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22		

**KRONES**

**First Half Year 2017**

Conference Call July 20, 2017

KRONES Highlights 1st HY 2017

**+ 11.0%** 1,779.3 € Mio.  
New orders

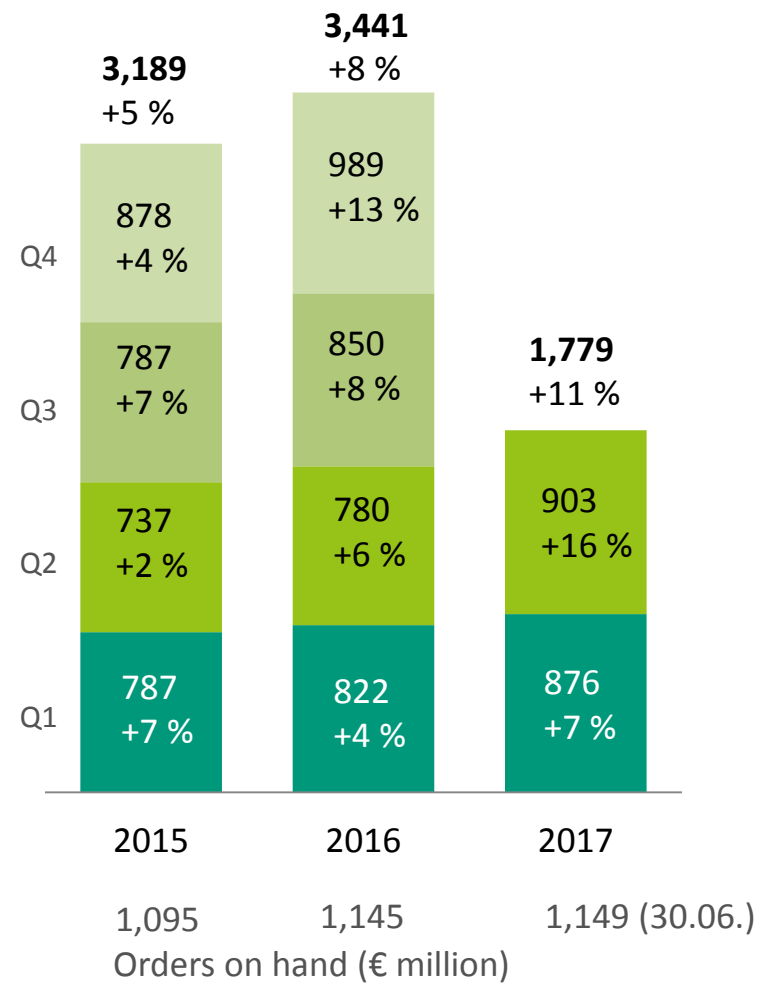
**1,775.2** Revenue (+13.8 %)  
€ Mio.

**6.8%** 121.0 € Mio.  
EBT margin

**-126.7** Operating Free cash flow  
€ Mio. (PY -155.5 Mio. €)

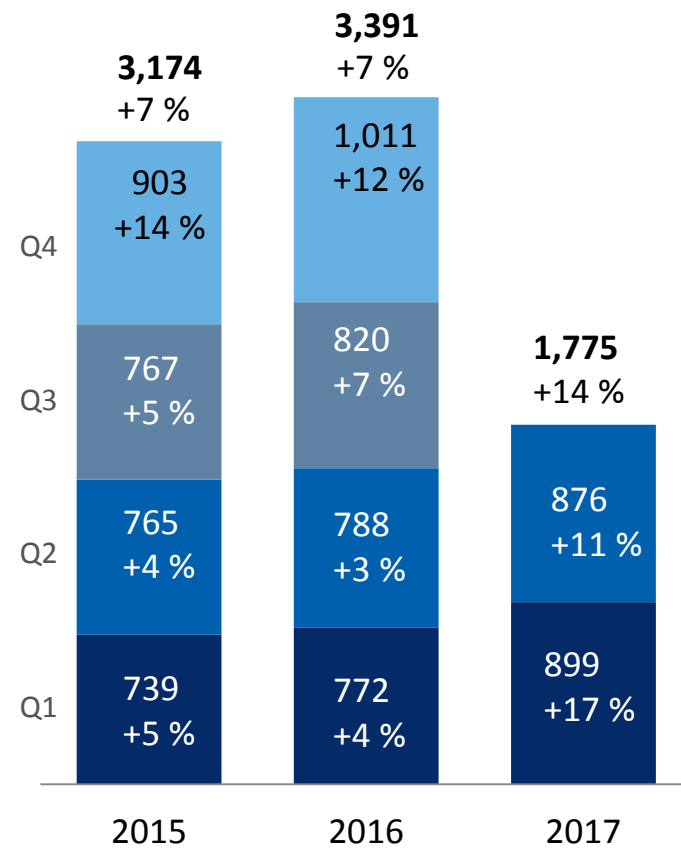
## Solid order intake

New orders by quarter (€ million)



## Krones growth continues

Revenue development by quarter (€ million)



## KRONES' revenue split remains constant

Share of revenue (1st HY)

