

Conference Call

Preliminary Results Q2 2017

DUESSELDORF, 18 JULY 2017



This presentation contains forward-looking statements. Forward-looking statements may include, in particular, statements about future events, future financial performance, plans, strategies, expectations, prospects, competitive environment, regulation and supply and demand. Statements with respect to the future are characterized by the use of words such as "expect", "intend", "plan", "anticipate", "believe", "estimate" and similar terms. Forward-looking statements are based on our current assumptions and forecasts. These statements naturally entail risks and uncertainties, which may cause the actual results of operations, financial position or performance to diverge materially from the estimates given here. Factors that could cause such a divergence include, inter alia, changes in the economic and business environment, fluctuations in exchange rates and interest rates, launches of competing products, poor acceptance of new products or services, and changes in business strategy. Given these uncertainties, readers should not put undue reliance on any forward-looking statements. We undertake no obligation to update or revise any forward-looking statements.

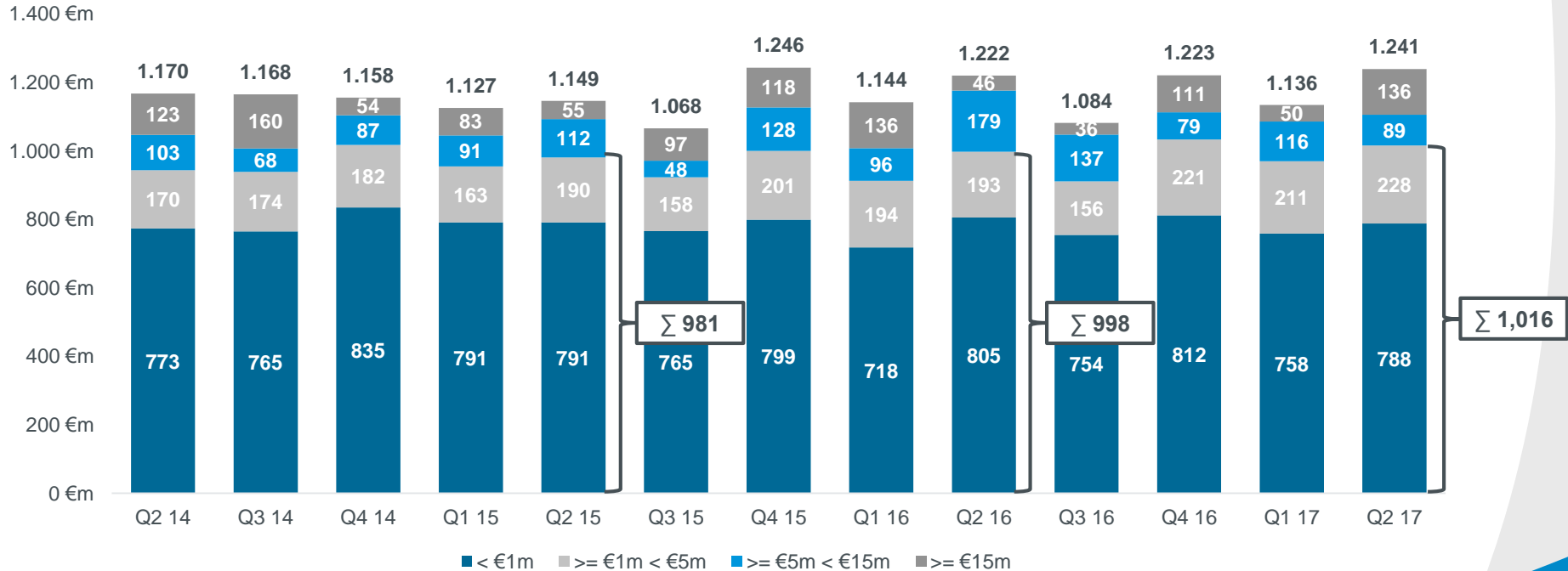
Due to the commercial rounding of figures and percentages, small deviations may occur.

