

$$\begin{array}{r|l} 7 & 8 \\ \hline & 22 \end{array}$$

Krones January – September 2017

Conference Call October 25, 2017

Krones Highlights Q1-Q3 2017

+ 10.0% €2,696.8 million
Order intake

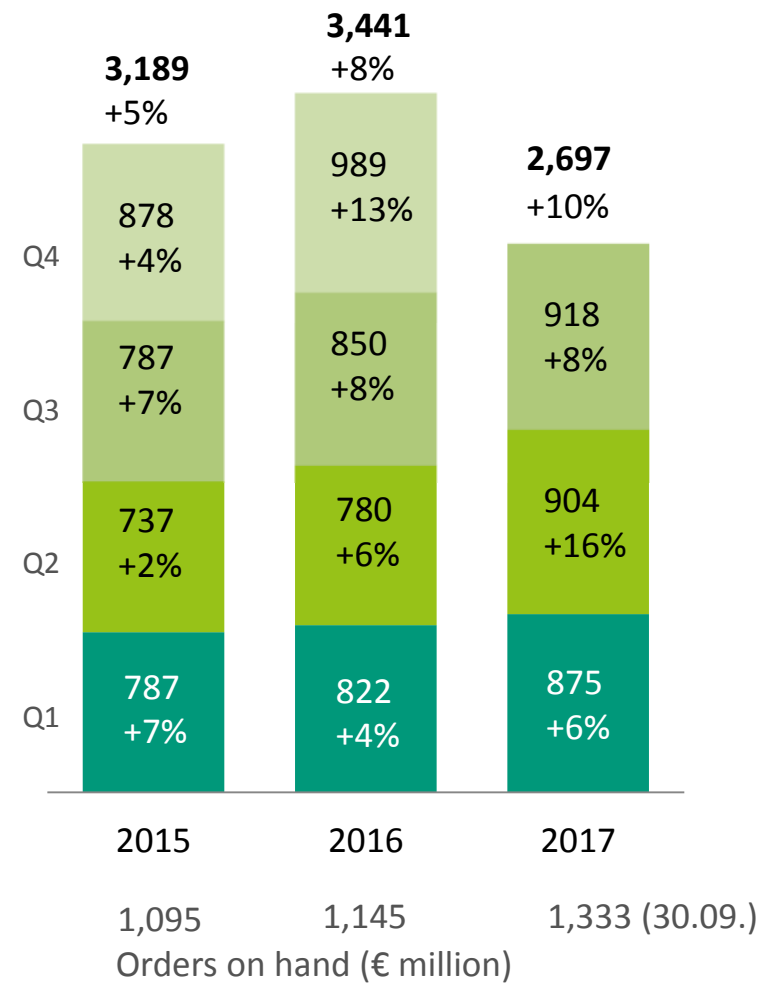
€2,508.9 million
Revenue (+5.4 %)

6.7% €168.0 million
EBT margin

-€209.1 million
Operating free cash flow
(PY -€164.7 million)

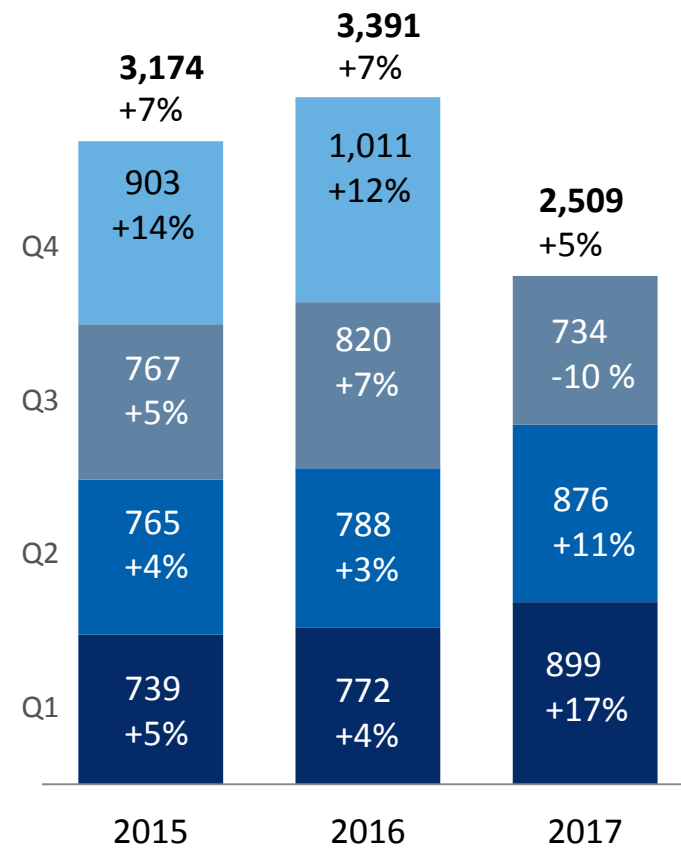
Strong order intake

New orders by quarter (€ million)



Krones sales on track

Revenue development by quarter (€ million)



