



KUKA

KUKA FINANCIAL YEAR 2007 PRELIMINARY FIGURES

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PRELIMINARY KEY FIGURES OF THE KUKA GROUP FOR 2007

EUR million	2007	2006	Change in %
Orders received	1,335.1	1,186.4	12.5%
Order backlog (12/31)	528.8	496.5	6.5%
Sales revenues	1,286.4	1,164.6	10.5%
EBIT	70.4	16.7	321.6%
in % of sales revenues	5.5	1.4	-
Equity ratio in %	26	11.8	-
Liquidity (+) / Net debts (-)	+163.1	-83.8	-
Employees (12/31)	5,732	5,580	2.7%

EUR million	4th Quarter 2007	4th Quarter 2006	Change in %
Orders received	279.1	308.8	-9.6%
Order backlog (12/31)	528.8	496.5	6.5%
Sales revenues	353.4	390.4	-9.5%
EBIT	21.3	9.1	134.1%
in % of sales revenues	6.0	2.3	-

Augsburg, February 7, 2008

PRELIMINARY KEY FIGURES FOR THE 2007 FINANCIAL YEAR

- **Focusing on Robotics and Systems completed**
- **Profitable growth commenced**
- **EBIT margin of 5.5 percent (operating margin 4.9 percent) significantly up from prior year**
- **Equity ratio of around 26 percent reflects sound financial and balance sheet structure (previous year 11.8 percent)**
- **EBIT margin target for 2008: at least 5.5 percent**

The KUKA Group succeeded in the 2007 financial year in completing its program of focusing on the Robotics and Systems Divisions, and commenced a strategy of profitable growth earlier than anticipated. Orders received and sales revenues were significantly higher year-on-year, growing by 12.5 percent and 10.5 percent respectively. Earnings from operating activities (EBIT) of EUR 70.4 million more than quadrupled in 2007 (2006: EUR 16.7 million). The EBIT margin rose from 1.4 percent in 2006 to 5.5 percent in 2007. EBIT for 2007 includes income from special gains relating to sales of property equal to approximately EUR 7 million; accordingly, the adjusted operating margin is 4.9 percent. In the first year in the new structure, the KUKA Group has demonstrated its earnings power, achieving results that clearly exceed both the original target margin (4.2 percent) and the meanwhile increased margin (4.6 percent). Higher capacity utilization as well as the positive effect of the restructuring measures in 2006 have contributed to this increase.

Due among others to the sale of the Packaging Division, the Group reduced all of its debt, transforming it into net liquidity of EUR 163.1 million. In doing so, the Group has improved its liquidity position by EUR 246.9 million within one year. Combining this with the current equity ratio of around 26 percent, KUKA has now achieved a stable financial and balance sheet structure.

Both the Robotics and the Systems Division were able to generate sustained improvements in their operating results for 2007. Robotics achieved an EBIT margin of 8.1 percent (prior year 6.0 percent) and Systems improved its EBIT margin to 4.1 percent (prior year 1.2 percent).

The final results for the 2007 financial year including the proposal of a dividend will be published at the accounts press conference in Munich on March 19.

THE PRELIMINARY FIGURES IN DETAIL:

Orders received by the Group of EUR 1,335.1 million exceeded the prior year by 12.5 percent. Both divisions achieved double-digit growth in orders received for the 2007 financial year (Robotics +13.8 percent; Systems +10.6 percent). The **order backlog** as of December 31, 2007 was EUR 528.8 million, which represents a gain over the prior year amount of EUR 496.5 million. In the Robotics Division, the order backlog was EUR 103.9 million or 22.7 percent higher than the figure of EUR 84.7 million for the prior year. The Systems Division also reported a year-on-year increase in the order backlog of approximately EUR 15 million. Both Divisions consequently are in a sound starting position for the new financial year.

