

Quarterly Statement

Q3 2018

July 1 to September 30, 2018

GEA publishes figures for the third quarter

After a very good previous quarter, GEA also closed the third quarter of 2018 on a positive note. GEA set new third quarter records for both order intake and revenue. The operating EBITDA margin was also up year-on-year, enabling GEA to nearly reverse the deficit from a weak first quarter. Nevertheless, earnings development, in particular in the customer industry Dairy Processing, falls short of the company's own expectations. In addition, growing economic imponderables, a rising number of trade constraints, and detrimental product mix effects are in the offing. As early as mid-October, GEA raised its revenue expectations for the 2018 financial year, while slightly reducing its forecasts for operating EBITDA margin and cash flow driver margin.

“Although demand for our innovative products and solutions continues to grow at a highly gratifying rate, we expect the fourth quarter of the year to be challenging,” said Jürg Oleas, CEO of GEA. “For that reason, we are looking at a group revenue of approximately EUR 4.8 billion and an operating EBITDA of around EUR 540 million for 2018 as a whole, and this would correspond to a margin of around 11.3 percent.”

IFRS key figures of GEA

(EUR million)	Q3 2018	Q3 2017	Change in %	Adjusted change in %	Q1-Q3 2018	Q1-Q3 2017	Change in %	Adjusted change in %
Results of operations								
Order intake	1,197.2	1,056.7	13.3	10.7	3,682.7	3,433.8	7.2	5.7
Revenue	1,188.9	1,130.7	5.1	2.8	3,455.3	3,273.1	5.6	4.7
Operating EBITDA ¹	137.6	120.5	14.2	–	337.1	339.4	–0.7	–
as % of revenue	11.6	10.7	–	–	9.8	10.4	–	–
Operating EBIT ¹	112.2	99.0	13.4	–	264.9	277.2	–4.4	–
as % of revenue	9.4	8.8	–	–	7.7	8.5	–	–
EBIT	84.7	77.6	9.1	–	195.8	219.9	–11.0	–
Net assets								
Working capital intensity in % (average of the last 12 months)	16.3	16.4	–	–	16.3	16.4	–	–
Net liquidity (+)/Net debt (-)	–330.7	227.4	–	–	–330.7	227.4	–	–
Financial position								
Operating cash flow driver margin ²	9.0	7.2	–	–	9.0	7.2	–	–
ROCE in % (goodwill adjusted) ³	12.9	15.4	–	–	12.9	15.4	–	–
Full-time equivalents (reporting date) ⁴	18,535	17,163	8.0	2.7	18,535	17,163	8.0	2.7
GEA shares								
Earnings per share (EUR)	0.33	0.24	40.0	–	0.71	0.82	–13.3	–

1) Before effects of purchase price allocations and adjustments (see page 7)

2) Operating cash flow driver = operating EBITDA - capital expenditure + adjustment of capital expenditure in strategic projects - change in working capital (average of the last 12 months)

3) Capital employed excluding goodwill from the acquisition of the former GEA AG by former Metallgesellschaft AG in 1999 (average of the last 12 months)

4) Organic change without acquisitions but including other changes in the basis of consolidation

Significant changes

Management

- In its meeting on September 19, 2018, the Supervisory Board of GEA Group Aktiengesellschaft appointed Stefan Klebert to the company's Executive Board with effect from November 15, 2018. Mr. Klebert will succeed Jürg Oleas as Chairman of the Executive Board of GEA on February 18, 2019.
- Jürg Oleas is set to leave the company in February 2019 after handing over the reins at the end of the 2018 financial year.

Report on economic position

Course of business

Order intake

Order intake (EUR million)	Q3 2018	Q3 2017	Change in %	Adjusted change in %	Q1-Q3 2018	Q1-Q3 2017	Change in %	Adjusted change in %
BA Equipment	623.9	576.9	8.1	1.8	2,013.5	1,820.7	10.6	6.2
BA Solutions	627.6	531.2	18.1	19.8	1,845.0	1,766.9	4.4	6.0
Total	1,251.5	1,108.2	12.9	10.5	3,858.5	3,587.5	7.6	6.1
Consolidation/others	-54.4	-51.4	-5.7	-	-175.8	-153.7	-14.4	-
GEA	1,197.2	1,056.7	13.3	10.7	3,682.7	3,433.8	7.2	5.7

