

GEA is one of the largest suppliers of process technology to the food industry

Profile

GEA is a world leader in the supply of equipment and project management for a wide range of processing industries. Its technology focuses on components and production processes for various markets, particularly in the Food & Beverage sectors. The company employs almost 18,000 people worldwide.

Over
70%

of sales from food & beverage end markets

1 out of 3

process line for instant coffee installed by GEA

18,000

employees worldwide

Over
50

countries where GEA is active

Performance in 2017

The group's order intake (including acquisitions) rose by 1.7% compared with 2016 to EUR 4.8 billion, a new record for GEA. A market reticent approach to investment was noted in the dairy processing customer industry and, to a lesser extent, in the beverage customer industry. This was more than compensated however by double digit growth in the dairy farming and growth of more than 5% in food and pharma/chemical industries.

In 2017, GEA generated consolidated revenues of around EUR 4.6 billion, up by 2.5% like-for-like compared to 2016.

Revenue in the Business Area Equipment increased by 4.9% like-for-like, primarily thanks to developments in the dairy processing, dairy farming and food customer industries.

Revenue in the Business Area Solutions was slightly up by 0.6% like-for-like. Although revenues in the pharma/chemical customer industry and in beverages fell, they rose significantly in food.

At EUR 564 million, operating EBITDA was slightly below prior-year. This corresponds to a margin of 12.2%. It includes additional costs for filling machines of EUR 20 million incurred by the Business Area Solutions.

Consolidated profit for the year amounted to EUR 243 million, compared to EUR 285 million in 2016, in large part due to the remeasurement of deferred taxes following the cut in the US corporate income tax rate.

Thanks to the share buyback program of EUR 450 million launched in March 2017, the average number of shares in circulation was reduced by 3%, resulting into an EPS of EUR 1.31 per share compared to EUR 1.48 per share last year.

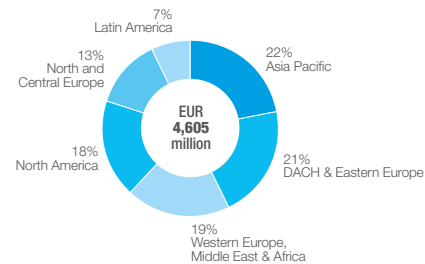
Cash flow from operating activities amounted to EUR 270 million, up EUR 108 million on the previous year, thanks to the decrease in working capital. GEA spent EUR 119 million in capital expenditure and EUR 234 million in acquisitions.

After payment of the dividend and the repurchase of treasury shares, the net liquidity decreased from EUR 783 million end 2016 to EUR 6 million end 2017.

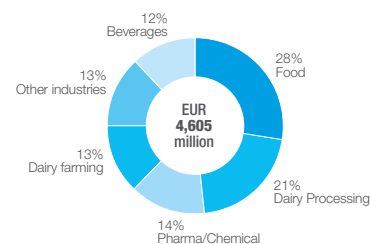
A dividend of EUR 0.85 per share, i.e. an increase by 6.25% compared to last year, will be proposed at the Annual General Meeting on 19 April.

GEA in figures

Revenue split by geography



Revenue split by end markets



Key financial data

| | 2017 | 2016 | 2015 |
|------------------------------------|-------|-------|-------|
| Simplified income statement | | | |
| (in EUR million) | | | |
| Order intake | 4,751 | 4,674 | 4,590 |
| Revenue | 4,605 | 4,492 | 4,599 |
| Operating EBITDA ⁽¹⁾ | 564 | 566 | 621 |
| Operating EBIT ⁽¹⁾ | 478 | 485 | 539 |
| Consolidated profit | 243 | 285 | 362 |

(1) Before purchase price allocations and adjustments

Simplified balance sheet

| | 2017 | 2016 | 2015 |
|--------------------------------------|-------|-------|-------|
| (in EUR million) | | | |
| Shareholders' equity (group's share) | 2,502 | 2,995 | 2,843 |
| Non-controlling interests | 1 | 1 | 1 |
| Net liquidity/(net debt) | 6 | 783 | 982 |
| Debt-equity ratio (%) | n.a. | n.a. | n.a. |
| Net debt/Operating EBITDA (x) | n.a. | n.a. | n.a. |



Investment case

GEA is a global leader, exposed to favourable long-term market trends with financial performances that offer upside potential:

- Attractive end markets and high barriers to entry
- Global leader with #1 or #2 positions in most of its markets
- Unique technology, know-how and innovation power
- Solid cash generation and balance sheet profile
- Good positioning to seize consolidation opportunities



Market data and information on GBL's investment

| Stock market data | 2017 | 2016 | 2015 |
|--|---------------------|---------|---------|
| Number of shares (in thousands) | 192,496 | 192,496 | 192,496 |
| Market capitalisation (in EUR million) | 7,702 | 7,359 | 7,199 |
| Closing price (in EUR/share) | 40.01 | 38.23 | 37.40 |
| Basic EPS (in EUR/share) | 1.31 ⁽¹⁾ | 1.48 | 1.88 |
| Diluted EPS (in EUR/share) | 1.31 ⁽¹⁾ | 1.48 | 1.88 |
| Dividend (in EUR/share) | 0.85 ⁽²⁾ | 0.80 | 0.80 |

| GBL's investment | 2017 | 2016 | 2015 |
|---|------|------|------|
| Percentage of share capital (in %) | 4.3 | - | - |
| Percentage of voting rights (in %) | 4.3 | - | - |
| Market value of the investment (in EUR million) | 328 | - | - |
| Dividends collected by GBL (in EUR million) | 2 | - | - |

| Representatives in statutory bodies | 2017 | 2016 | 2015 |
|-------------------------------------|------|------|------|
| | 0 | 0 | 0 |

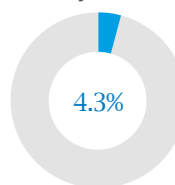
(1) Based and diluted EPS computed based on the weighted average number of shares outstanding (186.3 million shares at year-end 2017)

(2) Dividend per share distributed to a total of 180.5 million shares entitled to dividends, i.e. excluding treasury shares (to be cancelled after the General Shareholders' Meeting) Subject to the approval of the General Shareholders' Meeting

TSR annualised (%)

| | 1 year | 3 years | 5 years |
|-------------------------------------|--------|---------|---------|
| GEA | 6.9 | 4.9 | 12.4 |
| STOXX Europe Industrial Engineering | 22.6 | 14.9 | 10.9 |

Capital held by GBL

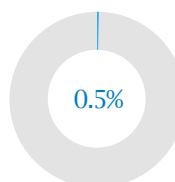


Representatives in statutory bodies



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GEA's contribution to the net dividends collected on GBL's investments



GEA's contribution to GBL's portfolio

