Investor and analyst webcast presentation

Jouni Salo, CEO, Yizhen Zhu, COO Asia Pacific

CEMENTING A STRONGER FUTURE

Financial Year 2012 Results - KHD Humboldt Wedag International AG March 27, 2013

Q4 2012 - Strongest quarter of the year

- Traditionally strong quarter
- Announced order from India, Holcim Jamul for € 69 million
- New project from Italcementi
- Grinding project in Africa

Q4 Key Figures
in € million

	Q4 2012	Q4 2011
Order Intake	128	10
Revenues	70	69
EBIT	3	1.9
EBIT Margin	4.3%	2.8%
Order backlog	491	294

2012 in brief: Challenging environment

Industry

- Strong competition and margin pressure
- Continued project delays and postponements

Business

- Significant growth in order intake and backlog
- Slight decline in revenue
- EBIT and EBIT margin within guidance corridor

Financials

- Solid liquidity
- Stable equity
- New bonding line of € 130 million

Agenda

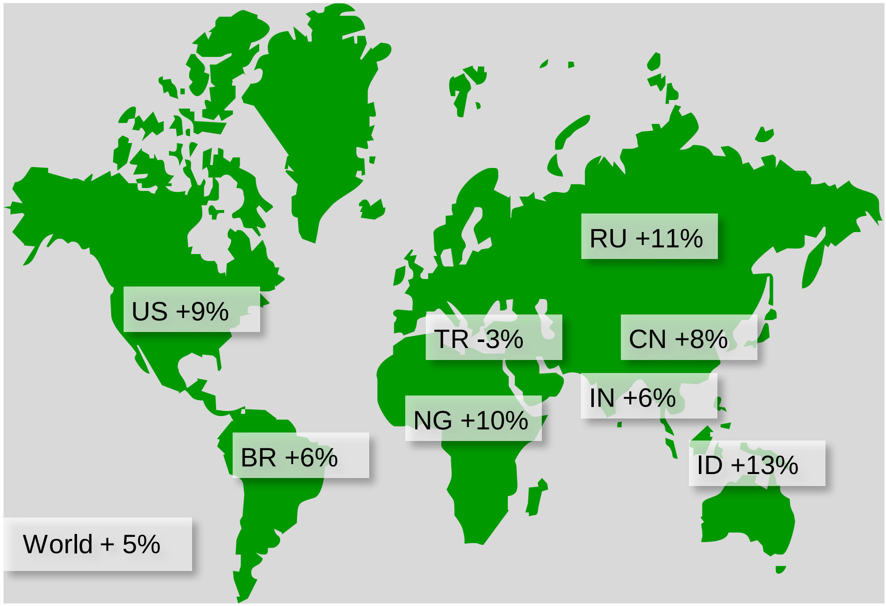
Business Performance

Financial Performance

Achievements

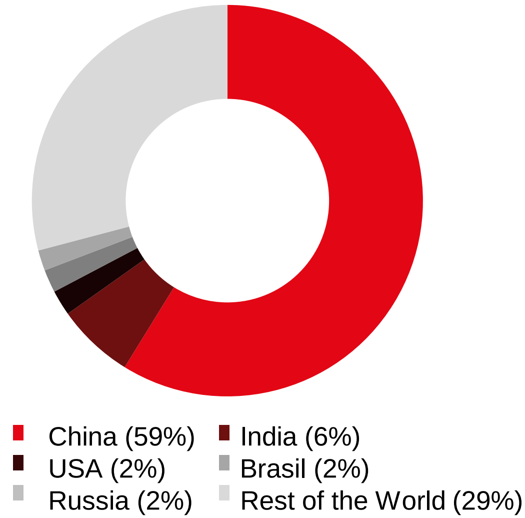
Outlook 2013

Slow but continuous growth in cement consumption 2012



Sources: BNP Paribas, CW Group Report, KHD

Global Cement Consumption 2012
in %



Key markets still uncertain

India
- Slower growth with very few capacity expansion projects in 2012
- Rising raw material and energy costs

Turkey
- Sharp decline in construction and infrastructure spending
- Stronger competition

Russia
- Double digit growth in cement consumption, however utilization rates remained low
- Investments planned in infrastructure

Americas
- Slow start in US, with utilization picking up in second half but far below pre-crisis levels
- Some growth in South America

Asia Pacific
- New projects in Southeast Asia

Mining Markets
- Sharp decrease in iron ore demand, especially in China
- Major customers critically reviewing all CAPEX projects

