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*Ad-hoc*

## Krones' growth continues strong in the first three quarters of 2008

During the first nine months of 2008 Krones remained on course for growth, despite the cyclical downturn. On a like-for-like basis, sales rose by 12.5 % to reach Euro 1,765.9 m. During the period under review, the company benefited from the increasing number of clients looking for all-inclusive job packages. Another growth driver during the year's first three quarters was the group's Plastics Technology Division. Krones is the world's leading vendor of machines and lines for producing bottles from PET and other plastics, and for bottling beverages in plastic containers.

Order bookings were up by 6.1 % during the first three quarters of 2008 compared to the preceding year, to reach Euro 1,870.4 m. The order backlog, at Euro 996.3 m, was 6.0 % higher on 30 September 2008 than the preceding year's equivalent figure.

Earnings before taxes (EBT), at Euro 126.8 m, rose by 20.8 % in the year's first nine months on a like-for-like basis. The EBT margin, meaning earnings before taxes in relation to sales, improved from 6.7 % to 7.2 %. Earnings after taxes were up by 31.3 % to reach Euro 86.8 m.

### Outlook

Krones' long term goal is to increase its revenues by 5 to 10 % each year. In view of the group's good performance during the year's first three quarters, the Executive Board expects that the growth in sales for 2008 will lie at the upper end of the forecast corridor, and that profits will exceed the Euro 2.3 bn mark. Earnings before taxes (the EBT margin) are set to improve still further in 2008 (preceding year: 7.1 %). Since the company is benefiting from the reform of German corporation tax, earnings after taxes will increase more substantially than pretax profits. Krones is thus well on course to achieve the ninth record year in succession in terms of both sales and profits.



Whether 2009 will prove to be a tenth record year is difficult to assess at present. The worldwide financial crisis is hitting the global economy hard. In view of the uncertainty surrounding the market's future performance, it would be irresponsible at present to make

anything more than a tentative prognosis for the 2009 business year. In its internal planning, however, Krones is proceeding on the assumption that following a possible dip in the first half of 2009 modest growth can again be anticipated in the year's second half.

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