



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

25th annual general meeting
of Dürr Aktiengesellschaft

Bietigheim-Bissingen, April 30, 2014

Subject to change - please check against delivery.

Chart 1: Welcome

My dear shareholders, shareholder and media representatives, guests and friends of our company.

On behalf of my colleague, Ralph Heuwing, as well as all managers, employees and myself, I have pleasure in welcoming you to Dürr.

I would like to extend a special welcome to our principal shareholder, the Dürr family, whose first and second generations are present in their entirety.

Chart 2: Performance of Dürr stock since 1990

We are celebrating a small anniversary today: the 25th annual general meeting of Dürr AG – reason enough to have a quick look at the development of the Dürr stock since its initial public offering in early 1990. As you can see, there was a sharp rise after the 2008/2009 economic crisis. Prior to this, the share price had rarely risen above € 20, whereas the current price is just under € 60. The significant increase in the share price since March 2009 reflects Dürr's positive development, which is closely linked to success factors such as innovative strength, process optimization and our good position in emerging countries like China.

By the way, the prices shown here are comparable, they have been adjusted to take into account the bonus shares issue in 2013. Talking of 2013: last year we saw the share price rise by a further 92% – we can't expect this level of increase to continue over the next few years, because after the strong growth of the previous years, the dynamic of our organic growth is restricted by the market.

Chart 3: Agenda

Let's look at the topics of today's presentation. First of all, I would like to show you Dürr's solid position. I will therefore begin with the 2013 results, the recently completed refinancing, and the dividend. I will then briefly talk about today's agenda. After that, we will take a look at the comprehensive investments in 2013 and the strategy, before I conclude with the outlook.

Chart 4: Sales, order intake, earnings

If we had to think of a heading for 2013, it would be similar to last year: "Dürr achieved the targets it had set itself and posted another record year." But I already said this last year and also the year before. So today I would like to summarize Dürr's position with a little less modesty: We have developed into a showcase company in the global mechanical and plant engineering industry. We are an important partner and supplier for our customers, and we have a very solid financial foundation, efficient structures and a clear strategy as well as the best employees and managers in our industry.

And I have to say I am very proud to have achieved all of this together with the Dürr team. Some of our colleagues from the management of the business units are here today: Dr. Ralf-Michael Fuchs, Joachim Kaufmann, Dr. Hans Schumacher, Dr. Uwe Siewert and Manfred Weil. A special thank you to you and your teams for what you have achieved over the last few years. I would also like to thank my colleague Ralph Heuwing for our close and trusting cooperation.

That's enough praise. Let's have a look at the 2013 results.

The red line in this chart shows that sales only increased by 0.3%, after a 25% rise the year before. The reason for this is that some projects were subject to delays on the part of customers, which in turn had an effect on sales generation. Since the 2008/2009 economic crisis, sales have risen to just over € 2.4 billion and have thus reached a new dimension. In the years prior to the crisis, our business

volume averaged € 1.5 billion. As mentioned earlier, the rapid growth of 2011 and 2012 cannot continue indefinitely due to the market situation.

Ladies and gentlemen,

We have always stressed that an increase in earnings is more important at Dürr than mere volume growth. And that is what we implemented in 2013. With sales remaining virtually unchanged, we improved our earnings before interest and taxes – the blue line – by 15% to an all-time high of € 203 million. At 8.4%, the EBIT margin also reached a very good level – we had originally aimed for a margin of 7.0 to 7.5%.

With incoming orders worth just under € 2.4 billion – the green line on the chart – we were within our target range of € 2.3 to 2.5 billion. The 8% decline over 2012 was expected. Our order volume was exceptionally high, both in 2011 and 2012, as our customers implemented capital expenditure projects which they had postponed during the crisis. In 2013 orders returned to a normal level, as anticipated.

Chart 5: Regional distribution of incoming orders

America played a more important role in the regional distribution of incoming orders. On the back of strong vehicle sales in the United States and the growing importance of Mexico and Brazil as automotive production sites, orders there rose by 51%. Another factor was that in North America – as in other established industrial countries – more and more older plants are being modernized. This trend is set to continue, as our customers know that Dürr has the right technologies to increase the production efficiency of older systems.

The decline in China should not give you any cause for concern. It can be seen as a breather after two very dynamic years. We still believe in China's potential for growth. By 2018 automotive production there has been forecast to grow by 9 million units – and this requires many additional production facilities. I was in

China again over Easter and spoke to several customers about their growth plans, encouraged by the continued high level of sales.

