HALF-YEARLY FINANCIAL REPORT

Q1 – Q2 2019 | January 1 – June 30, 2019

engineering for
a better world

GEA closes Q2 2019 with strong revenue and confirms outlook for the year

Outlook for 2019 confirmed

Order intake (EUR 1.1 billion) in second quarter down on record prior-year figure; basic business stable, but fewer major orders

Strong **revenue** (EUR 1.2 billion) in second quarter; both for GEA as a whole and for the two Business Areas above previous year; service up by more than 7 percent

EBITDA before restructuring expenses (EUR 111 million) in second quarter impaired by special effects (EUR 30 million compared to previous year)

Decision taken on **new organizational structure** with five divisions; gradual implementation as of October 1, 2019

IFRS Key Figures of GEA

(EUR million)	Q2 2019	Q2 2018	Change in %	Q1-Q2 2019	Q1-Q2 2018	Change in %
Results of operations						
Order intake	1,146.8	1,383.0	–17.1	2,333.1	2,485.6	–6.1
Book-to-bill ratio	0.92	1.13	–	1.01	1.10	–
Order backlog	2,419.8	2,554.4	–5.3	2,419.8	2,554.4	–5.3
Revenue	1,247.3	1,227.0	1.7	2,304.6	2,266.4	1.7
EBITDA before restructuring measures[1]	111.2	141.9	–21.6	185.9	218.6	–15.0
as % of revenue	8.9	11.6	–	8.1	9.6	–
EBITDA	101.1	122.6	–17.6	170.3	179.9	–5.3
EBIT before restructuring measures[1]	57.5	91.4	–37.1	84.5	119.5	–29.3
as % of revenue	4.6	7.4	–	3.7	5.3	–
EBIT	38.2	87.6	–56.3	59.9	111.1	–46.1
EBT[2]	34.6	82.1	–57.9	60.2	93.8	–35.8
Profit for the period[2]	25.4	65.1	–61.0	55.6	68.5	–18.9
ROCE in % (goodwill adjusted)[3]	10.5	15.5	–	10.5	15.5	–
Net assets						
Net working capital (reporting date)	906.4	847.7	6.9	906.4	847.7	6.9
as % of revenue (LTM)	18.6	17.9	–	18.6	17.9	–
Capital employed (reporting date)	2,703.6	2,533.6	6.7	2,703.6	2,533.6	6.7
Equity	2,317.9	2,410.4	–3.8	2,317.9	2,410.4	–3.8
Equity ratio in %	38.8	39.8	–	38.8	39.8	–
Leverage[4]	1.3 x	0.7 x	–	1.3 x	0.7 x	–
Net liquidity (+)/Net debt (-)	–329.5	–326.9	–0.8	–329.5	–326.9	–0.8
Financial position						
Cash flow from operating activities	31.8	17.4	83.2	–7.2	–84.4	91.5
Cash flow from investing activities	–23.2	–15.6	–48.8	–48.4	–57.1	15.3
Free cash flow	8.6	1.8	> 100	–55.5	–141.5	60.8
GEA Shares						
Earnings per share (EUR)[2]	0.14	0.36	–61.0	0.31	0.38	–18.8
Market capitalization (EUR billion; reporting date)	4.5	5.2	–13.5	4.5	5.2	–13.5
Employees (FTE; reporting date)	18,892	18,287	3.3	18,892	18,287	3.3

1) Pro-forma figures for 2018 incl. IFRS 16 effects from 2019.
2) 2019 incl. interest income of EUR 32.7 million (of which EUR 7.0 million in the second quarter) due to adjustment of the interest calculation method used to measure provisions for long-term liabilities (see page 36).
3) Capital employed excluding goodwill from the acquisition of the former GEA AG by former Metallgesellschaft AG in 1999 (average of the last 4 quarters); pro-forma figures for 2018 incl. IFRS 16 effects from 2019.
4) Leverage = (Net liquidity (+)/Net debt (-) – lease liabilities) / (EBITDA LTM (incl. discontinued operations) – interest expense from compounding of provisions LTM + expected return of plan assets LTM)

The new initiative GEA Advance offers customers digital services such as remote maintenance, data analysis as well as comprehensive e-commerce and enables the seamless integration of all interactions with suppliers in a common platform.

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INTERIM GROUP MANAGEMENT REPORT

GEA in the second quarter of 2019

With order intake of EUR 1,147 million in the second quarter of 2019, GEA was unable to match the record figure of EUR 1,383 million in Q2 2018, when the company benefited from several major orders worth around EUR 120 million and posted order growth of more than 11 percent. The decline of around 17 percent in the quarter under review was largely the result of customers' deferring mid- and large-scale orders. In contrast, basic business remained on a sound footing. Thanks to a well-filled project pipeline, the company is predicting that order intake will recover in the coming quarters.

With regard to revenue (EUR 1,247 million), GEA posted record values for both the second quarter and the first six months of the year – and that goes for both Business Areas as well as for the group as a whole. The second quarter saw the beverages segment, in particular, perpetuate its strong growth, while dairy processing also grew favorably year on year. GEA also managed to increase revenue from its high-margin service business (EUR 394 million) in the months from April to June, posting marked growth of 7 percent. The drop in order intake coupled with record revenue figures produced a book-to-bill ratio of 0.92 in the quarter under review. The decline in order intake was most noticeable in the area of major, long-term customer projects in the Business Area Solutions, and this is set to have a knock-on effect on consolidated revenue too in the further course of the year. For this reason, GEA is now looking at a moderate fall in revenue for 2019 compared with the figure for the previous year.

As expected, EBITDA before restructuring expenses (EUR 111 million) was below the previous year's level (EUR 142 million; including a proforma IFRS 16 effect of EUR 16 million). Compared to the second quarter 2018, this indicator was impacted by special effects (EUR 30 million) in particular. In the previous year, adjustments in the method of measuring non-current liabilities in the areas of environmental protection and mining had given rise to a one-time improvement of around EUR 9 million in the earnings of "Other companies". Earnings in the second quarter of 2019 received a positive boost of EUR 8 million, largely from other provisions. However, the quarter under review also saw GEA add EUR 16 million to its provision for legal risks emanating from the Business Area Equipment. What is more, GEA was obliged to establish funds of around EUR 13 million to cover exposures arising from customer-specific projects in the Business Area Solutions. In total, provisions in this Business Area amounted to around EUR 23 million in the first half of 2019.

With the aim of counteracting margin erosion and stabilizing earnings in the Business Area Solutions, GEA began to introduce measures at the start of the second quarter. These include measures to address the issue of overcapacity in the short term – notably in the field of dairy processing, and, among other things, an efficiency drive in the underperforming business segments.

Due largely to higher inventories, net working capital as of June 30, 2019 rose to nearly 19 percent of revenue (LTM), after 18 percent a year earlier. In order to reduce net working capital, GEA launched a global optimization project in August.

The group's net financial position (minus EUR 330 million) was virtually unchanged on the prior-year figure (minus EUR 327 million). In the past 12 months, GEA generated cash inflows of almost EUR 230 million when mainly adjusted for payments for dividends (EUR 153 million), restructuring outflows (EUR 67 million) and before payments for discontinued operations (EUR 11 million).

GEA still believes that EBITDA before restructuring expenses will be within the predicted corridor of between EUR 450 and EUR 490 million in the 2019 financial year, with ROCE also remaining within forecasted range of between 8.5 and 10.5 percent.

Supervisory Board

On April 24, 2019, GEA Group Aktiengesellschaft's Annual General Meeting elected Colin Hall to the Supervisory Board. The American is Head of Investments at Groupe Bruxelles Lambert (GBL) and also CEO of Sienna Capital, a wholly owned subsidiary of GBL. The Düsseldorf District Court appointed Mr Hall to the Supervisory Board in November 2018 following Prof. Dr. Ing. Werner J. Bauer's decision to step down.

Management

Marcus A. Ketter started work as GEA's CFO on May 20, 2019. His predecessor, Dr. Helmut Schmale, left the company on May 17, 2019. An economics graduate, Marcus Ketter joined GEA from steel and metal distributors Klöckner & Co SE, where, over the last six years, he has played a major role in shaping the fortunes of the company in his capacity as CFO. Prior to this, he was CFO at Schuler AG and has occupied various management positions within the thyssenkrupp group. Marcus Ketter's appointment to the GEA Executive Board runs through May 19, 2022.

In June 2019, board member Martine Snels decided not to extend her contract with GEA (due to expire at the end of September 2020) and intends to leave the company at this time. Following her departure, Martine Snels' current sphere of responsibility for GEA's regions and countries will be divided among the remaining board members.

Given the considerable importance of procurement, production, and logistics to GEA's business fortunes, the company is set to create a new, joint executive mandate for these particular areas, and a structured effort to find a suitable candidate for this important position as COO is already under way. In the future, procurement activities – previously managed separately by the Business Areas or countries – will be bundled in a global procurement organization.

Therefore, the Executive Board will continue to comprise four members.

New organizational structure (gradual implementation as of October 2019)

On June 24, 2019, GEA presented the fundamentals of its new organizational structure, which will be rolled out in stages as of October 1, 2019. In the future, GEA will be organized into five divisions, each with up to six business units based on technologies and essentially aligned to the current legal corporate units. GEA's current organizational structure comprises two Business Areas, namely Equipment and Solutions. However, the lines of business combined within these two areas bundle different technologies with limited synergy potential. For this reason, they are to be replaced by a clear divisional structure in which the various operating segments comprise similar or complementary technologies. The new structure will feature the following five divisions:

Separation & Flow Technologies

Separation & Flow Technologies will comprise all activities concerned with the manufacture of process-related components, notably separators, decanters, valves, pumps, and homogenizers.

Liquid & Powder Technologies

Liquid & Powder Technologies is a recognized market and technology leader in the design and development of process solutions for the dairy, brewing, food, and chemical industries. Its technological focus is on liquid processing, concentration, industrial drying, powder processing and handling as well as emission control.

Food & Healthcare Technologies

The Food & Healthcare Technologies division provides a range of competencies to the pharmaceutical and food industries. These include customer solutions for food processing and packaging, solutions for the baking industry, extrusion and milling equipment, and process technology for the pharmaceutical industry.

Refrigeration Technologies

Refrigeration Technologies is a market leader in the field of industrial refrigeration technology. The division develops, manufactures, and installs innovative key components and technical solutions such as reciprocating and screw compressors as well as valves.

Farm Technologies

Farm Technologies bundles together all the activities involved in the development of integrated customer solutions for profitable dairy and livestock farming.

Each of these units will be overseen by a manager directly responsible for the income statement.

Organizational units

Country organizations

In order to ensure that customers still have a central point of contact in their respective localities, GEA intends to preserve its system of bundling activities into country organizations – a tried-and-tested approach introduced in 2015. As such, customer-centric sales and local service activities will continue to be unified under the umbrella of a single country organization. The countries will cooperate with the divisions in a matrix and assigned to tailored regions.

Control and management

Central management and administrative functions, together with standardized administrative processes will continue to be bundled within a Global Corporate Center (GCC). In the future, overarching group functions will focus on the areas with the greatest synergy potential, in particular procurement and production. In addition, GEA will continue to use a Shared Service Center (SSC) for the areas of IT, Finance, and Human Resources. The aim here is to improve these services in the interest of frictionless administrative processes.

Report on Economic Position

Course of business

Disclosure of the group's course of business, including the comparable prior-year figures, is presented for the two Business Areas (BAs) Equipment and Solutions. All amounts have been rounded using standard rules. Adding together individual amounts may, therefore, result in rounding differences in some cases.

Order intake

At EUR 1,146.8 million, order intake in the second quarter of 2019 was unable to match the excellent showing of the same quarter of the previous year. Adjusted for positive exchange rate fluctuations of 0.5 percent, order intake fell by 17.6 percent. There were no acquisition effects in the quarter under review. With the exception of Germany, Austria and Switzerland (DACH) & Eastern Europe, all regions recorded a decline in order intake. The slump in volume was most noticeable in large orders, whereas basic business (orders with a volume of under EUR 1 million) remained stable.

In the months April – June of the current financial year, GEA secured one major order (volume in excess of EUR 15 million) for a dairy project in North America. In the comparable prior-year quarter, GEA posted five major orders with a total volume of around EUR 120 million.