- Both the Business Area Equipment and GEA as a whole set new records for order intake in a third quarter; the Business Area Solutions also had a significant year-on-year increase
- Adjusted for exchange rate and acquisition effects, rise in order intake of 10.7 percent in the third quarter, a significant year-on-year increase
- Four major orders secured (in excess of EUR 15 million): two dairy projects, one coffee project, and one in the area of cheese-making equipment with a combined volume of EUR 79 million (prior-year quarter: EUR 35 million)
- Double-digit growth in order intake in the product groups Food Processing & Packaging; Pasta, Extrusion & Milling, as well as in the application centers (APC) Dairy, Utilities and Chemicals
- Rise in order intake notably in Asia Pacific, North and Central Europe, and Latin America, with some regions recording clear double-digit increases
- Order intake for the first nine months: gratifying performance in both Business Areas – especially in North and Central Europe, Latin America and Asia Pacific

Order intake¹ GEA

(last 12 months)

	Change Q3/2018 to Q3/2017	Share ² of order intake in %
PGs Food Processing & Packaging; Pasta, Extrusion & Milling	↑	10
PGs Separation, Homogenizers, Flow Components, Compression	↗	25
PG Milking Dairy Farming	↗	15
Business Area Equipment	↑	50
APC Dairy	↘	15
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 %

Revenue

Revenue (EUR million)	Q3 2018	Q3 2017	Change in %	Adjusted change in %	Q1-Q3 2018	Q1-Q3 2017	Change in %	Adjusted change in %
BA Equipment	650.5	576.0	12.9	8.0	1,895.9	1,693.2	12.0	8.6
BA Solutions	598.0	608.6	-1.7	-1.5	1,735.4	1,731.0	0.2	2.0
Total	1,248.5	1,184.7	5.4	3.2	3,631.2	3,424.2	6.0	5.2
Consolidation/others	-59.7	-54.0	-10.5	-	-176.0	-151.1	-16.4	-
GEA	1,188.9	1,130.7	5.1	2.8	3,455.3	3,273.1	5.6	4.7

- Revenue at the Business Area Equipment and GEA as a whole also hit new heights for a third quarter
- Adjusted for exchange rate and acquisition effects, revenue rose by 2.8 percent on a year-on-year basis
- Marked drop in revenue in the Dairy APC contrasts with strong revenue growth in the Chemicals APC and in the product groups Food Processing & Packaging; Pasta, Extrusion & Milling, and Separation, Homogenizers, Flow Components, Compression
- Revenue growth recorded in virtually all regions; double-digit growth in North America, Latin America, and North and Central Europe
- Increase in revenue in the first nine months in nearly all regions; double-digit growth in Latin America
- Revenue growth of 9.4 percent in the first nine months of 2018 (based on constant year-on-year exchange rates)

Revenue¹ GEA

(last 12 months)

	Change Q3/2018 to Q3/2017	Share ² of revenue in %
PGs Food Processing & Packaging; Pasta, Extrusion & Milling	↑	10
PGs Separation, Homogenizers, Flow Components, Compression	↔	25
PG Milking Dairy Farming	↑	15
Business Area Equipment	↑	50
APC Dairy	↓	15
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 %

Revenue by regions GEA

(last 12 months)

	Change Q3/2018 to Q3/2017	Share of revenue in %
Asia Pacific	↔	22
DACH & Eastern Europe	↑	21
Western Europe, Middle East & Africa	↘	18
North- and Central Europe	↔	13
Latin America	↑	7
North America	↔	18
GEA	↔	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

- Operating EBITDA and operating EBITDA margin both above the prior-year quarter
- Business Area Equipment: almost all product groups contributed to the record third-quarter results for operating EBITDA and operating EBITDA margin
- Business Area Solutions: operating EBITDA and operating EBITDA margin above the same quarter of the previous year despite falling revenue; pressure on earnings in the third quarter of 2017 due to additional expenses for filling machines (EUR 14.5 million)
- Other: in the third quarter of 2017, income of EUR 7.2 million generated from the sale of real estate surplus to requirements
- Operating EBITDA margin in the first nine months of 2018 of 9.5 percent of revenue on the basis of constant exchange rates compared with a year before