North America		
2015	2016	2017
12.8 %	13.4 %	15.2 %

Europe		
2015	2016	2017
36.2 %	37.3 %	37.9 %

CIS/Central Asia		
2015	2016	2017
3.3 %	2.6 %	2.1 %

China		
2015	2016	2017
8.6 %	7.8 %	6.3 %

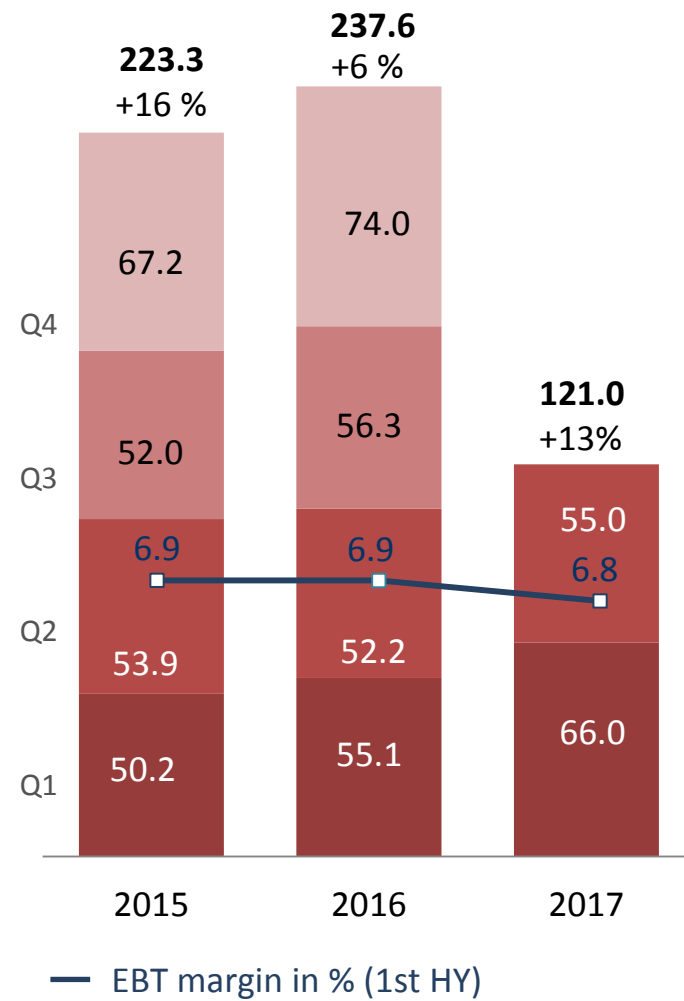
Africa/Middle East		
2015	2016	2017
15.2 %	16.8 %	14.2 %

Asia/Pazific		
2015	2016	2017
13.6 %	12.3 %	13.2 %

South America		
2015	2016	2017
10.3 %	9.8 %	11.1 %

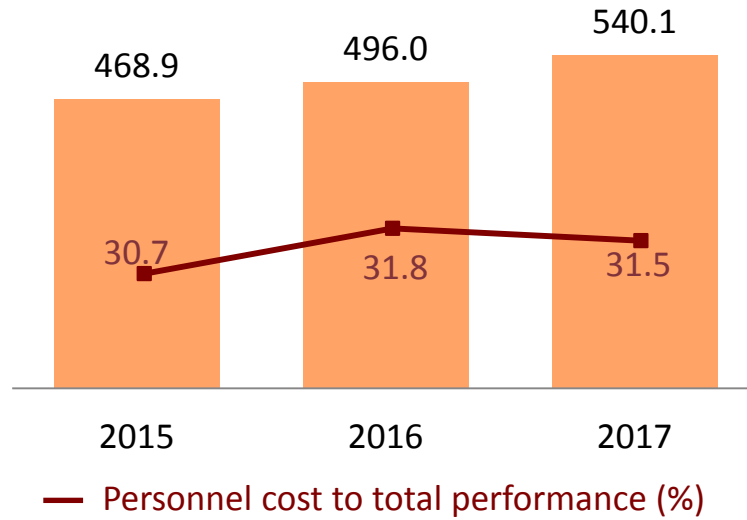
## EBT margin nearly unchanged

EBT by quarter (€ million)

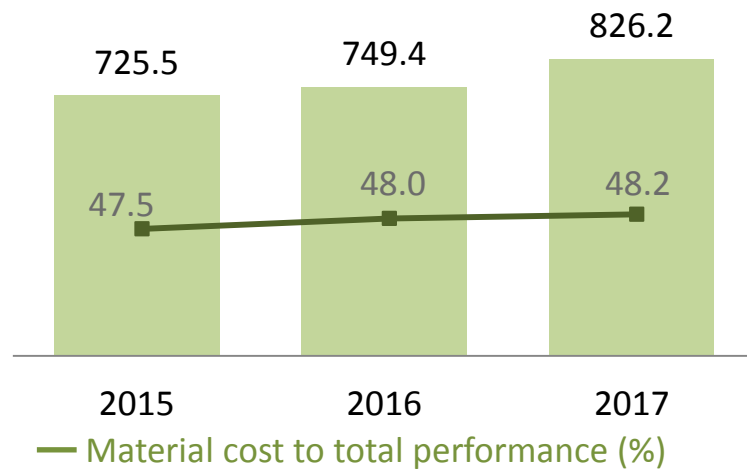


## Personnel and material cost

Personnel cost 1st HY (€ million)

