



Ralf W. Dieter  
Chairman of the Board of Management  
Dürr AG

24<sup>th</sup> Annual General Meeting  
of Dürr Aktiengesellschaft

Stuttgart, April 26, 2013

Subject to change – please check against delivery.

### ***Chart 1: Welcome***

Dear Shareholders,

dear shareholder and media representatives, dear guests and friends of our company

I have pleasure, also on behalf of my colleague, Ralph Heuwing, and all managers and staff, in extending a warm welcome to the 24<sup>th</sup> Annual General Meeting of Dürr AG.

Twelve months ago, I had the privilege of being here to deliver a report on 2011, a record financial year for Dürr. Today, I can begin in a similar vein – and certainly not without a sense of pride: 2012 was even better than 2011 yet again, which means a further all-time high in Dürr's corporate history. We boosted our sales and earnings substantially yet again, clearly exceeding the targets we set ourselves.

### ***Chart 2: Agenda***

I will shortly explain the reasons for our success story and the degree of confidence with which we look ahead into the future. First of all, however, I would like to take a look at the outline of my report for today. I would like to begin with business development in 2012 and the associated investments in the expansion of our locations. Next, we will be looking at the – gratifying – subject of our stock and dividend before I deal with today's agenda, current innovations, the "Dürr 2015" strategy and our outlook.

### ***Chart 3: Sales, earnings***

First of all, therefore, I am going to deal with our business development in 2012.

At the beginning of the year, we had set ourselves targets for incoming orders and sales amounting to €2 billion each. In both cases, we exceeded this objective substantially as we did not only benefit from the immense demand in the emerging market countries but also recorded an unexpectedly strong trend in the modernization business in Europe.

Incoming orders, at €2.6 billion, once again reached the record level of 2011. This was all the more surprising since 2011 was characterized by extraordinary effects: many customers caught up on investments at the time that they had postponed during the crisis years 2008/2009.

Sales, marked light blue in the chart, were up by 25% in 2012, to reach €2.4 billion, the highest value in the company's history. This trend was supported by gratifying growth in all four corporate divisions.

Our strategy was always geared to profitable growth. I already said this at my first Annual General Meeting as CEO in 2006, and I have pleasure in repeating it today. In 2012, we once again succeeded in implementing this objective. Earnings before interest and taxes, or EBIT, soared by 66% and thus at a disproportionately high percentage relative to sales, reaching an all-time high in the company's history at €177 million. This results in an EBIT margin of 7.4%, considerably higher than the 5.5% of the previous year and the long-term strategic target margin of 6%.

The Group's good operating result is attributable to the merits of our business units, which delivered an outstanding performance. I would like to thank the Heads of the business units, namely Dr. Fuchs, Mr. Kaufmann, Dr. Schumacher, Dr. Siewert, and Mr. Weil on behalf of all employees. Please be so kind as to tell your teams that all of you achieved a genuine peak performance in 2012!

However, we are also extremely grateful to our customers, without whom I would have nothing to report to you today, and to our suppliers, who supported our growth with immense efforts and dedication.

#### ***Chart 4: Sales vs. costs***

The substantial rise in our operating result was attributable to two main factors, namely strong sales with corresponding economy of scale effects as well as our consistent discipline concerning costs. This led to an increase in sales and administrative costs that was disproportionately low in relation to sales to a considerable degree.

#### ***Chart 5: Emerging market countries***

Incoming orders and sales benefited from the sustained, high level of investments made by the automotive industry. Whereas projections for new plants at a high level declined slightly, there was an increase in modernization investments in existing factories.

The reason for the high investments of the automotive industry was the remarkable production growth of just under 6% reported by the automotive industry in 2012. Our customers and we ourselves are convinced that the level of demand for automobiles will continue to see a positive trend in view of the growing mobility across the globe. This applies above all to such growth markets as China, Brazil, Mexico, India, and Russia, in which Dürr has an above-average, strong presence. 55% of our incoming orders originated from these markets in 2012, with China alone accounting for one third!

