GEA Group

Interim Report for the 2nd Quarter of 2007

January 1 to June 30, 2007

Q2

Key Figures for the GEA Group (IFRS)

(EUR million)	Q2 2007	Q2 2006 (adjusted)	Change %	Q1 - Q2 2007	Q1 - Q2 2006 (adjusted)	Change %
Results of operations						
New orders	1,266.3	1,042.3	21.5	2,647.6	2,265.3	16.9
Sales	1,253.2	1,033.3	21.3	2,308.8	1,870.1	23.5
thereof outside Germany	1,013.0	800.5	26.5	1,837.9	1,445.6	27.1
thereof in Germany	240.2	232.7	3.2	470.9	424.5	10.9
Order book	2,482.4	1,820.0	36.4	2,482.4	1,820.0	36.4
EBITDA	113.9	84.7	34.5	195.3	135.4	44.3
EBIT	95.6	69.7	37.0	159.9	104.9	52.4
% of sales	7.6	6.7	-	6.9	5.6	-
Earnings before tax	81.4	58.9	38.1	133.2	84.6	57.4
% of sales	6.5	5.7	-	5.8	4.5	-
Net income on continuing operations	61.3	36.0	70.3	93.0	51.7	79.9
Net loss on discontinued operations	-33.1	-50.6	34.7	-31.7	-55.7	43.1
Net income/loss	28.2	-14.6	293.0	61.2	-4.0	> 1,000
Net assets						
Total assets	5,629.7	5,045.9	11.6	5,629.7	5,045.9	11.6
Equity	1,318.0	1,546.1	-14.8	1,318.0	1,546.1	-14.8
% of total assets	23.4	30.6	-	23.4	30.6	-
Net position (adjusted) [1/2]	161.2	115.2	40.0	161.2	115.2	40.0
Gearing (%) [1/3]	-12.2	-7.5	-	-12.2	-7.5	-
Financial position						
Cash flow from operating activities	-15.0	22.5	-166.6	-133.6	-108.8	-22.8
Free cash flow [4]	-121.5	-3.0	< -1,000	-251.3	-147.5	-70.4
Investment (at balance sheet date) [5]	2,678.0	2,416.1	10.8	2,678.0	2,416.1	10.8
ROCE (%) [6]	3.6	2.9	-	6.0	4.3	-
Capital expenditure incl. finance leases	135.7	23.5	476.4	151.4	44.3	241.8
Employees [7]						
Employees at balance sheet date	19,009	16,416	15.8	19,009	16,416	15.8
thereof in Germany	6,609	6,294	5.0	6,609	6,294	5.0
thereof outside Germany	12,400	10,122	22.5	12,400	10,122	22.5
GEA Group's shares						
Share price at balance sheet date (EUR)	25.81	13.40	92.6	25.81	13.40	92.6
Basic earnings per share (EUR)	0.15	-0.08	293.0	0.33	-0.02	> 1,000
thereof on continuing operations	0.33	0.19	70.5	0.49	0.27	80.1
thereof on discontinued operations	-0.18	-0.27	34.7	-0.17	-0.30	43.1
Weighted average number of shares outstanding (million)	187.9	187.9	-	187.9	187.9	-

1) Including Plant Engineering

2) Net position = cash + securities – bank debt

3) Gearing = net position / equity

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

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

6) ROCE = EBIT / investment

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

The figures for the corresponding quarter of 2006 are presented in this report on a like-for-like basis, i.e. adjusted for the discontinued operations.

GEA Group's Shares

The German and international stock markets delivered a strong performance in the first half of 2007. The DAX index rose by 21.4 percent, subsequently reaching a new all-time high on July 13. The MDAX rose by 17.2 percent during the first half of the year, reaching a peak of 11,378 points on July 9. In this benign market environment the GEA Group's share price rose 51.2 percent, comfortably outperforming its benchmarks.

Performance of GEA Group's share price against the MDAX

In the first six months of 2007, the GEA Group's share price hit a year-to-date high of EUR 19.15 on February 14 before falling to a low of EUR 16.23 on March 5 in the wake of a general slide in the stock markets. It subsequently staged a stronger rally than the MDAX, closing the first half at EUR 25.81. Based on this closing price and the total number of 194.4 million shares, the GEA Group's market capitalization came to approximately EUR 5.0 billion at the end of the first half of 2007, after it had been only around EUR 2.6 billion at June 30, 2006. Deutsche Börse AG, which only takes account of the free float (82 percent) when calculating its indices, determined a market capitalization of EUR 3.8 billion on June 30. This put the GEA Group 38th out of all listed German corporations in terms of capitalization (43rd at the end of March 2007). In terms of trading volumes, the company was in 41st place at the end of June 2007, having been 44th at the end of March 2007.

The average daily trading volume in the first six months of 2007 was 1.7 million shares, which was 31 percent above the 1.3 million traded in the same period of last year. The vast majority of this trading volume was settled through the XETRA electronic trading system. The GEA Group did not repurchase any of its own stock in the second quarter of 2007 and therefore continued to hold the same amount of shares, roughly 6.42 million, at June 30, 2007. With the exception of 190,000 shares, these shares were retired in July 2007.

The GEA Group's share price continued to perform well after the end of the reporting period, hitting a new high of EUR 26.66 on July 6. Following a slight consolidation in the market, the price slipped back to EUR 22.97 on July 27, 2007.

The GEA Group's participation in six roadshows, 221 one-on-one meetings and eight capital markets conferences represents a marked overall increase on 2006. It is evidence of the heightened interest shown by the capital markets and underlines the intensive nature of the GEA Group's IR work.

Shares and options held by directors and employees

No options are held by either directors of the company or employees of the Group.

In 2006, the company launched a new long-term remuneration program entitled GEA Performance Share Plan for executives of the first and second management levels. To receive their allocation, executives must use their own money to buy a certain number of GEA Group shares and then hold them throughout the three-year term of the program. At the end of the program – initially June 30, 2009 – the performance of GEA Group shares is compared with the performance of MDAX stocks. Executives only receive a payout from the program if the performance of the GEA Group's share price at the end of the term at least matches the average performance of stocks in the MDAX.

GEA Group's shares: key performance indicators	Q2 2007	Q2 2006	Q1-Q2 2007	Q1-Q2 2006
Shares in issue at June 30 (million)	194.4	194.4	194.4	194.4
Number of shares at June 30 (million)	187.9	187.9	187.9	187.9
Average number of shares (million)	187.9	187.9	187.9	187.9
Share price at June 30[1] (EUR)	25.81	13.40	25.81	13.40
Highest share price (EUR)	25.81	16.08	25.81	16.08
Lowest share price (EUR)	20.30	11.38	16.23	10.97
Market capitalization at June 30[1] (EUR billion)[2]	5.02	2.60	5.02	2.60
Basic earnings per share (EUR)	0.15	-0.08	0.33	-0.02
thereof on discontinued operations	-0.18	-0.27	-0.17	-0.30

1) Or on the last trading day of the reporting period
2) Based on number of shares in issue

Prices: XETRA closing prices

Management Report

Composition of the Executive Board of GEA Group Aktiengesellschaft

At its meeting on March 19, 2007, the Supervisory Board extended Jürg Oleas‘ contract as chairman of the Executive Board and personnel director by three years until the end of 2010.

