



ANNUAL PRESS CONFERENCE 2019/2020

Conference speaker

Gerhard Luftensteiner

CEO of KEBA AG

Topics:

- Operating results for fiscal year 2019/2020 (as of 03/31/2020)
- The last few weeks under volatile conditions
- Business division
- Looking back on a decade of success
- Outlook

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Another high-growth business year for KEBA

Looking back on a decade of success

Operating results for fiscal year 2019/2020

The Linz-based KEBA Group saw revenue grow from €304 million to €373.5 million in the last fiscal year (April 2019 - March 2020).

With a €70 million jump in sales and 23% growth in revenue, the KEBA Group has once again achieved the highest revenues in its history. Average annual growth over the past five years lies at 14.5 % (CAGR). KEBA Industrial Automation Germany (formerly LTI Motion), which has been part of the KEBA Group since late December 2018, is included in the total annual revenue of €373.5 million.

The share of international business remains unchanged at around 88%. 66% of exports went to the EU (excluding Austria) and 16% to Asia.

FACTS	2019/2020	2018/2019	2017/2018	2016/2017
KEBA Group Sales in million euros	373.5	304	253.6	193
Number of Group employees	1732	1750	1130	1036
R&D	16.6%	16.3%	16.4%	20%
Share of international business	88%	88%	87%	87%

For a technology company like KEBA, research and development is critically important and serves as the basis for the future success of KEBA and its technological position on the market. Accordingly, the KEBA Group dedicates a significant portion of its revenues to research and development (R&D) every year.

Over the last year, R&D investment rose from almost €50 million to €62 million.

The size of the KEBA Group workforce remained unchanged at 1,730 employees.

The last few weeks under volatile conditions

As a direct response to the escalating situation in China, KEBA formed a corona task force in January with the aim of protecting employees and maintaining production levels and customer support as much as possible.

Thanks to early and extensive measures and the amazing dedication of our employees, we were able to continuously produce and deliver at all production sites during the lockdown. Only in China were operations suspended for three weeks due to local government orders.

In the current situation where international travel is limited, KEBA benefits from its worldwide branches. Our professional teams have the autonomy to service customers on-site. In addition, the company has an array of digital options available to keep in contact with customers and partners. All business divisions offer webinars which are very well attended. At the Linz headquarters, a real exhibition booth was even set up for the industrial automation business. Via live video, our KEBA experts can attend to customers or prospective customers anywhere in the world. This allows KEBA to actively service its markets despite the travel restrictions and trade show cancellations. The current travel restrictions have however proved a hindrance for in-house infrastructure projects (e.g. IT) and large-scale projects with customers who need support from Austria.

Maintaining the supply chain under these conditions was a major challenge for a few weeks due to transport and movement restrictions imposed in many countries as well as the many plant closings in the supply sector. Despite this, KEBA managed to meet all of its obligations and supply its customers without interruption.

In Austria alone over 500 employees worked from home for a period of several weeks. The fact that mobile and independent work is a core part of our corporate culture and supported by a flat hierarchy organization proved to be a huge benefit for the company. About a third of the workforce in Austria has been on a reduced work schedule since May.

Grouping of business divisions

By acquiring the German drive technology company LTI Motion, which now operates under the name KEBA Industrial Automation Germany, the Group has gained a new dimension to their business. The banking and logistics divisions now also share a common vision. It therefore made sense to map these new developments in terms of structure. The three business divisions are:

- Industrial automation
- Handover automation
- Energy automation

Industrial automation

In this business division, KEBA develops and produces automation solutions using hardware and software for machines and robots. The solutions range from operation and control to safety engineering and drive technology.

These are used in numerous specialized markets related to mechanical engineering and robotics.

Handover automation

In essence, this business division seeks to provide intelligent automation solutions that facilitate the handover of goods and services between the physical and digital world.

This involves, in part, the ATMs and self-service kiosks used in banking.