Order intake (EUR million)	Q2 2019	Q2 2018	Change in %	Q1-Q2 2019	Q1-Q2 2018	Change in %
BA Equipment	660.5	688.3	–4.0	1,343.5	1,389.7	–3.3
BA Solutions	557.0	755.3	–26.3	1,130.4	1,217.3	–7.1
Consolidation/others	–70.7	–60.6	–16.7	–140.8	–121.4	–16.0
GEA	**1,146.8**	**1,383.0**	**–17.1**	**2,333.1**	**2,485.6**	**–6.1**

In the first six months of the 2019 financial year, order intake was 6.1 percent down on the comparable 2018 figure, which had benefited from a strong second quarter. Adjusted for currency effects (plus 0.5 percent), order intake fell by 6.7 percent in the first six months of 2019. There were no acquisition effects in the first six months of the financial year.

The following is a breakdown of order intake by product group (BA Equipment) and application center (BA Solutions):

Order intake[1] GEA	Change Q2/2019 to Q2/2018	Change Q1–Q2 2019 to Q1–Q2 2018	Share[2] of order intake in % Q1–Q2 2019
PG Food Processing & Packaging; Pasta, Extrusion & Milling	↓	↓	10
PG Separation, Homogenizers, Flow Components, Compression	↑	↑	30
PG Milking & Dairy Farming	↓	↓	15
Business Area Equipment	↘	↘	**55**
APC Dairy	↓	↓	10
APC Beverage	↓	↓	10
APC Food	↓	↓	5
APC Utilities	↑	↑	10
APC Pharma	↓	↓	5
APC Chemical	↓	↓	5
Business Area Solutions	↓	↓	**45**
GEA	↓	↓	**100**

↑ > 5 percentage points ↗ 1 to 5 percentage points → 1 to -1 percentage points ↘ -1 to -5 percentage points ↓ < -5 percentage points

1) External business only; PG = Product Group, APC = Application Center
2) Split rounded to nearest 5 %

Order backlog

GEA's order backlog of EUR 2,419.8 million was slightly above the value as of December 31, 2018 (EUR 2,416.3 million).

Revenue

GEA's revenue in the second quarter of 2019 amounted to EUR 1,247.3 million, a slight increase of 1.7 percent compared with the prior-year figure. A 0.5 percent upwards adjustment for exchange rate movements gave rise to 1.1 percent growth in the adjusted revenue figure. There were no acquisition effects in the second quarter. Service revenue increased sharply by 7.1 percent in the quarter under review (6.7 percent when adjusted for currency effects). Its share of total revenue was 31.6 percent (previous year: 30.0 percent).

Revenue growth in the second quarter resulted primarily from the regions of Asia Pacific, North and Central Europe, and Latin America – each recording high single-digit increases.

The book-to-bill ratio, i.e. the ratio of order intake to revenue, was around 0.92 in the quarter under review.

Revenue (EUR million)	Q2 2019	Q2 2018	Change in %	Q1-Q2 2019	Q1-Q2 2018	Change in %
BA Equipment	671.1	653.2	2.7	1,270.8	1,245.3	2.0
BA Solutions	642.4	633.4	1.4	1,161.2	1,137.4	2.1
Consolidation/others	–66.2	–59.5	–11.3	–127.4	–116.3	–9.6
GEA	**1,247.3**	**1,227.0**	**1.7**	**2,304.6**	**2,266.4**	**1.7**

Exchange rate movements served to increase revenue to the tune of 0.6 percent in the first half of the year. Adjusted revenue growth amounted to 1.1 percent. Acquisitions had no effect during the period under review. The record revenue levels recorded in the second quarter and in the first six months of 2019 surpassed the respective peaks of the previous year in respect of both GEA as a whole and the two Business Areas. Service revenue increased sharply by 6.1 percent in the first six months of the year (by 5.6 percent when adjusted for currency effects). Its share of total revenue was 32.1 percent in the first six months (previous year: 30.8 percent.)

The following charts show trends in revenue and a breakdown of this financial indicator by region, product group (BA Equipment), and application centers (BA Solutions):

Revenue by regions GEA

	Change Q2/2019 to Q2/2018	Change Q1–Q2 2019 to Q1–Q2 2018	Share of revenue in % Q1–Q2 2019
Asia Pacific	↑	↑	23
DACH & Eastern Europe	↘	↘	20
North America	→	↗	18
Western Europe, Middle East & Africa	↘	↓	16
North and Central Europe	↑	↑	15
Latin America	↑	↑	7
GEA	↗	↗	**100**

↑ > 5 percentage points ↗ 1 to 5 percentage points → 1 to -1 percentage points ↘ -1 to -5 percentage points ↓ < -5 percentage points

Revenue[1] GEA

	Change Q2/2019 to Q2/2018	Change Q1–Q2 2019 to Q1–Q2 2018	Share[2] of revenue in % Q1–Q2 2019
PG Food Processing & Packaging; Pasta, Extrusion & Milling	↑	↗	15
PG Separation, Homogenizers, Flow Components, Compression	↗	↗	25
PG Milking & Dairy Farming	↓	→	10
Business Area Equipment	↗	↗	**50**
APC Dairy	↗	↘	10
APC Beverage	↑	↑	10
APC Food	↓	↓	10
APC Utilities	↑	↗	10
APC Pharma	↘	→	5
APC Chemical	↓	↘	5
Business Area Solutions	→	→	**50**
GEA	↗	↗	**100**

↑ > 5 percentage points ↗ 1 to 5 percentage points → 1 to -1 percentage points ↘ -1 to -5 percentage points ↓ < -5 percentage points

1) External business only; PG = Product Group, APC = Application Center
2) Split rounded to nearest 5 %

Business Area Equipment

Revenue in the Business Area Equipment grew by 2.7 percent in the second quarter. On a constant exchange rate basis, growth amounted to 2.4 percent. With regard only to the first six months of 2019, the corresponding growth rates were 2.0 percent and 1.6 percent respectively.

Growth in revenue by region can be appreciated from the table below:

Revenue by regions Business Area Equipment	Change Q2/2019 to Q2/2018	Change Q1–Q2 2019 to Q1–Q2 2018	Share of revenue in % Q1–Q2 2019
Asia Pacific	↑	↑	21
DACH & Eastern Europe	↑	↗	23
North America	↓	→	20
Western Europe, Middle East & Africa	↓	↓	16
North and Central Europe	↓	↓	13
Latin America	↑	↑	7
Business Area Equipment	↗	↗	**100**

↑ > 5 percentage points ↗ 1 to 5 percentage points → 1 to -1 percentage points ↘ -1 to -5 percentage points ↓ < -5 percentage points

Business Area Solutions

With growth of 1.4 percent, revenue in the Business Area Solutions in the second quarter of 2019 was also above the prior-year level. Adjusted for exchange rate effects, revenue increased slightly by 0.7 percent. In the first six months of the current financial year, revenue grew by 2.1 percent compared with 2018, or by 1.3 percent when adjusted for the effects of currency translation.

The following table shows a breakdown of revenue by region:

Revenue by regions Business Area Solutions	Change Q2/2019 to Q2/2018	Change Q1–Q2 2019 to Q1–Q2 2018	Share of revenue in % Q1–Q2 2019
Asia Pacific	↓	↘	25
DACH & Eastern Europe	↓	↓	18
North America	↑	↑	15
Western Europe, Middle East & Africa	→	↘	17
North and Central Europe	↑	↑	18
Latin America	↘	↑	8
Business Area Solutions	↗	↗	**100**

↑ > 5 percentage points ↗ 1 to 5 percentage points → 1 to -1 percentage points ↘ -1 to -5 percentage points ↓ < -5 percentage points

Results of operations, financial position and net assets

Results of operations

Since the start of 2019 – in line with its internal control system – GEA's management has been using "EBITDA before restructuring measures" as an indication of its operating performance. The adjusted restructuring measures are outlined in terms of content and scope, presented to the Chairman of the Supervisory Board by the CEO and, where required by the Board's rules of procedure, approved and finalized by the Supervisory Board. Only measures requiring funding in excess of EUR 2 million are taken into account. Adjustments are no longer made for expenses incurred in other strategic projects above and beyond restructuring measures (see page 28 f. of the 2018 Annual Report).

In accordance with this definition, EBITDA before restructuring measures for the second quarter of 2019 was adjusted for expenses totaling EUR 10.2 million (previous year: EUR 3.4 million). In the first six months of the business year, these adjustments totaled EUR 15.5 million (previous year EUR 7.0 million).

Reconciliation of operating EBITDA to EBITDA before restructuring measures (EUR million)	Q2 2018	Q1-Q2 2018
Operating EBITDA	**133.0**	**199.5**
Strategic projects	–6.5	–12.2
Realization of step-up amounts on inventories	–0.5	–0.5
EBITDA before restructuring measures	**126.0**	**186.9**
IFRS 16 effect („Leases")	15.9	31.8
EBITDA before restructuring measures*	**141.9**	**218.6**

*) Pro-forma figures for 2018 incl. IFRS 16 effects from 2019.

The following table shows EBITDA and the EBITDA margin (before restructuring expenses) for each business area:

EBITDA before restructuring measures/EBITDA margin before restructuring measures (EUR million)	Q2 2019	Q2 2018*	Change in %	Q1-Q2 2019	Q1-Q2 2018*	Change in %
BA Equipment	79.8	97.9	–18.5	162.6	170.9	–4.9
as % of revenue	11.9	15.0	–	12.8	13.7	–
BA Solutions	32.6	44.4	–26.6	31.2	52.0	–40.0
as % of revenue	5.1	7.0	–	2.7	4.6	–
Consolidation/others	–1.1	–0.3	< -100	–7.9	–4.3	–82.8
GEA	**111.2**	**141.9**	**–21.6**	**185.9**	**218.6**	**–15.0**
as % of revenue	**8.9**	**11.6**	**–**	**8.1**	**9.6**	**–**

*) Pro-forma figures for 2018 incl. IFRS 16 effects from 2019.

In the second quarter, GEA's EBITDA before restructuring was EUR 30.7 million below the comparable prior-year figure (adjusted for effects from the initial application of IFRS 16 "Leases"). The corresponding margin of 8.9 percent was around 270 basis points below the value of the previous year. Positive non-recurring factors in the prior-year quarter and negative effects in the quarter under review hit GEA's earnings performance to the tune of EUR 30.0 million (see page 12).

In the quarter under review, earnings in the Business Area Equipment were impacted by risk provisioning amounting to EUR 15.5 million to cover legal disputes. Adjusted for these negative impacts, earnings in the Business Area would have been just below the level of the previous year.

Higher risk provisioning of EUR 12.8 million, especially in dairy processing projects, conspired with higher selling and R&D costs to hit earnings in the Business Area Solutions in the second quarter of the year.

In 2018, adjustments in the measurement of non-current liabilities in the areas of environmental protection and mining gave rise to a one-time contribution to earnings of EUR 8.8 million in "Other companies" that was absent from the current reporting period.

Special effects affecting EBITDA before restructuring measures (EUR million)	Q2 2019	Q2 2018	Change in %
EBITDA before restructuring measures*	**111.2**	**141.9**	**–21.6**
Legal disputes	–16.3	–	–
Projects BA Solutions	–12.8	–	–
Valuation of long-term liabilities	–	8.8	–
Other special effects	7.9	–	–
Special effects	**–21.2**	**8.8**	**–**
EBITDA before restructuring measures adjusted by special effects*	**132.4**	**133.1**	**–0.5**

*) Pro-forma figures for 2018 incl. IFRS 16 effects from 2019.

EBITDA before restructuring in the first six months of 2019 was EUR 32.8 million below the comparable figure of the previous year. The corresponding margin fell by around 160 basis points to 8.1 percent.

