KUKA Aktiengesellschaft

Company Presentation 2020
Agenda

1. KUKA Group at a glance
2. Business Segments and Strategy
3. Shareholder Structure, Financials and Markets
4. Appendix
1. KUKA Group at a glance
Milestones in Our History

1898
KUKA turns on the lights
Johann Josef Keller and Jakob Knappich open their acetylene gas plant, making residential and urban lighting economical.

1920
Expertise drives growth
On the basis of its know-how in the areas of welding and cutting, the company begins manufacturing large containers.

1964
Augsburg’s Princess
The “Princess” compact portable typewriter was a masterpiece of machine tooling.

1973
Famulus, the pioneer
With the world’s first industrial robot using six electric motor-driven axes, KUKA goes down in history as a pioneer in the field of robotics.

1996
Robot control by PC
KUKA becomes the first manufacturer to make the paradigm shift to a PC-based robot controller.

2010
Top-selling robot family
KR QUANTEC immediately becomes the world’s top-selling series of robots thanks to its unique range capacity.

2013
Hand-in-hand with machines
The highly-sensitive LBR iiwa is the first industrial, mass-produced series of lightweight robots capable of safely collaborating with humans.

2016
One KUKA, many solutions
KUKA is one of the world’s leading provider of intelligent robot-based automation.
KUKA Group at a glance (FY 2019)

- **€3.2 billion**
  - Orders received (-3.5 %*)

- **1.5%** EBIT margin
  - EBIT Marge (1.1% in 2018)

- **€20.7 million**
  - Free Cash Flow (-213.7 Mio. € in 2018)

- **€3.2 billion**
  - Sales revenues (-1.5 %*)

- **€47.8 million**
  - EBIT (+39.4 %*)

*Changes to previous year*
2. Business Segments and Strategy
Customers Benefit from KUKA’s Unique Smart Automation Expertise

KUKA Group

Systems
Smart, safe & efficient production solutions

Robotics
Robots, cells & service for intelligent automation

Swisslog
Data & robotics-driven logistics automation

Swisslog Healthcare
Medication management solutions

China
Automation for China – from China

Global presence

Focus industries

Automotive/Tier1
Electronics
General Industry
E-Commerce/Retail
Consumer Goods
Healthcare

KUKA HQ
Augsburg, Germany

>40 Countries
€ 3.2bn. Order Intake (2019)
14,000 Employees

» The clear choice for smart automation. «
Business Segments – KUKA Robotics

The core components for the automation of manufacturing processes is supplied by our business segment Robotics:

From *industrial robots with software and control to manufacturing cells* – KUKA Robotics offers *customer-specific solutions* to respond optimally to the different requirements of its customers.
## Business Segments – KUKA Systems

<table>
<thead>
<tr>
<th>Body Structure</th>
<th>Assembly &amp; Test</th>
<th>Batteries</th>
<th>AGV – HRC – Industrial IoT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flexible and efficient production processes</td>
<td>Automation and test solutions for all drive train modules, cars and trucks</td>
<td>Production processes for E-mobility and energy storage</td>
<td>AGV: Flexible mobility for smart automotive production</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>HRC: Shared work, space, tasks and capabilities</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Industrial IoT: Profitable digital change for industrial business</td>
</tr>
</tbody>
</table>

### Solution Execution

- **Tech-Center**
Business Segments – Swisslog

Picking & palletizing solutions

Automated storage & retrieval systems

Future-ready warehouse management systems

Automated transport & conveyor systems
Our solutions create space for the limited time resources of care professionals and enable them to be where they are needed most: With the patients.

Our product portfolio covers all steps of inpatient and outpatient medication management in hospitals.

We are one of the leading global providers for both automation solutions for pharmacies and hospital logistics. These core technologies are networked through comprehensive software and analytics solutions.
Business Segments – China

With all four business segments in China, KUKA China is **speeding up business** in this dynamic market.

**New Production Site** in Shunde – potential for **global growth**

**Market-tailored product portfolio** for Asia
Insight: Innovative Solutions - KUKA Smart Production

**Challenges:**
- increasing variety of types
- more frequent model changes
- quantity fluctuations

**Target:**
Manufacturing a wide variety of products in the same plant with a short conversion time

**Concept:**
A neutral, intelligent system that can produce a wide variety of items with different tools.

**Construction:**
Quickly-adaptable production cells instead of a rigid system: Different areas are connected by autonomous transport vehicles and intelligent software. The cells are equipped with neutral equipment.

**AGVs** retrieve tools, equip robots and deliver components from the warehouse to the production cells. **Robots** use them to process a wide variety of components.