Krones' revenue split remains well balanced

Share of revenue in Q1 – Q3

North America		
2015	2016	2017
12.9%	13.3%	15.0%

Europe		
2015	2016	2017
37.1%	34.6%	36.4%

CIS/Central Asia		
2015	2016	2017
2.9%	2.3%	2.0%

China		
2015	2016	2017
8.0%	10.5%	6.0%

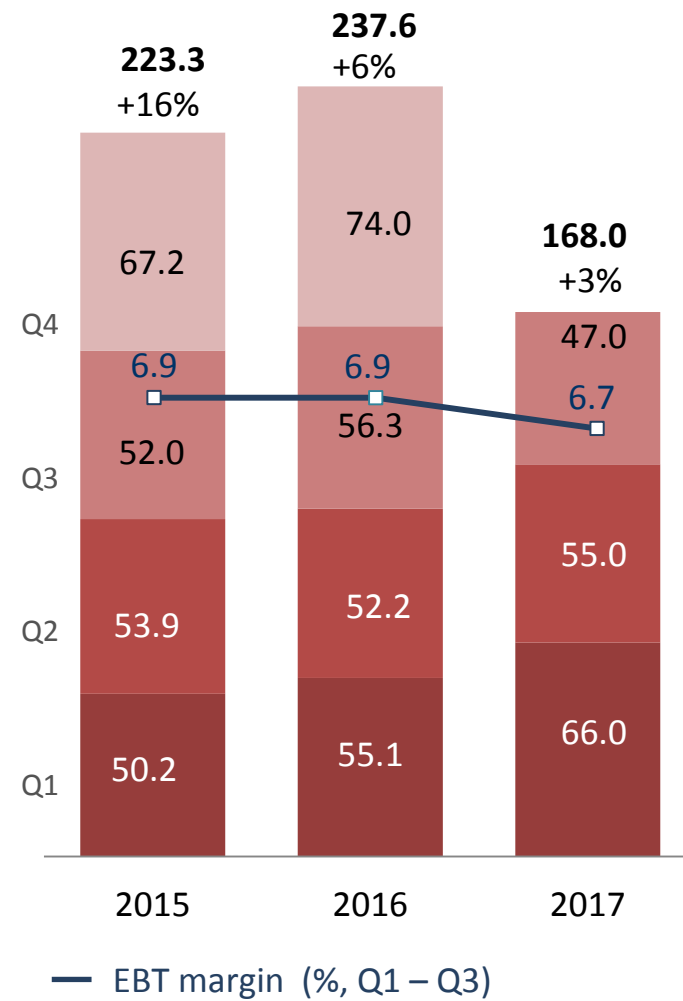
Africa/Middle East		
2015	2016	2017
15.4%	16.6%	15.1%

Asia-Pacific		
2015	2016	2017
14.0%	12.7%	14.3%

South America		
2015	2016	2017
9.7%	10.0%	11.2%

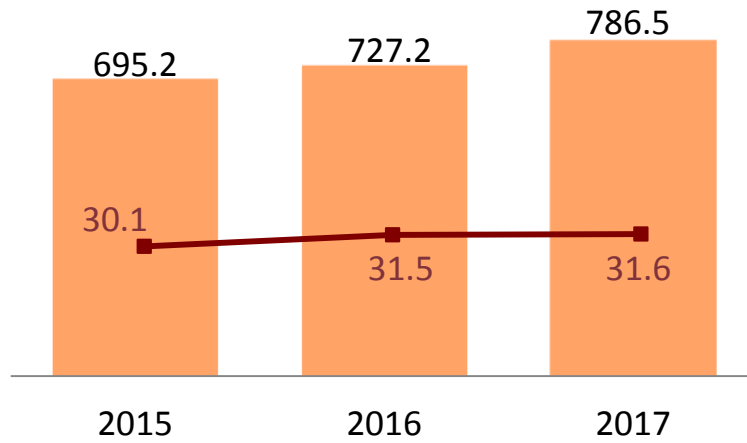
EBT margin influenced by one-offs

EBT by quarter (€ million)



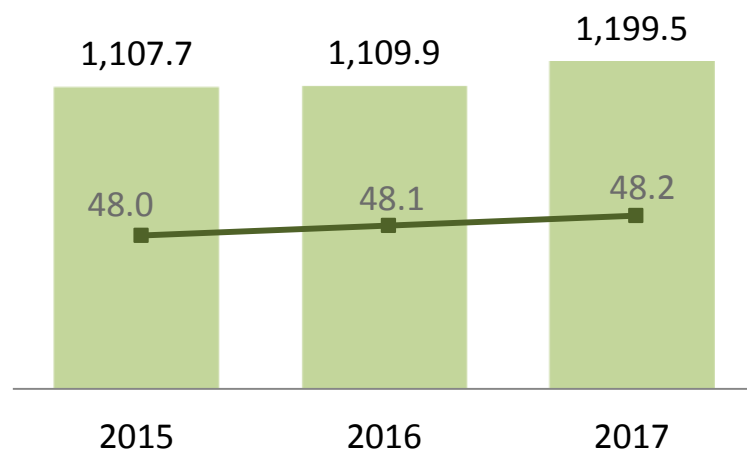
Personnel and goods and services purchased

Personnel cost in Q1 – Q3 (€ million)

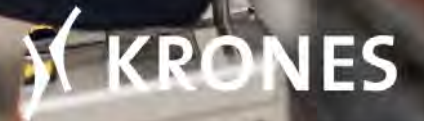


— Personnel cost to total operating performance (%)

Goods and services purchased in Q1 – Q3 (€ million)

