Interim Report January 1 to March 31, 2008

DÜRR

Technologies · Systems · Solutions

Contents

Cover photo:

Balancing and Assembly Products:
Material-saving system for filling ready-assembled cars with air-conditioning refrigerant

Key figures for the Dürr Group (IFRS)

(Continuing operations)

		Q1 2008	Q1 2007
Incoming orders	in € m	517.8	508.3
Orders on hand (March 31)	in € m	1,210.4	1,006.2
Sales revenues	in € m	356.2	304.1
EBITDA	in € m	14.8	7.2
EBIT	in € m	10.4	3.0
Net profit/loss for the period	in € m	4.5	-2.1
Cash flow from operating activities	in € m	21.0	-9.0
Cash flow from investing activities	in € m	-2.5	-6.6
Cash flow from financing activities	in € m	-15.8	-13.2
Free cash flow	in € m	8.1	-25.3
Balance sheet total (March 31)	in € m	1,087.0	1,026.6
Equity (with minority interests) (March 31)	in € m	253.0	243.6
Net financial debt (March 31)	in € m	57.2	123.7
Net working capital (March 31)	in € m	96.5	155.5
Employees (March 31)		6,008	5,670
Dürr-stock ISIN: DE0005565204			
High [1]	€	27.10	24.79
Low [1]	€	17.51	20.20
Close [1]	€	26.60	24.52
Number of shares (March 31)	k	15,728	15,728
Earnings per share (diluted/undiluted)	€	0.27	-0.13

Immaterial variances may occur in this report in the computation of sums and percentages due to rounding.

[1] Xetra

Highlights Q1 2008

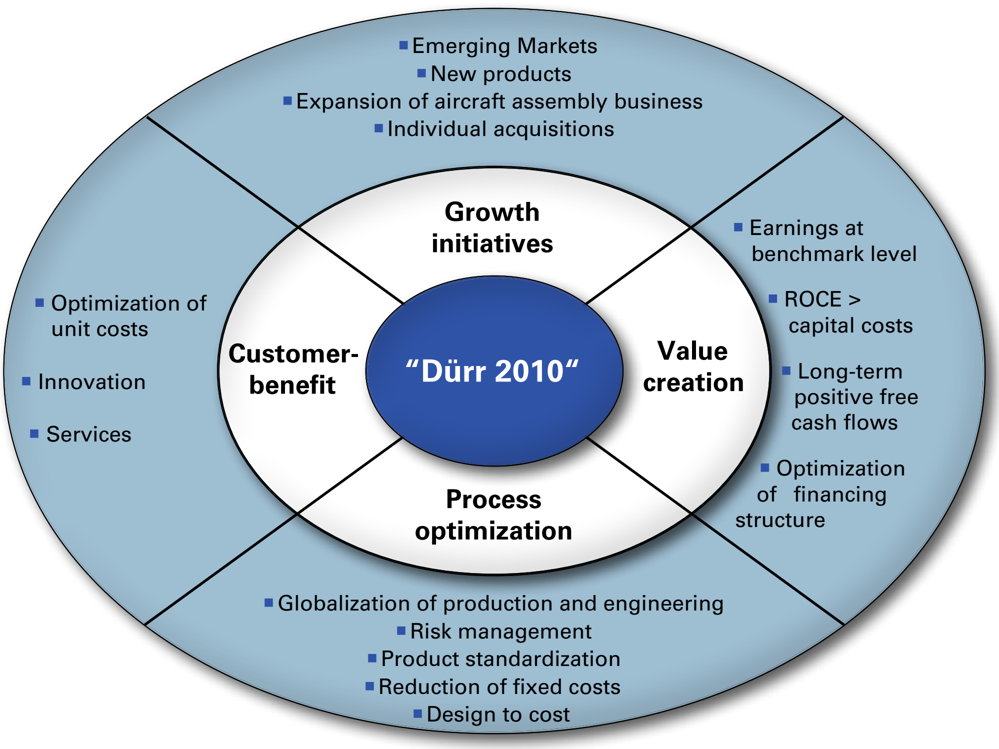
- Incoming orders again above the previous year's high level
- Order intake exceeds sales revenues by 45%
- Sales revenues substantially increased: +17.1%
- Positive earnings trend of the previous quarters sustained
- EBIT much improved, earnings after tax also positive
- Cash flow and free cash flow positive
- Net working capital further improved
- Positive outlook for 2008 confirmed