- 1. Preliminary results Q2 2017**
2. Revised Outlook
3. Bottling Projects

Key figures Q2 2017

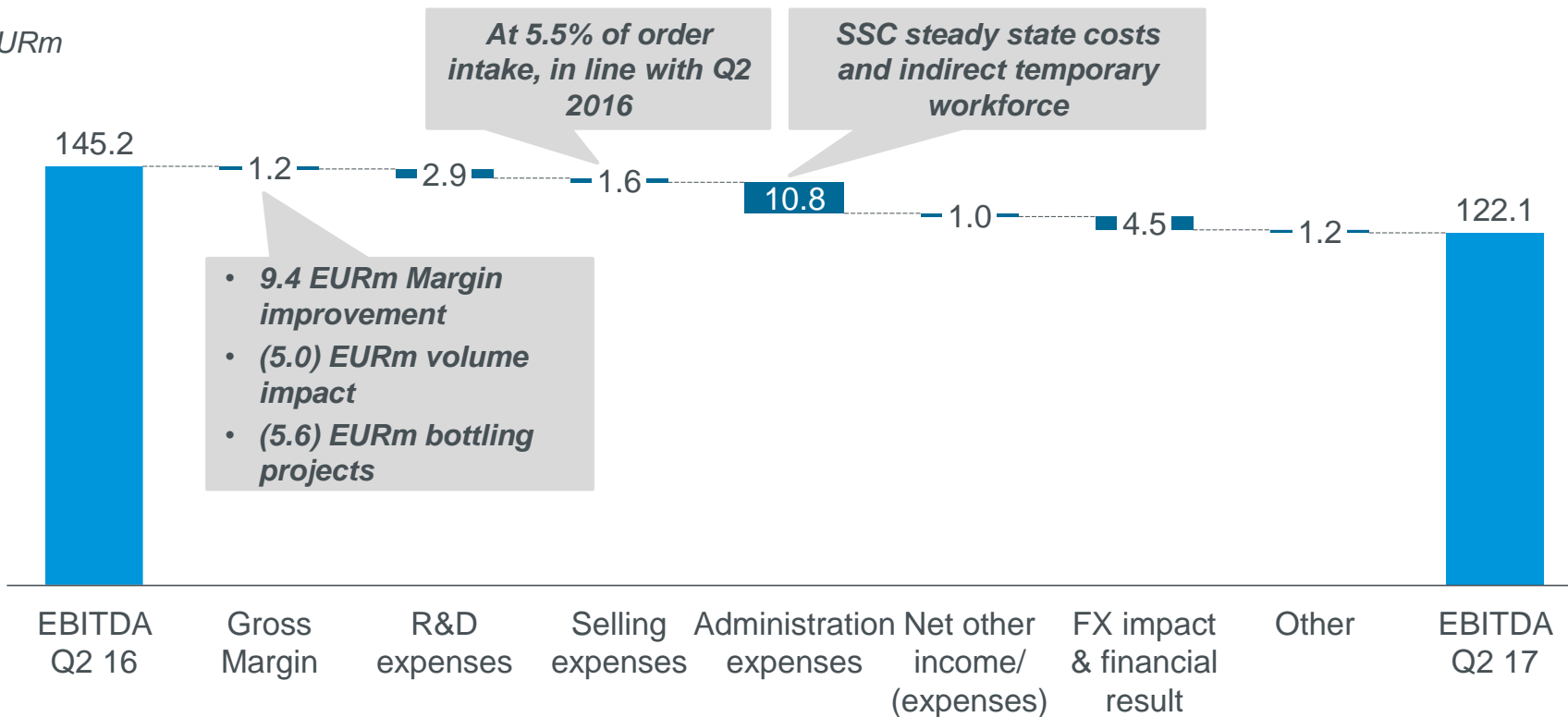
Order Intake (EURm)	Sales (EURm)	Op. EBITDA (EURm)	Op. EBIT (EURm)
1,241	1,141	122	102
Δ +1.6% YoY	Δ -1.3% YoY	Δ -15.9% YoY	Δ -18.8% YoY
Business Area Equipment			
622	585	97	82
Δ +0.8% YoY	Δ +2.6% YoY	Δ +12.8% YoY	Δ +14.5% YoY
Business Area Solutions			
671	605	35	31
Δ +2.0% YoY	Δ -4.6% YoY	Δ -26.6% YoY	Δ -26.4% YoY