#### ***Chart 6: Employees***

To do justice to the robust growth of our volume of business, we have enlarged our workforce by 12%. Today, Dürr has a workforce of over 7,600; one third of all employees are located in the emerging markets and no fewer than 1,600 in China. Our team now handles more large-scale orders across the globe than ever before: in 2012, we came to 43 million air passenger miles, which is equivalent to about 1,700 circumnavigations of the globe. To put this into a better perspective, in 2011 these were “only” 28 million air passenger miles. Our teams have tirelessly constructed, programmed and installed equipment and accomplished absolute mira-

cles whenever conditions became tricky. A high degree of specialist expertise, commitment, dedication, and professionalism are attributes that our customers also attest to Dürr employees as documented in an opinion poll carried out in 2012.

### ***Chart 7: Extension in Bietigheim***

Ladies and Gentlemen,

Our business has grown strongly and has increasingly shifted to the emerging market countries. We did and still do justice to this by implementing extensive expansion measures at our locations. Total expenditure on this is expected to amount to roughly €50 million in 2012 and 2013. Please allow me to give you a brief outline of the most important projects:

- Here at this location, we are building an additional production hall that is intended above all for robot assembly. This enables us to do away with external areas we had previously rented. Each and every Dürr robot installed throughout the world is “made in Bietigheim”. Accordingly, we need additional capacities, as the volume of business has doubled in the past three years.

### ***Chart 8: Extension in Shanghai***

- There are two new locations in Shanghai: an additional production center for plant construction went into operation as recently as a year ago. In several weeks' time we will be taking possession of a further new building in which we plan to pool our mechanical engineering business. We will then have a floor space of 63,000 m<sup>2</sup> in Shanghai, almost as large as here on the Campus!

### ***Chart 9: Extension in Brazil***

- In São Paulo, we increased the size of our workforce by 51% in 2012, occupied sub-let areas ourselves and set up test and training centers. As

a result, we are well prepared for the numerous investment projects we are handling in Brazil and continue to expect in future.

#### ***Chart 10: Extension in Mexico***

- We also plan to occupy a new, larger office and manufacturing complex in Querétaro, Mexico shortly. Mexico is becoming increasingly attractive to the automotive industry since both North and South America can be supplied with equal convenience from that country.

#### ***Chart 11: IT and advanced vocational training***

In addition to extending our network of locations, we have also invested in other fields of activity considered key for our future. For one thing, this includes the global standardization of information technology, in which approx. €20 million has been invested in the past several years. This far-reaching IT integration has made the Group more efficient; in this regard, too, Dürr is in a leading position in the field of mechanical engineering and plant construction. For another, we intensified our investments in advancing the professional training of our staff; for instance, the number of training programs was increased by 16% in 2012.

The wide range of advanced vocational training on offer to employees contributes to our good image as an employer – just like our innovative strength and international orientation, the many and various career opportunities and the high measure of independence with which work is carried out at Dürr. The fact that Dürr has a great deal to offer as an employer is confirmed by the two awards you can see here: we already received the quality hallmark “Top Employer Automotive” and were selected as one of Germany’s best employers by the magazine FOCUS only a few weeks ago.

#### ***Chart 12: Further key financials***

Ladies and Gentlemen,

We carry out the investments presented from a situation of financial strength. At

the end of 2012, cash and cash equivalents were at a high level of just under €350 million. The positive net financial status shows that liquidity exceeded financial liabilities – i.e. primarily our corporate bond – by nearly €100 million. This position has improved for the sixth time in succession – which bears testimony to the sustainability of our debt reduction policy that we promised you as early as 2006.

Thanks to the good earnings trend, level of equity was up by 19%, to reach €432 million. The equity ratio increased to 23.9%, up by two percentage points compared with the end of 2011. Accordingly, we have come even closer to our target value of 30%.

The high inflow of funds reflected in the “cash flow” line underpins one of the strengths of the Dürr business model: the volume of capital tied down is low in spite of a high volume of business, since our focus lies on the less capital-intensive value added stages of Engineering, Project Management and Assembly.

### ***Chart 13: Dividend per share***

Ladies and Gentlemen,

The figures show that Dürr has developed solid earnings and financial strength thanks to the optimization measures introduced in the past several years. The good earnings situation enables us to propose an attractive dividend to you for 2012, namely €2.25 per share – or roughly 90% more than the previous year. In line with our proposal, the total pay-out sum would amount to €38.9 million. Measured in relation to the Group net profit of €111 million, this results in a dividend quota of 35%. This places us right in the middle of our dividend policy bandwidth, which provides for a dividend payout of 30 to 40% of Group net profit for the year.

