

FOR IMMEDIATE RELEASE

Düsseldorf (Germany), May 5, 2023

## GEA raises outlook for 2023 following strong first quarter

- Order intake rises to a new record of EUR 1.58 billion (Q1 2022: EUR 1.54 billion)
- Revenue growth of 12.8 percent (organic: 13.9 percent) to EUR 1.27 billion (Q1 2022: EUR 1.13 billion)
- EBITDA before restructuring expenses improved by a significant 24.3 percent to EUR 172 million (Q1 2022: EUR 138 million); corresponding EBITDA margin of 13.5 percent, up 1.2 percentage points on the prior-year figure (Q1 2022: 12.3 percent)
- ROCE increased to 33.1 percent (Q1 2022: 29.3 percent)
- Net working capital as percentage of revenue slightly increased to 6.9 percent (Q1 2022: 6.1 percent); decline in net liquidity to EUR 274 million (Q1 2022: EUR 412 million) due to share buyback program
- Outlook for 2023 raised

GEA has raised its outlook for fiscal year 2023 following a strong first quarter. Revenue is now forecast to grow on an organic basis by more than 8.0 percent (previously: more than 5.0 percent). EBITDA before restructuring expenses at constant exchange rates is expected to be at the upper part of the range between EUR 730 million and 790 million (previously: range between EUR 730 million and 790 million). At the same time, GEA aims to further increase the EBITDA margin before restructuring expenses to at least 14.0 percent (previously: more than 13.8 percent). GEA now expects ROCE to be more than 32.0 percent at constant exchange rates (previously: at least 29.0 percent).

CEO Stefan Klebert: “We have made a very good start to 2023. Our products, solutions and services are in high demand – especially in the food, beverage and pharmaceutical industries. One of our key success drivers is the fact that our customers are increasingly looking for solutions to save energy and conserve resources. Drawing on our strength, we look to the future with confidence and are able to raise our outlook for the full year.”

### Order intake rises to a new record level

In the first quarter of 2023, order intake rose by 2.4 percent (organic: 3.9 percent) to a record level of EUR 1,581 million (Q1 2022: EUR 1,544 million). Among the factors contributing to this increase were five large orders (each with a volume of more than EUR 15 million), amounting to a total of EUR 126 million. With double-digit growth, the new food, beverage and dairy farming customer industries made a particularly significant contribution to the record figure.

Revenue improved by 12.8 percent in the reporting period (organic: 13.9 percent) to EUR 1,271 million (Q1 2022: EUR 1,126 million). All divisions contributed, mostly posting double-digit increases. Among the customer industries, notably dairy farming, dairy processing, food and chemicals performed positively. The renewable resources business similarly recorded significant revenue growth. In the first quarter of 2023, the share of service revenue increased from 36.2 percent to 36.6 percent.

## All divisions record significantly improved earnings

EBITDA before restructuring expenses increased by a considerable 24.3 percent to EUR 171.8 million (Q1 2022: EUR 138.2 million). The corresponding EBITDA margin improved significantly by 1.2 percentage points to 13.5 percent (Q1 2022: 12.3 percent). This positive development was due in particular to high volumes in the new machinery business and an increased service share. All divisions increased their EBITDA margin before restructuring expenses compared with the prior-year quarter, in some instances substantially.

Profit for the period went up by 13.2 percent in the first three months to EUR 81.7 million (Q1 2022: EUR 72.2 million). Earnings per share rose correspondingly from EUR 0.41 to EUR 0.47. Earnings per share before restructuring expenses came to EUR 0.54 in the first quarter, compared with EUR 0.43 in the prior-year quarter.

Net liquidity fell from EUR 412 million to EUR 274 million in the first quarter due to the share buyback program in 2022. Net working capital as a percentage of revenue increased marginally to 6.9 percent (Q1 2022: 6.1 percent).

As a result of the rise in inventories and trade receivables, capital employed (average of the last four quarters) rose slightly to EUR 1,699 million (Q1 2022: EUR 1,580 million). However, the return on capital employed (ROCE) improved from 29.3 percent to 33.1 percent thanks to the substantially improved EBIT before restructuring expenses.

