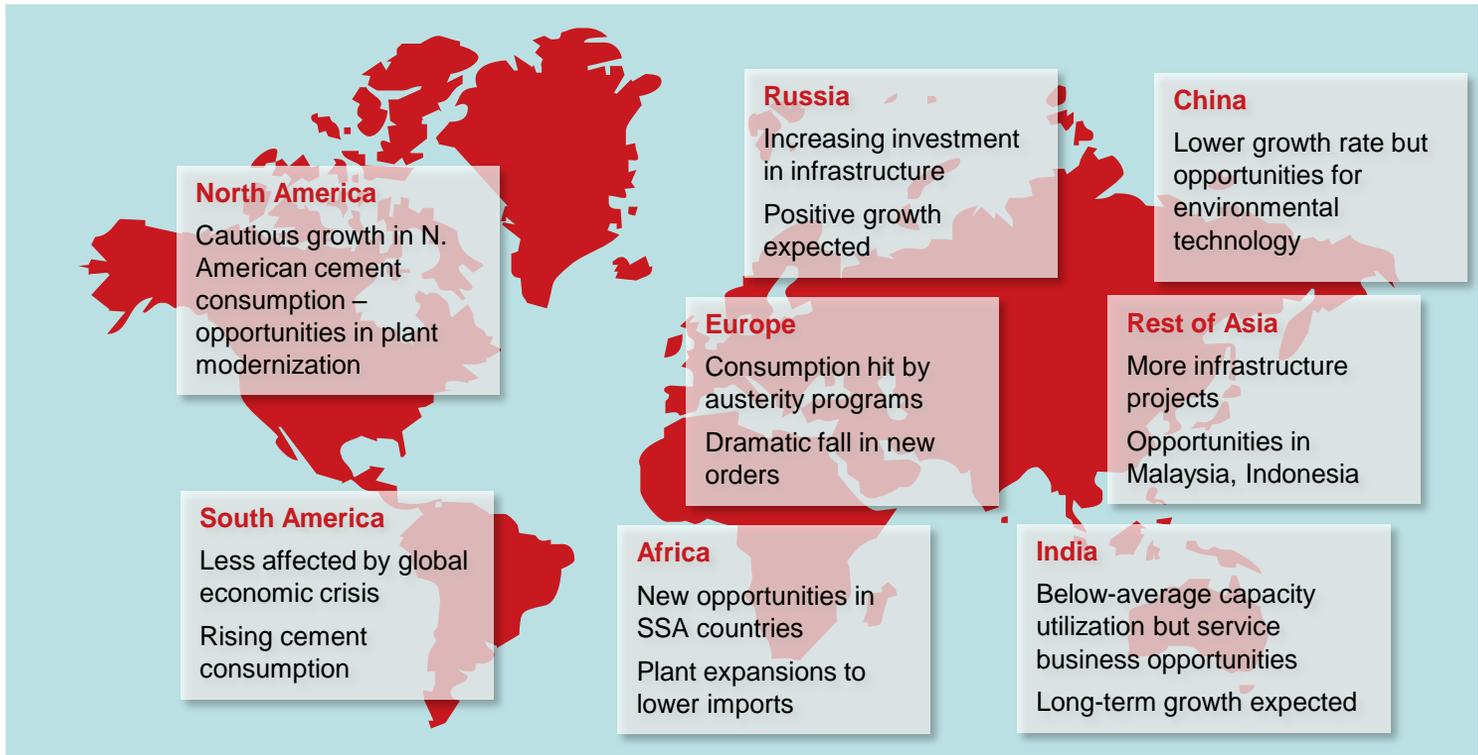


## Strong market position maintained

H1 2012 Order intake significantly increased ... back to operating profits despite delays in order execution ... Higher R&D and sales expenses ... 2012 EBIT margin forecast 2-4% ... Investors' and Analysts' webcast presentation ... Jouni Salo, CEO

