

Condensed consolidated interim financial statements

Consolidated income statement

TABLE 19

in € million	Q2 2018	Q2 2017*	Q1 – Q2 2018	Q1 – Q2 2017*
Revenue	2,031.1	2,001.3	3,874.4	3,802.3
Cost of sales	–1,518.4	–1,499.1	–2,870.5	–2,845.6
Gross profit	512.7	502.2	1,003.9	956.7
Selling expenses	–228.1	–209.7	–449.1	–418.7
Research and development costs	–34.4	–31.5	–69.3	–65.9
Administrative expenses	–117.9	–117.9	–234.4	–238.8
Other income	25.5	15.2	50.8	32.5
Other expenses	–24.9	–11.0	–43.5	–22.7
Profit from equity-accounted investments	9.2	12.6	9.5	12.0
Earnings before interest and taxes	142.1	159.8	268.0	255.2
Financial income	11.9	72.9	50.1	93.5
Financial expenses	–37.0	–83.0	–103.9	–141.8
Net financial expenses	–25.1	–10.1	–53.9	–48.4
Earnings before taxes	117.0	149.7	214.1	206.8
Income taxes	–37.7	–44.5	–66.4	–62.1
Current taxes	–60.6	–58.6	–103.8	–106.8
Deferred taxes	22.8	14.1	37.4	44.7
Net income for the period	79.3	105.2	147.7	144.7
Attributable to shareholders of KION GROUP AG	79.6	104.4	148.5	144.0
Attributable to non-controlling interests	–0.3	0.8	–0.8	0.7
Earnings per share according to IAS 33 (in €)				
Basic earnings per share	0.68	0.93	1.26	1.30
Diluted earnings per share	0.67	0.93	1.26	1.30

* Consolidated income statement for 2017 was restated due to the initial application of IFRS 15 and IFRS 16

Consolidated statement of comprehensive income

TABLE 20

in € million	Q2 2018	Q2 2017*	Q1 – Q2 2018	Q1 – Q2 2017*
Net income for the period	79.3	105.2	147.7	144.7
Items that will not be reclassified subsequently to profit or loss	0.6	26.5	-2.2	37.6
Gains/losses on defined benefit obligation	3.9	26.5	1.7	37.1
thereof changes in unrealised gains and losses	8.7	38.2	1.6	53.3
thereof tax effect	-4.7	-11.7	0.1	-16.2
Gains/losses on financial investments	-3.3	0.0	-3.6	0.0
thereof changes in unrealised gains and losses	-3.3	0.0	-3.6	0.0
Changes in unrealised gains and losses from equity-accounted investments	0.0	0.0	-0.3	0.4
Items that may be reclassified subsequently to profit or loss	68.5	-180.4	10.7	-193.0
Impact of exchange differences	78.5	-193.7	20.6	-205.8
thereof changes in unrealised gains and losses	78.5	-193.7	20.6	-205.8
Gains/losses on hedge reserves	-10.3	6.3	-10.2	5.8
thereof changes in unrealised gains and losses	-12.8	8.9	-9.8	7.3
thereof realised gains (-) and losses (+)	-1.6	-0.4	-4.5	1.6
thereof tax effect	4.1	-2.1	4.1	-3.1
Gains/losses on available-for-sale financial instruments	0.0	6.4	0.0	6.4
thereof changes in unrealised gains and losses	0.0	6.5	0.0	6.5
thereof tax effect	0.0	-0.1	0.0	-0.1
Gains/losses from equity-accounted investments	0.3	0.6	0.3	0.6
thereof changes in unrealised gains and losses	0.3	0.6	0.3	0.6
Other comprehensive income (loss)	69.2	-153.9	8.5	-155.4
Total comprehensive income (loss)	148.5	-48.7	156.2	-10.7
Attributable to shareholders of KION GROUP AG	148.8	-49.3	157.0	-11.1
Attributable to non-controlling interests	-0.3	0.6	-0.8	0.4

* Consolidated statement of comprehensive income for 2017 was restated due to the initial application of IFRS 15 and IFRS 16

