



# **ANNUAL PRESS CONFERENCE 2018/2019**

## **Conference speaker**

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## **Topics:**

- Operating results for fiscal year 2018/2019 (as of 03/31/2019)
- Expansion
- 10 years of electromobility
- Banking and logistics automation

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## KEBA: Growth unchanged

20% higher sales from growth in all business areas and acquisitions

### Operating results for fiscal year 2018/2019

The Linz-based KEBA Group recorded €304 million in revenues in the past fiscal year (April 2018 - March 2019).

With a sales increase of €50 million and sales growth of 20%, the KEBA Group has again achieved the highest revenues in its history. Average annual growth over the past five years lies at 11% (CAGR). A quarter of the €304 million in revenues comes from the LTI Motion Group, which has been a part of the KEBA Group since late December, 2018.

The export quota remains high at 88%. 66% of exports went to the EU (without Austria) and 13% to Asia.

FACTS	2018/2019	2017/2018	2016/2017	2015/2016
<b>KEBA Group</b> Sales in million euros	304	253.6	193	181
Number of Group employees	1750	1130	1036	950
R&D	16.3%	16.4%	20%	18.5%
Export	88%	87%	87%	84.5%

Sales including the LTI Motion Group, which joined the KEBA Group in 12/2018

Employees FT equivalent including LTI Motion Group; as of 03/31/2019)

The KEBA Group is based in Linz, Austria. The acquisition completed in December 2018 further strengthened the international presence of the company. KEBA currently owns subsidiaries in 14 countries and regions: Germany, the Netherlands, Italy, Romania, Switzerland, Czech Republic, Turkey, USA, China, Taiwan, South Korea and Japan.

For the industrial automation area, KEBA also founded a subsidiary in India in the fall of 2018.

Personnel growth in the past fiscal year is partly due to the merger with the LTI Motion Group. Business growth has also led to the hiring of additional qualified employees. Despite the tight market for skilled workers, the company was able to hire more experts in 2018 as well. At the end of the fiscal year, the KEBA Group employed around 1,750 people worldwide.

Research and development is critical for a technology company like KEBA and provides the foundation for future success. The further development of products and solutions will ensure KEBA's market position both now and in the future. Accordingly, the KEBA Group dedicates a significant portion of its revenues to research and development (R&D) each year. Over the last year, R&D investment rose from €41.5 million to around €50 million.

### **KEBA is consolidating its market position through strategic acquisitions and becoming a total solution provider in the area of industrial automation**

In late 2018 KEBA AG acquired LTI Motion Group, a leading provider of drive solutions from Germany. Founded in 1971 as Lust Electronic-Systeme GmbH, the company had been part of the international technology group Körber since 2013 until it was sold to KEBA in December 2018. The LTI Motion Group specializes in providing drive solutions for demanding customers in mechanical engineering sectors. This acquisition makes KEBA a total solution provider in the area of industrial automation.

KEBA and LTI Motion collaborated on automation solutions for a number of years. The product portfolios of the companies complement each other perfectly. KEBA is a specialist in control and security, and in operations in industrial environments, LTI Motion in the area of servo drive technology.

Customers can now get complete solutions from a single source, from operation, control and security solutions to drive technology, all tailored to their specific needs. Combining the expertise and innovation strength of KEBA and LTI Motion opens the door to new

market opportunities. Synergies exist not only in technology and the modular product system, but also in distribution.

LTI Motion has several branches in Germany (Lahnau, Unna and Wasserburg), one in Switzerland and one in Italy as well as several in China. The main office, which includes development and production, is located in Lahnau. The office in Unna develops wind energy solutions and the office in Wasserburg focuses on CNC control systems.

With this acquisition, KEBA continues on its path of growth.

## **KEBA strengthens its international expansion with new headquarters in China**

Asia, and especially China, has been a key region for the economic success of KEBA for more than 20 years now. As part of its internationalization strategy, KEBA Industrial Automation has been steadily expanding its presence in China since 2002. After opening offices in Ningbo and Guangzhou, KEBA Industrial Automation China finally established its headquarters in Shanghai in 2009. In 2016 another office was opened in Jinan, an emerging industrial center in China.

17 years after entering the industrial automation market in China, KEBA Industrial Automation recently unveiled its new headquarters in Shanghai.