Operating EBITDA/operating EBITDA margin* (EUR million)	Q3 2018	Q3 2017	Change in %	Q1-Q3 2018	Q1-Q3 2017	Change in %
BA Equipment	108.8	93.3	16.6	266.0	259.5	2.5
as % of revenue	16.7	16.2	–	14.0	15.3	–
BA Solutions	32.7	21.4	52.6	70.3	80.1	–12.2
as % of revenue	5.5	3.5	–	4.1	4.6	–
Consolidation/others	–3.9	5.8	–	0.8	–0.2	–
GEA	137.6	120.5	14.2	337.1	339.4	–0.7
as % of revenue	11.6	10.7	–	9.8	10.4	–

*) Before effects of purchase price allocations and adjustments (see page 7)

Reconciliation of operating EBITDA to operating EBIT (EUR million)	Q3 2018	Q3 2017	Change in %	Q1-Q3 2018	Q1-Q3 2017	Change in %
Operating EBITDA*	137.6	120.5	14.2	337.1	339.4	–0.7
Realization of step-up amounts on inventories	–0.2	–0.4	–	–0.7	–1.3	–
Adjustments	–16.6	–13.3	–	–35.7	–33.8	–
EBITDA	120.8	106.8	13.2	300.7	304.2	–1.2
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	–36.1	–29.1	–	–104.9	–84.3	–
EBIT	84.7	77.6	9.1	195.8	219.9	–11.0
Depreciation and amortization on capitalization of purchase price allocation	10.7	7.5	–	32.6	22.1	–
Realization of step-up amounts on inventories	0.2	0.4	–	0.7	1.3	–
Adjustments	16.5	13.3	–	35.7	33.8	–
Operating EBIT*	112.2	99.0	13.4	264.9	277.2	–4.4

*) Before effects of purchase price allocations and adjustments (see page 7)

Cash flow drivers

Operating cash flow driver/operating cash flow driver margin (EUR million)	09/30/2018	09/30/2017
Operating EBITDA (last 12 months)	561.3	553.9
Capital expenditure on property, plant and equipment (last 12 months)	–117.2	–113.7
Adjustment of capital expenditure in strategic projects (last 12 months)	17.5	23.9
Change in working capital (average of the last 12 months)	–32.5	–133.7
Operating cash flow driver	429.1	330.4
as % of revenue (last 12 months)	9.0	7.2

- Operating cash flow driver margin in the first nine months of 2018 (based on constant year-on-year exchange rates): 8.2 percent of revenue

Reported indicators at constant exchange rates

The key indicators developed as follows in the first nine months of 2018:

	Q1 – Q3 2018 reported	Q1 – Q3 2018 constant exchange rates against (2017)
Revenue (EUR million)	3,455.3	3,579.7
Growth in revenue (in %)	5.6	9.4
Operating EBITDA (EUR million)	337.1	341.7
Operating EBITDA margin (in %)	9.8	9.5
Operating cash flow driver margin* (in %)	9.0	8.2

*) Last 12 months

Report on change in forecast

On the basis of preliminary figures for the third quarter of 2018, the Executive Board of GEA Group Aktiengesellschaft decided on October 10, 2018 to adjust its outlook for the 2018 financial year. Compared with the same period last year, the positive trend in order intake, revenue and earnings has persisted throughout the third quarter of 2018. However, earnings development, particularly in the customer industry Dairy Processing, falls short of the company's own expectations. This is why, for the 2018 fiscal year, the Executive Board currently expects revenue of approx. EUR 4,800 million (or approx. EUR 4,950 million on constant exchange rates) and operating EBITDA of approx. EUR 540 million (or approx. EUR 550 million on constant exchange rates). This corresponds to an operating EBITDA margin of approx. 11.3 percent (or approx. 11.1 percent on constant exchange rates).

Adjusted outlook

Assuming constant exchange rates compared with 2017 and including the acquisitions of the Pavan Group and VIPOLL, the Executive Board expects the following figures for the current fiscal year:

- Revenue growth of approx. 7.5 percent (previously: at the upper end of 5 to 6 percent)
- Operating EBITDA margin of approx. 11.1 percent (previously: at the lower end of 12 to 13 percent)
- Operating cash flow driver margin of approx. 8.5 percent (previously: at the lower end of 8.7 to 9.7 percent)

The other assumptions remain unchanged.