Consolidated statement of financial position – Assets

TABLE 21

in € million	30/06/2018	31/12/2017*	01/01/2017*
Goodwill	3,406.8	3,382.5	3,572.9
Other intangible assets	2,305.9	2,333.9	2,602.7
Leased assets	1,208.2	1,246.3	1,143.9
Rental assets	646.2	608.4	543.0
Other property, plant and equipment	1,012.4	994.9	919.1
Equity-accounted investments	80.1	80.3	72.7
Lease receivables	684.8	647.8	531.3
Other financial assets	32.9	57.1	47.5
Other assets	46.1	24.2	12.3
Deferred taxes	469.8	475.2	514.8
Non-current assets	9,893.2	9,850.6	9,960.1
Inventories	976.8	768.6	672.4
Lease receivables	236.5	228.0	200.3
Contract assets	134.5	100.3	117.4
Trade receivables	1,061.7	999.4	895.9
Income tax receivables	18.7	14.4	35.2
Other financial assets	94.8	119.0	82.0
Other assets	124.1	84.3	86.2
Cash and cash equivalents	180.4	173.2	279.6
Current assets	2,827.5	2,487.1	2,368.9
Total assets	12,720.7	12,337.7	12,329.0

* Consolidated statement of financial position for 2017 was restated due to the initial application of IFRS 15 and IFRS 16

Consolidated statement of financial position – Equity and liabilities

TABLE 22

in € million	30/06/2018	31/12/2017*	01/01/2017*
Subscribed capital	117.9	117.9	108.6
Capital reserve	3,034.3	3,034.0	2,444.4
Retained earnings	410.8	364.4	30.5
Accumulated other comprehensive loss	-519.9	-528.4	-246.4
Non-controlling interests	3.7	4.4	5.7
Equity	3,046.9	2,992.3	2,342.8
Retirement benefit obligation	1,020.4	1,002.7	991.0
Non-current financial liabilities	2,039.7	2,024.8	2,889.1
Liabilities from financial services	626.8	261.0	258.3
Lease liabilities	632.5	798.2	722.0
Other non-current provisions	86.7	95.6	92.3
Other financial liabilities	572.0	663.6	549.8
Other liabilities	526.5	585.4	551.2
Deferred taxes	661.9	702.4	909.6
Non-current liabilities	6,166.5	6,133.7	6,963.2
Current financial liabilities	428.2	243.9	293.9
Liabilities from financial services	315.8	176.4	91.4
Lease liabilities	277.6	332.9	285.2
Contract liabilities	288.6	324.4	376.4
Trade payables	1,063.3	923.9	802.2
Income tax liabilities	103.0	82.6	63.0
Other current provisions	145.5	149.0	163.4
Other financial liabilities	241.2	298.6	287.6
Other liabilities	644.0	679.9	659.9
Current liabilities	3,507.3	3,211.7	3,023.0
Total equity and liabilities	12,720.7	12,337.7	12,329.0

* Consolidated statement of financial position for 2017 was restated due to the initial application of IFRS 15 and IFRS 16

Consolidated statement of cash flows

TABLE 23

in € million	Q1 – Q2 2018	Q1 – Q2 2017*
Earnings before interest and taxes	268.0	255.2
Amortisation, depreciation and impairment charges and reversal of impairment losses of non-current assets	448.4	439.3
Non-cash reversals of deferred revenues from leases	– 115.3	– 127.4
Other non-cash income (–)/expenses (+)	10.4	5.6
Gains (–)/losses (+) on disposal of non-current assets	2.3	0.0
Change in leased assets (excluding depreciation) and receivables/liabilities from leasing business	– 46.9	– 39.8
Change in rental assets (excluding depreciation) and liabilities from rental business	– 120.9	– 96.5
Change in net working capital**	– 196.0	– 96.7
Cash payments for defined benefit obligations	– 9.9	– 16.7
Change in other provisions	– 13.0	– 12.1
Change in other operating assets/liabilities	– 31.4	– 18.7
Taxes paid	– 91.1	– 53.8
Cash flow from operating activities	104.6	238.4
Cash payments for purchase of non-current assets	– 103.9	– 87.5
Cash receipts from disposal of non-current assets	2.4	2.3
Dividends received	9.2	7.0
Acquisition of subsidiaries/other businesses (net of cash acquired)	– 1.1	0.0
Cash receipts/payments for sundry assets	– 2.1	– 17.2
Cash flow from investing activities	– 95.5	– 95.4

Consolidated statement of cash flows (continued)

