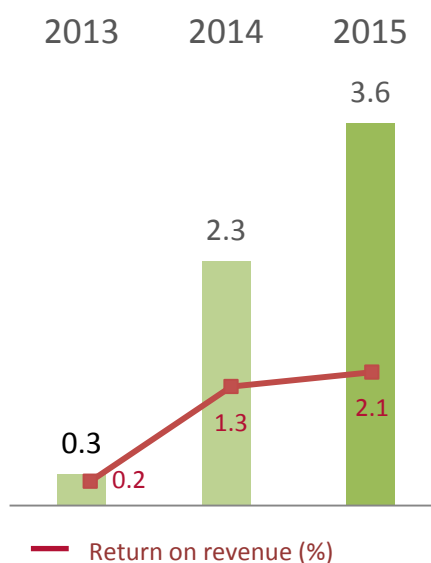


Beverage production/process technology: volatile sales development in the quarters

Revenue development 1st HY
(€ million)



EBT development 1st HY
(€ million)



Expansion of the component business

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

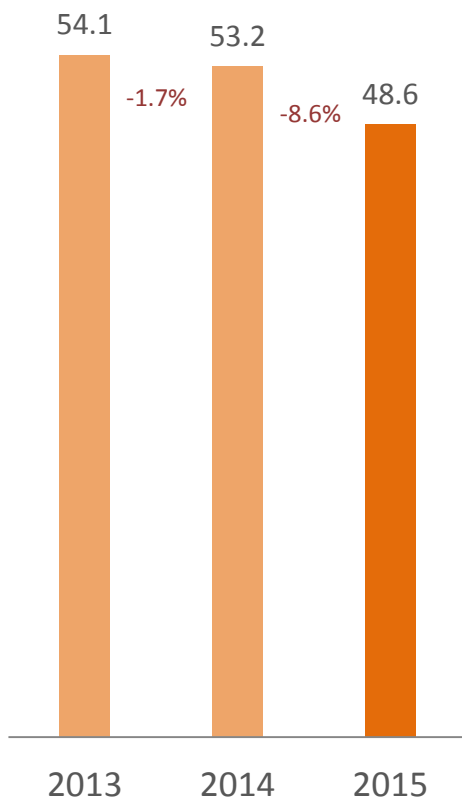
Midterm targets:
Growth 8-10%; EBT margin 4%

Machines and lines for the low output range

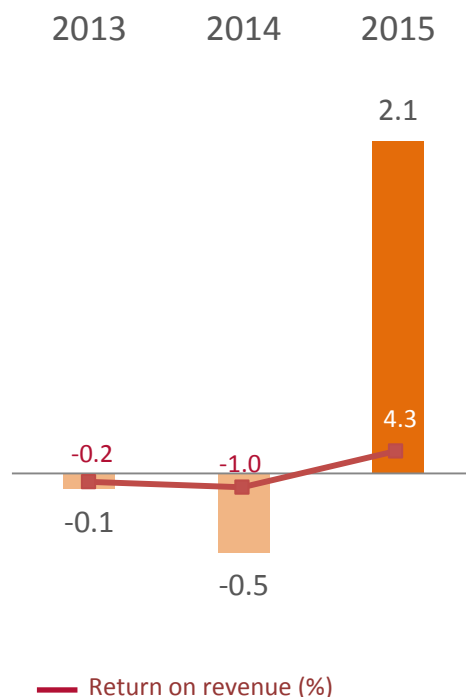


Segment for the low output range: Successful restructuring, sustainable margin situation

Revenue development 1st HY
(€ million)



EBT development 1st HY
(€ million)