Düsseldorf, October 29, 2018

Financial information

For some time now, the key indicators for the operating result as used by the management for controlling purposes have been defined in the context of the guidelines on alternative performance measures published by the European Securities and Markets Authority (ESMA). Expanded in the course of 2017 for the 2018 financial year, these are as follows: Since the start of the 2018 financial year – in line with its internal control system – GEA’s management has been using the operating EBITDA margin (the ratio of operating EBITDA to revenue) as a measure of its operating performance. In addition, GEA is presenting key indicators for sales revenue, operating EBITDA margin, and operating cash flow driver margin in 2018 (based on constant year-on-year exchange rates). Year-on-year exchange rates are used during the year. As in previous years, the figures for operating EBITDA and operating EBIT will be adjusted for items which, in the opinion of the management, do not reflect GEA’s financial achievements in the period under review. This relates, on the one hand, to adjustments for purchase price allocation effects that were determined for all significant past acquisitions, and, on the other, to the adjustment of expenses for strategy projects. These include restructuring costs, expenses for external consultants, outlay on scheduled and completed company acquisitions, together with other material expenses and internal costs directly attributable to the projects. The following strategic projects were underway in the period under review:

- “Restructuring/Footprint”: measures to optimize the production network, including ongoing expenses in respect of the “Fit for 2020” program
- “IT Transformation”: to standardize and outsource the IT platform as the basis for digital transformation, and to roll out a uniform ERP system
- “Steering Systems”: to align the financial information and management systems to the new fully functional OneGEA organization

On this basis, operating EBITDA in the first nine months of the financial year was adjusted for expenses totaling EUR 35.7 million (previous year: EUR 33.8 million). Of these expenses, EUR 13.7 million was accounted for by “Restructuring/Footprint” (previous year: EUR 17.7 million for ongoing expenses for “Fit for 2020”). In the period under review, the “IT Transformation” and “Steering Systems” projects gave rise to expenditures of EUR 4.9 million and EUR 14.9 million respectively (previous year: EUR 3.9 million and EUR 8.9 million respectively). Further outlay on strategy projects amounting to EUR 2.3 million was attributable to miscellaneous projects and to costs in connection with company acquisitions (previous year: EUR 3.4 million).

Consolidated Balance Sheet as of September 30, 2018

Assets (EUR thousand)	9/30/2018	12/31/2017	Change in %
Property, plant and equipment	493,970	501,448	-1.5
Investment property	2,355	2,415	-2.5
Goodwill	1,747,527	1,725,808	1.3
Other intangible assets	520,748	539,844	-3.5
Equity-accounted investments	15,419	14,414	7.0
Other non-current financial assets	41,130	38,723	6.2
Deferred taxes	421,671	411,290	2.5
Non-current assets	3,242,820	3,233,942	0.3
Inventories	832,952	659,580	26.3
Contract assets*	571,432	-	-
Trade receivables	912,641	1,391,993	-34.4
Income tax receivables	36,005	30,738	17.1
Other current financial assets	235,471	180,642	30.4
Cash and cash equivalents	263,483	250,507	5.2
Assets held for sale	22,184	-	-
Current assets	2,874,168	2,513,460	14.4
Total assets	6,116,988	5,747,402	6.4

*) GEA applied IFRS 15 for the first time as of January 1, 2018. For more details please refer to section „Reporting Principles“ in the Notes to the Consolidated Financial Statements of the half-yearly Financial Report 2018.

Equity and liabilities (EUR thousand)	9/30/2018	12/31/2017	Change in %
Subscribed capital ¹	520,376	489,372	6.3
Capital reserve	1,217,861	1,217,861	-
Retained earnings	688,309	756,923	-9.1
Accumulated other comprehensive income	49,524	38,247	29.5
Non-controlling interests	562	1,191	-52.8
Equity	2,476,632	2,503,594	-1.1
Non-current provisions	162,629	152,531	6.6
Non-current employee benefit obligations	764,557	794,716	-3.8
Non-current financial liabilities	263,835	6,008	> 100
Other non-current liabilities	30,023	33,041	-9.1
Deferred taxes	169,756	171,170	-0.8
Non-current liabilities	1,390,800	1,157,466	20.2
Current provisions	159,459	127,920	24.7
Current employee benefit obligations	149,818	147,071	1.9
Current financial liabilities	343,669	256,809	33.8
Trade payables	674,980	736,906	-8.4
Current contract liabilities ²	706,522	-	-
Income tax liabilities	29,527	28,489	3.6
Other current liabilities	179,547	789,147	-77.2
Liabilities held for sale	6,034	-	-
Current liabilities	2,249,556	2,086,342	7.8
Total equity and liabilities	6,116,988	5,747,402	6.4

1) As of 12/31/2017 issued capital

2) GEA applied IFRS 15 for the first time as of January 1, 2018. For more details please refer to section „Reporting Principles“ in the Notes to the Consolidated Financial Statements of the half-yearly Financial Report 2018.