Management report
Strategy "Dürr 2010" and optimization of Group structure

With the Group-wide FOCUS program we have successfully realigned Dürr and optimized our business processes. Building on this, we developed the strategy "Dürr 2010" in the second half of 2007 with which we aim to substantially improve our profitability. "Dürr 2010" is based on four pillars:

- to increase customer benefit
- to pursue growth initiatives
- to optimize processes
- and to create value.

More information on this can be found in our Annual Report for 2007 beginning on page 18 and on our website at www.durr.com/en/investor/strategie.html.



In the first quarter of 2008 we changed the Group's structure as part of the Dürr 2010 strategy. The Factory Assembly Systems business unit was wound up and its activities assigned to three other business units:

- The assembly, filling and testing products business has been merged with the former Balancing and Diagnostic Systems business unit into the newly created Balancing and Assembly Products business unit. All the Balancing and Assembly Products activities are mechanical engineering activities, offer technologically sophisticated products, and operate with similar processes. We expect to realize synergies for instance in manufacturing, assembly and international sales.

- We have integrated the business with final assembly systems for the automobile industry into the former Paint Systems business unit, which since March 1, 2008 has been operating under the name Paint and Final Assembly Systems. The bundling together of paint and final assembly systems makes sense because both are active in the plant engineering business and address the automotive industry. In addition, we can realize technological and organizational utilization synergies in engineering, project management and execution.

- Owing to its growth potential, the aircraft assembly systems business has been reorganized as a separate business unit called Aircraft and Technology Systems. The consulting activities at Dürr Consulting are also grouped under this business unit.

The reorganization has transfered the assembly, filling and testing products business from the Paint and Assembly Systems division to the Measuring and Process Systems division. This affects our segment reporting, which is aligned to the two divisions. We have adjusted the two divisions' Q1 2007 figures to the new structure. The figures for Q1 2008 and Q1 2007 are therefore fully comparable.

Apart from a merger in Canada, the company's legal structure remained unchanged in the first quarter of 2008. Further information can be found in the notes to the consolidated financial statements on page 25.

Group structure since March 1, 2008

GROUP STRUCTURE

PAINT AND ASSEMBLY SYSTEMS

BUSINESS UNITS

PAINT AND FINAL ASSEMBLY SYSTEMS

Turnkey paint shops and final assembly plants; service and modernization of existing facilities.

APPLICATION TECHNOLOGY

High-tech systems and software for automated paint and sealing application (robots, atomizers, color-change systems, quality control).

ENVIRONMENTAL AND ENERGY SYSTEMS

Technology for exhaust-air purification and for disposing of liquid residues as well as energy management.

AIRCRAFT AND TECHNOLOGY SYSTEMS

Assembly and painting systems for the aviation industry. Consulting activities for automobile and aircraft manufacturing and the general industry.

MEASURING AND PROCESS SYSTEMS

BUSINESS UNITS

BALANCING AND ASSEMBLY PRODUCTS

Balancing and diagnostic systems (automotive, electrical, turbo, machinery, aerospace). Assembly systems, end of line testing systems and filling systems for automobile production.

CLEANING AND FILTRATION SYSTEMS

Cleaning, filtration and automation systems for engine and transmission production as well as for metal-cutting and other metalworking processes.

