KSB Earnings Call Half-Year Report 2026

August 6, 2026 I KSB SE & Co. KGaA

Agenda

1. Welcome
2. Financial Update HY 2026
3. Outlook & Summary
4. Q&A

Welcome on behalf of the Board!

Disclaimer

This report contains forward-looking statements. These statements are based on the current **estimates and forecasts** of the Managing Directors and the information currently available to them. The forward-looking statements do **not represent guarantees** for the future developments and results they refer to. Rather, they depend on a variety of factors and include different risks and uncertainties, and are based on assumptions that might prove to be inaccurate. This presentation includes percentage and number rounding.

The KSB Half-Year Report is available from today (8:30 CET) for download from our website.

2 Financial Update HY 2026

KSB Group - Half-Year Highlights 2026

Order intake increased to **€ 1,849 million** compared to H1 2025 (+8.8%)

Major order Energy Market of > € 150 million

Sales revenue increased to **€ 1,471 million** compared to H1 2025 (+0.4%)

EBIT impacted by:

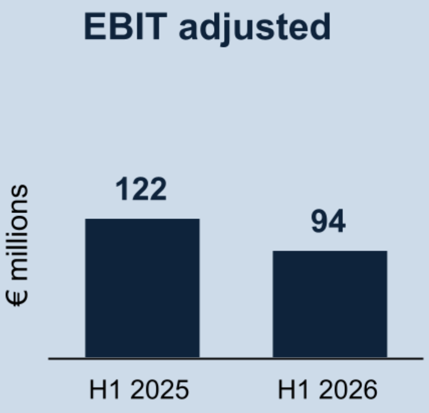
- **One-time effect from first-time consolidation of Saudi-Arabia** of € 16.6 million
- **External SAP S/4HANA charges** of € 12.3 million

EBIT reported: € 98.4 million

EBIT Margin reported: 6.7%

EBIT adjusted by special effects: **€ 94.0 million**

EBIT Margin adjusted: 6.4%

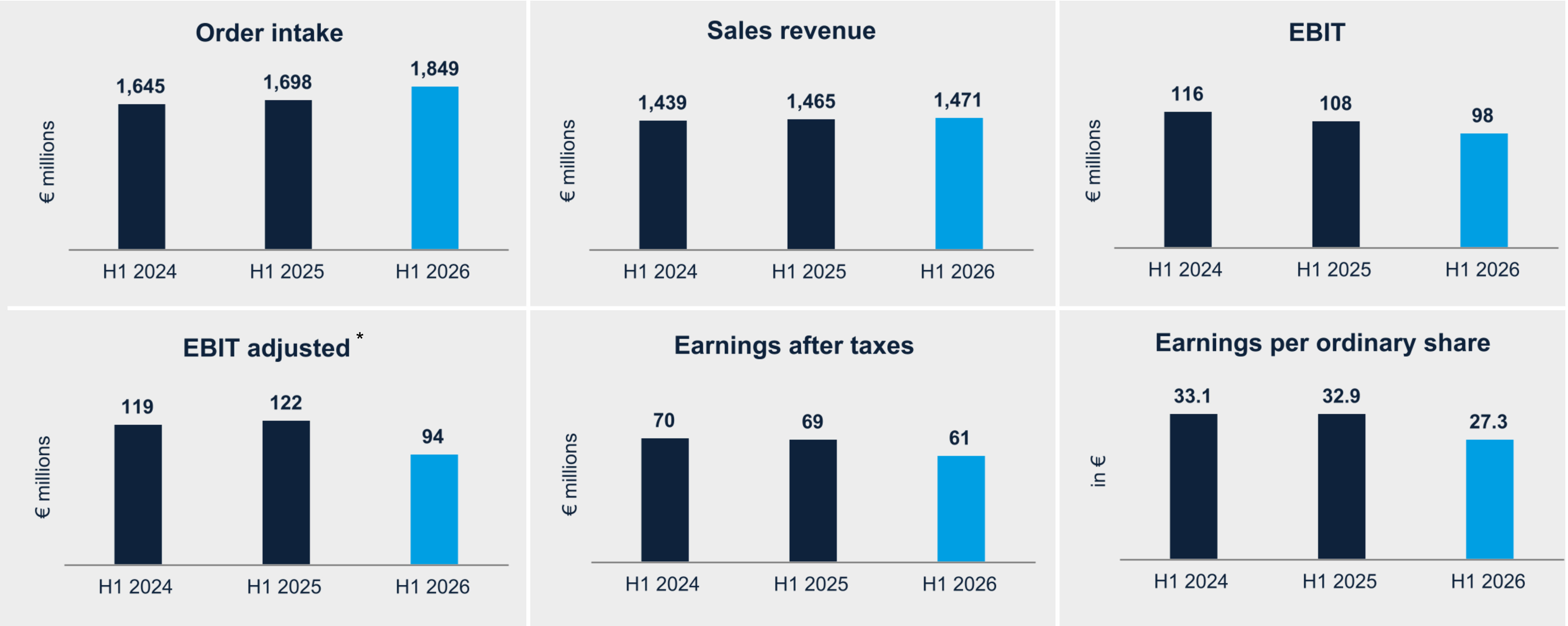


Equity increased by € 45 million compared to December 31, 2025 due to:

- **Earnings after taxes** of € 61 million
- **Dividend payments** of € -53 million
- **OCI effects** of € 37 million

Increase in Working Capital of € 85 million compared to December 31, 2025

Performance of half-year financial indicators from 2024 to 2026

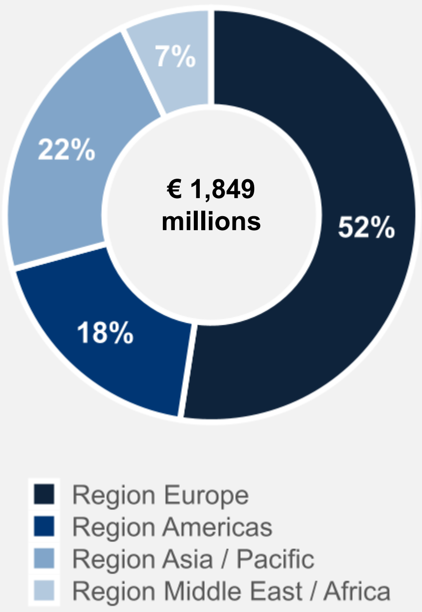


KSB

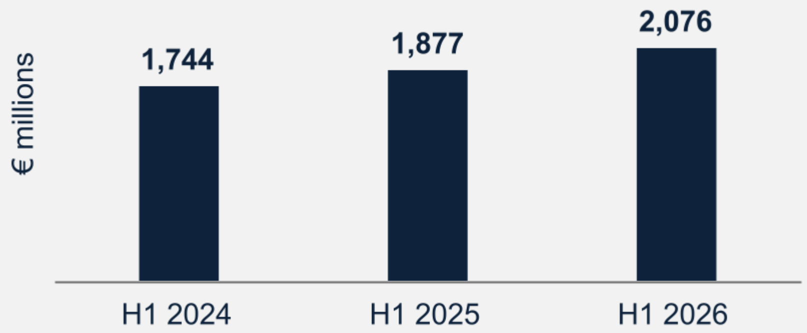
* w/o external SAP S/4HANA-charges (€ 12.3 million) & effect of first-time consolidation Saudi-Arabia (€ 16.6 million)

Strong Pumps business pushes order intake by 8.8%

Order intake H1 2026



Orders on hand



	Order intake				
€ millions	H1 2026	H1 2025	Change (abs.)	Change (rel.)	Currency effects
KSB Group	**1,848.7**	**1,698.4**	**150.3**	**+8.8%**	**-43.9**
Pumps	1,095.4	940.8	154.6	+16.4%	-23.0
Valves	213.2	225.4	-12.1	-5.4%	-7.4
KSB SupremeServ	540.1	532.3	7.8	+1.5%	-13.5

- Growth in **Segment Pumps** triggered by a major order for reactor coolant pumps in the Energy Market
- **KSB SupremeServ** influenced by growth in Mining Market in spare parts business

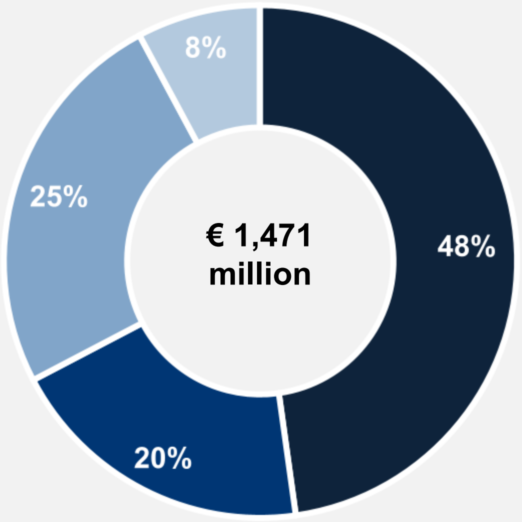
Order intake comparison Q1 & Q2 2026

€ millions	Order intake			
	Q2 2026	**Q1 2026**	**Change (abs.)**	**Change (rel.)**
KSB Group	**836.4**	**1,012.3**	**-175.9**	**-17.4%**
Pumps	462.3	633.1	-170.8	-27.0%
Valves	101.8	111.5	-9.7	-8.7%
KSB SupremeServ	272.3	267.8	4.5	+1.7%

- Segment Pumps in Q1 2026 influenced by **major order** in Energy Market

Sales revenue increases by 0.4% to € 1,471 million

Sales revenue H1 2026



	Sales revenue				
€ millions	H1 2026	H1 2025	Change (abs.)	Change (rel.)	Currency effects
KSB Group	**1,471.4**	**1,464.9**	**6.5**	**+0.4 %**	**-36.7**
Pumps	799.2	775.8	23.3	+3.0 %	-18.8
Valves	195.8	200.7	-4.9	-2.4 %	-5.8
KSB SupremeServ	476.4	488.4	-11.9	-2.4 %	-12.0

- Sales revenue in **Building Services** Market showed a growth rate of 9.5%
- Segment **Valves** impacted by moderate decrease of the Project Business, but slight increase in Standard Markets
- **KSB SupremeServ** influenced by currency effects and decrease of spare parts sales in the Pumps Segment in Petrochemicals/Chemicals Market