Chart 6: Financial position

Apart from sales and EBIT, other key figures also reached all-time highs in 2013. Operating cash flow rose to € 329 million, far exceeding our expectations. This was partly due to the exceptionally high prepayments we received from customers at the end of the year. In total, the prepayments were around € 100 million above the normal level, so we should mentally deduct this surplus amount from the cash flow. This would give us a figure of around € 230 million, which is still very good. The strong cash flow is not just the result of prepayments but also of our consistent management of inventories and receivables.

The high cash flow led to an increase in cash and cash equivalents to just under € 460 million. In terms of liquidity, Dürr is also in a very good position. The comparison between cash and cash equivalents and financial liabilities is encouraging, too. At € +281 million, the net financial status, i.e. the balance of these two items, indicates a comfortable level of excess liquidity.

The equity ratio improved, rising from 23.9% to 25.7%. The return on capital employed – a reliable indicator in the mechanical and plant engineering industry – reached an international peak of 66.2%. I clearly remember when, in 2005, our target was 15%.

Chart 7: Refinancing

We further strengthened our solid financial position by successful refinancing at the end of March 2014. The refinancing package totaling € 600 million consists of a bond and a syndicated loan. Running for a term of 7 years, it provides us with long-term financing security based on attractive conditions.

When issuing the bond worth € 300 million we were able to take advantage of the favorable market conditions and secure an attractive coupon of 2.88% at an issue price of 99.2%. The terms of the € 300 million syndicated loan are also considerably better. It is divided into a cash credit line of € 100 million and a guarantee line of € 200 million.

Chart 8: Bonds compared

This chart shows the nominal interest rates of the three bonds that Dürr has issued since 2004. You can see that our financing terms are significantly better today than they were 10 years ago. Back then the coupon was 9.75%, today it is almost 7 percentage points lower. Apart from the favorable market environment for financing transactions, this is also due to our greatly improved credit standing.

From 2015, the new financing structure will have a positive effect on our net finance expense. The increased financing volume provides us with the scope we need, not just in the operating business but also for potential acquisitions which will enable Dürr to grow further.

Chart 9: Dividend

My dear shareholders,

Let's have a look at the dividend. Dürr's long-term dividend policy targets a payout ratio of 30 to 40% of consolidated net profit. In 2013 our consolidated net profit grew by 26.5%, to € 141 million. On this basis, we propose to raise the dividend per share by 28%, which is slightly above the increase in consolidated net profit, to € 1.45. This is equivalent to a total payout of € 50.2 million – higher than ever

before at Dürr. According to our proposal, the payout ratio, i.e. the proportion of net profit to be paid out as a dividend, is 36%, up from 35% and 32% in the previous years.

Last year's dividend is shown here as € 1.13. The attendees of last year's annual general meeting may remember a figure of € 2.25. To avoid any misunderstandings: last year's figure of € 2.25 was based on the number of shares at the time, which was 17.3 million. As mentioned before, we issued bonus shares in a ratio of 1:1 in May 2013. As a result, the number of shares doubled to 34.6 million, so each share became two shares, for which half of the € 2.25 dividend is paid, i.e. € 1.13.

Chart 10: Employees

Ladies and gentlemen,

Dürr's successful performance rests on a strong basis of innovative strength, financial stability, global reach and efficient processes. The most important success factor, however, are our managers and employees. Their expertise is the reason why customers trust us to execute orders in a particularly reliable manner. Since the end of 2011, over 1,300 additional employees have joined the Group and introduced new ideas. We are especially proud of the way in which the more experienced Dürr colleagues have taken the newcomers under their wings. The Dürr employees show great commitment and are pulling together as an international team. To Dürr's great credit, we are able to retain employees even in the more dynamic emerging markets. In China and India, for example, our staff turnover is only around 5%, compared to average rates of 15 to 20%.

Chart 11: Dürr Challenge

To attract young professionals at an early stage, one of Dürr's aims is to approach students. An innovative approach, launched in 2013, is the Dürr Challenge. As part of this competition, we sent three student teams out to shoot documentaries about living and working in Detroit, São Paulo and Shanghai. The Dürr Challenge, which will be repeated in 2014, received excellent feedback and had a very positive effect on our employer branding. The winning film about Shanghai will be shown in English later on during a short break.