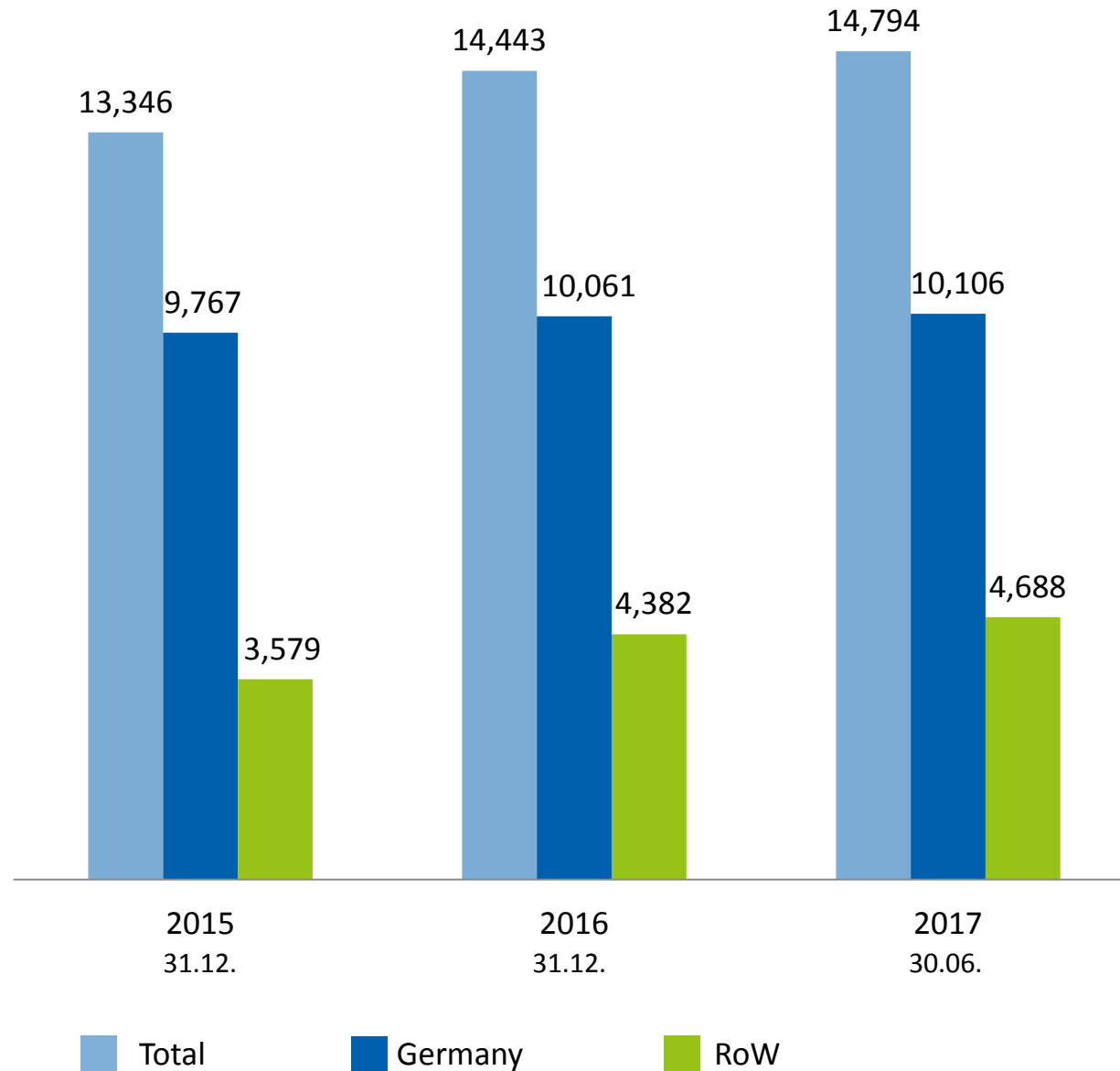


Material cost 1st HY (€ million)



## KRONES continues to grow its workforce in Emerging Markets

KRONES employee worldwide



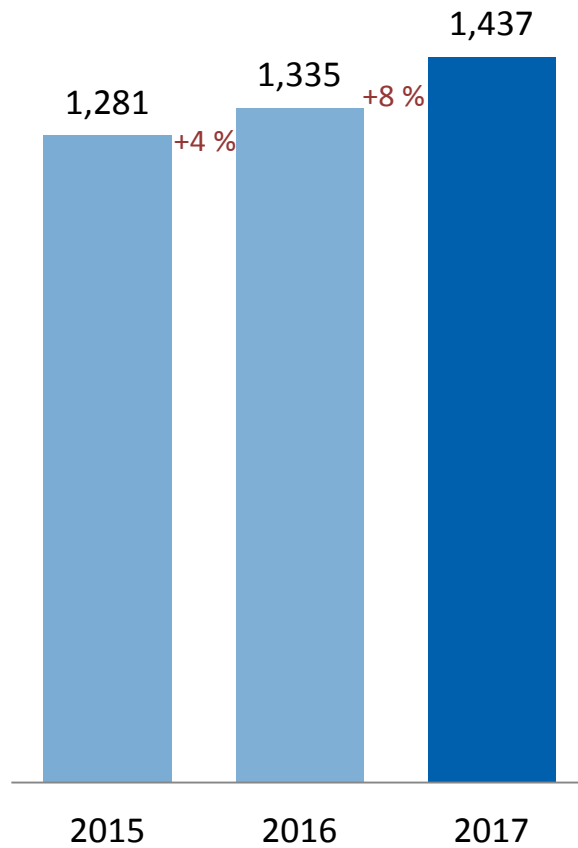
KRONES employee development in the Emerging Markets

Year	South America	Africa	Asia	CIS/East Europe	China	Total
<b>2015</b> 31.12.	519	376	502	147	451	<b>1,995</b>
<b>2016</b> 31.12.	549	386	602	155	508	<b>2,200</b>
<b>2017</b> 30.06.	559	391	673	164	520	<b>2,307</b>

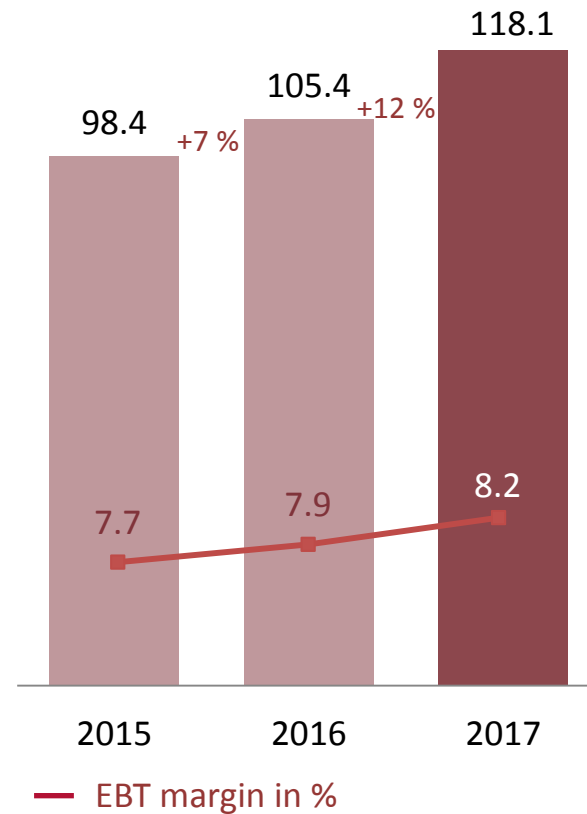


## Product filling and decoration Strong EBT margin

Revenue development 1st HY  
(€ million)