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

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

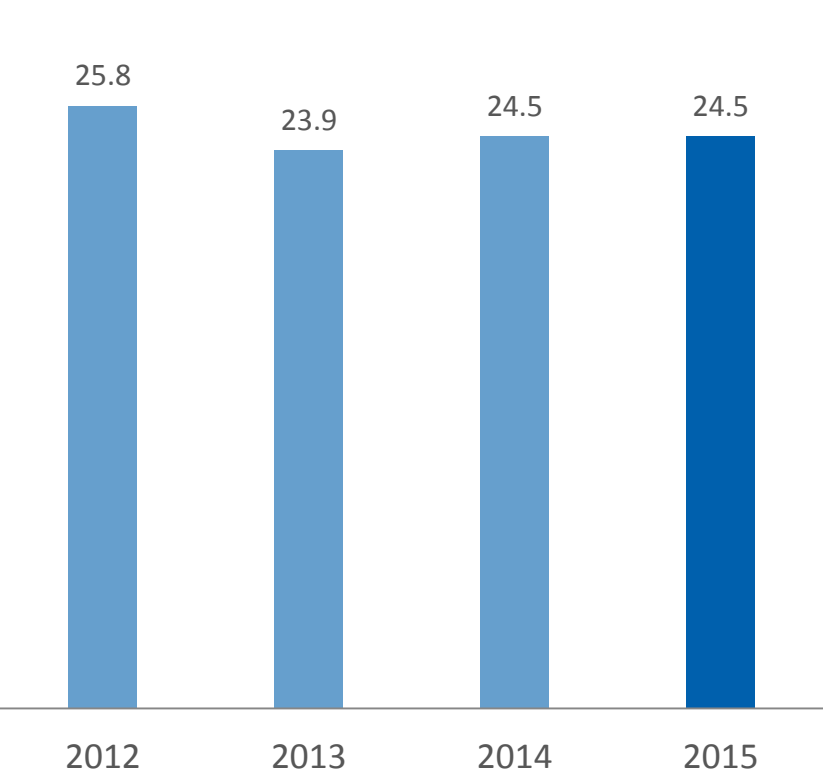
Further investment in Kosme
sales structure

Target for 2015:
EBT margin 4%

Midterm targets:
Growth 5%; EBT margin 5%

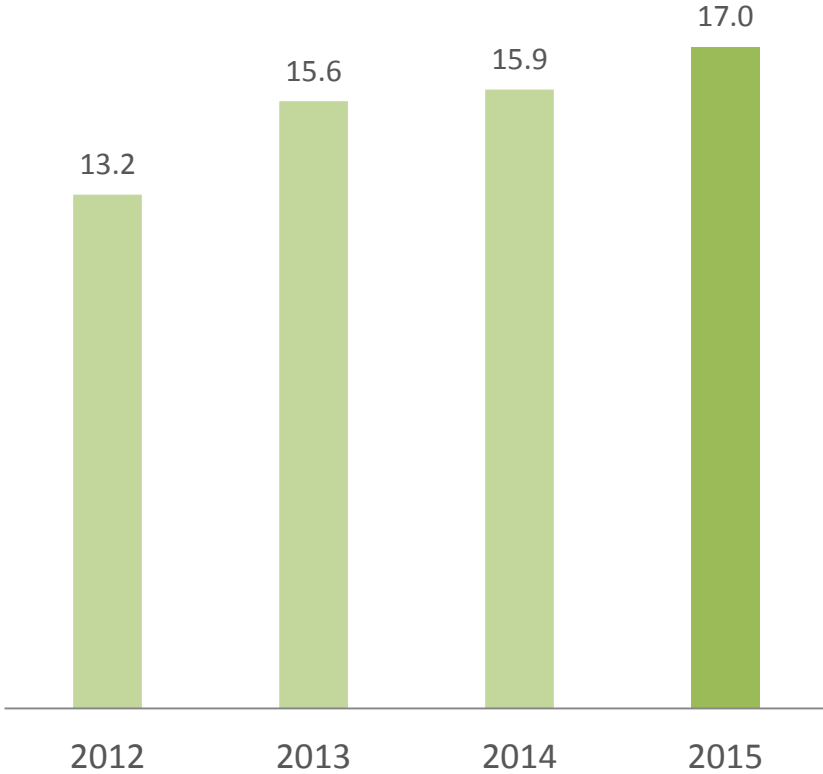
ROCE increases as planned

Working capital* 1st HY (%) of revenue



*LTM (Last twelve months)

