GEA Group

Interim Report for the 1st Quarter 2006

January 1 to March 31, 2006

Profitable growth continues

Key Figures for the GEA Group (IFRS)

EUR million

	Q1 2006	Q1 2005	Change in %
Results of operations			
Sales	**1,091.4**	942.8	15.8
thereof outside Germany	**846.0**	718.9	17.7
thereof in Germany	**245.4**	223.9	9.6
New orders	**1,527.1**	1,159.4	31.7
Order book	**3,463.9**	2,674.4	29.5
EBITDA	**44.3**	33.3	33.0
EBIT	**26.9**	15.5	73.7
% of sales	**2.5**	1.6	–
Earnings before tax on continuing operations	**17.8**	2.2	714.3
% of sales	**1.6**	0.2	–
Net income on continuing operations	**10.6**	1.3	701.6
Net income on discontinued operations	**0.0**	9.6	– 100.0
Net income	**10.6**	10.9	– 2.8
Minority interest	**0.0**	– 0.5	95.7
Net assets			
Total assets	**4,957.9**	5,334.8	– 7.1
Equity	**1,587.3**	1,689.7	– 6.1
% of total assets	**32.0**	31.7	–
Net position[1]	**165.5**	59.9	176.1
cash	**301.3**	299.9	0.5
securities	**11.5**	55.6	– 79.3
bank debt + bonds	**147.3**	295.6	– 50.2
Gearing (%)[2]	**– 10.4**	– 3.5	–
Financial position			
Cash flow from operating activities	**– 131.3**	– 231.3	43.2
Free cash flow[3]	**– 144.4**	– 260.8	44.6
Investment (at balance sheet date)[4]	**2,237.6**	2,192.7	2.0
ROCE (%)[5]	**1.2**	0.7	–
Capital expenditure incl. finance leases	**22.0**	36.7	– 40.1
Employees[6]			
Employees at balance sheet date	**17,884**	17,133	4.4
thereof in Germany	**7,400**	7,428	– 0.4
thereof outside Germany	**10,484**	9,705	8.0
GEA Group's shares			
Share price at end of year (EUR)	**13.88**	9.87	40.6
Basic earnings per share (EUR)	**0.06**	0.06	1.4
thereof on discontinued operations	**0.00**	0.05	– 100.0
Weighted average number of shares outstanding (million)	**188.0**	188.0	0.0
Economic value added	**– 14.0**	– 20.8	32.7

1) Net position = cash + securities – bonds – bank debt

2) Gearing = net position[1] / equity

3) Free cash flow = cash flow from operating activities + cash flow from investing activities

4) Investment = non-current assets + current assets – trade payables – other liabilities – advances received – cash

5) ROCE = EBIT / investment

6) Full-time equivalents (FTEs), excl. trainees

Customized Systems

EUR million

	Q1 2006	Q1 2005	Change in %
Sales	**168.1**	146.5	14.8
New orders	**209.0**	165.3	26.5
Order book	**211.6**	150.0	41.1
EBITDA	**9.9**	8.4	18.0
EBIT	**6.7**	5.3	26.0
% of sales	**4.0**	3.6	–
Earnings before tax	**6.6**	5.6	18.0
Cash flow[1]	**– 3.0**	– 25.3	88.1
Employees at balance sheet date[2]	**4,260**	4,327	– 1.5

Process Equipment

EUR million

	Q1 2006	Q1 2005	Change in %
Sales	**272.2**	239.4	13.7
New orders	**347.1**	277.6	25.0
Order book	**391.5**	262.9	48.9
EBITDA	**25.2**	22.2	13.8
EBIT	**19.9**	17.3	14.9
% of sales	**7.3**	7.2	–
Earnings before tax	**18.2**	15.2	19.4
Cash flow[1]	**– 24.2**	– 47.6	49.2
Employees at balance sheet date[2]	**5,998**	5,707	5.1

Process Engineering

EUR million

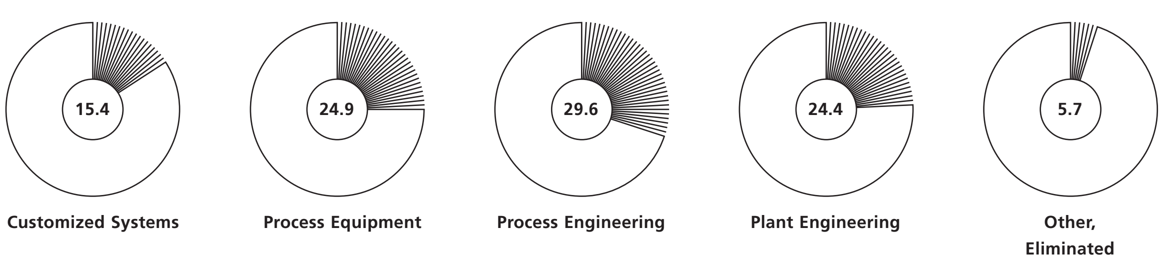
	Q1 2006	Q1 2005	Change in %
Sales	**322.8**	249.3	29.5
New orders	**587.4**	333.2	76.3
Order book	**1,197.0**	791.5	51.2
EBITDA	**13.1**	11.2	16.4
EBIT	**9.7**	8.1	20.5
% of sales	**3.0**	3.2	–
Earnings before tax	**9.2**	8.0	14.3
Cash flow[1]	**8.2**	– 71.7	111.4
Employees at balance sheet date[2]	**5,110**	4,481	14.0

Plant Engineering

EUR million

	Q1 2006	Q1 2005	Change in %
Sales	**266.5**	265.0	0.6
New orders	**325.4**	399.7	– 18.6
Order book	**1,683.2**	1,468.2	14.6
EBITDA	**– 4.7**	– 1.0	– 387.6
EBIT	**– 7.1**	– 5.0	– 43.2
% of sales	**– 2.7**	– 1.9	–
Earnings before tax	**– 6.4**	– 6.4	– 0.7
Cash flow[1]	**– 72.3**	– 31.6	– 129.2
Employees at balance sheet date[2]	**2,113**	2,106	0.3