EBT development 1st HY  
(€ million)



## MEDIUM-TERM TARGETS:

4 – 6 %

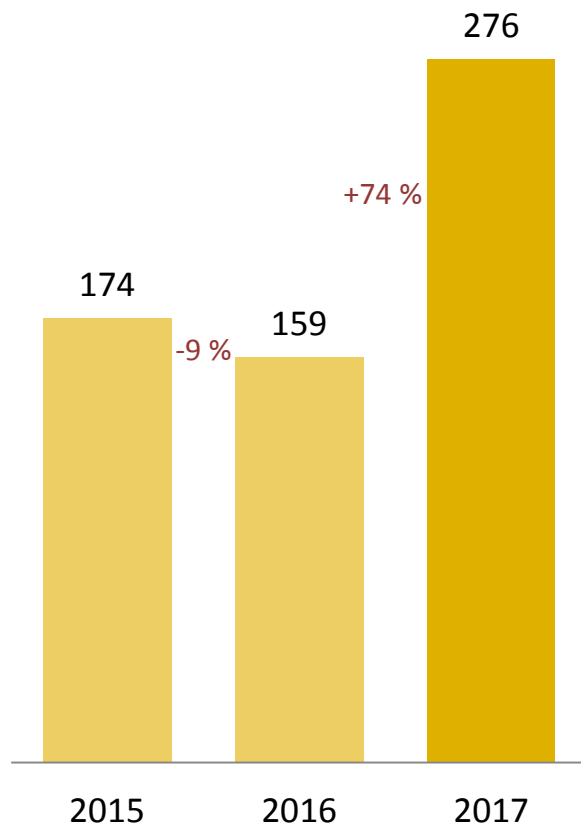
Growth

EBT margin

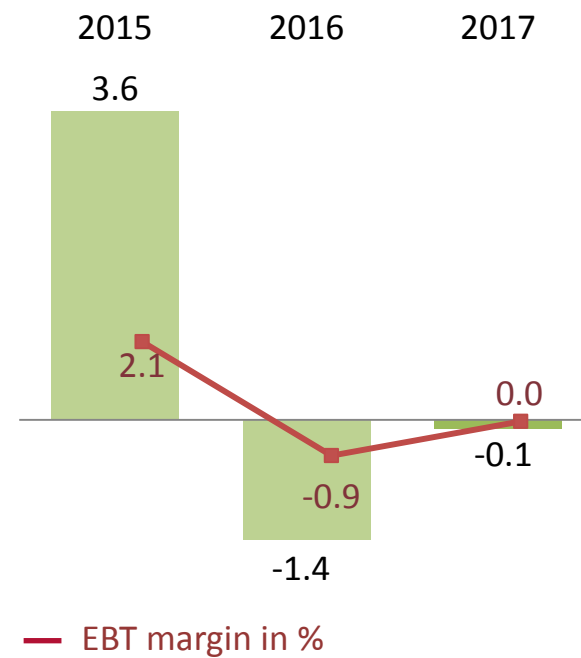
> 8 %

## Beverage production/process technology Acquisitions contributed to growth

Revenue development 1st HY  
(€ million)



EBT development 1st HY  
(€ million)



MEDIUM-TERM TARGETS:

8 – 10 %

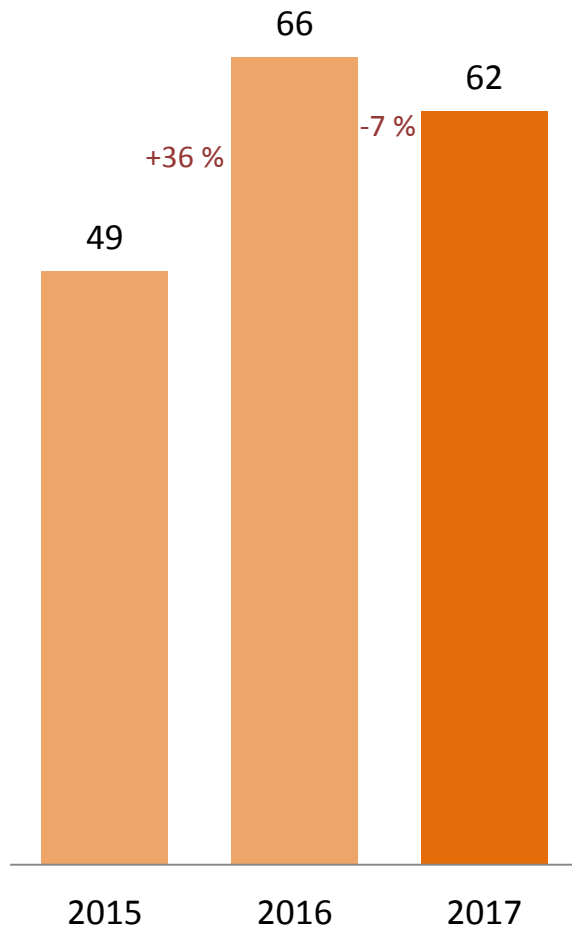
Growth

EBT margin

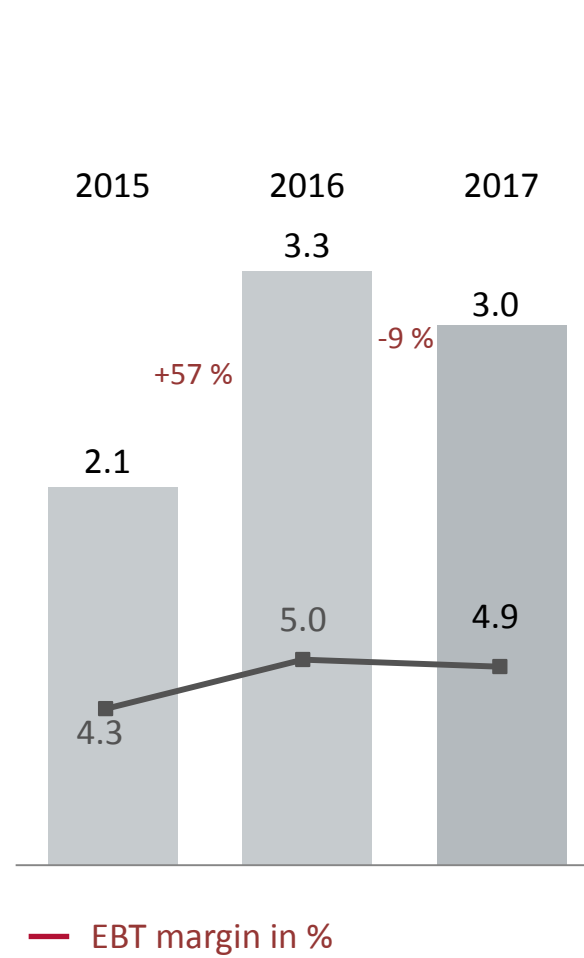
4 %

## Compact class Stable margin

Revenue development 1st HY  
(€ million)