The following table shows the reconciliation of EBITDA before restructuring measures through EBITDA and EBIT to EBIT before restructuring measures:

Reconciliation of EBITDA before restructuring measures to EBIT before restructuring measures (EUR million)	Q2 2019	Q2 2018	Change in %	Q1-Q2 2019	Q1-Q2 2018	Change in %
EBITDA before restructuring measures*	**111.2**	**141.9**	**–21.6**	**185.9**	**218.6**	**–15.0**
Restructuring measures	–10.2	–3.4	–	–15.5	–7.0	–
IFRS 16 effect	–	–15.9	–	–	–31.8	–
EBITDA	**101.1**	**122.6**	**–17.6**	**170.3**	**179.9**	**–5.3**
Depreciation of impairment losses on property, plant, and equipment, and investment property, and amortization of and impairment losses on intangible assets and goodwill, as reported in the statement of changes in non-current assets	–62.8	–35.0	–	–110.4	–68.8	–
EBIT	**38.2**	**87.6**	**–56.3**	**59.9**	**111.1**	**–46.1**
Restructuring measures	19.2	3.4	–	24.6	7.0	–
IFRS 16 effect	–	0.4	–	–	1.4	–
EBIT before restructuring measures*	**57.5**	**91.4**	**–37.1**	**84.5**	**119.5**	**–29.3**

*) Pro-forma figures for 2018 incl. IFRS 16 effects from 2019.

The following table shows EBITDA and the EBITDA margin (before restructuring measures) for each business area:

EBIT before restructuring measures/EBIT margin before restructuring measures (EUR million)	Q2 2019	Q2 2018*	Change in %	Q1-Q2 2019	Q1-Q2 2018*	Change in %
BA Equipment	46.3	66.7	–30.5	101.3	109.1	–7.2
as % of revenue	6.9	10.2	–	8.0	8.8	–
BA Solutions	16.0	28.7	–44.4	–1.5	21.9	–
as % of revenue	2.5	4.5	–	–	1.9	–
Consolidation/others	–4.8	–4.0	–21.7	–15.2	–11.6	–31.5
GEA	**57.5**	**91.4**	**–37.1**	**84.5**	**119.5**	**–29.3**
as % of revenue	**4.6**	**7.4**	**–**	**3.7**	**5.3**	**–**

*) Pro-forma figures for 2018 incl. IFRS 16 effects from 2019.

The indicators relating to the earnings situation can be appreciated from the table below:

Key figures: Results of operations (EUR million)	Q2 2019	Q2 2018	Change in %	Q1-Q2 2019	Q1-Q2 2018	Change in %
Revenue	1,247.3	1,227.0	1.7	2,304.6	2,266.4	1.7
EBITDA before restructuring measures*	111.2	141.9	–21.6	185.9	218.6	–15.0
EBITDA	101.1	122.6	–17.6	170.3	179.9	–5.3
EBIT before restructuring measures*	57.5	91.4	–37.1	84.5	119.5	–29.3
EBIT	38.2	87.6	–56.3	59.9	111.1	–46.1
Interest result	–3.7	–5.5	33.0	0.3	–17.3	–
EBT	34.6	82.1	–57.9	60.2	93.8	–35.8
Income taxes	8.0	17.2	–53.9	13.9	19.7	–29.7
Profit after tax from continuing operations	26.6	64.9	–59.0	46.4	74.1	–37.4
Profit/loss after tax from discontinued operations	–1.2	0.3	–	9.2	–5.6	–
Profit for the period	25.4	65.1	–61.0	55.6	68.5	–18.9

*) Pro-forma figures for 2018 incl. IFRS 16 effects from 2019.

Net interest income increased by EUR 0.3 million in the first half of 2019 after falling by EUR 17.3 million in the comparable prior-year period. This improvement was mainly due to an adjustment to the method of calculating interest when measuring provisions for long-term liabilities in the areas of environmental protection and mining, which generated funds of EUR 11.5 million (see page 36).

An income tax rate of 23.0 percent is expected for fiscal year 2019 and this figure was also used as the basis for calculating the tax expenditure for the first six months of the year.

In the first half of 2019, earnings from discontinued operations were well into the black at EUR 9.2 million. EUR 21.2 million (before income taxes) of this total was attributable to the above-mentioned adjustment to the method of interest calculation (see page 36). In the previous year, discontinued operations generated a loss of EUR 5.6 million. This was primarily the result of interest rate changes in the measurement of non-current provisions established for the former mining activities of Metallgesellschaft AG.

Earnings per share in the first half of 2019 stood at EUR 0.31 (average of 180,492,172 dividend-earning shares in circulation), compared with EUR 0.38 in the previous year (average number of 180,565,353 shares).

Financial position

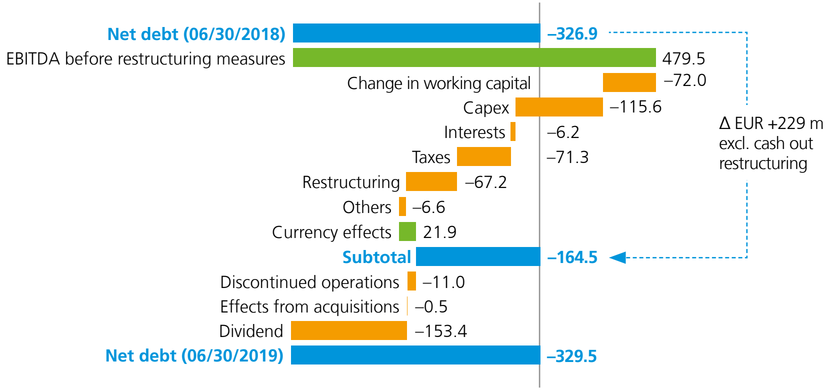
Net debt including discontinued operations increased slightly year-on-year from EUR 326.9 million to EUR 329.5 million.

Overview of net liquidity incl. discontinued operations (EUR million)	06/30/2019	12/31/2018	06/30/2018
Cash and cash equivalents	230.6	247.9	269.3
Liabilities to banks	560.2	320.1	596.2
Net liquidity (+)/Net debt (-)	**–329.5**	**–72.2**	**–326.9**

The chart below shows the key factors responsible for the change in the net financial position (including discontinued operations) over the last 12 months:

Change in net financial position

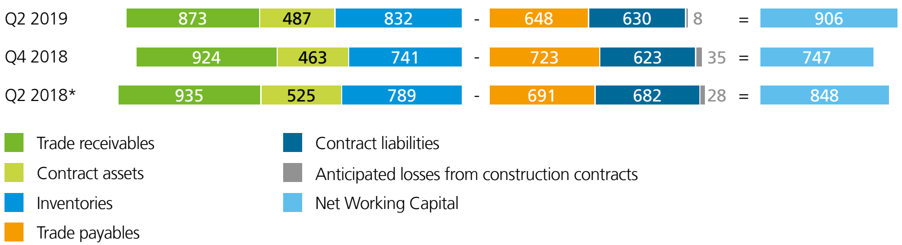
(EUR million)



The chart below shows the development of the Net Working Capital:

Change in Net Working Capital (continued operations)

(EUR million)



*) The purchase price allocation for the Pavan group acquired in 2017 was finalized in the fourth quarter of 2018 resulting in changes to the comparative figures as of June 30, 2018.

Guarantee lines – which are mainly for contract performance, advance payments, and warranties – of EUR 1,330.8 million (December 31, 2018: EUR 1,321.0 million) were available to GEA as of the reporting date, of which EUR 480.8 million (December 31, 2018: EUR 536.1 million) had been utilized.

The consolidated cash flow statement is as follows:

Overview of cash flow statement (EUR million)	Q1-Q2 2019	Q1-Q2 2018	Change absolute
Cash flow from operating activities	–7.2	–84.4	77.2
Cash flow from investing activities	–48.4	–57.1	8.7
Free cash flow	**–55.5**	**–141.5**	**86.0**
Cash flow from financing activities	45.1	168.4	–123.2
Net cash flow other discontinued operations	–10.0	–4.9	–5.1
Change in unrestricted cash and cash equivalents	–16.9	19.6	–36.5

Cash flow from operating activities attributable to continuing operations has fallen by EUR 7.2 million since the start of the year and was thus EUR 77.2 million above the previous year's level. The reasons for this development include an increase in provisions and a lower increase in net working capital. Due to the application of IFRS 16 "Leases", outflows for lease liabilities now have to be disclosed under cash flows from financing activities, and this served to increase the cash flow from operating activities by EUR 31.9 million.

Cash flow from investing activities was slightly above the level of the previous year, mainly as a result of the lack of outgoings for company acquisitions in this reporting period compared with last year.

In particular the increased utilization of credit lines (EUR 237.5 million), but also the dividend payout (EUR 153.4 million) and outflows for lease liabilities (EUR 30.6 million) were reflected in the cash flow from financing activities attributable to continuing operations. An identical dividend payout and the increased utilization of credit lines were included in this item in the previous year, too. In addition, new borrower's note loans amounting to EUR 250.0 million were taken out in the second quarter of 2018.

Net assets

Condensed balance sheet (EUR million)	06/30/2019	as % of total assets	12/31/2018	as % of total assets	Change in %
Assets					
Non-current assets	3,288.0	55.1	3,115.3	54.5	5.5
thereof goodwill	1,757.1	29.4	1,755.3	30.7	0.1
thereof deferred taxes	337.0	5.6	306.1	5.4	10.1
Current assets	2,679.4	44.9	2,603.8	45.5	2.9
thereof cash and cash equivalents	230.6	3.9	247.9	4.3	–7.0
thereof assets held for sale	0.9	0.0	3.7	0.1	–76.2
Total assets	**5,967.4**	**100.0**	**5,719.1**	**100.0**	**4.3**
Equity and liabilities					
Equity	2,317.9	38.8	2,449.4	42.8	–5.4
Non-current liabilities	1,521.6	25.5	1,380.9	24.1	10.2
thereof financial liabilities	416.1	7.0	305.2	5.3	36.3
thereof deferred taxes	101.7	1.7	103.0	1.8	–1.3
Current liabilities	2,127.9	35.7	1,888.8	33.0	12.7
thereof financial liabilities	324.1	5.4	28.5	0.5	> 100
Total equity and liabilities	**5,967.4**	**100.0**	**5,719.1**	**100.0**	**4.3**

The marked increase in total assets compared with December 31, 2018 was mainly due to a rise in inventories and fixed assets, the latter increasing in the wake of the initial application of IFRS 16 "Leases" (EUR 169.6 million).

Compared with December 31, 2018, equity fell by EUR 131,5 million to 2,317.9 million. Consolidated earnings of EUR 55.6 million together with currency translation effects (EUR 10.3 million) helped to augment equity, while the dividend payment (EUR 153,4 million) and adjustments to the actuarial measurement of pensions (EUR 46,5 million) served to reduce this key indicator. The equity ratio is now 38.8 percent.

The initial application of IFRS 16 meant that non-current and current lease liabilities grew by EUR 113.7 million and EUR 56.5 million respectively compared with December 31, 2018. Also, because GEA made greater use of its credit lines, current liabilities to banks rose by EUR 241.7 million compared with the position at the end of 2018.

ROCE (Return on Capital Employed)

Return on capital employed (ROCE) in %	06/30/2019	06/30/2018	06/30/2018[1]
EBIT before restructuring measures (last 4 quarters; EUR million)	273.2	368.5	369.9
Capital employed (average of the last 4 quarters; EUR million)[2]	2,590.9	2,307.6	2,393.7
Return on capital employed (ROCE; in %)	**10.5**	**16.0**	**15.5**

1) Pro-forma figures for 2018 incl. IFRS 16 effects from 2019.
2) Capital employed excluding goodwill from the acquisition of the former GEA AG by former Metallgesellschaft AG in 1999.

Employees

Employees* by region	06/30/2019		12/31/2018		06/30/2018	
DACH & Eastern Europe	6,889	36.5%	6,765	36.3%	6,603	36.1%
North and Central Europe	3,143	16.6%	3,056	16.4%	2,994	16.4%
Asia Pacific	3,075	16.3%	3,049	16.4%	2,949	16.1%
Western Europe, Middle East & Africa	3,456	18.3%	3,434	18.4%	3,444	18.8%
North America	1,813	9.6%	1,821	9.8%	1,809	9.9%
Latin America	516	2.7%	518	2.8%	488	2.7%
Total	**18,892**	**100.0%**	**18,642**	**100.0%**	**18,287**	**100.0%**

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

The workforce increased by 605 compared with June 30, 2018. Due to the sale of GEA Westfalia Separator Production France in Château-Thierry and to further changes to the basis of consolidation, the number of employees fell by 105. Adjusted for these effects, the workforce grew by 710 employees. The regional distribution of employees barely changed at all compared with December 31, 2018.

Over the last six months, the workforce increased by 250 employees. GEA's management agreed on various measures in the first half of the year aimed at scaling back the workforce again over the second half of 2019.