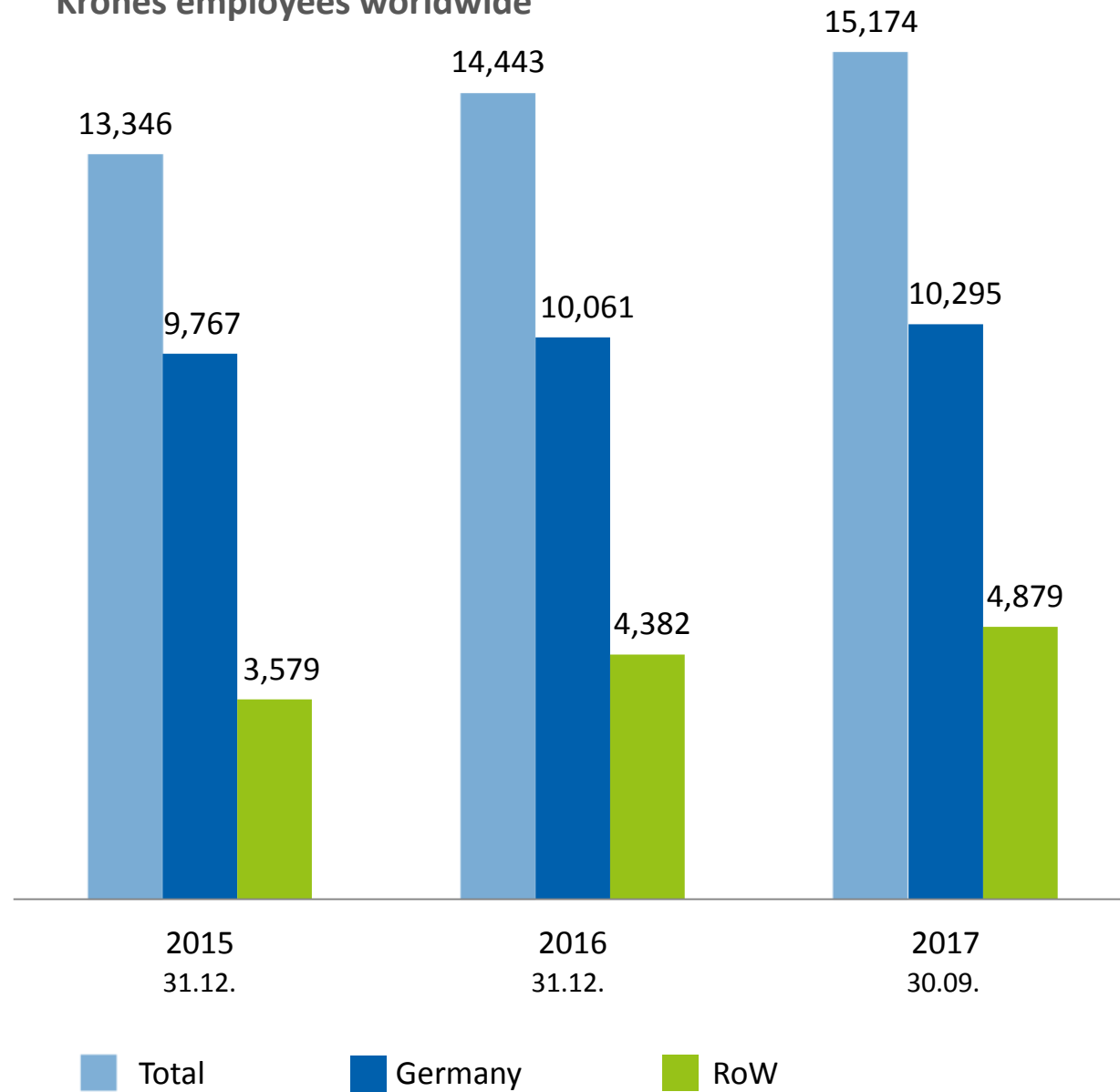


— Goods and services purchased to total operating performance (%)



Krones continues to invest in its workforce

Krones employees worldwide



Krones employee development in the emerging markets

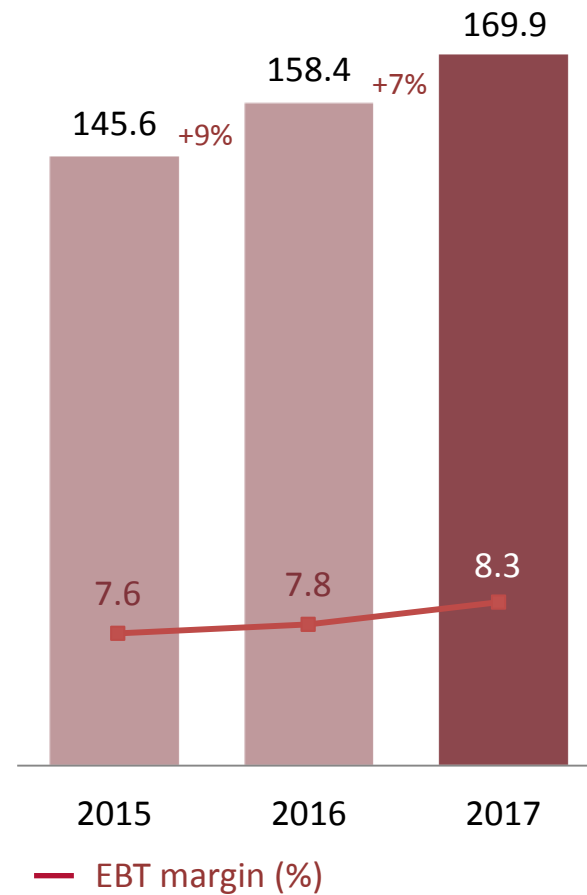
Year	South America	Africa	Asia	CIS/East Europe	China	Total
2015 31.12.	519	376	502	147	451	1,995
2016 31.12.	549	386	602	155	508	2,200
2017 30.09.	578	391	706	169	603	2,307

Product filling and decoration Strong EBT margin

Revenue development
in Q1 – Q3 (€ million)



EBT development
in Q1 – Q3 (€ million)



MEDIUM-TERM TARGETS:

