



WELCOME

LEADING IN PRODUCTION EFFICIENCY

DÜRR AKTIENGESELLSCHAFT

CONFERENCE CALL  
RESULTS JAN.– SEPT. / Q3 2012

Ralf W. Dieter, CEO  
Ralph Heuwing, CFO

Bietigheim-Bissingen, November 6, 2012



# DISCLAIMER

This presentation has been prepared independently by Dürr AG (“Dürr”).

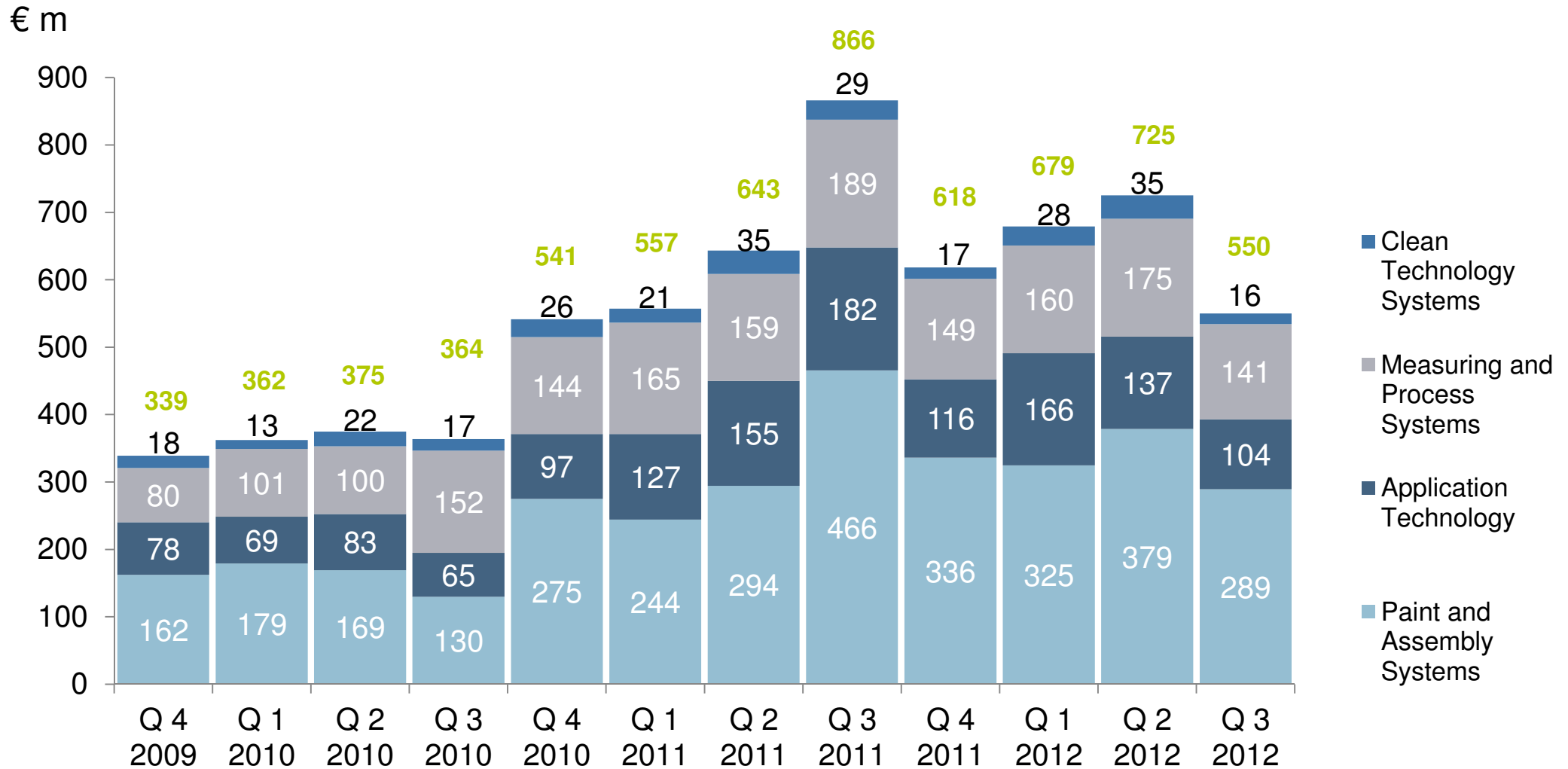
The presentation contains statements which address such key issues as Dürr’s strategy, future financial results, market positions and product development. Such statements should be carefully considered, and it should be understood that many factors could cause forecast and actual results to differ from these statements. These factors include, but are not limited to price fluctuations, currency fluctuations, developments in raw material and personnel costs, physical and environmental risks, legal and legislative issues, fiscal, and other regulatory measures. Stated competitive positions are based on management estimates supported by information provided by specialized external agencies.