Research and development

Research and development (R&D) expenses* (EUR million)	Q2 2019	Q2 2018	Change in %	Q1-Q2 2019	Q1-Q2 2018	Change in %
R&D expenses	39.1	28.9	35.1	69.4	51.9	33.8
R&D ratio (as % of revenue)	3.1	2.4	–	3.0	2.3	–

*) Incl. refunded expenses (contract costs).

As a leading technology group, GEA's own culture of innovation is crucial to securing future commercial success and fostering further growth. In the first half of 2019, specific customer solutions boasting trailblazing product and process efficiency were at the forefront of GEA's research and development (R&D) activities. For example, at the leading international trade fair for the meat industry (IFFA) in Frankfurt in May, GEA presented FoodTray – a novel system solution for sustainable food packaging. The company also used the IFFA to introduce GEA Advance – a new, cloud-based initiative for customer-oriented digital service solutions. GEA is also intensifying its R&D activities in the area of alternative raw materials for the food industry.

The increase in R&D expenses includes write-downs on R&D projects, mainly in the Business Area Equipment. The increase caused by these write-downs amounted to EUR 6.0 million in the second quarter and EUR 7.3 million in the first six months of the year.

Report on Risks and Opportunities

Aside from the issues explained below, there was no significant change in the overall assessment of risks and opportunities in the reporting period compared with the position presented in the 2018 Annual Report.

The former Metallgesellschaft AG, the legal predecessor to GEA Group Aktiengesellschaft, held an interest in Schiess AG, which later became Dörries Scharmann AG. On the basis of that interest, since 1996 the insolvency administrator has asserted step-by-step various claims under company law, in particular for equity substitution, amounting to approximately EUR 18 million plus interest in the first instance. In the second instance, the Higher Regional Appeal Court of Düsseldorf in its final judicial ruling ordered GEA Group Aktiengesellschaft to pay EUR 3.4 million plus interest (EUR 4.6 million).

In June 2019, jurors at a civil court awarded damages against GEA Mechanical Equipment US, Inc. in the first instance. The plaintiff, a former service technician of a third-party company, alleged that he had been exposed to GEA products containing asbestos. GEA expects that the first instance decision will either be quashed, or the damages awarded will at least be substantially reduced.

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 identified risks in line with the relevant requirements.

Report on Expected Developments

GEA's Report on Expected Developments takes into account relevant facts and events that were known at the date of preparation of these condensed interim consolidated financial statements and that could influence the future development of its business.

Economic environment in 2019

In their most recent publications, the main economic research institutions, i.e. the International Monetary Fund (IMF), the World Bank Group, and the United Nations (UN) revised down all the forecasts for the development of the global economy presented at the start of the year. As such, they predict that global gross domestic product will rise by 3.2 percent (IMF, down from 3.3 percent previously), 2.6 percent (World Bank Group, down from 2.9 percent previously), and 2.7 percent (UN, up from 3.0 percent previously) in 2019. All three institutions refer to growing risks that could pose a threat to global growth; for example, the potential for escalating trade tensions, and increasing political uncertainty. The UN also believes that investment prospects are getting gloomier due to the slow-down in international trade. And the IMF's outlook is similar in tenor: particularly in the industrialized nations and the emerging markets, investments in and demand for consumer durables of the kind manufactured by the mechanical engineering sector would be more cautious as companies continue to put their long-term outgoings on hold. Global trade – for example in machinery – is also set to slow down. A significant slowdown in global economic growth cannot, as yet, be inferred from the modified forecasts provided by the economic research institutions.

Business outlook

The outlook for 2019 published in the 2018 Annual Report is confirmed. The forecast is based, among other things, on the assumption that there will be no significant slowdown in global economic growth. Potential acquisitions and divestments in 2019 have not been factored into the calculation.

With regard to the 2019 fiscal year, GEA is still expecting

- revenue moderately below the previous year's level (EUR 4,828 million),
- EBITDA before restructuring of between EUR 450 and 490 million (previous year: pro-forma figure incl. IFRS -16 effects from 2019: approx. EUR 535 million), and
- a ROCE of between 8.5 and 10.5 percent (previous year: pro-forma figure incl. IFRS 16 effects from 2019: approx. EUR 11.5 percent).

Düsseldorf, July 30, 2019

The Executive Board

Stefan Klebert   Steffen Bersch   Marcus A. Ketter   Martine Snels

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Balance Sheet

as of June 30, 2019

Assets (EUR thousand)	06/30/2019	12/31/2018	Change in %
Property, plant and equipment	682,437	518,706	31.6
Investment property	2,415	2,354	2.6
Goodwill	1,757,085	1,755,290	0.1
Other intangible assets	454,724	482,672	–5.8
Equity-accounted investments	5,935	11,883	–50.1
Other non-current financial assets	48,410	38,283	26.5
Deferred taxes	336,960	306,082	10.1
Non-current assets	**3,287,966**	**3,115,270**	**5.5**
Inventories	832,224	741,344	12.3
Contract assets	486,994	462,787	5.2
Trade receivables	872,998	923,884	–5.5
Income tax receivables	33,541	40,214	–16.6
Other current financial assets	222,165	183,968	20.8
Cash and cash equivalents	230,647	247,900	–7.0
Assets held for sale	880	3,700	–76.2
Current assets	**2,679,449**	**2,603,797**	**2.9**
Total assets	**5,967,415**	**5,719,067**	**4.3**

Equity and liabilities (EUR thousand)	12/31/2019	12/31/2018	Change in %
Subscribed capital	520,376	520,376	–
Capital reserve	1,217,861	1,217,861	–
Retained earnings	506,132	647,950	–21.9
Accumulated other comprehensive income	72,966	62,681	16.4
Equity attributable to shareholders of GEA Group AG	**2,317,335**	**2,448,868**	**–5.4**
Non-controlling interests	571	568	0.5
Equity	**2,317,906**	**2,449,436**	**–5.4**
Non-current provisions	122,519	157,235	–22.1
Non-current employee benefit obligations	857,097	791,262	8.3
Non-current financial liabilities	416,085	305,246	36.3
Non-current contract liabilities	282	364	–22.5
Other non-current liabilities	23,944	23,744	0.8
Deferred taxes	101,688	103,008	–1.3
Non-current liabilities	**1,521,615**	**1,380,859**	**10.2**
Current provisions	160,253	160,770	–0.3
Current employee benefit obligations	153,981	164,245	–6.2
Current financial liabilities	324,140	28,472	> 100
Trade payables	648,227	723,334	–10.4
Current contract liabilities	630,175	622,948	1.2
Income tax liabilities	23,518	31,152	–24.5
Other current liabilities	187,600	157,851	18.8
Current liabilities	**2,127,894**	**1,888,772**	**12.7**
Total equity and liabilities	**5,967,415**	**5,719,067**	**4.3**

Consolidated Income Statement

for the period April 1 – June 30, 2019

(EUR thousand)	Q2 2019	Q2 2018	Change in %
Revenue	1,247,291	1,227,034	1.7
Cost of sales	894,403	862,966	3.6
Gross margin	352,888	364,068	–3.1
Selling expenses	157,044	143,664	9.3
Research and development expenses	26,074	21,009	24.1
General and administrative expenses	110,721	116,415	–4.9
Other income	55,873	112,743	–50.4
Other expenses	70,626	106,622	–33.8
Net result from impairment and reversal of impairment on trade receivables and contract assets	–5,892	–1,829	< -100
Share of profit or loss of equity-accounted investments	250	–144	–
Other financial income	–142	451	–
Other financial expenses	279	–	–
Earnings before interest and tax (EBIT)	**38,233**	**87,579**	**–56.3**
Interest income	2,725	1,258	> 100
Interest expense	6,385	6,718	–5.0
Profit before tax from continuing operations	**34,573**	**82,119**	**–57.9**
Income taxes	7,952	17,245	–53.9
Profit after tax from continuing operations	**26,621**	**64,874**	**–59.0**
Profit or loss after tax from discontinued operations	**–1,220**	**274**	**–**
Profit for the period	**25,401**	**65,148**	**–61.0**
of which attributable to shareholders of GEA Group AG	25,398	65,205	–61.0
of which attributable to non-controlling interests	3	–57	–

(EUR)	Q2 2019	Q2 2018	Change in %
Basic and diluted earnings per share from continuing operations	0.15	0.36	–59.0
Basic and diluted earnings per share from discontinued operations	–0.01	0.00	–
Basic and diluted earnings per share	**0.14**	**0.36**	**–61.0**
Weighted average number of ordinary shares used to calculate basic and diluted earnings per share (million)	**180.5**	**180.5**	**–**

Consolidated Statement of Comprehensive Income

for the period April 1 – June 30, 2019

(EUR thousand)	Q2 2019	Q2 2018	Change in %
Profit for the period	**25,401**	**65,148**	**–61.0**
Items, that will not be reclassified to profit or loss in the future:			
Actuarial gains/losses on pension and other post-employment benefit obligations	–24,292	8	–
Items, that will be reclassified subsequently to profit or loss when specific conditions are met:			
Exchange differences on translating foreign operations	–18,547	38,808	–
Other comprehensive income	**–42,839**	**38,816**	**–**
Total comprehensive income	**–17,438**	**103,964**	**–**
of which attributable to GEA Group AG shareholders	–17,441	104,021	–
of which attributable to non-controlling interests	3	–57	–

Consolidated Income Statement

for the period January 1 – June 30, 2019

(EUR thousand)	Q1-Q2 2019	Q1-Q2 2018	Change in %
Revenue	2,304,604	2,266,397	1.7
Cost of sales	1,653,490	1,616,162	2.3
Gross margin	651,114	650,235	0.1
Selling expenses	300,458	269,305	11.6
Research and development expenses	47,893	37,268	28.5
General and administrative expenses	226,323	242,171	–6.5
Other income	136,222	246,993	–44.8
Other expenses	145,486	236,118	–38.4
Net result from impairment and reversal of impairment on financial assets and contract assets	–7,691	–2,349	< -100
Share of profit or loss of equity-accounted investments	637	367	73.6
Other financial income	94	726	–87.1
Other financial expenses	279	–	–
Earnings before interest and tax (EBIT)	**59,937**	**111,110**	**–46.1**
Interest income	13,435	2,291	> 100
Interest expense	13,148	19,576	–32.8
Profit before tax from continuing operations	**60,224**	**93,825**	**–35.8**
Income taxes	13,852	19,703	–29.7
Profit after tax from continuing operations	**46,372**	**74,122**	**–37.4**
Profit or loss after tax from discontinued operations	**9,213**	**–5,600**	**–**
Profit for the period	**55,585**	**68,522**	**–18.9**
thereof attributable to shareholders of GEA Group AG	55,586	68,519	–18.9
thereof attributable to non-controlling interests	–1	3	–

(EUR)	Q1-Q2 2019	Q1-Q2 2018	Change in %
Basic and diluted earnings per share from continuing operations	0.26	0.41	–37.4
Basic and diluted earnings per share from discontinued operations	0.05	–0.03	–
Basic and diluted earnings per share	**0.31**	**0.38**	**–18.8**
Weighted average number of ordinary shares used to calculate basic and diluted earnings per share (million)	**180.5**	**180.6**	**–0.0**

Consolidated Statement of Comprehensive Income

for the period January 1 – June 30, 2019

(EUR thousand)	Q1-Q2 2019	Q1-Q2 2018	Change in %
Profit for the period	**55,585**	**68,522**	**–18.9**
Items, that will not be reclassified to profit or loss in the future:			
Actuarial gains/losses on pension and other post-employment benefit obligations	–46,526	3,786	–
Items, that will be reclassified subsequently to profit or loss when specific conditions are met:			
Exchange differences on translating foreign operations	10,285	13,953	–26.3
Other comprehensive income	**–36,241**	**17,739**	**–**
Total comprehensive income	**19,344**	**86,261**	**–77.6**
thereof attributable to GEA Group AG shareholders	19,345	86,258	–77.6
thereof attributable to non-controlling interests	–1	3	–