**Intelligent software keeps the overview**, knows where the AGVs are, which components they have to deliver to the robots and prepares a changeover in a short time.
The industrial revolution has always shaped us – and we are influencing it.
Customers Benefit from Bringing Together KUKA’s Domain Know-How and Innovative Strength

Increasing Production Requirements

Intelligent Robots  Process Expertise  Digital Services  Smart Solutions

Factory of the Future
3. Shareholder Structure, Financials and Markets
KUKA Group – Shareholder structure

Other institutional and private investors 5.4%

Midea Group 94.6%
2019 – KUKA AG key figures

**Orders received (€ million)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>2,229.0</td>
<td>2,838.9</td>
<td>3,422.3</td>
<td>3,614.3</td>
<td>3,305.3</td>
<td>3,190.7</td>
</tr>
</tbody>
</table>

CAGR +7%

**Sales revenues (€ million)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>2,095.7</td>
<td>2,965.9</td>
<td>2,948.9</td>
<td>3,479.1</td>
<td>3,242.1</td>
<td>3,192.6</td>
</tr>
</tbody>
</table>

CAGR +9%

**EBIT* (€ million)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>141.8</td>
<td>135.6</td>
<td>127.2</td>
<td>102.7</td>
<td>34.3</td>
<td>47.8</td>
</tr>
</tbody>
</table>

**Earnings after taxes (€ million)**

<table>
<thead>
<tr>
<th>Year</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>68.1</td>
<td>86.3</td>
<td>86.2</td>
<td>88.2</td>
<td>16.6</td>
<td>17.8</td>
</tr>
</tbody>
</table>

*) 2019: incl. all reorganization expenditures; 2018: incl. growth investments and reorganization expenditure; 2017: incl. growth investments; 2016: Extraordinary effect due to the takeover bid by Midea Group
KUKA Group: Q1 2020

Orders received (€ mn.):
- Q1/19: 895.2
- Q1/20: 689.0
- % change: -23.0%

Revenues (€ mn.):
- Q1/19: 737.7
- Q1/20: 624.6
- % change: -15.3%

EBIT (€ mn.) EBIT-Margin* (%):
- Q1/19: 22.2 (3%)
- Q1/20: -34.2 (-5.5%)
- % change: > -100%
## Segment-Split: Key figures Q1 2020

<table>
<thead>
<tr>
<th></th>
<th>Orders Received</th>
<th>Sales Revenues</th>
<th>EBIT</th>
<th>EBIT-Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1/19 Q1/20 Delta</td>
<td>Q1/19 Q1/20 Delta</td>
<td>Q1/19 Q1/20 Delta</td>
<td>Q1/19 Q1/20 Delta</td>
</tr>
<tr>
<td><strong>KUKA Group</strong></td>
<td>895.2 689.0 -23.0%</td>
<td>737.7 624.6 -15.3%</td>
<td>22.2 -34.2 &gt;-100%</td>
<td>3.0 -5.5 -850 Bp</td>
</tr>
<tr>
<td><strong>Systems</strong></td>
<td>203.4 115.5 -43.2%</td>
<td>216.9 173.2 -20.1%</td>
<td>4.8 -8.3 &gt;-100%</td>
<td>2.2 -4.8 -700 Bp</td>
</tr>
<tr>
<td><strong>Robotics</strong></td>
<td>327.3 269.8 -17.6%</td>
<td>274.4 221.1 -19.4%</td>
<td>14.1 -3.9 -27.7%</td>
<td>5.1 -1.8 -690 Bp</td>
</tr>
<tr>
<td><strong>Swisslog</strong></td>
<td>192.9 150.4 -22.0%</td>
<td>142.0 147.3 3.7%</td>
<td>1.3 3.6 &gt;100%</td>
<td>0.9 2.4 150 Bp</td>
</tr>
<tr>
<td><strong>Swisslog Healthcare</strong></td>
<td>50.0 50.4 0.8%</td>
<td>50.9 58.3 14.5%</td>
<td>0.5 0.4 -20.0%</td>
<td>1.0 0.7 -30 Bp</td>
</tr>
<tr>
<td><strong>China</strong></td>
<td>172.8 139.9 -19.0%</td>
<td>94.2 49.5 -47.5%</td>
<td>5.4 -5.3 &gt;-100%</td>
<td>5.7 -10.7 -1640 Bp</td>
</tr>
</tbody>
</table>
## KUKA Group – Key financial indicators for FY 2019 and Q1 2020