# BOOK TO BILL RATIO AT 1.1

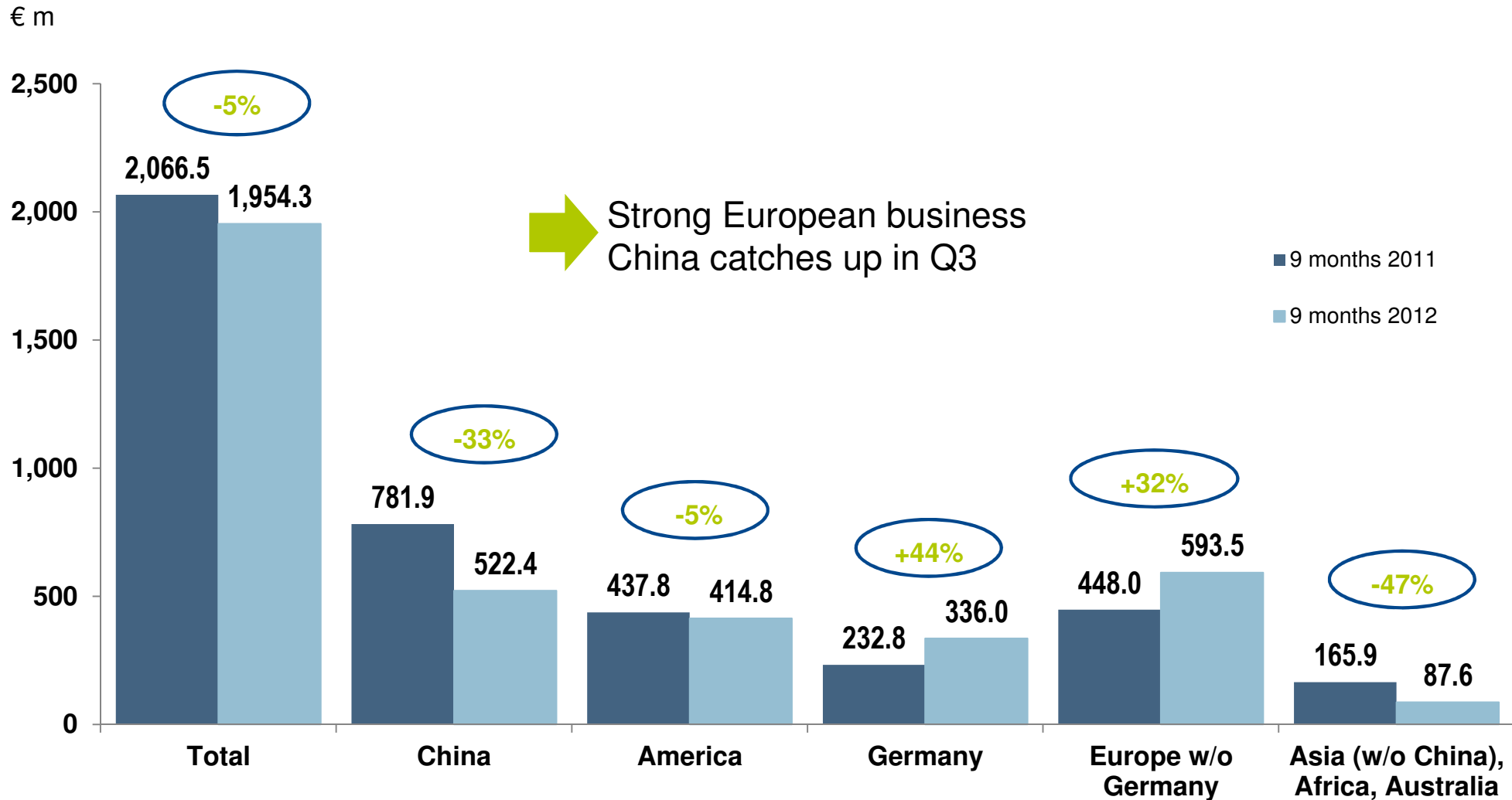
€ m	9 months 2011	9 months 2012	Δ	Q3 2011	Q3 2012	Δ
Incoming orders	2,066.5	1,954.3	-5.4%	866.0	550.0	-36.5%
Sales revenues	1,307.3	1,757.5	34.4%	523.8	594.2	13.4%
Orders on hand (09/30)	2,122.2	2,332.1	9.9%	2,122.2	2,332.1	9.9%

- » Incoming orders development as expected, decrease in Application Technology and Cleaning Filtration only
- » Project pipeline continues to be strong despite weaker macro-economic situation
- » Continued sales increase in Q3
- » Order backlog secures utilization well until first half of 2014

# Q3 ORDER INTAKE LEVEL ACCORDING TO PLAN



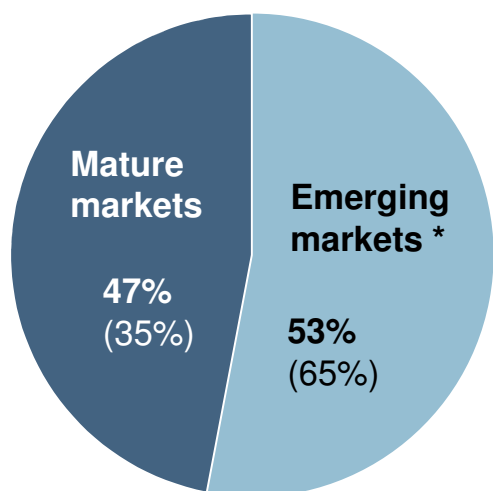
# INCOMING ORDERS: 9 MONTHS 2012 VS. 9 MONTHS 2011



