KION GROUP AG finishes a solid year with a strong fourth quarter in 2013

- As previously announced, KION Group presents preliminary, unaudited figures
- Revenue and order intake at similarly high level to previous year despite soft western European market and currency headwinds
- Fourth quarter: order intake slightly above revenue as the market picks up; EBIT[1] margin improves to an excellent 9.8 per cent
- EBIT[1] increases by 2.0 per cent year on year to a record €416.5 million
- Profitability improves again: highest ever EBIT[1] margin for a full year at 9.3 per cent
- Proportion of new trucks ordered in emerging markets continues to grow to a record 35 per cent

Wiesbaden, 14 February 2014 – Finishing with a strong fourth quarter, KION GROUP AG can look back on a solid 2013 according to preliminary, unaudited figures. Operating profit and profitability reached record levels despite weakness in the western European market and unfavourable currency effects. The KION Group, the world’s largest specialist supplier of industrial trucks and associated services, recorded order intake and revenue at the same high levels as in the previous year, after adjusting for the sale of the hydraulics business in 2012. With the market beginning to pick up again, fourth-quarter order intake was slightly above revenue.

In 2013, revenue amounted to approximately €4.495 billion, reaching almost the same high level as in the previous year (2012: €4.560 billion, adjusted for the hydraulics business). Currency effects of circa €75 million had a negative impact, the main contributing factors being the devaluation of the Brazilian Real and Pound Sterling. Operating profit (EBIT[1]) rose by 2.0 per cent to its highest ever level of €416.5 million due, among other things, to ongoing cost optimisation and the KION Group’s ability to achieve premium pricing. As a result, the Group again improved its EBIT[1] margin to 9.3 per cent, the highest percentage ever recorded for a full financial year.

Demand for industrial trucks in the global market increased by 7 per cent to 1.01 million trucks in 2013, driven primarily by China and the United States. Western Europe, a core market for the KION Group, gained just 0.3 per cent over the year as a whole to reach around 259,400 trucks but, in the fourth quarter, generated substantial year-on-year growth of 10.1 per cent.
Measured in terms of the number of units, the KION Group’s order intake of approximately 142,800 trucks was up on the previous year’s figure (2012: 141,700). The total value of order intake of €4.489 billion was around prior year level (2012: €4.590 billion, excluding the hydraulics business). Currency effects of more than €70 million had a negative impact on the 2013 order intake. The proportion of trucks ordered in emerging markets continued to grow to around 35 per cent on the back of strong new business in eastern Europe, South America and China.

“We have demonstrated that our business model is robust by achieving similarly high results to 2012 and further improving our EBIT margin despite weakness in the western European market,” said Gordon Riske, CEO of the KION Group. “We now want to take advantage of the economic recovery in western Europe, expand our excellent position in emerging markets, further strengthen sales and service and increase our profitability yet again. New products and our successful modular and platform strategy will play a key role in this respect.”

The KION Group generated net income of approximately €135 million in 2013 compared with €161.4 million in 2012, which had benefitted from non-recurring income from the sale of the hydraulics business. Equity increased to €1.610 billion (2012: €660.7 million), primarily because of the capital increases in connection with the IPO. As a result, the equity ratio rose from 10.6 per cent in 2012 to 26.7 per cent in 2013.

In the fourth quarter, the KION Group’s EBIT\[1\] margin stood at 9.8 per cent – a record level for a three-month period. The KION Group’s order intake (€1.193 billion), revenue (€1.178 billion) and EBIT (€116 million) were at roughly the same high level as in the fourth quarter of 2012. However, unfavourable currency effects again had a negative impact on order intake and revenue in the final quarter of 2013, with revenue still affected by the level of order intake in the weaker third quarter.
Preliminary and unaudited key figures for the KION Group for the year ended 31 December 2013

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2012</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake (no. of trucks)</td>
<td>142,800</td>
<td>141,700</td>
<td>+0.8%</td>
</tr>
<tr>
<td>Order intake (value)[2]</td>
<td>4,489.1</td>
<td>4,590.3</td>
<td>−2.2%</td>
</tr>
<tr>
<td>Revenue[2]</td>
<td>4,494.6</td>
<td>4,559.8</td>
<td>−1.4%</td>
</tr>
<tr>
<td>EBIT[1]</td>
<td>416.5</td>
<td>408.3</td>
<td>+2.0%</td>
</tr>
<tr>
<td>EBIT[1] margin</td>
<td>9.3%</td>
<td>9.0%</td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td>approx. 135</td>
<td>161.4</td>
<td></td>
</tr>
<tr>
<td>Employees[3] (FTEs, incl. apprentices/trainees)</td>
<td>22,273</td>
<td>21,215</td>
<td>+5.0%</td>
</tr>
</tbody>
</table>

[1] EBIT/EBITDA adjusted for KION acquisition items and non-recurring items; key figures for 2012 have also been adjusted to reflect the sale of the hydraulics business
[2] Key figures for 2012 have been adjusted to reflect the sale of the hydraulics business
[3] Figure as at 31 December 2013 compared with 31 December 2012 (full time equivalents)

The company

The KION Group – comprising the six brands of Linde, STILL, Fenwick, OM STILL, Baoli and Voltas – is the largest manufacturer of industrial trucks in Western and Eastern Europe, the global number two in the industry and the leading non-domestic supplier in China. The Linde and STILL brands serve the premium segment worldwide. Fenwick is the largest supplier of material handling products in France, while OM STILL is a market leader in Italy. The Baoli brand focuses on the economy segment, and Voltas is a market leader in India in industrial trucks. The KION Group is present in more than 100 countries.

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This release contains forward-looking statements that are subject to various risks and uncertainties. Future results could differ materially from those described in these forward-looking statements due to certain factors, e.g. changes in business, economic and competitive conditions, regulatory reforms, results of technical studies, foreign exchange
rate fluctuations, uncertainties in litigation or investigative proceedings, and the availability of financing. We do not undertake any responsibility to update the forward-looking statements in this release.

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