It consists of two buildings with 10,000 m<sup>2</sup> of advanced infrastructure. LTI Motion China, which has been active in China since 2005, also relocated to the new headquarters. In addition to KEBA China's existing assembly facility, which combines components into a complete system, the company now has its own electronics manufacturing facility in the new headquarters as well. In this facility electronic components are manufactured for the Asian market.

In total, the KEBA Group and LTI Motion have 7 subsidiaries and over 170 employees in China.

The CBPM KEBA joint venture in Beijing, in which KEBA owns a 25% stake, specializes in bank automation and employs around 740 people.

## **KEBA is greatly expanding production capacity at its main location in Linz, which now offers 30,000 m<sup>2</sup> of production space**

The company's headquarters in the Urfahr business park is home to the KEBA electronics manufacturing facility. A major investment into this facility was made in 2018 when a third SMT assembly line for manufacturing electronic printed circuit boards was put into operation. The expansion of production capacity ensures that the company is well-equipped for additional growth.

In addition to the production site in the Linz business park, a second production site was opened in the Linz industrial zone in 2013 due to business growth and the need for more space. This site started out with around 5,000 m<sup>2</sup>, and has been continuously expanded ever since. It has more than tripled in size now. The site is dedicated to manufacturing automated machines and small devices.

In 2018 a third production site was built in the Strattnerstrasse in the east of Linz and is used for assembling large-scale automated machines.

Today KEBA has 3 production sites in Linz with about 30,000 m<sup>2</sup> of production area.

With the acquisition of LTI Motion, KEBA now has a second large production site in Germany in Lahnau, where the headquarters of LTI Motion is located. This production site focuses on electronics and equipment manufacturing.

## **10 year anniversary: Electromobility has become a core business with great growth potential**

Back in 2009, when electromobility was still just a vision of the future, KEBA presented its first charging station prototype. Since then KEBA has sold more than 150,000 wallboxes worldwide and is now one of the top 3 leading manufacturers in the sector.

Electromobility has been a mainstay of the KEBA service range for more than 10 years. KEBA is certainly one of the pioneers in the field of smart charging solutions and can rely on its extensive knowledge and vast experience in this emerging sector.

Research, development and production takes place in Linz, Austria. With its own production facilities, KEBA supplies customers throughout the world with optimally

matched hardware and software solutions from a single source. In the KEBA in-house testing lab, products are regularly tested with the latest available electric vehicles in real operation.

The smart charging solution from KEBA allows electric cars to not only be safely and securely charged, but also networked thanks to numerous interfaces. It serves as an intelligent link between the electric car and other systems depending on customer use. Such networking, or connectivity, makes it possible to have two-way communication and control a wide range of processes.

The KEBA wallbox, for example, can thus function as an intelligent link between the electric car and the power grid. The wallbox can communicate with both the power grid (smart grid) and the electric car and also control processes.

Electricity can be fed to the car if there is surplus power or returned to the grid in the case of power bottlenecks. The technical term for this is “bi-directional charging”. The wallbox can also be integrated into the “smart home” and connected to photovoltaic systems. On company parking lots, the KEBA wallbox enables communication between individual charging points, which allows for the distribution of available energy via load management. For use in (semi) public areas, a modem with SIM card is installed in the wallbox so that it can communicate wirelessly over the mobile network with the system technology used to operate the various charging points. All individual areas as well as the entire system of mobility, smart home, smart grid and smart cities can be made more efficient in this way. In addition, new technologies such as blockchain enable secure transactions.

KEBA wallboxes are certified in 45 countries. Different versions, models and equipment series are available to cover all electric vehicles and plug-in hybrids.

In 2018 KEBA charging solutions were certified according to the European Measuring Instruments Directive, which in turn creates the basis for the integration of billing methods. In 2019 the focus will be on gaining approval for the KEBA wallbox under German measurement and calibration law, which mandates that all charging stations in Germany must ensure transparent and secure billing for the charging power that customers use.

The target customer group are all owners and users of electric cars that are charged

externally (BEVs and PHEVs). A charging station, or wallbox, is needed for the charging process. A standard home power outlet is not designed for this kind of operation, which actually requires about twice the power consumption of the household.

KEBA's sales channels consist of Charge Point Operators, who operate the charging infrastructure, and electrical wholesalers. The wallboxes can also be purchased from specialist retailers either in stores or online. Another sales channel is auto manufacturers, who are starting to include the wallbox with their electric cars.