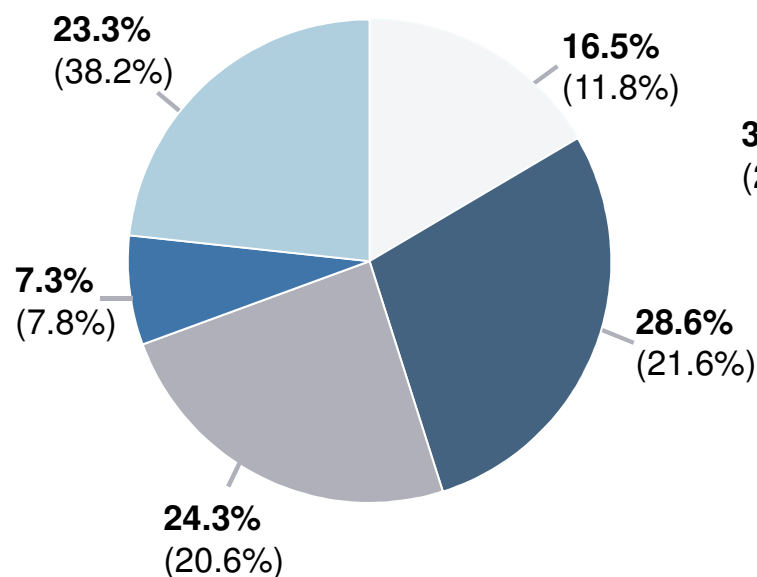
# ORDER INTAKE: HEALTHY REGIONAL SPLIT

Rolling 12 months comparison

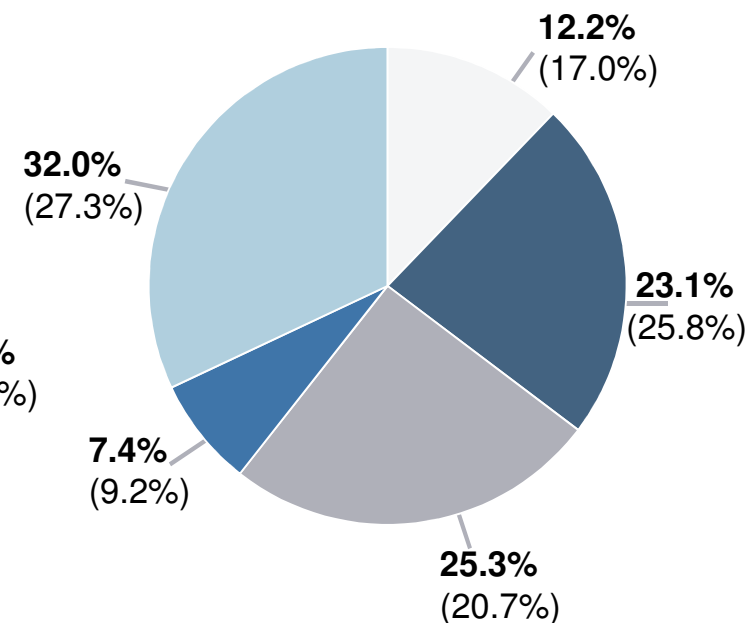
**Incoming orders  
rolling 12 months  
2012 (2011)**



**Incoming orders  
rolling 12 months  
2012 (2011)**



**Sales revenues  
rolling 12 months  
2012 (2011)**



- Germany
- Rest of Europe incl. Eastern Europe
- North and South America
- Asia (ex China), Africa, Australia
- China

\* Asia (ex Japan), Mexico, Brazil, Eastern Europe

- » Emerging markets share above 50%
- » China still most important single market

# NET INCOME DOUBLED DUE TO STRONG SALES AND MODERATE SG&A INCREASE



€ m	9 months 2011	9 months 2012	Δ	Q3 2011	Q3 2012	Δ
Gross profit on sales	228.8	311.0	35.9%	88.4	112.9	27.7%
EBITDA	78.4	138.6	76.8%	35.0	53.5	52.9%
EBIT	63.5	118.9	87.2%	29.6	46.5	57.1%
Net income	34.6	71.3	106.1%	18.6	27.3	46.8%

- » Q3 gross margin increases to 19.0% due to high utilization and better order mix (Q1: 16.4%/Q2: 17.6%)
- » Moderate increase of SG&A costs (+20%) well below sales increase
- » Q3 EBIT margin at 7.8%
- » Financial result weaker at € -23.2 m (€ -15.1 m) due to inclusion of Campus refinancing and one time costs (€ 5.3 m)

# TEMPORARY INCREASE IN NWC

## Cash flow/free cash flow

€ m	9 months 2011	9 months 2012	Q3 2011	Q3 2012
EBT	48.4	95.7	24.7	36.2
Depreciation and amortization of non-current assets	14.9	19.8	5.4	6.9
Interest result	15.5	23.5	5.0	10.4
Income taxes paid	-7.3	-13.2	-3.0	-4.4
Δ Provisions	2.3	-10.4	2.7	4.8
Δ Net working capital	-48.2	-147.6	-15.0	-27.6
Other	2.6	13.8	33.5	20.0
<b>Cash flow from operating activities</b>	<b>28.2</b>	<b>-18.4</b>	<b>53.3</b>	<b>46.3</b>
Interest paid (net)	-20.5	-19.7	-20.3	-17.6
Capital expenditures	-12.4	-21.1	-4.4	-6.0
<b>Free cash flow</b>	<b>-4.7</b>	<b>-59.2</b>	<b>28.6</b>	<b>22.7</b>

» Strong cash flow improvement in Q3, NWC reduction expected in Q4



# NWC: INCREASE ALONG WITH BUSINESS EXPANSION



	09/30/2011	12/31/2011	09/30/2012
NWC in € m	77.3	32.6	177.7
DWC (Days Working Capital)	16.0	6.1	27.3
DSO (Days Sales Outstanding)	126.8	117.2	115.7

» DWC expected to be back in target range (20-25 days) at year end 2012

# WIP AND PROGRESS BILLINGS

WIP approaches normalized range of +/- € 50 m

€ m	09/30/2011	12/31/2011	09/30/2012
<b>Assets</b>			
Work in process from contracts (WIP)	922.2	936.8	1,479.5
Progress billings	-606.2	-639.2	-1,092.0
1 WIP in excess of billings	316.0	297.6	387.5
<b>Liabilities</b>			
Work in process from contracts (WIP)	-937.2	-1,221.9	-1,261.9
Progress billings	1,371.5	1,650.1	1,713.2
2 Billings in excess of WIP	434.3	428.2	451.3
<b>Machinery business</b>			
WIP	-20.7	-23.1	-34.0
3 Progress billings	18.4	18.6	33.0
4 Billings in excess of WIP	-2.3	-4.5	-1.0