Breakdown of Group sales in percent



1) Cash flow from operating activities

2) Full-time equivalents (FTEs), excl. trainees

Profitable growth continues in Q1 2006

- New orders expand by 31.7 percent
- Sales advance by 15.8 percent
- EBIT improves by 73.7 percent
- EBT rises from EUR 2.2 million to EUR 17.8 million
- Moody’s raises rating to Baa3

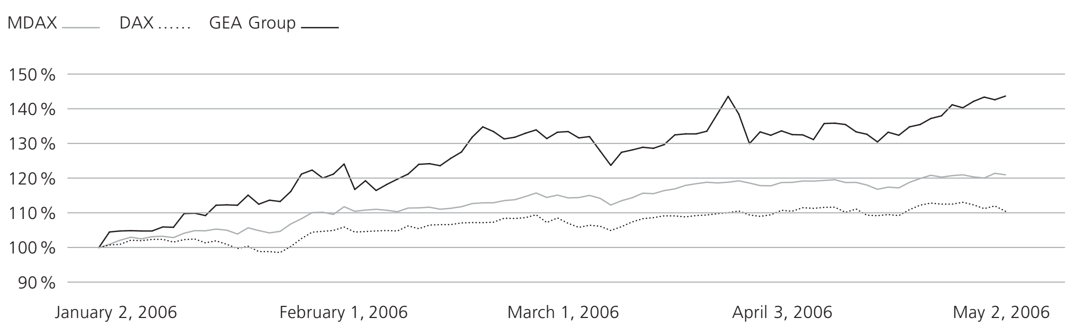
Interim Report for the 1st Quarter 2006

GEA Group's Shares

GEA Group's Shares

During the first quarter of 2006, the GEA Group share price rose by around 27 percent, outperforming the strong gain in the MDAX. This index was up 17 percent in the first three months, itself outperforming the DAX, which added only about 10 percent.

Performance of GEA Group's share price against the DAX and MDAX



GEA Group's share price reached a high of EUR 15.02 on March 23 and closed the quarter at EUR 13.88, having started from EUR 10.97 on January 2, the quarter low.

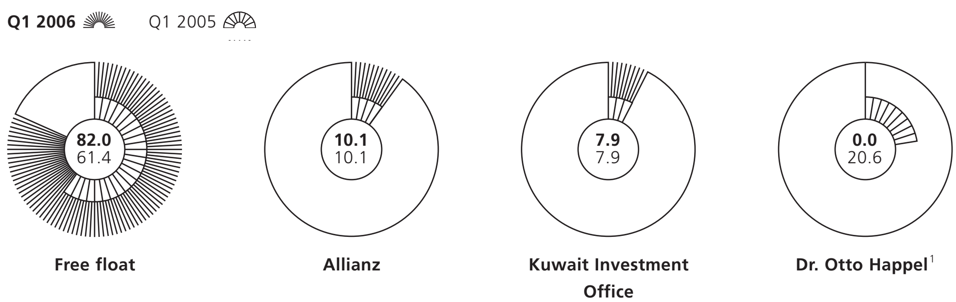
The GEA Group's market capitalization at the end of the first quarter of 2006 was EUR 2.61 billion, and the total number of its shares came to 188.0 million; on March 31, 2005 its market capitalization had amounted to roughly EUR 1.86 billion with a total of 188.0 million shares. When calculating market capitalization, Deutsche Börse AG only includes the free float and, on this basis, determined a figure of approximately EUR 1.65 billion at March 31, 2006. This put the GEA Group in 51st place (end of 2005: 54th) among all German publicly traded companies. In terms of trading volumes the company was in 54th place, having been 58th at the end of 2005.

The average daily trading volume in the first three months of 2006 was 1,125,956 shares, which was 124 percent above the 502,603 in the corresponding period in 2005. The vast majority of this trading volume was settled through the XETRA electronic trading system. The GEA Group did not repurchase any treasury shares in the first quarter of 2006 and therefore continued to hold the roughly 6.4 million shares it had held at the end of 2005.

Rise in free float

On March 27, 2006, Dr. Otto Happel announced his intention to sell his shareholding in GEA Group Aktiengesellschaft for personal reasons. On March 30, he announced that he had reduced his shareholding from 20.6 percent to 0.57 percent. The number of free float shares increased accordingly by about 40 million. The new shareholder structure now appears as follows:

Shareholder structure in percent



1) The 0.57 percent held at the end of March 2006 is included in the free float.

Directors' and employees' options

At March 31, 2006, members of the Executive Board held 60,000 options and members of the Supervisory Board held 8,000 options. The number of options from the sixth tranche (2003/2006) remained the same as in the fourth quarter of 2005 at 912,000.

GEA Group's Shares: key performance indicators

	Q1 2006	Q1 2005
Number of shares outstanding at March 31 (million)	**188.0**	194.4
Average number of shares outstanding (million)	**188.0**	188.0
Share price at March 31 (EUR)	**13.88**	9.87
Highest share price (EUR)	**15.02**	10.60
Lowest share price (EUR)	**10.97**	8.69
Market capitalization at March 31 (EUR billion)	**2.61**	1.86
Basic earnings per share (EUR)	**0.06**	0.06
thereof on discontinued operations	**0.00**	0.05

Prices: Xetra closing prices

GEA Group's Shares: key data

SIN	660 200
ISIN	DE0006602006
Reuters code	G1AG.DE
Bloomberg code	G1A.GR
Xetra	G1A.DE

Management Report

Recovery continues

Economic Environment

The first three months of 2006 saw the upturn in the global economy continue. U.S.A. and Asia remained the engines of this growth, with China and India being the main driving forces behind the Asian economy. Raw material prices were again forced up, both by the increase in demand accompanying the continuing growth, and by the increasing political uncertainty. There were noticeable rises in crude oil and nonferrous metal prices. The raw-material-exporting countries were the beneficiaries of this situation and the appreciable increase in investment confidence in these countries provided an additional stimulus for the global economy.

Economic prospects in the European Union countries improved in the period under review, largely unperturbed by the impact of the high raw material prices. Exports remained the prime growth driver in Germany. According to the monthly business climate indices prepared for trade and industry by the ifo Institute of Economic Research, the economic situation and business forecast assessments in March were both at their highest level for more than ten years.