Consolidated Income Statement for the period July 1 – September 30, 2018

(EUR thousand)	Q3 2018	Q3 2017	Change in %
Revenue	1,188,882	1,130,701	5.1
Cost of sales	839,789	802,556	4.6
Gross margin	349,093	328,145	6.4
Selling expenses	144,727	128,132	13.0
Research and development expenses	20,173	14,594	38.2
General and administrative expenses	103,002	112,414	-8.4
Other income	53,030	104,992	-49.5
Other expenses	47,468	100,684	-52.9
Net result from impairment and reversal of impairment on financial assets and contract assets*	-2,340	-	-
Share of profit or loss of equity-accounted investments	507	189	> 100
Other financial income	-8	125	-
Other financial expenses	214	-	-
Earnings before interest and tax (EBIT)	84,698	77,627	9.1
Interest income	938	1,812	-48.2
Interest expense	7,278	15,294	-52.4
Profit before tax from continuing operations	78,358	64,145	22.2
Income taxes	16,455	14,112	16.6
Profit after tax from continuing operations	61,903	50,033	23.7
Profit or loss after tax from discontinued operations	-1,921	-6,645	71.1
Profit for the period	59,982	43,388	38.2
of which attributable to shareholders of GEA Group AG	59,892	43,391	38.0
of which attributable to non-controlling interests	90	-3	-

*) Presented separately due to initial application of IFRS 9

(EUR)	Q3 2018	Q3 2017	Change in %
Basic and diluted earnings per share from continuing operations	0.34	0.27	25.3
Basic and diluted earnings per share from discontinued operations	-0.01	-0.04	70.7
Basic and diluted earnings per share	0.33	0.24	40.0
Weighted average number of ordinary shares used to calculate basic and diluted earnings per share (million)	180.5	183.1	-1.4

Consolidated Income Statement for the period January 1 – September 30, 2018

(EUR thousand)	Q1-Q3 2018	Q1-Q3 2017	Change in %
Revenue	3,455,279	3,273,078	5.6
Cost of sales	2,455,951	2,269,202	8.2
Gross margin	999,328	1,003,876	-0.5
Selling expenses	414,032	395,747	4.6
Research and development expenses	57,441	47,257	21.6
General and administrative expenses	345,173	351,687	-1.9
Other income	300,023	285,137	5.2
Other expenses	283,586	275,381	3.0
Net result from impairment and reversal of impairment on financial assets and contract assets*	-4,689	-	-
Share of profit or loss of equity-accounted investments	874	821	6.5
Other financial income	718	125	> 100
Other financial expenses	214	-	-
Earnings before interest and tax (EBIT)	195,808	219,887	-11.0
Interest income	3,229	5,830	-44.6
Interest expense	26,854	26,767	0.3
Profit before tax from continuing operations	172,183	198,950	-13.5
Income taxes	36,158	43,769	-17.4
Profit after tax from continuing operations	136,025	155,181	-12.3
Profit or loss after tax from discontinued operations	-7,521	-1,002	< -100
Profit for the period	128,504	154,179	-16.7
thereof attributable to shareholders of GEA Group AG	128,411	154,180	-16.7
thereof attributable to non-controlling interests	93	-1	-

*) Presented separately due to initial application of IFRS 9

(EUR)	Q1-Q3 2018	Q1-Q3 2017	Change in %
Basic and diluted earnings per share from continuing operations	0.75	0.83	-8.8
Basic and diluted earnings per share from discontinued operations	-0.04	-0.01	< -100
Basic and diluted earnings per share	0.71	0.82	-13.3
Weighted average number of ordinary shares used to calculate basic and diluted earnings per share (million)	180.5	188.0	-4.0