At its meeting on June 19, 2007, the Supervisory Board complied with Peter Schenk‘s request to release him from his contract of employment effective September 30, 2007, which is prior to its expiry. Mr. Schenk worked for the GEA Group and its current subsidiaries for 23 years. In the seven years during which he headed the current core segments, they doubled their sales and tripled their earnings. At the same meeting the Supervisory Board appointed Mr. Niels Graugaard as his successor. Mr. Graugaard has successfully managed the largest division in the core segments since 1999. He has been appointed to the Executive Board on a three-year contract with effect from August 1, 2007 and will work closely with the chairman of the Executive Board to manage the operational side of the business.

Once the sale of Lurgi to the Air Liquide Group had been completed, Klaus Moll‘s contract as a member of GEA Group AG‘s Executive Board came to an end. He decided to accept the option offered to him by the company‘s Supervisory Board to join the Air Liquide Group as the chairman of Lurgi AG‘s Executive Board. Mr. Moll assumed responsibility for plant engineering on GEA Group AG‘s Executive Board in December 2003. From 1997 to 1999 he sat on the Executive Board of Lurgi AG when it was part of the former Metallgesellschaft.

Economic Environment

The global economy continues to be robust. In their spring report, Germany‘s leading economic research institutes had already noted that the global economy was still on an upward trajectory, although the pace of growth was not quite what it was a year ago, mainly because output growth in the United States has weakened. The slowdown in the US economy, for which the Kiel Institute for World Economics forecasts a growth rate of 2.6 percent in 2007, will be virtually compensated for by growth in Europe and Asia. The Kiel Institute is forecasting global economic growth of 4.7 percent for 2007, following a rise of 5.1 percent in real terms in 2006. Economic growth in the euro zone continues unabated, with initial estimates indicating another rise of around 3 percent in the second quarter of 2007 following a 3.1 percent increase in the first quarter. Economic growth in the developing countries and emerging markets remains robust, not least because of their increasing integration into the international division of labor.

The German Engineering Federation (VDMA) is predicting that sales in the euro-zone engineering sector will rise by 6 percent in real terms in 2007 on the back of brisk demand for capital goods. The Federation is also expecting global equipment sales to increase by over 5 percent year-on-year in real terms in 2007. German engineering companies currently expect their output to rise by 9 percent in 2007.

Business Performance

New orders

In the second quarter of 2007, the GEA Group expanded its volume of new orders by 21.5 percent year on year to EUR 1.266 billion (2006: EUR 1.042 billion). The cumulative volume of new orders for the first half of 2007, totaling EUR 2.648 billion, is 16.9 percent higher than that of 2006 (EUR 2.265 billion). Newly acquired companies contributed EUR 124.3 million to this increase in new orders.

Growth was particularly strong in the Customized Systems segment. The Air Treatment division expanded its volume of new orders, particularly on the back of the contribution made by Denco, which was acquired in October 2006. In addition, there was a general recovery in the western European construction industry, and conditions in the industrial refrigeration market also remained benign in the second quarter of 2007. The Refrigeration division increased its volume of new orders in comparison with both the second quarter and the first half of 2006, principally as a result of buoyant demand from the food and petrochemicals industries, which are its key markets. The segment‘s volume of new orders grew in the second quarter by 24.0 percent to EUR 278.3 million (2006: EUR 224.4 million). The first-half volume of new orders was EUR 523.1 million and therefore 20.7 percent higher than the 2006 volume of EUR 433.5 million.

The divisions in the Process Equipment segment also achieved an encouraging increase in the second quarter of 2007, expanding their volume of new orders by 20.3 percent to EUR 410.3 million (2006: EUR 341.0 million). In the first half of the year the segment‘s new orders rose by 17.8 percent from EUR 688.1 million to EUR 810.8 million. The Process Equipment division continued on its upward trajectory, generating growth primarily in its plate heat exchangers operations but also in its other businesses. High capital spending in the petrochemicals industry as the result of persistently high oil prices, brisk activity in the shipbuilding sector and strong demand from the BRIC countries (Brazil, Russia, India and China) are driving business in this division, which is a leading equipment supplier to the process engineering sectors. Strong demand from the food, energy and marine sectors continued to provide a high volume of new orders in the Mechanical Separation division, whose innovative products have further enhanced its position in these fast-growing markets. The volume of business in the Dairy Farm Systems division was ahead of the prior year, assisted by the newly acquired company J. Houle & Fils. Growth stimulus came from eastern Europe and South America rather than western Europe‘s markets, which are reliant on subsidies. The key US business was more stable again in the second quarter.

The volume of new orders won by the Process Engineering segment, which in the second quarter rose by 25.3 percent year on year from EUR 392.1 million to EUR 491.2 million, reported the strongest growth of all segments. In the first half of the year, the segment also achieved the biggest increase in absolute terms, a jump of 13.2 percent to EUR 1.109 billion (2006: EUR 979.5 million). The Energy Technology division's business is dominated by high capacity utilization and a limited number of engineers in the world market. Virtually all business lines contributed to the growth in the Process Engineering division due to strong demand from a large number of buyer industries and from all major regions of the world.

New orders (EUR million)	Q2 2007	Q2 2006	Change %	Q1-Q2 2007	Q1-Q2 2006	Change %
Customized Systems	278.3	224.4	24.0	523.1	433.5	20.7
Process Equipment	410.3	341.0	20.3	810.8	688.1	17.8
Process Engineering	491.2	392.1	25.3	1,108.6	979.5	13.2
Total	**1,179.8**	**957.5**	**23.2**	**2,442.4**	**2,101.1**	**16.2**
Eliminated and "Other"	86.5	84.7	2.1	205.2	164.2	25.0
GEA Group	**1,266.3**	**1,042.3**	**21.5**	**2,647.6**	**2,265.3**	**16.9**

Our Gas Cleaning division (Lurgi Bischoff) managed to grow in an extremely competitive industry. The global climate for investment is positive, and business driven by environmental protection is traditionally particularly strong in the European Union. In the "Other" segment also Ruhr-Zink grew once more.

Sales

The GEA Group's sales for the second quarter of 2007 grew by 21.3 percent compared with the same period last year to EUR 1.253 billion (2006: EUR 1.033 billion) on the back of its well-stocked order books and persistently strong demand. First-half growth was 23.5 percent, taking sales up from EUR 1.870 billion to EUR 2.309 billion. New acquisitions generated sales of EUR 96.6 million in the first half of the year.

