Half-yearly Financial Report

January 1 – June 30, 2015

engineering for a better world

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GEA increases revenue as well as profitability and implements strategy program

In the second quarter 2015 revenue of GEA exceeded the high level seen in the previous year by 3 percent. The service business demonstrated healthy growth. The order intake declined slightly due to the limited number of major orders. However, the basic business saw stable growth rates in both of GEA's business areas. GEA's operating profit improved again. This shows that the increases in efficiency resulting from the "Fit for 2020" program have begun to have an impact. Both operating EBITDA and the operating EBITDA margin hit all-time highs for a second quarter. Non-recurring expenses of about EUR 134 million were recognized in the reporting quarter. This figure includes restructuring expenses of around EUR 115 million for the "Fit for 2020" program. Consolidated profit in the past quarter was negative overall as a result of these substantial non-recurring expenses.

"Unfortunately, we were unable to escape the effects of the renewed decline in momentum in some of our markets in the reporting period. However, it is encouraging to see that our targeted measures are paying off and that we further increased profitability. For example, we have reduced our workforce by around 300 employees since the beginning of the year. This reduction is partly attributable to our 'Fit for 2020' initiative. The workforce reduction and the initial recognition of material non-recurring expenses for this strategic project show that we are implementing it systematically. We are on track with this initiative," said GEA CEO Jürg Oleas.

GEA: Key IFRS figures

(EUR million)	Q2 2015	Q2 2014	Change in %	Q1-Q2 2015	Q1-Q2 2014	Change in %
Results of operations						
Order intake	1,148.8	1,169.9	–1.8	2,276.2	2,194.2	3.7
Revenue	1,150.1	1,117.7	2.9	2,156.5	2,068.3	4.3
Operating EBITDA [1]	139.3	128.0	8.8	237.4	213.2	11.4
as % of revenue	12.1	11.5	–	11.0	10.3	–
Operating EBIT [1]	119.8	109.3	9.6	198.6	176.1	12.7
as % of revenue	10.4	9.8	–	9.2	8.5	–
EBIT	–20.9	98.7	–	46.6	157.4	–70.4
Net assets						
Working capital intensity in % (average of the past 12 months)	12.3	11.9	–	12.3	11.9	–
Net liquidity (+)/Net debt (-)	603.4	–551.8	–	603.4	–551.8	–
Financial position						
Cash flow driver margin [2]	6.6	9.0	–	6.6	9.0	–
ROCE in % (goodwill adjusted) [3]	16.4	22.9	–	16.4	22.9	–
Full-time equivalents (reporting date)	17,975	18,186	–1.2	17,975	18,186	–1.2
GEA Shares						
Earnings per share before non-recurring items (EUR) [4]	0.43	0.42	3.2	0.67	0.65	2.6

1) Before effects of purchase price allocations and before non-recurring items (see page 46)
2) Cash flow driver = EBITDA - Capital expenditure - Change in Working Capital (average of the last 12 months)
3) Capital employed excluding goodwill from the acquisition of the former GEA AG by former Metallgesellschaft AG in 1999 (average of the last 12 months)
4) Calculated before non-recurring items (see page 46) using the corresponding tax rates for continuing and discontinued operations

In addition, three acquisitions were made in the past quarter, two of which have already been completed. These acquisitions, which together generated revenue of almost EUR 100 million in 2014, GEA implements its strategy of closing gaps in technology by acquiring specialized companies, and of expanding the product portfolio in terms of covering all steps in the process.

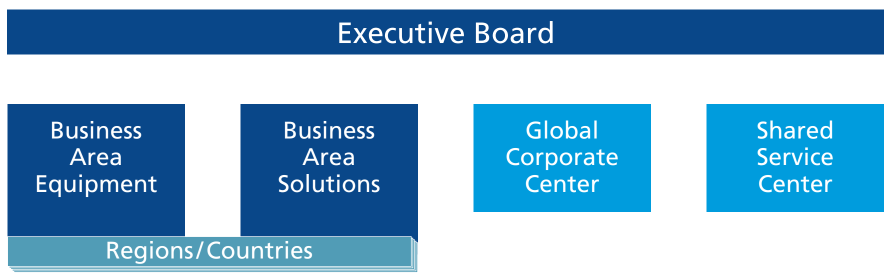
In addition to its operating activities, GEA has made substantial progress with its strategic realignment as part of the “Fit for 2020” initiative in the second quarter, taking on a new group structure. On the basis of a simplified, harmonized, and more streamlined organization, the aim is not only to exploit existing substantial savings potential, but also, in particular, to create the organizational conditions that will ensure future competitiveness and implementation of GEA’s growth targets.

In line with its current assessment, GEA expects that the forecast to date for the operating business in 2015 will be met, despite less dynamic growth. Assuming this, the dividend for fiscal year 2015 should not be less than the EUR 0.70 per share resolved last year, independent of expenses incurred under the “Fit for 2020” initiative.

Management Report

New group structure

Following intensive preparation, GEA's new group structure – which was resolved under the "Fit for 2020" initiative – became effective June 8, 2015. The explanation of the group's course of business in this financial report for the second quarter, including the comparable prior-year figures, is presented for the first time in line with the new group structure for the two Business Areas Equipment and Solutions.



The Business Area (BA) Equipment brings together all activities that relate to standardized and in part, to customer-specific equipment offerings. The products are mainly manufactured as part of large-scale series production on a standardized and modular basis. Typical products covered by the business area are separators, valves, pumps, homogenizers, and cooling compressors, but its product range also comprises automatic feeding systems, manure management systems, and barn equipment.

The Business Area Solutions brings together all group activities that largely consist of customer-specific and modular solutions, and projects. This business area tailors its products and services to the specific application or customer requirements. The offering mainly includes the design and development of process solutions for the dairy processing, brewing, food, pharma, and chemical industries.

The new structure brings together customer-centric sales and services under the umbrella of a single country organization. The countries are grouped together in newly defined regions, and are also reported in line with these. For GEA's customers, this means one national organization per country as a central point of contact offering the entire product portfolio and all services on a local basis. Bringing together the current large number of sales and service companies will strengthen local competencies, realize existing potential synergies even more efficiently, and raise awareness of the common brand GEA in the market. The national organizations are each led by a managing director and are divided into two categories, depending on the market's size and growth potential. The large and medium-sized national organizations have separate functions for Equipment sales and Solutions sales. In addition, they have a service business, a supply chain function (including local logistics, warehousing, and local procurement), and operational marketing. A small national organization has a joint sales organization and a service business. The countries are in turn grouped under six regions. A regional head is identical to a managing director of a country of this region and agrees on country strategies, drives forward market entries, coordinates activities between countries, and allocates resources across countries.

In addition, the administrative functions were streamlined and more strongly standardized, and will now be managed considerably more centrally, in order to ensure uniform high process standards globally as well as cost savings. The Global Corporate Center is the central port of call for all supporting management and administrative functions, which so far have mostly been organized locally at the operating units. Regional Shared Service Centers will take care of the implementation of standardized administrative processes in the future, thus reducing the workload for the operating units. The Global Corporate Center and the Regional Shared Service Centers' expenses will be allocated to the business areas wherever possible.

Acquisitions

On June 19, 2015, GEA completed the acquisition of the Italian company Comas. Comas is one of the leading European manufacturers of machinery and equipment for sophisticated processes in the production of bakery goods. Based in Torrebelvicino, the company had a workforce of 155 employees and generated revenue of around EUR 50 million in accordance with local GAAP in the last fiscal year, mainly in Europe and Asia. As an established supplier in this industry, Comas will join the Business Area Solutions to form the Application Center Bakery.

On the same date, June 19, 2015, GEA also completed the acquisition of CMT, a leading supplier of machinery and integrated process lines for pasta filata cheeses (fresh mozzarella and pizza cheese). The company, which is based in Peveragno, Italy, had around 70 employees and generated revenue of EUR 11 million in accordance with local GAAP in 2014, primarily in the European Union countries. GEA intends to integrate this business into its Application Center Dairy in the Business Area Solutions.

On June 30, 2015, GEA acquired Hilge, a leading supplier of hygienic pumps that specializes in particular in stainless steel pumps for the food and beverage industries. Based in Bodenheim, Germany, the company had a workforce of around 150 employees and generated revenue of over EUR 35 million in accordance with local GAAP in fiscal year 2014. The plan is to integrate Hilge's business into the Business Area Equipment. On the date of preparation of this report, the transaction was still subject to antitrust approval.

Report on Economic Position

The quarterly information contained in this management report is sourced from financial reports that were not audited or reviewed in accordance with the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act). All amounts have been rounded using standard rounding rules. Adding together individual amounts may therefore result in rounding differences in certain cases.

Course of business

Order intake

GEA's order intake declined by 1.8 percent to EUR 1,148.8 million in the second quarter of 2015 (previous year: EUR 1,169.9 million). Adjusted for the effects of exchange rate changes (6.6 percent) and the acquisitions of de Klokslag and Scan Vibro (total of 0.5 percent), the change in order intake was –8.9 percent. The Business Area Solutions in particular saw a weaker performance compared with the previous year due to the decline in major orders. By contrast, in the basic business (orders below EUR 1 million) both business areas recorded encouraging growth rates.

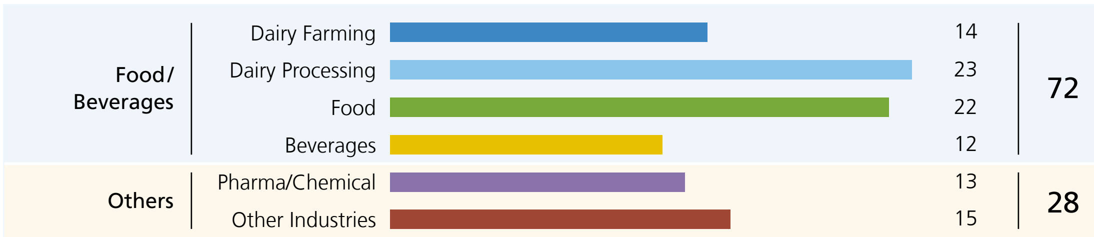
In the second quarter of 2015, the group won two major orders for a dairy project in the Middle East and a dairy powder plant in Asia, together worth over EUR 55 million. In the comparable prior-year's quarter, the group booked four major orders with a volume of EUR 123 million, including a beverages project in Africa.

Order intake (EUR million)	Q2 2015	Q2 2014	Change in %	Adjusted growth in %	Q1-Q2 2015	Q1-Q2 2014	Change in %	Adjusted growth in %
BA Equipment	573.0	569.7	0.6	–6.0	1,159.6	1,144.7	1.3	–4.9
BA Solutions	628.9	652.4	–3.6	–10.9	1,217.2	1,154.5	5.4	–0.7
Total	**1,201.9**	**1,222.2**	**–1.7**	**–8.6**	**2,376.7**	**2,299.2**	**3.4**	**–2.8**
Consolidation/others	–53.1	–52.2	–1.7	–	–100.5	–104.9	4.2	-
GEA	**1,148.8**	**1,169.9**	**–1.8**	**–8.9**	**2,276.2**	**2,194.2**	**3.7**	**–2.6**

The group's order intake rose by 3.7 percent to EUR 2,276.2 million in the first half of 2015 (previous year: EUR 2,194.2 million). Adjusted for currency translation effects (+6.0 percent) and acquisition effects (0.4 percent), the change was –2.6 percent.

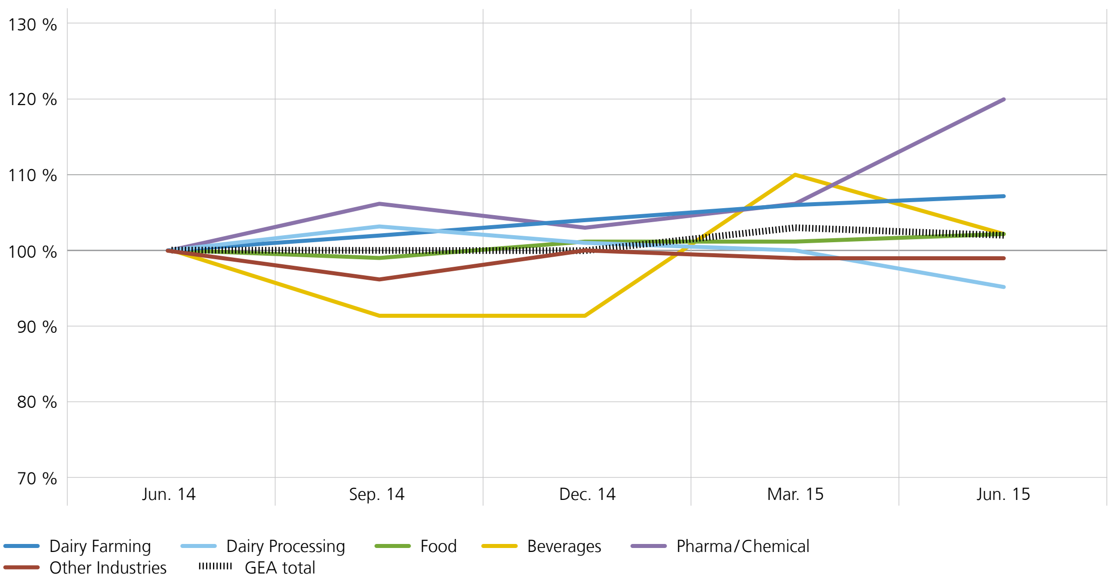
The following charts provide a breakdown and show trends based on the last 12 months:

Order intake applications
(in %, average last 12 months)



GEA Order intake EUR 1,148.8 million (previous year EUR 1,169.9 million)

by applications (average last 12 months)



Order backlog

The order backlog grew by EUR 157.9 million or 7.7 percent compared with that of December 31, 2014 (EUR 2,037.6 million) to EUR 2,195.5 million. Exchange rate changes increased the order backlog by EUR 48.1 million.