# WIP AND PROGRESS BILLINGS

€ m	09/30/2011	12/31/2011	09/30/2012
Balance: total WIP less total progress billings			
1 - 2 - 4	-116.0	-126.1	-62.8
Prepayments (liabilities)			
2 + 3	452.7	446.8	484.3

- » Progress billings were € 63m higher than future receivables<sup>1)</sup> on September 30, 2012
- » This will lead to a future cash outflow of € 63m
  - ➔ However, cash flow should benefit from higher earnings/revenues

<sup>1)</sup> These future receivables are not included in trade receivables

# STRONG ROCE DESPITE HIGH NWC LEVEL



€ m	09/30/2011	12/31/2011	09/30/2012
Equity in € m	341.0	364.3	411.3
Equity ratio in %	22.7	21.9	23.5
Net financial status in € m	0.9	51.8	-25.8
Cash in € m	235.0	298.6	249.7
Gearing in %	-0.3	-16.6	5.9
ROCE <sup>1)</sup> in %	21.3	28.4	32.1

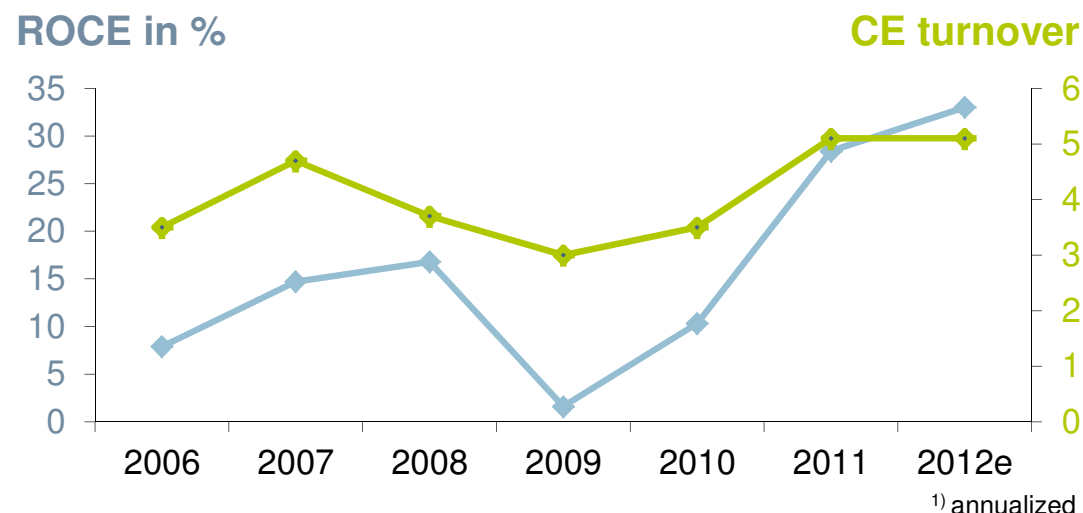
- » Equity ratio expected to increase during the next quarters
- » Positive net financial status expected at FY end

<sup>1)</sup> annualized

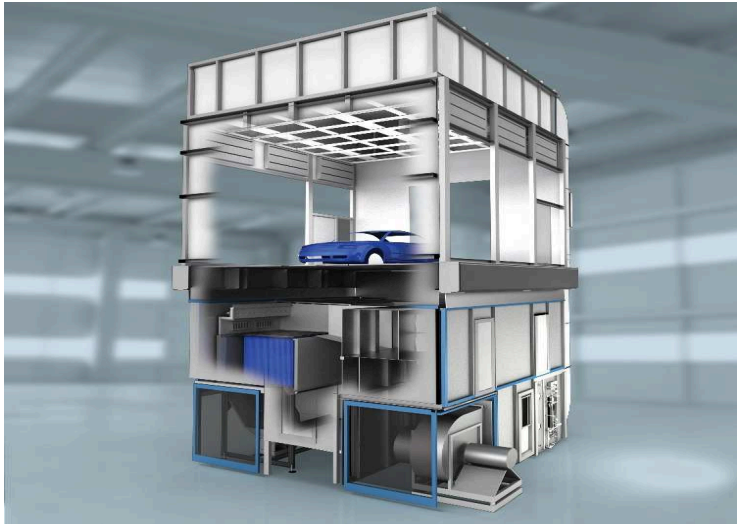
# ROCE CLEARLY ABOVE COST OF CAPITAL

	2006	2007	2008	2009	2010	2011	9 months 2012
EBIT in € m	33.1	55.7	72.7	5.7	36.6	106.5	118.9
Capital employed in € m	420.1	378.8	432.1	356.3	356.7	374.8	494.1
NWC in € m	154.7	128.9	151.8	57.4	27.3	32.6	177.7
DWC	40.9	31.4	34.1	19.2	7.8	6.1	27.3
ROCE in %	7.9	14.7	16.8	1.6	10.3	28.4	32.1 <sup>1)</sup>

- » Dürre's business model favors low capital employed
- » Strong focus on NWC management
- » Only slight CE increase since 2006 despite strong business expansion