For German engineering companies, the upswing in the last months of 2005 was carried over into the New Year. According to the German Engineering Federation (VDMA), new orders in the three months up to March 2006 were 16 percent up on the corresponding period in 2005. Orders in Germany grew by 18 percent, and those from abroad by 15 percent. March was the fifth month in a row with double-digit growth rates for orders in Germany. Orders from abroad continued to hover around the high levels seen in previous months.

Business Performance

New Orders

New orders in EUR million

	Q1 2006	Q1 2005	Change in %
Customized Systems	**209.0**	165.3	26.5
Process Equipment	**347.1**	277.6	25.0
Process Engineering	**587.4**	333.2	76.3
Total	**1,143.5**	776.1	47.4
Plant Engineering	**325.4**	399.7	– 18.6
Other and Eliminated[1]	**58.2**	– 16.4	454.9
GEA Group	**1,527.1**	1,159.4	31.7

1) Includes elimination of intersegment transactions on consolidation

In the first quarter of 2006, the GEA Group's new orders once again posted stronger growth than in the last quarter of 2005. If the changes to the entities included in the consolidation are disregarded, new orders registered an increase of 29.8 percent.

The volume of new orders in the core segments increased by 47.4 percent. Performance was particularly encouraging in the Process Engineering segment. The Energy Technology division in this segment benefited from strong uninterrupted demand in the global power plant engineering sector. Even excluding 2H Kunststoff GmbH, consolidated from April 1, 2005, GEA Lyophil GmbH (previously STERIS GmbH), initially consolidated on December 31, 2005, and GEA Process Engineering India Ltd. (previously L&T-Niro Ltd.), consolidated from June 1, 2005, the segment posted growth of 74.5 percent.

With market conditions in the Refrigeration division improving as expected, the Customized Systems segment registered significant growth in the volume of new orders. The Process Equipment segment continued to progress beyond the high level achieved in 2005. It grew by 23.4 percent, excluding the contribution from Flatplate Inc. and the Membraflow Group, both of which were acquired in the fourth quarter of 2005.

In the Plant Engineering segment, the Gas-to-Chemicals, Synthetic Fuels and Biofuels division (Lurgi) saw a continuation of the strength in demand for plant in its product portfolio, especially the type that produces biofuels. The Energy and Environment division (Lurgi Lentjes) failed to win an expected big-ticket order and therefore fell well short of the volume of new orders achieved in 2005. Difficult market conditions in the PET and Fibers division (Zimmer) continued to prevail.

Sales

Sales in EUR million

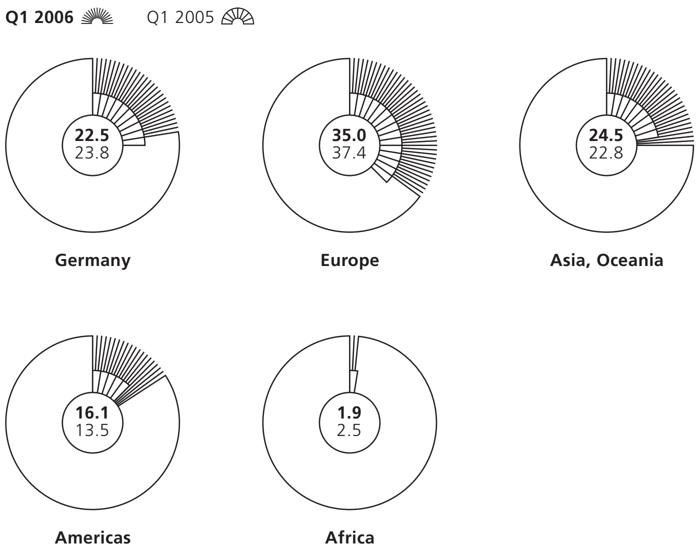
	Q1 2006	Q1 2005	Change in %
Customized Systems	**168.1**	146.5	14.8
Process Equipment	**272.2**	239.4	13.7
Process Engineering	**322.8**	249.3	29.5
Total	**763.0**	635.2	20.1
Plant Engineering	**266.5**	265.0	0.6
Other and Eliminated[1]	**61.9**	42.6	45.1
GEA Group	**1,091.4**	942.8	15.8

1) Includes elimination of intersegment transactions on consolidation

The GEA Group's sales in the first quarter of 2006 rose by 15.8 percent on the same period of 2005. Organic growth amounted to 13.9 percent.

The Customized Systems segment continued to benefit from the brisk demand that had started in the third quarter of 2005 and, following a relatively disappointing year in 2005, sharply increased its sales. The main reason for the consistently encouraging performance of the Process Equipment segment was the high level of sales of plate heat exchangers. The Process Engineering segment generated above-average sales growth on the back of buoyant demand in the field of gas liquefaction and the sustained boom in power plant engineering in China. In the Plant Engineering segment, falling sales at Zimmer and Lurgi Lentjes were compensated for by a moderate rise at Lurgi.

Sales by region in percent



Order book

Order book in EUR million

	Q1 2006	Q1 2005	Change in %
Customized Systems	**211.6**	150.0	41.1
Process Equipment	**391.5**	262.9	48.9
Process Engineering	**1,197.0**	791.5	51.2
Total	**1,800.1**	1,204.3	49.5
Plant Engineering	**1,683.2**	1,468.2	14.6
Other and Eliminated[1]	**– 19.4**	1.8	> – 1,000
GEA Group	**3,463.9**	2,674.4	29.5

1) Includes elimination of intersegment transactions on consolidation

The very encouraging level of new orders meant that the GEA Group's order book at March 31, 2006 increased by 29.5 percent. Order book coverage in the Plant Engineering segment – in relation to sales for 2005 – remained high at 17.3 months. Overall, order book coverage for the GEA Group rose to 9.2 months, a gain of one month compared with the end of 2005.