KSB

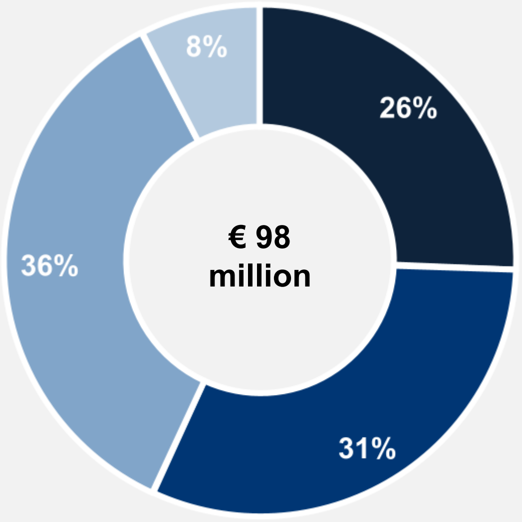
Sales revenue comparison Q1 & Q2 2026

€ millions	Sales revenue			
	Q2 2026	**Q1 2026**	**Change (abs.)**	**Change (rel.)**
KSB Group	**759.7**	**711.8**	**47.9**	**+6.7 %**
Pumps	409.6	389.6	20.0	+5.1 %
Valves	98.5	97.4	1.1	+1.2 %
KSB SupremeServ	251.6	224.8	26.8	+11.9 %

- Sales revenue increase in Q2 2026 in segment Pumps & especially KSB SupremeServ
- Growth from Q1 to Q2 2026 similar to previous years

EBIT of € 98.4 million below PY

EBIT H1 2026



€ millions	EBIT			
	H1 2026	H1 2025	Change (abs.)	Currency effects
KSB Group	**98.4**	**108.0**	**-9.6**	**-2.9**
Pumps	23.8	27.3	-3.5	-0.4
Valves	-1.7	-3.5	1.9	0.0
KSB SupremeServ	76.2	84.2	-8.0	-2.5
EBIT Margin	6.7%	7.4%		

EBIT H1 2026 influenced by:

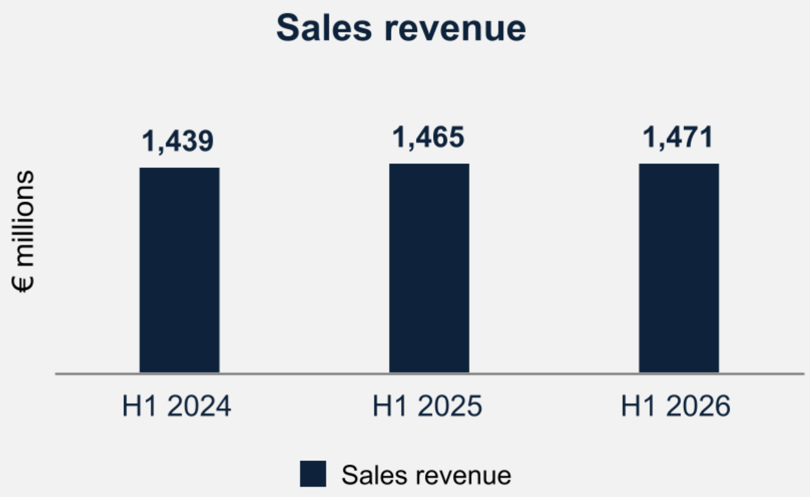
- Margin pressure (competition, price pressure due to higher energy and logistical costs)
- Lower utilization of production facilities in Q1 2026

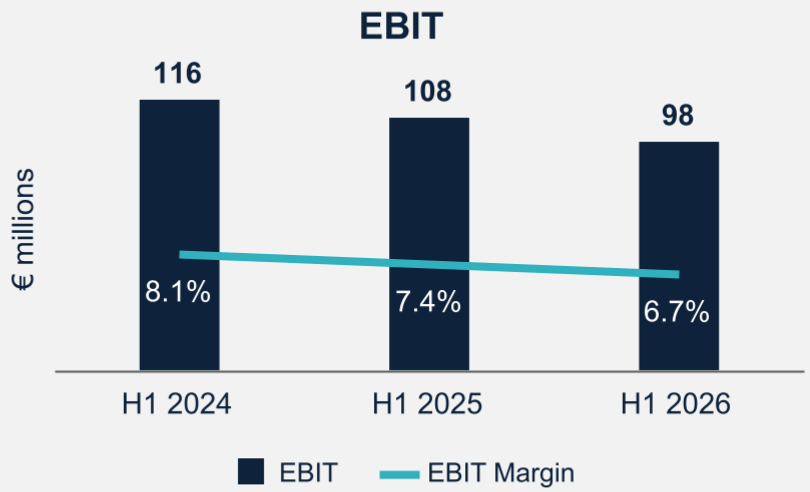
EBIT adjusted: € 94.0 million | EBIT Margin adjusted: 6.4%

Significant improvement in EBIT in Q2 after adjustment by special effects

€ millions	Q2 2026	Q1 2026	Sum
	EBIT adjusted by special effects		
KSB Group	**64.5**	**29.5**	**94.0**
Pumps	19.0	0.6	**19.6**
Valves	-0.8	-0.4	**-1.2**
KSB SupremeServ	46.3	29.3	**75.6**