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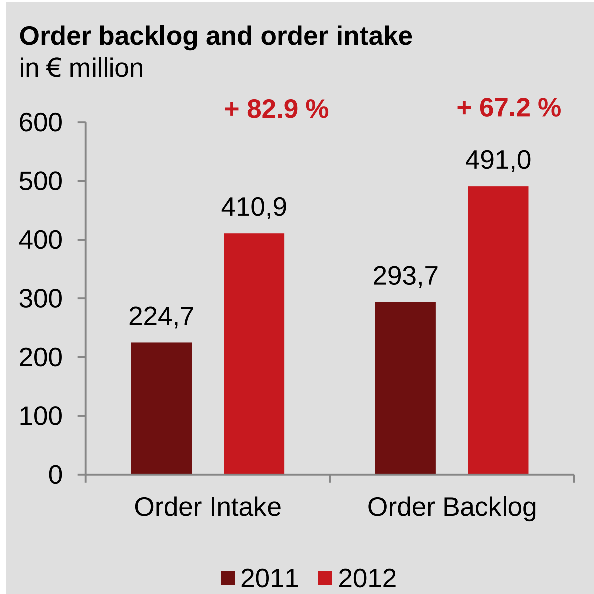
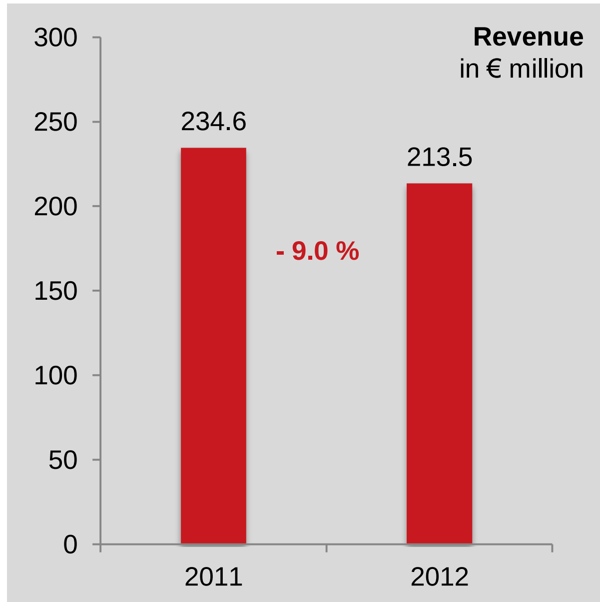
Significant growth in order intake and backlog

- AVIC partnership - proof of concept with new orders in Malaysia (YTL Group/ € 100 million), Venezuela (Invecem), Turkey (SÖNMEZ)
- Additional orders in Russia (EUROCEMENT / € 80 million), India (Holcim Jamul / € 69 million) and Italy (Italcementi)
- Service business order intake equaled 12% of total order intake
- Lower demand for HPGR technology in the mining industry resulting in order intake of € 18 million



Delays in project execution continue to impact revenue

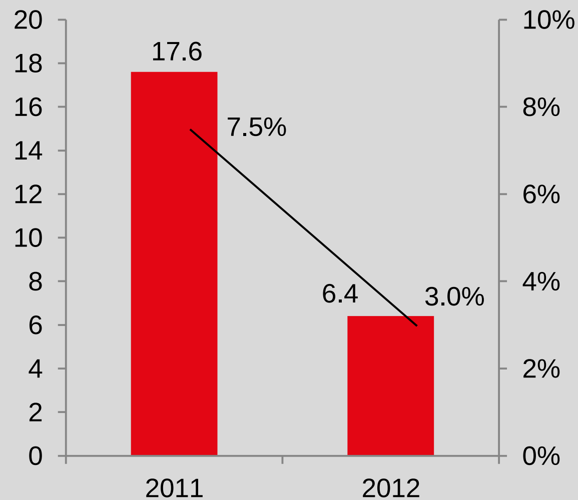
- Unsatisfactory order intake from previous years led to lower revenues
- High order backlog does not immediately translate into revenue
- Financing conditions remained difficult for some of the customers and regions
- Biggest revenue contribution from India, followed by Turkey and Russia



Earnings before interest and taxes and margin in within guidance

- Postponed revenues cause EBIT reduction of € 8.7 million
- Gross profit declined from € 52.5 million to € 43.8 million
- Gross profit margin remained on satisfactory level of 20.5%
- Sales expenses of € 13.6 million as well as R&D costs of € 3.6 million on similar level as in previous year
- Administrative expenses of € 18.5 million remain virtually unchanged