Earnings

Earnings in EUR million

	Q1 2006	Q1 2005	Absolute change	Change in %
Customized Systems	**6.7**	5.3	1.4	26.0
Process Equipment	**19.9**	17.3	2.6	14.9
Process Engineering	**9.7**	8.1	1.6	20.5
Total	**36.3**	30.7	5.6	18.3
Plant Engineering	**– 7.1**	– 5.0	– 2.1	– 43.2
Other and Eliminated[1]	**– 2.3**	– 10.2	7.9	77.5
EBIT	**26.9**	15.5	11.4	73.7
Net interest expense	**– 9.0**	– 13.3	4.2	32.0
EBT	**17.8**	2.2	15.6	714.3
Taxes	**– 7.3**	– 0.9	– 6.4	– 733.7
Net income on continuing operations	**10.6**	1.3	9.3	701.6
Net income on discontinued operations	**0.0**	9.6	– 9.6	– 100.0
Net income	**10.6**	10.9	– 0.3	– 2.8

1) Includes elimination of intersegment transactions on consolidation

Earnings before interest and tax (EBIT) rose overall by 73.7 percent, representing a disproportionate increase compared with sales. In the period under review, the GEA Group's EBIT margin therefore grew to 2.5 percent, compared with 1.6 percent in the same quarter of 2005.

EBIT in the core segments rose by 18.3 percent. The Refrigeration, Process Equipment and Dairy Farm Systems divisions in particular improved their EBIT margins, while a large proportion of the orders won by the Process Engineering division incurred a high cost of materials, which depressed margins.

EBIT in the Plant Engineering segment came in lower after it failed to compensate for the loss of Zimmer's strong earnings contribution; the other divisions posted year-on-year increases in line with forecasts.

The "Other" companies reported positive earnings for the quarter. As holding-company costs were reduced, the earnings contributed by the "Other and Eliminated" segment in the reporting period improved substantially.

The figure for net interest expense registered an improvement following the reduction in debt. The taxation rate was roughly 40 percent. There was a sharp rise in net income on continuing operations to EUR 10.6 million compared with EUR 1.3 million in the same period of 2005. The net income of EUR 9.6 million on discontinued operations in the first quarter of 2005 related exclusively to the Dynamit Nobel Plastics business and was affected by the discontinuation of depreciation and amortization under IFRS. Net income for the first quarter of 2006 therefore remained almost unchanged at EUR 10.6 million.

Financial position

Summary cash flow statement in EUR million

	Q1 2006	Q1 2005	Absolute change
Cash flow from operating activities	**– 131.3**	– 231.3	100.0
Cash flow from investing activities	**– 13.1**	– 29.5	16.4
Free cash flow	**– 144.4**	– 260.8	116.4
Cash flow from financing activities	**11.8**	– 28.3	40.1
Net position	**165.5**	59.9	105.6
Gearing (%)	**– 10.4**	– 3.5	–

The significant improvement in cash flow from operating activities was the result of several key factors: the EUR 55 million lower increase in working capital, no further outflows of funds from discontinued operations, and strong overall operating performance.

The net position (cash plus securities, less bonds and bank debt) improved by more than EUR 100 million. This results in gearing (the ratio of net position to equity) of minus 10.4 percent.

Rating agency Moody's raised its credit rating for GEA Group Aktiengesellschaft from Ba1 to an investment-grade Baa3, outlook stable.

Net assets

Summary consolidated balance sheet in EUR million

	03/31/2006	**% of total assets**	12/31/2005	% of total assets	Change in %
Assets					
Non-current assets	**2,631.1**	**53.1**	2,460.8	51.4	6.9
thereof goodwill	**1,282.1**	**25.9**	1,280.3	26.8	0.1
thereof deferred taxes	**749.9**	**15.1**	581.0	12.1	29.1
Current assets	**2,308.0**	**46.5**	2,300.7	48.1	0.3
Assets held for sale	**18.9**	**0.4**	23.4	0.5	– 19.1
Total assets	**4,957.9**	**100.0**	4,784.9	100.0	3.6
Equity and liabilities					
Equity	**1,587.3**	**32.0**	1,584.1	33.1	0.2
Non-current liabilities	**1,257.9**	**25.4**	1,085.8	22.7	15.9
thereof deferred taxes	**216.0**	**4.4**	39.9	0.8	440.8
Current liabilities	**2,112.8**	**42.6**	2,102.1	43.9	0.5
Liabilities related to assets held for sale	**0.0**	**0.0**	12.9	0.3	– 100.0
Total equity and liabilities	**4,957.9**	**100.0**	4,784.9	100.0	3.6

Total assets at March 31, 2006 rose by 3.6 percent compared with December 31, 2005. This increase largely resulted from the fact that deferred taxes are not netted during the course of the year. Following the disposal of Claus Queck GmbH, liabilities related to assets held for sale were reduced to zero. Assets held for sale mostly relate to real estate held for sale.

Employees

Employees in the GEA Group excluding trainees

	03/31/2006	03/31/2005
Customized Systems	**4,260**	4,327
Process Equipment	**5,998**	5,707
Process Engineering	**5,110**	4,481
Total	**15,368**	14,515
Plant Engineering	**2,113**	2,106
Other	**403**	512
GEA Group	**17,884**	17,133

Employees, excluding trainees, numbered 751 more at the end of the first quarter of 2006 compared with the figure at March 31, 2005. This increase is mainly due to acquisitions in the Process Equipment (Flatplate, Membraflow) and Process Engineering segments (2H Kunststoff, GEA Process Engineering India, Lyophil), and the impact of first-time consolidations (mainly China).

Excluding the effect of changes in the companies included in the consolidation group, employee numbers increased by 175. This increase reflects organic growth in the Process Engineering segment, especially in the Energy Technology division, where an excellent level of production capacity utilization has been achieved in the U.S.A.

Research and development (R&D)

In the first quarter of 2006, EUR 16.1 million was spent on R&D compared with EUR 12.3 million in the corresponding period in 2005. In addition to these R&D expenses there are other R&D costs that are charged to customers as a component of the total costs of long-term contracts and are included in the cost of sales.

Risks

There are no discernible risks that may jeopardize the continued existence of the GEA Group. During the reporting period the only material changes in other internal and external risks in comparison with the situation described in the 2005 annual report were those in respect of legal risks.

The appeal mentioned on pages 30 and 101 of the 2005 annual report was concluded at the end of March 2006. This appeal concerned the amount of compensation for the external shareholders of Westfalia Separator AG following the merger of the company with GEA AG in 1995.

The ruling on April 1, 2004 by the regional court of first instance in Dortmund, in which the amount of compensation originally paid to the external shareholders of Westfalia Separator AG had been increased, was partially amended in favor of GEA Group AG by a ruling of the regional appeal court in Düsseldorf on March 31, 2006. The unappealable decision by the regional appeal court in Düsseldorf is based on a value of EUR 105.44 for each Westfalia share with a par value of DM 50. There is already a provision on the balance sheet of sufficient amount to cover the cash settlement plus interest that will arise.