Economic and industry environment

World economic growth slowed in the first three months of 2008. The USA is likely to have entered a recession in the wake of the crisis in the property and financial markets. Much weaker growth is forecast for Europe, too, where companies are feeling the pinch not only from higher raw material prices but also increasingly from the weakness of the US dollar. However, buoyed by the high levels of orders on hand economic development is comparatively robust. The growth in Asia remains dynamic, especially in China and India.

The general economic development also made itself felt on demand in the automobile markets. Unit sales in the USA fell strongly in the first quarter of 2008. Demand also weakened in Europe, though rising in Germany due to basis effects. The upward trend in the automobile industry's growth markets was unbroken. Especially China, India and Eastern Europe including Russia are acquiring ever greater importance.

Capital spending on production plant in the automobile industry should continue to rise in 2008 despite weaker unit growths. New automobile plants are planned above all in the emerging markets. However, there are also a number of projects for new paint shops and final assembly plants in the pipeline in Western Europe and North America. We are witnessing continuous growth in revamp business. Many automobile manufacturers are investing in older plants to modernize them and make them more flexible.

Business developments*

Incoming orders exceed previous year's high level

The Dürr Group booked orders worth € 517.8 million in the first three months of 2008. This was 16% above the quarterly average in 2007 (€ 445.4 million) and even exceeded the very high Q1 2007 level (€ 508.3 million) by 1.9%. The Measuring and Process Systems division was the main contributor with growth of 25.5%. With orders worth € 386.4 million, the Paint and Assembly Systems division came close to matching its very high Q1 2007 intake (€ 403.7 million). The shortfall of 4.3% was due to declines in the plant engineering business (Paint and Final Assembly Systems). The short three-month horizon is naturally not all that indicative in this business, however. High double-digit rates of growth were achieved in Application Technology and Environmental and Energy Systems.

Viewed by region, we achieved strong rates of growth above all in the Asian markets. After the lull in orders in 2007, we witnessed strong growth again in China in the first quarter of 2008. The Eastern European market was stable; large orders were received from Russia for instance. Order intake in North America slackened off after the strong growth in 2007.

* Unless stated otherwise, all figures and statements in this interim report refer to the continuing operations of the Dürr Group. These interim financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS).

Sales revenues and orders on hand
Consolidated sales in the first quarter of 2008 were up 17.1% to € 356.2 million (Q1 2007: € 304.1 million). The Paint and Final Assembly Systems, Application Technology, Balancing and Assembly Products, and Cleaning and Filtration Systems business units achieved double-digit rates of growth. The 16% weaker US dollar compared with the first quarter of 2007 impacted sales revenues negatively by about 3%.

Europe contributed 58.0% of our sales revenues, Asia 19.4%, and North and South America 22.6%. The book-to-bill ratio, in other words the ratio of new orders to sales revenues, again reached a high level of 1.5. Orders on hand amounted to € 1,210.4 million as of March 31, 2008, an increase of € 204.2 million versus the end of the same quarter last year and € 128.4 million versus the end of 2007. Our reach of orders has therefore improved again and is now equivalent to over nine months' sales.

More-than-proportional improvement in gross profit
The cost of sales increased by 16.6%, and thus less than proportionally compared to sales revenues, so the gross margin rose to 17.0% (Q1 2007: 16.6%). This is mostly attributable to the improvement of our internal processes. Additionally, benefits were felt from higher-quality orders on hand especially at Paint and Final Assembly Systems, while Cleaning and Filtration Systems profited from cost benefits from the new product generation introduced last year.

Administrative and selling expenses, which were up 3.5%, also rose much less strongly than sales revenues. As a result, the ratio of administrative and selling expenses to sales fell to 12.9% (Q1 2007: 14,5%). Research & development expenses rose by € 0.1 million to € 5.7 million. The net balance of other operating income and expenses was € +1.3 million (Q1 2007: € +2.5 million). Here, currency translation gains and losses were by far the biggest factor. On balance, currency translation effects resulted in income of € 2.2 million. There were no longer any one-time expenses incurred in the first quarter of 2008. In the same quarter last year they had already amounted to only € 0.1 million.

