

Dürr Group business trend in the first quarter of 2002

May 28, 2002 – With a good project situation in Europe and China, but below-average development in North and South America, incoming orders for the Dürr Group rose in the first quarter of 2002 by 15 % on the year-earlier level to € 486 million (previous year: € 421 million). Sales increased by 12 % to € 395 million (previous year: € 354 million). Dürr's orders on hand were up 11 % to € 1,258 million on March 31, 2002 (previous year: € 1,137 million). Because of new projects in the Services business unit and newly consolidated companies, the number of employees rose by 2.3 % to 12,410 at the end of the first quarter (previous year: 12,134). Dürr made capital expenditures on property, plant and equipment of € 3.9 million in the period under review (previous year: € 5.0 million).

Earnings were influenced by restructuring programs in the Measuring Systems business unit, now being implemented primarily at German and American companies of the Schenck Group. Against that background, Dürr registered EBITDA (earnings before interest, taxes, depreciation and amortization) of € 2.6 million (previous year: € 27.0 million) and earnings before taxes (EBT) of € –14.8 million (previous year: € 7.8 million). The restructuring should be largely completed by the third quarter of 2002, and significantly positive effects are therefore expected after that.

Outlook for the year

For the year 2002, Dürr expects subdued economic development, particularly in the first half. With a varied project situation that is good in some regions, considerable uncertainty still exists concerning future world economic development.

Judging the situation as it appears today, the Board of Management expects incoming orders and sales for the Dürr Group in 2002 to be much as in the previous year. The goal is to achieve the same level in earnings as in 2001 before restructuring effects. Group-wide measures to improve competitiveness, including streamlining of business units, are being systematically implemented. Dürr is very confident that it will emerge stronger from this phase of market weakness and from 2003 will benefit above average from an economic upturn.

Consolidated statement of income

for Dürr AG, Stuttgart, for the first quarter of 2002

Amounts in € k	1st quarter 2002
Net sales	394,956
Cost of sales	– 323,363
Gross margin	71,593
Selling, administrative and other operating expenses	– 80,654
Research and development expenses	– 4,926
Other operating income	6,545
Income before financial income, income taxes and minority interests	– 7,442
Financial income (expense), net	– 7,312
Income before income taxes and minority interests	– 14,754
Income taxes	7,112
Income before minority interests	– 7,642
Minority interests	327
Net income (loss)	– 7,315
Basic and diluted earnings per share in €	– 0.51

Deutsche Börse AG released Dürr AG from the obligation to report separately on the first quarter of 2001. For that reason, comparative figures from the preceding year are not shown.

Consolidated balance sheet

for Dürr AG, Stuttgart, as of March 31, 2002

Amounts in € k	March 31, 2002
Assets	
Fixed assets	
Intangible assets, net	410,075
Property, plant and equipment, net	213,243
Investments	17,893
	641,211
Non-fixed assets	
Inventory, net	439,353
Receivables and other assets, net	558,864
Short-term investments	6
Cash and cash equivalents	126,940
	1,125,163
Deferred taxes	68,473
Prepaid expenses	7,476
Total assets	1,842,323
Liabilities and stockholders' equity	
Capital stock	36,603
Additional paid-in capital	159,048
Retained earnings	56,715
Deferred compensation	- 44
Accumulated other comprehensive income	38,716
	291,038
Minority interests	8,322
Accruals	314,739
Liabilities	1,166,826
Deferred taxes	48,072
Deferred income	13,326
Total liabilities and stockholders' equity	1,842,323

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Consolidated statement of cash flows

for Dürr AG, Stuttgart, for the first quarter of 2002

Amounts in € k	1st quarter 2002
Net income (loss)	- 7,315
Minority interests	- 327
Depreciation	8,548
Net gain on disposal of property, plant and equipment	- 18
Deferred income taxes	- 7,629
Non-cash (income) loss from associated companies	- 302
Changes in operating assets and liabilities	
Inventory	- 69,997
Receivables	55,369
Short-term investments	- 3
Accruals	- 16,136
Liabilities (other than bank)	- 34,359
Other assets and liabilities	6,201
Net cash provided by (used in) operating activities	- 65,968
Acquisitions of intangible assets	- 87
Purchases of property, plant and equipment	- 3,921
Proceeds from disposals of fixed assets	1,313
Net cash used in investing activities	- 2,695
Net change in debt and lines of credit	45,845
Net cash provided by (used in) financing activities	45,845
Effect of exchange rates on cash and cash equivalents	- 82
Increase (decrease) in cash and cash equivalents	- 22,900
Cash and cash equivalents	
At the beginning of the quarter	149,840
At the end of the quarter	126,940

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Financial calendar for 2002

- Annual shareholders' meeting, June 12, 2002, Stuttgart
- Dividend payment, June 13, 2002
- Road show USA, June 2002
- Interim report on second quarter of 2002
Conference call, August 21, 2002
- Capital Markets Day, September 12, 2002, Stuttgart
- Road show France, Germany, Great Britain, Switzerland,
October 2002
- German Equity Forum, November 14, 2002, Paris
- Interim report on third quarter of 2002
Conference call, November 20, 2002
- German Mid Cap Conference
49th calendar week of 2002, Frankfurt/Main

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