There have been no material changes in the GEA Group's contingent assets or contingent liabilities since the previous balance sheet at December 31, 2005.

Events after the Balance Sheet Date

Once the "status proceedings" (Statusverfahren) had been completed, the mandates of the current Supervisory Board members ended at the close of the Annual Shareholders' Meeting on May 4, 2006. The Annual Shareholders' Meeting on this date elected Dr. Jürgen Heraeus, Dieter Ammer, Ahmad M.A. Bastaki, Louis Graf von Zech, Dr. Dietmar Kuhnt and Dr. Helmut Perlet as shareholder representatives on the Supervisory Board. Dr. Otto Happel and Andreas Rittstieg stepped down from the Supervisory Board at the close of the Annual Shareholders' Meeting. The employee representatives on the Supervisory Board are now Reinhold Siegers, Rainer Gröbel, Klaus Hunger, Michael Kämpfert, Kurt-Jürgen Löw and Joachim Stöber; they were appointed with effect from the close of the Annual Shareholders' Meeting as a result of a resolution adopted by the local court in Bochum on April 12, 2006. The constituent Supervisory Board meeting, which was held immediately after the Annual Shareholders' Meeting, elected Dr. Jürgen Heraeus as Supervisory Board chairman and Reinhold Siegers as his deputy. Gerd Delaveaux and Christine Kruse stepped down from the Supervisory Board with effect from the close of the Annual Shareholders' Meeting. On May 4, 2006 the Annual Shareholders' Meeting approved the proposal of the Supervisory Board and Executive Board to pay a dividend of EUR 0.10 per no-par-value share carrying dividend rights for the 2005 fiscal year.

Outlook for 2006

Upturn in global economy continues

Despite higher oil prices and rising interest rates, the global economy is forecast to continue its growth in 2006. The pace of growth in the U.S.A. and China will hardly slow at all. There is a good chance that Japan will see a sustained recovery. The prospects are also good in other Asian countries, as well as in Latin America and Eastern Europe. In the euro zone, the economy is picking up.

Germany is continuing to benefit from brisk export demand. In addition, a sharp increase in investment in machinery and equipment is expected alongside an easing of the dampening effects of construction investment. As far as German engineering industry is concerned, the German Engineering Federation (VDMA) expects to see real growth in output of 2 percent in 2006. The sectors relevant to the GEA Group should be able to follow the positive pattern set in 2005.

GEA Group growth forecast confirmed

We expect the large volume of new orders won in 2005 to continue to increase in 2006. Sales will rise significantly and EBIT will achieve even stronger growth.

The high EBIT margin in the segments Customized Systems, Process Equipment and Process Engineering will increase slightly overall. With sales growing significantly, earnings per share will see an encouraging rise. EBIT in the Plant Engineering segment is set to improve further. However, the considerable underutilization of capacity at Zimmer will incur one-off charges in 2006. Possible courses of action are being examined.

Irrespective of this, in the case of Plant Engineering we will have to decide in 2006 how the increasingly impressive performance of core technologies such as biofuels and synthesis gas production can best be exploited.

The further reduction of holding-company costs and an improvement at the “Other” companies will strengthen net income.

The successful reduction of working capital in the first quarter will continue throughout the year and, in conjunction with the improvement in net income, will increase free cash flow.

Financial Statements for the 1st Quarter 2006

Consolidated Balance Sheet

at March 31, 2006

Assets in EUR thousand

	03/31/2006	12/31/2005	Change at 12/31/2005 in %
Property, plant and equipment	**404,310**	412,753	– 2.0
Investment property	**63,089**	55,303	14.1
Goodwill	**1,282,133**	1,280,333	0.1
Other intangible assets	**25,278**	24,876	1.6
Investments in enterprises reported at equity	**17,022**	20,804	– 18.2
Other non-current financial assets	**89,377**	85,825	4.1
Deferred taxes[1]	**749,859**	580,954	29.1
Non-current assets	**2,631,068**	2,460,848	6.9
Inventories	**491,031**	422,127	16.3
Trade receivables	**1,283,927**	1,225,670	4.8
Income tax assets	**17,228**	6,408	168.9
Other current financial assets	**214,523**	181,755	18.0
Cash and cash equivalents	**301,276**	464,739	– 35.2
Current assets	**2,307,985**	2,300,699	0.3
Assets held for sale	**18,896**	23,358	– 19.1
Total assets	**4,957,949**	4,784,905	3.6

1) Deferred taxes were only netted at year-end.

Equity and liabilities in EUR thousand

	03/31/2006	12/31/2005	Change at 12/31/2005 in %
Issued capital	**496,890**	496,890	0.0
Additional paid-in capital	**1,077,076**	1,077,076	0.0
Retained earnings	**68,655**	58,086	18.2
Accumulated other comprehensive income	**9,077**	16,418	– 44.7
Treasury shares	**– 65,263**	– 65,263	0.0
Minority interest	**850**	884	– 3.8
Equity	**1,587,285**	1,584,091	0.2
Non-current provisions	**277,976**	280,801	– 1.0
Non-current obligations to employees	**695,968**	695,764	0.0
Non-current financial liabilities	**57,898**	59,778	– 3.1
Other non-current liabilities	**10,099**	9,489	6.4
Deferred taxes[1]	**215,966**	39,931	440.8
Non-current liabilities	**1,257,907**	1,085,763	15.9
Current provisions	**267,664**	265,775	0.7
Current obligations to employees	**134,246**	139,715	– 3.9
Current financial liabilities	**115,012**	98,127	17.2
Trade payables	**766,903**	836,298	– 8.3
Income tax liabilities	**27,500**	22,106	24.4
Other current liabilities	**801,432**	740,087	8.3
Current liabilities	**2,112,757**	2,102,108	0.5
Liabilities related to assets held for sale	**0**	12,943	– 100.0
Total equity and liabilities	**4,957,949**	4,784,905	3.6

1) Deferred taxes were only netted at year-end.