Around EUR 1,350 million of the order backlog as of June 30, 2015, is expected to be billed in the current fiscal year.

Order backlog (EUR million)	06/30/2015	06/30/2014	Change in %
BA Equipment	581.4	624.1	-6.9
BA Solutions	1,652.9	1,551.9	6.5
Total	**2,234.3**	**2,176.0**	**2.7**
Consolidation/others	-38.8	-38.8	0.0
GEA	**2,195.5**	**2,137.2**	**2.7**

Revenue

In general, the same regional and sector-specific trends apply to revenue as to order intake, although with different time lags. However, revenue is less volatile than order intake.

Group revenue in the second quarter of 2015 amounted to EUR 1,150.1 million, up 2.9 percent from the prior-year figure (EUR 1,117.7 million). Of this, 6.5 percent is attributable to exchange rate movements and 0.5 percent to acquisition effects. Adjusted revenue thus declined by 4.1 percent year-on-year.

The book-to-bill ratio, the ratio of order intake to revenue, was almost precisely 1.0 in the second quarter of 2015.

Revenue (EUR million)	Q2 2015	Q2 2014	Change in %	Adjusted growth in %	Q1-Q2 2015	Q1-Q2 2014	Change in %	Adjusted growth in %
BA Equipment	587.9	565.4	4.0	–2.5	1,114.8	1,060.8	5.1	–1.1
BA Solutions	612.9	603.3	1.6	–5.8	1,139.0	1,105.4	3.0	–4.3
Total	**1,200.8**	**1,168.7**	**2.7**	**–4.2**	**2,253.8**	**2,166.3**	**4.0**	**–2.7**
Consolidation/others	–50.7	–51.0	0.7	–	–97.3	–98.0	0.7	-
GEA	**1,150.1**	**1,117.7**	**2.9**	**–4.1**	**2,156.5**	**2,068.3**	**4.3**	**–2.7**

In the first half of 2015, group revenue rose by 4.3 percent to EUR 2,156.5 million (previous year: EUR 2,068.3 million). Exchange rate movements and acquisitions increased revenue by 6.5 percent and 0.5 percent respectively. The adjusted revenue change was thus –2.7 percent.

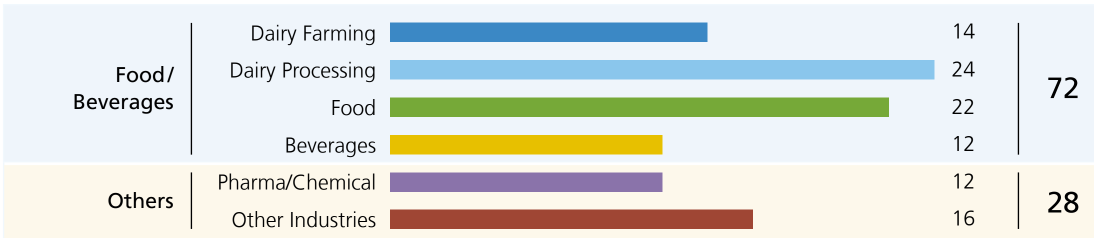
The adjusted revenue decline affected the food and beverages end market (–2.0 percent) and in particular the pharma/chemical end market (–8.6 percent). At a regional level, it is attributable to North and Central Europe and the Asia Pacific region. This was not fully offset by revenue growth in Germany, Austria, Switzerland (DACH) & Eastern Europe, and in Western Europe, the Middle East & Africa. The Asia Pacific region and DACH & Eastern Europe continue to generate the highest revenue, accounting for 24 percent and 19 percent respectively.

The share contributed by the service business, which saw adjusted growth of 4.5 percent, rose significantly from 27.6 percent in the previous year to 29.8 percent.

The following charts provide a breakdown and show trends based on the last 12 months:

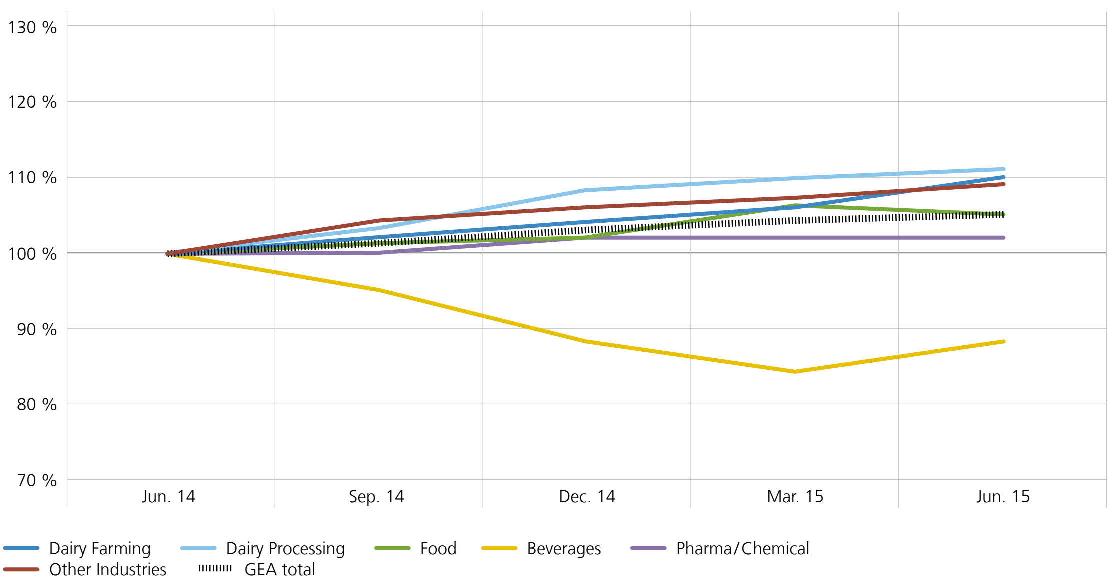
Revenue by applications

(in %, average last 12 months)

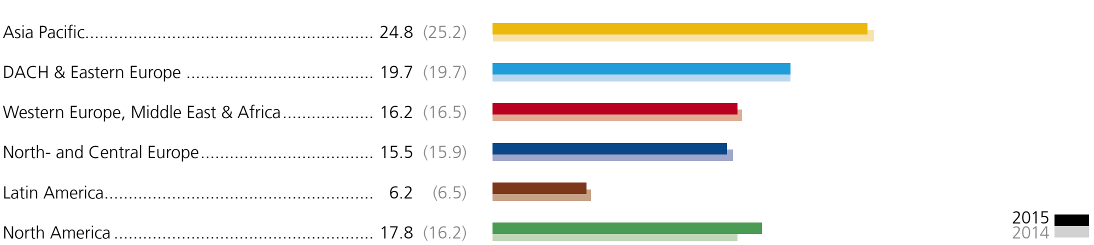


GEA Revenue EUR 1,150.1 million (previous year EUR 1,117.7 million)

by applications (average last 12 months)



by region (%, average last 12 months)



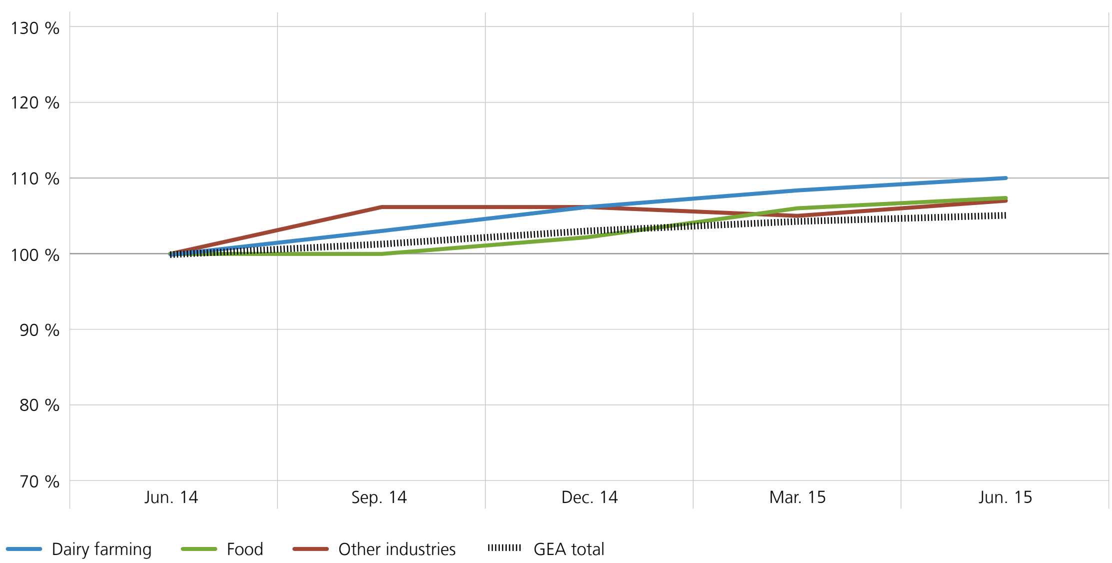
Business Area Equipment

Revenue in the Business Area Equipment grew by 5.1 percent in the first half of 2015. However, on a constant exchange rate basis, revenue declined slightly by 1.1 percent. This was due in particular to the oil and gas industry within the other industries and – to a significantly lesser extent – to the pharma/chemical end market. The most important end market – food and beverages – continued to generate adjusted revenue growth. The Asia Pacific region, North America, and North and Central Europe in particular recorded a below-average total performance, while Western Europe, the Middle East & Africa generated double-digit adjusted growth. The key sales regions are North America and DACH & Eastern Europe, which both have an over 20 percent share of the revenue.

The following charts provide a breakdown and show trends based on the last 12 months:

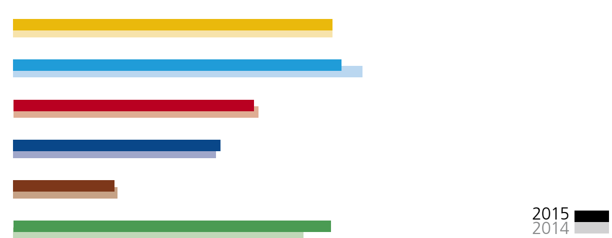
Business Area Equipment Revenue EUR 587.9 million (previous year EUR 565.4 million)

by applications (average last 12 months, 3 most important applications, only exernal business)



by region (%, average last 12 months)

Asia Pacific	21.1	(21.1)
DACH & Eastern Europe	21.7	(23.1)
Western Europe, Middle East & Africa	15.9	(16.2)
North- and Central Europe	13.7	(13.4)
Latin America	6.7	(6.9)
North America	21.0	(19.2)



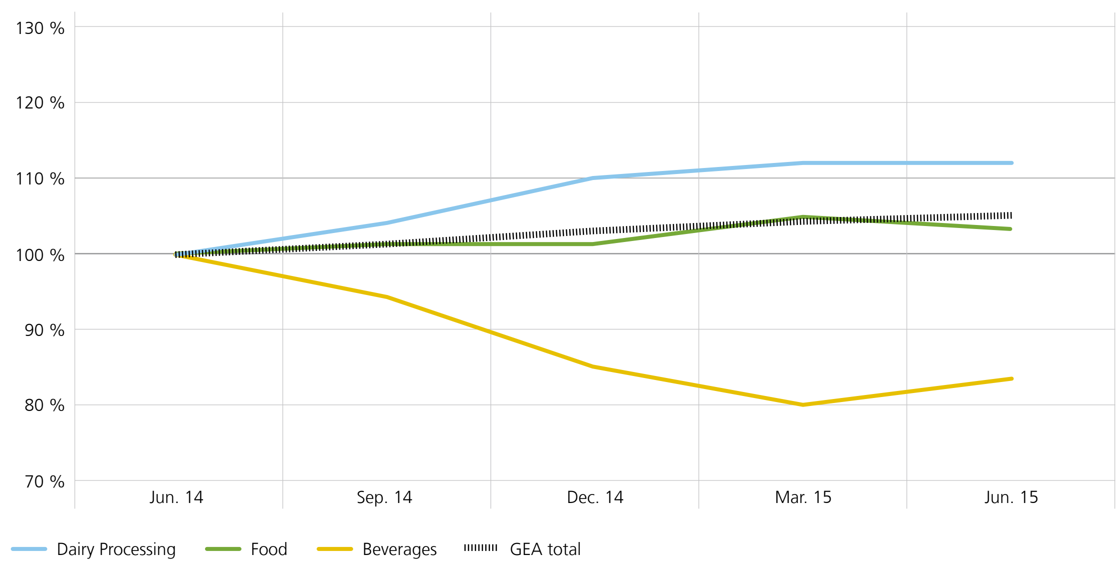
Business Area Solutions

Top line growth in the Business Area Solutions amounted to 3.0 percent in the first half of 2015. Adjusted for exchange rate and acquisition effects, revenue decreased by 4.3 percent. This development is mainly attributable to the dairy processing and beverages industry within the food and beverages end market, as well as to the pharma industry. At a regional level, adjusted revenue growth saw a particularly significant decline in North and Central Europe. The Asia Pacific region also saw a weaker performance, while almost double-digit adjusted revenue growth was generated in DACH & Eastern Europe. The Asia Pacific region is clearly the strongest in this business area, with an almost 30 percent share of the revenue.