Earnings after tax much improved and positive
EBITDA doubled in the first quarter of 2008 to € 14.8 million (Q1 2007: € 7.2 million). With depreciation and amortization amounting to € 4.4 million (Q1 2007: € 4.1 million) EBIT came to € 10.4 million after € 3.0 million in the same quarter last year. The interest result improved by € 1.2 million to € -4.4 million. This was mainly due to the lower average debt. Based on an effective tax rate of just under 30%, earnings after tax came to € 4.5 million in the first quarter of 2008 – a marked improvement on the loss of € 2.1 million in the first quarter last year.

Financial position

Cash flow from operating activities remains positive*

Cash flow from operating activities improved in the first quarter of 2008 to € 21.0 million as compared to € -9.0 million in the same quarter last year. The positive development in the fourth quarter of 2007 was thus continued. Contributing factors were the better revenue situation and a further reduction of € 26.4 million in net working capital as of March 31, 2008 versus the end of 2007. Prepayments received recognized as liabilities rose by € 50.0 million versus the end of 2007 to € 179.4 million. This includes first prepayments on the large order we received from the BMW Group at the end of 2007. There were no forfaiting transactions in the first quarter of 2008 (December 31, 2007: € 20.8 million); the factoring volume declined by € 5.4 million to € 8.8 million. On balance, we formed provisions in a net amount of € 0.7 million. This compares with a net € 5.9 million still utilized or released in the same quarter last year. The item "Other" mostly relates to the increase in "Other receivables and other assets" (tax refund claims, among other things) and other asset items (such as prepaid expenses).

Cash flow from investing activities amounted to € -2.5 million (Q1 2007: € -6.6 million). This comprises capital expenditures and interest income received. Capital expenditure declined as only € 1.1 million was invested in intangible assets in the first quarter. In the first quarter last year we had still invested € 4.3 million in intangible assets (software licenses, capitalized project costs etc.) in connection with the Group-wide IT harmonization.

Cash flow from financing activities amounted to € -15.8 million (Q1 2007: € -13.2 million) and mainly consisted of interest paid and the reduction of financial liabilities (€ 5.2 million).

Free cash flow indicates what resources are left for paying dividends, buying back shares and reducing net financial debt. At € +8.1 million, free cash flow was well into positive territory in the first quarter of 2008 as compared to € -25.3 million still in the first quarter last year.

* Exchange rate effects have been eliminated in the cash flow statement. For this reason, the changes shown here can only be seen in the balance sheet to a limited extent.

Cash flow statement

in € million	Q1 2008	Q1 2007
Earnings before income taxes	6.3	-2.4
Depreciation and amortization	4.4	4.2
Interest result	4.4	5.7
Income taxes	-3.7	-2.0
Change in provisions	0.7	-5.9
Change in net working capital	26.4	4.3
Other	-17.5	-12.9
Cash flow from operating activities	**21.0**	**-9.0**
Interest payments (net)	-9.2	-9.9
Capital expenditure	-3.7	-6.4
Free cash flow	**8.1**	**-25.3**
Other cash flows	-4.6	-1.9
Decrease (+) / increase (-) in net financial debt	+3.5	-27.2

Balance sheet and financial ratios little changed

Net financial debt amounted to € 57.2 million as of March 31, 2008, which was € 3.5 million less than at the end of 2007. Cash and cash equivalents decreased by € 1.6 million versus the end of 2007 to € 145.9 million; financial liabilities decreased by € 6.1 million to € 16.8 million.

The balance sheet total rose slightly to € 1,087.0 million (December 31, 2007: € 1,074.8 million). There were no structural changes on either the assets side or the liabilities side. Equity declined slightly versus December 31, 2007 even though earnings after tax were positive. This is due to the currency translation losses that were directly recognized in equity. The equity ratio as of March 31, 2008 was slightly lower at 23.3% as compared to 23.7% a year earlier. Trade payables rose strongly both versus March 31, 2007 and compared to the end of 2007. This is due to the growth in prepayments received to € 179.4 million (December 31, 2007: € 129.4 million / March 31, 2007: € 133.0 million).