Consolidated Income Statement

January 1 – March 31, 2006

EUR thousand

	Q1 2006	Q1 2005	Change in %
Sales	**1,091,414**	942,825	15.8
Cost of sales	**– 854,392**	– 727,942	– 17.4
Gross profit	**237,022**	214,883	10.3
Selling expenses	**– 104,262**	– 98,535	– 5.8
Administrative expenses	**– 99,190**	– 93,742	– 5.8
Other income	**17,872**	13,747	30.0
Other expenses	**– 24,871**	– 21,236	– 17.1
Net income on enterprises reported at equity	**49**	71	– 31.0
Other financial income	**275**	297	– 7.4
Other financial expenses	**– 12**	– 4	– 200.0
Earnings before interest and tax (EBIT)	**26,883**	15,481	73.7
Interest and similar income	**5,123**	3,556	44.1
Interest expense and similar charges	**– 14,164**	– 16,846	15.9
Earnings before tax on continuing operations	**17,842**	2,191	714.3
Income taxes	**– 7,253**	– 870	– 733.7
thereof current	**– 5,242**	– 5,272	0.6
thereof deferred	**– 2,011**	4,402	– 145.7
Net income on continuing operations	**10,589**	1,321	701.6
Net income on discontinued operations	**0**	9,576	– 100.0
Net income	**10,589**	10,897	– 2.8
thereof minority interest	**20**	469	– 95.7
thereof attributable to shareholders of GEA Group Aktiengesellschaft	**10,569**	10,428	1.4

per share in EUR

Basic earnings per share	**0.06**	0.06	1.4
thereof on continuing operations	**0.06**	0.01	287.0
thereof on discontinued operations	**0.00**	0.05	– 100.0
Diluted earnings per share	**0.06**	0.06	1.4
Weighted average number			
of shares outstanding (million)	**188.0**	188.0	0.0

Consolidated Cash Flow Statement

January 1 – March 31, 2006

EUR thousand

	Q1 2006	Q1 2005
Net income	**10,589**	10,897
plus income taxes	**7,253**	870
plus net income on discontinued operations	**0**	– 9,576
Earnings before tax on continuing operations	**17,842**	2,191
Net interest income	**9,041**	13,290
Earnings before interest and tax (EBIT)	**26,883**	15,481
Depreciation, amortization, impairment and reversal of impairment on non-current assets	**17,436**	17,833
Other non-cash income and expenses	**– 324**	– 555
Obligations to employees	**– 6,543**	– 6,432
Change in provisions	**– 10,867**	– 44,698
Gains/losses on disposal of non-current assets	**– 1,654**	– 393
Change in inventories, incl. unbilled PoC receivables[1]	**– 125,234**	– 77,560
Change in trade receivables	**67,355**	– 2,074
Change in trade payables	**– 74,357**	– 104,993
Change in other operating assets and liabilities	**– 13,328**	30,730
Tax payments	**– 10,676**	– 21,878
Cash flow from operating activities of discontinued operations	**0**	– 36,757
Cash flow from operating activities	**– 131,309**	– 231,296
Proceeds from disposal of non-current assets	**4,951**	5,125
Cash payments for purchase of property, plant and equipment and intangible assets	**– 18,591**	– 12,266
Cash payments for purchase of non-current financial assets	**– 3,786**	– 6,333
Interest and dividend income	**4,275**	2,893
Cash payments for acquisitions	**0**	– 18,875
Proceeds from disposal of discontinued operations	**43**	0
Cash flow from investing activities	**– 13,108**	– 29,456
Cash payments for purchase of treasury shares	**0**	– 457
Change in finance lease liabilities	**– 1,377**	– 1,380
Cash receipts from finance facilities	**16,397**	21,453
Cash payments for redemption of finance facilities, incl. bonds	**0**	– 50,000
Interest payments	**– 3,217**	2,072
Cash flow from financing activities	**11,803**	– 28,312
Exchange-rate-related and other changes in cash and cash equivalents	**– 2,206**	0
Change in unrestricted cash and cash equivalents	**– 134,820**	– 289,064
Unrestricted cash and cash equivalents at beginning of year	**424,363**	583,447
Unrestricted cash and cash equivalents at end of year	**289,543**	294,383
Restricted cash and cash equivalents	**11,733**	5,541
Cash and cash equivalents reported on the face of the balance sheet	**301,276**	299,924

1) Including advances received

Consolidated Statement of Changes in Equity

at March 31, 2006

EUR thousand

	Shares	Issued capital	Additional paid-in capital	Retained earnings	
Balance at 12/31/2004	188,020,616	496,890	1,077,076	124,570	
Net loss				– 64,286	
Minority interest				– 2,198	
Accumulated other comprehensive income/loss					
Total income and expense for the year					
thereof minority interest					
thereof attributable to shareholders of GEA Group AG					
Purchase of treasury shares	– 75,000				
Acquisition of minority interest in GEA AG (squeeze-out)					
Deduction of minority interest due to disposal					
Change in other minority interest					
Balance at 12/31/2005	187,945,616	496,890	1,077,076	58,086	
Net income				10,589	
Minority interest				– 20	
Accumulated other comprehensive income/loss					
Total income and expense for the year					
thereof minority interest					
thereof attributable to shareholders of GEA Group AG					
Change in other minority interest					
Balance at 03/31/2006	**187,945,616**	**496,890**	**1,077,076**	**68,655**	

	Accumulated other comprehensive income/loss					
	Cumulative translation adjustment	Available-for-sale securities	Hedge accounting	Treasury shares	Minority interest	**Total**
	– 10,721	318	10,043	– 64,584	38,897	**1,672,489**
						– 64,286
					2,198	**0**
	34,319	518	– 18,059		– 270	**16,508**
						– 47,778
						1,928
						– 49,706
				– 679		**– 679**
					– 14,540	**– 14,540**
					– 24,453	**– 24,453**
					– 948	**– 948**
	23,598	836	– 8,016	– 65,263	884	**1,584,091**
						10,589
					20	**0**
	– 11,869	– 172	4,700		– 12	**– 7,353**
						3,236
						8
						3,228
					– 42	**– 42**
	11,729	**664**	**– 3,316**	**– 65,263**	**850**	**1,587,285**

Notes to the Consolidated Financial Statements

The interim financial statements of GEA Group Aktiengesellschaft and the interim financial statements of its consolidated subsidiaries are consistent with the International Financial Reporting Standards (IFRS).