In the 4th quarter of 2007 orders received are reported at EUR 279.1 million compared to EUR 308.8 million in the prior year. The change in the meantime in the disclosure of the cost of materials for the pay-on-production contract for Chrysler's Jeep Wrangler in Toledo / USA resulted in a quarter-to-quarter decrease. As late as 2006, materials were purchased directly by KUKA while they are now provided by the customer. This means that around EUR 20 million in cost of materials is missing from the 4th quarter 2007 figure, which has also caused a decrease in orders received and sales revenue. In addition, distribution companies were newly included in the scope of consolidation at both KUKA Robotics as well as KUKA Systems, with orders received for the entire year being posted in the 4th quarter of 2006.

Sales revenues for the Group rose by 10.5 percent in 2007 to EUR 1,286.4 million. This sales growth was based on favorable business trends in both Divisions. Robotics achieved sales revenues of EUR 412.9 million or a gain of 10.6 percent. Systems boosted its sales revenues by 8.1 percent to EUR 900.0 million. In this Division, sales revenues in the 4th quarter of 2007 remained below the strong billing-driven sales revenues in the 4th quarter of 2006. The effect of the pay-on-production contract in Toledo/USA as already described in relation to orders received also affected this category.

In 2007, the Group thus exceeded its medium-term annual growth targets of 10 percent (Robotics) and 5 percent (Systems) in both Divisions.

Earnings from operating activities (EBIT) of EUR 70.4 in 2007 more than quadrupled in comparison to the previous year (EUR 16.7 million).

The Group's EBIT margin climbed steeply from 1.4 percent in 2006 to 5.5 percent in the reporting period. Adjusted for special gains from the sales of property of approximately EUR 7 million, the EBIT margin calculated for 2007 is 4.9 percent. Thus both the originally projected EBIT margin of 4.2 percent as well as the subsequent upward revision of the target margin to 4.6 percent were clearly exceeded. The Robotics Division achieved an EBIT margin of 8.1 percent (prior year 6.0 percent) and the Systems Division improved its EBIT margin to 4.1 percent (prior year 1.2 percent).

The 4th quarter contributed EUR 21.3 million to this welcome development (Q4/2006: EUR 9.1 million). While the Group achieved an EBIT margin of 6.0 percent in the 4th quarter of 2007, the same figure for the prior year had still been 2.3 percent. In the Robotics Division, the margin of 9.0 percent was driven by high volumes in particular. In the Systems Division the contribution to earnings was driven by the final settlement of major contracts as well as the growing earnings from KTPO/Toledo. In the 4th quarter, an additional contribution to earnings from property sales in the amount of around EUR 2 million was posted under the item "Other / AG". This means that the margin for the 4th quarter was 6.0 percent.

As of December 31, 2007, the KUKA Group had 5,732 employees – or 152 employees more than at year-end 2006. The increase in the workforce resulted primarily from greater staffing needs of the Robotics Division. In order to realize the ambitious growth targets, workforce was increased in sales as well as in research and development. As of December 31, 2007, the workforce of the KUKA Group included 2,213 blue-collar and 3,324 white-collar employees as well as 195 trainees.

ROBOTICS

In 2007, the Robotics Division was the main driver of growth for the Group, both with respect to orders received as well as in terms of sales revenues. At EUR 434.9 million, **orders received** exceeded the figure of EUR 382.3 million for the prior year by 13.8 percent. Of that total, the automotive segment accounted for EUR 197.3 million; this represents a growth rate of 20.9 percent. In this area, the Division was able to take advantage of its favorable market position with the major automobile manufacturers in Europe in order to realize orders that significantly exceeded expectations. In this connection, some customers decided to do without service repairs and reconfigurations, opting for new investments instead. In addition, the Group received orders from Asia. Orders received in the general industry segment grew by 10.2 percent to EUR 156.2 million. Gains were recorded especially in medical technology. Service as a third segment also achieved 5.3 percent growth, with an increasing focus on training.

Sales revenues in the Robotics division in the past year reached a total of EUR 412.9 million (prior year: EUR 373.3 million). This is equal to a gain of 10.6 percent. Automotive posted a gain of 9.3 percent; General Industry one of 10.7 percent and Service was up 13.4 percent.