Consolidated Cash Flow Statement for the period July 1 – September 30, 2018

(EUR thousand)	Q3 2018	Q3 2017
Profit for the period	59,982	43,388
plus income taxes	16,455	14,112
minus profit or loss after tax from discontinued operations	1,921	6,645
Profit before tax from continuing operations	78,358	64,145
Net interest income	6,340	13,482
Earnings before interest and tax (EBIT)	84,698	77,627
Depreciation, amortization, impairment losses, and reversal of impairment losses on non-current assets	36,122	29,228
Other non-cash income and expenses	4,514	2,711
Employee benefit obligations from defined benefit pension plans	-10,293	-10,464
Change in provisions and other employee benefit obligations	41,734	27,966
Losses and disposal of non-current assets	-173	-7,467
Change in inventories including unbilled construction contracts*	-90,018	-39,100
Change in trade receivables	1,947	-5,415
Change in trade payables	-1,296	24,688
Change in other operating assets and liabilities	2,623	-38,696
Tax payments	-21,304	-16,562
Cash flow from operating activities of continued operations	48,554	44,516
Cash flow from operating activities of discontinued operations	-861	-1,643
Cash flow from operating activities	47,693	42,873
Proceeds from disposal of non-current assets	661	8,458
Payments to acquire property, plant and equipment, and intangible assets	-28,707	-23,992
Interest income	616	1,089
Dividend income	100	431
Payments to acquire subsidiaries and other businesses	-497	-
Cash flow from investing activities of continued operations	-27,827	-14,014
Cash flow from investing activities of discontinued operations	-30	-193
Cash flow from investing activities	-27,857	-14,207
Payments for acquisition of treasury shares	-	-133,842
Payments from finance leases	-1,081	-936
Proceeds from finance loans	61,421	5,286
Repayments of borrower's note loans	-	-90,000
Repayments of finance loans	-66,725	-
Interest payments	-1,734	-6,241
Cash flow from financing activities of continued operations	-8,119	-225,733
Cash flow from financing activities of discontinued operations	-24	-15
Cash flow from financing activities	-8,143	-225,748
Effect of exchange rate changes on cash and cash equivalents	-2,390	-4,631
Change in unrestricted cash and cash equivalents	9,303	-201,713
Unrestricted cash and cash equivalents at beginning of period	269,112	497,408
Unrestricted cash and cash equivalents at end of period	278,415	295,695
Restricted cash and cash equivalents	1,839	901
Cash and cash equivalents total	280,254	296,596
Less cash and cash equivalents classified as held for sale	-16,771	-
Cash and cash equivalents reported in the balance sheet	263,483	296,596

*) Including advanced payments received

Consolidated Cash Flow Statement for the period January 1 – September 30, 2018

(EUR thousand)	Q1-Q3 2018	Q1-Q3 2017
Profit for the period	128,504	154,179
plus income taxes	36,158	43,769
minus profit or loss after tax from discontinued operations	7,521	1,002
Profit before tax from continuing operations	172,183	198,950
Net interest income	23,625	20,937
Earnings before interest and tax (EBIT)	195,808	219,887
Depreciation, amortization, impairment losses, and reversal of impairment losses on non-current assets	104,911	84,442
Other non-cash income and expenses	10,357	8,563
Employee benefit obligations from defined benefit pension plans	-30,879	-31,136
Change in provisions and other employee benefit obligations	25,801	-7,194
Losses and disposal of non-current assets	-539	-7,953
Change in inventories including unbilled construction contracts*	-228,170	-87,619
Change in trade receivables	-8,193	59,700
Change in trade payables	-32,345	11,125
Change in other operating assets and liabilities	-24,114	-112,604
Tax payments	-48,470	-49,295
Cash flow from operating activities of continued operations	-35,833	87,916
Cash flow from operating activities of discontinued operations	-5,393	-5,972
Cash flow from operating activities	-41,226	81,944
Proceeds from disposal of non-current assets	1,434	11,966
Payments to acquire property, plant and equipment, and intangible assets	-72,308	-75,432
Payments from non-current financial assets	-263	-24
Interest income	1,879	3,580
Dividend income	1,722	2,535
Payments to acquire subsidiaries and other businesses	-17,401	-348
Cash flow from investing activities of continued operations	-84,937	-57,723
Cash flow from investing activities of discontinued operations	-329	-5,241
Cash flow from investing activities	-85,266	-62,964
Dividend payments	-153,418	-152,812
Payments for acquisition of treasury shares	-24,022	-394,896
Payments from finance leases	-3,073	-2,987
Proceeds from finance loans	268,388	13,596
Proceeds from bond issue	249,500	-
Repayments of borrower's note loans	-	-90,000
Repayments of finance loans	-173,740	-
Interest payments	-3,275	-9,907
Cash flow from financing activities of continued operations	160,360	-637,006
Cash flow from financing activities of discontinued operations	-92	-50
Cash flow from financing activities	160,268	-637,056
Effect of exchange rate changes on cash and cash equivalents	-4,854	-14,233
Change in unrestricted cash and cash equivalents	28,922	-632,309
Unrestricted cash and cash equivalents at beginning of period	249,493	928,004
Unrestricted cash and cash equivalents at end of period	278,415	295,695
Restricted cash and cash equivalents	1,839	901
Cash and cash equivalents total	280,254	296,596
Less cash and cash equivalents classified as held for sale	-16,771	-
Cash and cash equivalents reported in the balance sheet	263,483	296,596

