

GEA to streamline the group structure in order to realize substantial synergies and savings

Bochum/Changshu, September 22, 2009 – The Supervisory Board of GEA Group Aktiengesellschaft today unanimously approved a proposal of the Executive Board to simplify the structure of the group with effect from January 1st, 2010.

The businesses of the existing nine divisions, which are reported as two segments, will be regrouped into five segments without altering the overall portfolio of the group. These five segments will also be the IFRS reporting units from 2010 onwards.

The new structure provides a clear alignment of technologies and applications within the group and comprises the following segments:

- GEA Farm Technologies
- GEA Heat Exchangers
- GEA Mechanical Equipment
- GEA Process Engineering
- GEA Refrigeration Technologies

The segment GEA Farm Technologies supplies milking technology and other products in the fields of animal hygiene, milking parlour cleaning and accessories. The segment will be led by Dirk Hejnal, a 43-year-old American citizen. The new GEA Heat Exchangers Segment provides various kinds of heat exchangers for a multitude of industries. GEA Heat Exchangers will be managed by Jörg Jeliniewski, a 47-year-old German citizen. GEA's Mechanical Equipment Segment is responsible for all type of centrifuges, pumps, homogenizers and valves mainly for the food & beverage industries but also for a wide variety of industrial applications. Segment President will be Hildemar Böhm, 51 years old and a German citizen. The GEA Process Engineering Segment provides stand alone installations and processing lines mainly for the food industry, but also for pharmaceutical, chemical and other industrial applications. This segment will be led by Anders Wilhjelm, a 42-years-old Danish national. The GEA Refrigeration Technologies Segment delivers refrigeration solutions primarily for the processing, storage and transportation of food, but also for the energy and other industries. The President of this segment will be Dr. Michael Herbermann, a 49-year-old German national. All Segment Presidents have a long-time experience with GEA Group in managing positions.

Press Release

Engineering Excellence



GEA has decided that a segmentation following products and solutions is the best suited approach to enhance further organic growth and integrate future acquisitions. The new structure will also make it more apparent that GEA is a leader in most of its businesses.

“The current divisional management structure, largely unaltered since 1997, had created too much product overlap during the rapid organic growth and acquisitions of the recent years, especially in the area of heat exchangers which represent over a third of GEA’s sales. Currently embedded in as many as five different divisions, all heat exchanger activities will be concentrated in one dedicated segment. This reorganization is aimed at rationalizing the manufacturing and related activities and promoting in general lean structures in the Heat Exchanger Segment. The elimination of overlap will also help our sales force and engineers to better focus on specific customer needs, that is to realize efficiency in their food and energy production processes. It will also support the previously announced ‘project 150’ initiative, aiming to reduce the number of legal entities.” CEO Jürg Oleas explained.

“Reporting our results for each of the five segments externally will step up the transparency to shareholders and facilitate the understanding for our group portfolio. Currently we are reporting our businesses in two segments, now we are going to provide more detail by reporting them in five segments.” Oleas continued.

The reorganization – including the already communicated reduction of legal entities – is expected to generate in the next few years a substantial double-digit million Euro amount as sustainable savings.

The Executive Board of GEA will give a more detailed overview on the substantial savings with the presentation of the results for the third quarter 2009 in late October.

GEA Group Aktiengesellschaft is one of the largest solution providers for food and energy processes with more than EUR 5.2 billion in 2008 revenue. As an internationally operating technology group, the company focuses on process technology and components for demanding production processes in various end markets. The group generates about 70 percent of its revenue from the long-term growing food and energy industries. As of June 30, 2009, a workforce of over 20,000 employees served customers in 50 countries. GEA Group is a market and technology leader in 90 percent of its business areas. GEA Group is listed in the MDAX index (G1A, WKN 660200).