### ***Chart 14: Share price performance***

Our share price performance is just as gratifying as our earnings development. If you compare the blue curve of Dürr’s stock with the considerably flatter trends of

the DAX, MDAX and SDAX, you will see a clear outperformance in this regard. With a value increment of roughly 100%, our share outperformed the comparative indices substantially and was one of the five best securities traded on the DAX, MDAX, SDAX and TecDAX. Dürr's share price closed at €67.50 at the end of 2012, and its value has risen by a further 26% since, to roughly €85.00 at present.

### ***Chart 15: Analysts***

As you know, in March 2012 Dürr left the SDAX and climbed to the MDAX. As a result, our stock attracted increased attention: in 2012 a further five research houses took up the coverage and Dürr is meanwhile being assessed by 19 equity analysts, the majority of whom have identified further potential: At present, 58% of the recommendations for Dürr are “buy”, 37% are on “hold” and there has only been a single “sell” recommendation.

### ***Chart 16: Shareholder structure***

The Dürr family represents a reliable constant in our company as it holds 28.9% of the company's stocks as an anchor shareholder. As you know, Mr. Dürr has announced that he plans to resign from his mandate as Chairman of the Supervisory Board today after 23 years' service. While this brings an end to the era on the Supervisory Board, it will not do anything to change the Dürr family's commitment to the company. The family, which is also represented by Dr. Alexandra Dürr on the Supervisory Board, continues to hold at least 25.1% of the shares in Dürr on a long-term basis.

### ***Chart 17: Bonus shares***

Ladies and Gentlemen,

Please allow me now to deal briefly with two items on the agenda. Under item 8, we propose the issue of bonus shares in a ratio of 1 : 1, which would cause the number of Dürr shares to double.

In case you are asking yourselves why are we making this proposal to you, the value of Dürr stock has roughly increased twelve-fold since March 2009. At a level of € 85.00, the share price has reached a handsome level that might be an obstacle to invest in Dürr particularly for private investors. Through the planned issue of bonus shares, we plan to make Dürr's stock more liquid, more favorable in visual terms and, therefore, more attractive to private investors. A prerequisite for this is that we will double our capital stock by means of a capital increase from company funds, to €88.6 million. To this end, capital reserves within equity are to be converted into subscribed capital, with the equity capital itself remaining unchanged in the process. On issue of the bonus shares, all shareholders will additionally receive the number of shares already held in their securities accounts, with the participation ratio remaining unchanged. Accordingly, the sum total of Dürr shares outstanding would double to reach 34,601,040 shares. This measure is planned for the summer of this year, subject to your approval. The new shares would be entitled to a dividend with retrospective effect as of January 1, 2013.

#### ***Chart 18: Control agreement***

Now that we have dealt with the subject of bonus shares, let us take a look at agenda item 11. In this context, we request your approval to enter into a control agreement with the wholly owned Group subsidiary Carl Schenck AG. The planned control agreement is to replace the cancelled profit transfer agreement with Schenck. This would facilitate the utilization of extensive tax loss carry-forwards at Schenck, which would have a positive impact on our tax rate and Group profit for the year.

#### ***Chart 19: Inspection tour***

Another "technical note" before we begin with the subject of innovations in a minute: We will once again be pleased to offer you another guided tour of our robot assembly plant later. If you wish to join us, please be so kind as to proceed to the information counter after the Annual General Meeting, where you will receive all further information.

### ***Chart 20: Innovation***

Ladies and Gentlemen,

As I have already pointed out a number of times at this juncture, innovation is a central success factor for our market leadership. This is why we raised the level of R&D spending by a further 26% in 2012. Each innovation we launch must make production discernibly more efficient for our customers. This promise is expressed in our claim “Leading in Production Efficiency”. I will give you a number of examples now to show how we plan to keep this commitment.

### ***Chart 21: Innovation – Painting process***

Let us begin with the painting process. In this context, we have further developed our paint booth system **EcoDryScrubber**, which saves up to 60% energy. The new **EcoReBooth** reduces the space required, is easier to maintain and is also highly suitable for installation in existing paint shops within the scope of modernization projects.