EBT development 1st HY  
(€ million)



## MEDIUM-TERM TARGETS:

4 – 6 %  
Growth

5 %  
EBT margin

## Working Capital still too high

Working capital\* in % of revenue (1st HY)



ROCE\* in % (1st HY)

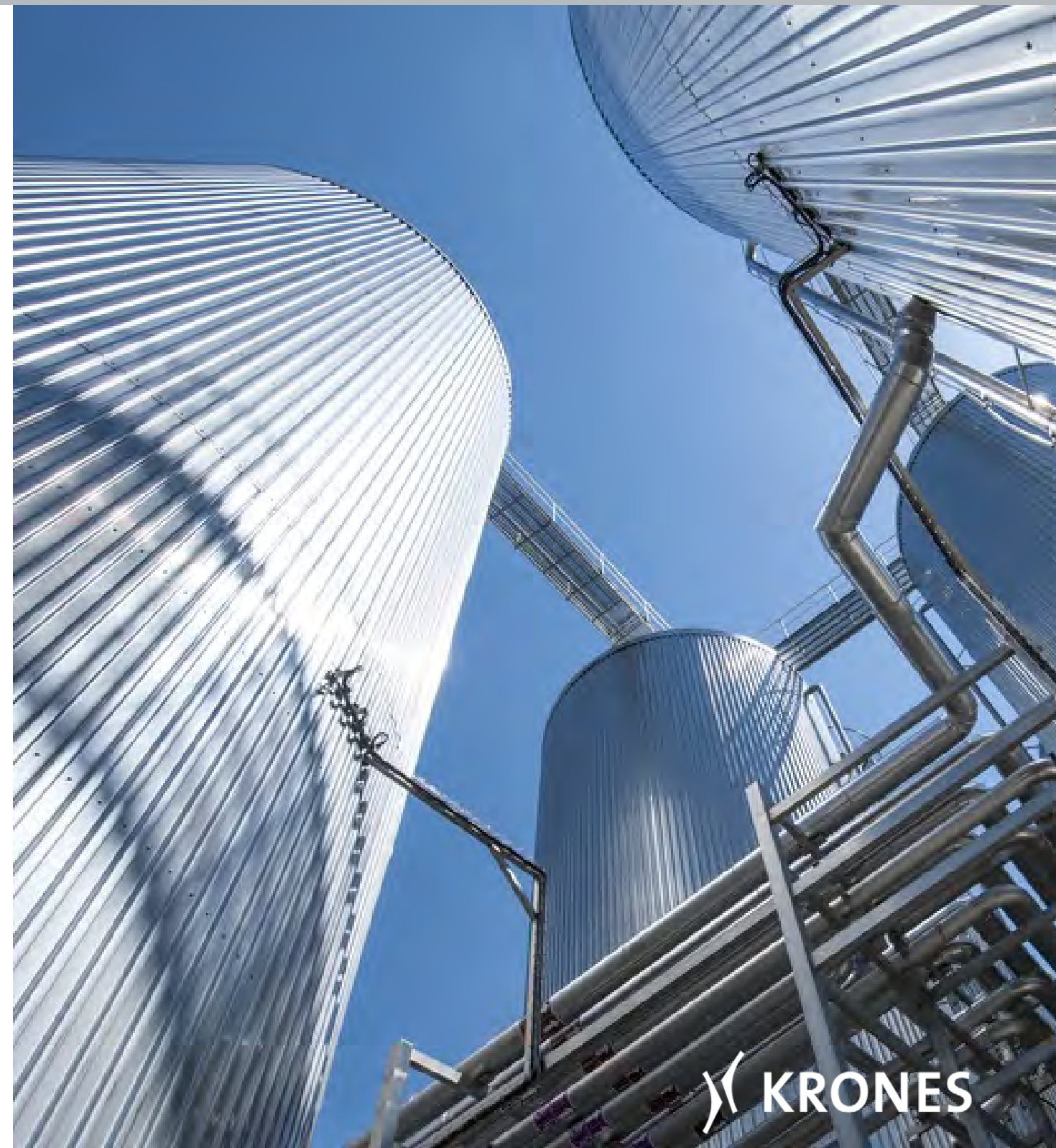


\*LTM (Last Twelve Months)