4 – 6 %

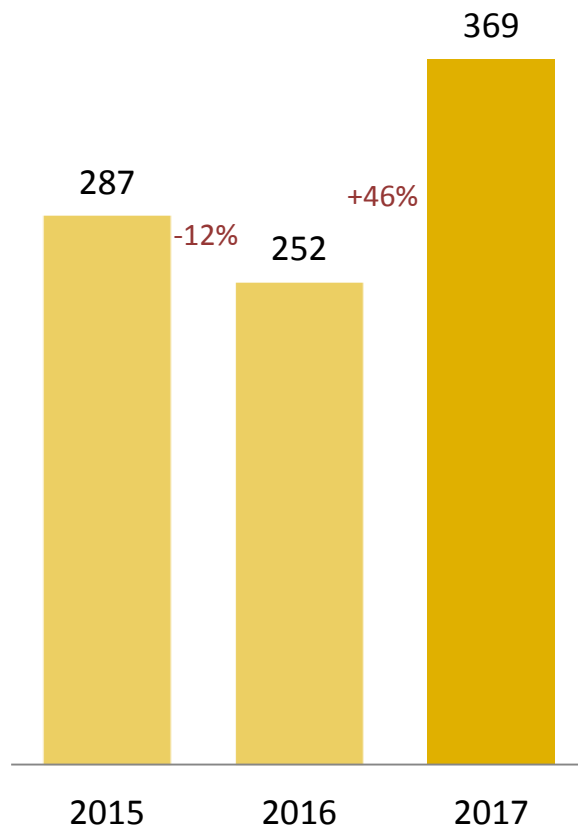
Growth

EBT margin

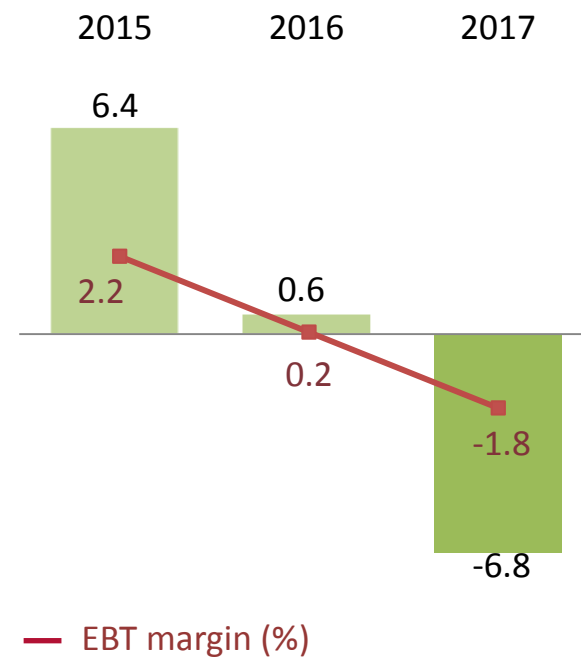
> 8 %

Beverage production/process technology Profitability below expectations

Revenue development
in Q1 – Q3 (€ million)



EBT development
in Q1 – Q3 (€ million)



MEDIUM-TERM TARGETS:

8 – 10 %

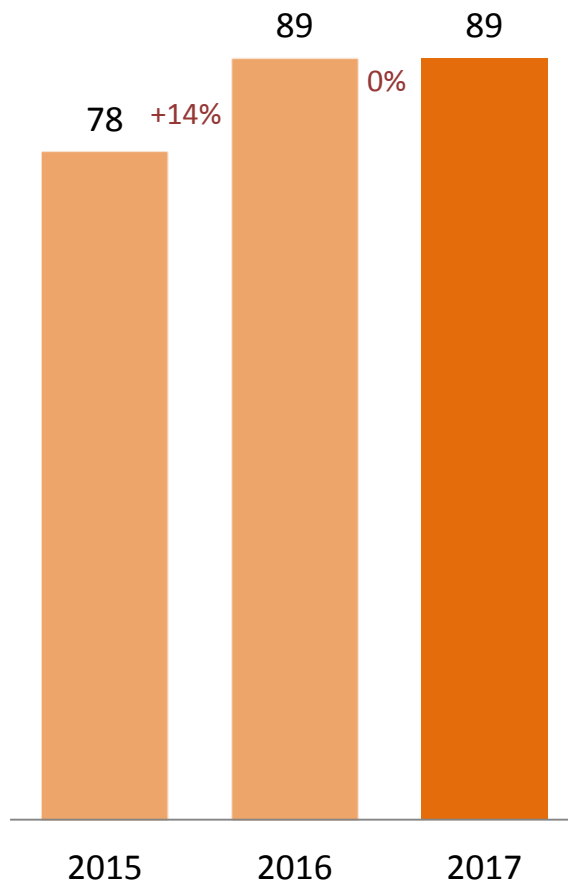
Growth

EBT margin

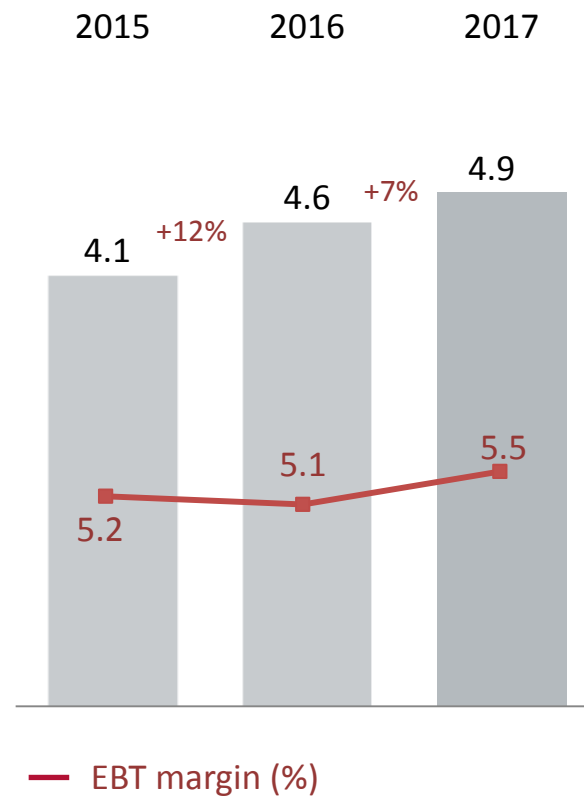
4 %

Compact class Margin further improved

Revenue development
in Q1 – Q3 (€ million)



EBT development
in Q1 – Q3 (€ million)



MEDIUM-TERM TARGETS:

4 – 6 %
Growth

5 %
EBT margin

Working capital still too high

Working capital* in % of revenue (Q1 – Q3)



ROCE* in % (Q1 – Q3)