For many, an electric car is already suitable for everyday use and offers a good alternative as a second car. This is also evident in the growing number of permits given for electric cars. KEBA is convinced that conventional fuels and electromobility will co-exist in the future. For this reason the company believes that its expansion in this business area will continue in the future.

## **KEBA now recognized as a pioneer with “cult status” in the area of banking automation and parcel machines**

Under the motto “We ensure the transfer from the digital to the real world”, KEBA develops innovative solutions for logistics and banking automation.

### **Banking automation**

In the area of banking automation, the new generation of KePlus “evo” machines has done very well on the market. This line of ATMs once again sets new standards in self-service cash withdrawal and deposit. A minimalist design and a light-controlled operating concept make it extremely easy to use the ATM and keeps all complexity in the background for customers. At the same time convenience is increased for the user. For example, ATM users can adjust the position of the control panel on the large screen to their preferred size.

In addition, an accessible ATM was developed for wheelchair users or elderly with walkers and greatly facilitates operation in this regard. Despite its accessibility features, the ATM has a modern design and fits perfectly into the branch concepts of banks.

While the focus so far has been on ATMs for the interior of branch foyers, KEBA has now added an outdoor cash recycling ATM in its portfolio. This outdoor ATM not only allows cash to be withdrawn, but also deposited. This makes cash deposit services less

dependent on available interior space. The first models are already in operation and often used to exchange currencies in the border area with Switzerland.

Another recent addition to the KEBA banking automation portfolio is the mini-branch, which meets the needs of banking customers and financial institutes. Despite digitalization, banking customers still often prefer personal contact, which helps to significantly increase customer loyalty. Yet financial institutions are facing greater economic pressure, and a large branch network is often no longer economically viable. With the mini-branch, KEBA offers a cost-effective solution for small locations with (temporary) staffing. This extremely compact solution offers the full range of services: cash withdrawal and deposit, coin handling, account services and the opportunity for brief consultation. Banks are thus able to position themselves in ways that limit cost pressures while promoting customer proximity. The first installation of the KEBA mini-branch, named KePlus connect, is already in operation.

## **Logistics automation**

As more and more people are choosing to shop online, the volume of parcels continues to grow and presents a major challenge to final delivery. It is therefore not surprising that the demand for “last mile solutions” is increasing.

KEBA is one of the pioneers in this area as well and has been on the market since 2000 with its KePol logistics machines, which are used in Austria, Switzerland and Germany to the north of Europe. There are also postal and logistics organizations outside of Europe that rely on KEBA solutions. KEBA parcel machines enable fast, uncomplicated and time-independent handover of parcels - 7 days a week, 24 hours a day regardless of opening hours. They are typically found in post offices or at much frequented contact points such as train stations or gas stations.

A recent addition are smart parcel systems for multi-family houses, which usually pose a problem for undeliverable parcels. Parcels are sometimes deposited unsecured in front of the apartment door, which entails the risk of theft and damage and may also violate fire regulations. KEBA's new parcel locker, the KeConcierge, has been specifically designed for the entrance area of multi-family homes or residential complexes. It can be used by all deliverers to store packages, and recipients benefit

from 24/7 pick-up at home. Property managers can use the KEBA KeConcierge to provide a modern and convenient system that raises the attractiveness of the property.

Also successful are the transfer solutions from KEMAS in Germany, a subsidiary that focuses on the collection, administration, safekeeping and disposition of sensitive objects. These solutions are used in fleet management, for example. They range from the simple management and issuing/returning of car keys, requirements analysis and availability checks and the scheduling and automated transfer of vehicles to electronic logbook and automated electronic driving license checks. KEMAS transfer machines are also used for textile management in hospitals, since providing employees with work clothes is often challenging in terms of personnel and logistics. Transfer machines combined with RFID coded textiles offer smart control over garment dispensing and work clothes distribution.

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*Gerhard Luftensteiner, CEO of KEBA AG*



*New headquarters of KEBA China in Shanghai*



*Milestone anniversary at KEBA:  
10 years of electromobility*



*KeConcierge – smart parcel locker for multi-family houses*

More photos of today's press conference and KEBA are available at  
<http://www.apa-foto service.at/>

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