- Improvement of EBIT due to revenue increased by € 48 million in Q2 compared to Q1 2026 in North America, India and Middle East / Africa
- Improvement in EBIT in segment **Pumps** and **KSB SupremeServ**
- EBIT Margin at KSB SupremeServ increased by 5 pp to 18.4%





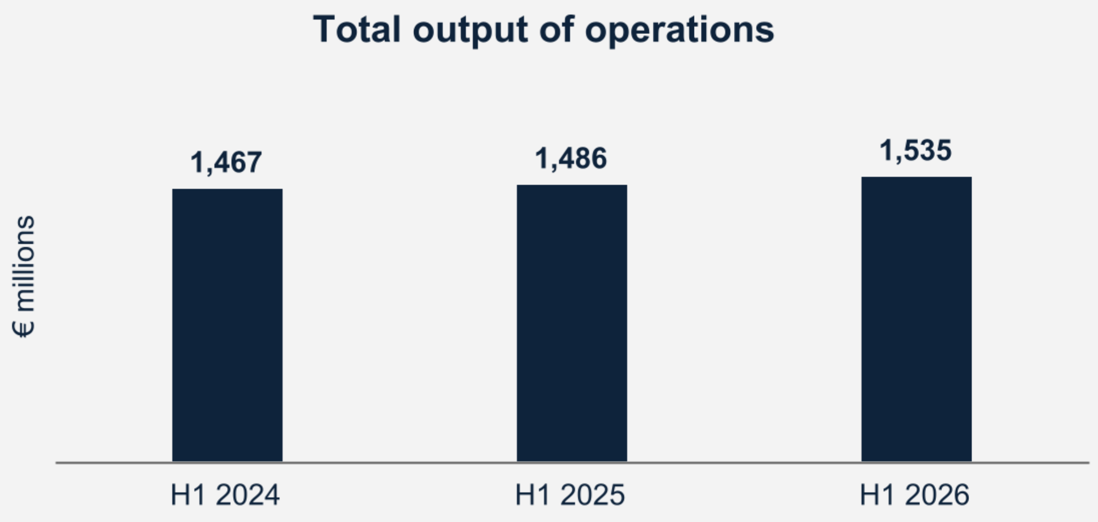
EBIT impacted by increase in cost of materials and staff costs

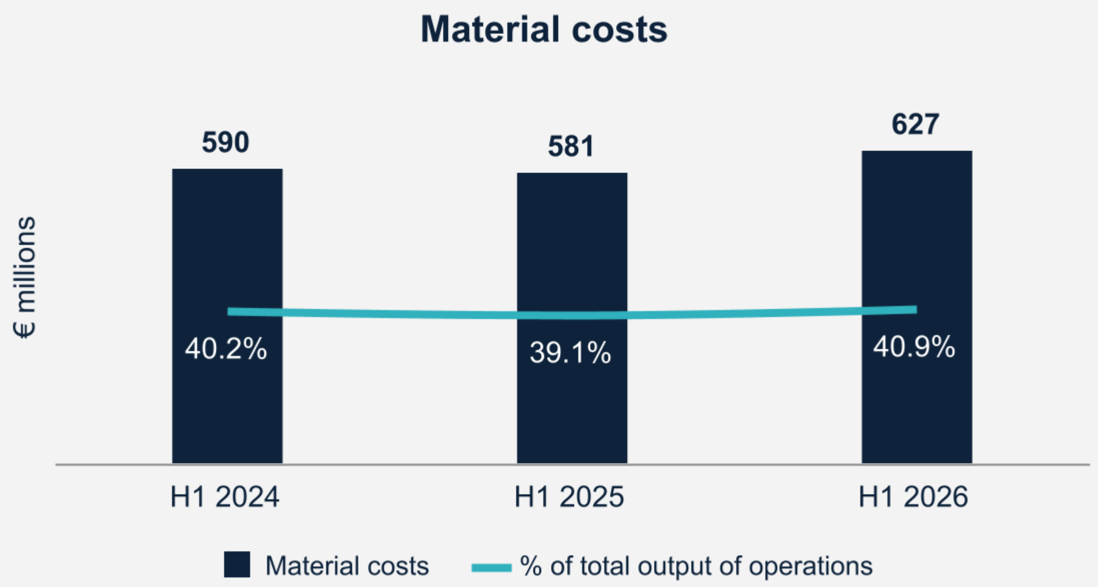
€ millions	H1 2026	in % of total output of operations	H1 2025	in % of total output of operations
Sales revenue	**1,471.4**		**1,464.9**	
Total output of operations	**1,534.7**	100.0	**1,486.2**	100.0
Other income	30.0	2.0	18.6	1.3
Cost of materials	-627.0	40.9	-581.5	39.1
Staff costs	-556.3	36.2	-536.2	36.1
Depreciation and amortisation expenses	-50.8	3.3	-48.7	3.3
Other expenses	-232.3	15.1	-230.4	15.5
EBIT	**98.4**	6.4	**108.0**	7.3

- **Material costs** influenced by higher logistical and material costs and energy prices
- **Other income** incl. effect from first-time consolidation of € 16.6 million
- **Other expenses** incl. charges for external SAP S/4HANA implementation of € 12.3 million

KSB

Increased cost of materials ratio due to higher costs





Total output of operations H1 2026:

- Sales revenue: € 1,471 million
- Changes in inventories: € +60 million
- Work performed and capitalised: € +4 million

Cost of materials ratio in H1 2026 impacted by:

- Decrease of high-margin spare parts sales by € 19 million (-5.4%)
- Higher energy and logistical expenses

Earnings after income taxes of € 60.7 million

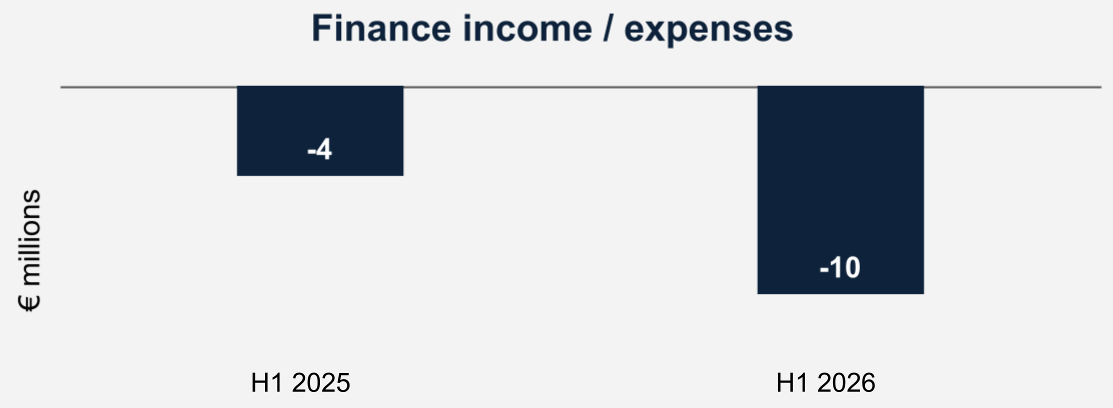
€ millions	H1 2026	H1 2025	Change (%)
EBIT	98.4	108.0	-8.9
Finance income / expense	-9.6	-4.0	136.6
EBT	88.8	104.0	-14.6
Taxes on income	-28.1	-34.9	-19.3
EAT	60.7	69.1	-12.2
Tax ratio in %	31.7	33.5	

Finance income decreased due to:

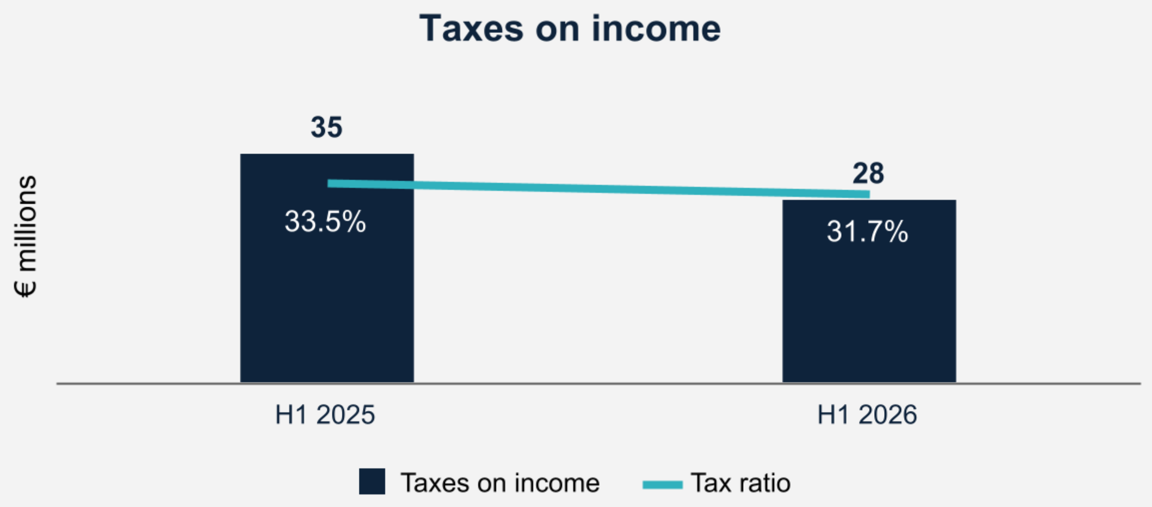
- Full-consolidation of Saudi-Arabia instead of at-equity-consolidation
- Lower interest income

KSB

Finance income / expense and Taxes on income



- Finance **income**: € 4.2 million (PY: € 6.3 million)
- Finance **expense**: € 13.8 million (PY: € 12.5 million)
  - Interest expense for pensions: € 7.8 million (PY: € 7.8 million)
  - Effect hyperinflation IFRIC 7 (Turkey, Argentina): € 3.1 million (PY: € 2.8 million)
  - Interest expenses from lease liabilities: € 1.5 million (PY: € 1.2 million)
- **Income** / expense from investments accounted for using the **equity method**: € 0.1 million (PY: € 2.2 million)