Chart 12: Best employer FOCUS

To convince customers and applicants that Dürr is the right choice, we are systematically working on our attractiveness as an employer – be it through further training, international career opportunities, attractive compensation packages or a high level of personal responsibility. The first worldwide employee survey, carried out in mid-2013, showed that we are on the right track. Over 83% of the employees taking part in the survey indicated that they enjoy their job, and 82% would recommend Dürr as an employer. Our attractiveness as an employer has also been confirmed by external sources: in the “Germany’s Best Employers 2013” ranking published by FOCUS magazine, Dürr achieved first place in the “Mechanical and Plant Engineering” category.

Chart 13: Shareholder structure

Ladies and gentlemen,

As always, we will now take a look at the shareholder structure. With a total share of 28.6%, the Dürr family is the anchor shareholder of Dürr AG. The family has stressed on a number of occasions that this will remain the case, not least through the Dürr Family Foundation set up in September 2013. The key purpose of this foundation is to retain its holding in Dürr AG on a long-term and sustainable basis.

Chart 14: Invitation to the AGM

Please allow me to say a few words about the agenda. Let's start with the proposed replacement of Supervisory Board member Professor Loos by Professor Hanselka, as mentioned earlier by Mr. Eberhardt. I would like to take this opportunity to thank Professor Loos, also on behalf of Mr. Heuwing and the entire company. Mr. Loos has been a member of the Supervisory Board for no less than 14 years, which underlines his close ties with Dürr. Mr. Loos, your advice and expertise as a long-term Chairman of the Audit Committee have been invaluable, especially in the difficult times Dürr has been faced with – you have experienced them first-hand. For this we would like to thank you. I want to add my personal thanks as I have benefited from your good advice on a number of occasions.

Let's now move on to the next motions of the agenda.

- Agenda items 2 to 5 are regular annual motions such as the appropriation of profit and the ratification of the acts of the Board of Management and the Supervisory Board.
- Under items 7 and 8, we propose to create new contingent capital and new authorized capital. The existing authorized capital expires on April 30, 2014, i.e. today. The existing contingent capital does not expire for another year; however we propose to create new contingent capital today. The reason for this is that we want to adjust both types of capital to current customs and practices on the market. For example, we want to limit the possibilities of excluding subscription rights for all types of capital to 20%. Items 7 and 8 are anticipatory resolutions as no utilization plans exist at present.
- Under agenda item 9 we propose to change two control and profit transfer agreements, which have been in place for years. The reason for this is a change in legal requirements; the adjustments, which will be implemented by the end of 2014, will ensure compliance with statutory provisions. Otherwise the

existing intra-entity arrangement for tax purposes would be destroyed, which would have a detrimental effect on the company and you as shareholders.

- Item 10 contains some proposed amendments to the articles of incorporation. These are mainly intended to ensure clarification and simplification for resolutions made by the Supervisory Board and the Board of Management. Mr. Eberhardt has already spoken about the implications for the Supervisory Board. In the Board of Management, too, the planned amendments to the articles of incorporation will promote more pragmatic cooperation. For example, it will be possible to pass resolutions by telephone or video conference, which makes sense given that Mr. Heuwing and I travel abroad a lot. We also propose, under agenda item 10, to remove the provisions concerning preference shares from the articles of incorporation as this type of share does not exist at Dürr.

Having looked at the motions, I would now like to give you some organizational information. Unlike in previous years, we cannot offer you a tour of the premises after the annual general meeting. In a few days' time, we will be welcoming around 1,000 guests to our Open House event. The installation measures for this innovation show are in full swing, so we cannot access the facilities for safety reasons. Thank you for your understanding in this matter.

Chart 15: Capital expenditure

Ladies and gentlemen,

In 2013 we invested more than ever in the expansion of our sites and capacities in order to meet the demands of the growing business volume. Not taking into account company acquisitions, our capex rose by almost 60% to € 51 million. Since the beginning of 2012, we have built or expanded 13 sites. Having outlined some of these projects last year, I can now show you the complete package.

Chart 16: Shanghai Baoshan

Here you can see our flagship investment: the new mechanical engineering site in Shanghai-Baoshan, where more than 600 employees work in an area of almost 30,000 m². From there we deliver to China, and we have already started exporting equipment to many other countries.