Current and non-current liabilities

in € million	March 31, 2008	March 31, 2007	December 31, 2007
Financial liabilities	16.8	17.6	22.9
Corporare bond	192.2	190.6	191.7
Trade payables	375.8	307.5	344.8
of which: prepayments received	179.4	133.0	129.4
Tax liabilities	27.4	24.2	31.4
Other liabilities	86.1	88.1	90.7
Total	**698.3**	**628.0**	**681.5**

R&D and capital expenditures

Direct expenses for research and development (R&D) recognized in the income statement for the first quarter of 2008 amounted to € 5.7 million (Q1 2007: € 5.6 million). The R&D ratio, that is the ratio of these R&D expenses to sales revenues, was 1.6%. If project-related development expenses which arise in connection with customer orders are included, both R&D spending and ratio were much higher. Another € 0.5 million of expenditure for research and development was capitalized (Q1 2007: 0.7 million).

The principal aim of our R&D efforts continues to be the development of production technology that helps our customers to lower their costs per unit. In application technology we presented the *Eco*Purge LCC color changing system for up to 36 colors which reduces the color loss per change to less than 10 ml. A main focus in paint systems technology was the development of standard products for automotive suppliers and the general industry. A similar focus was adopted at the new Aircraft and Technology Systems business unit, which is defining further uniform product standards as a platform for its course of expansion. In testing technology for vehicle final assembly we continued with the further development of our chassis geometry measuring system x-3Dprofile. A central innovation theme in environmental systems technology was to increase the efficiency of our burners for thermal waste-air purification systems. The aim we are pursuing here is to guarantee that the required emission standards are met with less energy consumption.

€ 3.7 million was invested in property, plant and equipment and intangible assets, which was well below the level in the first quarter last year (€ 6.3 million). The decline is mainly due to the fact that the bulk of our capital spending on IT harmonization was undertaken in 2007. Besides smallish IT investments, the expenditure in the first quarter of 2008 was mainly on maintenance and replacement investments.

Capital expenditures*

in € million	Q1 2008	Q1 2007
Paint and Assembly Systems	2.0	5.1
Measuring and Process Systems	1.6	1.2
Corporate Center	0.1	0.0
Total	**3.7**	**6.3**

* in property, plant and equipment and intangible assets

Employees

We continued to increase the number of employees at important locations in the first quarter of 2008. The Group had 6,008 employees as of March 31, 2008. That is 1.2% more than at the end of 2007 and 6.0% more than on March 31, 2007. While, with 3,948 employees, our headcount in Western Europe was little changed versus March 31, 2007 (3,953 employees), it rose appreciably in the growth markets: there were increases of 29% in Asia (to 802 employees), 18% in Eastern Europe (to 211 employees), 51% in Mexico (to 125 employees) and 34% in Brazil (to 107 employees). We also increased the number of employees in the USA by 5.5% to 761 in response to the good order situation.

Employees

	March 31, 2008	March 31, 2007	December 31, 2007
Paint and Assembly Systems	3.530	3.366	3.551
Measuring and Process Systems	2.430	2.262	2.338
Corporate Center	48	42	47
Total	**6.008**	**5.670**	**5.936**

Overview of the divisions

Paint and Assembly Systems

in € million	Q1 2008	Q1 2007
Incoming orders	386.4	403.7
Sales revenues	268.8	228.4
EBITDA	11.7	5.1
EBIT	9.1	2.6
Employees (March 31)	3,530	3,366

At € 386.4 million, incoming orders at Paint and Assembly Systems in the first quarter of 2008 almost matched the previous year's very high level of € 403.7 million. The average for the preceding four quarters (€ 340.9 million) was exceeded by 13%. Large paint system orders were received for instance from China and India. Investment activity in the USA, on the other hand, was restrained. Strong rates of growth in new orders were achieved in the Application Technology and Environmental and Energy Systems business units. Thanks to the system orders received and the high order backlog our global capacities in painting and environmental technology are well employed. EBIT improved strongly in the reporting period, mainly due to better order quality and further measures to improve efficiency.