The accounting policies applied in these interim financial statements are unchanged since December 31, 2005 and were described in detail on pages 44 to 55 of the annual report and consolidated financial statements of the GEA Group. Otherwise, no IFRS accounting pronouncements of relevance to the GEA Group were issued or adopted during the reporting period.

The interim financial statements give a fair presentation of the GEA Group's financial position and financial performance during the reporting period.

The preparation of interim financial statements requires estimates and assumptions to be made that impact on the company's net assets, liabilities, provisions, deferred tax assets and liabilities, income and expenses, as well as the contingent assets and liabilities reported. Although such estimates and assumptions are made carefully and in good faith, the actual amounts may differ from the estimates used in these interim financial statements.

Factors that may cause these amounts to differ from projections are a deterioration in the global economy, movements in exchange rates and interest rates, and changes in environmental or other legislation. Production errors, litigation, the loss of key customers, and changes in funding can also impair the GEA Group's future performance.

All amounts stated on the face of the balance sheet, the income statement, the cash flow statement, the statement of changes in equity, and in the segment reporting have been rounded. Consequently, differences between the sum of individual values and the total value could be in the order of EUR 0.1 million.

Scope of consolidation

In the first quarter of 2006, the water division of Munters Euroform GmbH, a subsidiary of the Swedish company Munters AB, was acquired as part of the Energy Technology division. It includes development, production, sales and installation of cooling-tower equipment and components for the treatment of water and effluents. The Air Treatment division acquired the Turkish air treatment specialist ISISAN, based in Istanbul, and initial consolidation took place on April 1, 2006 after the necessary reporting structures had been put in place. The Process Engineering division strengthened its brewery operations with the acquisition of the Huppmann Group of Kitzingen, Germany. Approval from antitrust authorities was only received in April 2006 and the Huppmann Group will therefore only be included in the consolidation from the second quarter of 2006 onward.

On February 28, 2006, Claus Queck GmbH, part of the "Other" segment, was sold to Haslinger Stahlbau Ges.mbH – which is based in Feldkirchen, Austria – and subsequently deconsolidated.

Discontinued operations

The sale of the Dynamit Nobel Plastics business to Plastal Group AB, Kungälv, Sweden, on December 30, 2005 completed the disposal of Dynamit Nobel. In the first quarter of 2005 this business was separately reported as a discontinued operation in accordance with the requirements of IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations”. As a result, in the reporting period for 2005 this business is shown on the consolidated balance sheet under the items “Assets held for sale” and “Liabilities related to assets held for sale”, and on the consolidated income statement under “Net income/loss on discontinued operations”.

In the first quarter of 2005, net income on discontinued operations of EUR 9.6 million includes the net income for the Dynamit Nobel Plastics business including the effects of no longer applying depreciation/amortization to assets in accordance with IFRS 5.25. In the reporting period in 2005, sales for this business amounted to EUR 223.2 million.

1. Financial income, net

The net interest income shown in the segment table on page 23 comprises interest expense, interest income, and income from securities. Net interest income under IFRS includes the interest cost of other provisions and the net interest cost of provisions for pensions and supplementary healthcare benefits after having been netted with the anticipated return on any plan assets. Net interest income as defined above represents the interest component of EBITDA and EBIT.

2. Taxes

Based on IAS 34.30, the reported tax expense in the reporting period was estimated using the taxation rate of 38.9 percent expected for fiscal 2005. In the corresponding period in 2005, this rate was 39.7 percent. The head office relocation of the former mg technologies ag from Frankfurt am Main to Bochum and changes in the scope of consolidation in 2005 resulted in a reduction in the average trade tax rate. Where permitted, deferred tax assets and liabilities were netted on the balance sheet at December 31, 2005. In the interim financial statements for the first quarter of 2006, as in 2005, no netting has been carried out in respect of deferred taxes.

Cash flow statement

The cash flow statement is prepared using the indirect method. In addition, interest payments, interest proceeds and income tax payments are shown separately. Consequently, the computation of cash flow is based on earnings before interest and tax (EBIT). Whereas interest payments and interest proceeds are reported in the sections containing interest-bearing items, cash flow from income taxes is reported under “Cash flow from operating activities”.

In the 2005 reporting period, the different elements of the cash flow statement were fully adjusted for discontinued operations. The reporting of net cash flow from discontinued operations in the individual sections, as required by IFRS 5.33, has not been carried out in the cash flow statement of the interim report for reasons of transparency. In the cash flow statement, the net cash flow from discontinued operations is included in the cash flow from operating activities. The cash outflow of EUR 36.757 million in the first quarter 2005 includes the intercompany financial liabilities of the Dynamit Nobel Plastics business eliminated within the Group.

The cash flow statement for the Dynamit Nobel Plastics business in detail:

EUR million

	Q1 2005
Cash flow from operating activities	– 41.7
Cash flow from investing activities	– 1.3
Cash flow from financing activities	48.4
Change in unrestricted cash and cash equivalents	**5.4**

Cash flow statement segment information in EUR thousand

	Customized Systems	Process Equipment	Process Engineering	Plant Engineering	Other	**GEA Group**
01/01 – 03/31/2006						
Cash flow from operating activities	**– 3,010**	**– 24,179**	**8,197**	**– 72,348**	**– 39,969**	**– 131,309**
Cash flow from investing activities	**– 5,152**	**– 1,080**	**– 5,751**	**249**	**– 1,374**	**– 13,108**
Cash flow from financing activities	**19,099**	**22,622**	**5,986**	**35,219**	**– 71,123**	**11,803**
Exchange-rate-related changes in cash and cash equivalents	**0**	**0**	**– 1,950**	**0**	**– 256**	**– 2,206**
Change in unrestricted cash and cash equivalents	**10,937**	**– 2,637**	**6,482**	**– 36,880**	**– 112,722**	**– 134,820**
01/01 – 03/31/2005						
Cash flow from operating activities	– 25,328	– 47,566	– 71,727	– 31,572	– 55,103	– 231,296
Cash flow from investing activities	– 2,164	558	– 20,260	– 5,858	– 1,732	– 29,456
Cash flow from financing activities	26,153	48,323	91,319	30,278	– 224,385	– 28,312
Exchange-rate-related changes in cash and cash equivalents	0	0	1,124	0	– 1,124	0
Change in unrestricted cash and cash equivalents	– 1,339	1,315	456	– 7,152	– 282,344	– 289,064