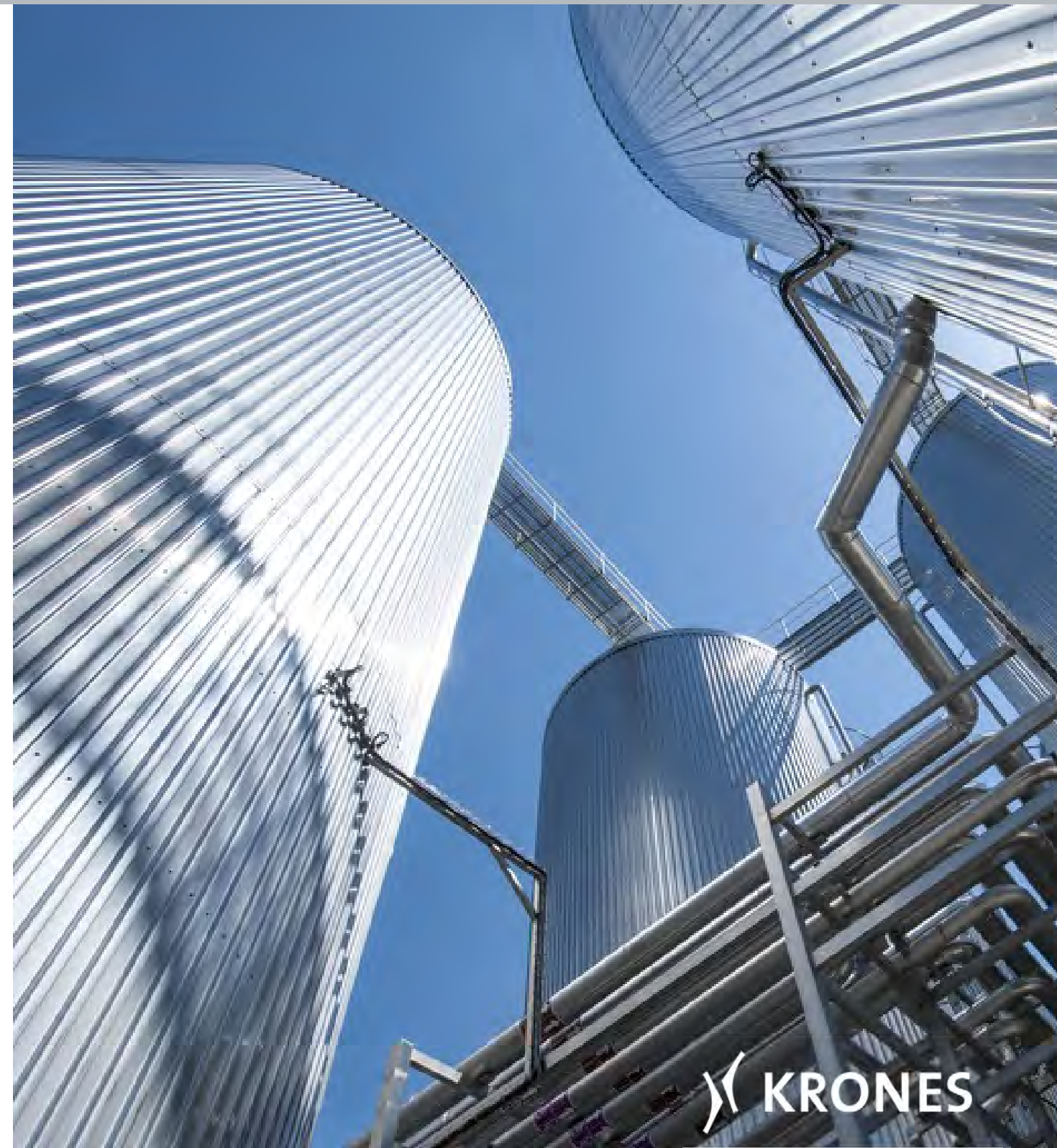


*LTM (Last Twelve Months)