Sales (EUR million)	Q2 2007	Q2 2006	Change %	Q1-Q2 2007	Q1-Q2 2006	Change %
Customized Systems	250.7	197.8	26.7	456.7	366.0	24.8
Process Equipment	390.5	338.0	15.5	696.0	610.1	14.1
Process Engineering	506.9	413.8	22.5	930.5	736.5	26.3
Total	**1,148.1**	**949.6**	**20.9**	**2,083.1**	**1,712.6**	**21.6**
Eliminated and "Other"	105.0	83.7	25.6	225.6	157.5	43.3
GEA Group	**1,253.2**	**1,033.3**	**21.3**	**2,308.8**	**1,870.1**	**23.5**

The Customized Systems segment raised its sales in the second quarter by 26.7 percent to EUR 250.7 million (2006: EUR 197.8 million). By integrating Denco, the Air Treatment division increased its sales compared with the first quarter of 2006, and the Refrigeration division's sales also rose significantly. In the first half the segment's sales rose by 24.8 percent from EUR 366.0 million to EUR 456.7 million. Second-quarter sales in the Process Equipment segment advanced by a further 15.5 percent from an already high level to EUR 390.5 million (2006: EUR 338.0 million). The Process Equipment division is the segment's biggest growth driver. The segment increased its sales by 14.1 percent from EUR 610.1 million to EUR 696.0 million in the first half of the year. The Process Engineering segment achieved sales growth of 22.5 percent to EUR 506.9 million (2006: EUR 413.8 million). This effect is due to acquisitions in 2006 and the well-stocked order book. In the first half the segment's sales rose by 26.3 percent from EUR 736.5 million to EUR 930.5 million.

The Gas Cleaning division and Ruhr-Zink, the biggest company in the "Other" segment, both increased their sales.

Order book

The GEA Group's order book at June 30, 2007 amounted to EUR 2.482 billion, a 36.4 percent increase on the same date in 2006 (EUR 1.820 billion). This was an improvement of EUR 397.2 million, or 19.0 percent, on December 31, 2006 (EUR 2.085 billion).

Order book (EUR million)	06/30/2007	06/30/2006	Change %
Customized Systems	296.8	235.7	26.0
Process Equipment	501.8	389.9	28.7
Process Engineering	1,609.1	1,158.8	38.9
Total	**2,407.8**	**1,784.3**	**34.9**
Eliminated and "Other"	74.6	35.7	109.1
GEA Group	**2,482.4**	**1,820.0**	**36.4**

Discontinued operations

As at June 30, 2007 we carried out a revaluation of problem Lentjes contracts to reflect second-quarter events, mainly prompted by a fire in a waste incineration plant which was not yet fully functional and significant problems in the availability of contractors at a largely completed flue-gas desulfurization plant.

There was a small temporary downturn in Lurgi's order book because orders were delayed by the disposal process. GEA Group AG completed the sale of Lurgi to the French-based Air Liquide Group effective July 20, 2007, following final approval by the antitrust authority on July 12.

The approval for the Lentjes sale may be delayed until the fourth quarter if the antitrust authority's review process is lengthy.

The decision made by the Federal Court of Justice (BGH) on July 9, 2007 has reduced the risk that we will be called to pay under the complaint brought by the Polyamid 2000 AG insolvency administrator. Although the Federal Court of Justice considers the contract for the construction of a carpet-recycling plant null and void due to failure to comply with German Stock Corporation Act (AktG) regulations, the outcome will be a claim for compensation for unjust enrichment amounting to any difference between the cost of works paid and the value of the work and services unduly received, rather than for reimbursement of the full cost of the works undertaken, which amounts to EUR 164.6 million plus interest, which the claimant is demanding. Therefore we have reduced the provision to reflect a lower risk.

Results of operations

The GEA Group's earnings before interest and tax (EBIT) for the second quarter of 2007 came to EUR 95.6 million, an increase of 37.0 percent on the second quarter of 2006 (EUR 69.7 million). All core segments, the Gas Cleaning division and Ruhr-Zink contributed to this rise. The EBIT margin rose from 6.7 percent to 7.6 percent. In the first half of 2007 the GEA Group's EBIT rose by 52.4 percent from EUR 104.9 million to EUR 159.9 million. The first-half EBIT margin increased from 5.6 percent in 2006 to 6.9 percent in 2007.

Key figures on results of operations (EUR million)	Q2 2007	Q2 2006	Change %	Q1-Q2 2007	Q1-Q2 2006	Change %
Sales	1,253.2	1,033.3	21.3	2,308.8	1,870.1	23.5
EBITDA	113.9	84.7	34.5	195.3	135.4	44.3
EBIT	95.6	69.7	37.0	159.9	104.9	52.4
Earnings before tax	81.4	58.9	38.1	133.2	84.6	57.4
Income taxes	-20.1	-22.9	12.5	-40.2	-32.9	-22.2
Net income on continuing operations	61.3	36.0	70.3	93.0	51.7	79.9
Net loss on discontinued operations	-33.1	-50.6	34.7	-31.7	-55.7	43.1
Net income/loss	28.2	-14.6	293.0	61.2	-4.0	> 1,000

The Customized Systems, Process Equipment and Process Engineering core segments increased their EBIT (up by 32.9 percent from EUR 71.9 million to EUR 95.6 million) and their EBIT margin (from 7.6 to 8.3 percent) in the second quarter of 2007. First-half EBIT of EUR 156.2 million was 44.2 percent higher than in 2006 (EUR 108.3 million), and the first-half EBIT margin rose from 6.3 percent to 7.5 percent.

Our stated target for 2007 is to increase the core segments' overall EBIT margin by at least 60 basis points. As at June 30, 2007 it can be seen that all of the Group's segments had increased their second-quarter and first-half earnings year on year. However, the size of the increase varied from segment to segment. As expected, the Process Equipment segment achieved the highest increase, raising its EBIT margin by 150 basis points to 12.0 percent in the second quarter of 2007 and in the first half by 220 basis points to a margin of 11.3 percent. Despite the problem of start-up costs for new products in its Air Treatment division, the Customized Systems segment was next, with a second-quarter increase of 80 basis points in its EBIT margin bringing it to 7.1 percent and a first-half rise of 70 basis points to 5.9 percent. The EBIT margin in the Process Engineering segment grew by 30 basis points to 6.1 percent in the second quarter and in the first half by 80 basis points to 5.4 percent.

The GEA Group raised its earnings before tax (EBT) in the second quarter by EUR 22.4 million or 38.1 percent to EUR 81.4 million and in the first half by EUR 48.6 million or 57.4 percent to EUR 133.2 million. The fall in net interest income is due to higher interest rates.

Because tax costs are expected to be lower at the year end we applied a lower tax rate of 30.2 percent to earnings before tax in the second quarter of 2007 for the first time. The previous rate was 38.9 percent. The continuing operations increased their net income in the second quarter by 70.3 percent to EUR 61.3 million (2nd quarter 2006: EUR 36.0 million) and in the first half by 79.9 percent to EUR 93.0 million compared with EUR 51.7 million in 2006. The discontinued operations reported a net loss of EUR 33.1 million in the second quarter (2006: net loss of EUR 50.6 million) and a first-half net loss of EUR 31.7 million (2006: net loss of EUR 55.7 million). Although only a small pre-tax loss of EUR 2.5 million was made on discontinued operations, the post-tax figure includes a charge for the required write-down of deferred taxes resulting from reversing provisions. Overall, the GEA Group's net income for the second quarter improved from a net loss of EUR 14.6 million in 2006 to a profit of EUR 28.2 million and a first-half profit of EUR 61.2 million following a net loss of EUR 4.0 million in 2006.

The GEA Group's net income equates to earnings of EUR 0.15 per share in the second quarter (2006: loss of EUR 0.08) and of EUR 0.33 per share for the first half of 2007, compared with a loss of EUR 0.02 per share in 2006.