Consolidated Cash Flow Statement

for the period April 1 – June 30, 2019

(EUR thousand)	Q2 2019	Q2 2018
Profit for the period	25,401	65,148
plus income taxes	7,952	17,245
minus profit or loss after tax from discontinued operations	1,220	–274
Profit before tax from continuing operations	34,573	82,119
Net interest income	3,660	5,460
Earnings before interest and tax (EBIT)	**38,233**	**87,579**
Depreciation, amortization, impairment losses, and reversal of impairment losses on non-current assets	62,847	34,995
Other non-cash income and expenses	8,193	4,289
Employee benefit obligations from defined benefit pension plans	–10,502	–10,293
Change in provisions and other employee benefit obligations	15,059	–8,977
Losses and disposal of non-current assets	272	–105
Change in inventories including unbilled construction contracts*	–83,143	–47,587
Change in trade receivables	–6,972	–90,732
Change in trade payables	10,138	54,592
Change in other operating assets and liabilities	6,291	3,112
Tax payments	–8,595	–9,500
Cash flow from operating activities of continued operations	**31,821**	**17,373**
Cash flow from operating activities of discontinued operations	–962	–3,371
Cash flow from operating activities	**30,859**	**14,002**
Proceeds from disposal of non-current assets	38	546
Payments to acquire property, plant and equipment, and intangible assets	–23,434	–24,558
Payments from non-current financial assets	6	–263
Interest income	115	584
Dividend income	68	1,561
Payments to acquire subsidiaries and other businesses	–	6,530
Cash flow from investing activities of continued operations	**–23,207**	**–15,600**

(EUR thousand)	Q2 2019	Q2 2018
Cash flow from investing activities of discontinued operations	–7,933	–244
Cash flow from investing activities	**–31,140**	**–15,844**
Dividend payments	–153,418	–153,418
Payments for acquisition of treasury shares	–	–3,069
Payments from lease liabilities (Prior year: Payments from finance leases)	–13,914	–989
Proceeds from finance loans	177,434	206,967
Repayments of finance loans	–1,100	–
Interest payments	–3,505	–812
Cash flow from financing activities of continued operations	**5,497**	**48,679**
Cash flow from financing activities of discontinued operations	–	–14
Cash flow from financing activities	**5,497**	**48,665**
Effect of exchange rate changes on cash and cash equivalents	–1,490	–1,202
Change in unrestricted cash and cash equivalents	**3,726**	**45,621**
Free cash and cash equivalents at the beginning of the quarter	226,858	223,491
Unrestricted cash and cash equivalents at end of period	**230,584**	**269,112**
Restricted cash and cash equivalents	63	158
Cash and cash equivalents total	**230,647**	**269,270**
less cash and cash equivalents classified as held for sale	–	–6
Cash and cash equivalents reported in the balance sheet	**230,647**	**269,264**

*) Including advanced payments received.

Consolidated Cash Flow Statement

for the period January 1 – June 30, 2019

(EUR thousand)	Q1-Q2 2019	Q1-Q2 2018
Profit for the period	55,585	68,522
plus income taxes	13,852	19,703
minus profit or loss after tax from discontinued operations	–9,213	5,600
Profit before tax from continuing operations	60,224	93,825
Net interest income	–287	17,285
Earnings before interest and tax (EBIT)	**59,937**	**111,110**
Depreciation, amortization, impairment losses, and reversal of impairment losses on non-current assets	110,409	68,789
Other non-cash income and expenses	10,923	5,843
Employee benefit obligations from defined benefit pension plans	–21,005	–20,586
Change in provisions and other employee benefit obligations	17,959	–15,933
Losses and disposal of non-current assets	–220	–366
Change in inventories including unbilled construction contracts*	–138,252	–138,152
Change in trade receivables	59,470	–10,140
Change in trade payables	–84,020	–31,049
Change in other operating assets and liabilities	4,426	–26,737
Tax payments	–26,780	–27,166
Cash flow from operating activities of continued operations	**–7,153**	**–84,387**
Cash flow from operating activities of discontinued operations	–1,790	–4,532
Cash flow from operating activities	**–8,943**	**–88,919**
Proceeds from disposal of non-current assets	979	773
Payments to acquire property, plant and equipment, and intangible assets	–45,995	–43,601
Payments from non-current financial assets	–4,245	–263
Interest income	679	1,263
Dividend income	199	1,622
Payments to acquire subsidiaries and other businesses	–	–16,904
Cash flow from investing activities of continued operations	**–48,383**	**–57,110**

(EUR thousand)	Q1-Q2 2019	Q1-Q2 2018
Cash flow from investing activities of discontinued operations	–8,163	–299
Cash flow from investing activities	**–56,546**	**–57,409**
Dividend payments	–153,418	–153,418
Payments for acquisition of treasury shares	–	–24,022
Payments from lease liabilities (Prior year: Payments from finance leases)	–30,658	–1,992
Proceeds from finance loans	237,509	206,967
Proceeds from bond issue	–	249,500
Repayments of finance loans	–1,100	–107,015
Interest payments	–7,196	–1,541
Cash flow from financing activities of continued operations	**45,137**	**168,479**
Cash flow from financing activities of discontinued operations	–6	–68
Cash flow from financing activities	**45,131**	**168,411**
Effect of exchange rate changes on cash and cash equivalents	3,467	–2,464
Change in unrestricted cash and cash equivalents	**–16,891**	**19,619**
Unrestricted cash and cash equivalents at beginning of period	247,475	249,493
Unrestricted cash and cash equivalents at end of period	**230,584**	**269,112**
Restricted cash and cash equivalents	63	158
Cash and cash equivalents total	**230,647**	**269,270**
less cash and cash equivalents classified as held for sale	–	–6
Cash and cash equivalents reported in the balance sheet	**230,647**	**269,264**

*) Including advanced payments received.

Consolidated Statement of Changes in Equity

as of June 30, 2019

				Accumulated other comprehensive income					
(EUR thousand)	Subscribed capital[1]	Capital reserves	Retained earnings[2]	Translation of foreign operations	Result from fair value measurement of financial instruments	Result of cash flow hedges	**Equity attributable to shareholders of GEA Group AG**	Non-controlling interests	**Total**
Balance at Jan. 1, 2018 (181,026,744 shares)	**489,372**	**1,217,861**	**756,412**	**38,749**	**–502**	**–**	**2,501,892**	**1,191**	**2,503,083**
Adjustments IFRS 9	–	–	–1,032	–	502	–	**–530**	–	**–530**
Adjustments IFRS 15[3]	–	–	–2,842	–	–	–	**–2,842**	–	**–2,842**
Adjusted balance at Jan. 1, 2018[3]	**489,372**	**1,217,861**	**752,538**	**38,749**	**–**	**–**	**2,498,520**	**1,191**	**2,499,711**
Profit for the period	–	–	68,519	–	–	–	**68,519**	3	**68,522**
Other comprehensive income	–	–	3,786	13,953	–	–	**17,739**	–	**17,739**
Total comprehensive income	–	–	72,305	13,953	–	–	**86,258**	3	**86,261**
Purchase of treasury shares	–1,445	–	–19,508	–	–	–	**–20,953**	–	**–20,953**
Redemption of shares	32,449	–	–32,449	–	–	–	**–**	–	**–**
Dividend payment by GEA Group AG	–	–	–153,418	–	–	–	**–153,418**	–	**–153,418**
Adjustment Hyperinflation	–	–	–	–	–	–	**–**	–	**–**
Changes in combined Group	–	–	–	–	–	–	**–**	–	**–**
Change in other non-controlling interests	–	–	–	–	–	–	**–**	–633	**–633**
Balance at June 30, 2018 (180,492,172 shares)[3]	**520,376**	**1,217,861**	**619,468**	**52,702**	**–**	**–**	**2,410,407**	**561**	**2,410,968**
Balance at Jan. 1, 2019 (180,492,172 shares)	**520,376**	**1,217,861**	**647,950**	**62,681**	**–**	**–**	**2,448,868**	**568**	**2,449,436**
Profit for the period	–	–	55,586	–	–	–	**55,586**	–1	**55,585**
Other comprehensive income	–	–	–46,526	10,285	–	–	**–36,241**	–	**–36,241**
Total comprehensive income	–	–	9,060	10,285	–	–	**19,345**	–1	**19,344**
Purchase of treasury shares	–	–	–	–	–	–	**–**	–	**–**
Redemption of shares	–	–	–	–	–	–	**–**	–	**–**
Dividend payment by GEA Group AG	–	–	–153,418	–	–	–	**–153,418**	–	**–153,418**
Adjustment Hyperinflation[4]	–	–	594	–	–	–	**594**	–	**594**
Changes in combined Group	–	–	1,946	–	–	–	**1,946**	–	**1,946**
Change in other non-controlling interests	–	–	–	–	–	–	**–**	4	**4**
Balance at June 30, 2019 (180,492,172 shares)	**520,376**	**1,217,861**	**506,132**	**72,966**	**–**	**–**	**2,317,335**	**571**	**2,317,906**

1) As of 01/01/2018 issued capital.
2) The purchase price allocation for the Pavan group acquired in the previous year was finalized in the fourth quarter of 2018 resulting in changes to the comparative figures as of December 31, 2017.
3) The first time adoption effect according to IFRS 15 has been adjusted in the fourth quarter of 2018 due to new insights resulting in changes to the comparative figures as of March 31, 2018.
4) Effect of accounting for Hyperinflation in Argentina according to IAS 29.

Notes to the condensed interim consolidated financial statements

1. Reporting Principles

1.1 Basis of presentation

The condensed interim consolidated financial statements of GEA Group Aktiengesellschaft, Düsseldorf/Germany (entry HRB 65691 in the commercial register of the Local Court of Düsseldorf) and the interim financial statements of the subsidiaries included in the condensed interim 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 condensed interim consolidated financial statements do not contain all the information and disclosures required by IFRSs for full-year consolidated financial statements.

The condensed interim consolidated financial statements and Group management report on the second quarter have been reviewed by an auditor. The Executive Board released them for publication on July 30, 2019.

The condensed interim consolidated financial statements were 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 applicable for the first time as of January 1, 2019, the accounting policies applied to these condensed interim consolidated financial statements are the same as those applied as of December 31, 2018, and are described in detail on pages 135 to 163 of the Annual Report containing GEA's IFRS consolidated financial statements.

1.2 Accounting pronouncements applied for the first time

The initial application of the new accounting standard IFRS 16 "Leases" has given rise to changes in accounting methods, and these are described in the following. The initial application of other accounting standards and interpretations had no material effect on the condensed interim consolidated financial statements.

IFRS 16 "Leases" – issued by the IASB in January 2016

On January 1, 2019, GEA applied the new IFRS 16 standard on lease accounting for the first time. The comparative figures for the previous year are presented in accordance with IAS 17. The new standard introduced a single lessee accounting model in which all leases and the associated contractual rights and obligations are recorded on the balance sheet. This has eliminated the classification of leases as either operating leases or finance leases for a lessee, as so far required under IAS 17. Under the new IFRS 16, a contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. GEA has decided against voluntarily applying IFRS 16 to selected intangible assets.

For lessors, on the other hand, the regulations of the new standard resemble those of the previous standard IAS 17. Leases continue to be classified either as finance or operating leases. Leases which essentially transfer all risks and rewards associated with ownership of the asset are classified as finance leases, while all other leases are classified as operating leases. The IAS 17 criteria have been adopted by IFRS 16 for classification purposes.

In addition, IFRS 16 contains a series of additional regulations regarding reporting and disclosures in the notes, as well as sale and leaseback transactions.

IFRS 16 replaces the current rules of IAS 17 “Leases” and the associated interpretations in IFRIC 4 “Determining whether an Arrangement contains a Lease”, SIC 15 “Operating Leases – Incentives”, and SIC 27 “Evaluating the Substance of Transactions Involving the Legal Form of a Lease”.

Transition method, practical expedients, and exercising of options

As GEA is applying IFRS 16 under the “modified retrospective” method, GEA has elected not to restate its prior-period figures. Rather than remeasuring current leases, GEA is applying IFRS 16 as of the transition date only to contracts previously identified as leases under IAS 17 or IFRIC 4. For leases previously classified as operating leases GEA as a lessee has measured the corresponding right-of-use assets at the time of initial application as being equal to the amount of the lease liabilities, with no effect on equity. Material leasing agreements exist primarily in the areas of real estate and vehicles. The exemption which allows for leasing agreements with a residual term of under 12 months to be classified as short-term leases as of the time of initial application will not be used. With regard to leasing arrangements previously treated as finance leases, GEA, as the lessee, has rolled over the carrying amounts as of the transition date. GEA is disclosing right-of-use assets to property, plant, and equipment in the same balance sheet item as the underlying assets, as if they were own property. Right-of-use assets defined as investment property are recognized under that item. GEA is disclosing lease liabilities as part of its financial liabilities.

