

## **Annual General Meeting of KSB SE & Co. KGaA: Course set for growth after a year of major changes**

FRANKENTHAL: Following a year of fundamental changes and consolidation, Frankenthal-based pump and valve manufacturer KSB has charted a course for growth and is looking back on a positive first quarter of 2019. CEO Dr Stephan Timmermann explained the company's business development in 2018 at the Group's Annual General Meeting at the Frankenthal CongressForum on 29 May.

Order intake rose by € 38.2 million to € 2,303.5 million, while sales revenue increased by € 41.0 million to reach € 2,245.9 million. Without currency translation effects, growth would have been considerably higher at 6 % and 6.1 % respectively and in line with expectations. Earnings (EBIT) were well down on the previous year at a disappointing € 74.7 million. Write-downs made by the company to take impairment risks into account and the current political conditions affecting its business in Iran both had a negative impact, as did risk provisions for a major project in the United Kingdom announced at the half-year stage.

In view of this earnings trend, shareholders approved a significantly lower dividend of € 3.00 for ordinary shares and € 3.38 for preference shares (following € 7.50 and € 7.76 respectively). "Nevertheless, we are paying out more than 40 % to our shareholders this year. This is a clear indication that we believe in the company's strength and long-term earnings capacity", said Stephan Timmermann.

# Press Release

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In the current 2019 financial year, the company expects an order intake of between € 2,350 million and € 2,500 million, sales revenue of between € 2,300 million and € 2,450 million and EBIT of between € 95 million and € 115 million.

Stephan Timmermann provided extensive details of the CLIMB 21 structural and growth programme launched by KSB at the end of 2018 to set the course for long-term, profitable growth. Examples of this include the expansion of the sites in Grovetown, Georgia (USA), and Shirwal, India, and investments in the company's digital transformation. Another focus was on the activities to strengthen the KSB brand and the Service segment, which will be realigned under the KSB SupremeServ brand name and expanded into an important pillar of the company's business.

*KSB is a leading international manufacturer of pumps and valves. The Frankenthal-based Group has a presence on five continents with its own sales and marketing organisations, manufacturing facilities and service operations. The workforce of around 15,700 worldwide generates annual sales revenue of more than € 2.2 billion.*

You will find more information in the KSB Online Annual Report at <http://annualreport2018.ksb.com>