Financial position

The adjusted net position – including discontinued operations – deteriorated by EUR 330.7 million compared with December 31, 2006. Over one third of this relates to outflows of funds for capital spending on financial assets and property, plant and equipment. The remainder is largely working capital, which rose proportionately less than sales. The Group's strong profitability improved the net position compared to the second quarter of 2006 by EUR 46.0 million. The gearing ratio is minus 12.2 percent.

Summary cash flow statement (EUR million)	Q1 - Q2 2007	Q1 - Q2 2006	Change %
Cash flow from operating activities	-133.6	-108.8	-22.8
ROCE (%)	6.0	4.3	-
Cash flow from investing activities	-117.7	-38.6	-204.7
Free cash flow	-251.3	-147.5	-70.4
Cash flow from financing activities	281.5	39.3	616.6
Net position (adjusted) [1]	161.2	115.2	40.0
Gearing (%) [1]	-12.2	-7.5	-

1) Including Plant Engineering segment

Net assets

Compared with December 31, 2006, total assets at June 30, 2007 had grown by 13.7 percent to EUR 5.630 billion. The increase in current liabilities arose primarily from the debt-financed acquisitions of J. Houle & Fils Inc., Procomac S.p.A. and Aero Heat Exchanger Inc. in the first half of 2007. In addition, the ending of the cash clearing system on December 31, 2006, with

Summary balance sheet (EUR million)	06/30/2007	% of total assets	12/31/2006	% of total assets	Change %
Assets					
Non-current assets	2,363.1	42.0	2,248.9	45.4	5.1
thereof goodwill	1,297.9	23.1	1,250.8	25.3	3.8
thereof deferred taxes	412.6	7.3	431.8	8.7	-4.5
Current assets	2,456.0	43.6	2,119.1	42.8	15.9
Assets held for sale	810.6	14.4	583.5	11.8	38.9
Total assets	**5,629.7**	**100.0**	**4,951.4**	**100.0**	**13.7**
Equity and liabilities					
Equity	1,318.0	23.4	1,261.5	25.5	4.5
Non-current liabilities	799.1	14.2	876.1	17.7	-8.8
thereof deferred taxes	72.3	1.3	47.5	1.0	52.1
Current liabilities	2,551.5	45.3	1,870.8	37.8	36.4
Liabilities related to assets held for sale	961.1	17.1	943.0	19.0	1.9
Total equity and liabilities	**5,629.7**	**100.0**	**4,951.4**	**100.0**	**13.7**

the result that the discontinued operations now hold most of their deposits externally, increased the balance-sheet items "Assets held for sale" and "Current liabilities".

Employees

The number of employees – excluding trainees – working in continuing operations came to 19,009 at the end of the second quarter of 2007 (June 30). This was an increase of 1,536 people compared with December 31, 2006, reflecting both growth by acquisition and organic growth in all segments. The acquisitions of J. Houle & Fils, Procomac and Aero Heat Exchanger brought 940 additional employees into the GEA Group. We employed 596 extra people through organic growth.

Employees in the GEA Group, excl. trainees	06/30/2007	06/30/2006
Customized Systems	5,205	4,324
Process Equipment	6,632	6,067
Process Engineering	6,616	5,508
Total	**18,453**	**15,899**
Other	556	517
GEA Group	**19,009**	**16,416**

A total of 1,731 people were employed in the discontinued operations at June 30, 2007 (December 31, 2006: 1,777 people).

Research & development

Research and development (R&D) costs in the first half of 2007 came to EUR 34.8 million compared with EUR 31.2 million in the same period last year, making the R&D ratio 1.5 percent of sales.

Research and development (R&D) costs (EUR million)	Q2 2007	Q2 2006	Change %	Q1-Q2 2007	Q1-Q2 2006	Change %
Customer-funded (reimbursed)	4.8	4.7	1.3	10.3	9.6	7.1
Group-funded (non-reimbursed)	12.6	11.1	14.2	24.5	21.6	13.4
Total R&D costs	**17.4**	**15.8**	**10.3**	**34.8**	**31.2**	**11.5**
R&D ratio (% of sales)	**1.4**	**1.5**	**-**	**1.5**	**1.7**	**-**

Risks

Specialty mechanical engineering continued to deliver a very strong performance in the first half of 2007. The level of new orders received ensured that all segments were fully employed. The disposal of the discontinued operations will significantly improve the Group's risk profile.

As things stand overall, there are no risks that might jeopardize the continued existence of the GEA Group. Adequate financial provision was made for all risks in accordance with the relevant legislation.

Litigation

With regard to the complaint brought by the Polyamid 2000 AG insolvency administrator against GEA Group AG and three other Group companies, on July 9, 2007 the Federal Court of Justice (BGH) partially overturned the ruling of the regional appeal court in Frankfurt am Main involving one Group company as defendant, and referred the case back to the appeal court for a further hearing and decision. The Federal Court of Justice dismissed the appeal regarding the remaining defendants and therefore upheld the rejection of the complaint. The status of the case has been reported under "Discontinued operations" above. In terms of other ongoing litigation, the situation as described in the "Opportunities and risks report" in the 2006 annual report did not change materially during the period under review.

Outlook

Economy

The Kiel Institute for World Economics is currently forecasting global economic growth of 4.7 percent for both 2007 and 2008. The "Euro-zone economic outlook", a joint forecast from the ifo Institute of Economic Research in Germany, the INSEE in Paris and the ISAE in Rome, puts 2007 GDP growth at 3.0 percent, which would even exceed the prediction in our first-quarter report. Strong growth is also expected to continue in the emerging markets of Asia and eastern Europe. Demand in the euro zone is brisk. Spending on capital equipment, which is key to our business, will continue to grow strongly in Germany, in part because depreciation allowances will be reduced at the start of 2008.

The GEA Group's key sales markets – the food and beverages, pharmaceuticals, energy and chemicals/petrochemicals industries – will continue to grow in the next few years because they are largely driven by global population growth and rising household incomes, particularly in the newly industrializing countries. Growing demand for processed foodstuffs, medicines and energy will boost demand for process engineering. This will benefit the GEA Group, which has a sizeable market presence in these areas.

Business outlook

Based on the extremely high level of new orders in 2006 totaling EUR 5.0 billion, the Executive Board forecasts a further increase of over 10 percent in 2007. We expect sales to rise by over 15 percent in 2007 as a whole and margins in the core business to improve by over 60 basis points, which will significantly increase our EBIT. Net income will be impacted by two one-off factors. Firstly we expect the proceeds from the sale of Lurgi to exceed EUR 200 million after setting aside sufficient funds for guarantees and general warranties, and secondly we expect our tax expense to be higher because a write-down of deferred taxes will be necessary once the corporation tax rate in Germany is reduced. The net adjustment to deferred tax assets this will necessitate, estimated to be EUR 75 million, will be reported in the third quarter.