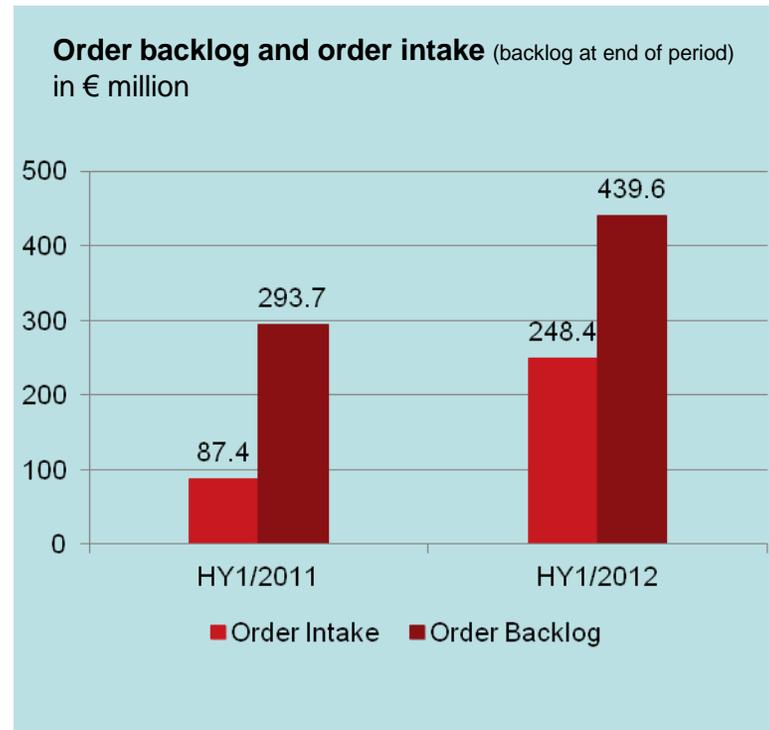
August 15, 2012

## Global cement markets offer opportunities despite economic slowdown



## HY 2012 order intake surpasses 2011 full year figure

- Order intake triples in comparison to HY 2011 figure
- First EPC project with AVIC in Venezuela
- € 100 million order in Malaysia (AVIC portion approx. 60%)
- 2 roller presses for the mining industry in Peru and Canada (with strategic partner Weir Minerals)
- Order backlog up 49.7% - highest level since 2008



## KHD's technology used around the world - partnerships proving success

### Invecem Cement

- New 2,400 tpd line for cement plant in San Sebastian, Venezuela
- First EPC order with AVIC as general contractor



### Straits Cement (subsidiary of YTL Group)

- New 5,000 tpd production facility in Kuantan, Malaysia
- Order volume € 100 million (AVIC portion approx. 60%)



### Stavropolsky Zavod Stroitelnih Materialov (EUROCEMENT Group)

- New 3,500 tpd cement plant in Stavropol, Russia
- Order volume € 80 million



### Mining industry other grinding orders

- Smaller orders included the delivery of COMFLEX® grinding facilities in Malaysia
- High-pressure grinding rolls in Canada and Peru

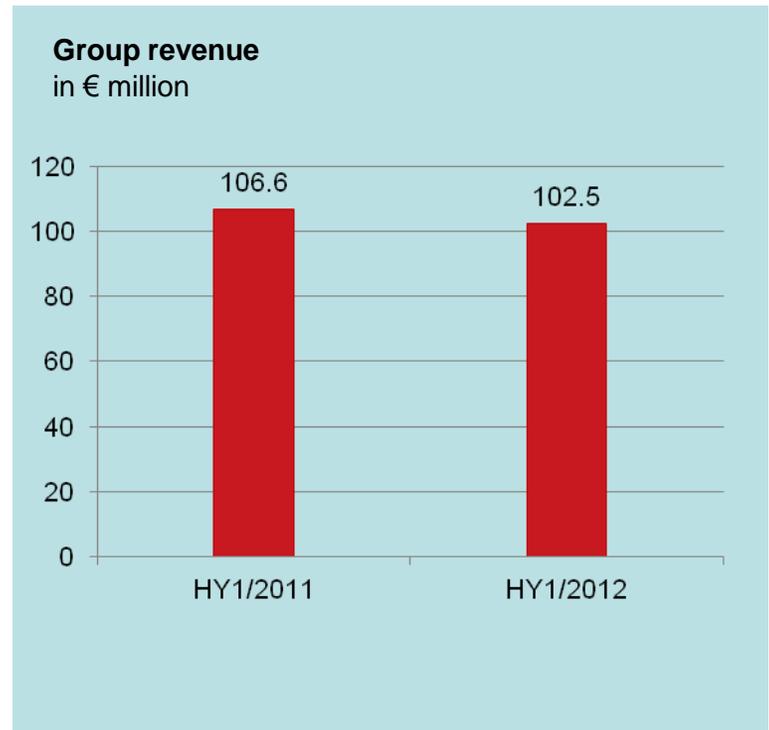
## Focus on service business

- Growing services in line with technological core competence add to our asset-light business model
- New roller press refurbishment shop in Delhi already working at full capacity
- CRM management system established, group-wide roll-out in 2012
- In discussions with possible strategic partners