Chart 17: Additional new sites

We also have 4 additional new sites, which you can see here: in Shanghai-Qingpu, where we have production facilities for the plant engineering business, in Querétaro (Mexico), in the South Korean capital of Seoul, and in Port Elizabeth, the South African automotive production center.

Chart 18: Site expansions

Here you can see the sites which have been expanded and modernized:

- Bietigheim-Bissingen, where we have not only expanded the technology center but also put into operation an additional robot assembly facility,
- as well as São Paulo, Rheineck in Switzerland, Radom in Poland, Warwick in the UK and Wolfsburg with new space for our glueing technology business.

Chart 19: Japan/Southeast Asia

We place particular focus on the growth markets of Southeast Asia and the Japanese automotive industry, which is strongly represented there. In mid-May we will open a technology center in Tokyo, where Japanese customers can evaluate Dürr's paint systems. In the Thai capital of Bangkok we have moved into larger premises. As you may have read in the press, we took over two smaller companies in Malaysia and Indonesia only a few weeks ago as part of our expansion strategy over there. Experts predict that the automotive industry in Indonesia, Malaysia and Thailand will increase by more than 40%, to 6 million units, by 2018.

Ladies and gentlemen,

The investments I have just presented make us even more efficient. They improve Dürr's presence, give us more leverage around the world, and mark an important strategic direction for our future success.

Chart 20: Strategy

From future investments to Group strategy. We have always stressed that Dürr's focus is on strategic continuity, i.e. we do not reinvent ourselves every year. The strategy chart shown here is visually new, but in terms of content the current "Dürr 2017" strategy is based on the elements you are already familiar with, to which some aspects have been added. It is our aim to help our customers increase the efficiency of their production processes. The 4 strategic fields are designed to help us fulfill this promise.

Following the dynamic growth of recent years, the "Dürr 2017" strategy is the roadmap for Dürr's ongoing development. Our aims are:

- We want the Group to continue growing, albeit somewhat more slowly than before. By 2017 we want to increase our sales revenues to between € 2.8 and 3.0 billion.
- Our aim is to maintain the high level of earnings in the long term. At over 8%, our EBIT margin is one of the highest in our industry.
- We want our return on capital employed (ROCE), to exceed the 30% mark in the long term – compared to benchmarks, that is also a very good figure.
- A further factor for Dürr's ongoing development is the improvement of customer orientation and service quality. We will consistently measure the satisfaction of our customers.

Ladies and gentlemen,

I would now like to give you a brief overview of the 4 strategic fields.

Chart 21: Strategic field: globalization

Let's start with the strategic field of globalization. In the growth markets of the automotive industry, Dürr is in a stronger position than its competitors. As you have seen, we are making targeted investments to extend our leading position. Emerging countries such as China and Brazil, but also North America and – in the longer term – Southeast Asia, are the drivers for production growth in the automotive industry. Experts predict that the worldwide production volume will grow by almost 5% per year until 2018, equivalent to 21 million additional cars. More than 40% of this growth is expected to occur in China. To keep up with the growth in production, it is necessary to build and upgrade a number of facilities. We will be part of this and generate business from the growth in the automotive industry.

Chart 22: Strategic field: efficiency

Our customers choose us because they know that their investment projects are in good hands with Dürr. But we should not take this for granted. That's why we are constantly working to increase the efficiency of our internal processes and structures. Since 2006 we have invested around € 30 million in the implementation of standardized IT systems and processes alone. The key optimization project right now is our CustomerExcellence@Dürr Group program. We have come a long way since I outlined this program at our last annual general meeting. We have introduced a customer feedback system called "Dürr Promoter Score", which allows us to measure our customers' satisfaction with every order. We have already used this system more than 350 times, and we are evaluating our customers' feedback to respond to their needs even more effectively. In addition, we are investing heavily in our employees as part of our CustomerExcellence@Dürr. We have developed new training programs, for

example, to provide even better training on how to interact with customers.

Chart 23: Strategic field: service

CustomerExcellence@Dürr also plays a key role in the strategic field of service. We have defined more than 40 measures to expand the service business – from speeding up the spare parts business and expanding our organization, capacities and IT systems to training and new processes. The growth prospects in the area of service are good: since 2010 we have installed more equipment and systems than ever before in the same period. This growing installed base must be maintained and supplied with spare parts – preferably delivered by Dürr. In 2013 our service-related sales revenues already reached € 540 million – this is a business in which we can and want to continue expanding. That is important, as the service business provides above-average earnings contributions.