We confirm that our target is to increase our core-segment margin to 10 percent by 2009. Organic growth in sales should be between 5 and 10 percent per annum in 2008 and 2009. We will continue to pursue our policy of active acquisition by taking advantage of the financial scope provided by the sale of the Plant Engineering segment. We plan to achieve a gearing ratio (net debt to equity ratio) of 50 - 60 percent, which equates to a multiple of earnings before interest, tax, depreciation and amortization (EBITDA) of around two, excluding pension provisions. To achieve this target we do not rule out repurchasing and then retiring our own stock. Therefore in July 2007 we retired approximately 6.2 million of the treasury shares we hold, leaving a small residue of 190,000 shares.

Responsibility statement

To the best of our knowledge, and in accordance with the applicable accounting principles for interim financial reporting, the interim consolidated financial statements give a fair presentation of the financial position and financial performance of the Group, and the interim management report of the Group includes a fair presentation of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group for the remainder of the financial year.

Bochum, August 2, 2007

GEA Group Aktiengesellschaft

On behalf of the Executive Board

Jürg Oleas Hartmut Eberlein

Financial Statements for the 2nd Quarter of 2007

Consolidated Balance Sheet
at June 30, 2007

Assets (EUR thousand)	06/30/2007	12/31/2006	Change %
Property, plant and equipment	453,525	404,927	12.0
Investment property	57,686	56,869	1.4
Goodwill	1,297,902	1,250,763	3.8
Other intangible assets	71,917	41,280	74.2
Investments in enterprises reported at equity	11,322	10,876	4.1
Other non-current financial assets	58,130	52,343	11.1
Deferred taxes	412,589	431,825	-4.5
Non-current assets	**2,363,071**	**2,248,883**	**5.1**
Inventories	695,224	531,794	30.7
Trade receivables	1,263,820	1,163,512	8.6
Income tax assets	17,320	17,162	0.9
Other current financial assets	198,503	146,501	35.5
Cash and cash equivalents	281,104	260,101	8.1
Current assets	**2,455,971**	**2,119,070**	**15.9**
Assets held for sale	**810,634**	**583,476**	**38.9**
Total assets	**5,629,676**	**4,951,429**	**13.7**

Equity and liabilities (EUR thousand)	06/30/2007	12/31/2006	Change %
Issued capital	496,890	496,890	-
Additional paid-in capital	1,077,076	1,077,076	-
Retained earnings	-187,854	-249,149	24.6
Accumulated other comprehensive loss/income	-4,253	327	< -1,000
Treasury shares	-65,263	-65,263	-
Minority interest	1,393	1,582	-11.9
Equity	**1,317,989**	**1,261,463**	**4.5**
Non-current provisions	191,791	287,576	-33.3
Non-current obligations to employees	511,032	509,676	0.3
Non-current financial liabilities	16,714	17,585	-5.0
Other non-current liabilities	7,250	13,766	-47.3
Deferred taxes	72,312	47,535	52.1
Non-current liabilities	**799,099**	**876,138**	**-8.8**
Current provisions	356,511	321,262	11.0
Current obligations to employees	146,378	165,814	-11.7
Current financial liabilities	645,228	89,674	619.5
Trade payables	662,554	707,027	-6.3
Income tax liabilities	32,309	29,098	11.0
Other current liabilities	708,472	557,964	27.0
Current liabilities	**2,551,452**	**1,870,839**	**36.4**
Liabilities related to assets held for sale	**961,136**	**942,989**	**1.9**
Total equity and liabilities	**5,629,676**	**4,951,429**	**13.7**

Consolidated Income Statement
April 1 - June 30, 2007

(EUR thousand)	Q2 2007	Q2 2006	Change %
Sales	1,253,161	1,033,254	21.3
Cost of sales	-930,696	-757,045	-22.9
Gross profit	**322,465**	**276,209**	**16.7**
Selling expenses	-107,362	-99,423	-8.0
Administrative expenses	-109,486	-97,384	-12.4
Other income	7,099	13,030	-45.5
Other expenses	-17,816	-22,620	21.2
Net income/loss on enterprises reported at equity	635	-79	903.8
Other financial income	33	4	725.0
Other financial expenses	-	-	-
Earnings before interest and tax (EBIT)	**95,568**	**69,737**	**37.0**
Interest and similar income	3,186	2,156	47.8
Interest expense and similar charges	-17,369	-12,946	-34.2
Earnings before tax on continuing operations	**81,385**	**58,947**	**38.1**
Income taxes	-20,072	-22,934	12.5
thereof current taxes	-12,494	-10,044	-24.4
thereof deferred taxes	-7,578	-12,890	41.2
Net income on continuing operations	**61,313**	**36,013**	**70.3**
Net loss on discontinued operations	**-33,080**	**-50,640**	**34.7**
Net income/loss	**28,233**	**-14,627**	**293.0**
thereof minority interest	-46	23	-300.0
thereof attributable to shareholders of GEA Group Aktiengesellschaft	28,279	-14,650	293.0
Per share (EUR)			
Basic earnings per share	**0.15**	**-0.08**	**293.0**
thereof on continuing operations	0.33	0.19	70.5
thereof on discontinued operations	-0.18	-0.27	34.7
Diluted earnings per share	**0.15**	**-0.08**	**293.0**
Weighted average number of shares outstanding (million)	**187.9**	**187.9**	**-**

Consolidated Income Statement
January 1 - June 30, 2007

(EUR thousand)	Q1 - Q2 2007	Q1 - Q2 2006	Change %
Sales	2,308,778	1,870,090	23.5
Cost of sales	-1,715,456	-1,378,326	-24.5
Gross profit	**593,322**	**491,764**	**20.7**
Selling expenses	-212,131	-190,181	-11.5
Administrative expenses	-208,026	-186,159	-11.7
Other income	22,899	29,681	-22.8
Other expenses	-36,913	-40,430	8.7
Net income/loss on enterprises reported at equity	676	-30	> 1,000
Other financial income	33	279	-88.2
Other financial expenses	-	-12	100.0
Earnings before interest and tax (EBIT)	**159,860**	**104,912**	**52.4**
Interest and similar income	6,120	6,451	-5.1
Interest expense and similar charges	-32,807	-26,780	-22.5
Earnings before tax on continuing operations	**133,173**	**84,583**	**57.4**
Income taxes	-40,218	-32,903	-22.2
thereof current taxes	-21,362	-15,052	-41.9
thereof deferred taxes	-18,856	-17,851	-5.6
Net income on continuing operations	**92,955**	**51,680**	**79.9**
Net loss on discontinued operations	**-31,718**	**-55,718**	**43.1**
Net income/loss	**61,237**	**-4,038**	**> 1,000**
thereof minority interest	-58	43	-234.9
thereof attributable to shareholders of GEA Group Aktiengesellschaft	61,295	-4,081	> 1,000

Per share (EUR)			
Basic earnings per share	**0.33**	**-0.02**	**> 1,000**
thereof on continuing operations	0.49	0.27	80.1
thereof on discontinued operations	-0.17	-0.30	43.1
Diluted earnings per share	**0.33**	**-0.02**	**> 1,000**
Weighted average number of shares outstanding (million)	**187.9**	**187.9**	**-**

