

Half year results 2004

Conference call

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Wiesbaden

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Key Facts

- Significant increase in sales and EBITA
- EPS of €0.62 (2003: €0.44), excl. Goodwill €1.16 (2003: €0.97)
- Outlook for FY 2004 unchanged: Slight growth in sales and EBITA before special items, excl. Refrigeration
- Sale of Refrigeration approved by European Commission

Income Statement

- Sales up 6.5%, excl. currency plus 8.6%
- EBITA increased by 9.5%, excl. currency plus 12.1%

In € million	Q2 04	Δ	H1 04	Δ
Sales	2,327	4.8%	4,438	6.5%
Sales (excl. Currency)	-	5.8%	-	8.6%
EBITDA	350	5.1%	657	4.1%
EBITA	161	8.1%	277	9.5%
EBIT	127	8.5%	213	12.7%
Financial result	-26	-	-61	-
EBT	101	24.7%	152	32.2%
Net income before minority interests	52	30.0%	74	45.1%
Net income	52	26.8%	74	42.3%

Key Financials

- Net interest result improved by €9 mil. (2003: -€73 mil.)
- Unchanged net debt but improved gearing

In € million	2003	H1 04
Operating cash flow	1,281	417
Capex (excl. Financial assets)	856	451
Net interest	-130	-64
EBITDA / Net interest	11.1	10.3
Net debt**	2,941	2,946
Gearing**	63.1%	62.0%

* incl. leasing, excl. pension liabilities

** excl. leasing and pension liabilities

Gas and Engineering

- Sales up 1.3%, excl. currency plus 4.7%
- EBITA plus 5.3%, excl. currency plus 7.9%

In € million	Q2 04	Δ	H1 04	Δ
Sales	981	2.3%	1,944	1.3%
Sales (excl. Currency)	-	4.3%	-	4.7%
EBITDA	253	5.0%	503	1.8%
Margin	25.8%	-	25.9%	-
EBITA	150	7.9%	299	5.3%
Margin	15.3%	-	15.4%	-
EBTA	126	18.9%	254	16.5%

Regional Sales

- Good development in Europe, especially in Eastern Europe
- Double-digit currency impact on North American sales
- Highest growth rate in South America

In € million	H1 03	H1 04	Δ^*	Δ^* (excl. Currency)
Germany	431	431	0.1%	0.1%
Europe excl. Germany	925	963	4.1%	5.8%
North America	419	384	-8.5%	2.1%
South America	112	131	17.6%	22.8%
Asia Pacific	33	36	9.2%	7.6%

* $\Delta\%$ based on €k

Product Segment Sales

- Bulk business achieves highest growth rates
- Cylinder Business is stabilizing
- Healthcare again with double-digit growth, excl. currency

In € million	H1 03		H1 04		Δ	Δ (excl. Currency)
Bulk	515	26%	540	27%	4.8%	7.5%
Cylinder	780	39%	782	39%	0.3%	3.8%
On-site ^{**}	392	20%	381	19%	-2.8%	0.2%
Healthcare	286	15%	309	15%	8.0%	12.8%

^{**} excl. natural gas

Highlights

- Improved Cylinder business with positive influence on margins
- Restructuring programm Fit-for-Future is fully on track
- More project activities in second half foreseeable

Outlook – Full Year 2004

- Increase in sales and EBITA (excl. currency)

- Strong increase of sales (+17%) and order intake (+22%)
- EBITA up by 56.3%

In € million	Q2 04	Δ	H1 04	Δ
Sales	337	3.4%	627	17.0%
Order intake	473	31.4%	887	22.0%
EBITDA	21	16.7%	33	26.9%
Margin	6.2%	-	5.3%	-
EBITA	17	30.8%	25	56.3%
Margin	5.0%	-	4.0%	-
EBTA	17	41.7%	24	71.4%

Highlights

- H1 order intake exceeds good last year
- Order backlog higher than €2 bn
- Promising outlook: Good project situation in all segments

Outlook - Full Year 2004

- Increase in sales and EBITA

Material Handling

- Sales up 13.2%, Order intake 16.2% higher
- EBITA plus 26.9%

In € million	Q2 04	Δ	H1 04	Δ
Sales	847	14.2%	1,591	13.2%
Order intake	921	23.5%	1,731	16.2%
EBITDA	118	10.3%	217	10.2%
Margin	13.9%	-	13.6%	-
EBITA	43	26.5%	66	26.9%
Margin	5.1%	-	4.1%	-
EBTA	34	25.9%	50	28.2%

Highlights

- Strong growing world market, highest growth rates in USA and Asia
- European market is accelerating, especially in the second quarter
- Strong competition and increasing raw material prices with negative impact on profitability

Outlook – Full Year 2004

- Improved sales and EBITA

Refrigeration

- Sales up 1.2%, strong order intake (+5.4%)
- EBITA of minus €28 mil. negatively impacted by implementation of new IT-systems

In € million	Q2 04	Δ	H1 04	Δ
Sales	200	-2.4%	332	1.2%
Order intake	274	14.6%	466	5.4%
EBITDA	7	-	-17	-
EBITA	1	-	-28	-
EBTA	0	-	-29	-

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