### ***Chart 22: Innovation – Paint application***

In the field of application technology, we have further optimized our color changer **EcoLCC**, with which robots can change from one paint color to another in only 10 seconds. Thanks to a servo engine, the **EcoLCC2** is more compact, lighter in weight and exhibits greater precision than its predecessor. The inevitable paint loss per color change amounts to as little as 10 milliliters; in the past, it was up to 45 milliliters.

### ***Chart 23: Innovation – aircraft assembly***

In the field of aircraft assembly, we have presented a new solution for handling construction parts made from carbon fiber. More and more aircraft parts are being made from this lightweight construction material so as to lower kerosene consumption. By means of temperature compensation, our **EcoJig-TC** system ensures that the expansion of carbon fibers does not lead to imprecisions in fitting in the course of assembly in the event of temperature fluctuations.

### ***Chart 24: Innovation – Balancing technology***

We have developed yet another innovation in the field of balancing technology for the growing turbocharger market. The XENTO plant balances turbochargers in production at a rate of up to 270,000 revolutions per minute, thus laying the foundations for long service life of the turbocharger. In addition, it reduces the loud noise during balancing by roughly 50%, thus improving ergonomics in the workplace.

### ***Chart 25: Innovation – Cleaning technology***

The compact inspection laboratory **EcoCLab** deployed in the production line is an absolute novelty in the field of cleaning technology. It checks immediately after cleaning whether the parts actually meet the required cleanliness standards and delivers reliable results within a few minutes. As a result, corrective interventions in the production process can be made on a timely basis, producing fewer rejects. In the past, random samples used to be taken in separate measurement spaces in a highly time-consuming process. Any impurities identified always affected large production volumes that had to be reworked at an immense cost.

### ***Chart 26: Innovation – Environmental technology***

Finally, we have come up with an energy-efficient innovation in the field of exhaust air purification technology. In coal mines, the new plant type VAM-RTO purifies waste air from methane gas that is harmful to the climate. In the process, the methane released from the coal beds in the process of extraction is burnt at a temperature of around 1,000 degrees Centigrade. By connecting a steam turbine, electricity can be generated from the process heat. We have already realized successful VAM-RTO projects in the US and China – and, as you probably know, China has a very large number of coal mines.

### ***Chart 27: Strategy overview***

Ladies and Gentlemen,

We now come to the subject of our strategy. Again, our focus here is on sustaina-

bility and continuity. We do not follow a new trend each year but rely on long-term further development instead. As part of the “Dürr 2015” strategy, we have set ourselves the following objectives:

- **Sales** are to increase by an average of 5 to 10% p.a. in the next several years.
- The **EBIT margin** is to once again reach between 7.0 and 7.5% in 2013.
- In terms of the return on capital employed – **ROCE** – our aim is to achieve 25 to 30% on a sustainable basis.

To reach these objectives, we follow three key strategic approaches:

- Growth in core operations
- Optimization of our processes
- Development of new business fields in environmental and energy efficiency technologies.

#### ***Chart 28: Strategy – Automobile production***

The further extension of our strong market position in the emerging market countries is to make a particular contribution to growth in our core business. The extensive investments in the various locations I dealt with earlier are a key element in this regard. The fact that the emerging markets will continue to yield immense business potential in future is shown in this chart. According to forecasts, automobile production from 2012 to 2017 is set to rise by roughly 23 million cars – about three quarters of these will probably be accounted for by the growth markets.

#### ***Chart 29: Strategy – South East Asia***

Aside from countries like China, Brazil or Russia, we are also addressing tomorrow’s growth markets – headed up by South East Asia with over half a billion inhabitants and rising incomes. By 2017, the annual automobile production volume in that region essentially dominated by Japanese producers is to grow by 45%, to reach 6.1 million units, bringing it on a par with Germany. To this end, numerous production facilities will be required. We plan to participate in this market potential – through our strong base in China and South Korea, our stake in the Japanese

plant manufacturer Parker Engineering and the Group company Dürr Thailand established a year ago.