For every lease agreement, GEA, as the lessee, must recognize a liability equal to the present value of the future lease payments, as well as a right-of-use asset capitalized at the present value of future lease payments, plus directly attributable costs. The lease payments include fixed payments, variable payments that depend on an index or rate, expected payments based on residual value guarantees, and, where applicable, the exercise price of purchase options and penalties for the premature termination of leasing agreements. Essentially, GEA as a lessee is using the incremental borrowing rate for discounting future lease payments. The weighted average interest rate being used as of January 1, 2019 was 2.8 percent. However, the right-of-use asset is depreciated over the term of the leasing agreement (scheduled depreciation). GEA intends to apply the relevant recognition exemption for leased assets of low value and to short-term leases (agreements of 12 months and less), which means that lease expenses will continue to be recognized for such arrangements. Rather than separating leasing from non-leasing components, GEA is accounting for each leasing component and all its associated non-leasing components as a single leasing component.

Effect of initial application on the condensed interim consolidated financial statements

Due to the initial application of IFRS 16, GEA recognized right-of-use assets arising from leases of EUR 177 million (plus an equal volume of lease liabilities) as of January 1, 2019. In the following, the operating rental and lease obligations as of December 31, 2018 are reconciled with the lease liabilities recognized for the first time on January 1, 2019.

(EUR thousand)	01/01/2019
Rental and lease obligations as of 12/31/2018	188,251
Liabilities from finance leases as of 12/31/2018	6,934
Renewal options reasonably certain to be exercised	14,090
Recognition exemption for short term leases	–3,953
Recognition exemption for leases of low value assets	–1,464
Lease obligation for assets not yet available for use as of 01/01/2019	–8,044
Other	460
Gross lease liabilities as of 01/01/2019	**196,274**
Discounting	–12,664
Total lease liabilities as of 01/01/2019	**183,610**
Present value of finance lease liabilities as of 12/31/2018	–6,395
Additional lease liability from initial application of IFRS 16 as of 01/01/2019	**177,215**

As of June 30, 2019, the initial application of IFRS 16 had affected the balance sheet as follows:

(EUR thousand)	06/30/2019
Assets	
Land and buildings	125,528
Technical equipment and machinery	845
Other equipment, operating and office equipment	2,483
Vehicles	35,468
Computer hardware	66
Other IT equipment	5,172
Right-of-use-assets in property, plant and equipment	**169,562**
Right-of-use-assets in investment property	**81**
Total assets	**169,643**
Liabilities	
Non-current lease liabilities	113,672
Current lease liabilities	56,497
Total liabilities	**170,169**

In the first half of 2019, the initial application of IFRS 16 lead to an increase in depreciation expenses of EUR 30,485 thousand and interest expenses of EUR 2,360 thousand on the relevant lease agreements instead of rental and leasing expenses. As a result, EBITDA increased by a total of EUR 31,882 thousand.

IFRIC 23 "Uncertainty over Income Tax Treatments" – issued by the IASB in June 2017

How certain circumstances and transactions are ultimately treated for tax can depend on whether the relevant financial authority accepts the treatments an entity has used or plans to use in its income tax filing. IFRIC 23 supplements the provisions set out in IAS 12 "Income Taxes" by clarifying the accounting for uncertainties in income taxes with regard to certain circumstances and transactions.

Amendments to IFRS 9 "Financial Instruments: Prepayment Features with Negative Compensation" – issued by the IASB in October 2017

The IASB has published amendments to IFRS 9 in order to address concerns about how IFRS 9 classifies particular prepayable financial assets.

The existing IFRS 9 provisions on termination rights will be modified to allow such financial assets to be measured at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation.

The amendment also serves to clarify an aspect of accounting for financial liabilities: in cases where a financial liability is restructured but not derecognized, its carrying amount must be adjusted immediately through profit and loss. Therefore, accounts may need to be amended retroactively if, in the past, the effective interest rate – rather than the amortized costs – was adjusted subsequent to a modification.

Amendments to IAS 28 "Investments in Associates and Joint Ventures"– Long-term Interests in Associates and Joint Ventures – issued by the IASB in October 2017

The amendment to IAS 28 clarifies an issue whereby IFRS 9 is applied to long-term interests in associates and joint ventures that form part of the net investment in that associate or joint venture, but are not equity-accounted.

Improvements to IFRSs 2015-2017 Cycle – amendments under the IASB's annual improvements project – issued by the IASB in December 2017

The improvements result from the IASB's annual improvements process, which is designed to make minor amendments to standards and interpretations. They comprise minor amendments to four standards in all (IFRS 3, IFRS 11, IAS 12 and IAS 23).

Amendments to IAS 19 "Employee Benefits" – Plan Amendment, Curtailment or Settlement – issued by the IASB in February 2018

The amendments concern the regulations governing amendments, curtailments and settlements of plans. According to IAS 19, if a plan amendment, curtailment or settlement occurs, it is now mandatory that the net liability arising from defined benefit pension plans be remeasured using the latest actuarial assumptions. The amendments further clarify that in such an event, it is mandatory that the current service cost and the net interest for the period after remeasurement are also determined using the latest assumptions used for the remeasurement.

1.3 Accounting pronouncements not yet applied

The following accounting pronouncements had been published by June 30, 2019 but were not yet subject to mandatory application:

- Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – issued by the IASB in September 2014
- Amendments to references to the conceptual framework in IFRS standards – issued by the IASB in March 2018
- Amendments to IFRS 3 "Business Combinations" – issued by the IASB in October 2018
- Amendments to IAS 1 "Presentation of Financial Statements" and to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" concerning the definition of materiality – issued by the IASB in October 2018

The contents of the aforementioned accounting pronouncements are described in the 2018 Annual Report (page 142 ff.).

GEA does not expect the application of these revised accounting pronouncements to materially affect its financial reporting.

1.4 Interim financial reporting principles

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

The preparation of the condensed interim consolidated 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 condensed interim consolidated 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 first half of 2019:

	Number of companies
Consolidated Group as of December 31, 2018	**206**
German companies (including GEA Group AG)	29
Foreign companies	177
Merger	–2
Liquidation	–3
Consolidated Group as of June 30, 2019	**201**
German companies (including GEA Group AG)	29
Foreign companies	172

A total of 53 subsidiaries (December 31, 2018: 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. Balance sheet disclosures

Cash credit lines

The cash credit lines were composed of the following items as of June 30, 2019:

(EUR thousand)	Maturity	06/30/2019 approved	06/30/2019 utilized	12/31/2018 approved	12/31/2018 utilized
Bilateral credit lines	until further notice	312,929	259,536	73,694	18,207
Borrower's note loan (2023)	February 2023	128,000	128,000	128,000	128,000
Borrower's note loan (2025)	February 2025	122,000	122,000	122,000	122,000
European Investment Bank	December 2025	150,000	50,000	150,000	50,000
Syndicated credit line („club deal")	August 2022	650,000	–	650,000	–
Total		**1,362,929**	**559,536**	**1,123,694**	**318,207**

Financial instruments

The following tables provide an overview of the composition of financial instruments as of June 30, 2019, by class within the meaning of IFRS 7 as well as by measurement category:

(EUR thousand)	Carrying amount 06/30/2019	Measurement in accordance with IFRS 9: Amortized cost	Fair value through profit or loss	Fair value recognized in other comprehensive income	Measurement in accordance with other IFRSs	Fair value 06/30/2019
Assets						
Trade receivables	872,998	759,461	–	113,537	–	872,998
Cash and cash equivalents	230,647	230,647	–	–	–	230,647
Other financial assets	270,575	97,504	14,669	245	158,157	270,575
By IFRS 9 measurement category						
Financial assets measured at amortized cost	1,087,612	1,087,612	–	–	–	1,087,612
of which trade receivables	759,461	759,461	–	–	–	759,461
of which cash and cash equivalents	230,647	230,647	–	–	–	230,647
of which other financial assets	97,504	97,504	–	–	–	97,504
Financial assets measured at fair value recognized in other comprehensive income	113,782	–	–	113,782	–	113,782
of which trade receivables	113,537	–	–	113,537	–	113,537
of which other financial assets	245	–	–	245	–	245
Financial assets measured at fair value through profit or loss	14,669	–	14,669	–	–	14,669
of which other financial assets	9,258	–	9,258	–	–	9,258
of which derivatives not included in hedging relationships	5,411	–	5,411	–	–	5,411
Liabilities						
Trade payables	648,227	648,227	–	–	–	648,227
Financial liabilities	740,225	560,608	7,366	–	172,251	747,851
of which lease liabilities	172,251	–	–	–	172,251	172,251
Other liabilities	211,544	107,659	594	–	103,291	219,186
By IFRS 9 measurement category						
Financial liabilities measured at amortized cost	1,316,494	1,316,494	–	–	–	1,331,762
of which trade payables	648,227	648,227	–	–	–	648,227
of which bonds and other securitized liabilities	250,534	250,534	–	–	–	257,399
of which liabilities to banks	309,616	309,616	–	–	–	310,377
of which loan liabilities to unconsolidated subsidiaries	458	458	–	–	–	458
of which other liabilities to affiliated companies	24,834	24,834	–	–	–	24,834
of which other liabilities	82,825	82,825	–	–	–	90,467
Financial liabilities at fair value through profit or loss (derivatives not included in a hedging relationship and contingent consideration)	7,960	–	7,960	–	–	7,960

(EUR thousand)	Carrying amount 12/31/2018	Measurement in accordance with IFRS 9			Measurement in accordance with other IFRSs	Fair value 12/31/2018
		Amortized cost	Fair value through profit or loss	Fair value recognized in other comprehensive income		
Assets						
Trade receivables	923,884	827,050	–	96,834	–	923,884
Cash and cash equivalents	247,900	247,900	–	–	–	247,900
Other financial assets	222,251	95,000	13,115	245	113,891	222,251
By IFRS 9 measurement category						
Financial assets measured at amortized cost	1,169,950	1,169,950	–	–	–	1,169,950
of which trade receivables	827,050	827,050	–	–	–	827,050
of which cash and cash equivalents	247,900	247,900	–	–	–	247,900
of which other financial assets	95,000	95,000	–	–	–	95,000
Financial assets measured at fair value recognized in other comprehensive income	97,079	–	–	97,079	–	97,079
of which trade receivables	96,834	–	–	96,834	–	96,834
of which other financial assets	245	–	–	245	–	245
Financial assets measured at fair value through profit or loss	13,115	–	13,115	–	–	13,115
of which other financial assets	8,613	–	8,613	–	–	8,613
of which derivatives not included in hedging relationships	4,502	–	4,502	–	–	4,502
Liabilities						
Trade payables	723,334	723,334	–	–	–	723,334
Financial liabilities	333,718	320,529	6,794	–	6,395	330,292
of which lease liabilities	6,395	–	–	–	6,395	6,395
Other liabilities	181,595	96,545	594	–	84,456	187,108
By IFRS 9 measurement category						
Financial liabilities measured at amortized cost	1,140,408	1,140,408	–	–	–	1,142,495
of which trade payables	723,334	723,334	–	–	–	723,334
of which bonds and other securitized liabilities	251,712	251,712	–	–	–	247,595
of which liabilities to banks	68,391	68,391	–	–	–	69,082
of which loan liabilities to unconsolidated subsidiaries	426	426	–	–	–	426
of which other liabilities to affiliated companies	29,218	29,218	–	–	–	29,218
of which other liabilities	67,327	67,327	–	–	–	72,840
Financial liabilities at fair value through profit or loss (derivatives not included in a hedging relationship and contingent consideration)	7,388	–	7,388	–	–	7,388

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	06/30/2019			
		Fair value		
(EUR thousand)	Carrying amount	Level 1	Level 2	Level 3
Financial assets measured at fair value				
Trade receivables	113,537	–	113,537	–
Derivatives not included in hedging relationships	5,411	–	5,411	
Other securities	8,791	–	–	8,791
Other financial assets	712	–	–	712
Financial liabilities measured at fair value				
Derivatives not included in hedging relationships	7,366	–	7,366	–
Contingent consideration	594	–	–	594
Financial liabilities not measured at fair value				
Liabilities to banks	309,616	–	310,377	–
Borrower's note loans	250,534	–	257,399	–
Other financial liabilities	29,637	–	13,483	23,796

Recurring fair value measurements	12/31/2018			
		Fair value		
(EUR thousand)	Carrying amount	Level 1	Level 2	Level 3
Financial assets measured at fair value				
Trade receivables	96,834	–	96,834	–
Derivatives not included in hedging relationships	4,502	–	4,502	–
Other securities	8,146	–	–	8,146
Other financial assets	712	–	–	712
Financial liabilities measured at fair value				
Derivatives not included in hedging relationships	6,794	–	6,794	–
Contingent consideration	594	–	–	594
Financial liabilities not measured at fair value				
Liabilities to banks	68,391	–	69,082	–
Borrower's note loans	251,712	–	247,595	–
Other financial liabilities	28,685	–	11,331	22,867

No transfers occurred between the levels of the fair value hierarchy in the first six months of fiscal year 2019.