TABLE 23

in € million	Q1 – Q2 2018	Q1 – Q2 2017 *
Capital contribution from shareholders for the carried out capital increase	0.0	599.4
Dividend of KION GROUP AG	– 116.8	– 86.9
Dividends paid to non-controlling interests	0.0	– 2.1
Cash receipts/payments for changes in ownership interests in subsidiaries without change of control	0.4	0.2
Financing costs paid	– 3.0	– 6.0
Proceeds from borrowings	1,215.8	1,699.3
Repayment of borrowings	– 1,022.4	– 2,390.6
Interest received	1.3	2.9
Interest paid	– 25.7	– 28.8
Interest and principal portion from procurement leases	– 55.6	– 43.0
Cash receipts/payments from other financing activities	5.7	– 2.6
Cash flow from financing activities	– 0.4	– 258.4
Effect of exchange rate changes on cash and cash equivalents	– 1.4	– 7.2
Change in cash and cash equivalents	7.2	– 122.6
Cash and cash equivalents at the beginning of the period	173.2	279.6
Cash and cash equivalents at the end of the period	180.4	157.0

* Consolidated statement of cash flows for 2017 was restated due to the initial application of IFRS 15 and IFRS 16

** Net Working Capital comprises inventories, contract assets, trade receivables less contract liabilities and trade payables

Consolidated statement of changes in equity*

in € million	Subscribed capital	Capital reserves	Retained earnings
Balance as at 01/01/2017	108.6	2,444.4	183.4
Effects from the initial application of IFRS 15 and IFRS 16			-152.9
Balance as at 01/01/2017 (restated)	108.6	2,444.4	30.5
Net income for the period			144.0
Other comprehensive income (loss)			
Comprehensive income (loss)	0.0	0.0	144.0
Dividend of KION GROUP AG			-86.9
Capital increase	9.3	593.6	
Transaction costs		-2.9	
Dividends paid to non-controlling interests			
Changes from employee share option programme		0.4	
Effects from the acquisition/disposal of non-controlling interests			
Balance as at 30/06/2017	117.9	3,035.5	87.6
Balance as at 01/01/2018	117.9	3,034.0	521.3
Effects from the initial application of IFRS 9, IFRS 15 and IFRS 16			-138.3
Net income (loss) for the period			-3.9
Other comprehensive income			
Balance as at 01/01/2018 (restated)	117.9	3,034.0	379.0
Net income for the period			148.5
Other comprehensive income (loss)			
Comprehensive income (loss)	0.0	0.0	148.5
Dividend of KION GROUP AG			-116.8
Changes from employee share option programme		0.4	
Effects from the acquisition/disposal of non-controlling interests			
Balance as at 30/06/2018	117.9	3,034.3	410.8

* Consolidated statement of changes in equity was restated due to initial application of IFRS 9, IFRS 15 and IFRS 16

TABLE 24

Accumulated other comprehensive income (loss)							
Cumulative translation adjustment	Gains/losses on defined benefit obligation	Gains/losses on hedge reserves	Gains/losses on financial investments	Gains / losses from equity-accounted investments	Equity attributable to shareholders of KION GROUP AG	Non-controlling interests	Total
59.7	-302.0	-1.9	-0.0	-2.2	2,490.0	5.7	2,495.7
					-152.9	0.0	-152.9
59.7	-302.0	-1.9	-0.0	-2.2	2,337.1	5.7	2,342.8
					144.0	0.7	144.7
-205.5	37.1	5.8	6.4	1.0	-155.1	-0.3	-155.4
-205.5	37.1	5.8	6.4	1.0	-11.1	0.4	-10.7
					-86.9	0.0	-86.9
					602.9	0.0	602.9
					-2.9	0.0	-2.9
					0.0	-2.1	-2.1
					0.4	0.0	0.4
					0.0	0.1	0.1
-145.8	-264.9	3.9	6.4	-1.2	2,839.4	4.1	2,843.6
-255.1	-283.3	1.8	8.4	-0.6	3,144.4	4.4	3,148.8
					-138.3	0.0	-138.3
					-3.9	0.0	-3.9
0.4					0.4	0.0	0.4
-254.7	-283.3	1.8	8.4	-0.6	3,002.5	4.4	3,006.9
					148.5	-0.8	147.7
20.7	1.7	-10.2	-3.6	-0.0	8.5	-0.1	8.5
20.7	1.7	-10.2	-3.6	-0.0	157.0	-0.8	156.2
					-116.8	0.0	-116.8
					0.4	0.0	0.4
					0.0	0.2	0.2
-234.1	-281.5	-8.5	4.8	-0.6	3,043.2	3.7	3,046.9