

DIGITAL AND BEYOND

Digitalisation is not simply a buzzword in the KION Group. In fact, it has been a firm part of our DNA for years. Our digital strategy sets a course for the Group's profitable growth in the digital age. We are pressing ahead with our digital transformation, and digital innovation is opening up unimaginable opportunities for our customers.

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Industry 4.0

The KION Group adds value in production and logistics



INTELLIGENT TRUCKS

- Smart trucks with electronic control units
- Driver assistance systems for greater efficiency



CLOUD-BASED DATA MANAGEMENT

- Fleet data services for centralised control and tracking
- Fleet optimisation provides financial benefits and improved safety



AUTOMATED GUIDED VEHICLES (AGVs)

- Full range of automated trucks
- Enables automation of material handling processes



AUTOMATION SYSTEMS

- Customised and integrated hardware and software solutions
- Robotics solutions for order picking

Company profile

The KION Group is a global leader in industrial trucks, warehouse technology, related services and supply chain solutions. Across more than 100 countries worldwide, the KION Group's logistics solutions optimise the flow of material and information within factories, warehouses and distribution centres. The Group is the largest manufacturer of industrial trucks in Europe, the second-largest producer of forklifts globally and a leading provider of automation technology and software solutions.

The KION Group's world-renowned brands are among the best in the industry. Dematic is a global leader in automated material handling, providing a comprehensive range of intelligent supply chain and automation solutions. The Linde and STILL brands serve the premium industrial truck segment. Baoli focuses on industrial trucks in the economy segment. Among the regional KION brands, Fenwick is the largest supplier of material handling products in France. OM Voltas is a leading provider of industrial trucks in India.

More than 1.4 million industrial trucks and over 6,000 installed systems from the KION Group are deployed by customers in all industries and of all sizes on six continents.

We keep the world moving.

Segments

INDUSTRIAL TRUCKS & SERVICES

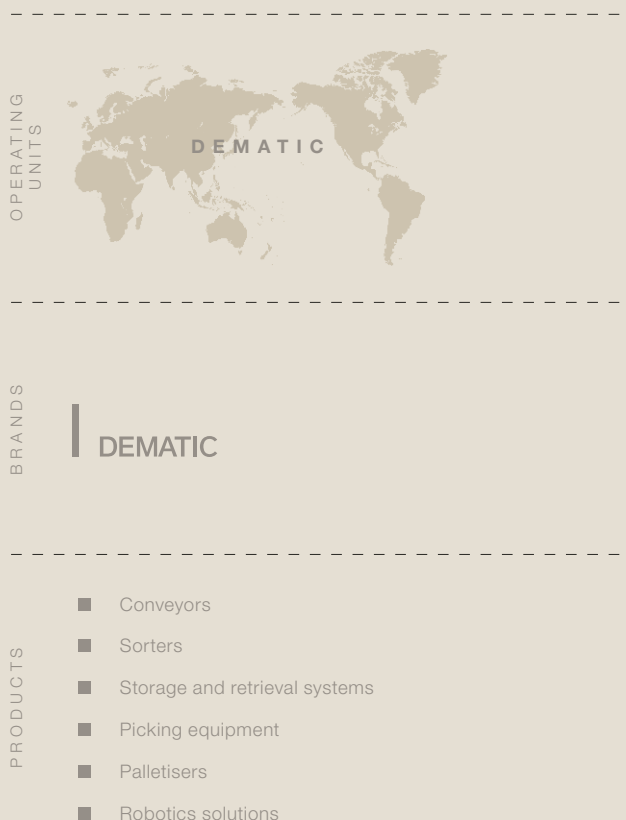
The Industrial Trucks & Services segment encompasses forklift trucks, warehouse technology and related services, including complementary financial services. It pursues a multi-brand strategy involving the three international brands Linde, STILL and Baoli plus the regional brands Fenwick and OM Voltas.

Industrial Trucks & Services is made up of four Operating Units: Linde Material Handling EMEA and STILL EMEA, which each concentrate on Europe, the Middle East and Africa, plus KION APAC and KION Americas, which hold cross-brand responsibility for the Asia-Pacific region and for North and South America respectively.