Measuring and Process Systems

in € million	Q1 2008	Q1 2007
Incoming orders	131.3	104.6
Sales revenues	87.4	75.7
EBITDA	3.7	2.0
EBIT	2.3	0.6
Employees (March 31)	2,430	2,262

Measuring and Process Systems was able to increase its order intake by 25.5% in the first quarter of 2008. Both business units contributed with strong rates of growth. Balancing and Assembly Products profited from the strong global demand for balancing systems in the power generating sector. Cleaning and Filtration Systems achieved a positive market response with its completely revamped product portfolio. Sales revenues in both business units also rose at double-digit percentage rates, producing an increase of 15.5% at the division level. Both Balancing and Assembly Products and Cleaning and Filtration Systems improved their operating earnings versus the same quarter last year.

Corporate Center

Corporate Center (Dürr AG) EBIT for the first three months of 2008 came to € -1.1 million after € -0.3 million in the first quarter last year. The decline is mostly due to costs for the Campus project covering the relocation of our Stuttgart activities to Bietigheim-Bissingen and the expansion of this site.

Opportunities and risks

Risks

In the first quarter of 2008 we were exposed to the risks which are typical of our business. This mainly includes pricing pressure in the automobile industry, differing regional demand trends and risks in order execution. A detailed description of these and other risks can be found in our Annual Report for 2007.

The present financial crisis has not had a negative impact on our business as yet. Demand among our customers remains buoyant, as the strong order intake so far this year demonstrates. There are no indications at present either that customers are considering shelving longer-term investment projects. The crisis is not expected to have any negative financing consequences for the Group. With our € 200 million corporate bond, which runs until 2011, we have a stable long-term financing base. We also have a € 100 million credit line at our disposal, which, however, was not utilized as of March 31, 2008, as well as cash and cash equivalents of € 145.9 million.

The US dollar's weakness against the euro has a negative impact on our sales figures. However, owing to our global value-added structure, this only affects earnings to a small extent. The yen's weakness against the euro is making itself felt, too, as a major competitor in the paint systems business is Japanese.

If the financial crisis does not spill over to the real economy more strongly than it has so far, we see no risks at present that could lead to significant deviations from our full-year forecasts for 2008.

Opportunities

The opportunities we see for our business are also discussed in detail in our Annual Report for 2007. This includes the good growth prospects for the services business thanks to the strong market penetration of our machinery and systems, and the continued dynamic growth of the automobile industry in the emerging markets. In addition, we see considerable opportunities in the development of environmentally sound and resource-saving production technology. Drivers are not only rising energy prices but also stricter environmental regulations, which will lead to a growing demand for sustainable technologies.

Related-party disclosures

These disclosures can be found in the notes to the consolidated financial statements on page 27/28.

Outlook

For 2008 we expect incoming orders to be on a level with last year provided the economic conditions and exchange rate situation do not take a decisive turn for the worse. We expect to see continued growth in new orders in the revamp and services business. From today's vantage point, consolidated sales will probably rise by up to 10% in 2008. We expect a further improvement in earnings. At the EBIT level our target continues to be a margin of 5%. This is based on the planned increase in our gross margin through improved internal processes. In addition, selling and administrative costs should rise less than proportionally compared to sales. We aim to improve earnings in final assembly conveyor systems, building on the realignment of this business as of March 1, 2008.

Our net interest position will be marginally better in 2008; interest expenses for servicing the bond and interest-related expenses such as the accrued discount from the bond will remain unchanged. We are currently reviewing possibilities for optimizing our financial structure. The aim is a more favorable financing that provides us with greater flexibility and stability.