Order intake development by size since Q2 2014

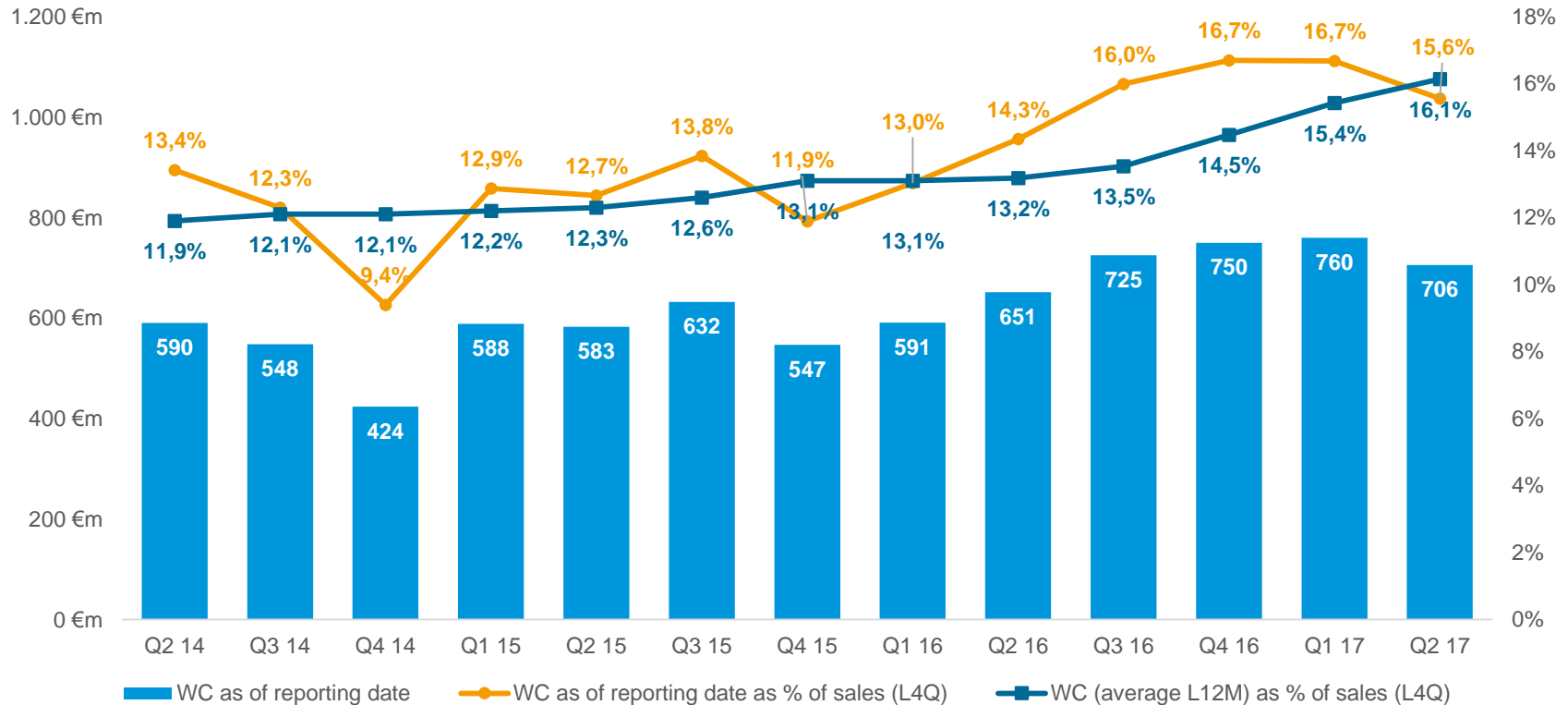


EBITDA bridge Q2 2016 to Q2 2017

EURm



Working capital to sales ratio as of Q2 2017



Working capital development

€m	Q1 16	Q2 16	Q3 16	Q4 16	Q1 17	Q2 17	Δ YoY	Δ QoQ
+ Inventories	613	639	645	611	671	664	25	-7
Trade receivables w/o POC	669	762	767	929	839	830	68	-8
Advance Payments w/o POC	239	247	237	207	225	251	4	26
+ Net trade receivables w/o POC	430	515	530	722	614	579	64	-34
POC receivables	399	430	442	461	442	493	62	50
POC liability	342	377	367	420	399	430	53	32
+ Net POC receivables	58	54	75	41	44	62	9	19
- Trade payables	509	556	526	624	568	600	44	32
= Working Capital	591	651	725	750	760	706	54	-54

1. Preliminary results Q2 2017
- 2. Revised Outlook**
3. Bottling Projects

We are aiming for, in the absence of:

- any further weakening of global economic growth and
- in particular, material weakening in any of our relevant customer industries, or adverse shifts in demand among those industries resulting in a negative margin impact
- material adverse currency (translation or competitive) impacts

**Ad-hoc
publication**

Sales (in reported terms)

Moderate growth

Operating EBITDA (adjusted for
strategic projects) (EURm)

600 – 640

Operating Cash Flow Driver Margin
(based on operating EBITDA and on