# PAINT AND ASSEMBLY SYSTEMS: INCOMING ORDERS ON 2011 RECORD LEVEL

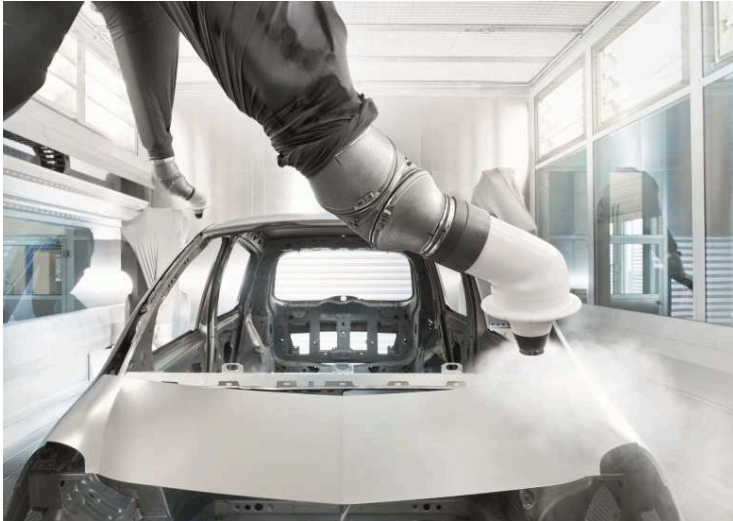


€ m	9 months 2011	9 months 2012	Δ
Incoming orders	1,004.3	992.8	-1.1%
Sales revenues	580.9	810.5	39.5%
EBIT	26.1	49.1	88.1%

» Book to bill ratio at 1.2

» EBIT margin at record high in Q3 2012 (7.0%)

# APPLICATION TECHNOLOGY: STRONG EBIT DEVELOPMENT



€ m	9 months 2011	9 months 2012	Δ
Incoming orders	464.7	406.8	-12.5%
Sales revenues	281.3	396.7	41.0%
EBIT	14.9	37.2	149.7%

- » Q3 incoming orders should have bottomed out, strong pipeline in brownfield projects
- » Good earnings improvement due to high utilization and improved margin realization, EBIT margin reached 9.2% in Q3

# MEASURING AND PROCESS SYSTEMS: CONTINUED EARNINGS MOMENTUM



€ m	9 months 2011	9 months 2012	Δ
Incoming orders	513.4	475.8	-7.3%
Sales revenues	388.0	482.8	24.4%
EBIT	22.2	40.4	82.0%

- » Normalized order intake level in Q3, selective order intake in Cleaning and Filtration
- » Incoming orders at Balancing and Assembly Products +15%
- » Earnings improvement in both business units; EBIT margin reaches 11.1% in Q3



# CLEAN TECHNOLOGY SYSTEMS: BOOK TO BILL RATIO AT 1.2



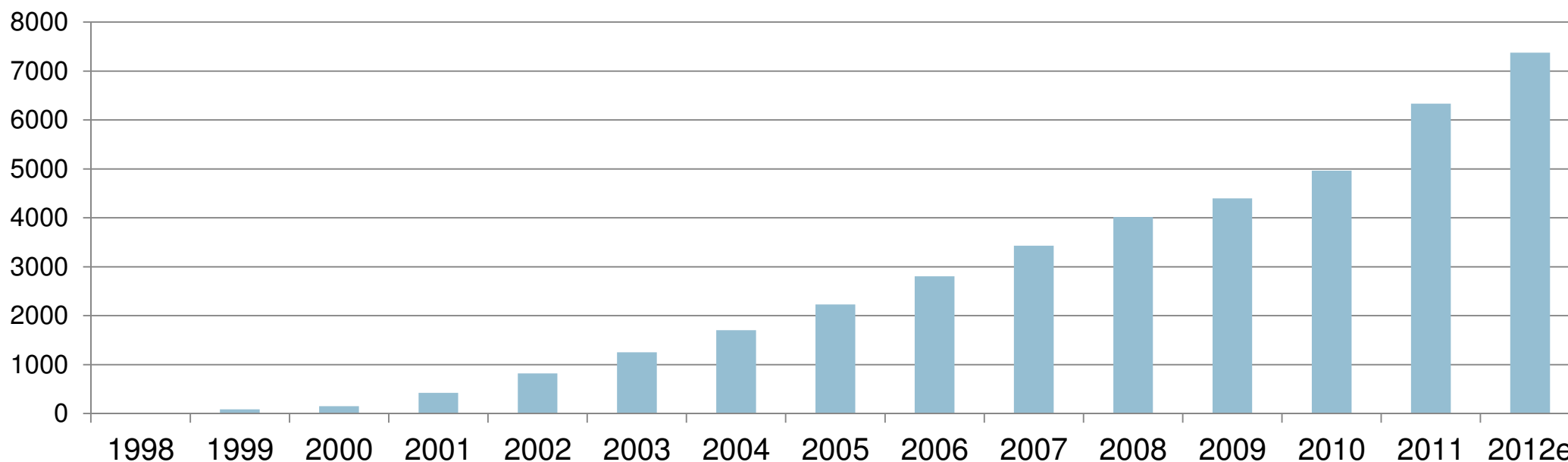
€ m	9 months 2011	9 months 2012	Δ
Incoming orders	84.0	78.9	-6.1%
Sales revenues	57.1	67.5	18.2%
EBIT	3.0	1.9	-36.7%

- » Order intake temporarily weaker in Q3; several VAM-RTO in the pipeline, higher order intake expected in Q4
- » EBIT margin at 5.5% in Q3 despite expansion costs in energy efficiency business

# EXPANDING SERVICE BUSINESS

	2008	2009	2010	2011	9 months 2011	9 months 2012
Sales revenues in € m	395.9	263.3	362.0	445.4	314.0	362.6
Sales revenue in % of group sales	24.7	24.4	28.7	23.2	24.0	20.6