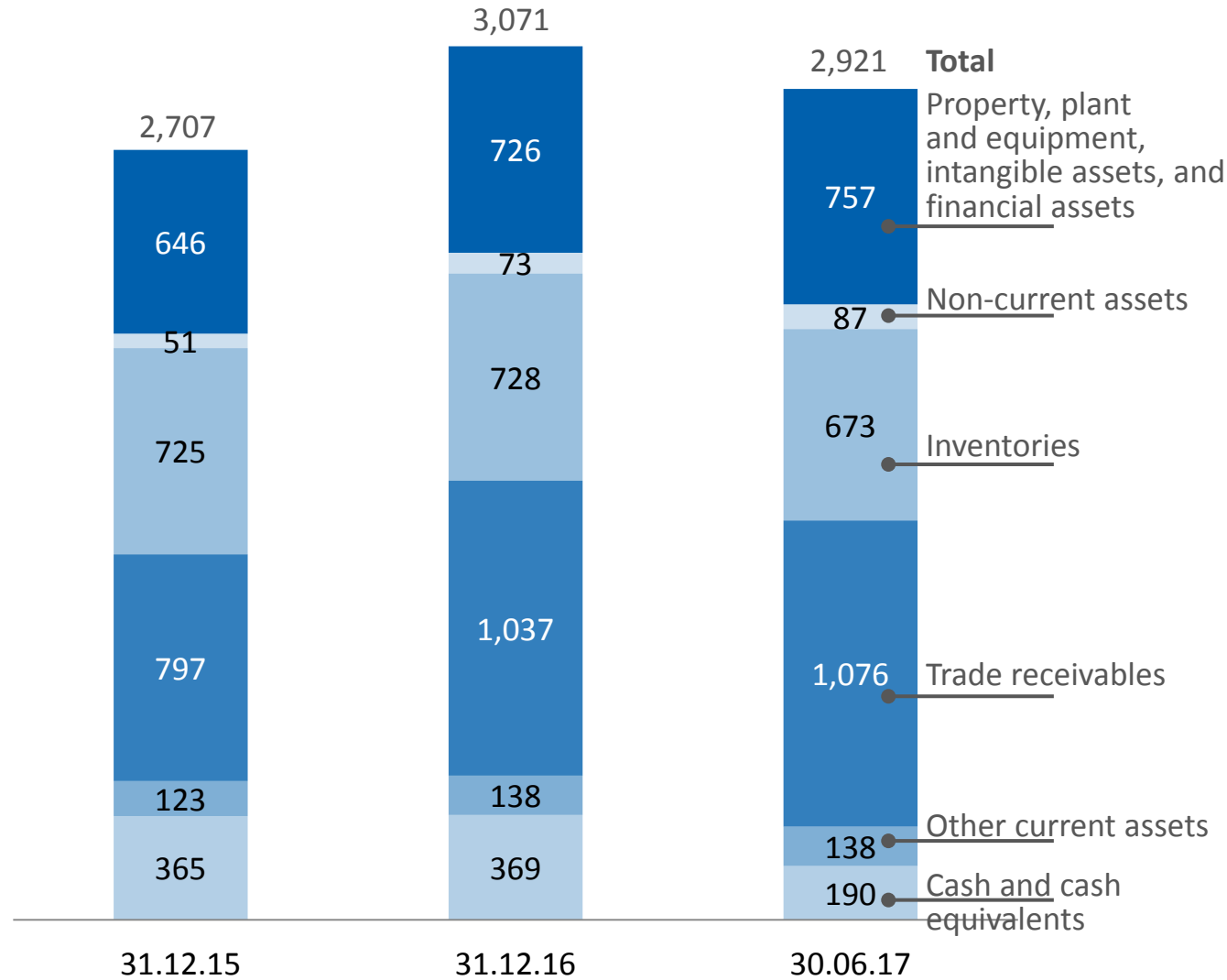
## Krones improved free cash flow slightly despite higher capex and M&A

1st HY (€ million)	2017	2016
Earnings before taxes	121.0	107.3
+/- Non-cash expenses and income	+22.8	+70.6
+/- Change in Working Capital	-151.9	-201.9
+/- Other assets and liabilities	-76.8	-98.4
<b>Cash flow from operating activities</b>	<b>-84.9</b>	<b>-122.4</b>
+/- Capex	-46.1	-34.1
+/- M&A activities	-32.8	-13.7
+/- Other	+4.3	+1.0
<b>Free cash flow</b>	<b>-159.5</b>	<b>-169.2</b>
+/- Financing activities	-19.0	+19.2
+/- Others	0.0	0.0
Net change in cash	-178.5	-150.0
<b>Cash at the end of period</b>	<b>190.4</b>	<b>214.6</b>