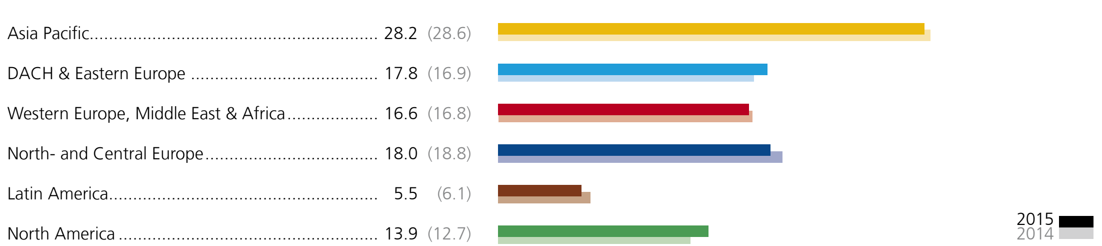
The following charts provide a breakdown and show trends based on the last 12 months:

Business Area Solutions Revenue EUR 612.9 million (previous year EUR 603.3 million)

by applications (average last 12 months, 3 most important applications, only external business)



by region (%, average last 12 months)



Results of operations, financial position, and net assets

Results of operations

GEA remains committed to its policy of consciously selecting orders on the basis of their price quality and contract terms. This is reflected in the multi-stage approval process for major customer projects.

Whenever operating profit is referred to in the following, this relates on the one hand to the adjustment of the purchase price allocation effects that were determined for all material past acquisitions, and on the other hand to the adjustment of expenses for strategic projects and the allocation of service fees and trademark fees for fiscal year 2014, as required in accordance with IFRSs.

The key earnings figures for the first half of 2015 were adjusted overall for non-recurring expenses of EUR 139.4 million (previous year: EUR 7.1 million). These items included strategic projects (EUR 135.1 million, compared with the prior-year figure of EUR 5.1 million), of which EUR 115.7 million is attributable to restructuring expenses. A further EUR 4.3 million relates to various restructuring and capacity adjustment measures in the business areas (previous year: EUR 0.0 million). Also, for the previous year the service fees and trademark fees previously charged to GEA Heat Exchangers – which was sold last year – had to be allocated to the continuing operations, including the holding company, in accordance with IFRSs. These amounted to a total of EUR 2.0 million in the first half of the previous year.

In the second quarter of the year under review, EBITDA declined by EUR 116.7 million to EUR 6.4 million (previous year: EUR 123.1 million), due in particular to high non-recurring expenses. The EBITDA margin fell accordingly, from 11.0 percent in the prior-year quarter to 0.6 percent. Adjusted for non-recurring items in the amount of EUR 132.8 million, operating EBITDA amounted to EUR 139.3 million. This was up EUR 11.2 million, or 8.8 percent, on the figure from the previous year (EUR 128.0 million). The operating EBITDA margin improved by 65 basis points to 12.1 percent of revenue. Both operating EBITDA and the operating EBITDA margin hit all-time highs for a second quarter.

At EUR 99.4 million, EBITDA for the first half of the year was down EUR 106.7 million from the prior-year‘s figure (EUR 206.1 million), due to the high non-recurring expenses in the second quarter. The EBITDA margin thus fell from 10.0 percent to 4.6 percent. By contrast, operating EBITDA increased by EUR 24.3 million to EUR 237.4 million (previous year: EUR 213.2 million). At 11.0 percent, the operating EBITDA margin was up 70 basis points year-on-year.

The following table shows operating EBITDA and the operating EBITDA margin per business area:

Operating EBITDA/operating EBITDA margin * (EUR million)	Q2 2015	Q2 2014	Change in %	Q1-Q2 2015	Q1-Q2 2014	Change in %
BA Equipment	84.5	71.7	17.7	151.8	128.0	18.7
as % of revenue	14.4	12.7	–	13.6	12.1	–
BA Solutions	58.1	57.8	0.5	90.4	92.0	–1.8
as % of revenue	9.5	9.6	–	7.9	8.3	–
Total	**142.6**	**129.6**	**10.0**	**242.2**	**220.0**	**10.1**
as % of revenue	**11.9**	**11.1**	**–**	**10.7**	**10.2**	**–**
Consolidation/others	–3.3	–1.5	< -100	–4.8	–6.8	30.3
GEA	**139.3**	**128.0**	**8.8**	**237.4**	**213.2**	**11.4**
as % of revenue	**12.1**	**11.5**	**–**	**11.0**	**10.3**	**–**

*) Before effects of purchase price allocations and before non-recurring items (see page 46)

The following table shows the reconciliation of EBITDA before purchase price allocation and non-recurring items (operating EBITDA) through EBIT before purchase price allocation and non-recurring items (operating EBIT) to EBIT for continuing operations:

Reconciliation of operating EBITDA to EBIT (EUR million)	Q2 2015	Q2 2014	Change in %	Q1-Q2 2015	Q1-Q2 2014	Change in %
Operating EBITDA	**139.3**	**128.0**	**8.8**	**237.4**	**213.2**	**11.4**
Depreciation of property, plant and equipment, investment property, and amortization of intangible assets	–19.5	–18.7	–4.1	–38.9	–37.1	–5.0
Operating EBIT	**119.8**	**109.3**	**9.6**	**198.6**	**176.1**	**12.7**
Depreciation and amortization on capitalization of purchase price allocation	–6.3	–5.7	–10.6	–12.4	–11.6	–6.8
Realization of step-up amounts on inventories	–0.1	–	–	–0.1	–	–
Non-recurring items	–134.3	–5.0	< -100	–139.4	–7.1	< -100
EBIT	**–20.9**	**98.7**	**–**	**46.6**	**157.4**	**–70.4**

The reconciliation of EBITDA to EBIT is as follows:

Reconciliation EBITDA to EBIT (EUR million)	Q2 2015	Q2 2014	Change in %	Q1-Q2 2015	Q1-Q2 2014	Change in %
EBITDA	**6.4**	**123.1**	**–94.8**	**99.4**	**206.1**	**–51.8**
Depreciation of property, plant and equipment, investment property, and amortization of intangible assets	–27.3	–24.4	–11.8	–52.8	–48.7	–8.5
EBIT	**–20.9**	**98.7**	**–**	**46.6**	**157.4**	**–70.4**

The following table shows operating EBIT and the operating EBIT margin per business area:

Operating EBIT/operating EBIT margin * (EUR million)	Q2 2015	Q2 2014	Change in %	Q1-Q2 2015	Q1-Q2 2014	Change in %
BA Equipment	71.5	59.3	20.5	125.8	103.4	21.7
as % of revenue	12.2	10.5	–	11.3	9.7	–
BA Solutions	53.3	53.1	0.2	80.7	82.9	–2.6
as % of revenue	8.7	8.8	–	7.1	7.5	–
Total	**124.8**	**112.5**	**10.9**	**206.5**	**186.3**	**10.9**
as % of revenue	**10.4**	**9.6**	**–**	**9.2**	**8.6**	**–**
Consolidation/others	–5.0	–3.1	–57.6	–8.0	–10.1	21.3
GEA	**119.8**	**109.3**	**9.6**	**198.6**	**176.1**	**12.7**
as % of revenue	10.4	9.8	–	9.2	8.5	–

*) Before effects of purchase price allocations and before non-recurring items (see page 46)

EBIT in the second quarter of 2015 amounted to EUR –20.9 million, down from EUR 98.7 million in the prior-year period. The EBIT margin fell accordingly, from 8.8 percent to –1.8 percent. By contrast, operating EBIT, which has been adjusted for purchase price allocation effects of EUR 6.4 million (previous year: EUR 5.7 million) and non-recurring items of EUR 134.3 million (previous year: EUR 5.0 million), improved by around 10 percent to EUR 119.8 million (previous year: EUR 109.3 million). The operating EBIT margin increased by 60 basis points to 10.4 percent of the revenue.

EBIT amounted to EUR 46.6 million in the first half of 2015, down EUR 110 million from the previous year's figure (EUR 157.4 million) as a result of high non-recurring expenses. At 2.2 percent of revenue, the EBIT margin was significantly below the prior-year level (7.6 percent). However, operating EBIT increased by almost 13 percent to EUR 198.6 million (previous year: EUR 176.1 million.) The operating EBIT margin improved year-on-year by nearly 70 basis points to 9.2 percent of the revenue.

Key figures: Results of operations (EUR million)	Q2 2015	Q2 2014	Change in %	Q1-Q2 2015	Q1-Q2 2014	Change in %
Revenue	1,150.1	1,117.7	2.9	2,156.5	2,068.3	4.3
Operating EBITDA *	139.3	128.0	8.8	237.4	213.2	11.4
EBITDA pre purchase price allocation	6.5	123.1	–94.8	99.5	206.1	–51.7
EBITDA	6.4	123.1	–94.8	99.4	206.1	–51.8
Operating EBIT *	119.8	109.3	9.6	198.6	176.1	12.7
EBIT pre purchase price allocation	–14.5	104.4	–	59.2	169.0	–65.0
EBIT	–20.9	98.7	–	46.6	157.4	–70.4
Interest	9.2	19.3	–52.4	20.9	37.6	–44.3
EBT	–30.1	79.4	–	25.7	119.8	–78.6
Income taxes	–6.6	17.0	–	5.7	25.6	–78.0
Profit after tax from continuing operations	–23.4	62.4	–	20.0	94.2	–78.7
Profit after tax from discontinued operations	1.7	18.4	–91.0	–1.3	33.8	–
Profit for the period	–21.8	80.8	–	18.7	128.0	–85.4

*) Before effects of purchase price allocations and before non-recurring items (see page 46)

Net interest income amounted to EUR –20.9 million in the first half of 2015, after EUR –37.6 million in the prior-year period. The EUR 16.7 million improvement is attributable on the one hand to changes in the discount rate used to measure non-current provisions, and on the other to lower bank interest expenses due to the repayment of financial liabilities using proceeds from the sale of the former GEA Heat Exchangers Segment.

EBT amounted to EUR –30.1 million in the second quarter of 2015, around EUR 110 million down from the prior-year‘s figure (EUR 79.4 million). The corresponding EBT margin amounted to –2.6 percent, after 7.1 percent in the previous year.

In the first half of the year, EBT declined to EUR 25.7 million, down from EUR 119.8 million in the previous year. The corresponding EBT margin amounted to 1.2 percent (previous year: 5.8 percent).

An income tax rate of 22.0 percent is expected for fiscal year 2015; the tax expense for the first half of 2015 was calculated using this figure. This results in a tax income of EUR 6.6 million in the reporting quarter (previous year: EUR 17.0 million expense) and an income tax expense of EUR 5.7 million in the first half of the year (previous year: EUR 25.6 million).

Discontinued operations generated a slight loss of EUR 1.3 million in the first 6 months of the year. Currency effects when measuring financial liabilities from the sale of the GEA Heat Exchangers Segment had a materially negative impact on earnings. In the previous year, the profit from discontinued operations in the amount of EUR 33.8 million was almost exclusively attributable to the GEA Heat Exchangers Segment.

Consolidated profit for the second quarter of 2015 was negative, at EUR –21.8 million (previous year: EUR 80.8 million). Based on the unchanged average number of shares compared with the previous year (192,495,476), this corresponds to earnings per share of EUR –0.11 (previous year: EUR 0.42).