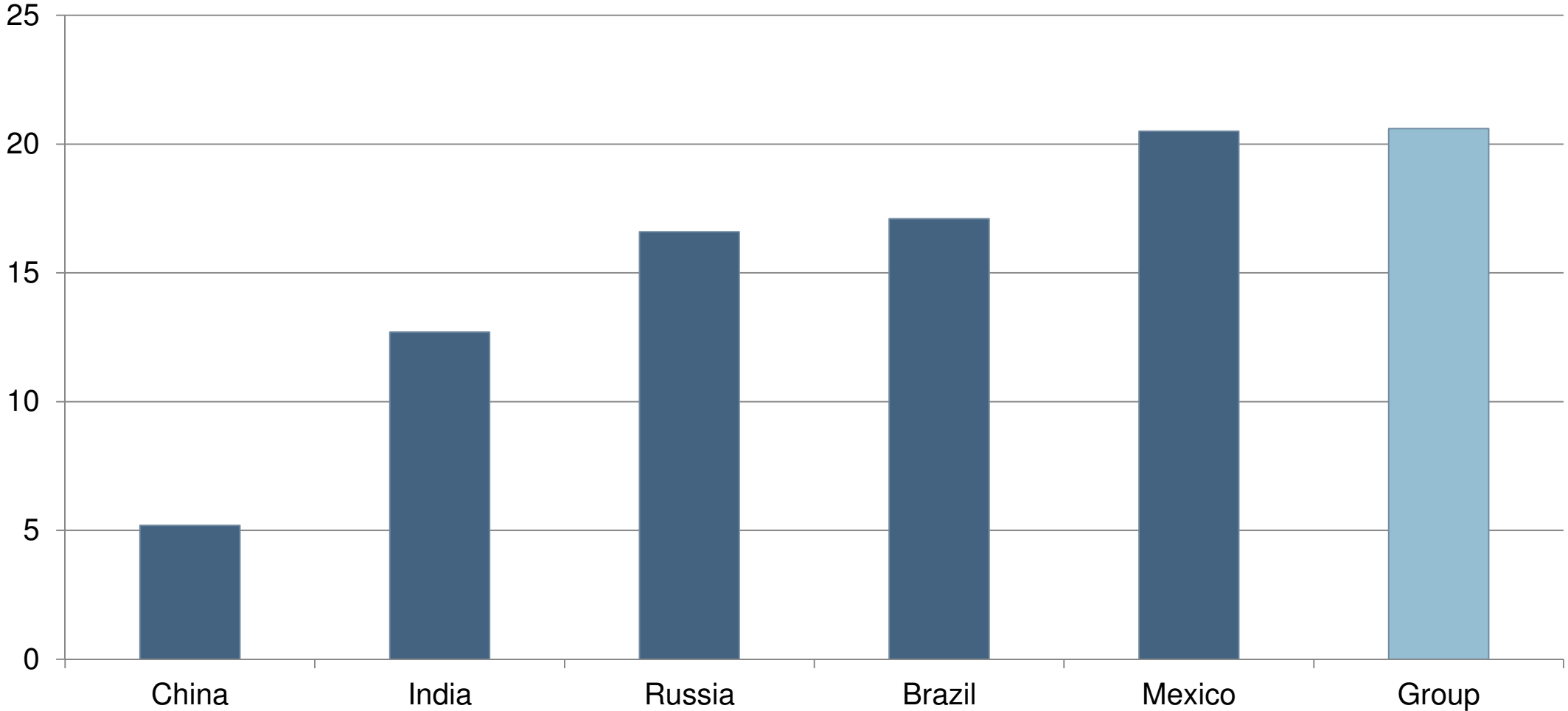
## Example Application Technology: Number of paint robots in the installed base