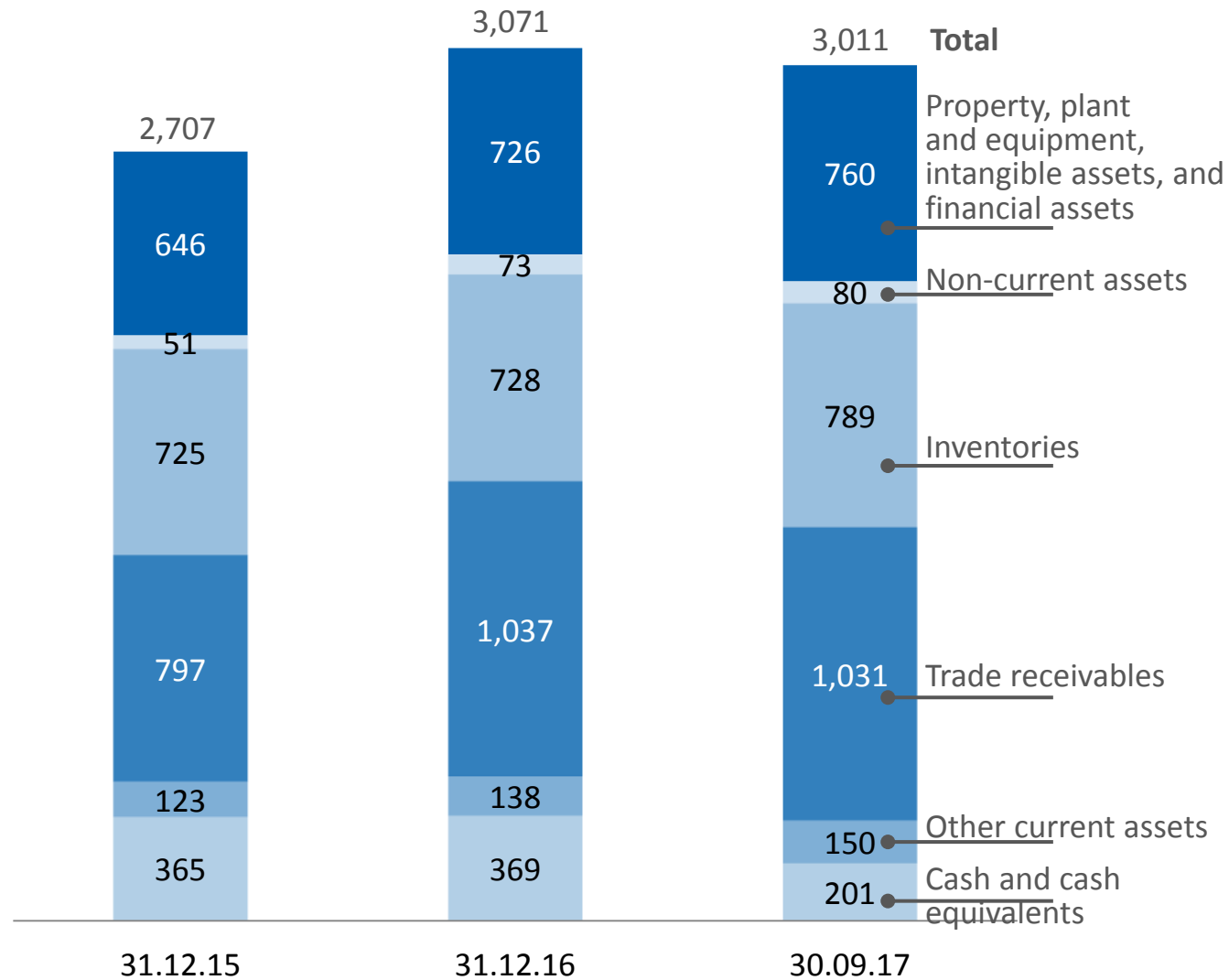
Krones free cash flow decreased

Q1 – Q3 (€ million)	2017	2016
Earnings before taxes	168.0	163.6
+/- Non-cash expenses and income	+35.1	+120.0
+/- Change in working capital	-228.6	-229.7
+/- Other assets and liabilities	-114.8	-163.3
Cash flow from operating activities	-140.3	-109.4
+/- Capex	-74.8	-58.2
+/- M&A activities	-32.9	-32.3
+/- Other	+6.0	+2.9
Free cash flow	-242.0	-197.0
+/- Financing activities	+73.7	+48.5
+/- Others	0.0	0.0
Net change in cash	-168.3	-148.5
Cash at the end of period	200.6	216.1