ROCE* 1st HY (%)

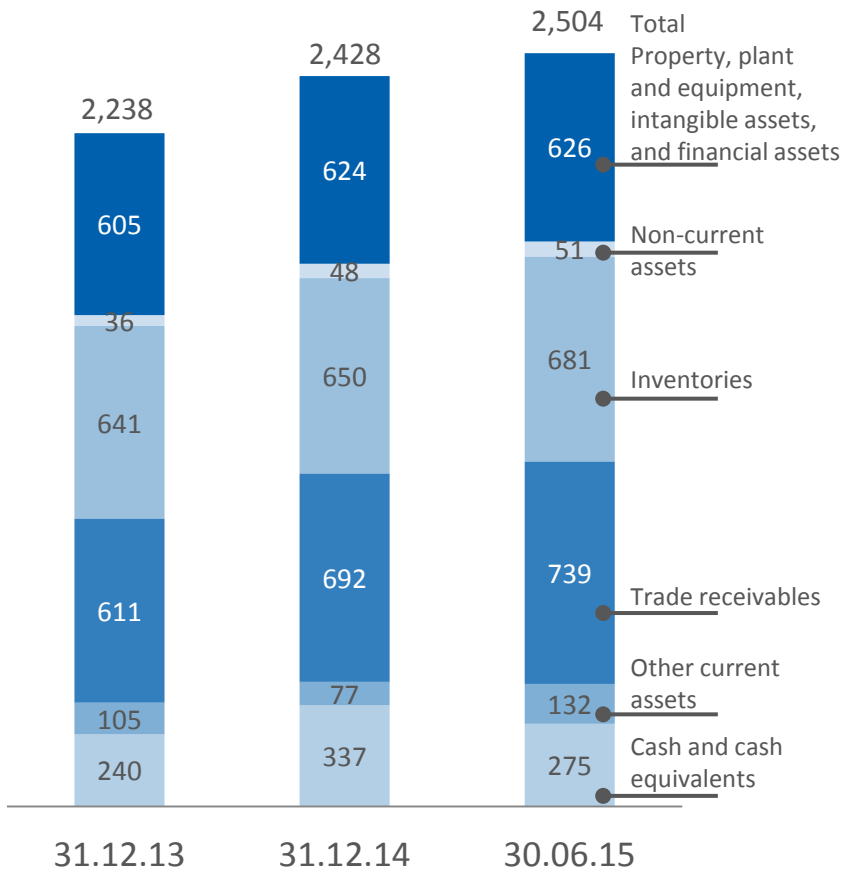


*LTM (Last twelve months)