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

In the case of certain trade receivables measured at fair value due to existing factoring arrangements, that fair value is calculated on the basis of yield curves observable in the market. These are categorized within Level 2 of the fair value hierarchy.

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

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. As the debtor operates a copper mine, its payment plan is influenced by the price of copper. Gains and losses from the subsequent measurement of the receivable are carried in profit or loss from discontinued operations. The following table shows the changes in fair value over the first six months of 2019:

(EUR thousand)	
Fair value 12/31/2018	**8,146**
Interest income	253
Currency translation	392
Fair value 06/30/2019	**8,791**

As of June 30, 2019, the key, non-observable input factors of the above-mentioned receivable consisted of expected annual cash inflows of between EUR 643 thousand and EUR 2,330 thousand and an average, risk adjusted discount rate of 4.5 percent.

For the fair value of the receivable, reasonably possible changes at June 30, 2019 to one of the significant unobservable inputs, holding other inputs consistent, would have the following effects:

	06/30/2019	
	Profit or loss	
(EUR thousand)	Increase	Decrease
Expacted cash flows (10% movement)	879	–879
Risk-adjusted discount rate (movement 100 basis points)	–254	266

Other equity investments, along with certain other financial assets, are also categorized within Level 3 of the hierarchy. The fair value is determined using inputs that are not based on observable market data. No significant changes in the fair value were identified in the first half year.

Financial liabilities resulting from contingent purchase price considerations are assigned to Level 3. 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. No significant changes in the fair value were identified in the first half year.

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. Therefore, they are categorized within Level 2 of the fair value hierarchy. The interest deferred as of the reporting date is included in the fair values.

Included in other financial liabilities is a contractual obligation undertaken in the context of a company acquisition. The fair value of this instrument is measured using contractual cashflows on the basis of the yield curve, taking into account credit spreads. Accordingly, these are categorized within Level 2 of the fair value hierarchy.

Certain other financial liabilities resulting from the sale of the GEA's former Heat Exchangers Segment 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.

Provisions

In the first half of 2019, the method of calculating the rate of interest used to measure certain non-current provisions for environmental protection and mining was adjusted. This change in estimate was in particular resulting from a reassessment of the long-term interest rate level.

Thus, as of June 30, 2019, this provision decreased by EUR 26.9 million as compared to December 31, 2018. This development is primarily the result of a change in the derivation of the applicable interest rate, and it resulted in interest income of EUR 32.7 million. Thereof, EUR 11.5 million was attributable to earnings from continuing operations, while EUR 21.2 million affected earnings from discontinued operations. Compared with the method of interest calculation previously applied, the change in estimate resulted in a EUR 63.1 million increase in the profit during the first half-year of 2019. EUR 22.7 million of this amount was attributable to earnings from continuing operations and EUR 40.4 million to earnings from discontinued operations.

With regards to the second quarter of 2019, the above-mentioned change in estimate gave rise to interest income of EUR 7.0 million. Thereof, EUR 1.8 million was attributable to earnings from continuing operations, while EUR 5.2 million affected earnings from discontinued operations. Compared with the method of interest calculation previously applied, the change in estimate resulted in a EUR 13.9 million increase in the profit during the second quarter of 2019. EUR 4.6 million of this amount was attributable to earnings from continuing operations and EUR 9.3 million to earnings from discontinued operations.

The above-mentioned provisions are expected to produce average annual cash outflows of EUR 1.1 million between 2019 and 2021.

The action brought by the insolvency administrator of Dörries Scharmann AG against GEA Group Aktiengesellschaft that was pending before the Higher Regional Appeal Court of Düsseldorf has now been settled with legal effect. The provision set aside for these proceedings was utilized in full. A total of EUR 17.0 million was added to the provisions for two legal risks.

4. Consolidated income statement disclosures

Restructuring expenses

As stated in the 2018 Annual Report, EBITDA before restructuring expenses became a key financial performance indicator as of the 2019 financial year. The relevant restructuring measures are outlined in terms of content and scope by the Executive Board. Only measures requiring funding in excess of EUR 2 million are taken into account.

In the first half of 2019, GEA's Executive Board defined the restructuring measures listed below.

- Measures to improve earnings in the Business Area Solutions: These include the immediate measures announced by the Executive Board on March 14, 2019 through which GEA aims to improve the poor earnings performance of, in particular, the APC Dairy. An additional measure was added on May 10, 2019 to address the issue of overcapacity in the short term, and among other things the launch of efficiency-enhancing measures in certain underperforming business segments.
- Measures in the context of the new organizational structure: These include the measures presented on June 24, 2019, in the context of GEA's new organizational structure featuring five divisions, which will be rolled out in stages as of October 1, 2019.
- “Manufacturing Footprint” and “Fit for 2020”: Since the former strategic project “Restructuring/Footprint” consists exclusively of restructuring expenses, it will be preserved as a restructuring measure from the 2019 financial year on. It will be divided into “Manufacturing Footprint”, a measure to optimize the production network, and “Fit for 2020”, an initiative to deal with ongoing expenses relating to the program of the same name.

In the first half of 2019, expenses of EUR 24.6 million were recognized in respect of restructuring measures defined by the Executive Board. In this context, the term restructuring expenses relates to expenditures directly connected to the restructuring measures (e.g. severance payments) that would therefore qualify as restructuring expenses under IAS 37 too. The restructuring measures defined by the Executive Board also extend to impairment losses on assets, as well as to other expenses arising indirectly from the restructuring measures.

The restructuring expenses incurred up to June 30, 2019 can be allocated to the restructuring measures as follows:

(EUR thousand)	IAS 37	Impairments	Others	Total
Measures to strengthen profitability BA-S	3,322	10,766	5,144	**19,232**
Measures in the course of the new organizational structure	–	–	2,555	**2,555**
Manufacturing Footprint	–	–	2,104	**2,104**
Fit for 2020	672	–	–	**672**
Total	**3,994**	**10,766**	**9,803**	**24,563**

Income tax expense

The income taxes disclosed for continuing operations in the interim reporting period were calculated using an estimated tax rate of 23.0 percent (previous year: 21.0 percent).

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

Dividends

In the first six months of 2019, GEA paid out dividends of EUR 153,418 thousand on ordinary shares.

Translation of foreign operations

The change in exchange differences on translating foreign operations amounted to EUR 10,285 thousand in the first half of 2019 (previous year: EUR 13,953 thousand) and resulted primarily from the rise of the U.S. dollar against the euro.

Actuarial gains/losses on pension and other post-employment benefit obligations

The actuarial losses on pension and other post-employment benefit obligations of EUR 46,526 thousand (after taxes) recognized in other comprehensive income in the first six months of 2019 were the result of a drop in the discount rates to be used for measuring pension provisions (Germany: fall of 60 basis points since December 31, 2018; UK and USA: fall of 65 basis points, on average, since December 31, 2018).

6. Segment Reporting

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

Business Area Equipment

The Business Area Equipment brings together all activities ranging from largely standardized to customer-specific equipment offerings. The products are primarily manufactured as part of series production on a standardized and modular basis. Typical products of this business area include separators, valves, pumps, homogenizers and refrigeration equipment such as compressors. The equipment portfolio also includes process technology for food processing and packaging, for example extrusion and milling equipment. The product range also extends to dairy equipment, feeding systems and slurry engineering as well as an entire service portfolio.

Business Area Solutions

The Business Area Solutions encompasses all group activities related to customer-specific products, projects, after-sales and services. These range from small projects to complete systems and facilities tailored to specific applications and customer requirements. The offering primarily includes the engineering, design and delivery of customized process solutions for the dairy, food, beverage, pharma and chemical industries. This business area also provides process-critical, industrial refrigeration and sustainable energy solutions across all markets served.

(EUR million)	BA Equipment	BA Solutions	Others	Consolidation	GEA
Q2 2019					
Order Intake	660.5	557.0	–	–70.7	**1,146.8**
External revenue	618.0	629.3	–	–	**1,247.3**
Intersegment revenue	53.2	13.1	–	–66.2	**–**
Total revenue	671.1	642.4	–	–66.2	**1,247.3**
EBITDA before restructuring measures	79.8	32.6	–7.8	6.7	**111.2**
as % of revenue	11.9	5.1	–	–	**8.9**
EBITDA	78.4	27.3	–11.3	6.7	**101.1**
EBIT before restructuring measures	46.3	16.0	–11.5	6.7	**57.5**
as % of revenue	6.9	2.5	–	–	**4.6**
EBIT	44.5	2.0	–15.0	6.7	**38.2**
as % of revenue	6.6	0.3	–	–	**3.1**
Additions to property, plant and equipment and intangible assets	18.1	–2.4	3.9	–	**19.5**
Depreciation and amortization	33.9	25.3	3.7	–	**62.8**

(EUR million)	BA Equipment	BA Solutions	Others	Consolidation	GEA
Q2 2018					
Order Intake	688.3	755.3	–	–60.6	**1,383.0**
External revenue	606.0	621.1	–	–	**1,227.0**
Intersegment revenue	47.2	12.3	–	–59.5	**–**
Total revenue	653.2	633.4	–	–59.5	**1,227.0**
EBITDA before restructuring measures	90.4	37.4	–1.8	–	**126.0**
as % of revenue	13.8	5.9	–	–	**10.3**
EBITDA	90.0	37.3	–4.7	–	**122.6**
EBIT before restructuring measures	66.3	28.7	–4.0	–	**91.0**
as % of revenue	10.2	4.5	–	–	**7.4**
EBIT	66.0	28.5	–6.9	–	**87.6**
as % of revenue	10.1	4.5	–	–	**7.1**
Additions to property, plant and equipment and intangible assets	14.4	32.5	2.6	–	**49.6**
Depreciation and amortization	24.0	8.7	2.2	–	**35.0**

(EUR million)	BA Equipment	BA Solutions	Others	Consolidation	GEA
Q1 - Q2 2019					
Order Intake	1,343.5	1,130.4	–	–140.8	**2,333.1**
External revenue	1,169.3	1,135.3	–	–	**2,304.6**
Intersegment revenue	101.5	25.9	–	–127.4	**–**
Total revenue	1,270.8	1,161.2	–	–127.4	**2,304.6**
EBITDA before restructuring measures	162.6	31.2	–14.0	6.1	**185.9**
as % of revenue	12.8	2.7	–	–	**8.1**
EBITDA	160.4	25.5	–21.6	6.1	**170.3**
EBIT before restructuring measures	101.3	–1.5	–21.3	6.1	**84.5**
as % of revenue	8.0	–0.1	–	–	**3.7**
EBIT	98.7	–15.9	–29.0	6.1	**59.9**
as % of revenue	7.8	–1.4	–	–	**2.6**
ROCE in %[1]	14.3	8.0	–	–	**10.5**
Segment assets	4,469.0	3,052.8	3,237.9	–4,792.3	**5,967.4**
Segment liabilities	2,152.7	1,813.3	2,692.9	–3,009.4	**3,649.5**
Net Working Capital (reporting date)[2]	697.4	199.5	12.0	–2.5	**906.4**
Additions to property, plant and equipment and intangible assets	105.3	117.1	19.1	–	**241.5**
Depreciation and amortization	61.7	41.4	7.3	–	**110.4**

(EUR million)	BA Equipment	BA Solutions	Others	Consolidation	GEA
Q1 - Q2 2018					
Order Intake	1,389.7	1,217.3	–	–121.4	**2,485.6**
External revenue	1,150.5	1,115.9	–	–	**2,266.4**
Intersegment revenue	94.9	21.4	–	–116.3	**–**
Total revenue	1,245.3	1,137.4	–	–116.3	**2,266.4**
EBITDA before restructuring measures	156.5	37.4	–7.1	–	**186.9**
as % of revenue	12.6	3.3	–	–	**8.2**
EBITDA	155.5	37.1	–12.7	–	**179.9**
EBIT before restructuring measures	108.5	21.3	–11.7	–	**118.1**
as % of revenue	8.7	1.9	–	–	**5.2**
EBIT	107.5	20.9	–17.3	–	**111.1**
as % of revenue	8.6	1.8	–	–	**4.9**
ROCE in %[1]	16.8	17.1	–	–	**16.0**
Segment assets[3]	4,345.4	2,993.1	3,335.7	–4,615.7	**6,058.6**
Segment liabilities[3]	2,066.7	1,741.9	2,612.5	–2,772.9	**3,648.2**
Net Working Capital (reporting date)[2/3]	660.6	195.1	–2.5	–5.6	**847.7**
Additions to property, plant and equipment and intangible assets	29.4	38.0	3.9	–	**71.3**
Depreciation and amortization	48.1	16.1	4.6	–	**68.8**

1) ROCE = EBIT before restructuring measures/capital employed; EBIT before restructuring measures and capital employed both calculated as the average for the last 4 quarters 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 less interest-bearing non-current assets + working capital + non-interest-bearing assets, liabilities and provisions less assets and liabilties in connection with income taxes.
2) Working capital = inventories + trade receivables + contract assets - trade payables - contract liabilities - provisions for anticipated losses (POC).
3) The purchase price allocation for the Pavan group acquired in 2017 was finalized in the fourth quarter of 2018 resulting in changes to the comparative figures as of June 30, 2018.