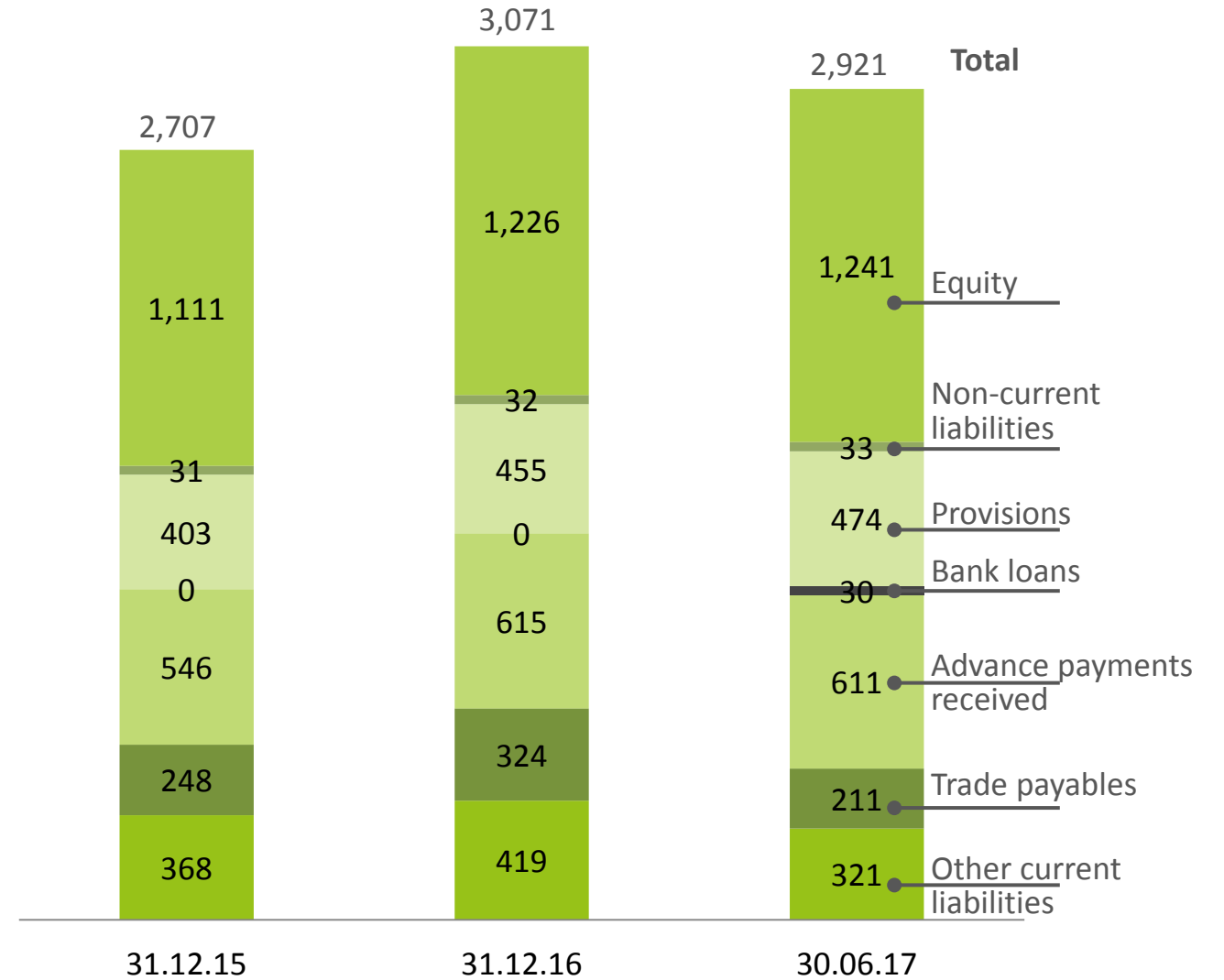


## Robust capital structure

Assets in € million



Equity and liabilities in € million



## These megatrends support our growth



### TARGETS 2020

Revenue growth

7%

EBT margin

8%

Working Capital

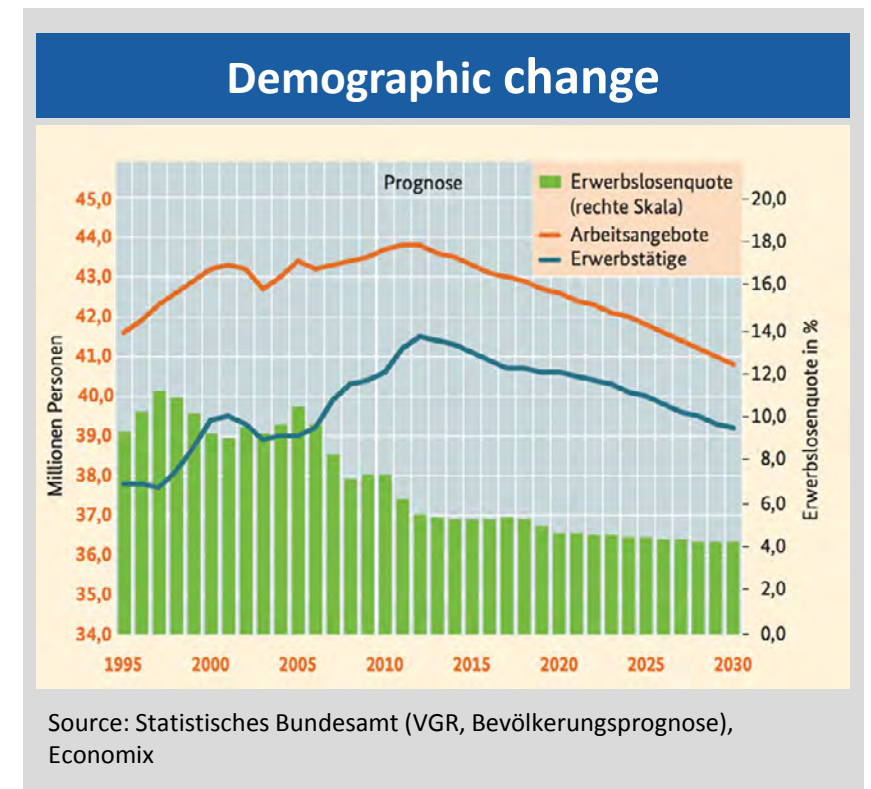
22%

## How KRONES will achieve its growth targets

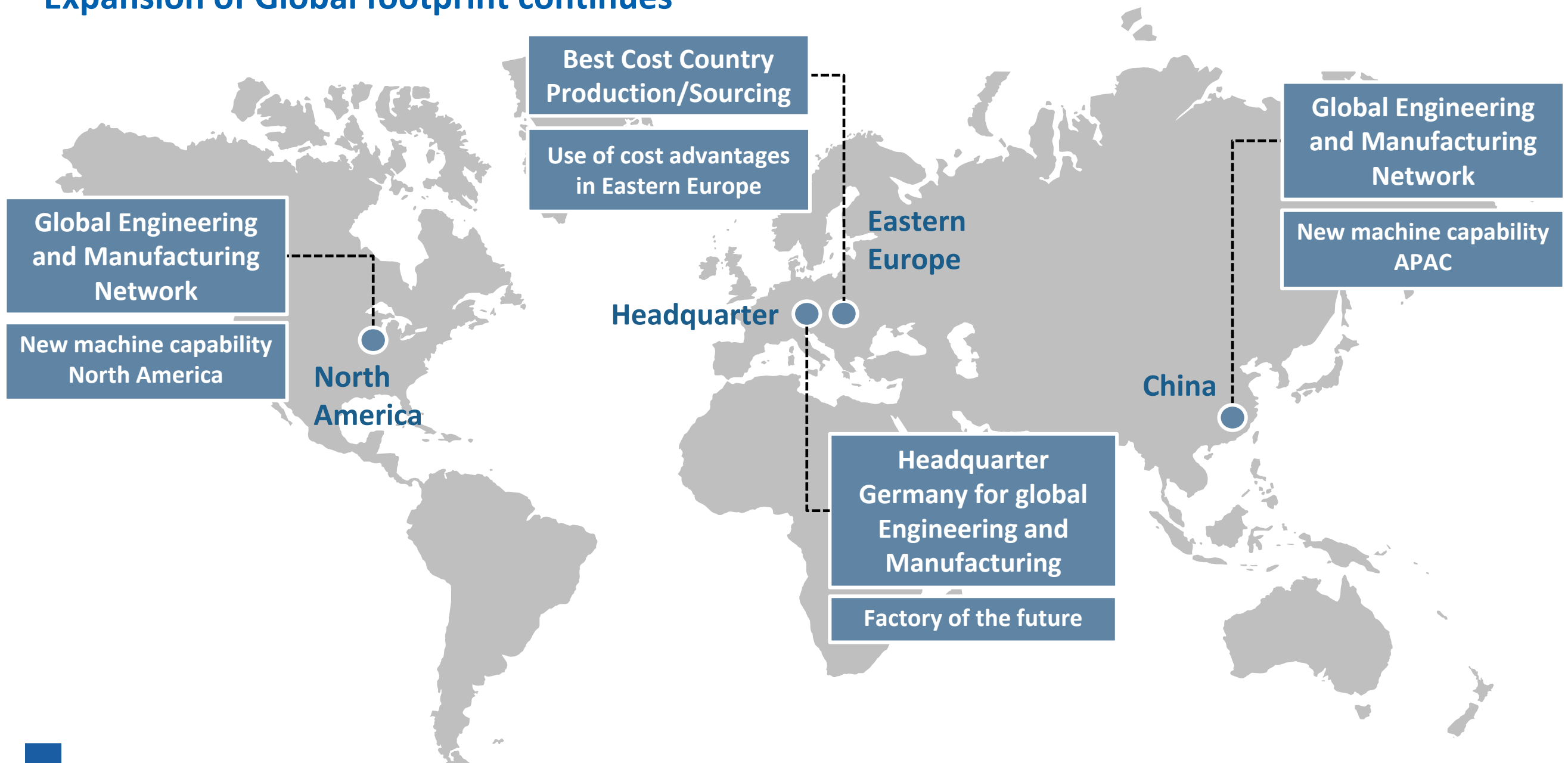




## Challenges for Krones



## Expansion of Global footprint continues



In future, value added of Krones will be expanded in three regions.