We expect a further substantial increase in net income. This should also allow a higher dividend to be paid for 2008. The tax rate should return to a future normal level of 30% (2007: 39.0%).

We see the greatest earnings improvement potential in the Paint and Assembly Systems division. The Paint and Final Assembly Systems business unit has considerably strengthened its organization in India and other emerging markets. Moreover, higher-margin orders will be due for settlement in 2008.

We expect cash flow from operating activities to be positive in 2008 and to reach at least the 2007 level. Net working capital should be slightly lower despite rising sales revenues. We will continue to keep a close focus on improving net working capital management. In addition, we are again aiming for a positive free cash flow, so net financial debt should be reduced and liquidity improved.

Capital expenditure (including financial investments) in 2008 will probably be around the same level as last year. We plan slightly lower investments in property, plant and equipment and intangible assets as the greater part of the expenditures on standardizing our IT systems to improve our internal processes was undertaken in 2007. However, our investment planning for 2008 and 2009 includes smallish bolt-on acquisitions to round out our activities in the Balancing and Assembly Products business unit. We intend to increase our R&D spending slightly versus 2007 (€ 20.5 million).

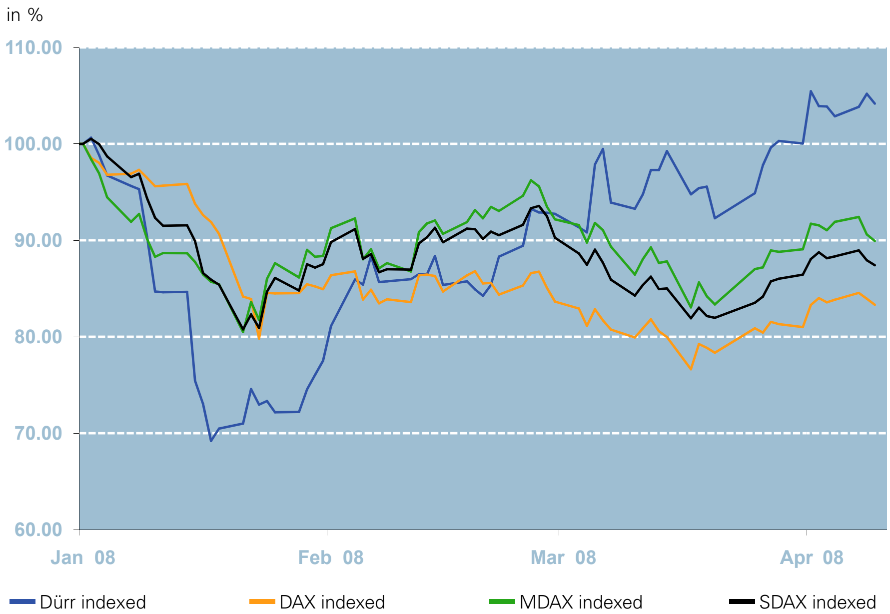
The number of employees will rise by about 3% in 2008 owing to the expanded volume of business. Most of the increase will be in the growth markets.

From today's vantage point, we expect a further earnings improvement in 2009. In our Dürr 2010 strategy we have set ourselves ambitious earnings targets for 2010: while production in the automobile industry is forecast to grow at an average annual rate of around 3.5%, our aim is to achieve average sales growth of 5% and an EBIT margin of about 6%.

Treasury stock and capital changes

Dürr AG owns no treasury stock. There was no change in the company's subscribed capital in the reporting period.

Development of Dürr stock



The equity markets were beset by hefty uncertainties in the first quarter of 2008. There were numerous profit warnings and sharp setbacks in the financial sector. The earnings expectations of many industrial companies were reduced substantially, too. The markets steadied in February and March as the central banks injected sufficient liquidity. The Dürr stock suffered losses in January even though there was no negative company news. However, it managed to recoup the losses later and performed much better than comparable peers. This is also likely to have been attributable to our results for 2007, some of which were above expectations.