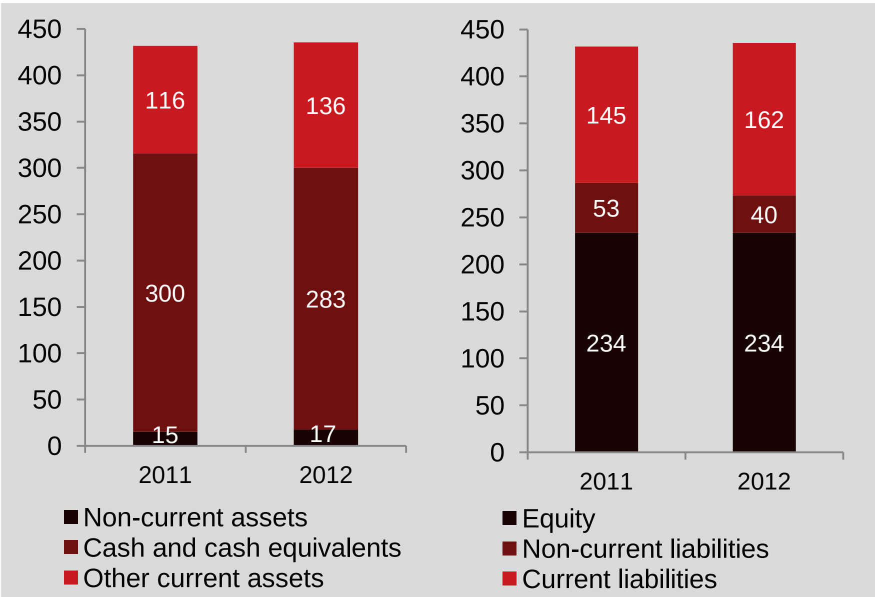
EBIT and EBIT margin
in € million and %



Group net results and dividend proposal

- Group net profit at € 7.0 million
- EPS 14 cents per share
- Proposal to distribute € 3.0 million of the Company's € 4.8 million net retained profits as a dividend to shareholders
- Dividend proposal corresponds to 6 cents per share
- The Company's remaining net retained profits of € 1.8 million to be carried forward

Balance Sheet: Continued high levels of equity and liquidity



- Increase in current assets of € 20 million corresponds to € 17 million increase in current liabilities
- Operating cash flow amounted to negative € 11.3 million
- Stable equity that corresponds to equity ratio of 53.6 %

Balance Sheet: Cash Management

- Dividend
  - € 6 million distributed in 2012
  - € 3 million distribution proposed for upcoming AGM
  - Dividend policy to be launched at AGM
- Acquisitions
  - Hot list narrowed down to 10 possible targets
  - Mainly for services, new environmental technologies and increased competitiveness
- Possible share buyback – to be decided after AGM

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Achievements

Outlook 2013

Achievements

- Increased market share and won new orders under difficult market conditions
- KHD and AVIC partnership is well-accepted in the market
- KHD wins order to build one of the most eco-friendly cement plants in Europe in the Lake Garda region (Italcementi order from Nov 2012)
- KHD's Combustion Chamber wins award for 'Most innovative technology for alternative fuels use' at the 6th Global CemFuels Conference (Feb 2012)
- Launched first roller press service facility in India

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Strategic Achievements in 2012

Outlook

Outlook – Markets 2013

India
- Timing of market comeback still questionable
- 70% utilization predicted for 2013

Turkey
- Slowdown in Europe will affect growth in Turkey
- Utilization 60% - 70% predicted

Russia
- New projects expected, including modernization projects
- Access to financing still a factor for many customers

Americas
- Some markets in South America gaining strength
- Modernization projects in the US due to environmental legislation
- Brazil development uncertain

Asia Pacific
- Pace of growth slowing down
- Consolidation and environmental requirements continue to shape Chinese cement industry

Mining Markets
- Continued cost reductions from major mining companies will limit the number of new projects

Sources: BNP Paribas, CW Group Report, KHD

Group strategic initiatives 2013 and onwards

- Strong focus on project execution and profitability
- Expansion of service business
- Simplified legal and operational structure
- Continued development of KHD competiveness by strengthening our resources and capabilities in low-cost regions
- Reduce SG&A costs in 2013

Group financial outlook 2013

- Solid order intake – driven by Russian market
- Significantly higher revenues based on strong order backlog
- Lower gross profit margin caused by projects won under fierce competition and due to pass-through revenues
- Slight increase in EBIT margin resulting from revenue growth and cost reductions

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