SUPPLY CHAIN SOLUTIONS

The Supply Chain Solutions segment encompasses integrated technology and software solutions that are used to optimise supply chains. Manual and automated solutions are provided for all functions along customers' supply chains, from goods inward and multishuttle warehouse systems to picking and value-added packing. The Supply Chain Solutions segment comprises the Dematic brand.



CORPORATE SERVICES

The Corporate Services segment comprises holding companies and other service companies that provide services such as IT and logistics across all segments.

INTERNAL
SERVICES

HOLDING
COMPANY
FUNCTIONS

KION
GROUP

KION Group

Key figures for 2018

KION Group overview

in € million	2018	2017*	2017	2016	Change 2018/2017*
Order intake	8,656.7	7,979.1	7,979.1	5,833.1	8.5%
Revenue	7,995.7	7,598.1	7,653.6	5,587.2	5.2%
Order book ^{1,2}	3,300.8	2,614.6	2,614.6	2,396.6	26.2%
Financial performance					
EBITDA	1,540.6	1,457.6	1,185.7	889.5	5.7%
Adjusted EBITDA ³	1,555.1	1,495.8	1,223.9	931.6	4.0%
Adjusted EBITDA margin ³	19.4%	19.7%	16.0%	16.7%	–
EBIT	642.8	561.0	549.4	434.8	14.6%
Adjusted EBIT ³	789.9	777.3	765.6	537.3	1.6%
Adjusted EBIT margin ³	9.9%	10.2%	10.0%	9.6%	–
Net income	401.6	422.5	426.4	246.1	–4.9%
Financial position¹					
Total assets	12,968.8	12,337.7	11,228.4	11,297.0	5.1%
Equity	3,305.1	2,992.3	3,148.8	2,495.7	10.5%
Net financial debt	1,869.9	2,095.5	2,095.5	2,903.4	–10.8%
ROCE ⁴	9.3%	9.3%	9.9%	6.9%	–
Cash flow					
Free cash flow ⁵	519.9	474.3	378.3	–1,850.0	9.6%
Capital expenditure ⁶	258.5	218.3	218.3	166.7	18.4%
Employees⁷	33,128	31,608	31,608	30,544	4.8%

1 Figures as at balance sheet date 31/12/ (adjusted due to the final purchase price allocation Dematic)

2 Order backlog 2016 adjusted to reflect specific customer orders from long-term construction contracts in the segment SCS

3 Adjusted for PPA items and non-recurring items

4 ROCE is defined as the proportion of EBIT adjusted to capital employed

5 Free cash flow is defined as cash flow from operating activities plus cash flow from investing activities

6 Capital expenditure including capitalised development costs, excluding right-of-use assets

7 Number of employees (full-time equivalents) as at balance sheet date 31/12/

* Key figures for 2017 were restated due to the initial application of IFRS 15 and IFRS 16

All amounts in this annual report are disclosed in millions of euros (€ million) unless stated otherwise. Due to rounding effects, addition of the individual amounts shown may result in minor rounding differences to the totals. The percentages shown are calculated on the basis of the respective amounts, rounded to the nearest thousand euros (€ thousand).