In the first six months of the year, consolidated profit amounted to EUR 18.7 million (previous year: EUR 128.0 million). EUR 18.7 million of this amount (previous year: EUR 127.9 million) is attributable to GEA Group Aktiengesellschaft shareholders. This corresponds to earnings per share of EUR 0.10 (previous year: EUR 0.66).

Financial position

Net debt including discontinued operations was fully repaid compared with the prior-year‘s period. Net liquidity amounted to EUR 603.4 million as of June 30, 2015, due in particular to the EUR 1,059.3 million cash inflow from the sale of the GEA Heat Exchangers Segment. This represented an increase of EUR 1,155.2 million as against June 30, 2014 (net debt of EUR 551.8 million).

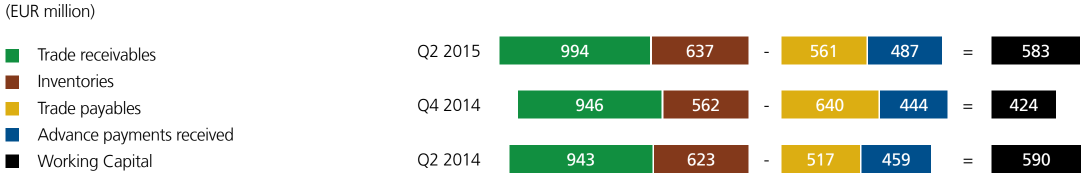
Overview of net liquidity incl. discontinued operations (EUR million)	06/30/2015	12/31/2014	06/30/2014
Cash and cash equivalents	790.4	1,195.9	391.6
Fixed deposits with a remaining period ≤ 1 year	200.0	200.0	–
Securities	37.0	37.0	–
Liabilities to banks	147.4	246.9	541.3
Bonds	276.6	282.2	402.0
Net liquidity (+)/Net debt (-)	**603.4**	**903.7**	**–551.8**

Cash and cash equivalents were reduced to EUR 790.4 million as of June 30, 2015, compared with EUR 1,195.9 million as of the end of the previous year. Liabilities to banks (EUR 55.6 million), from the bond issue (EUR 276.6 million, including accrued interest), and from the borrower’s note loans (EUR 91.8 million, including accrued interest) amounted to a total of EUR 423.9 million as of the reporting date (December 31, 2014: EUR 529.1 million).

Guarantee lines – which are mainly for contract performance, advance payments, and warranties – of EUR 1,707.2 million (December 31, 2014: EUR 1,732.3 million) were available to GEA as of the reporting date, of which EUR 472.8 million (December 31, 2014: EUR 462.1 million) have been been utilized.

Change in Working Capital

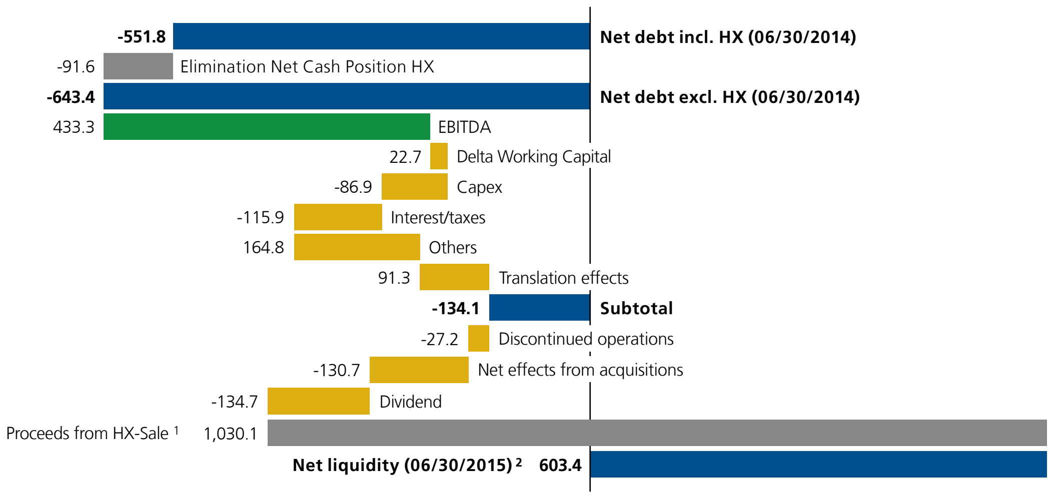
(EUR million)



The key factors responsible for the change in net debt (including discontinued operations) are shown for the last 12 months in the following chart:

Change in net liquidity/net debt, including discontinued operations

(EUR million)



1) Net after payment of transaction costs
2) Including fixed deposits with a remaining period ≤ 1 year (EUR 200 million)

The Others item mainly comprises restructuring expenses already recognized in EBITDA that have not yet had a cash effect.

The consolidated cash flow statement can be summarized as follows:

Overview of cash flow statement (EUR million)	Q1-Q2 2015	Q1-Q2 2014	Change absolute
Cash flow from operating activities	–13.3	–140.2	127.0
Cash flow from investing activities	–125.4	–33.9	–91.5
Free cash flow	**–138.7**	**–174.1**	**35.4**
Cash flow from financing activities	–255.6	–167.1	–88.5
Net cash flow from disposal group GEA Heat Exchangers	–	–59.4	59.4
Net cash flow other discontinued operations	–20.2	–6.2	–14.0
Change in unrestricted cash and cash equivalents	–405.0	–405.9	0.9

Cash flow from operating activities attributable to continuing operations amounted to EUR –13.3 million in the first half of 2015, narrowing by EUR 127.0 million compared with the previous year (EUR –140.2 million). This improvement was primarily due to the slighter increase in working capital (down by EUR 82.7 million) and the EUR 44.4 million rise in other operating assets and liabilities. The decline in consolidated profit as a result of high non-recurring expenses was almost fully offset by the increase in provisions and a decline in tax payments.

Cash flow from investing activities attributable to continuing operations amounted to EUR –125.4 million in the first six months of the fiscal year as a result of the acquisition of Comas and CMT (previous year: EUR –33.9 million).

Cash flow from financing activities attributable to continuing operations reflects, in particular, the EUR 100.0 million early repayment of the loan from the European Investment Bank (EIB) and the dividend payment of EUR 134.7 million. The figure widened to EUR –255.6 million in the first half of the year, compared with EUR –167.1 million in the previous year.

Cash flow from discontinued operations amounted to EUR –20.2 million in the first half of 2015, which was almost exclusively attributable to cash flow from operating activities. Cash flow from discontinued operations in the prior-year period amounted to EUR –65.6 million.

Cash flow drivers

GEA's overriding goal is to sustainably increase its enterprise value by growing profitably. The cash flow driver margin is a key group performance indicator that is used to create the necessary financial scope for this and to focus the group even more closely on cash flow generation. It is also incorporated into the bonus system.

GEA defines the cash flow driver margin as the net amount of reported EBITDA, the change in average working capital, and capital expenditure on property, plant, and equipment as well as intangible assets, calculated as a ratio to revenue.

The cash flow driver margin for the last 12 months amounted to 6.6 percent. EBITDA already included EUR 181.7 million in non-recurring items for this period. Adjusted for these effects, the cash flow driver margin would amount to 10.5 percent.

Cash flow driver/Cash flow driver margin (EUR million)	06/30/2015
EBITDA (last 12 months)	433.3
Capital expenditure on property, plant and equipment (last 12 months)	86.9
Change in Working Capital (average of the last 12 months)	42.8
Cash flow driver (EBITDA - Capex -/+Change in Working Capital)	**303.6**
as % of revenue (last 12 months)	**6.6**

Net assets

Condensed balance sheet (EUR million)	06/30/2015	as % of total assets	12/31/2014	as % of total assets	Change in %
Assets					
Non-current assets	2,847.6	49.9	2,714.8	46.5	4.9
thereof goodwill	1,423.9	24.9	1,330.0	22.8	7.1
thereof deferred taxes	489.7	8.6	469.3	8.0	4.4
Current assets	2,860.0	50.1	3,117.2	53.5	–8.3
thereof cash and cash equivalents	790.4	13.8	1,195.9	20.5	–33.9
thereof assets held for sale	7.2	0.1	5.6	0.1	28.2
Total assets	**5,707.7**	**100.0**	**5,832.0**	**100.0**	**–2.1**
Equity and liabilities					
Equity	2,522.4	44.2	2,527.2	43.3	–0.2
Non-current liabilities	1,272.2	22.3	1,558.4	26.7	–18.4
thereof financial liabilities	182.6	3.2	456.1	7.8	–60.0
thereof deferred taxes	132.2	2.3	118.6	2.0	11.5
Current liabilities	1,913.1	33.5	1,746.4	29.9	9.5
thereof financial liabilities	299.0	5.2	133.5	2.3	> 100
Total equity and liabilities	**5,707.7**	**100.0**	**5,832.0**	**100.0**	**–2.1**

Total assets as of June 30, 2015, declined by EUR 124.4 million or 2.1 percent in comparison with those of December 31, 2014, to EUR 5,707.7 million. This reduction in total assets is due in particular to the decrease in cash funds. By contrast, intangible assets, inventories, and trade receivables increased. The ratio of non-current to current assets continued to shift in favor of non-current assets toward the end of 2014.

Equity declined slightly, down EUR 4.8 million to EUR 2,522.4 million. This improved thanks to consolidated profit of EUR 18.7 million, currency translation effects, and effects from the actuarial measurement of pension obligations (amounting to EUR 111.2 million overall). This was offset by the dividend payment of EUR 134.7 million. The equity ratio improved by 0.9 percentage points compared with that of December 31, 2014, to 44.2 percent, due to the reduction in total assets.

Non-current liabilities were significantly reduced to EUR 1,272.2 million, in particular as a result of the reclassification of the bond in the amount of EUR 274.2 million for maturity reasons. By contrast, at EUR 1,913.1 million as of the reporting date, current liabilities were up EUR 166.7 million on the figure for December 31, 2014 (EUR 1,746.4 million). On the one hand, this balance sheet item reflects the abovementioned reclassification of the bond for maturity reasons; on the other, trade payables were reduced and the EUR 100.0 million loan from the European Investment Bank (EIB) was repaid early.

Employees

There were 17,975 employees as of the end of the first half of the year. This represents a decrease of 269 employees compared with December 31, 2014 (18,243). Changes in the basis of consolidation increased the number of employees by 93. The decrease in employee numbers was seen in almost all regions. The largest declines were recorded in the Asia Pacific region, in Western Europe, Middle East & Africa, and in North America. In Germany, employee numbers fell at a slightly lower rate.

There were no major shifts in the regional breakdown from that of December 31, 2014.

Employees * by region	06/30/2015		12/31/2014		06/30/2014	
Asia Pacific	3,067	17.1%	3,188	17.5%	3,117	17.1%
DACH & Eastern Europe	6,726	37.4%	6,773	37.1%	6,815	37.5%
Western Europe, Middle East & Africa	2,529	14.1%	2,589	14.2%	2,588	14.2%
North and Central Europe	3,249	18.1%	3,216	17.6%	3,199	17.6%
Latin America	379	2.1%	387	2.1%	396	2.2%
North America	2,025	11.3%	2,090	11.5%	2,071	11.4%
Total	**17,975**	**100.0%**	**18,243**	**100.0%**	**18,186**	**100.0%**

*) Full-time equivalents (FTE) excluding vocational trainees and inactive employment contracts

As of June 30, 2015, GEA employed 486 vocational trainees compared with 463 at the same date in the previous year. In Germany, the vocational trainee ratio rose from 5.7 percent in the previous year to 6.2 percent.

Research and development

In the first half of 2015, direct expenses for research and development (R&D) before restructuring expenses amounted to EUR 41.0 million, compared with EUR 41.2 million in the prior-year period. These figures include refunded expenses which are reported in the cost of sales and which totaled EUR 6.3 million (previous year: EUR 4.9 million). The R&D ratio was on a level with the previous year, at 1.9 percent of revenue.

Research and development (R&D) expenses (EUR million)	Q2 2015	Q2 2014	Change in %	Q1-Q2 2015	Q1-Q2 2014	Change in %
Refunded expenses (contract costs)	3.1	2.4	25.4	6.3	4.9	29.6
Non-refunded R&D expenses	18.1	18.5	–2.3	34.6	36.3	–4.7
Total R&D expenses	**21.1**	**20.9**	**1.0**	**41.0**	**41.2**	**–0.6**
R&D ratio (as % of revenue)	**1.8**	**1.9**	**–**	**1.9**	**2.0**	**–**

Report on Risks and Opportunities

There was no significant change in the overall assessment of risks and opportunities in the reporting period compared with the position presented in the 2014 Annual Report.

All in all, from today's perspective, there are no risks to the continued existence of GEA as a going concern. Sufficient provisions have been recognized for known risks, in line with the relevant requirements.

Report on Expected Developments

Economic environment in 2015

In its current World Economic Outlook Update (July 2015), the International Monetary Fund (IMF) made a slight downward adjustment to its 2015 growth forecast for the global economy in comparison with the previous version published in April 2015. Growth is now expected to amount to just 3.3 percent in 2015, down from the previous forecast of 3.5 percent. As a result, the global economy will expand at a slower pace than in the previous year (3.4 percent).