***Chart 30: Strategy – Service***

Ladies and Gentlemen,

In addition to the high level of demand in the emerging market countries, in terms of our “Dürr 2015” strategy we will be relying on three additional growth drivers: innovation, the further extension of our service operations, and targeted acquisitions.

I have already spoken to you about the significance of innovation for Dürr. And this brings us directly to our service operations, which reflect good growth potential. No other company in our market has installed as much machinery and as many plants over the years as Dürr. Following the installed base, after a certain time lag the level of demand also grows for service operations, such as maintenance or the supply of spare parts. By 2015, we plan to increase the share of Group sales accounted for by service operations, which currently amounts to 21%, to over 25%. A country with good potential is China, for instance, where as little as 5% of sales are generated by services.

We also plan to extend our business in the field of modernizing automotive plants. In this context, demand is growing above all in Western Europe and North America, where investments are being made in production efficiency and in enhancing the competitiveness of existing factories. We have marketed numerous product innovations in recent years, through which such modernization investments soon pay off. Moreover, the level of demand is immense: of roughly 500 paint shops in the automotive industry across the globe, about 250 are older than 20 years and, therefore, are likely to be in need of modernization soon.

### ***Chart 31: Strategy – Acquisitions***

The new activities we have acquired in our core operations since 2009 are also making a key contribution to growth. Our strategy is to buy up smaller-scale niche companies strong on technology and to extend their business operations across the globe. Using this strategy, we have positioned our organization on future markets such as glueing technology, ultra-fine cleaning technology and balancing technology for turbochargers. We plan to continue to round off our portfolio with suitable additional acquisitions in the future.

### ***Chart 32: Strategy – Processes / DÜRRnet***

Ladies and Gentlemen,

We now come to another element of our strategy, namely process optimization. In addition to uniform SAP and CAD systems, we have implemented a new, very high-performance Intranet system for our workforce: the DÜRRnet is **the** platform to exchange information speedily and make our global cooperation and communication even more direct and efficient.

### ***Chart 33: Strategy – Processes / Customer Excellence***

Another example of consistent process optimization is the “Customer Excellence@Dürr” project we have just launched. In doing so, we plan to optimize the interaction with our customers even further and extend our range of service solutions available. “Customer Excellence@Dürr” subjects the level of interaction with our customers to scrutiny in all project phases: Do we answer our customers’ inquiries without delay? Do we meet their expectations? Do we communicate and behave correctly in key project phases? Is our service fast enough?

I believe it is currently more important than ever for us to deal with such topics. Especially against the backdrop of our successful business development, there is no reason to rest on our laurels. On the contrary, we have gained substantial market share in the past several years. This shows that our customers have trust and confidence in Dürr. We need to justify this level of trust afresh every single day.

This is the prerequisite to win the next contract award once again and secure our strong market position in the future.

***Chart 34: Strategy – Energy efficiency***

Dürr's entry in the growth market of energy efficiency technology also likewise is very forward-looking. Boosting energy efficiency of production processes represents a major opportunity for the German mechanical engineering and plant construction industry. Our objective is to expand this business and generate sales of at least €200 million by 2015 in the Clean Technology Systems division established for this purpose. The prospects for this are good, since there is a growing realization worldwide that energy consumption and economic growth will need to be decoupled with the aid of more efficient technologies. The energy policy change in Germany will likewise turn out to be successful only if there is an increasing focus on saving energy – at present this aspect is still being neglected by concentrating on wind and solar energy.

***Chart 35: Strategy – ORC/CPS***

Our activities in the energy efficiency sector revolve around economical use of heat and waste heat. A year ago, I presented our technologies to you for generating power from heat energy: Organic Rankine Cycle, or ORC, as well as the Compact Power System that relies on micro gas turbine technology. The marketing of both processes in the form of industry-mature products began in the second half of 2012 and has already led to a number of interesting contract awards.

***Chart 36: Strategy – Thermea***

Furthermore, we have taken a 28% stake in the heat pump specialist Thermea as well as industrial leadership of this particular company. Thermea is a pioneer for industrial large-scale heat pumps that use environmentally compatible CO<sub>2</sub> as a refrigerant and serves to further round off our array of products.

Ladies and Gentlemen,

So much on our activities regarding energy efficiency. This market is still in an early phase, but Dürr is already well positioned here so as to profit from the medium and long-term growth prospects that lie ahead.