Quarterly information

Quarterly information

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	Q4		Q3		Q2		Q1	
in € million	2018	2017*	2018	2017*	2018	2017*	2018	2017*
Order intake	2,287.4	2,279.6	2,060.3	1,847.2	2,424.0	1,970.5	1,885.0	1,881.7
thereof Industrial Trucks & Services	1,724.2	1,579.6	1,454.8	1,351.6	1,546.5	1,513.7	1,485.2	1,414.6
thereof Supply Chain Solutions	556.3	692.9	598.5	492.7	874.2	452.3	396.3	461.3
Total revenue	2,225.5	1,963.4	1,895.9	1,832.4	2,031.1	2,001.3	1,843.3	1,801.0
thereof Industrial Trucks & Services	1,685.8	1,547.1	1,417.9	1,312.9	1,449.6	1,398.1	1,368.8	1,314.1
thereof Supply Chain Solutions	533.0	412.0	472.7	516.1	578.8	599.8	470.7	481.6
Adjusted EBITDA	457.2	404.9	380.1	381.1	377.0	387.7	340.9	322.0
thereof Industrial Trucks & Services	395.2	371.7	326.0	318.3	318.0	323.1	301.0	275.6
thereof Supply Chain Solutions	65.4	41.6	56.1	73.1	64.0	71.3	46.1	49.7
Adjusted EBITDA margin	20.5%	20.6%	20.0%	20.8%	18.6%	19.4%	18.5%	17.9%
thereof Industrial Trucks & Services	23.4%	24.0%	23.0%	24.2%	21.9%	23.1%	22.0%	21.0%
thereof Supply Chain Solutions	12.3%	10.1%	11.9%	14.2%	11.1%	11.9%	9.8%	10.3%
EBIT	206.2	169.7	168.6	136.1	142.1	159.8	125.8	95.3
thereof Industrial Trucks & Services	195.7	204.9	156.2	149.4	136.1	159.7	137.1	126.3
thereof Supply Chain Solutions	22.2	-20.4	20.9	4.9	19.4	16.2	1.9	-17.3
Adjusted EBIT	252.3	219.7	192.7	195.5	187.0	210.4	157.9	151.6
thereof Industrial Trucks & Services	213.8	206.1	157.4	150.3	148.2	159.4	135.9	127.0
thereof Supply Chain Solutions	49.9	28.9	43.8	61.2	51.5	64.1	35.0	34.5
Adjusted EBIT margin	11.3%	11.2%	10.2%	10.7%	9.2%	10.5%	8.6%	8.4%
thereof Industrial Trucks & Services	12.7%	13.3%	11.1%	11.4%	10.2%	11.4%	9.9%	9.7%
thereof Supply Chain Solutions	9.4%	7.0%	9.3%	11.9%	8.9%	10.7%	7.4%	7.2%

* Key figures for 2017 were restated due to the initial application of IFRS 15 and IFRS 16

Multi-year overview

KION Group multi-year overview

TABLE 133

in € million	2018	2017*	2017	2016	2015	2014
Order intake	8,656.7	7,979.1	7,979.1	5,833.1	5,215.6	4,771.2
Revenue	7,995.7	7,598.1	7,653.6	5,587.2	5,097.9	4,677.9
Order book ^{1,2}	3,300.8	2,614.6	2,614.6	2,396.6	864.0	764.1
Financial performance						
EBITDA	1,540.6	1,457.6	1,185.7	889.5	824.2	714.2
Adjusted EBITDA ³	1,555.1	1,495.8	1,223.9	931.6	850.0	780.4
Adjusted EBITDA margin ³	19.4%	19.7%	16.0%	16.7%	16.7%	16.7%
EBIT	642.8	561.0	549.4	434.8	422.8	347.0
Adjusted EBIT ³	789.9	777.3	765.6	537.3	482.9	442.9
Adjusted EBIT margin ³	9.9%	10.2%	10.0%	9.6%	9.5%	9.5%
Net income	401.6	422.5	426.4	246.1	221.1	178.2
Financial position¹						
Total assets	12,968.8	12,337.7	11,228.4	11,297.0	6,440.2	6,128.5
Equity	3,305.1	2,992.3	3,148.8	2,495.7	1,848.7	1,647.1
Net financial debt	1,869.9	2,095.5	2,095.5	2,903.4	573.5	810.7
ROCE ⁴	9.3%	9.3%	9.9%	6.9%	11.9%	11.4%
Cash flow						
Free cash flow ⁵	519.9	474.3	378.3	-1,850.0	332.7	305.9
Capital expenditure ⁶	258.5	218.3	218.3	166.7	142.6	133.1
Employees⁷	33,128	31,608	31,608	30,544	23,506	22,669

1 Figures as at balance sheet date 31/12/ (adjusted due to the final purchase price allocation Dematic)

2 Order backlog 2016 adjusted to reflect specific customer orders from long-term construction contracts in the segment SCS

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