The expectation is that growth will continue to slow in the emerging markets, most notably in China (6.8 percent growth following 7.4 percent in 2014). The current update saw a slight reduction in the forecasts for Latin America and for other Asian countries, meaning that the growth forecast for the emerging markets is now just 4.2 percent, down from the prior-year figure of 4.6 percent. For the industrialized nations, the expectation continues to be of modest year-on-year expansion, with the figure now standing at 2.1 percent (previous year: 1.8 percent). Consequently, the IMF's economists lowered their forecast by 0.3 percent compared with the previous outlook published in April. The decline is primarily due to the growth assumptions for North America, which were again reduced.

In summary, it can be stated that only moderate global economic growth is expected in 2015.

Business outlook

Provided that there is no slowdown in global economic growth and that exchange rates remain the same as in 2014, and excluding the effect of acquisitions and non-recurring items, we are aiming for our key performance indicators to develop as follows in the current fiscal year:

Revenue

GEA is aiming to generate moderate organic revenue growth in 2015.

Earnings

Including the savings already expected in 2015 under the "Fit for 2020" initiative, we are aiming for an operating EBITDA of between EUR 590 million and EUR 640 million in fiscal year 2015.

Cash flow driver margin

With respect to our cash flow driver, i.e. the net amount of EBITDA, the change in working capital, and capital expenditure, we are aiming for a ratio to revenue of between 9.0 percent and 9.5 percent in 2015.

Summary

Provided that there is no deterioration in the global economy, we expect the group to achieve moderate organic growth. The continual increase in profitability together with the ongoing focus on liquidity generation should help to ensure that we have the financial leeway to successfully implement our strategic growth targets. With regard to the distribution ratio, our long-term objective is to distribute between 40 and 50 percent of net income to our shareholders.

In line with its current assessment, GEA expects that, assuming it meets the forecast for the operating business, the dividend for fiscal year 2015 will not be less than the EUR 0.70 per share resolved last year, independent of expenses incurred under the "Fit for 2020" initiative.

Düsseldorf, July 28, 2015

The Executive Board

GEA Shares

Buoyed by the European Central Bank's bond-buying program, European shares experienced a rally in the first quarter 2015 that continued into April, when increasing uncertainty over the effects of the escalating Greek debt crisis led to a sharp correction in the equity indices that GEA shares were unable to escape. As a result, GEA shares initially hit an all-time record closing price of EUR 46.82 on April 10, 2015, before gradually losing ground until the end of the quarter in line with the overall correction to reach EUR 40.01, their lowest level of the quarter.

Unease about a further decrease in milk and dairy powder prices over the same period fueled occasional doubts about the extent to which GEA might report potential future drops in demand from the dairy processing industry. Overall, this caused the share price to decline by 11.2 percent since the beginning of the quarter, despite remaining 9.3 percent up from the beginning of the 2015.

GEA's share price decreased by 5.5 percentage points relative to the benchmark Stoxx Europe TMI Industrial Engineering index in the second quarter. Nevertheless, it should be remembered that GEA has outpaced this benchmark index by 6.3 percentage points over the last 12 months.

GEA shares compared to STOXX ® Europe TMI Industrial Engineering

(Balance sheet date 06/30/2015)	Market capitalization*			
Last 3 months:	Mcap:	-5.5	⬊	percentage points
Last 6 months:	Mcap:	-3.0	➡	percentage points
Last 9 months:	Mcap:	+3.1	⬈	percentage points
Last12 months:	Mcap:	+6.3	⬈	percentage points
Last 24 months:	Mcap:	+24.1	⬆	percentage points
Last 36 months:	Mcap:	+52.6	⬆	percentage points

⬆ > 10 percentage points ⬈ 3 to 10 percentage points ➡ 3 to -3 percentage points ⬊ -3 to -10 percentage points ⬇ > -10 percentage points

*) Based on shares issues by GEA Group Aktiengesellschaft as of the particular reporting date

Key performance indicators for GEA shares (prices: XETRA closing prices)	Q2 2015	Q2 2014	Q1-Q2 2015	Q1-Q2 2014
Shares issued (June 30, million) 1	192.5	192.5	192.5	192.5
Weighted average number of shares outstanding (million)	192.5	192.5	192.5	192.5
Share price (June 30, EUR) 1	40.01	34.58	40.01	34.58
High (EUR)	46.82	35.23	46.82	35.91
Low (EUR)	40.01	30.42	35.07	30.42
Market capitalization (June 30, EUR billion) 2	7.7	6.7	7.7	6.7
Average daily trading volume (million)	0.4	0.4	0.4	0.4
Earnings per share before non-recurring items (EUR) 3	0.43	0.42	0.67	0.65
Earnings per share (EUR)	–0.11	0.42	0.10	0.66

1) Or on the last trading day of reporting period
2) Based on shares issued
3) Calculated before non-recurring items (see page 46) using the corresponding tax rates for continuing and discontinued operations

Shareholders with an equity interest of over 5% in accordance with disclosures received under the WpHG (German Securities Trading Act)	06/30/2015
Kuwait Investment Office	7.9

Consolidated Financial Statements

for the 2nd Quarter of 2015

Consolidated Balance Sheet
as of June 30, 2015

Assets (EUR thousand)	06/30/2015	12/31/2014	Change in %
Property, plant and equipment	509,610	498,758	2.2
Investment property	11,848	12,483	–5.1
Goodwill	1,423,879	1,329,972	7.1
Other intangible assets	357,892	325,557	9.9
Equity-accounted investments	15,363	15,293	0.5
Other non-current financial assets	39,314	63,433	–38.0
Deferred taxes	489,732	469,301	4.4
Non-current assets	**2,847,638**	**2,714,797**	**4.9**
Inventories	636,774	561,875	13.3
Trade receivables	993,753	945,755	5.1
Income tax receivables	20,108	17,531	14.7
Other current financial assets	411,873	390,625	5.4
Cash and cash equivalents	790,357	1,195,858	–33.9
Assets held for sale	7,158	5,585	28.2
Current assets	**2,860,023**	**3,117,229**	**–8.3**
Total assets	**5,707,661**	**5,832,026**	**–2.1**

Equity and liabilities (EUR thousand)	06/30/2015	12/31/2014	Change in %
Subscribed capital	520,376	520,376	–
Capital reserve	1,217,861	1,217,861	–
Retained earnings	639,299	737,094	–13.3
Accumulated other comprehensive income	144,300	51,316	> 100
Non-controlling interests	560	560	–
Equity	**2,522,396**	**2,527,207**	**–0.2**
Non-current provisions	128,915	131,592	–2.0
Non-current employee benefit obligations	765,750	793,565	–3.5
Non-current financial liabilities	182,569	456,072	–60.0
Other non-current liabilities	62,703	58,566	7.1
Deferred taxes	132,216	118,598	11.5
Non-current liabilities	**1,272,153**	**1,558,393**	**–18.4**
Current provisions	146,071	148,828	–1.9
Current employee benefit obligations	240,011	170,637	40.7
Current financial liabilities	298,982	133,474	> 100
Trade payables	561,852	639,719	–12.2
Income tax liabilities	25,455	35,649	–28.6
Other current liabilities	640,741	618,119	3.7
Current liabilities	**1,913,112**	**1,746,426**	**9.5**
Totaly equity and liabilities	**5,707,661**	**5,832,026**	**–2.1**

Consolidated Income Statement
for the period April 1 – June 30, 2015

(EUR thousand)	Q2 2015			Q2 2014	Change in %
	Excluding restructuring	Restructuring expenses	Total		
Revenue	1,150,135	–	1,150,135	1,117,656	2.9
Cost of sales	779,032	56,160	835,192	777,523	7.4
Gross profit	**371,103**	**–56,160**	**314,943**	**340,133**	**–7.4**
Selling expenses	130,706	19,266	149,972	117,120	28.0
Research and development expenses	18,053	8,958	27,011	18,469	46.3
General and administrative expenses	130,371	25,695	156,066	114,578	36.2
Other income	70,892	–	70,892	35,205	> 100
Other expenses	68,683	5,620	74,303	27,053	> 100
Share of profit or loss of equity-accounted investments	426	–	426	625	–31.8
Other financial income	206	–	206	–74	–
Earnings before interest and tax (EBIT)	**94,814**	**–115,699**	**–20,885**	**98,669**	**–**
Interest income			2,821	1,170	> 100
Interest expense			11,997	20,445	–41.3
Profit before tax from continuing operations			**–30,061**	**79,394**	**–**
Income taxes			6,613	16,974	–61.0
Profit after tax from continuing operations			**–23,448**	**62,420**	**–**
Profit or loss after tax from discontinued operations			**1,658**	**18,367**	**–91.0**
Profit for the period			**–21,790**	**80,787**	**–**
of which attributable to shareholders of GEA Group AG			–21,788	80,719	–
of which attributable to non-controlling interests			–2	68	–

(EUR)	Q2 2015	Q2 2014	Change in %
Basic and diluted earnings per share from continuing operations	-0.12	0.32	–
Basic and diluted earnings per share from discontinued operations	0.01	0.10	-91.0
Basic and diluted earnings per share	**-0.11**	**0.42**	**–**
Weighted average number of ordinary shares used to calculate basic and diluted earnings per share (million)	**192.5**	**192.5**	**–**

Consolidated Statement of Comprehensive Income
for the period April 1 – June 30, 2015

(EUR thousand)	Q2 2015	Q2 2014	Change in %
Profit for the period	**–21,790**	**80,787**	**–**
Items, that will not be reclassified to profit or loss in the future:			
Actuarial gains/losses on pension and other post-employment benefit obligations	70,909	–30,741	–
Items, that will be reclassified subsequently to profit or loss when specific conditions are met:			
Exchange differences on translating foreign operations	–52,040	16,547	–
Result of available-for-sale financial assets	–	17	–
Result of cash flow hedges	3,119	1,009	> 100
Other comprehensive income	**21,988**	**–13,168**	**–**
Total comprehensive income	**198**	**67,619**	**–99.7**
of which attributable to GEA Group AG shareholders	200	67,530	–99.7
of which attributable to non-controlling interests	–2	89	–

Consolidated Income Statement
for the period January 1 – June 30, 2015

(EUR thousand)	Q1-Q2 2015			Q1-Q2 2014	Change in %
	Excluding restructuring	Restructuring expenses	Total		
Revenue	2,156,500	–	2,156,500	2,068,316	4.3
Cost of sales	1,470,743	56,160	1,526,903	1,437,090	6.2
Gross profit	**685,757**	**–56,160**	**629,597**	**631,226**	**–0.3**
Selling expenses	254,729	19,266	273,995	229,944	19.2
Research and development expenses	34,629	8,958	43,587	36,326	20.0
General and administrative expenses	237,706	25,695	263,401	224,317	17.4
Other income	205,953	–	205,953	85,491	> 100
Other expenses	204,092	5,620	209,712	72,229	> 100
Share of profit or loss of equity-accounted investments	944	–	944	1,099	–14.1
Other financial income	814	–	814	2,403	–66.1
Earnings before interest and tax (EBIT)	**162,312**	**–115,699**	**46,613**	**157,403**	**–70.4**
Interest income			5,834	3,089	88.9
Interest expense			26,766	40,698	–34.2
Profit before tax from continuing operations			**25,681**	**119,794**	**–78.6**
Income taxes			5,650	25,636	–78.0
Profit after tax from continuing operations			**20,031**	**94,158**	**–78.7**
Profit or loss after tax from discontinued operations			**–1,328**	**33,840**	**–**
Profit for the period			**18,703**	**127,998**	**–85.4**
thereof attributable to shareholders of GEA Group AG			18,705	127,928	–85.4
thereof attributable to non-controlling interests			–2	70	–

(EUR)	Q1-Q2 2015	Q1-Q2 2014	Change in %
Basic and diluted earnings per share from continuing operations	0.10	0.49	–78.7
Basic and diluted earnings per share from discontinued operations	–0.01	0.18	–
Basic and diluted earnings per share	**0.10**	**0.66**	**–85.4**
Weighted average number of ordinary shares used to calculate basic and diluted earnings per share (million)	**192.5**	**192.5**	**–**

Consolidated Statement of Comprehensive Income
for the period January 1 – June 30, 2015

(EUR thousand)	Q1-Q2 2015	Q1-Q2 2014	Change in %
Profit for the period	**18,703**	**127,998**	**–85.4**
Items, that will not be reclassified to profit or loss in the future:			
Actuarial gains/losses on pension and other post-employment benefit obligations	18,247	–31,384	–
Items, that will be reclassified subsequently to profit or loss when specific conditions are met:			
Exchange differences on translating foreign operations	90,907	11,442	> 100
Result of available-for-sale financial assets	393	–1,264	–
Result of cash flow hedges	1,684	733	> 100
Other comprehensive income	**111,231**	**–20,473**	**–**
Total comprehensive income	**129,934**	**107,525**	**20.8**
thereof attributable to GEA Group AG shareholders	129,936	107,467	20.9
thereof attributable to non-controlling interests	–2	58	–