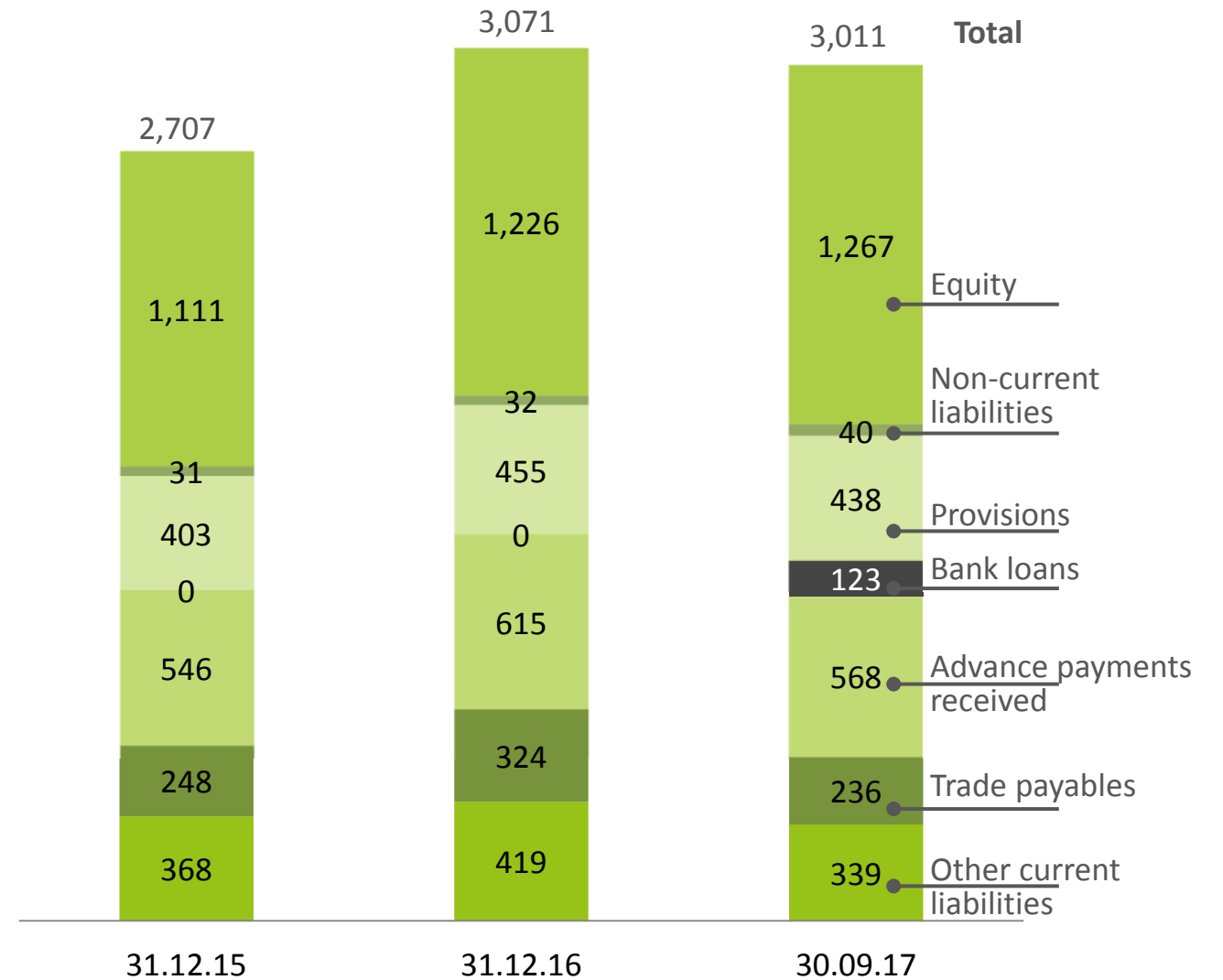


Robust capital structure

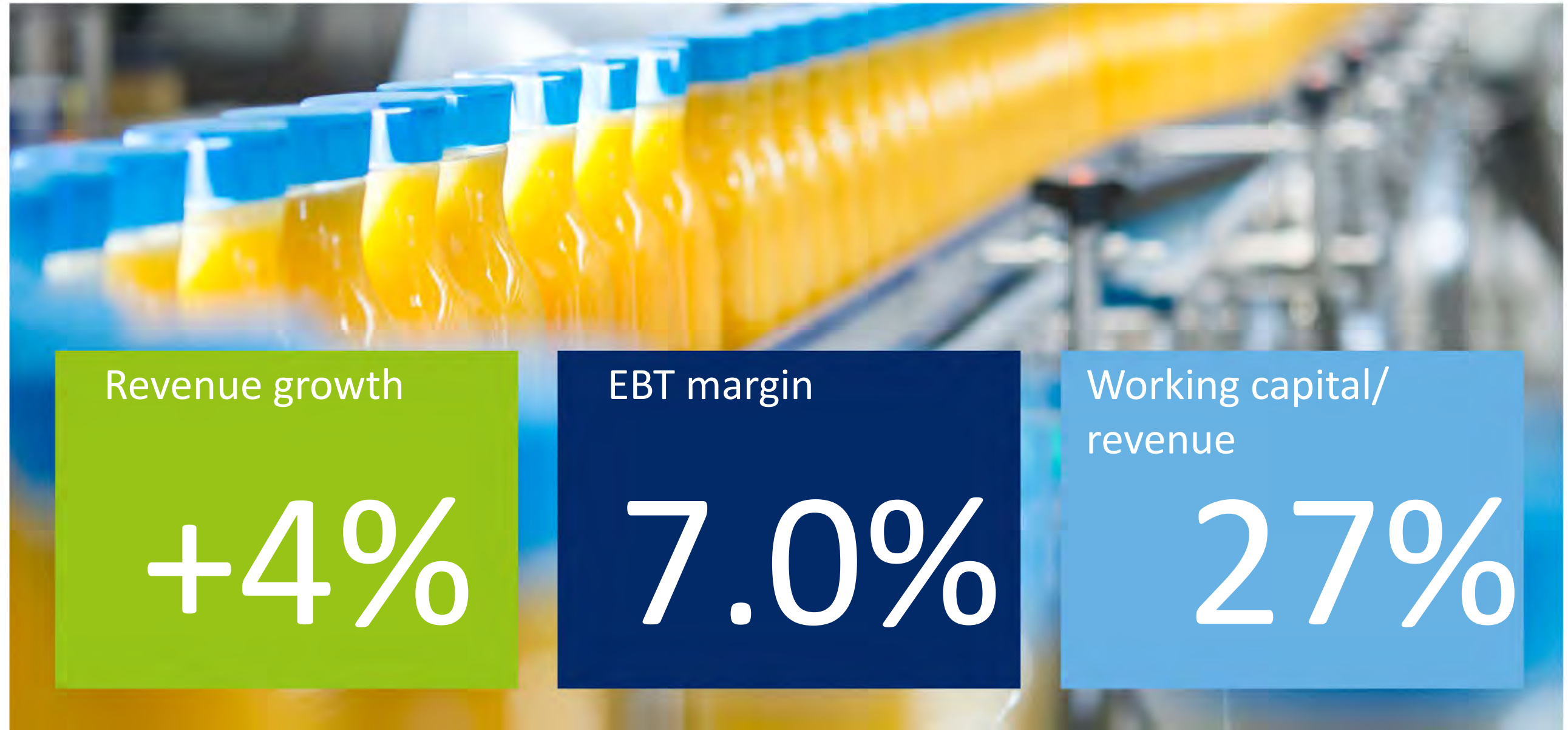
Assets (€ million)



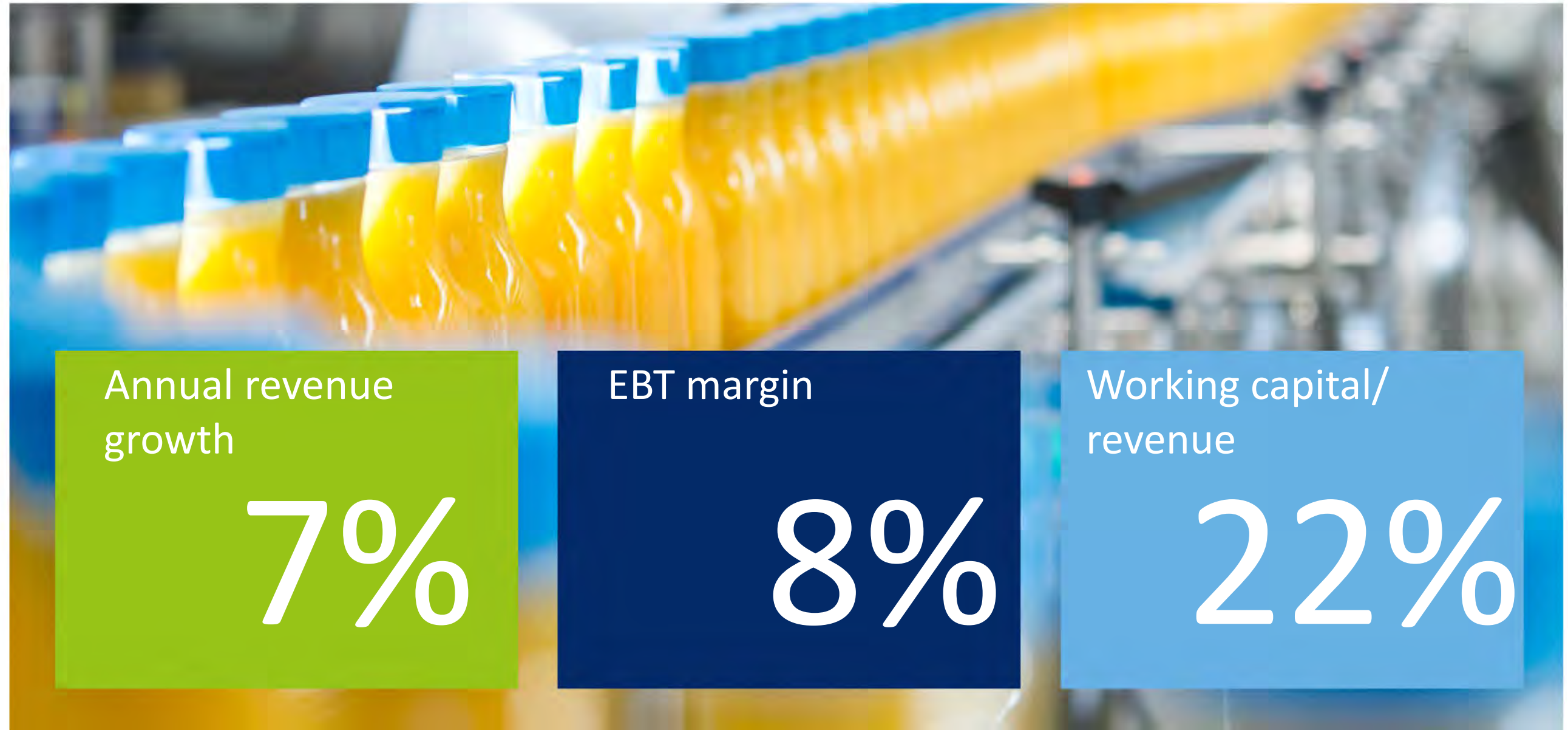
Equity and liabilities (€ million)