# LARGE SERVICE POTENTIAL IN THE EMERGING MARKETS



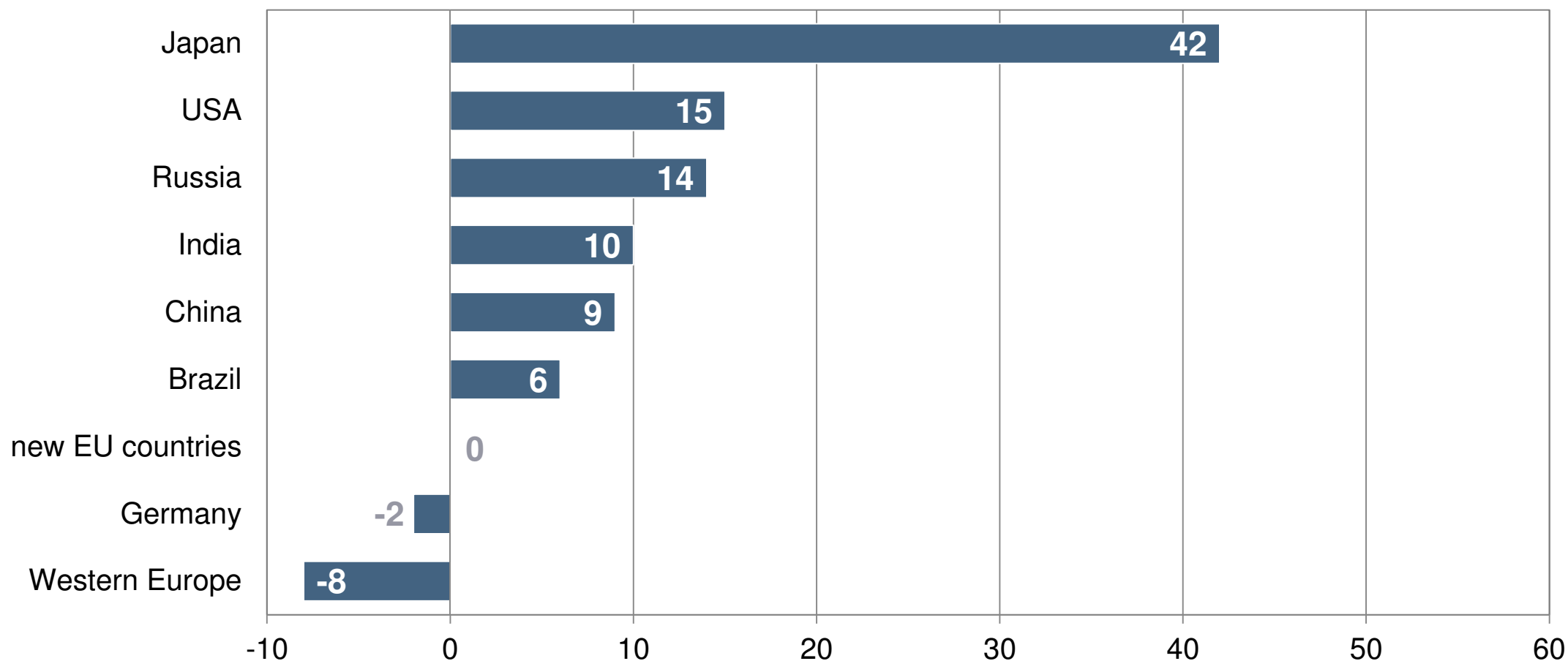
Service in % of total sales by country



# MARKET: STRONG PASSENGER CAR SALES

September 2012/2011

**Change year-over-year in %**

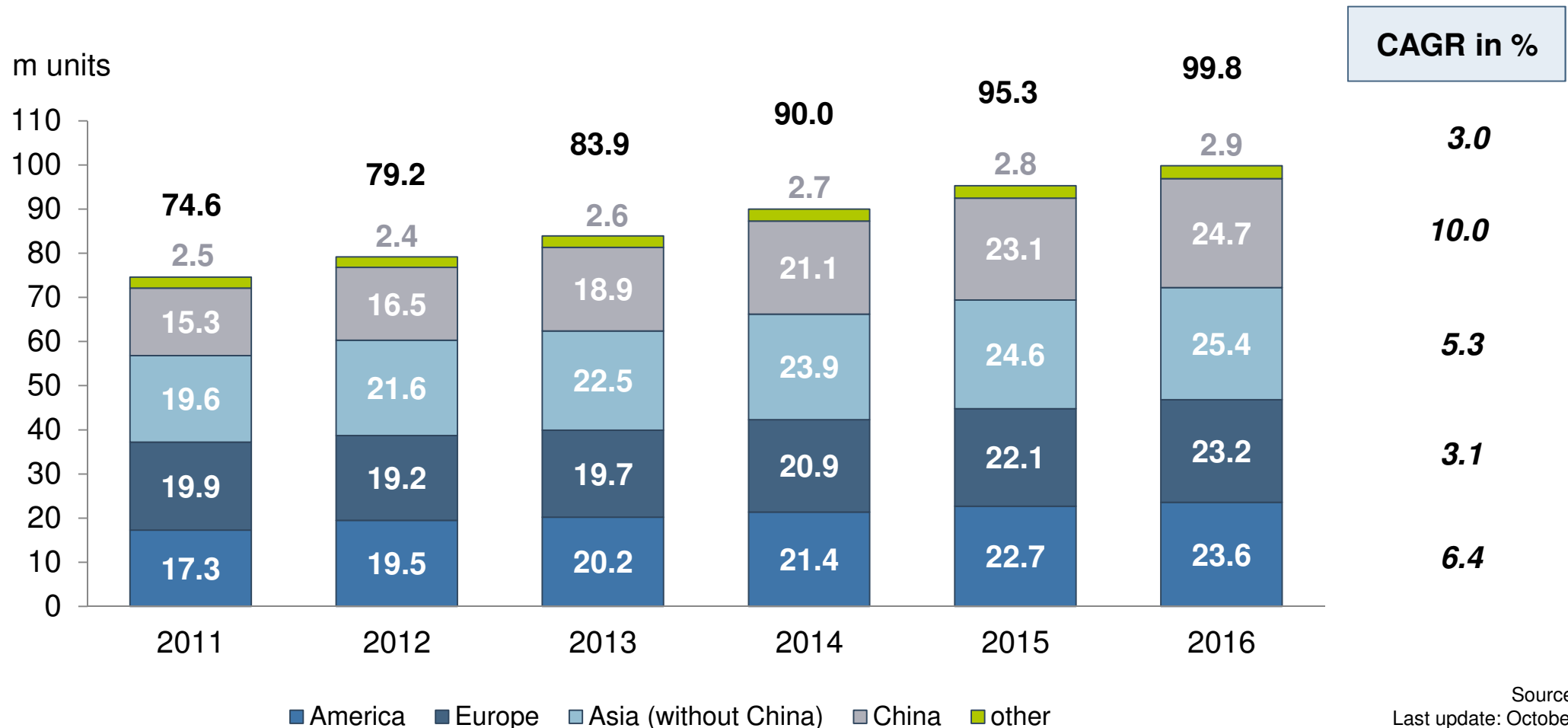


Source: VDA (German carmakers' association)