In response to the booming online business, KEBA also produces parcel machines for postal operators and logistics companies. The handover solutions from the KEBA subsidiary KEMAS, which is based in Germany, can play a major role in areas such as key management, fleet administration, tool logistics or laundry management.

These handover systems securely store items and automate their disposition and transfer.

Energy automation

Electromobility has been a mainstay of the KEBA service range for more than 10 years. KEBA is one of the pioneers and top providers in the field of smart charging solutions for electric cars. Our charging solution, which we call the wall box, allows you to not only charge your electric car safely and reliably, but also connect your car with different systems through various interfaces.

This business division also produces heating controls for heat pumps or biomass heaters.

Looking back on a decade of success

In the past 10 years KEBA has quadrupled its revenue from €92 million to €373.5 million.

Average annual growth over the last 10 years has been about 15% (CAGR).

The number of employees has increased by almost exactly 1,000.

This growth was made possible through consistent investments in research and development and the products and solutions that have resulted from such investments. As our average R&D expenditure of 17% shows, KEBA has always made major investments into research and development over the years. The new energy automation business division was established.

Through the founding and acquisition of new subsidiaries, we have managed to greatly increase the international profile of our company in the last 10 years. Share of international business rose from 80% to around 88%.

In 2013 we acquired the Dutch company DELEM, which specializes in automation systems for sheet metal bending machines.

The German company KEMAS, an expert in handover solutions, followed in 2016.

And in 2018 we completed the largest acquisition in KEBA's history: the LTI Motion Group with headquarters and 3 branches in Germany as well as branches in Switzerland, Italy and China.

The KEBA branch in Shanghai was expanded and opened its new headquarters in 2019. KEBA's presence in China was further strengthened with the opening of a new branch in Jinan - KEBA now has offices in 6 locations throughout China.

Over the years we have expanded our market presence with new branches in Italy, the Netherlands, Japan, South Korea and India and integrated them into the existing network of branches in Germany, the Czech Republic, Romania, Turkey, China and the USA.

In addition to our new headquarters in the Linz business park, we also built a second production site in the Linz industrial zone in 2013, which has grown rapidly in terms of area. This was followed by two smaller production sites in Linz.

Today KEBA has 8 production sites in total (Austria, Germany, Netherlands, China).

Outlook

It's pretty hard to give a general outlook at this time. A lot depends on how the markets react after the lockdown is over. It is important for consumption to pick up again, which in turn increases the willingness to invest in the industry again. There is also a great deal of uncertainty given that nobody knows exactly how the pandemic will evolve in Europe or worldwide and hence what consequences it will bring.

KEBA has always benefited from the breadth and diversity of its business divisions in the current global economy. By focusing on areas such as Industry 4.0, artificial intelligence, innovative handover solutions and e-mobility, KEBA is planning for the world of tomorrow. Another important factor is the internationalization of KEBA, which we have been actively promoting over the past 20 years. Thanks to our strategy of internationalization, we have branches in numerous countries across the globe, remain close to our customers and can operate on a local level.



Gerhard Luftensteiner CEO KEBA

More photos of today's press conference and KEBA are available at

<https://www.apa-fotoservice.at/galerie/MjMyMjB8MmEyODBkYWVhZjIwMzY4NDIyYWUyMzViZDNIYjRhOWM=>

For further inquiries:

Gerhard Luftensteiner
CEO

KEBA AG, 4041 Linz, Gewerbepark Urfahr,
Tel.: +43 732/7090-25400
E-Mail: lu@keba.com

Katarina Weissengruber
Company Spokesperson

KEBA AG, 4041 Linz, Gewerbepark Urfahr,
Tel.: +43 732/7090-25440,
Email: wgk@keba.com

Michael Obermeyr
Managing Director
Reichl und Partner PR GmbH

4020 Linz, Promenade 25b, Mobile: +43 (0) 664 2505817,
Tel: +43 (0) 732 666 222 - 0
E-mail: michael.obermeyr@reichlundpartner.com