Consolidated Cash Flow Statement
for the period January 1 – June 30, 2015

(EUR thousand)	Q1-Q2 2015	Q1-Q2 2014
Profit for the period	18,703	127,998
plus income taxes	5,650	25,636
minus profit or loss after tax from discontinued operations	1,328	–33,840
Profit before tax from continuing operations	25,681	119,794
Net interest income	20,932	37,609
Earnings before interest and tax (EBIT)	**46,613**	**157,403**
Depreciation, amortization, impairment losses, and reversal of impairment losses on non-current assets	52,817	48,687
Other non-cash income and expenses	6,918	7,360
Employee benefit obligations from defined benefit pension plans	–20,222	–19,793
Change in provisions and other employee benefit obligations	59,854	–35,334
Losses and disposal of non-current assets	–378	–442
Change in inventories including unbilled construction contracts *	–97,716	–76,129
Change in trade receivables	82,606	–14,054
Change in trade payables	–124,739	–132,359
Change in other operating assets and liabilities	16,690	–27,749
Tax payments	–35,706	–47,806
Cash flow from operating activities of continued operations	**–13,263**	**–140,216**
Cash flow from operating activities of discontinued operations	–17,037	–44,241
Cash flow from operating activities	**–30,300**	**–184,457**
Proceeds from disposal of non-current assets	1,182	1,881
Payments to acquire property, plant and equipment, and intangible assets	–35,321	–39,196
Proceeds from non-current financial assets	–	–278
Interest income	3,639	2,477
Dividend income	2,323	1,465
Payments to acquire subsidiaries and other businesses	–97,220	–213
Cash flow from investing activities of continued operations	**–125,397**	**–33,864**
Cash flow from investing activities of discontinued operations	–3,132	–19,151
Cash flow from investing activities	**–128,529**	**–53,015**
Dividend payments	–134,747	–115,497
Payments from finance leases	–2,116	–2,565
Proceeds from finance loans	2,417	16,353
Repayments of finance loans	–100,000	–45,547
Interest payments	–21,162	–19,872
Cash flow from financing activities of continued operations	**–255,608**	**–167,128**
Cash flow from financing activities of discontinued operations	–	–2,164
Cash flow from financing activities	**–255,608**	**–169,292**
Effect of exchange rate changes on cash and cash equivalents	9,464	869
Change in unrestricted cash and cash equivalents	**–404,973**	**–405,895**
Unrestricted cash and cash equivalents at beginning of period	1,194,437	794,313
Unrestricted cash and cash equivalents at end of period	**789,464**	**388,418**
Restricted cash and cash equivalents	893	3,143
Cash and cash equivalents total	**790,357**	**391,561**
less cash and cash equivalents classified as held for sale	–	–98,296
Cash and cash equivalents reported in the balance sheet	**790,357**	**293,265**

*) Including advanced payments received

Consolidated Statement of Changes in Equity
as of June 30, 2015

				Accumulated other comprehensive income					
(EUR thousand)	Subscribed capital	Capital reserves	Retained earnings	Translation of foreign operations	Result of available-for-sale financial assets	Result of cash flow hedges	**Equity attributable to shareholders of GEA Group AG**	Non-controlling interests	**Total**
Balance at Jan. 1, 2014 (192,495,476 shares)	**520,376**	**1,218,073**	**627,612**	**–53,677**	**262**	**389**	**2,313,035**	**2,667**	**2,315,702**
Profit for the period	–	–	127,928	–	–	–	**127,928**	70	**127,998**
Other comprehensive income	–	–	–31,384	11,454	–1,264	733	**–20,461**	–12	**–20,473**
Total comprehensive income	–	–	96,544	11,454	–1,264	733	**107,467**	58	**107,525**
Redemption of treasury shares	–	–	–	–	–	–	**–**	–	**–**
Dividend payment by GEA Group AG	–	–	–115,497	–	–	–	**–115,497**	–	**–115,497**
Change in other non-controlling interests	–	–	–	–	–	–	**–**	–83	**–83**
Share-based payments	–	14	–	–	–	–	**14**	–	**14**
Balance at June 30, 2014 (192,495,476 shares)	**520,376**	**1,218,087**	**608,659**	**–42,223**	**–1,002**	**1,122**	**2,305,019**	**2,642**	**2,307,661**
Balance at Jan. 1, 2015 (192,495,476 shares)	**520,376**	**1,217,861**	**737,094**	**57,315**	**–997**	**–5,002**	**2,526,647**	**560**	**2,527,207**
Profit for the period	–	–	18,705	–	–	–	**18,705**	–2	**18,703**
Other comprehensive income	–	–	18,247	90,907	393	1,684	**111,231**	–	**111,231**
Total comprehensive income	–	–	36,952	90,907	393	1,684	**129,936**	–2	**129,934**
Redemption of treasury shares	–	–	–	–	–	–	**–**	–	**–**
Dividend payment by GEA Group AG	–	–	–134,747	–	–	–	**–134,747**	–	**–134,747**
Change in other non-controlling interests	–	–	–	–	–	–	**–**	2	**2**
Share-based payments	–	–	–	–	–	–	**–**	–	**–**
Balance at June 30, 2015 (192,495,476 shares)	**520,376**	**1,217,861**	**639,299**	**148,222**	**–604**	**–3,318**	**2,521,836**	**560**	**2,522,396**

Notes to the Consolidated Financial Statements

1. Reporting principles

Basis of presentation

The interim financial statements of GEA Group Aktiengesellschaft and the interim financial statements of the subsidiaries included in the consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRSs) and related interpretations issued by the International Accounting Standards Board (IASB), as adopted by the EU for interim financial reporting in accordance with Regulation (EC) No. 1606/2002 of the European Parliament and the Council on the application of international accounting standards. In accordance with IAS 34, the interim financial report does not contain all the information and disclosures required by IFRSs for full-year consolidated financial statements.

The accompanying consolidated financial statements and Group management report on the second quarter have not been audited in accordance with section 317 of the Handelsgesetzbuch (HGB – German Commercial Code) or reviewed by an auditor.

These interim financial statements have been prepared in euros (EUR). All amounts, including the comparative figures, are presented in thousands of euros (EUR thousand), except for the segment information. All amounts have been rounded using standard rounding rules. Adding together individual amounts may therefore result in a difference in the order of EUR 1 thousand in certain cases.

With the exception of the pronouncements effective as of January 1, 2015, the accounting policies applied to the accompanying interim financial statements are the same as those applied as of December 31, 2014, and are described in detail on pages 128 to 149 of the Annual Report containing GEA Group's IFRS consolidated financial statements.

Interim financial reporting principles

These interim financial statements present a true and fair view of the Company's results of operations, financial position, and net assets in the reporting period.

Preparation of interim financial statements requires management to make certain estimates and assumptions that may affect the Company's assets, liabilities, provisions, and deferred tax assets and liabilities, as well as its income and expenses. Although management makes such estimates and assumptions carefully and in good faith, actual amounts may differ from the estimates used in the interim financial statements.

Factors that may cause amounts to fall below expectations include a deterioration in the global economic situation, movements in exchange rates and interest rates, as well as material litigation and changes in environmental or other legislation. Errors in internal operating processes, the loss of key customers, and rising borrowing costs may also adversely affect the Group's future performance.

2. Basis of consolidation

The consolidated group changed as follows in the second quarter of 2015:

	Number of companies
Consolidated Group as of March 31, 2015	**215**
German companies (including GEA Group AG)	34
Foreign companies	181
Initial consolidation	6
Consolidated Group as of June 30, 2015	**221**
German companies (including GEA Group AG)	34
Foreign companies	187

A total of 48 subsidiaries (March 31, 2015: 50) were not consolidated since their effect on the Group's net assets, financial position, and results of operations is not material even when viewed in the aggregate.

3. Acquisitions

3.1 Companies acquired

GEA Group acquired the following companies by way of share deals in the second quarter of 2015:

Business	Head office	Acquisition Date	Percentage of voting interest (%)	Consideration transferred (EUR thousand)
CMT S.p.A.	Peveragno/Italien	June 19, 2015	100.0	19,950
Comas	Torrebelvicino/Italien	June 19, 2015	100.0	103,355

GEA Group completed the acquisition of Italian group Comas on June 19, acquiring all shares of the group's holding company, Finsamoc S.p.A. The Comas group is a leading manufacturer of machinery and equipment for sophisticated decorated cake and pastry making processes. As an established player in this segment, the Comas group will form the bakery application center in GEA's Solutions Business Area, allowing GEA to extend its leading position in the field of sophisticated process technologies for the food industry. The transaction costs associated with the acquisition amounted to EUR 1,450 thousand, and were incurred in their entirety in the current fiscal year.

GEA also acquired CMT S.p.A. (CMT), a leading supplier of equipment and integrated production lines for pasta filata cheese. The company's customer base is primarily located in the EU, but it also has a portfolio of major reference projects in North and South America. This acquisition enhances GEA's position in the growth area of cheese processing. The transaction costs associated with the acquisition amounted to EUR 194 thousand, and were incurred in their entirety in the current fiscal year.

The transaction costs associated with the acquisitions are reported in other expenses.

3.2 Consideration paid

The consideration paid is composed as follows:

Business (EUR thousand)	Cash	Contingent consideration	**Total**
CMT S.p.A.	18,350	1,600	**19,950**
Comas	103,355	–	**103,355**
Total	**121,705**	**1,600**	**123,305**

As part of the acquisition of CMT, GEA agreed to pay an additional purchase price consideration, the amount which is dependent on CMT's earnings before interest, tax, depreciation, amortization and impairment losses, and reversals of impairment losses, in fiscal years 2016 to 2018; these must exceed a specified minimum amount for payment to be made. Payment is also subject to specified employees remaining with CMT until December 31, 2018. The amount of the contingent consideration is between zero and EUR 4,000 thousand; it is payable in installments in the years 2017 to 2019. Based on the corporate planning, the fair value of the contingent consideration was measured at EUR 1,600 thousand as of the acquisition date.

The acquisition of Comas was completed with economic effect as of January 1, 2015. As of that date, the company had net financial assets of EUR 27,908 thousand, which declined by EUR 1,321 thousand in the period up to the closing date primarily due to an increase in working capital.

3.3 Assets acquired and liabilities assumed

The following assets were acquired and liabilities assumed as a result of the acquisition of the two companies:

Fair value (EUR thousand)	CMT S.p.A	Comas	**Total**
Property, plant and equipment	628	10,694	**11,322**
Intangible assets	5,242	10,051	**15,293**
Other non-current assets	42	397	**439**
Non-current assets	**5,912**	**21,142**	**27,054**
Inventories	4,042	4,144	**8,186**
Trade receivables	2,863	11,711	**14,574**
Other current assets	673	1,858	**2,531**
Cash and cash equivalents	1,254	26,587	**27,841**
Current assets	**8,832**	**44,300**	**53,132**
Total assets	**14,744**	**65,442**	**80,186**
Other non-current liabilities	785	1,436	**2,221**
Deferred taxes	1,857	5,073	**6,930**
Non-current liabilities	**2,642**	**6,509**	**9,151**
Trade payables	2,231	9,226	**11,457**
Income tax liabilities	790	3,191	**3,981**
Other current liabilities	1,573	6,192	**7,765**
Current liabilities	**4,594**	**18,609**	**23,203**
Total liabilities	**7,236**	**25,118**	**32,354**
Net assets acquired	**7,508**	**40,324**	**47,832**
of which attributable to GEA Group AG	7,508	40,324	**47,832**
Acquisition cost	19,950	103,355	**123,305**
Goodwill of GEA Group AG	12,442	63,031	**75,473**

The fair value and gross amount of the receivables acquired are calculated as follows:

Receivables (EUR thousand)	Gross amount	Contractual Cashflows not expected to be collectable	Fair value
CMT S.p.A.	2,966	240	2,726
Comas	9,456	78	9,378
Total	**12,422**	**318**	**12,104**

The purchase price allocations are provisional with respect to the identification and measurement of the assets acquired and liabilities assumed. There is particular uncertainty regarding the identification and measurement of intangible assets.

The goodwill arising from the acquisitions in the expected amount of EUR 75,473 thousand is attributable to the strengthening of GEA Group's general competitive position, advantages from expected synergies and future market developments, and the expertise of the workforce.

3.4 Effects on consolidated profit

Since the timing of the two acquisitions made in the second quarter of 2015 fell close to the reporting date, they have not yet had any impact on consolidated revenue or consolidated profit. If the two companies had been acquired as of January 1, 2015, consolidated revenue for the first half of 2015 would have been EUR 2,186,089 thousand, and the corresponding consolidated profit after tax EUR 23,989 thousand.