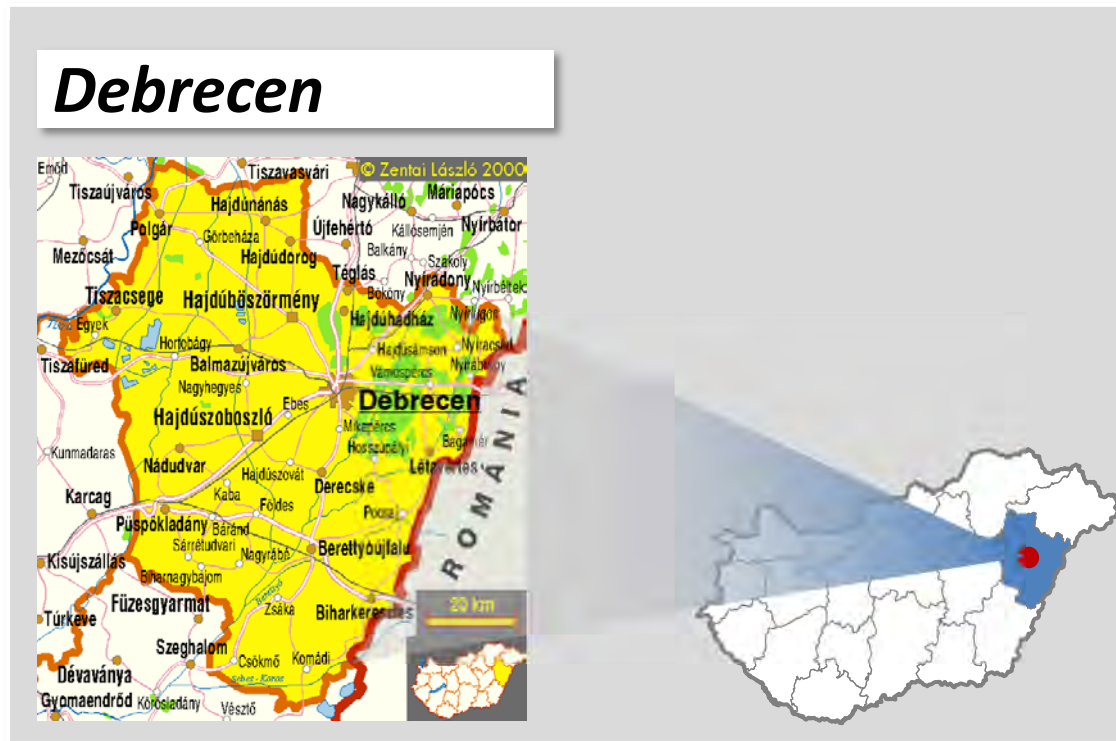
Krones targets 2017



Krones targets 2020



Location of new Eastern Europe plant: Debrecen, Hungary



After thorough analyses, the decision has been made to locate Krones' new plant in Debrecen, Hungary.

Debrecen is Hungary's second-largest city and the economic and educational centre of Eastern Hungary, with clear ambitions for continued growth. The selected location has an international airport and can be reached by car within only two hours from the capital, Budapest.

Besides excellent infrastructure and transport connections, the availability of qualified trained professionals within the region was a significant factor in favour of Debrecen as the location for a new plant. We plan to put the new plant into operation at the beginning of 2019.

Five Executive Board Members as of January 1, 2018



C. Klenk CEO	M. Andersen CFO	T. Ricker CSO	R. Goldbrunner Member of the board	M. Tischer Member of the board
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Today			Bottling and Packaging Equipment; Compact Class	PaC (Processing, Intralogistics, Digitalisation)	
Responsibilities as of January 1, 2018	Intralogistics; Digitalisation	Processing	Sales and Marketing	Bottling and Packaging Equipment; Compact Class	International Operations and Services (IOS)

Thank you
for your attention!

Financial calendar 2018

February 22, 2018	Conference Call Preliminary Figures 2017
March 15, 2018	Annual Report 2017
April 26, 2018	Conference Call Group Q1 2018 and Quarterly Statement as per March 31
June 13, 2018	Annual General Meeting
July 26, 2018	Conference Call Group Q2 2018 and Interim Report as per June 30
October 25, 2018	Conference Call Group Q3 2018 and Quarterly Statement as per September 30



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