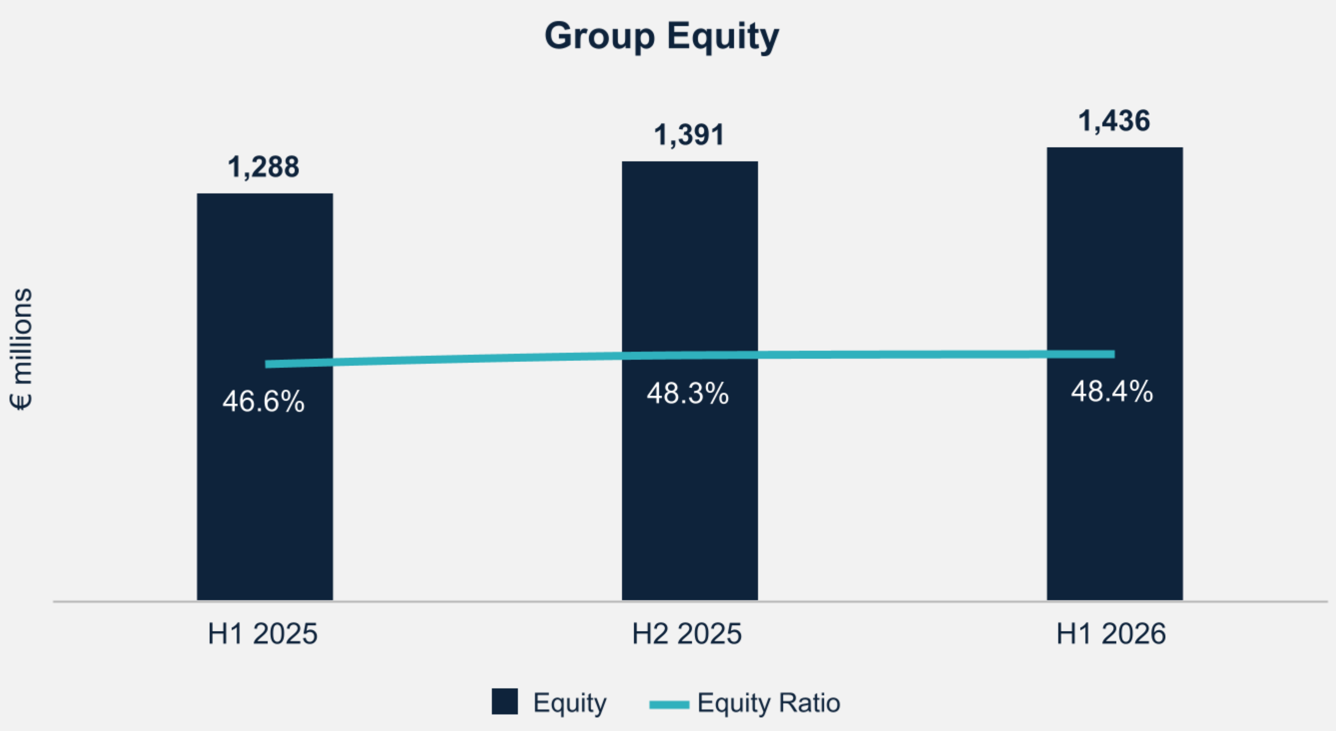


- Tax ratio for 2026 is expected to be between 32% and 33%
- Lower tax rate in H1 2026 due to tax-free gain recognized from the revaluation of shares in KSB Pumps-Arabia

Increase in total assets due to higher Investments and Trade Working Capital

€ millions	30 June 2026	in % of total assets	31 Dec. 2025	in % of total assets	Change (abs.)
Assets					
Non-current assets	1,018.0	34.3	969.2	33.6	48.8
Current assets	1,946.5	65.7	1,914.1	66.4	32.4
	2,964.5	100.0	**2,883.3**	100.0	**81.2**
Equity and Liabilities					
Equity	1,436.0	48.4	1,391.2	48.3	44.7
Non-current liabilities	513.2	17.3	514.7	17.9	-1.5
Current liabilities	1,015.3	34.2	977.4	33.9	37.9
	2,964.5	100.0	**2,883.3**	100.0	**81.2**

