

27 April 2006

Report for the 1<sup>st</sup> quarter of 2006

## Fine start to the year by KRONES

### Double-figure growth in the year's first quarter

The buoyant state of the economy at the beginning of this year, plus the continuing health of the business cycle, progressively spreading to the domestic market as well, are reflected in very good business figures at KRONES AG, Neutraubling, for the months from January to March. The world's market leader for beverage filling and packaging lines is thus building on its good results from the previous year.

Compared with the preceding year's equivalent period, KRONES achieved double-figure growth rates for order bookings (up by 10.6 % to 488.5 million euros) and sales (up by 11.6 % to 451.6 million euros) – and almost, as well, for earnings after taxes, which rose by 9.8 % to reach 19.1 million euros.

KRONES sees the current business figures, combined with the continuingly stable macro-economic situation and the sustained demand for complete filling lines and packaging machines (the order backlog of 727.5 million euros is 6.0 % up on the preceding year) as providing favourable preconditions for successfully continuing the growth performance of recent years.

The group, employing 9,012 people worldwide (as of 31 March) is planning to upgrade its productivity across its entire operations. For this purpose, KRONES has already invested 17.2 million euros, predominantly in its German facilities, during the year's first three months. Total investment budgeted for 2006 comes to more than 70.0 million euros.

For 2006, KRONES is targeting not only sales growth of between five and ten per cent, but primarily a sustained increase in earnings, driven both by a continuous process of improvement throughout the company and by cost-cutting effects from the worktime model.

You will also find this press release for downloading on the internet under <http://www.krones.com>.