## Our latest Acquisitions

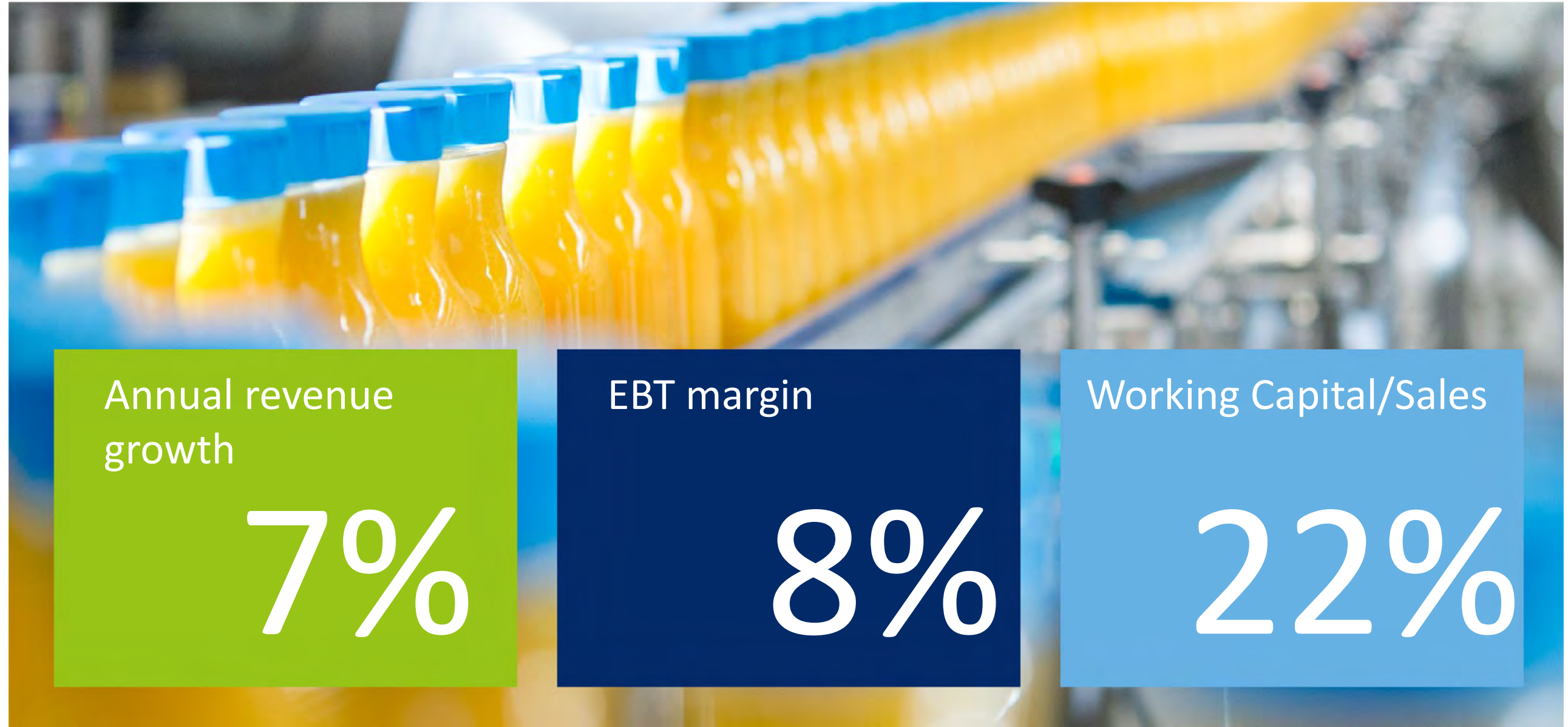


-  Lifecycle Service & Sales
-  Intralogistics
-  Process technology
-  BPE
-  Digitalization

## Krones targets 2017



## Krones targets 2020



Thank you  
for your attention!

## Financial calendar 2017

October 25, 2017

Conference Call Group Q3 2017 and  
Quarterly Statement as per September 30



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