Earnings from operating activities at the Division rose from EUR 22.4 million in the prior year to EUR 33.6 million in the reporting period. This is equal to a gain of 50 percent. Orders from the automotive industry as well as general industry resulted in significant improvements in capacity utilization. This was further enhanced by the growth, in absolute terms, of the general industry business, which enjoys stronger margins. The EBIT margin rose accordingly from 6.0 percent in the prior year to 8.1 percent in 2007.

In connection with continued business growth, the Robotics Division increased its staffing levels as of December 31 to 2,023 **employees** (prior year: 1,838 individuals). The research and development department acquired additional personnel resources, with the primary focus on applications for general industry. Staffing was also built up in sales. New sales units were formed (e.g. India) and existing units were considerably extended

SYSTEMS

The Systems Division is the technology partner for industry and for automated production. In addition to continuing its cooperation with the automotive industry, the Division is increasingly opening up growth markets such as the solar industry and aviation technology. In 2007, it succeeded in generating a 10.6 percent growth in **orders received** to EUR 937.5 million. By far the largest portion of this growth was achieved in the regions of North America and Asia. Capacity utilization for the KTPO pay-on-production contract for Jeep Wrangler in Toledo / USA in the first continuous year of operations exceeded plan. Combined with the realization of productivity improvements, the contribution to earnings from this company was higher than anticipated.

Sales revenues also increased in the past year by 8.1 percent to EUR 900.0 million (prior year EUR 832.8 million). The regions North America (including KTPO) and Asia showed the strongest growth in this category as well.

Earnings (EBIT) of the Systems Division rose to EUR 37.2 million (prior year: EUR 10.0 million). Following a restructuring in the year 2007, the assembly technology and press tool areas have returned to black. In assembly, Systems already has a baseline business in the USA that is comparable to that in Germany; in the press tool area, capacities are increasingly being utilized at the Dubnica/ Slovakia location. The EBIT margin of the Division as a whole improved to 4.1 percent from 1.2 percent in the previous year.

The workforce at the Systems Division as of December 31, 2007 showed a slight year-on-year decrease to 3,582 **employees** (2006: 3,677). The staffing increases resulting from the establishment of the sales unit in India are offset by reductions in connection with the streamlining of corporate structures.

OUTLOOK

The profitable growth in the 2007 financial year highlights the successful focusing of the KUKA Group. Key elements of the realignment that were originally formulated as intermediate goals have been achieved earlier than anticipated in some cases. This is true for the financial and balance sheet structure and thus for the equity ratio and net liquidity.

The higher order backlog recorded as a consequence of the 12.5 percent increase in orders received offers a sound basis for business performance in 2008.

Future business success will be nourished on the one hand by demand for engineering services and robotics in the automotive industry and on the other hand by the growing importance of general industry. Medium-term planning forecasts an average annual growth of the Divisions by 10 percent for Robotics and 5 percent for Systems. Both growth figures were exceeded in the 2007 financial year. The Robotics Division is again planning for 10 percent growth in 2008. Systems anticipates an increase in business volume of approximately 4 percent. Taking the changed disclosure of the materials component at KTPO into account, the growth planned by the Systems Division is also in line with the medium-term planning.

Due to the high level of capacity utilization and an improved earnings structure of the orders, the goal of the Executive Board for the KUKA Group in 2008 is to achieve an EBIT margin of at least 5.5 percent (operating EBIT margin for the prior year 4.9 percent).

The medium-term planning as it currently stands ends in the 2009 financial year. The Executive Board will present and comment on the updated planning for the 2010 financial year, including targets for orders received, sales revenue and EBIT, as part of the accounts press conference on March 19, 2008.