Capex adjusted for strategic projects)

8.5% to 9.5%

Before additional cost for bottling projects

Key figures | projection lower vs. higher end scenario outlook (ad-hoc)

EURm	Lower end outlook (ad-hoc)			Higher end outlook (ad-hoc)		
	H1 2017	H2 2017	Total	H1 2017	H2 2017	Total
Sales	2,145 2.4% YoY growth	2,470 3.1% YoY growth	4,615 2.8% YoY growth	2,145 2.4% YoY growth	2,560 7.1% YoY growth	4,705 4.9% YoY growth
Gross Margin (excl. bottling projects) in % of sales	683 31.8%	784 31.8%	1,467 31.8%	683 31.8%	820 32.0%	1,503 31.9%
Overhead (incl. net other income (expenses), FX impact & financial result, adj. for D&A, PPA)	(457)	(410)	(867)	(457)	(406)	(863)
Op. EBITDA (excl. bottling projects) in % of sales	226 10.5%	374 15.1%	600 13.0%	226 10.5%	414 16.2%	640 13.6%

H1 summary & H2 projection for lower end scenario outlook (ad-hoc)

preliminary

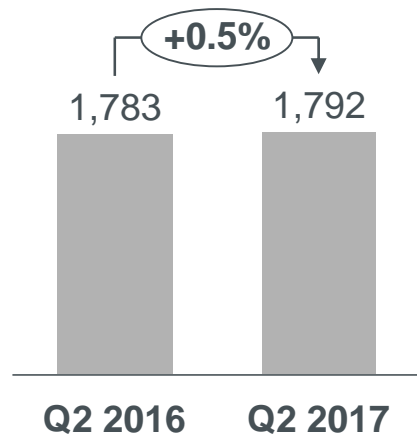
EURm	H1 phasing				H2 projection		
	Sales rel.	Sales abs.	GM rel.	GM abs.	Sales abs.	GM rel.	GM abs.
BA Solutions	1 ~46%	1,122			1,315		
BA Equipment	2 ~47%	1,117			1,250		
Consolidation		-94			-95		
Subtotal		2,145	3 31.5% (31.8%) ¹	676	2,470	4 31.8%	784
Overhead²				(457)			5 (410)
Op. EBITDA				219			
5 bottling projects				7			
Op. EBITDA (excl. bottling projects)				226			374
Total Op. EBITDA (H2 simulated)							600