## Outlook for 2023 raised following strong first quarter

Following a strong first quarter, GEA has raised its outlook for fiscal year 2023. Revenue is now forecast to grow on an organic basis by more than 8.0 percent (previously: more than 5.0 percent). EBITDA before restructuring expenses at constant exchange rates is expected to be at the upper part of the range between EUR 730 million and 790 million (previously: range between EUR 730 million and 790 million). At the same time, GEA aims to further increase the EBITDA margin before restructuring expenses to at least 14.0 percent (previously: more than 13.8 percent). GEA now expects ROCE to be more than 32.0 percent at constant exchange rates (previously: at least 29.0 percent).

## GEA Key Financial Figures

(EUR million)	Q1 2023	Q1 2022	Change in %
<b>Results of operations</b>			
Order intake	1,580.7	1,543.6	2.4
Book-to-bill ratio	1.24	1.37	–
Order backlog	3,446.0	3,181.2	8.3
Revenue	1,270.9	1,126.4	12.8
Organic revenue growth <sup>1</sup>	13.9	6.6	727 bps
Share of service revenue in %	36.6	36.2	39 bps
EBITDA before restructuring expenses	171.8	138.2	24.3
as % of revenue	13.5	12.3	124 bps
EBITDA	157.3	131.9	19.2
EBIT before restructuring expenses	127.7	94.6	35.0
EBIT	112.8	88.3	27.8
Profit for the period	81.7	72.2	13.2
ROCE in % <sup>2</sup>	33.1	29.3	383 bps
<b>Financial position</b>			
Cash flow from operating activities	–49.3	–13.7	< -100
Cash flow from investing activities	–3.1	–14.1	77.8
Free cash flow	–52.4	–27.8	–88.8
<b>Net assets</b>			
Net working capital (reporting date)	368.9	291.7	26.5
as % of revenue (LTM)	6.9	6.1	82 bps
Capital employed (reporting date) <sup>3</sup>	1,737.9	1,604.5	8.3
Equity	2,338.7	2,195.3	6.5
Equity ratio in %	40.4	37.7	264 bps
Net liquidity (+)/Net debt (-) <sup>4</sup>	274.3	411.5	–33.4
<b>GEA Shares</b>			
Earnings per share (EUR)	0.47	0.41	16.7
Earnings per share before restructuring expenses (EUR)	0.54	0.43	25.6
Market capitalization (EUR billion; reporting date) <sup>5</sup>	7.6	6.7	12.4
Employees (FTE; reporting date)	18,413	18,108	1.7
Total workforce (FTE; reporting date)	19,416	19,226	1.0

1) By "organic", GEA means changes that are adjusted for currency and portfolio effects. The basis for the calculation is the reported revenue in the previous year less disposed businesses.

2) EBIT before restructuring expenses of the last 12 months. Capital employed average of the last 4 quarters and excluding goodwill from the acquisition of the former GEA AG by former Metallgesellschaft AG in 1999.

3) Capital employed excluding goodwill from the acquisition of the former GEA AG by former Metallgesellschaft AG in 1999.

4) Including lease liabilities of EUR 160.2 million as of March 31, 2023 (prior year EUR 174.3 million).

5) The market capitalization takes treasury shares into account.

## NOTE TO EDITORS

- Information about GEA can be found [here](#)
- Follow GEA on [in](#) [twitter](#) [youtube](#)
- GEA images can be found [here](#)

## Media Relations

Anne Putz  
Peter-Müller-Str. 12, 40468 Düsseldorf, Germany  
Phone +49 211 9136-1500  
[anne.putz@gea.com](mailto:anne.putz@gea.com)

## About GEA

GEA is one of the world's largest suppliers of systems and components to the food, beverage, and pharmaceutical industries. The international technology group, founded in 1881, focuses on machinery and plants, as well as advanced process technology, components, and comprehensive services. With more than 18,000 employees working across five divisions and 62 countries, the group generated revenues of more than EUR 5.1 billion in fiscal year 2022. GEA plants, processes, components, and services enhance the efficiency and sustainability of production processes across the globe. They contribute significantly to the reduction of CO<sub>2</sub> emissions, plastic usage, and food waste. In doing so, GEA makes a key contribution toward a sustainable future, in line with the company's purpose: "Engineering for a better world".

GEA is listed in the German MDAX and the STOXX® Europe 600 Index and is also among the companies comprising the DAX 50 ESG and MSCI Global Sustainability and the Dow Jones Sustainability Europe Indices.

More information can be found online at [gea.com](https://www.gea.com).

If you do not want to receive any further information from GEA, please send an e-mail to [pr@gea.com](mailto:pr@gea.com).