<table>
<thead>
<tr>
<th></th>
<th>FY18</th>
<th>FY19</th>
<th>Delta</th>
<th>Q1 2019</th>
<th>Q1 2020</th>
<th>Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(€ million)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales revenues</td>
<td>3,242.1</td>
<td>3,192.6</td>
<td>-1.5 %</td>
<td>737.7</td>
<td>624.6</td>
<td>-15.3 %</td>
</tr>
<tr>
<td>Gross operating result</td>
<td>725.9</td>
<td>677.0</td>
<td>-6.7 %</td>
<td>167.5</td>
<td>124.2</td>
<td>-25.9 %</td>
</tr>
<tr>
<td>in % of sales revenues</td>
<td>22.4</td>
<td>21.2</td>
<td>-120 bp</td>
<td>22.7</td>
<td>19.9</td>
<td>-280 bp</td>
</tr>
<tr>
<td>EBITDA</td>
<td>121.2</td>
<td>176.5</td>
<td>45.6 %</td>
<td>52.1</td>
<td>-1.7</td>
<td>&gt;-100 %</td>
</tr>
<tr>
<td>in % of sales revenues</td>
<td>3.7</td>
<td>5.5</td>
<td>180 bp</td>
<td>7.1</td>
<td>-0.3</td>
<td>-740 %</td>
</tr>
<tr>
<td>Earnings before interest and taxes (EBIT)</td>
<td>34.3</td>
<td>47.8</td>
<td>39.4 %</td>
<td>22.2</td>
<td>-34.2</td>
<td>&gt;-100 %</td>
</tr>
<tr>
<td>in % of sales revenues</td>
<td>1.1</td>
<td>1.5</td>
<td>40 bp</td>
<td>3.0</td>
<td>-5.5</td>
<td>850 bp</td>
</tr>
<tr>
<td>Earnings after taxes</td>
<td>16.6</td>
<td>17.8</td>
<td>7.2 %</td>
<td>15.0</td>
<td>-21.9</td>
<td>&gt;-100 %</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>295.4</td>
<td>151.1</td>
<td>-48.8 %</td>
<td>36.2</td>
<td>18.3</td>
<td>-49.4 %</td>
</tr>
<tr>
<td>Equity ratio (in %)</td>
<td>41.6</td>
<td>39.4</td>
<td>-220 bp</td>
<td>39.7</td>
<td>39.3</td>
<td>-40 bp</td>
</tr>
<tr>
<td>Net liquidity</td>
<td>92.9</td>
<td>50.2</td>
<td>-46.0 %</td>
<td>76.1</td>
<td>20.1</td>
<td>-73.6 %</td>
</tr>
<tr>
<td>Employees (FTE)</td>
<td>14,235</td>
<td>14,014</td>
<td>-1.6 %</td>
<td>14,238</td>
<td>14,012</td>
<td>-1.6 %</td>
</tr>
<tr>
<td>Cash earnings</td>
<td>129.0</td>
<td>167.1</td>
<td>29.6 %</td>
<td>41.3</td>
<td>-1.6</td>
<td>&gt;-100 %</td>
</tr>
<tr>
<td>Cash flow from current business operations</td>
<td>-48.2</td>
<td>214.5</td>
<td>&gt;100 %</td>
<td>18.0</td>
<td>-0.6</td>
<td>&gt;-100 %</td>
</tr>
<tr>
<td>Cash flow from investment activities</td>
<td>-165.5</td>
<td>-193.8</td>
<td>-17.1 %</td>
<td>-38.7</td>
<td>-12.2</td>
<td>68.5 %</td>
</tr>
<tr>
<td>Free cash flow</td>
<td>-213.7</td>
<td>20.7</td>
<td>&gt;100 %</td>
<td>-20.7</td>
<td>-12.8</td>
<td>38.2 %</td>
</tr>
</tbody>
</table>

*) 2019: incl. all reorganization expenditures ; 2018: incl. growth investments and reorganization expenditure
Global automation industry
Market potential *

*Possible effects of the coronavirus crisis on the forecast results cannot be estimated at this time.
Robotics – Low robot penetration in General Industry and emerging markets

<table>
<thead>
<tr>
<th>Country</th>
<th>Robot density in 2018</th>
<th>Robots per 10,000 employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>1268</td>
<td>195</td>
</tr>
<tr>
<td>USA</td>
<td>1237</td>
<td>130</td>
</tr>
<tr>
<td>Japan</td>
<td>1165</td>
<td>245</td>
</tr>
<tr>
<td>China</td>
<td>732</td>
<td>70</td>
</tr>
<tr>
<td>UK</td>
<td>687</td>
<td>46</td>
</tr>
<tr>
<td>Brazil</td>
<td>193</td>
<td>6</td>
</tr>
<tr>
<td>India</td>
<td>99</td>
<td>2</td>
</tr>
</tbody>
</table>

Source: IFR World Robotics 2018 (published October 2019)
4. Appendix
Financial Calendar

June 19, 2020   Annual General Meeting
August 5, 2020  Interim update for the first half-year
October 29, 2020 Interim update for the third quarter
### Investor Relations Contact

<table>
<thead>
<tr>
<th>The KUKA share</th>
<th>Kerstin Heinrich, Head of Investor Relations</th>
</tr>
</thead>
<tbody>
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<td>• Phone +49 (821) 797- 5481</td>
</tr>
<tr>
<td>• Reuters KU2G.DE</td>
<td>• Fax +49 (821) 797- 5213</td>
</tr>
<tr>
<td>• Bloomberg KU2 GY (Xetra)</td>
<td>• Email: <a href="mailto:IR@kuka.com">IR@kuka.com</a></td>
</tr>
</tbody>
</table>
Disclaimer

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These factors may include, for example, changes in the overall economic situation, exchange rates and interest rates, and changes affecting individual markets. KUKA Aktiengesellschaft provides no guarantee that the future development and the future results actually achieved will correspond to the assumptions and estimates stated here and accepts no liability if they should fail to do so.

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