1. Excluding bottling projects 2. incl. net other income (expenses), FX impact & financial result, adj. for D&A, PPA -

1 Topline Analysis BA SOLUTIONS

Backlog Analysis

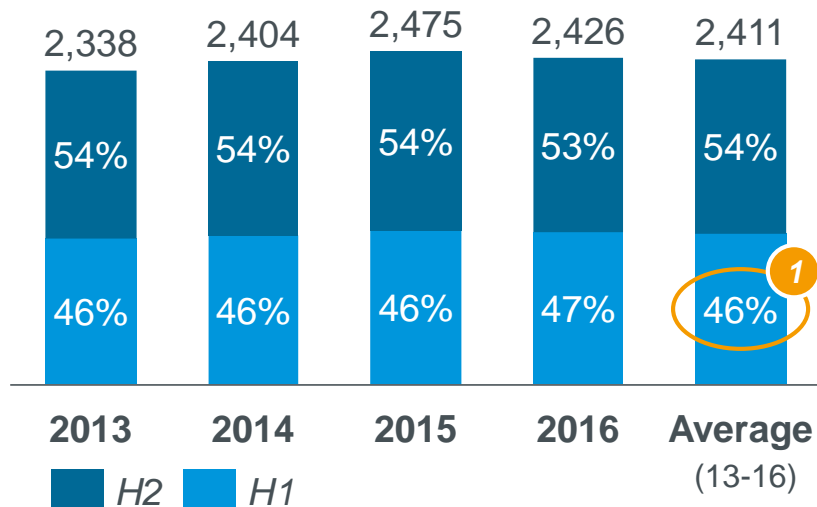
EURm



Backlog profile Q2 2017 supports higher sales conversion rate than Q2 2016

Sales Phasing Analysis

EURm



Sales phasing 2016 was distorted by (customer-induced) execution delays in larger dairy projects

Project-by-project Analysis

Backlog / in-for-out	Contract Value	PoC / actual ytd	projection Q3	projection Q4
APC Dairy project A	11.500	0.000	8.000	10.500
APC Dairy project B	6.700	2.100	3.400	5.500
APC Beverage project C	4.000	3.800	4.100	4.500
APC Chemical project D	5.000	2.500	3.200	5.300
etc.
Service business	100.000	120.000	140.000	...
phasing	%	%	%	%

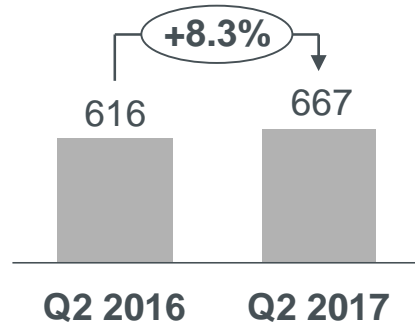
Supports moderately higher growth for H2 2017