# CONTINUED STRONG EMERGING MARKETS GROWTH EXPECTED



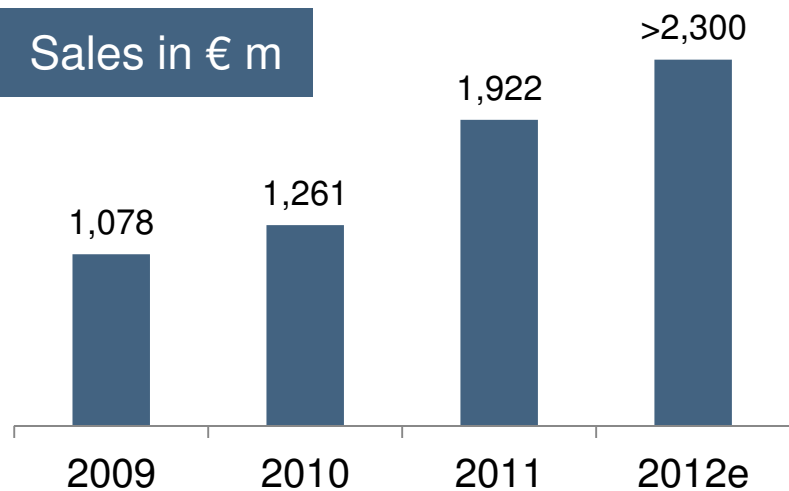
» Emerging markets contribute 90% to worldwide automobile production growth 2011-2016



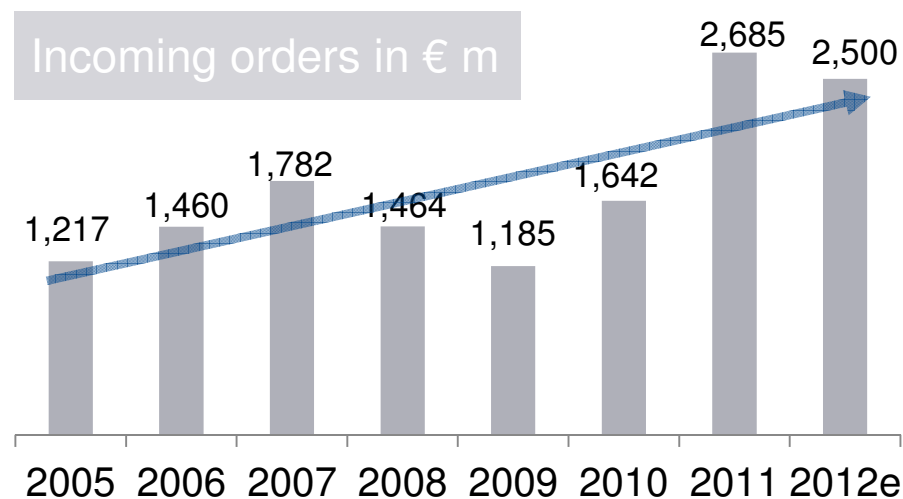
# OUTLOOK: ON THE WAY TO 7% EBIT MARGIN

Ongoing growth and profit improvement expected

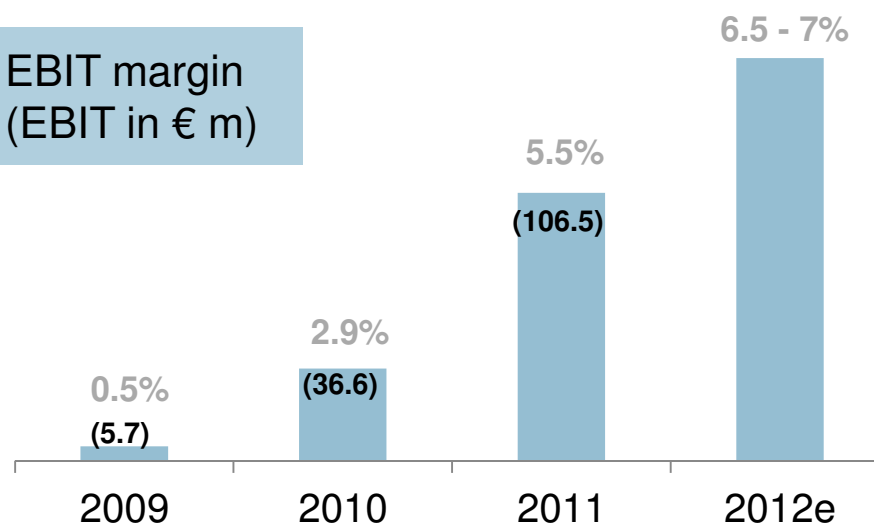
Sales in € m



Incoming orders in € m



EBIT margin  
(EBIT in € m)



# SUMMARY




»» 9 months within expectations, EBIT margin reached 7.8% in Q3

»» Positive long term market outlook despite current macro-economic slowdown

»» Healthy project pipeline, no signs for a deterioration of business

»» Positive 2012 outlook supported by order backlog, incoming orders and project pipeline. Margin goal of 6.5 - 7% within reach and conservative

# FINANCIAL CALENDAR

A background image showing a close-up of a calendar grid with numbers 6, 7, 12, 13, 14, 15, and 16 visible. An orange ballpoint pen with a silver tip is positioned diagonally across the calendar, pointing towards the bottom left.

11/13/12 - 11/14/12	UBS Conference, London
12/04/12 - 12/07/12	Berenberg Conference, Pennyhill
01/14/13 - 01/16/13	Commerzbank German Investment Seminar, New York
01/22/13	German Corporate Conference by Cheuvreux, Frankfurt

**Contact:** **Dürr Aktiengesellschaft**  
**Günter Dielmann**  
**Corporate Communications & Investor Relations**  
Carl-Benz-Str. 34  
74321 Bietigheim-Bissingen  
Germany

Phone +49 7142 78-1785  
E-Mail [investor.relations@durr.com](mailto:investor.relations@durr.com)





LEADING IN PRODUCTION EFFICIENCY

DÜRR AKTIENGESELLSCHAFT

CONFERENCE CALL  
RESULTS JAN.– SEPT. / Q3 2012

Ralf W. Dieter, CEO  
Ralph Heuwing, CFO

Bietigheim-Bissingen, November 6, 2012