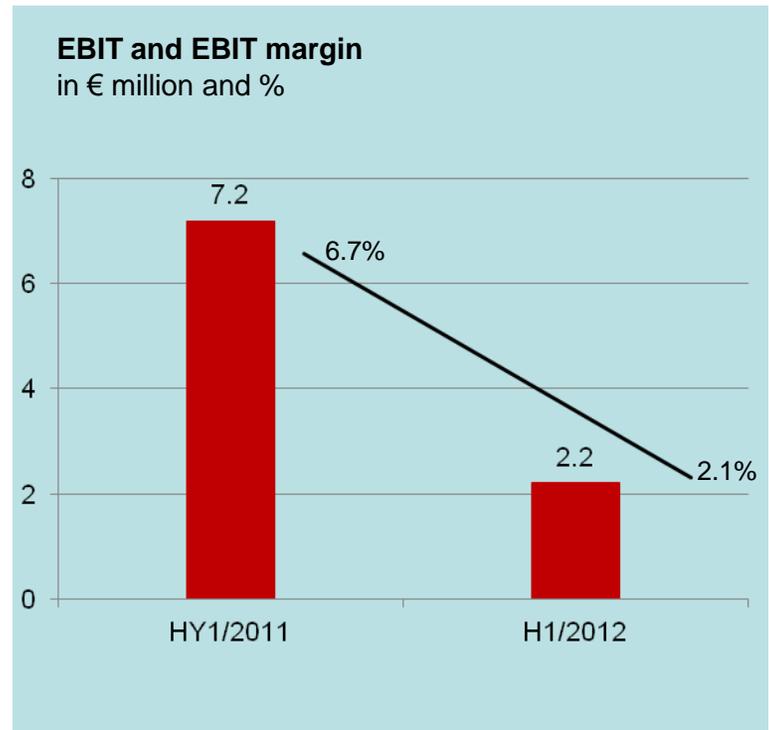
## Revenue on previous year's level

- Revenue remained on previous year's level despite delays in order execution
- Major contributions from projects in India, Russia, Middle East, and South America
- New orders will not have a major effect on 2012 revenues



## EBIT margin reflects difficult market conditions

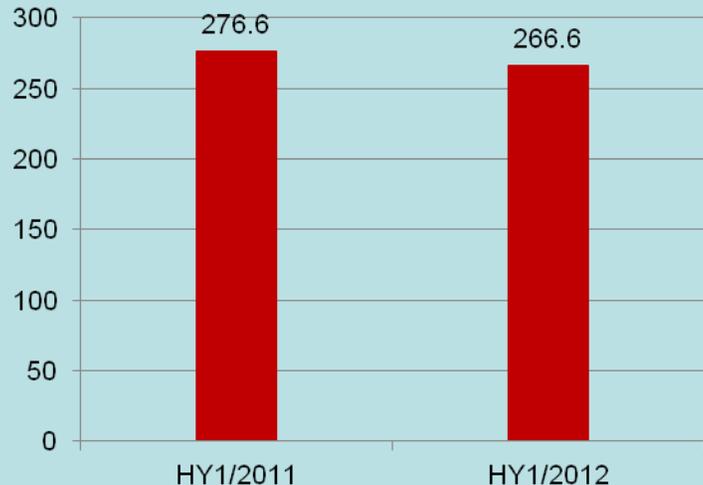
- Satisfactory gross profit margin of 19.9%
- Positive operating profit in Q2, however disappointing overall profit margin
- Sales expenses up 11.5% due to increased tendering activities
- R&D investments up 26% - focus on standardization and improving plant efficiency
- Group net result slightly negative due to one-time tax expense



## Continued strong financial position

- Cash outflows from operating activities
- Cash flow from investing activities is largely attributable to the SAP project
- Equity ratio virtually unchanged at € 54.7%

**Cash position** (unrestricted cash and cash equivalents)  
in € million



## Modest expectations for 2012, promising long-term perspectives

- Worldwide economic slowdown, with impact on KHD's core markets
- Long-term outlook for cement markets is positive
- Revenue target between € 230 and € 250 million
- 2012 EBIT margin forecast: 2% - 4%



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## Disclaimer for Forward-Looking Information

This document contains statements which are, or may be deemed to be, "forward-looking statements" which are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Important factors that could cause actual results, performance or achievements of the Company to differ materially from the expectations of the Company include, among other things, general business and economic conditions globally, commodity price volatility, industry trends, competition, changes in government and other regulation, including in relation to the environment, health and safety and taxation, labor relations and work stoppages, changes in political and economic stability, the failure to meet certain conditions of the offer and/or the failure to obtain the required approvals or clearances from regulatory and other agencies and bodies on a timely basis or at all, the inability to successfully integrate the operations and programs of businesses and/or companies acquired with those of the Company, incurring and/or experiencing unanticipated costs and/or delays or difficulties relating to integration of acquired businesses, disruptions in business operations due to reorganization activities and interest rate and currency fluctuations. Such forward-looking statements should therefore be construed in light of such factors. Other than in accordance with its legal or regulatory obligations, the Company is not under any obligation and the Company expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Additional information about these and other assumptions, risks and uncertainties are set out in our financial statements for the year ended December 31, 2011.

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