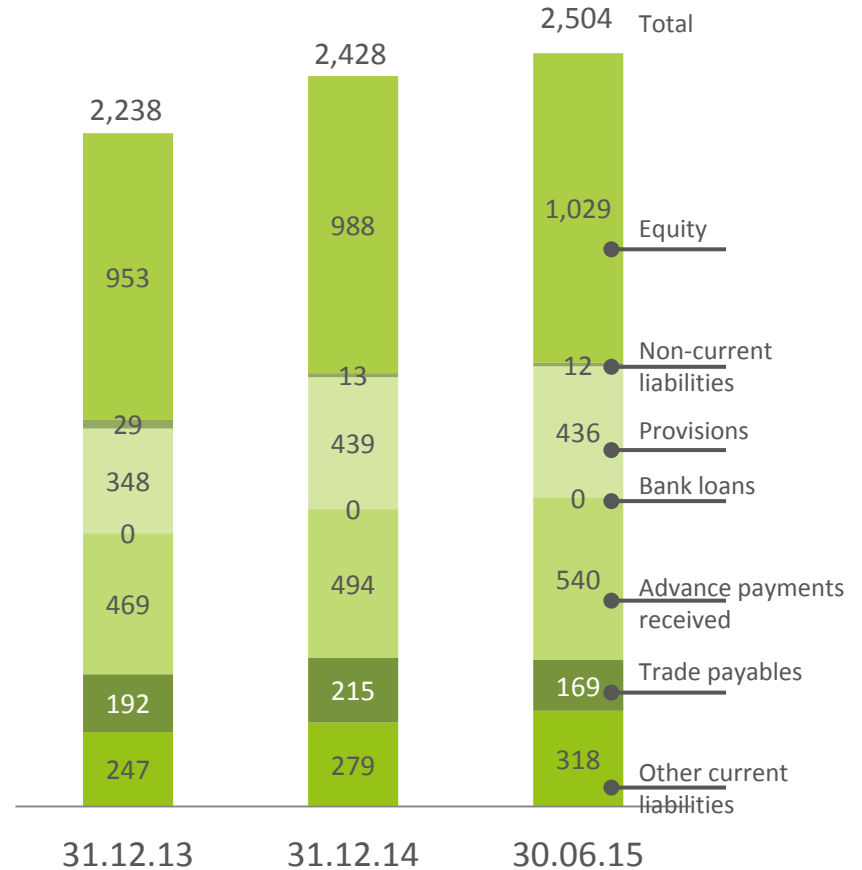
Free cash flow stable

(€ million)	1st HY 2015	1st HY 2014
Earnings before taxes	104.1	89.4
+/- non-cash expenses and income	+53.2	+ 101.8
+/- change in Working Capital	-112.8	-157.9
+/- other (mainly tax payments)	-21.1	-20.8
Cash flow from operating activities	23.4	12.5
+/- Capex, intangible Assets and property plant and equipment	-30.2	-29.1
+/- other	-15.2	-3.0
Free cash flow	-22.0	-19.6
+/- Financing activities	-39.5	-63.2
+/- Changes in cash and cash equivalents arising from exchange rates	0.0	+0.1
Net change in cash	-61.5	-82.7
Cash at the end of period	274.9	157.2

Equity rose over 1 billion €, ratio at 41%



Assets in € million



Equity and liabilities in € million

Krones raises EBT margin target for 2015 from 6.8% to 7.0%

Target:
Revenue growth
+ 4%



HY1 2015:
4.8%



Target:
EBT margin
7%



HY1 2015:
6.9%



Target:
ROCE
17%



HY1 2015:
17.0%



Change in Management Board in 2016



2015

Volker Kronseder
CEO

Christoph Klenk
CFO

Longterm experience in the
packaging industry in various
financial functions

2016

Volker Kronseder intends
to join the Supervisory Board

Christoph Klenk
CEO

Michael Andersen
CFO

Vita Michael Andersen

Personal Data

Date of birth 09.02.1968 (Denmark)
Marital Status Married, three children
Nationality Danish
Languages Danish (Native language), English, German

Professional Career

2014 – Triton
1995 – 2014 GEA Group
2010 – 2014 CFO, GEA Heat Exchangers
(Sales ~ 1,5 billion €, 7 Business Units, ~ 7.200 Employees Düsseldorf/Germany)
2000 – 2010 CFO, GEA Process Engineering (Sales ~ 1,4 billion €, ~ 4.000 Employees)
CFO, Niro A/S, Denmark
1995 – 2000 Manager Division Controlling, GEA Process Engineering
1994 – 1995 Carlsberg Brewery A/S, Copenhagen
1987 – 1994 Arthur Andersen, Copenhagen (Auditor)

Studies

1992 Copenhagen Business School
- Master of Science in Business Economics and Auditing
1990 - Bachelor of Commerce Degree (HD)



Thank you
for your attention!

Financial Calendar 2015

- 22.10.2015 Conference Call concern Q3 2015
Interim Report as per September 30
- 28.04.2016 Interim Report as per March 31th 2016
and Annual Report 2015
Conference Call concern Q1 2016
- 15.06.2016 Annual General Meeting



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