Consolidation comprises the intersegment revenue from transactions between operating segments. Intersegment revenue is calculated using standard market prices.

(EUR million)	BA Equipment	BA Solutions	Consolidation	GEA
Q2 2019				
Revenue by revenue element				
From construction contracts	89.3	454.7	–11.8	532.2
From sale of goods and services	326.7	34.3	–40.0	321.0
From service agreements	255.2	153.3	–14.4	394.1
Total	**671.1**	**642.4**	**–66.2**	**1,247.3**
Revenue by geografical region				
Germany	74.9	36.0	–4.9	106.1
Asia Pacific	144.0	167.0	–15.6	295.4
ACH & Eastern Europe	75.9	73.1	–9.2	139.7
Western Europe, Middle East & Africa	112.9	110.2	–12.4	210.7
North- and Central Europe	82.9	109.7	–14.4	178.3
Latin America	48.6	49.8	–5.6	92.7
North America	131.9	96.7	–4.1	224.4
Total	**671.1**	**642.4**	**–66.2**	**1,247.3**

(EUR million)	BA Equipment	BA Solutions	Consolidation	GEA
Q1 - Q2 2019				
Revenue by revenue element				
From construction contracts	160.1	825.9	–25.0	961.1
From sale of goods and services	612.8	64.8	–74.1	603.5
From service agreements	497.9	270.6	–28.4	740.0
Total	**1,270.8**	**1,161.2**	**–127.4**	**2,304.6**
Revenue by geografical region				
Germany	150.4	72.5	–11.5	211.4
Asia Pacific	261.7	288.8	–27.5	523.0
ACH & Eastern Europe	139.5	137.3	–16.5	260.3
Western Europe, Middle East & Africa	208.4	193.7	–22.9	379.3
North- and Central Europe	168.0	206.0	–32.8	341.2
Latin America	89.1	90.7	–8.0	171.8
North America	253.8	172.1	–8.3	417.6
Total	**1,270.8**	**1,161.2**	**–127.4**	**2,304.6**

(EUR million)	BA Equipment	BA Solutions	Consolidation	GEA
Q2 2018				
Revenue by revenue element				
From construction contracts	63.5	463.6	–12.9	514.2
From sale of goods and services	352.4	25.9	–33.3	345.0
From service agreements	237.3	143.9	–13.4	367.9
Total	**653.2**	**633.4**	**–59.5**	**1,227.0**
Revenue by geografical region				
Germany	71.4	40.7	–4.8	107.4
Asia Pacific	112.1	176.0	–9.7	278.3
ACH & Eastern Europe	68.9	85.2	–6.6	147.5
Western Europe, Middle East & Africa	123.4	110.2	–13.3	220.4
North- and Central Europe	97.6	82.7	–14.7	165.6
Latin America	37.6	51.0	–3.7	84.9
North America	142.1	87.6	–6.8	222.9
Total	**653.2**	**633.4**	**–59.5**	**1,227.0**

(EUR million)	BA Equipment	BA Solutions	Consolidation	GEA
Q1 - Q2 2018				
Revenue by revenue element				
From construction contracts	114.2	833.1	–22.8	924.5
From sale of goods and services	668.9	43.9	–68.1	644.7
From service agreements	462.2	260.4	–25.5	697.2
Total	**1,245.3**	**1,137.4**	**–116.3**	**2,266.4**
Revenue by geografical region				
Germany	146.4	74.3	–12.4	208.3
Asia Pacific	207.2	298.9	–19.3	486.8
ACH & Eastern Europe	133.5	161.8	–11.9	283.4
Western Europe, Middle East & Africa	235.0	200.7	–23.0	412.7
North- and Central Europe	182.7	159.0	–30.1	311.6
Latin America	84.7	84.9	–7.7	161.9
North America	255.7	157.7	–11.7	401.7
Total	**1,245.3**	**1,137.4**	**–116.3**	**2,266.4**

As stated in the 2018 Annual Report, since the start of the 2019 financial year – in line with its internal control system – GEA's management has been using EBITDA before restructuring expenses as earnings indicator. "EBITDA before restructuring" is an indicator that has been adjusted for earnings effects attributable to restructuring measures outlined in terms of content and scope by the CEO, presented to the Chairman of the Supervisory Board, and – where required by the Board's rules of procedure – approved and finalized by the Supervisory Board. Only measures requiring funding in excess of EUR 2 million are taken into account. A breakdown of the pertinent restructuring expenses can be found in the chapter "Consolidated income statement disclosures". In accordance with the above definition, adjustments for restructuring expenses in the first half of 2019 totaled EUR 24.6 million (previous year: EUR 7.0 million), with EBITDA accounting for EUR 15.5 million (previous year: EUR 7.0 million) of this amount.

In accordance with the internal management system, the profitability of the two business areas is measured using earnings before interest, tax, depreciation and impairment losses/reversals of impairment (EBITDA), along with earnings before interest and tax (EBIT). These indicators correspond to the values shown in the income statement.

Impairment losses include all impairment losses on property, plant, and equipment, intangible assets, and investment property. The rise in depreciation expenses compared with the same periods of the previous year was largely due to the initial application of IFRS 16.

Reconciliation of EBITDA before restructuring measuresto EBIT (EUR million)	Q2 2019	Q2 2018	Change in %	Q1-Q2 2019	Q1-Q2 2018	Change in %
EBITDA before restructuring measures	**111.2**	**126.0**	**–11.7**	**185.9**	**186.9**	**–0.5**
Depreciation of impairment losses on property, plant, and equipment, and investment property, and amortization of and impairment losses on intangible assets and goodwill, as reported in the statement of changes in non-current assets	–53.8	–35.0	–	–101.3	–68.8	–
EBIT before restructuring measures	**57.5**	**91.0**	**–36.8**	**84.5**	**118.1**	**–28.4**
Restructuring measures	–19.2	–3.4	–	–24.6	–7.0	–
EBIT	**38.2**	**87.6**	**–56.3**	**59.9**	**111.1**	**–46.1**

Reconciliation EBITDA to EBIT (EUR million)	Q2 2019	Q2 2018	Change in %	Q1-Q2 2019	Q1-Q2 2018	Change in %
EBITDA	**101.1**	**122.6**	**–17.6**	**170.3**	**179.9**	**–5.3**
Depreciation of impairment losses on property, plant, and equipment, and investment property, and amortization of and impairment losses on intangible assets and goodwill, as reported in the statement of changes in non-current assets	–62.8	–35.0	–79.5	–110.4	–68.8	–60.5
EBIT	**38.2**	**87.6**	**–56.3**	**59.9**	**111.1**	**–46.1**

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

Since the start of the 2019 financial year, ROCE (Return on Capital Employed) has been deployed as a key financial performance indicator. This strategic indicator measures the relative profitability of a company when compared with the weighted cost of capital used (Weighted Average Cost of Capital, WACC). If the ROCE is above the WACC, this is an indication that the business is gaining in value.

The recognition and measurement policies for assets and liabilities of the business areas, and hence also for working capital, are the same as those used in the group and described in the accounting policies section of the 2018 Annual Report.

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

Reconciliation of working capital to total assets (EUR million)	06/30/2019	06/30/2018*
Working capital (reporting date)	**906.4**	**847.7**
Working capital (reporting date) of Ruhr-Zink	–0.7	–0.4
Non-current assets	3,288.0	3,258.9
Income tax receivables	33.5	32.7
Other current financial assets	222.2	233.1
Cash and cash equivalents	230.6	269.3
Assets held for sale	0.9	15.5
plus trade payables	648.2	691.9
plus contract liabilities	630.5	682.0
plus anticipated losses from construction contracts	7.9	28.0
Total assets	**5,967.4**	**6,058.6**

*) The purchase price allocation for the Pavan group acquired in 2017 was finalized in the fourth quarter of 2018 resulting in changes to the comparative figures as of June 30, 2018.

7. Related party transactions

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

FURTHER INFORMATION

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 30, 2019

The Executive Board

Stefan Klebert   Steffen Bersch   Marcus A. Ketter   Martine Snels

Review Report

To GEA Group Aktiengesellschaft, Düsseldorf

We have reviewed the condensed interim consolidated financial statements of the GEA AG Aktiengesellschaft, Düsseldorf – comprising Income Statement, Statement of Comprehen-sive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes – together with the interim group management report of the GEA Group Aktieng-esellschaft, Düsseldorf for the period from January 1 to June 30, 2019 that are part of the semi annual according to § 115 WpHG ["Wertpapierhandelsgesetz": "German Securities Trading Act"]. The preparation of the condensed interim consolidated financial statements in accordance with International Accounting Standard IAS 34 "Interim Financial Reporting" as adopted by the EU, and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports, is the respon-sibility of the Company's management. Our responsibility is to issue a report on the con-densed interim consolidated financial statements and on the interim group management report based on our review.

We performed our review of the condensed interim consolidated financial statements and the interim group management report in accordance with the German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements have not been prepared, in material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the EU, and that the interim group management report has not been prepared, in material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to inquiries of company employees and analytical as-sessments and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial state-ment audit, we cannot issue an auditor's report.

Based on our review, no matters have come to our attention that cause us to presume that the condensed interim consolidated financial statements have not been prepared, in mate-rial respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the EU, or that the interim group management report has not been prepared, in material re-spects, in accordance with the requirements of the WpHG applicable to interim group management reports.

Düsseldorf, July 30, 2019

KPMG AG
Wirtschaftsprüfungsgesellschaft

Lurweg	Jessen
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]

Financial Calendar

SEPTEMBER
26
2019

Capital Markets Day

OCTOBER
25
2019

Quarterly Statement
for the period to September 30, 2019

The GEA 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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This report includes forward-looking statements on GEA Group Aktiengesellschaft, its subsidiaries and associates, and on the economic and political conditions that may influence the business performance of GEA. All these statements are based on assumptions made by the Executive Board using information available to it at the time. Should these assumptions prove to be wholly or partly incorrect, or should further risks arise, actual business performance may differ from that expected. The Executive Board therefore cannot assume any liability for the statements made.

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

Note to the half-yearly financial report
This half-yearly financial report is the English translation of the original German version. In case of deviations between these two, the German version prevails.

engineering for
a better world

We live our values.

Excellence • Passion • Integrity • Responsibility • GEA-versity

GEA is one of the largest technology suppliers for food processing and a wide range of other industries. The global group specializes in machinery, plants, as well as process technology and components. GEA provides sustainable solutions for sophisticated production processes in diverse end-user markets and offers a comprehensive service portfolio.

The company is listed on the German MDAX (G1A, WKN 660 200), the STOXX® Europe 600 Index and selected MSCI Global Sustainability Indexes.

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GEA/Q2/EN/0070