

GEA Increases Operating EBITDA Margin to 11.5 Percent

- Order intake of EUR 1,170 million in Q2 beats consensus
- Second quarter organic revenue up 8 percent year-on-year
- Q2 earnings per share up 7 percent year-on-year
- Moody's Investors Service lifts rating to Baa2 with stable outlook

Dusseldorf, July 28, 2014 – GEA closed the second quarter of 2014 on a positive note. The GEA Farm Technologies and GEA Refrigeration Technologies segments in particular saw encouraging growth. At EUR 1,170 million, the company's order intake adjusted for currency translation effects again almost reached the all-time highs seen in the prior-year quarter. This places GEA's order intake at the upper end of expectations.

In the second quarter of 2014, the revenue generated by GEA's continuing operations increased by 5.0 percent to EUR 1,118 million (previous year: EUR 1,065 million). Exchange rate movements reduced revenue by 3.0 percent. In the first half of 2014, revenue amounted to EUR 2,068 million (previous year: EUR 1,989 million). This corresponds to organic growth of 7.0 percent.

The group's operating EBITDA in the second quarter rose to EUR 128 million, up EUR 10 million (8.1 percent) year-on-year. The operating EBITDA margin saw further improvement to 11.5 percent of revenue. The company's operating EBITDA in the first six months of the year increased by EUR 22 million to EUR 213 million. At 10.3 percent, the operating EBITDA margin was up 71 basis points year-on-year.

Consolidated profit amounted to EUR 81 million in the second quarter, a 7.2 percent increase year-on-year. This corresponds to earnings per share of EUR 0.42 for the period (previous year: EUR 0.39).

"In 2014, GEA generated its highest ever operating EBITDA for a first half-year period. This applies in particular also to the 10.3 percent margin. The improvement in margins in our GEA Farm Technologies and GEA Refrigeration Technologies segments was a particularly positive sign. We are also pleased that Moody's has increased our credit rating from Baa3 to Baa2 with a stable outlook. The main reason for this is our improved risk profile thanks to the strategic realignment towards the more stable food industry," said Jürg Oleas, CEO of GEA Group Aktiengesellschaft.

Assuming that there is no unexpected slowdown in global economic growth, GEA is reiterating its previous business outlook for 2014.

GEA Group: Key IFRS figures

(EUR million)	Q2 2014	Q2 ¹ 2013	Change in %	Q1-Q2 2014	Q1-Q2 ¹ 2013	Change in %
Order intake	1,169.9	1,220.0	-4.1	2,194.2	2,315.1	-5.2
Revenue	1,117.7	1,064.6	5.0	2,068.3	1,988.7	4.0
Order backlog	2,137.2	2,085.3	2.5	2,137.2	2,085.3	2.5
Operating EBITDA ²	128.0	118.4	8.1	213.2	190.8	11.7
as % of revenue	11.5	11.1	-	10.3	9.6	-
EBITDA	123.1	113.8	8.1	206.1	184.9	11.5
Operating EBIT ²	109.3	101.0	8.3	176.1	156.4	12.6
as % of revenue	9.8	9.5	-	8.5	7.9	-
EBIT	98.7	90.4	9.1	157.4	138.5	13.7
as % of revenue	8.8	8.5	-	7.6	7.0	-
EBT	79.4	75.3	5.5	119.8	109.8	9.1
Profit after tax from continuing operations	62.4	58.7	6.3	94.2	86.5	8.8
Profit or loss after tax from discontinued operations	18.4	16.7	10.3	33.8	29.7	14.0
Profit for the period	80.8	75.4	7.2	128.0	116.2	10.1
Earnings per share pre purchase price allocation (EUR)	0.44	0.42	6.5	0.71	0.65	9.0
Earnings per share (EUR)	0.42	0.39	7.2	0.66	0.60	10.2
Working capital (reporting date)	590.1	521.1	13.2	590.1	521.1	13.2
Working capital (average of the past 12 months)	524.4	505.4	3.8	524.4	505.4	3.8
as % of revenue (average of the past 12 months)	11.9	11.9	-	11.9	11.9	-
Net liquidity (+)/Net debt (-) (including discontinued operations)	-551.8	-580.4	4.9	-551.8	-580.4	4.9
Cash flow driver ³	394.4	354.7	11.2	394.4	354.7	11.2
as % of revenue (past 12 months)	9.0	8.3	-	9.0	8.3	-
ROCE in % (EBIT/Capital Employed) ⁴	16.2	13.4	-	16.2	13.4	-
ROCE in % (goodwill adjusted) ⁵	22.9	19.3	-	22.9	19.3	-
Capital expenditure on property, plant and equipment	23.3	22.1	5.4	42.2	39.8	6.1
Full-time equivalents (reporting date) excluding vocational trainees and inactive employment contracts	18,186	17,438	4.3	18,186	17,438	4.3

1) Amounts adjusted due to classification of an operation as discontinued operation

2) Before effects of purchase price allocations and before one-offs

3) Cash flow driver = EBITDA - Capital expenditure - Change in Working Capital (average of the past 12 months)

4) Capital employed including goodwill from the acquisition of the former GEA AG by the former Metallgesellschaft AG in 1999 (average of the past 12 months)

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About GEA Group

GEA Group Aktiengesellschaft is one of the largest suppliers for the food processing industry and a wide range of other process industries. As an international technology group, the Company focuses on process technology and components for sophisticated production processes. In 2013, GEA generated consolidated revenues in excess of EUR 4.3 billion, more than 70 percent of which came from the food sector, which is a long-term growth industry. The group employed about 18,000 people worldwide as of June 30, 2014. GEA Group is a market and technology leader in its business areas. It is listed in Germany's MDAX stock index (G1A, WKN 660 200) and the STOXX[®] Europe 600 Index. Further information is available on the Internet at: www.gea.com.

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