Segment Information

Primary reporting format – business segments

Segment information in EUR million

	Customized Systems	Process Equipment	Process Engineering	Plant Engineering	Other	Eliminated	GEA Group
Q1 2006							
Sales	**168.0**	**248.5**	**316.9**	**266.5**	**91.5**	**–**	**1,091.4**
Intersegment sales	**0.1**	**23.6**	**5.9**	**0.0**	**1.9**	**– 31.5**	**–**
Total sales	**168.1**	**272.2**	**322.8**	**266.5**	**93.4**	**– 31.5**	**1,091.4**
EBITDA	**9.9**	**25.2**	**13.1**	**– 4.7**	**0.9**	**–**	**44.3**
EBIT	**6.7**	**19.9**	**9.7**	**– 7.1**	**– 2.3**	**–**	**26.9**
Segment earnings before tax (EBT)	**6.6**	**18.2**	**9.2**	**– 6.4**	**– 9.6**	**–**	**17.8**
Financial income	**0.8**	**1.5**	**2.1**	**6.0**	**5.8**	**– 10.7**	**5.4**
Financial expenses	**0.9**	**3.0**	**2.5**	**5.3**	**13.1**	**– 10.7**	**14.2**
Equity method income/loss in							
net financial income	**–**	**0.1**	**– 0.0**	**–**	**–**	**–**	**0.0**
Segment assets	**773.5**	**1,513.0**	**1,530.9**	**1,553.8**	**2,221.2**	**– 2,634.5**	**4,957.9**
Segment liabilities	**279.2**	**579.3**	**922.1**	**1,174.6**	**1,936.2**	**– 1,520.8**	**3,370.7**
Capital expenditure	**2.7**	**4.2**	**6.8**	**1.3**	**3.5**	**–**	**18.6**
Depreciation, amortization and impairment	**3.1**	**5.3**	**3.4**	**2.4**	**3.2**	**–**	**17.4**
Number of employees[1]	**4,260**	**5,998**	**5,110**	**2,113**	**403**	**–**	**17,884**
Q1 2005							
Sales	146.4	222.5	246.9	265.0	62.0	–	942.8
Intersegment sales	0.0	16.9	2.4	0.0	2.0	– 21.4	–
Total sales	146.5	239.4	249.3	265.0	64.0	– 21.4	942.8
EBITDA	8.4	22.2	11.2	– 1.0	– 3.6	– 3.9	33.3
EBIT	5.3	17.3	8.1	– 5.0	– 6.3	– 3.9	15.5
Segment earnings before tax (EBT)	5.6	15.2	8.0	– 6.4	– 20.2	–	2.2
Financial income	1.2	1.3	1.5	4.0	4.8	– 8.8	3.9
Financial expenses	0.9	3.2	1.4	5.4	18.6	– 12.8	16.9
Equity method income/loss in							
net financial income	–	0.0	0.1	–	–	–	0.1
Net income on discontinued operations	–	–	–	–	9.6	–	9.6
Sales from discontinued operations	–	–	–	–	223.2	–	–
Segment assets	766.3	1,455.4	1,206.6	1,319.2	3,333.4	– 2,746.1	5,334.8
thereof from discontinued operations	–	–	–	–	653.1	–	–
Segment liabilities	285.4	592.8	627.6	1,025.6	2,730.5	– 1,616.9	3,645.1
thereof from discontinued operations	–	–	–	–	441.7	–	–
Capital expenditure	3.3	2.9	2.6	0.9	2.6	–	12.3
Depreciation, amortization and impairment	3.0	4.9	3.2	4.0	2.7	–	17.8
Number of employees[1]	4,327	5,707	4,481	2,106	512	–	17,133

1) Full-time equivalents (FTEs), excl. trainees

IAS 14 ("Segment reporting") stipulates that segment reporting must be based on a company's internal organizational and reporting structures. However, these segments may be further defined in terms of their potential risks and opportunities ("risk and reward approach"). IAS 14 distinguishes between two reporting formats. For the GEA Group, its operating business segments constitute its primary reporting format, while its geographical segments are the secondary reporting format.

Enterprises that do not form part of the four business segments are reported in the "Other" segment. This segment includes GEA Group Aktiengesellschaft, the subsidiaries Ruhr-Zink GmbH and mg vermögensverwaltungs gmbh, and the U.S.-based GEA North America Inc.

Capital expenditure and depreciation, amortization and impairment

Capital expenditure relates to cash acquisitions of intangible assets and property, plant and equipment, plus – unlike the cash flow statement – additionally capitalized liabilities under finance leases. Depreciation, amortization and impairment represent the diminution in the value of non-current assets.

Secondary reporting format – geographical segments

Segmentation by region in EUR million

	Germany	Europe	Americas	Asia, Oceania	Africa	**Total**
01/01–03/31/2006						
Sales	**245.4**	**382.2**	**175.4**	**267.2**	**21.3**	**1,091.4**
% of total	**22.5**	**35.0**	**16.1**	**24.5**	**1.9**	**100.0**
Segment assets	**2,805.0**	**1,368.2**	**498.6**	**240.5**	**45.7**	**4,957.9**
Capital expenditure	**11.4**	**4.0**	**1.6**	**1.5**	**0.0**	**18.6**
Employees[1]	**7,400**	**6,747**	**1,993**	**1,375**	**369**	**17,884**
01/01–03/31/2005						
Sales	223.9	353.0	126.5	215.4	24.1	942.8
% of total	23.8	37.4	13.5	22.8	2.5	100.0
Segment assets	3,258.1	1,465.7	433.9	129.3	47.7	5,334.8
thereof from						
discontinued operations	406.2	222.3	20.4	4.3	0.0	653.1
Capital expenditure	6.3	3.8	0.8	1.4	0.0	12.3
Employees[1]	7,428	6,675	1,813	865	352	17,133

1) Full-time equivalents (FTEs), excl. trainees

Financial Calendar

May 11, 2006	Interim Report for the period to March 31, 2006
August 10, 2006	Interim Report for the period to June 30, 2006
November 9, 2006	Interim Report for the period to September 30, 2006

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