*) Including advanced payments received

Consolidated Statement of Changes in Equity as of September 30, 2018

(EUR thousand)	Subscribed capital ¹	Capital reserves	Retained earnings	Accumulated other comprehensive income			Equity attributable to shareholders of GEA Group AG	Non-controlling interests	Total
				Translation of foreign operations	Result from fair value measurement of financial instruments	Result of cash flow hedges			
Balance at Jan. 1, 2017 (192,495,476 shares)	520,376	1,217,861	1,067,812	189,962	-467	-518	2,995,026	578	2,995,604
Profit for the period	-	-	154,180	-	-	-	154,180	-1	154,179
Other comprehensive income	-	-	20,246	-137,128	111	518	-116,253	-	-116,253
Total comprehensive income	-	-	174,426	-137,128	111	518	37,927	-1	37,926
Purchase of treasury shares	-28,871	-	-369,527	-	-	-	-398,398	-	-398,398
Redemption of shares	-	-	-	-	-	-	-	-	-
Dividend payment by GEA Group AG	-	-	-152,812	-	-	-	-152,812	-	-152,812
Change in other non-controlling interests	-	-	-	-	-	-	-	-12	-12
Balance at September 30, 2017 (185,221,613 shares)	491,505	1,217,861	719,899	52,834	-356	-	2,481,743	565	2,482,308
Balance at Jan. 1, 2018 (181,026,744 shares)	489,372	1,217,861	756,923	38,749	-502	-	2,502,403	1,191	2,503,594
Adjustments IFRS 9	-	-	-1,032	-	502	-	-530	-	-530
Adjustments IFRS 15	-	-	-3,390	-	-	-	-3,390	-	-3,390
Adjustment Hyperinflation ²	-	-	77	-	-	-	77	-	77
Adjusted balance at Jan. 1, 2018	489,372	1,217,861	752,578	38,749	-	-	2,498,560	1,191	2,499,751
Profit for the period	-	-	128,411	-	-	-	128,411	93	128,504
Other comprehensive income	-	-	12,375	10,774	-	1	23,150	-	23,150
Total comprehensive income	-	-	140,786	10,774	-	1	151,561	93	151,654
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 ²	-	-	320	-	-	-	320	-	320
Change in other non-controlling interests	-	-	-	-	-	-	-	-722	-722
Balance at September 30, 2018 (180,492,172 shares)	520,376	1,217,861	688,309	49,523	-	1	2,476,070	562	2,476,632

1) As of 06/30/2017 and 01/01/2018 issued capital

2) First time adoption effect of accounting for Hyperinflation in Argentina according to IAS 29

Financial Calendar

March 14, 2019	Annual Report 2018
April 26, 2019	Annual Shareholders' Meeting for 2018
May 10, 2019	Quarterly Statement for the period to March 31, 2019
August 6, 2019	Half-yearly Financial Report for the period to June 30, 2019
October 25, 2019	Quarterly Statement for the period to September 30, 2019

The GEA Stock: Key data

WKN	660 200
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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 quarterly statement 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 quarterly statement

This quarterly statement is the English translation of the original German version; in case of deviations between these two, the German version prevails.

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GEA is a global technology company with multi-billion euro sales operations in more than 50 countries. Founded in 1881 the company is one of the largest providers of innovative equipment and process technology. GEA is listed in the STOXX® Europe 600 Index. In addition, the company is included in selected MSCI Global Sustainability Indexes.

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