Consolidated Cash Flow Statement

January 1 - June 30, 2007

(EUR thousand)	Q1 - Q2 2007	Q1 - Q2 2006
Net income/loss	61,237	-4,038
plus income taxes	40,218	32,903
plus net loss on discontinued operations	31,718	55,718
Earnings before tax on continuing operations	133,173	84,583
Net interest income	26,687	20,329
Earnings before interest and tax (EBIT)	**159,860**	**104,912**
Depreciation, amortization, impairment and reversal of impairment on non-current assets	35,422	30,441
Other non-cash income and expenses	-382	-249
Obligations to employees	-11,561	-7,539
Change in provisions	-1,498	11,178
Losses on disposal of non-current assets	-165	-1,837
Change in inventories, incl. unbilled PoC receivables [1]	-49,337	-93,175
Change in trade receivables	-30,037	-13,245
Change in trade payables	-94,423	-21,169
Change in other operating assets and liabilities	-21,659	-2,293
Tax payments	-18,043	-14,592
Net cash flow from operating activities of discontinued operations	-101,824	-101,262
Cash flow from operating activities	**-133,647**	**-108,830**
Proceeds from disposal of non-current assets	3,233	5,254
Cash payments for purchase of property, plant and equipment and intangible assets	-45,754	-28,546
Cash payments for purchase of non-current financial assets	-2,061	-7,096
Interest and dividend income	3,708	5,267
Cash payments for acquisitions	-77,692	-2,923
Proceeds from disposals	-	1,169
Net cash flow from investing activities of discontinued operations	880	-11,750
Cash flow from investing activities	**-117,686**	**-38,625**
Change in finance lease liabilities	-775	-925
Dividend paid by GEA Group AG for 2005	-	-18,795
Cash receipts from finance facilities	538,447	45,133
Cash payments for redemption of finance facilities	-31,580	-29,500
Interest payments	-19,463	-7,574
Net cash flow from financing activities of discontinued operations	-205,115	50,945
Cash flow from financing activities	**281,514**	**39,284**
Exchange-rate-related and other changes in cash and cash equivalents	-4,745	-4,706
Change in unrestricted cash and cash equivalents	**25,436**	**-112,877**
Unrestricted cash and cash equivalents at beginning of year	252,240	424,363
Adjustment of unrestricted cash and cash equivalents of discontinued operations at beginning of year	-	-86,755
Unrestricted cash and cash equivalents at balance sheet date	**277,676**	**224,731**
Restricted cash and cash equivalents	3,428	4,577
Cash and cash equivalents reported on the face of the balance sheet	**281,104**	**229,308**

1) Including advances received

Consolidated Statement of Changes in Equity
at June 30, 2007

(EUR thousand)	Issued capital	Additional paid-in capital	Retained earnings	Accumulated other comprehensive income/loss	Treasury shares	Minority interest	**Total**
Balance at 12/31/2005 (187,945,616 shares)	**496,890**	**1,077,076**	**58,086**	**16,418**	**-65,263**	**884**	**1,584,091**
Net loss			-288,224				**-288,224**
Minority interest			-215			215	**-**
Accumulated other comprehensive income/loss				-16,091		49	**-16,042**
Total income and expense for the year							**-304,266**
thereof minority interest							**264**
thereof attributable to shareholders of GEA Group AG							**-304,530**
Dividend paid by GEA Group AG			-18,795				**-18,795**
Change in other minority interest						434	**434**
Balance at 12/31/2006 (187,945,616 shares)	**496,890**	**1,077,076**	**-249,149**	**327**	**-65,263**	**1,582**	**1,261,463**
Net income			61,237				**61,237**
Minority interest			58			-58	**-**
Accumulated other comprehensive income/loss				-4,580		-15	**-4,595**
Total income and expense for the year							**56,642**
thereof minority interest							**-73**
thereof attributable to shareholders of GEA Group AG							**56,715**
Change in other minority interest						-116	**-116**
Balance at 06/30/2007 (187,945,616 shares)	**496,890**	**1,077,076**	**-187,854**	**-4,253**	**-65,263**	**1,393**	**1,317,989**

Accumulated other comprehensive income/loss (EUR thousand)	Cumulative translation adjustment	Available-for-sale securities	Hedge accounting	**Total**
Balance at 12/31/2005	**23,598**	**836**	**-8,016**	**16,418**
Accumulated other comprehensive income/loss	-29,255	-631	13,795	**-16,091**
Balance at 12/31/2006	**-5,657**	**205**	**5,779**	**327**
Accumulated other comprehensive income/loss	-4,754	1,691	-1,517	**-4,580**
Balance at 06/30/2007	**-10,411**	**1,896**	**4,262**	**-4,253**

Notes to the Consolidated Financial Statements

1 Basis of presentation

The interim financial statements of GEA Group Aktiengesellschaft and its subsidiaries' consolidated interim accounts have been prepared in accordance with the International Financial Reporting Standards (IFRSs) and the relevant interpretations of the International Accounting Standards Board (IASB), as applicable under Regulation No. 1606/2002 of the European Parliament and Council concerning the adoption of International Accounting Standards in the EU. These consolidated financial statements for the second quarter have not been reviewed by an auditor.

The accounting policies applied in these interim financial statements are unchanged since December 31, 2006 and are described in detail on pages 66 to 77 of the annual report and consolidated IFRS 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 as well as income and expenses. 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, significant litigation, and changes in environmental or other legislation. Production errors, the loss of key customers, and changes in funding can also impair the GEA Group's future performance.

The interim financial statements have been prepared in euros. All amounts, including comparative figures, have been rounded, consequently there may be differences between the sum of individual values and the total value shown.

2 Basis of consolidation

On April 6, 2007 the Dairy Farm Systems division acquired J. Houle & Fils Inc., a company based in Drummondville (Quebec), Canada. J. Houle & Fils Inc. is a leading North American manufacturer of manure-handling equipment for the stock farming industry. The takeover strengthens the Dairy Farm Systems division's position as one of the world's leading manufacturers and suppliers of agricultural equipment, and also enhances its ability to provide dairy producers with an integrated, end-to-end service.

On April 12, 2007 the Process Engineering division expanded its liquid processing operations in the food and beverages industry by acquiring Procomac S.p.A., Sala Baganza, Italy. Procomac S.p.A. specializes in the manufacture and installation of aseptic bottling plants for PET bottles. Its product range also includes non-aseptic bottling lines. The acquisition enables the division to extend its value chain and to expand its leading position in the integrated food-process engineering sector.

On June 1, 2007 the Refrigeration division acquired all the shares in Aero Heat Exchanger Inc. based in Richmond (British Columbia), Canada. The company is a leading North American manufacturer of refrigeration systems for the food industry. This deal consolidates the Refrigeration division's position, particularly in the North American market.

The provisional purchase cost of the companies amounts to EUR 100.685 million compared with net assets provisionally calculated to be EUR 55.109 million. Uncertainty about the determination of the net asset value primarily surrounds the measurement of intangible assets. Based on this provisional measurement, goodwill comes in at EUR 45.576 million. This is derived firstly from synergies arising from the opportunity to sell products globally which in part had previously only been sold locally by the companies acquired. Secondly, there is further potential for synergies in the GEA Group's new ability to offer an extended process chain to dairy producers and the liquid-processing segment of the food industry.

Because they have only been consolidated for a short period, and due to integration costs, the contributions to second-quarter earnings made by Procomac and Aero Heat Exchanger are negligible. The contribution to pre-tax earnings by Houle was EUR 740 thousand based on a provisional calculation of net assets.