3.5 Cash outflows

The acquisitions of CMT S.p.A. and the Comas group resulted in the following cash outflows:

(EUR thousand)	Q2 2015
Consideration transferred	123,305
less contingent consideration	–1,600
Purchase price paid	**121,705**
less cash acquired	–27,841
Net cash used in acquisition	**93,864**

Outflows of EUR 97,220 thousand from acquisitions were recognized in the cash flow statement for the first half of 2015. The difference of EUR 3,356 thousand is attributable to purchase price payments for previous acquisitions.

4. Balance sheet disclosures

Cash credit lines

The cash credit lines were composed of the following items as of June 30, 2015:

(EUR thousand)	Maturity	06/30/2015 approved	06/30/2015 utilized	12/31/2014 approved	12/31/2014 utilized
GEA Bond	April 2016	274,739	274,739	274,739	274,739
European Investment Bank	July 2017	50,000	50,000	150,000	150,000
Borrower's note loan (2017)	September 2017	90,000	90,000	90,000	90,000
Syndicated credit line („club deal")	August 2019	650,000	–	650,000	–
Various (bilateral) credit lines including accured interest	Maximum of 1 year or „until further notice"	126,451	9,182	140,682	14,367
Total		**1,191,190**	**423,921**	**1,305,421**	**529,106**

Financial instruments

The following tables provide an overview of the composition of financial instruments as of June 30, 2015, by class within the meaning of IFRS 7 as well as by measurement category. The tables also include financial assets and liabilities, as well as derivatives that are included in recognized hedging relationships but do not belong to any of the IAS 39 measurement categories.

(EUR thousand)	Carrying amount 06/30/2015	Measurement in accordance with IAS 39 Amortized cost	Fair value through profit or loss	Fair value recognized in other comprehensive income	Measurement in accordance with other IFRSs	Fair value 06/30/2015
Assets						
Trade receivables	993,753	660,463	–	–	333,290	993,753
of which PoC receivables	333,290	–	–	–	333,290	333,290
Income tax receivables	20,108	–	–	–	20,108	20,108
Cash and cash equivalents	790,357	790,357	–	–	–	790,357
Other financial assets	451,187	282,579	10,919	52,717	104,972	451,187
of which derivatives included in hedging relationships	5,834	–	–	5,834	–	5,834
By IAS 39 measurement category						
Loans and receivables	1,709,242	1,709,242	–	–	–	1,709,242
of which cash and cash equivalents	790,357	790,357	–	–	–	790,357
of which trade receivables	660,463	660,463	–	–	–	660,463
of which other financial assets	258,422	258,422	–	–	–	258,422
Available-for-sale investments	71,040	24,157	–	46,883	–	71,040
Financial assets at fair value through profit or loss (derivatives not included in a recognized hedging relationship)	10,919	–	10,919	–	–	10,919
Liabilities						
Trade payables	561,852	561,852	–	–	–	561,852
Financial liabilities	481,551	425,184	10,737	11,274	34,356	494,111
of which liabilities under finance leases	34,356	–	–	–	34,356	34,356
of which derivatives included in hedging relationships	11,274	–	–	11,274	–	11,274
Income tax liabilities	25,455	–	–	–	25,455	25,455
Other financial liabilities	703,444	124,598	6,174	–	572,672	702,301
By IAS 39 measurement category						
Financial liabilities at amortized cost	1,117,808	1,117,808	–	–	–	1,129,225
of which trade payables	561,852	561,852	–	–	–	561,852
of which bonds and other securitized liabilities	368,342	368,342	–	–	–	380,188
of which liabilities to banks	55,579	55,579	–	–	–	56,293
of which loan liabilities to unconsolidated subsidiaries	1,263	1,263	–	–	–	1,263
of which other liabilities to affiliated companies	23,974	23,974	–	–	–	23,974
of which other liabilities	100,624	100,624	–	–	–	99,481
Financial liabilities at fair value through profit or loss (derivatives not included in a hedging relationship and contingent consideration)	16,911	–	16,911	–	–	16,911

(EUR thousand)	Carrying amount 12/31/2014	Measurement in accordance with IAS 39 Amortized cost	Fair value through profit or loss	Fair value recognized in other comprehensive income	Measurement in accordance with other IFRSs	Fair value 12/31/2014
Assets						
Trade receivables	945,755	691,440	–	–	254,315	945,755
of which PoC receivables	254,315	–	–	–	254,315	254,315
Income tax receivables	17,531	–	–	–	17,531	17,531
Cash and cash equivalents	1,195,858	1,195,858	–	–	–	1,195,858
Other financial assets	454,058	282,643	16,558	50,006	104,851	454,058
of which derivatives included in hedging relationships	4,453	–	–	4,453	–	4,453
By IAS 39 measurement category						
Loans and receivables	2,145,183	2,145,183	–	–	–	2,145,183
of which cash and cash equivalents	1,195,858	1,195,858	–	–	–	1,195,858
of which trade receivables	691,440	691,440	–	–	–	691,440
of which other financial assets	257,885	257,885	–	–	–	257,885
Available-for-sale investments	70,311	24,758	–	45,553	–	70,311
Financial assets at fair value through profit or loss (derivatives not included in a recognized hedging relationship)	16,558	–	16,558	–	–	16,558
Liabilities						
Trade payables	639,719	639,719	–	–	–	639,719
Financial liabilities	589,546	530,249	11,445	12,923	34,929	608,703
of which liabilities under finance leases	34,929	–	–	–	34,929	34,929
of which derivatives included in hedging relationships	12,923	–	–	12,923	–	12,923
Income tax liabilities	35,649	–	–	–	35,649	35,649
Other financial liabilities	676,685	152,949	7,137	–	516,599	676,898
By IAS 39 measurement category						
Financial liabilities at amortized cost	1,330,054	1,330,054	–	–	–	1,349,424
of which trade payables	639,719	639,719	–	–	–	639,719
of which bonds and other securitized liabilities	372,743	372,743	–	–	–	391,032
of which liabilities to banks	156,377	156,377	–	–	–	157,245
of which loan liabilities to unconsolidated subsidiaries	1,129	1,129	–	–	–	1,129
of which other liabilities to affiliated companies	24,166	24,166	–	–	–	24,379
of which other liabilities	128,783	128,783	–	–	–	128,996
Financial liabilities at fair value through profit or loss (derivatives not included in a hedging relationship and contingent consideration)	18,582	–	18,582	–	–	18,582

Financial assets and liabilities that are measured at fair value, or for which a fair value is disclosed in the notes to the consolidated financial statements, are required to be categorized according to the fair value hierarchy described in the following. Categorization within the levels of the fair value hierarchy is based on the measurement of the underlying inputs:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical financial assets and liabilities.

Level 2 inputs: quoted market prices that are observable as direct (prices) or indirect (derived from prices) inputs used to measure fair value and that are not quoted prices as defined by Level 1.

Level 3 inputs: inputs that are not based on observable market data.

The following table shows the categorization of financial assets and financial liabilities into the three-level fair value hierarchy:

Recurring fair value measurements	06/30/2015				12/31/2014			
	Carrying amount	Fair value			Carrying amount	Fair value		
(EUR thousand)		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets measured at fair value								
Derivatives included in hedging relationships	5,834	–	5,834	–	4,453	–	4,453	–
Derivatives not included in hedging relationships	10,919	–	10,919	–	16,558	–	16,558	–
Available-for-sale financial assets valued at fair value	9,883	–	–	9,883	8,518	–	–	8,518
Other financial assets	37,000	37,000	–	–	37,036	37,036	–	–
Financial liabilities measured at fair value								
Derivatives included in hedging relationships	11,274	–	11,274	–	12,923	–	12,923	–
Derivatives not included in hedging relationships	10,737	–	10,737	–	11,445	–	11,445	–
Contingent consideration	6,174	–	–	6,174	7,137	–	–	7,137
Financial liabilities not measured at fair value								
Bonds	276,557	285,006	–	–	282,202	295,810	–	–
Promissory note bonds	91,785	–	95,182	–	90,541	–	95,222	–
Liabilities to banks	55,579	–	56,293	–	156,377	–	157,245	–
Other financial liabilities	79,148	–	–	78,005	76,987	–	–	77,200

There were no transfers between the levels of the fair value hierarchy in the first six months of fiscal year 2015.

The fair value of the bond and the other financial assets is calculated on the basis of quoted bid prices on an active market and is therefore categorized within Level 1. The fair value includes the interest deferred as of the reporting date.

The fair value of derivatives is calculated using quoted exchange rates and yield curves observable in the market. Accordingly, these are categorized within Level 2 of the fair value hierarchy.

The fair value of borrower's note loans and liabilities to banks is measured on the basis of the yield curve, taking into account credit spreads. They are therefore categorized within Level 2 of the fair value hierarchy. The interest deferred as of the reporting date is included in the fair values.

The fair values of trade receivables, cash and cash equivalents, and other financial receivables essentially correspond to the carrying amounts; this is due to the predominantly short remaining maturities.

Certain other financial liabilities resulting from the sale of the former GEA Heat Exchangers Segment, which was completed in 2014, are categorized within Level 3 of the fair value hierarchy, since their fair value is measured on the basis of the present value of future cash outflows expected on the basis of contractual obligations associated with the sale.

A receivable relating to the former raw material activities of Metallgesellschaft AG that had previously been written off was allocated to Level 3 financial instruments; its fair value is determined by means of a present value calculation on the basis of the debtor's payment plan.

Financial liabilities resulting from contingent purchase price considerations are also assigned to Level 3 of the fair value hierarchy. The fair value of these liabilities is determined by means of present value calculations, taking into account various inputs that are not observable in the market, and that are based in particular on corporate planning, as specified in the respective purchase price clauses.

5. Consolidated income statement disclosures

Restructuring expenses relating to the “Fit for 2020” initiative

The measures resolved as part of the “Fit for 2020” initiative were specified in detail and implemented during the reporting period. This initiative – part of the strategic realignment of the company – aims to ensure an optimized organizational setup. As a result it is expected to lead to significant cost reductions and promote further growth. For example, the development and manufacturing of products and the provision of process solutions have been bundled in two new business areas – Equipment and Solutions. This new structure with business areas of roughly equal size strength promises greater operational synergies across technologies and applications, and helps achieve functional excellence by standardizing processes. For GEA’s customers this means one country organization per country as a central point of contact offering the entire product portfolio and all services on a local basis. The planned measures include a net workforce reduction of approximately 1,450 full-time equivalents.

Restructuring expenses for the “Fit for 2020” initiative were recognized for the first time in the second quarter of 2015, to the extent that the relevant conditions for the individual countries or locations were met. The restructuring provisions recognized as of June 30 amounted to EUR 110.9 million.

Income tax expense

The income taxes recognized were calculated for continuing operations in the reporting period using an estimated tax rate of 22.0 percent (previous year: 21.4 percent).

6. Statement of comprehensive income and consolidated statement of changes in equity disclosures

Exchange differences on translating foreign operations

The change in exchange differences on translating foreign operations amounted to EUR 90,907 thousand in the period under review (previous year: EUR 11,442 thousand) and resulted primarily from the rise of the U.S. dollar and the Chinese renminbi against the euro. In the prior-year quarter, exchange differences on translating foreign operations moved in the same direction due to a rise in the U.S. dollar against the euro.

7. Segment reporting

7.1 Change in the structure of the operating segments

Following intensive preparations, GEA's new group structure – which was developed as part of its "Fit for 2020" initiative – was implemented on June 8, 2015. As part of this new structure, the development and manufacturing of products and the provision of process solutions have been bundled in two new business areas – Equipment and Solutions.

The Group's operating segments were reorganized in line with this during the reporting period: The former GEA Mechanical Equipment and GEA Farm Technologies segments were allocated to the Business Area Equipment, while GEA Process Engineering belongs to the Business Area Solutions. The former GEA Refrigeration Technologies Segment was split between the Business Areas Equipment and Solutions, with the goodwill attributable to the former segment being reallocated based on the relative values as of the reorganisation date.

The administrative functions bundled in the Global Corporate Center and the Shared Service Center do not represent independent operating segments. Their income and expenses and assets and liabilities are charged to the business areas if allocatable. Non-core business activities are not reported within the business areas. This includes investment property held for sale, pension obligations, and liabilities related to discontinued operations. The former GEA Heat Exchangers Segment, which was sold on October 31, 2014, is also not an operating segment. The prior-period information was adjusted to reflect the amended reporting structure.

7.2 Operating segments

GEA Group's business activities are divided into the following two business areas:

Business Area Equipment
The Business Area Equipment brings together all activities that relate to standardized and in part customer-specific equipment offerings. In general, the products are manufactured in large quantities as part of large-scale series production on a standardized and modular basis. Typical products covered by the business area are separators, valves, pumps, homogenizers, and cooling compressors, but its product range also comprises automatic feeding systems, manure management systems, and barn equipment.

