



Quarterly release for 1st quarter 2018

KUKA strengthens customer focus of its organizational structure

Augsburg, April 27, 2018 – KUKA begins the 2018 fiscal year with a new organizational structure. With the aim of focusing more strongly on its customers in the future, KUKA is reporting for the first time on the basis of the new segments Automotive, Industries and Consumer Goods & Logistic Automation.

In the first quarter, KUKA reported sales revenues of €744.5 million and an EBIT margin of 2.1% (Q1/17: 4.7%). This represents a decrease in revenues of 5.9% on the strong previous year (Q1/17: €790.8 million).

“KUKA has grown immensely in recent years – this has put us in a very good position on the market,” says Dr. Till Reuter, CEO of KUKA AG. “In 2018, we will continue investing in technologies to strengthen our position as an innovation leader and to tap areas of future growth. Our new products, such as the sensitive LBR iisy for the electronics market, and our new organizational structure will help us to do so.”

Stronger focus of the organizational structure on customers

The new organizational structure is geared even more strongly towards our customers.

The Automotive segment essentially consists of the automotive business of the former Robotics and Systems segments and logistics solutions for automotive customers. The Industries division consists primarily of the former

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Robotics segments with the General Industry customer segment and the system integration business of Systems/Industries. The Consumer Goods & Logistic Automation division is chiefly derived from the logistics solutions of Swisslog and the Consumer Goods department in the Robotics division and develops automation solutions for intralogistics for all customer segments.

High levels of orders received from Europe and the USA

In the first quarter of 2018, KUKA Group generated **orders received** totaling €900.2 million. High order volumes were received from Europe and the USA in particular. Compared to the strong prior-year value, this corresponds to a decline of 6.9% (Q1/17: €967.3 million).

In the Automotive segment, orders received totaled €449.3 million, followed by Industries with €270.4 million and Consumer Goods & Logistic Automation with €157.4 million.

Sales revenues of KUKA Group reached a level of €744.5 million in the reporting period. This represents a decrease of 5.9% on the strong prior-year quarter (Q1/17: €790.8 million). The Automotive segment achieved sales revenues of €396.8 million, Industries €235.9 million and Consumer Goods & Logistic Automation €145.6 million. In particular, revenues from Europe and the USA contributed to this result.

The **book-to-bill ratio**, i.e. orders received in relation to sales revenues, was above 1 in the past quarter of 2018, coming in at 1.21 and thus indicating good capacity utilization (Q1/17: 1.22).

Order backlog remains at a high level

In the first quarter of 2018, the **order backlog** reached a value of €2,332.0 million. This was 3% higher than in the previous year (Q1/17: €2,264.1 million). In the Automotive segment the value was €1,043.4 million in the first quarter, while the Industries segment



reported €536.5 million and the Consumer Goods & Logistic Automation segment €565.7 million.

In the first quarter of 2018, KUKA Group achieved **earnings before interest and taxes (EBIT)** amounting to €15.3 million – the EBIT margin was 2.1%. This compares with EBIT of €36.9 million and a margin of 4.7% in the strong prior-year quarter. The decline is due in part to the lower revenues and the corresponding shortfall in the contribution to earnings. Disregarding the purchase price allocations for corporate acquisitions, the growth investments and the restructuring costs, the EBIT is €23.9 million with an EBIT margin of 3.2%. The EBIT for the Automotive segment was €26.0 million in the first quarter of 2018 with a margin of 6.6%. The Industries segment achieved an EBIT of €9.6 million. This resulted in an EBIT margin of 4.1%. Consumer Goods & Logistic Automation generated an EBIT of €3.1 million with a margin of 2.1%.

Outlook: rising demand expected from North America and Asia

For the 2018 fiscal year, KUKA is expecting **demand** to increase, especially in North America and Asia. Demand in Europe should also improve slightly. From a sector perspective, KUKA anticipates a positive development for the sales markets in general industry. Demand in the automotive industry is expected to remain stable.

Based on the current economic environment and business development, KUKA expects to generate **sales revenues** of more than €3.5 billion in 2018 and achieve an EBIT margin of ~5.5% before purchase price allocations, before growth investments and before reorganization expenditure amounting to about €30 million. The investments relate, for example, to Group-wide issues such as digitization, Industrie 4.0, mobility, general industry and China. KUKA is expecting these investments to open up additional areas of growth for the Group in the coming years, which should be reflected in higher sales revenues.

The full quarterly release can be retrieved via the following link:

<https://www.kuka.com/en-de/investor-relations/reports-and-presentations>



Key figures

in € millions	Q1/17	Q1/18	Change in %
Orders received	967.3	900.2	-6.9
Order backlog (March 31)	2,264.1	2,332.0	3.0
Sales revenues	790.8	744.5	-5.9
EBIT (earnings before interest and taxes)	36.9	15.3	-58.5
in % of sales revenues	4.7	2.1	-
Non-operating adjustments ¹	3.1	8.6	-
Adjusted EBIT	40.0	23.9	-40.3
Adjusted EBIT in % of sales revenues	5.1	3.2	-
EBITDA (earnings before interest, taxes, depreciation and amortization)	55.5	35.9	-35.3
in % of sales revenues	7.0	4.8	-
Non-operating adjustments ¹	-	5.2	-
Adjusted EBITDA	55.5	41.1	-25.9
Adjusted EBITDA in % of sales revenues	7.0	5.5	-
Earnings after taxes	26.6	9.7	-63.5
Earnings per share in €	0.67	0.24	-64.2
Capital expenditure	15.3	43.3	>100
Equity ratio in % (March 31)	33.2	31.6	-
Net liquidity/debt (March 31)	5.0	-195.4	>-100
Employees (March 31)	13,565	14,240	5.0

¹ Non-operating adjustments relate to growth investments, restructuring costs and effects from the purchase price allocation for acquisitions.



KUKA GROUP

The KUKA Group is a global automation corporation with sales of around 3.5 billion euro and 14,200 employees. As a leading global supplier of intelligent automation solutions, KUKA offers its customers in the automotive, electronics, consumer goods, metalworking, logistics/e-commerce, healthcare and service robotics industries everything they need from a single source: from components and cells to fully automated systems. The Group is headquartered in Augsburg.

DISCLAIMER

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