Chart 24: Strategic field: innovation – examples

Let's move on to the fourth strategic field: innovation. We have a broad concept of innovation at Dürr. It includes not only new products and technologies but also – and this is just as important – the development of new business segments, which will help us secure future growth.

First, let's look at product innovation, one of the most important pillars of our market leadership. Here you can see some of our current innovations, for example a new paint supply system for painting robots or a further development for electricity generation from industrial waste heat.

Chart 25: Strategic field: innovation R&D spending

2013 was a record year, also in terms of innovation. We raised our R&D spending by 16%, to an all-time high of € 43 million. At 25%, the increase in the number of R&D employees, which is now 249, was even higher. A look at the last 10 years clearly shows that there is an even greater emphasis on product innovation than there was in the past. Back then our R&D spending was around € 20 million. This

has been more than doubled, step by step, since 2007.

Chart 26: Strategic field: innovation / new business segments

Ladies and gentlemen,

The strategic field of innovation also includes entering into new, promising business sectors. The ongoing development of our portfolio is important, as the growth potential in the core business is, by its nature, limited. Dürr has extended its market shares to more than 50% in some cases, and increased sales by 120% since 2009. We will continue to take advantage of growth opportunities in our core business through innovation, customer proximity and the expansion of the service business. At the same time, we will move into new business segments and markets that are less developed, thus offering additional potential for expansion. This will form the basis for future growth.

Chart 27: Previous acquisitions

Since 2009 we have moved into several business segments that are related to our core business: glueing technology, ultrafine cleaning technology, balancing technology for turbochargers and, of course, energy efficiency technology. We have acquired small niche companies with a strong technological focus, and are now expanding their business under the Dürr umbrella. Although these activities are still relatively small, they are developing well and will contribute more and more to sales and profit.

Chart 28: Acquisitions in 2013

There are good development opportunities for two further acquisitions we made in 2013.

- With the takeover of German environmental technology company LTB, we have strengthened our market position in the area of exhaust-air purification systems. We have gained access, for example, to new technologies and sectors.

- We have increased our stake in Danish filling equipment specialist Agramkow from 55% to 100%. Thanks to Agramkow, Dürr has now also become a world market leader in filling technology for household appliances; we have already held this position for filling systems used in the automotive industry for some time.

Ladies and gentlemen,

We will continue to pursue our acquisition strategy to secure future growth. We have enough scope to do this, thanks to the high volume of cash and cash equivalents as well as the new financing package. But we will only make acquisitions if they ensure the independence of Dürr in the long term and increase the value of the company.

Chart 29: Outlook

I would like to conclude with the outlook for 2014. The generally positive sales forecasts for the automotive industry indicate that this industry is likely to continue its investments in new plants at their high level of 2013. Investments in modernizations are expected to rise slightly given the age structure of many existing automotive plants. We want to further expand the service industry, which increased by 6% in 2013.

We are confident that we can continue on our successful course. For 2014 we once again expect incoming orders worth between € 2.3 and 2.5 billion. We anticipate sales revenues of between € 2.4 and 2.5 billion, i.e. matching, if not exceeding, the level achieved in 2013. Further potential acquisitions are not considered here and could lead to a further increase in sales.

The sales outlook reflects what I said earlier: after a period of dynamic growth, we are now expecting more moderate increases. Anything else would be unrealistic, as the following comparison shows: While our sales revenues increased by 50%

after 2008, it was not until 2013 that sales in the German mechanical and plant engineering industry were back at the level of 2008. In other words, in the period it took the industry to recover from the Lehman crisis, Dürr's business grew by 50%. It is clear that this is not possible in the long term.

We have proven that we can convert technology leadership, process efficiency and international presence into good returns. Our plan for 2014 is to increase our EBIT roughly in line with sales, and once again achieve an EBIT margin of 8.0 to 8.5%. Earnings after tax should remain more or less constant in 2014. Here we have to bear in mind that the non-recurring expenses related to the refinancing will have an effect on our net finance expense and therefore also on our earnings after tax. These expenses will no longer apply in 2015; instead, we will see the positive effects of the more favorable financing terms.

Ladies and gentlemen,

I have come to the end of my report. You have seen that Dürr has performed well thanks to its strong basis. Our company has a solid financial foundation and great potential for innovation, and it is one of the top players in the growth markets of the automotive industry. I can assure you that Dürr will stay ahead of the competition!

Thank you for your attention!