Including the subsidiaries of the companies acquired, takeovers in the second quarter increased the number of companies consolidated in the Group by 17. In addition, two newly established companies and one company which had not previously been consolidated were included in the group of consolidated companies for the first time in the second quarter of 2007. Two companies were deconsolidated during the same period because they had been wound up. Including the changes made in the first quarter, the number of consolidated companies had increased by a total of 22 since December 31, 2006.

3 Discontinued operations

With the consent of the Supervisory Board, the Executive Board of GEA Group AG decided in August 2006 to sell the PET and Fibers (Zimmer), Energy and Environment (Lentjes), Gas-to-Chemicals, and Synthetic Fuels and Biofuels (Lurgi) divisions of the former Plant Engineering segment. These divisions have been classified and presented as discontinued operations since the interim report on the third quarter of 2006. Since these divisions have been treated as discontinued operations, their assets and liabilities have been reported on the face of the balance sheet as assets held for sale and as liabilities related to assets held for sale. The income statement merely shows the divisions together with their net income or loss as "net income/loss on discontinued operations". The prior-year figures on the face of the income statement have been restated accordingly.

The net loss on discontinued operations is broken down as follows:

(EUR thousand)	Q2 2007	Q2 2006	Q1 - Q2 2007	Q1 - Q2 2006
Sales	**264,455**	**246,406**	**518,360**	**501,591**
Other income	76,582	3,350	80,706	4,571
Expenses	-371,221	-333,943	-629,291	-598,641
Net interest income	25,492	789	27,762	1,287
Taxes	-28,388	32,758	-29,255	35,474
Net loss on discontinued operations	**-33,080**	**-50,640**	**-31,718**	**-55,718**

Other income includes income of EUR 73.60 million arising from the reversal of the provision for the risk of enforced repayment of remuneration received for constructing a carpet recycling plant because the contract for work was null and void (see page 8). EUR 34.555 million of this amount is attributable to Lentjes and the remaining amount of EUR 39.045 million relates to the former Zimmer division. The interest accrued on the interest cost of the provision was also cancelled, which increased net interest income by EUR 20.786 million. Under commercial law the income from the reversal of the provision is due to GEA Group AG, because at the time GEA Group AG had indemnified the companies involved against the risk.

In the first half of 2007, Lentjes incurred a net loss of EUR 67.756 million (2006: loss of EUR 8.308 million), which includes the income from the reduction in the provision. Penalties for failing to meet deadlines due to suppliers' delays and technical problems were the main causes of its weak EBIT. Lurgi's net income for this period amounted to EUR 6.432 million (2006: net loss of EUR 3.277 million). The sale of Lurgi to the Air Liquide Group, Paris, France, was finalized on July 20, 2007.

The prior-year comparative figures include income and expenses attributable to Lurgi and Lentjes as well as to Zimmer. The Zimmer operations specializing in plant for the manufacture of chemical fibers and nonwovens were sold with effect from December 14, 2006. As already reported, the remaining plant engineering operations relating to polymers, synthetic fibers and thermoplastics were sold within the GEA Group to Lurgi on December 31, 2006 as part of an asset deal.

4 Net financial income/loss

The financial income and expenses shown in the segment tables on pages 28 et seq. comprise interest income and other financial income as well as interest expenses and other financial expenses. Other financial income essentially consists of income from equity investments. Interest income includes interest income from receivables, deposits and securities as well as the projected return on plan assets. Other financial expenses comprise impairment of financial assets and expenses incurred by the transfer of losses. Interest expenses consist of borrowing costs and the interest cost of other provisions and provisions for pensions, other postemployment benefits and supplementary healthcare benefits. The figure resulting from the netting of interest income and interest expenses represents the interest element of EBITDA and EBIT.

5 Taxes

The taxes recognized in the interim reporting period were estimated using an anticipated taxation rate of 30.2 percent instead of the 38.9 percent used in the preceding quarter. The estimate of the anticipated taxation rate of 30.2 percent is based more closely on the weighted average income tax rate. The effects of the 2008 corporation tax reforms approved by the second chamber of the German parliament on July 6, 2007 have not yet been taken into account. The corporation tax reforms will reduce the tax rate applicable to the Group‘s German companies from 38.9 percent to 29.5 percent. The additional tax expense in the third quarter resulting from the remeasurement of deferred taxes this will necessitate is expected to be around EUR 75 million.

6 Cash flow statement

The cash flow statement is prepared under the indirect method with respect to cash flow from operating activities and under the direct method with respect to cash flow from investing and financing activities. 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 as cash flow from operating activities.

The individual activities shown on the face of the cash flow statement have been adjusted to exclude the cash flows from the Zimmer, Lurgi and Lentjes divisions for both 2007 and 2006. The cash flow from these divisions is shown for each individual activity as "net cash flow from discontinued operations".

Cash flow (EUR thousand)	Customized Systems	Process Equipment	Process Engineering	Other	**GEA Group**
Q1-Q2 2007					
Cash flow from operating activities	215	3,088	-24,803	-112,147	**-133,647**
Cash flow from investing activities	-32,062	-44,268	-36,936	-4,420	**-117,686**
Cash flow from financing activities	47,969	45,646	86,196	101,703	**281,514**
Exchange-rate-related changes in cash and cash equivalents	-371	361	15	-4,750	**-4,745**
Change in unrestricted cash and cash equivalents	15,751	4,827	24,472	-19,614	**25,436**
Q1-Q2 2006					
Cash flow from operating activities	4,374	1,058	-5,462	-108,800	**-108,830**
Cash flow from investing activities	-9,397	-3,158	-14,971	-11,099	**-38,625**
Cash flow from financing activities	18,841	8,290	55,930	-43,777	**39,284**
Exchange-rate-related changes in cash and cash equivalents	-	1,260	-5,896	-70	**-4,706**
Change in unrestricted cash and cash equivalents	13,818	7,450	29,601	-163,746	**-112,877**

7 Segment information

7.1 Primary reporting format: business segments

The GEA Group was organized into the following four business segments as at June 30, 2007:

- Customized Systems
- Process Equipment
- Process Engineering
- Other

A detailed description of the individual business segments' business operations and the products and services they offer can be found on pages 15 and 16 of the annual report and consolidated IFRS financial statements of the GEA Group.