Detailed project-by-project assessment based on scheduled project milestones

2 Topline Analysis BA EQUIPMENT

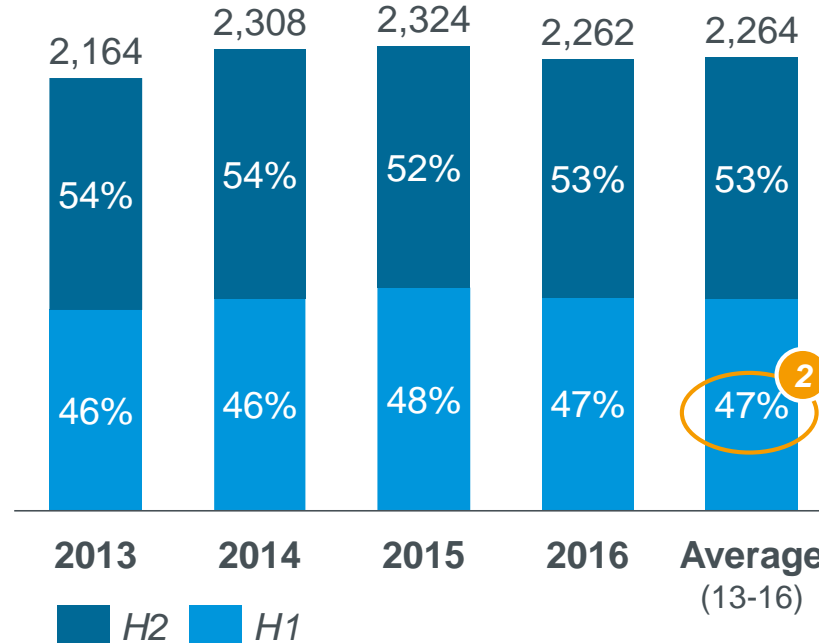
Backlog Analysis

EURm



Sales Phasing Analysis

EURm



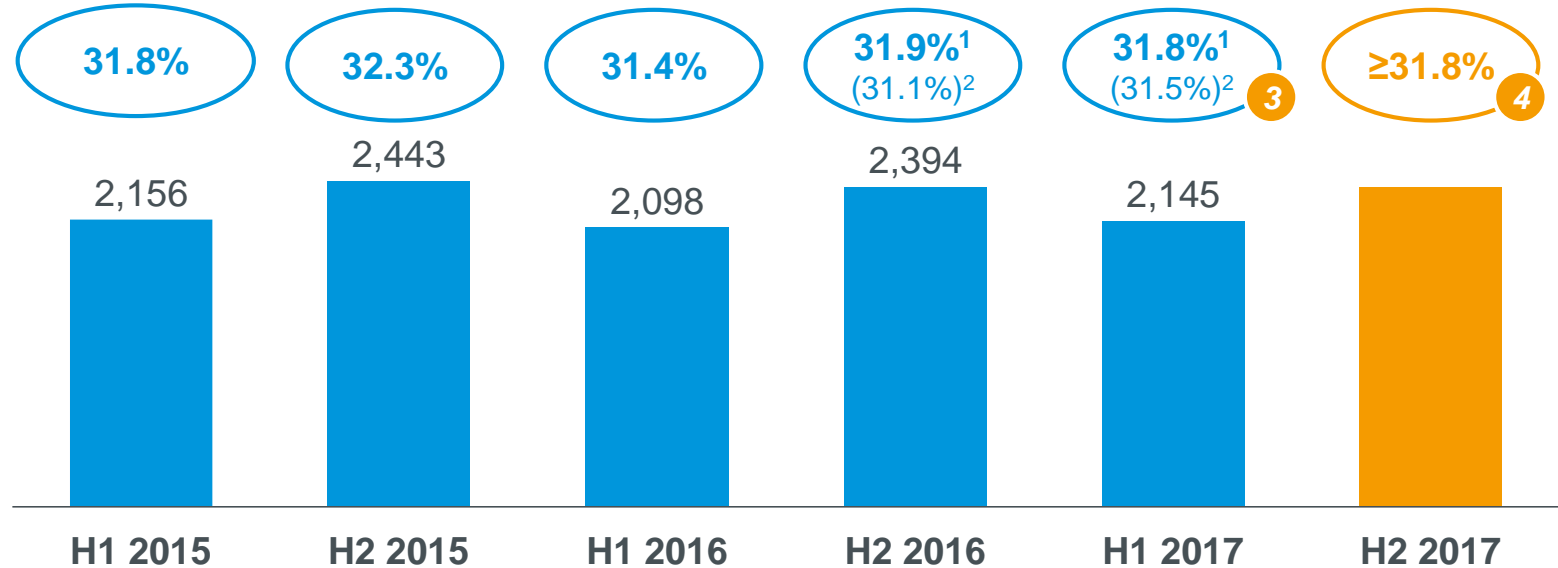
Project-by-project Analysis

Current YTD sales at 1,117 m€ are 5.2% above prior year and support moderate growth assumption