Business Area Solutions
The Business Area Solutions brings together all Group activities that largely consist of marketing customer-specific and modular solutions, and projects. This business area tailors its products and services to the specific application or customer requirements. The offering mainly comprises the design and development of process solutions for the dairy processing, brewing, food, pharma, and chemical industries.

(EUR million)	BA-E	BA-S	**Total**	Consolidation/ others	**GEA**
Q2 2015					
Order Intake	573.0	628.9	**1,201.9**	–53.1	**1,148.8**
External revenue	541.6	608.6	**1,150.1**	–	**1,150.1**
Intersegment revenue	46.3	4.4	**50.7**	–50.7	**–**
Total revenue	587.9	612.9	**1,200.8**	–50.7	**1,150.1**
Operating EBITDA *	84.5	58.1	**142.6**	–3.3	**139.3**
as % of revenue	14.4	9.5	**11.9**	–	**12.1**
EBITDA	27.6	31.1	**58.7**	–52.3	**6.4**
Operating EBIT *	71.5	53.3	**124.8**	–5.0	**119.8**
as % of revenue	12.2	8.7	**10.4**	–	**10.4**
EBIT	8.1	24.9	**33.1**	–54.0	**–20.9**
as % of revenue	1.4	4.1	**2.8**	–	**–1.8**
Additions to property, plant and equipment and intangible assets	12.5	107.1	**119.5**	1.7	**121.2**
Depreciation and amortization	19.4	6.2	**25.6**	1.7	**27.3**
Q2 2014					
Order Intake	569.7	652.4	**1,222.2**	–52.2	**1,169.9**
External revenue	517.8	599.9	**1,117.7**	–	**1,117.7**
Intersegment revenue	47.6	3.4	**51.0**	–51.0	**–**
Total revenue	565.4	603.3	**1,168.7**	–51.0	**1,117.7**
Operating EBITDA *	71.7	57.8	**129.6**	–1.5	**128.0**
as % of revenue	12.7	9.6	**11.1**	–	**11.5**
EBITDA	71.7	57.8	**129.6**	–6.5	**123.1**
Operating EBIT *	59.3	53.1	**112.5**	–3.1	**109.3**
as % of revenue	10.5	8.8	**9.6**	–	**9.8**
EBIT	54.5	52.3	**106.8**	–8.1	**98.7**
as % of revenue	9.6	8.7	**9.1**	–	**8.8**
Additions to property, plant and equipment and intangible assets	15.3	5.7	**21.0**	2.4	**23.4**
Depreciation and amortization	17.2	5.6	**22.8**	1.6	**24.4**

*) Before effects of purchase price allocations and before non-recurring items (see page 46)

(EUR million)	BA-E	BA-S	**Total**	Consolidation/ others	**GEA**
Q1 - Q2 2015					
Order Intake	1,159.6	1,217.2	**2,376.7**	–100.5	**2,276.2**
External revenue	1,025.9	1,130.6	**2,156.5**	–	**2,156.5**
Intersegment revenue	88.9	8.4	**97.3**	–97.3	**–**
Total revenue	1,114.8	1,139.0	**2,253.8**	–97.3	**2,156.5**
Operating EBITDA [1]	151.8	90.4	**242.2**	–4.8	**237.4**
as % of revenue	13.6	7.9	**10.7**	–	**11.0**
EBITDA	92.0	62.9	**154.9**	–55.4	**99.4**
Operating EBIT [1]	125.8	80.7	**206.5**	–8.0	**198.6**
as % of revenue	11.3	7.1	**9.2**	–	**9.2**
EBIT	54.6	50.7	**105.3**	–58.7	**46.6**
as % of revenue	4.9	4.4	**4.7**	–	**2.2**
ROCE in % [2]	14.9	51.9	**–**	–	**16.4**
Segment assets	3,697.6	2,617.9	**6,315.5**	–607.9	**5,707.7**
Segment liabilities	1,848.8	1,627.2	**3,476.0**	–290.7	**3,185.3**
Working Capital (reporting date) [3]	546.1	40.2	**586.3**	–3.4	**582.9**
Additions to property, plant and equipment and intangible assets	25.9	138.3	**164.2**	2.3	**166.5**
Depreciation and amortization	37.4	12.2	**49.6**	3.2	**52.8**
Q1 - Q2 2014					
Order Intake	1,144.7	1,154.5	**2,299.2**	–104.9	**2,194.2**
External revenue	969.1	1,099.2	**2,068.3**	–	**2,068.3**
Intersegment revenue	91.7	6.2	**98.0**	–98.0	**–**
Total revenue	1,060.8	1,105.4	**2,166.3**	–98.0	**2,068.3**
Operating EBITDA [1]	128.0	92.0	**220.0**	–6.8	**213.2**
as % of revenue	12.1	8.3	**10.2**	–	**10.3**
EBITDA	128.0	92.0	**220.0**	–13.9	**206.1**
Operating EBIT [1]	103.4	82.9	**186.3**	–10.1	**176.1**
as % of revenue	9.7	7.5	**8.6**	–	**8.5**
EBIT	93.5	81.1	**174.6**	–17.2	**157.4**
as % of revenue	8.8	7.3	**8.1**	–	**7.6**
ROCE in % [2]	17.3	60.3	**–**	–	**22.9**
Segment assets	2,912.5	2,420.2	**5,332.7**	935.9	**6,268.6**
Segment liabilities	1,416.9	1,396.2	**2,813.2**	1,147.8	**3,961.0**
Working Capital (reporting date) [3]	548.3	42.5	**590.8**	–0.6	**590.1**
Additions to property, plant and equipment and intangible assets	30.0	8.7	**38.7**	4.2	**42.9**
Depreciation and amortization	34.5	10.9	**45.4**	3.3	**48.7**

1) Before effects of purchase price allocations and before non-recurring items (see page 46)
2) ROCE = EBIT/capital employed; EBIT and capital employed both calculated as the average for the past 12 months and before effects relating to goodwill from the acquisition of the former GEA AG by the former Metallgesellschaft AG in 1999; capital employed = non-current assets + working capital
3) Working capital = inventories + trade receivables - trade payables - advance payments received

Order intake is recognized on the basis of legally valid contracts. Intersegment revenue is calculated using standard market prices.

In accordance with the internal management system as described in the 2014 Annual Report, the profitability of the two business areas is measured using earnings before interest, tax, depreciation, amortization and impairment losses, and reversals of impairment (EBITDA), earnings before interest and tax (EBIT), and profit or loss before tax (EBT). These measures correspond to the figures presented in the income statement except that reclassifications to profit or loss from discontinued operations are disregarded and the non-current assets of the former GEA Heat Exchangers Segment were still depreciated or amortized following their classification as held for sale. These continued depreciation/amortization charges amounted to EUR 17.8 million in the first half of 2014.

Management also monitors operating EBITDA and operating EBIT, which are adjusted for effects resulting from the re-measurement of the assets acquired as part of business combinations. These effects relate on the one hand to the revalued amount of inventories recognized as cost of sales, which reduces earnings, and on the other to the amortization of the revalued amount from the measurement of property, plant, and equipment, and intangible assets at fair value. In addition, management eliminates earnings effects that it believes will not be incurred to the same extent in future fiscal years ("non-recurring items"). Operating EBIT for the first half of 2015 was thus adjusted for non-recurring items totaling EUR 139.4 million (previous year: EUR 7.1 million). Non-recurring items comprise EUR 135.1 million (previous year: EUR 5.1 million) of expenses for strategic projects, of which EUR 115.7 million (previous year: EUR 0.0 million) was attributable to restructuring expenses. In addition, personnel expenses of EUR 4.3 million for employees who left the company and were not replaced (previous year: EUR 0.0 million) and the expense arising from the allocation in accordance with IFRS 5 of service and trademark fees totaling EUR 0.0 million (previous year: EUR 2.0 million) exclusively to continuing operations, i.e., to the business areas, were identified as non-recurring items. In addition, non-recurring expenses of EUR 1.1 million (previous year: EUR 7.7 million) were recognized in profit or loss from discontinued operations in connection with preparations for the separation of the GEA HX Segment.

The following tables show the reconciliation of EBITDA before purchase price allocation and non-recurring items to EBIT and of EBITDA to EBIT:

Reconciliation of operating EBITDA to EBIT (EUR million)	Q2 2015	Q2 2014	Change in %	Q1-Q2 2015	Q1-Q2 2014	Change in %
Operating EBITDA according to segment reporting	**142.6**	**129.6**	**10.0**	**242.2**	**220.0**	**10.1**
Depreciation of property, plant and equipment, investment property, and amortization of intangible assets	–17.8	–17.1	–4.3	–35.7	–33.8	–5.7
Operating EBIT according to segment reporting	**124.8**	**112.5**	**10.9**	**206.5**	**186.3**	**10.9**
Depreciation and amortization on capitalization of purchase price allocation	–6.3	–5.7	–10.6	–12.4	–11.6	–6.8
Realization of step-up amounts on inventories	–0.1	–	–	–0.1	–	–
Non-recurring items	–85.3	–	–	–88.7	–	–
EBIT according to segment reporting	**33.1**	**106.8**	**–69.0**	**105.3**	**174.6**	**–39.7**
Operating EBITDA others	**–2.5**	**–0.8**	**< -100**	**–4.5**	**–5.8**	**23.1**
Depreciation of property, plant and equipment, investment property, and amortization of intangible assets	–1.7	–1.6	–2.5	–3.2	–3.3	2.8
Operating EBIT others	**–4.2**	**–2.4**	**–71.8**	**–7.7**	**–9.1**	**15.8**
Non-recurring items others	–49.0	–5.0	< -100	–50.7	–7.1	< -100
EBIT others	**–53.2**	**–7.4**	**< -100**	**–58.4**	**–16.2**	**< -100**
Consolidation	–0.8	–0.7	–8.4	–0.3	–1.0	71.8
EBIT	**–20.9**	**98.7**	**–**	**46.6**	**157.4**	**–70.4**

Reconciliation EBITDA to EBIT (EUR million)	Q2 2015	Q2 2014	Change in %	Q1-Q2 2015	Q1-Q2 2014	Change in %
EBITDA	**6.4**	**123.1**	**–94.8**	**99.4**	**206.1**	**–51.8**
Depreciation of property, plant and equipment, investment property, and amortization of intangible assets	–27.3	–24.4	–11.8	–52.8	–48.7	–8.5
EBIT	**–20.9**	**98.7**	**–**	**46.6**	**157.4**	**–70.4**

A reconciliation of EBIT to profit or loss before income tax is contained in the income statement.

ROCE is regularly used to assess how effectively the capital invested in business operations is being used.

The recognition and measurement policies for the business areas' assets and liabilities, and hence also for working capital, are the same as those used in the group and described in the accounting policies section of the 2014 Annual Report.

The following table shows the reconciliation of working capital to total assets:

Reconciliation of working capital to total assets (EUR million)	06/30/2015	06/30/2014
Working capital (reporting date) according to segment reporting	**586.3**	**590.8**
Non-current assets	2,561.3	2,339.7
Income tax receivables	23.9	15.7
Other current financial assets	1,825.8	1,211.6
Cash and cash equivalents	227.1	150.8
Assets held for sale	1.2	1.2
plus trade payables	603.5	567.0
plus advance payments in respect of orders and construction contracts	219.4	189.6
plus gross amount due to customers for contract work	267.1	266.1
Total assets according to segment reporting	**6,315.5**	**5,332.7**
plus total assets others	4,315.6	2,870.6
Consolidation	–4,923.5	–1,934.7
Total assets	**5,707.7**	**6,268.6**

8. Related party transactions

There were no material related party transactions with an effect on the results of operations, financial position, and net assets.

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position, and profit or loss of the group, and the interim management report of the group includes a fair review 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 remaining months of the fiscal year.

Düsseldorf, July 28, 2015

The Executive Board

Jürg Oleas	Dr. Helmut Schmale	Markus Hüllmann	Dr. Stephan Petri

Financial Calendar

October 28, 2015 **Quarterly Financial Report for the period to September 30, 2015**

The GEA Group Stock: Key data

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

American Depository Receipts (ADR)

CUSIP	361592108
Symbol	GEAGY
Sponsor	Deutsche Bank Trust Company Americas
ADR-Level	1
Ratio	1:1

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Imprint

Published by GEA Group Aktiengesellschaft
Peter-Müller-Straße 12
40468 Düsseldorf
Germany
www.gea.com

Design www.kpad.de

This report is a translation of the German original; in the event of variances, the German version shall take precedence over the Englisch translation.

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GEA is a global engineering company with multi-billion euro sales and operations in more than 50 countries. Founded in 1881 the company is one of the largest providers of innovative equipment and process technology. GEA is listed in the STOXX® Europe 600 Index.

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