Segment results for the second quarter were as follows:

Segment information (EUR million)	Customized Systems	Process Equipment	Process Engineering	Other	Eliminated	**GEA Group**
Q2 2007						
Sales	250.0	366.5	502.2	134.4	-	**1,253.2**
Intersegment sales	0.7	24.0	4.7	2.9	-32.3	**-**
Total sales	250.7	390.5	506.9	137.3	-32.3	**1,253.2**
EBITDA	21.7	52.8	35.3	4.1	-	**113.9**
EBIT	17.8	46.7	31.0	-0.0	-	**95.6**
Segment earnings before tax (EBT)	17.1	44.8	29.9	-10.4	-	**81.4**
Financial income	0.8	2.6	2.3	6.8	-9.4	**3.2**
Financial expenses	1.5	4.5	3.6	17.2	-9.4	**17.4**
Equity method income/loss in net financial income	-	0.3	0.3	-	-	**0.6**
Net loss on discontinued operations	-	-	-	-33.1	-	**-33.1**
Sales from discontinued operations	-	-	-	257.4	-	**257.4**
Capital expenditure	7.5	13.8	6.1	2.7	-	**30.1**
Depreciation, amortization and impairment	3.9	6.0	4.2	4.1	-	**18.3**
Q2 2006						
Sales	197.6	317.0	414.9	103.8	-	**1,033.3**
Intersegment sales	0.2	21.0	-1.1	2.5	-22.7	**-**
Total sales	197.8	338.0	413.8	106.3	-22.7	**1,033.3**
EBITDA	15.7	40.7	27.6	0.7	-	**84.7**
EBIT	12.4	35.5	24.1	-2.2	-	**69.7**
Segment earnings before tax (EBT)	12.2	33.8	23.1	-10.2	-	**58.9**
Financial income	0.9	1.1	1.9	4.6	-6.4	**2.1**
Financial expenses	1.0	3.0	2.7	12.6	-6.4	**12.9**
Equity method income/loss in net financial income	-	-0.3	0.2	-	-	**-0.1**
Net loss on discontinued operations	-	-	-	-50.6	-	**-50.6**
Sales from discontinued operations	-	-	-	243.4	-	**243.4**
Capital expenditure	3.5	3.6	4.2	2.9	-	**14.2**
Depreciation, amortization and impairment	3.3	5.2	3.5	3.4	-	**15.4**

Segment information (EUR million)	Customized Systems	Process Equipment	Process Engineering	Other	Eliminated	**GEA Group**
Q1 - Q2 2007						
Sales	455.3	648.8	923.2	281.5	-	**2,308.8**
Intersegment sales	1.4	47.2	7.2	6.8	-62.7	**-**
Total sales	456.7	696.0	930.5	288.3	-62.7	**2,308.8**
EBITDA	34.6	90.6	58.5	11.6	-	**195.3**
EBIT	27.0	78.9	50.3	3.7	-	**159.9**
Segment earnings before tax (EBT)	25.9	75.1	48.7	-16.5	-	**133.2**
Financial income	1.5	4.4	4.6	11.8	-16.1	**6.2**
Financial expenses	2.6	8.1	6.2	32.0	-16.1	**32.8**
Equity method income/loss in net financial income	-	0.3	0.4	-	-	**0.7**
Net loss on discontinued operations	-	-	-	-31.7	-	**-31.7**
Sales from discontinued operations	-	-	-	511.3	-	**511.3**
Segment assets	904.2	1,787.1	1,896.4	3,119.2	-2,077.2	**5,629.7**
thereof from discontinued operations	-	-	-	796.6	-	**796.6**
Segment liabilities	401.0	776.8	1,224.5	2,893.2	-983.7	**4,311.7**
thereof from discontinued operations	-	-	-	961.1	-	**961.1**
Capital expenditure	10.6	18.6	9.4	7.2	-	**45.8**
Depreciation, amortization and impairment	7.6	11.7	8.3	7.9	-	**35.4**
Number of employees	5,205	6,632	6,616	556	-	**19,009**
Q1 - Q2 2006						
Sales	365.7	565.5	731.7	207.2	-	**1,870.1**
Intersegment sales	0.3	44.7	4.8	7.1	-56.8	**-**
Total sales	366.0	610.1	736.5	214.3	-56.8	**1,870.1**
EBITDA	25.5	65.9	40.7	3.2	-	**135.4**
EBIT	19.1	55.4	33.8	-3.4	-	**104.9**
Segment earnings before tax (EBT)	18.8	52.0	32.2	-18.5	-	**84.6**
Financial income	1.7	2.7	3.9	10.6	-12.2	**6.7**
Financial expenses	1.9	6.1	5.2	25.7	-12.2	**26.8**
Equity method income/loss in net financial income	-	-0.2	0.1	-	-	**-0.0**
Net loss on discontinued operations	-	-	-	-55.7	-	**-55.7**
Sales from discontinued operations	-	-	-	498.2	-	**498.2**
Segment assets	802.0	1,582.6	1,500.5	2,697.9	-1,537.1	**5,045.9**
thereof from discontinued operations	-	-	-	481.8	-	**481.8**
Segment liabilities	298.1	616.2	882.2	2,296.9	-593.7	**3,499.8**
thereof from discontinued operations	-	-	-	802.8	-	**802.8**
Capital expenditure	8.7	8.8	11.0	6.5	-	**35.0**
Depreciation, amortization and impairment	6.4	10.6	6.9	6.5	-	**30.4**
Number of employees	4,324	6,067	5,508	517	-	**16,416**

Since the decision was taken to sell the Zimmer, Lurgi and Lentjes divisions, the Plant Engineering segment, which was shown in 2006, has not been reported. Its assets and liabilities are now shown as assets and liabilities of the "Other" segment. The Gas Cleaning division, which remains in the GEA Group but was part of the former Plant Engineering segment, forms part of the "Other" segment. The comparative figures for 2006 have been restated accordingly.

With the exception of depreciation, amortization and impairment, there were no material non-cash expenses within the segments in either the second quarter of 2007 or in the corresponding period of 2006.

7.2 Secondary reporting format: geographical segments

The GEA Group's business segments operate in five main geographical regions. Most of the Group's sales are generated in Germany, other European countries and the Americas:

Segmentation by region (EUR million)	Germany	Rest of Europe	Americas	Asia, Oceania	Africa	**Total**
Q1-Q2 2007						
Sales	470.9	884.2	420.4	480.1	53.2	**2,308.8**
percentage of total	20.4%	38.3%	18.2%	20.8%	2.3%	**100.0%**
Segment assets	2,835.7	1,721.3	698.4	343.4	30.9	**5,629.7**
thereof from discontinued operations	616.8	47.3	90.4	37.8	4.4	**796.6**
Capital expenditure	21.7	11.2	6.8	5.8	0.2	**45.8**
Employees [1]	6,609	7,668	2,496	1,924	312	**19,009**
Q1-Q2 2006						
Sales	424.5	655.1	348.3	393.0	49.2	**1,870.1**
percentage of total	22.7%	35.0%	18.6%	21.0%	2.6%	**100.0%**
Segment assets	2,829.1	1,420.8	503.8	251.4	40.8	**5,045.9**
thereof from discontinued operations	358.2	50.0	42.1	25.3	6.2	**481.8**
Capital expenditure	19.7	10.9	2.8	1.4	0.1	**35.0**
Employees [1]	6,294	6,540	1,931	1,336	315	**16,416**

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

7.3 Capital expenditure and depreciation, amortization and impairment

Capital expenditure in the segment information 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 property, plant and equipment and intangible assets.

Financial Calendar

October 31, 2007	Interim Report for the period to September 30, 2007
March 13, 2008	Financial Statements Press Conference / Analysts' Meeting for 2007
April 23, 2008	Annual Shareholders' Meeting for 2007
May 8, 2008	Interim Report for the period to March 31, 2008
July 31, 2008	Interim Report for the period to June 30, 2008
October 31, 2008	Interim Report for the period to September 30, 2008

GEA Group's shares: key data

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Xetra	G1A.DE

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