PRELIMINARY KEY FIGURES OF THE KUKA GROUP FOR 2007

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Employees (12/31)	5,732	5,580	2.7%

EUR million	4th Quarter 2007	4th Quarter 2006	Change in %
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Sales revenues	353.4	390.4	-9.5%
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in % of sales revenues	6.0	2.3	-

PRELIMINARY KEY FIGURES OF THE DIVISIONS

ROBOTICS

PRELIMINARY KEY FIGURES OF THE ROBOTICS DIVISION FOR 2007

EUR million	2007	2006	Change in %
Orders received	434.9	382.3	13.8%
Order backlog (12/31)	103.9	84.7	22.7%
Sales revenues	412.9	373.3	10.6%
EBIT	33.6	22.4	50.0%
in % of sales revenues	8.1	6.0	-
Employees (12/31)	2,023	1,838	10.1%

EUR million	4th Quarter 2007	4th Quarter 2006	Change in %
Orders received	110.8	111.2	-0.4%
Order backlog (12/31)	103.9	84.7	22.7%
Sales revenues	114.2	100.2	14.0%
EBIT	10.3	8.2	25.6%
in % of sales revenues	9.0	8.2	-

PRELIMINARY BREAKDOWN OF ORDERS RECEIVED BY THE ROBOTICS DIVISION BY SEGMENT

EUR million	2007	2006	Change in %
Automotive	197.3	163.2	20.9%
General Industry	156.2	141.8	10.2%
Service	81.4	77.3	5.3%
Total Robotics	434.9	382.3	13.8%

EUR million	4th Quarter 2007	4th Quarter 2006	Change in %
Automotive	51.7	45.4	13.9%
General Industry	38.0	42.7	-11.0%
Service	21.1	23.1	-8.7%
Total Robotics	110.8	111.2	-0.4%

SYSTEMS

PRELIMINARY KEY FIGURES OF THE SYSTEMS DIVISION FOR 2007

EUR million	2007	2006	Change in %
Orders received	937.5	847.8	10.6%
Order backlog (12/31)	434.7	419.3	3.7%
Sales revenues	900.0	832.8	8.1%
EBIT	37.2	10.0	272.0%
in % of sales revenues	4.1	1.2	-
Employees (12/31)	3,582	3,677	-2.6%

EUR million	4th Quarter 2007	4th Quarter 2006	Change in %
Orders received	175.4	211.1	-16.9%
Order backlog (12/31)	434.7	419.3	3.7%
Sales revenues	238.8	309.4	-22.8%
EBIT	12.9	8.6	50.0%
in % of sales revenues	5.4	2.8	-

PRELIMINARY BREAKDOWN OF ORDERS RECEIVED BY THE SYSTEMS DIVISION BY REGION

EUR million	2007	2006	Change in %
Germany	446.6	414.2	7.8%
Europe (without Germany)	95.0	104.7	-9.3%
North America	342.1	301.1	13.6%
Other regions	53.8	27.8	93.5%
Total orders received	937.5	847.8	10.6%

EUR million	4th Quarter 2007	4th Quarter 2006	Change in %
Germany	95.8	83.6	14.6%
Europe (without Germany)	24.0	39.3	-38.9%
North America	37.8	68.1	-44.5%
Other regions	17.8	20.1	-11.4%
Total orders received	175.4	211.1	-16.9%

FINANCIAL CALENDAR

- Accounts press conference, Munich
Hotel Bayerischer Hof, 10:00 a.m. **MARCH 19, 2008**
- DVFA analysts conference, Frankfurt **MARCH 19, 2008**
- Interim report for first quarter **MAY 6, 2008**
- Annual General Meeting, Augsburg **MAY 15, 2008**
- Interim report for first half **AUGUST 5, 2008**
- Interim report for the first nine months **NOVEMBER 4, 2008**

Note: This report of preliminary results contains forward-looking statements based on assumptions and estimates made by the management of KUKA Aktiengesellschaft. Although management is of the opinion that these assumptions and estimates are accurate, future actual developments and future actual results could deviate significantly from these assumptions and estimates due to a variety of different factors. Some of these factors could, for example, include a change in the overall economic climate, exchange rates and interest rates, as well as changed conditions in the markets themselves. KUKA Aktiengesellschaft makes no guarantees that future developments and actual future results will align with the assumptions and estimates contained in this report, nor does it accept any liability for same. Rising oil and other raw material prices dampened the effects of expansionary monetary policies and the comparatively low cost of capital.

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