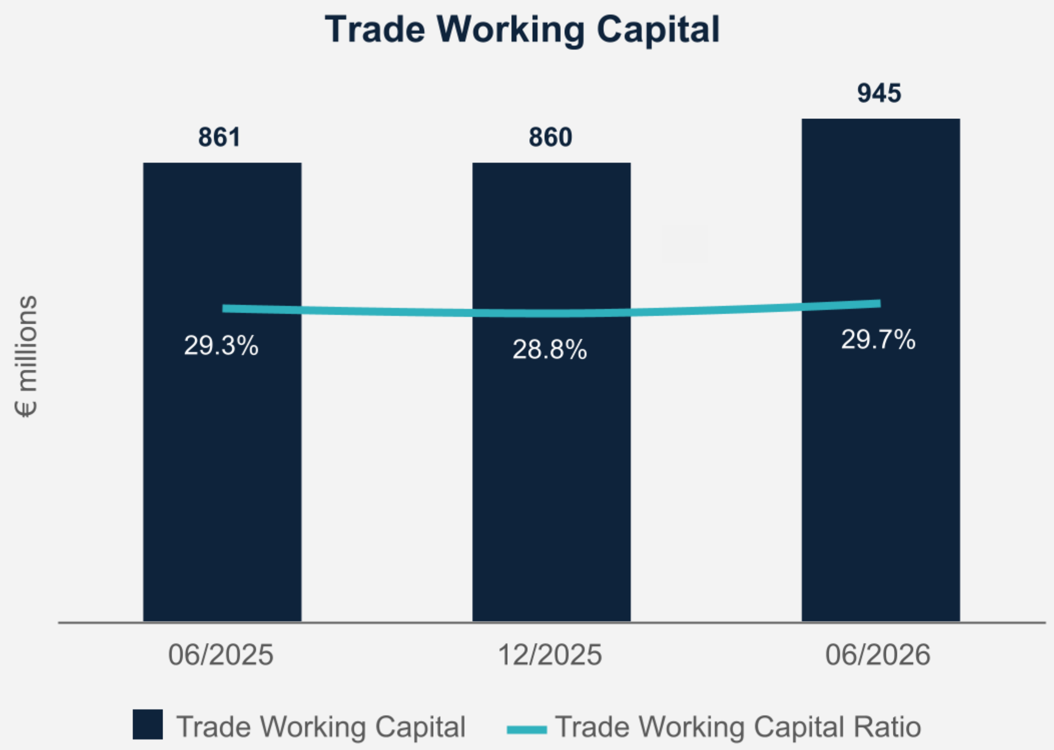
Increase in Equity of € 45 million



Equity increases slightly in the first half of the year:

- Increase impacted by:
  - Earnings after taxes of € 61 million
  - Dividend payments of € -53 million
  - OCI currency translation effect of € 19 million
  - OCI pension effect of € 5 million
  - Other OCI effects of € 13 million

Trade Working Capital remains below 30% of revenue



- Increase in **Trade Working Capital** influenced by the following factors:
  - Inventories:
    + € 83 million
  - Trade receivables & contract assets:
    + € 54 million
  - Trade payables & contract liabilities:
    - € 52 million

  (thereof effect Saudi-Arabia in total: € 40 million)
- Trade Working Capital Ratio increases to 29.7%

Reduction of Free Cashflow

€ millions	H1 2026	H1 2025	Change (abs.)
Cashflow from operating activities	24.8	42.7	-17.9
Cashflow from investing activities	* -73.4	** -45.7	-27.7
Free Cashflow	-48.6	-3.0	-45.6

* Includes investments of € -13.2 million in financial assets
** Includes investments of € 11.2 million in financial assets

- Lower cashflow from operating activities due to lower EBIT, first-time consolidation effect of Saudi-Arabia (€ 16.6 million) and changes in working capital
- Cashflow from investing activities impacted by increase of at-equity-accounted companies (ai-omatic, ECOP, KSI-Group) and investments in property, plant & equipment

KSB

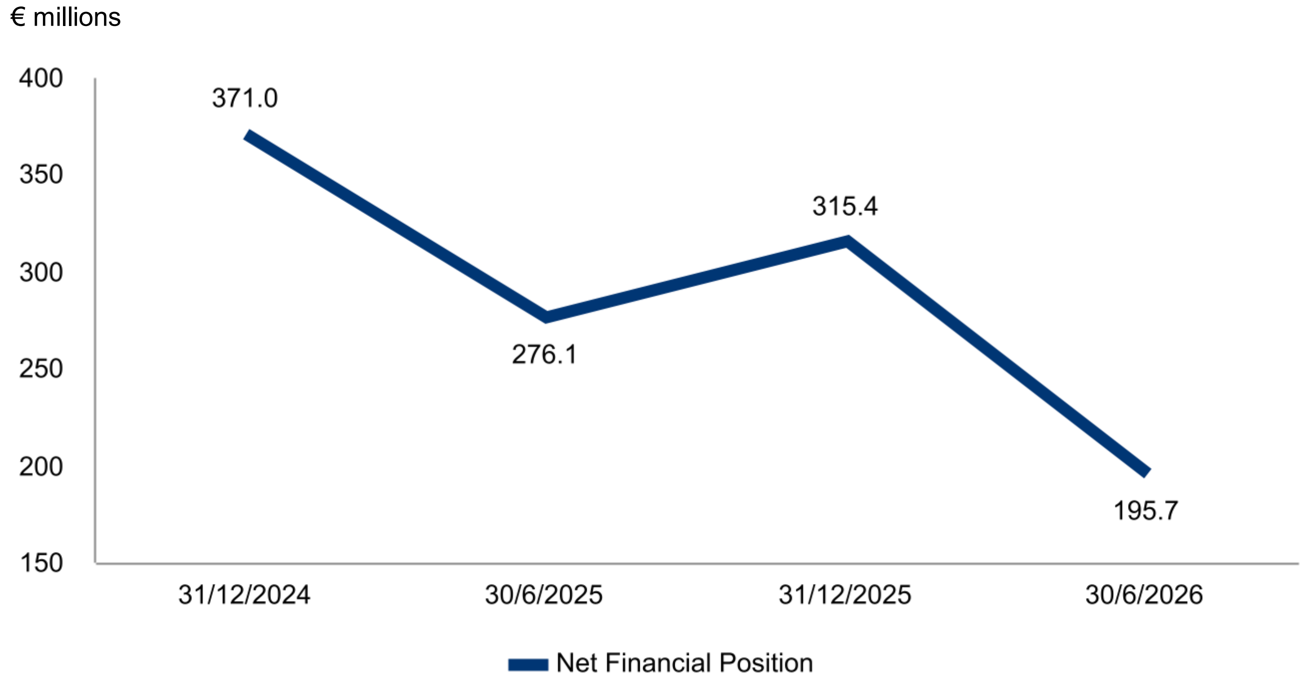
Lower investments in H1 2026

€ millions	H1 2026	H1 2025	Change (abs.)
Acquisitions	48.7	56.8	-8.1

Top 3 investments:

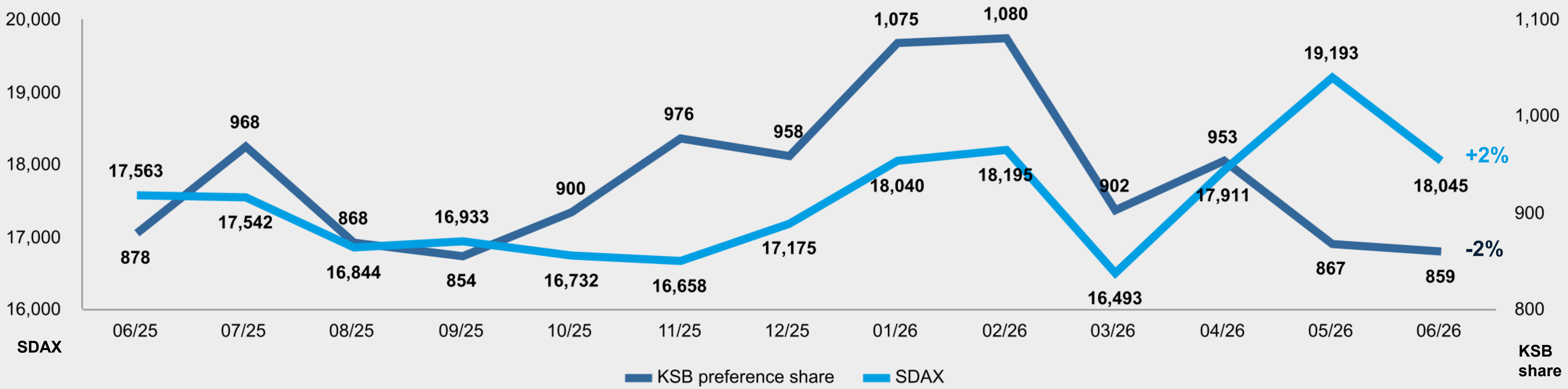
- KSB SE & Co. KGaA: Planning new testing facility Frankenthal (Total of € 4.0 million)
- KSB GIW, Inc.: New CNC-machine (Total of € 3.8 million)
- KSB SE & Co. KGaA: Modernization large-part-manufacturing Pegnitz (Total of € 3.6 million)

Net Financial Position - Increase in second half-year expected



- Starting level as of 31.12.2025 € 55.6 million lower than in 2024
- Decrease in H1 2026 impacted mainly by dividend payment of € 53 million and increase in working capital

KSB SE & Co. KGaA: Market capitalisation > € 1.5 billion



	30 June 2025	30 June 2026
Price per preference share in €	878	859
Price per ordinary share in €	890	930
Market capitalisation in € m	1,546	1,548

KSB holds its own in the first half of 2026

- **Order intake** increases by 8.8%
- **Sales revenue** slightly higher than previous year
- **EBIT reported** of € 98.4 million (ROS 6.7%);
  EBIT adjusted amounts to € 94.0 million (ROS 6.4%)
- **Stronger** sales revenue, EBIT and Net Financial Position expected in **second half** of the year
- KSB **confirms outlook** for 2026

Outlook

August 2026 for 2026

€ millions	**Forecast 2026**
Order intake	3,100 - 3,500
Sales revenue	2,900 - 3,200
EBIT	220 - 265

KSB confirms the outlook for Order intake, Sales revenue and EBIT for the Group.

3 Outlook and Summary

Boundary Conditions 2025

Tariffs	Economic downturns	Development of interest rates	Currency devaluation
Decoupling	Boundary conditions in Germany	Logistical bottlenecks	Conflicts and wars
Sanctions	Changing governments	Supply bottlenecks	Competition

What has changed in 2026?

Little!

Same potpourri with new ingredients

Key sore spots 2026

- Iran War
- Slow down in China, promoting a focus on export
- Economic and political downturn in Europe
- Geopolitical fragmentation

→ Multitude of impacts / repercussions

KSB Remedy:

→ Cost awareness, prudence, confidence, optimism

Chances 2026

Data Center

Power Generation

Water & Wastewater

Valve Profitability

Expansion of Existing Business in Emerging Markets

Way forward

Resilience in the company strategy

Flexibility in the company set-up

Focus on cost, liquidity, profit structures

Use of AI & digital transformation

Adaption of structural costs

Strategic Milestones

2018
KSB SupremeServ
Service orientation

2019
KSB VOICE
KSB Voice
Employee satisfaction

CLIMB 21
KSB CLIMB 21
Customer focus

2020
Back to profit project
Entrepreneurship

2021
Mission TEN30
Excellence

2023
KSB next level
Repositioning the brand

2026
Structural costs
Rebalancing Break-Even

KSB

Summary

Study the daily headlines

Mobilize and adapt the organisation

Lead with a longterm target

KSB


Thank you for your attention!

KSB Earnings Call:
Half-Year Report 2026

Q & A