GEA Group Sales & Gross Margin Development

Sales
in EURm

Gross
Margin

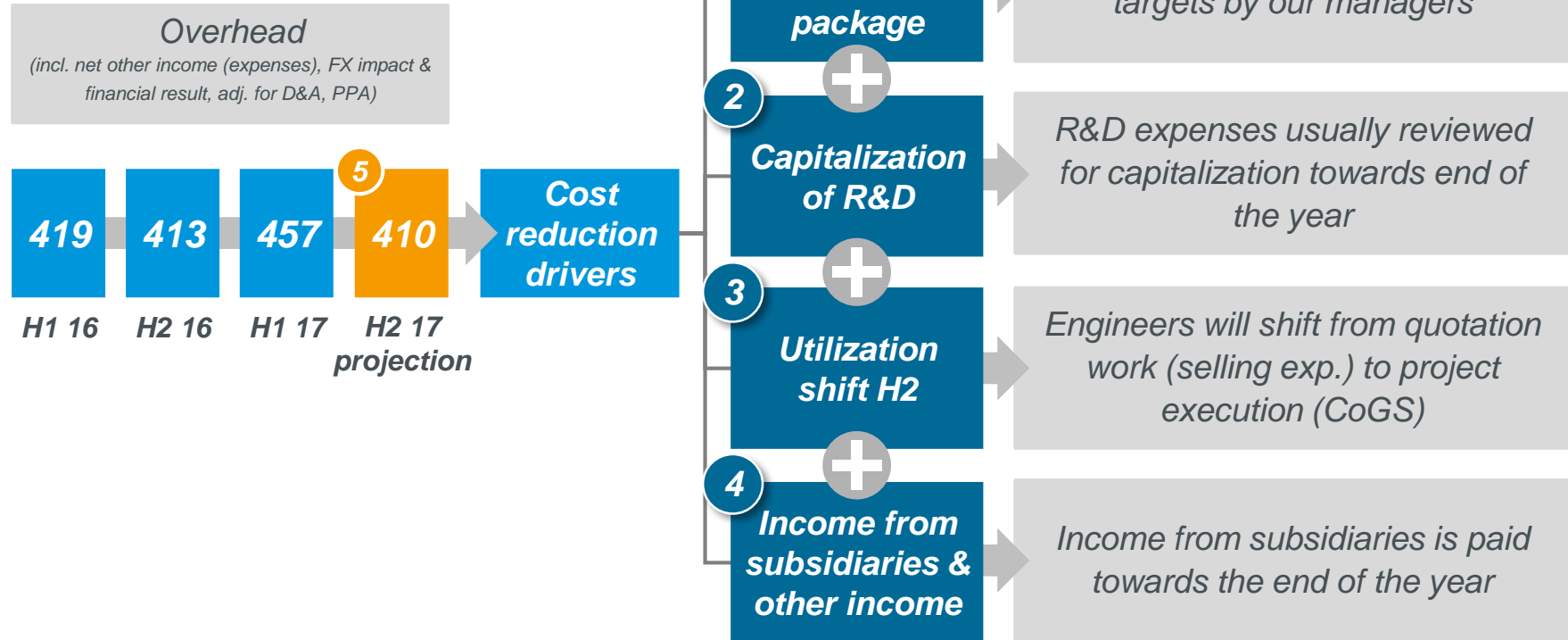


Development consistently showed an upswing in second half of a year

1. Adjusted for additional cost in special projects (in 2017 only bottling projects)

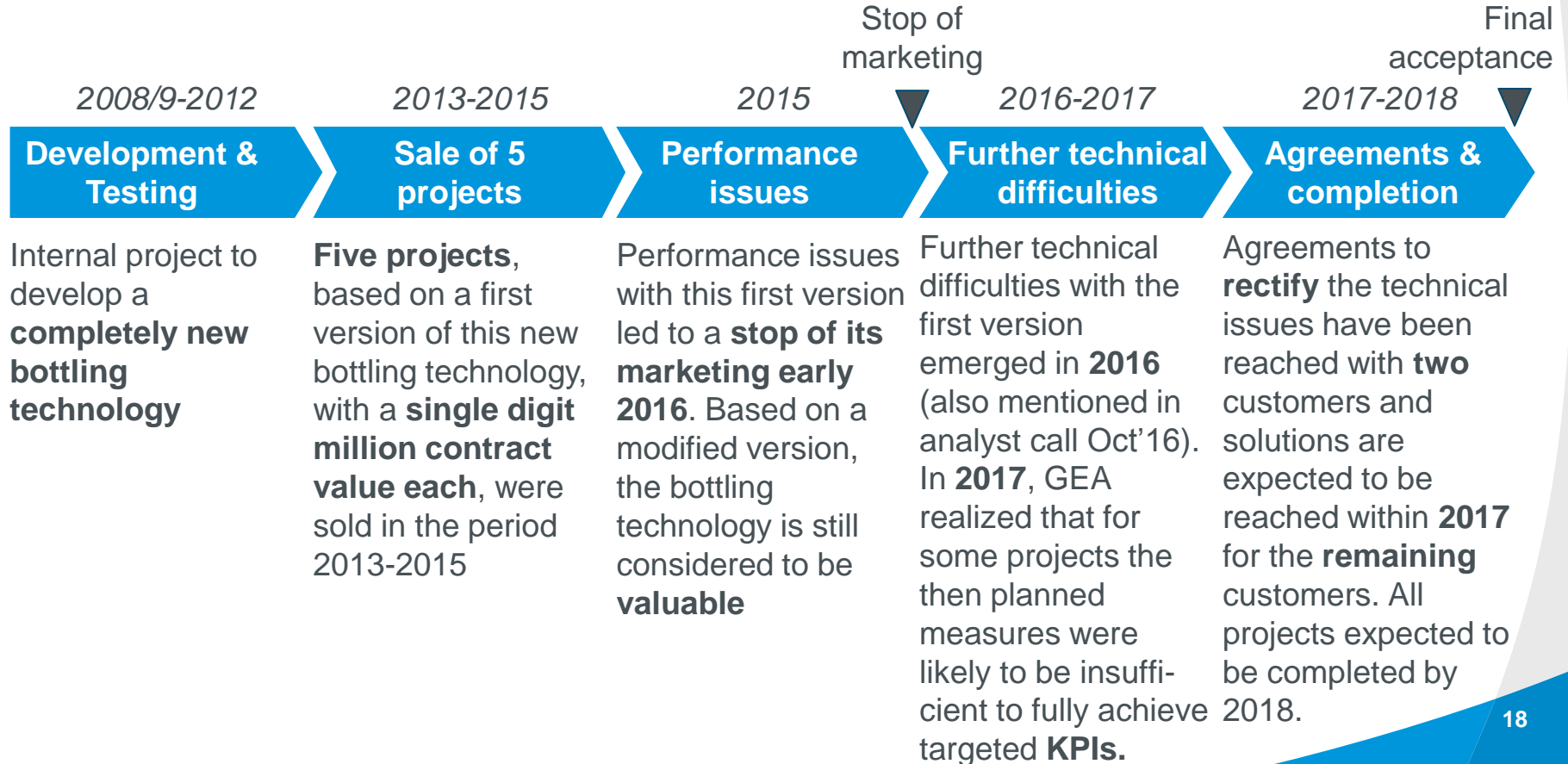
2. All-in Gross Margin

Overhead projection for lower end scenario outlook (ad-hoc)



1. Preliminary results Q2 2017
2. Revised Outlook
3. **Bottling Projects**

Performance issues with 1st version bottling technology limited to 5 projects (total order volume ~EUR30m)



EBITDA impact (EURm)



The YTD impact includes:

- the actual **project costs** for H1 2017
- **additional provisions** for GEA's best estimate of its costs to complete the projects



Potential risk that further **measures** would be required to rectify the technical challenges and that GEA might face additional customer claims

The expenses in relation to the five projects are included in the operating EBITDA² and will be shown as a separate line.

1. Excluding a potential EUR6.5m non-cash impairment on the technology

2. As defined in the annual report 2016, page 206



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