**Chart 37: Outlook**

My explanatory statements on our strategy have underscored the fact that in spite of the large volume of business and the associated high operational utilization, our policy involves dealing intensively with the future of Dürr. Dürr never rests on the success stories it has achieved but enters the growth markets of tomorrow, develops new technologies and focuses even more strongly on its customers.

This is why we are confident in our outlook for the future. Unless the global economy suffers a setback, 2013 will be another good year for Dürr that is likely to continue the successful performance of 2012. Business development since the beginning of the year has affirmed our confidence; we plan to publish the report on the first quarter of 2013 along with the specific figures on May 7.

We continue to anticipate huge investments being made by the automotive industry. Accordingly, for the year 2013 as a whole we once again forecast a volume of incoming orders substantially in excess of € 2 billion: specifically, we have targeted a value between € 2.3 and 2.5 billion.

Sales should reach between € 2.4 and 2.6 billion. A substantial share of this is already covered by the all-time high order backlog of over € 2.3 billion with which we began the new year.

Earnings in 2013 are likely to grow roughly in tandem with sales. The EBIT margin – as discussed earlier – is to reach between 7.0 and 7.5%. As we anticipate an improved financial result for 2013 as well as a roughly unchanged tax rate, we perceive good chances of a further rise in our Group earnings after taxes.

Beyond this, we plan to end the year with another substantially positive net financial status. We anticipate further increases in cash flows and an ongoing, comfortable liquidity situation. Both will give us the room for maneuver to expand our portfolio by means of acquisitions – be it in our core operations or in the energy efficiency sector, which has a good future.

Please allow me to give you a brief recap: the good figures for 2012 reflect our operational performance and efficiency, a strong presence in the growth markets, a sustainable and continual strategy as well as a growing automotive market.

Dürr has benefited from numerous process enhancements since 2005 and faces the future with determination – namely with targeted capex investments and the development of new markets and fields of activity. This ensures that we are well prepared to operate successfully way beyond the year 2013.

So much for my explanatory statements on our business operations. Thank you very much for your attention.

***Chart 38: HD***

Ladies and Gentlemen,

For the past decades the Chairman of the Supervisory Board of Dürr AG, Heinz Dürr, has been a guarantor for continuity and further development within this company . From the operations managed by his father, he exercised entrepreneurial vision and the proverbial Swabian resourcefulness and drive to create an “SME multinational”. Even during his tenure at AEG, Daimler-Benz, Deutsche Bahn and Carl Zeiss “HD” (as he is referred to internally) remained closely associated with “his” company. Mr. Dürr has been Chairman of the Supervisory Board for almost a quarter of a century, which makes him unique among the companies with stock exchange listings in Germany.

The following quotation is attributed to Walter Rathenau, a person whose remembrance is endorsed by Mr. Dürr: “I have never seen a really great businessman for whom making money was of paramount importance.” In other words, Mr. Dürr is a great businessman. Of course, making money is also important to him; if not, this company would no longer exist today. His *leitmotif*, however, is “seeing the company as a societal function or event.” This includes the entrepreneur’s responsibility for his employees and commitment to society, politics, culture, and science. But let us remain with our company: for the workforce, “HD” with his close proximity to the employees is a figure with whom they can identify. For the Management Board he is a specialist and advisor who constantly questions the merits of things, an unconventional, lateral thinker, and someone who develops ideas.

Dear Mr. Dürr,

Your withdrawal as Chairman of the Supervisory Board marks a watershed for Dürr. Yet whoever knows you will also know that you will still be around to advise and assist us: as a representative of the founder family, as an anchor shareholder and as Honorary Chairman of the Supervisory Board, a position to which you were appointed by the Supervisory Board in March. At the same time, the candidate for the position of Chairman of the Supervisory Board – Mr. Klaus Eberhardt – is a man who is close to you and has a great deal of experience in our business.

The commitment and dedication with which you, dear Mr. Dürr, have exercised your role as Chairman of the Supervisory Board, deserves all our deepest admiration and respect. Also on behalf of Mr. Heuwing as well as all other executives and staff members, I wish to thank you sincerely for everything you have done for Dürr.