Standard & Poor´s (S&P) raised its rating outlook for Dürr AG from "stable" to "positive" in the first quarter of 2008. Dürr's corporate credit rating was left unchanged for the time being at "B". With the improved outlook, S&P reacted to the growth in earnings and cash flow in the past fiscal year. The rating agency expects Dürr to improve its operating performance further.

Shareholder structure
In the first quarter 2008 Harris Associates, Chicago, increased its interest in Dürr's share capital from 5% auf 7%; Aton GmbH, Fulda, raised its stake from 12.2% to 12.8%. The aggregate holdings of the members of Dürr AG's management board were increased in January from 1% to 1.2%.

Events subsequent to the reporting date

No exceptional events took place between the end of the reporting period and the time this interim report was published.

Stuttgart, April 29, 2008

Dürr Aktiengesellschaft

The Board of Management

Consolidated income statement

of Dürr Aktiengesellschaft, Stuttgart, for the period January 1 to March 31, 2008

Amounts in € k	Q1 2008	Q1 2007
Sales revenues	356,159	304,065
Cost of sales	-295,574	-253,565
Gross profit on sales	**60,585**	**50,500**
Selling expenses	-23,654	-22,944
General and administrative expenses	-22,153	-21,312
Research and development costs	-5,731	-5,630
Other operating income and expenses	1,305	2,461
	10,352	**3,075**
Restructuring expenses / onerous contracts	-	-106
Earnings before investment income, interest and similar income, interest and similar expenses, and income taxes	**10,352**	**2,969**
Profit/loss from entities accounted for using the equity method	376	324
Interest and similar income	1,938	656
Interest and similar expenses	-6,376	-6,330
Earnings before income taxes from continuing operations	**6,290**	**-2,381**
Income taxes	-1,824	318
Profit/loss from continuing operations	**4,466**	**-2,063**
Profit/loss from discontinued operations	**-**	**81**
Net income/loss for the period	**4,466**	**-1,982**
Profit/loss share of minority interests		
Continuing operations	296	4
Discontinued operations	-	-
Dürr Group	296	4
Profit/loss share of shareholders of Dürr Aktiengesellschaft		
Continuing operations	4,170	-2,067
Discontinued operations	-	81
Dürr Group	4,170	-1,986
Earnings per share in € (basic and diluted)		
Continuing operations	0.27	-0.13
Discontinued operations	0.00	0.00
Dürr Group	0.27	-0.13

Consolidated balance sheet

of Dürr Aktiengesellschaft, Stuttgart, as of March 31, 2008

Amounts in € k	March 31, 2008	March 31, 2007	December 31, 2007
Assets			
Goodwill	259,983	262,097	263,180
Other intangible assets	30,601	25,168	31,666
Property, plant and equipment	88,322	105,276	89,802
Investment property	13,470	13,339	13,575
Investments in entities accounted for using the equity method	12,573	13,272	11,837
Other financial assets	347	4,990	350
Trade receivables	2,936	2,076	2,706
Income tax receivables	156	64	156
Other receivables and other assets	8,602	3,001	6,787
Deferred taxes	3,723	18,965	3,666
Prepaid expenses	366	560	445
Non-current assets	**421,079**	**448,808**	**424,170**
Inventories and prepayments	68,434	54,200	57,966
Trade receivables	401,672	408,365	405,357
Income tax receivables	8,185	7,765	10,099
Other receivables and other assets	27,653	29,615	20,283
Cash and cash equivalents	145,864	72,583	147,489
Prepaid expenses	7,890	4,303	2,624
	659,698	**576,831**	**643,818**
Non-current assets classified as held for sale	6,182	996	6,782
Current assets	**665,880**	**577,827**	**650,600**
Total assets Dürr Group	**1,086,959**	**1,026,635**	**1,074,770**
Equity and liabilities			
Subscribed capital	40,264	40,264	40,264
Capital reserve	160,459	160,459	160,459
Revenue reserves	99,081	71,035	94,911
Accumulated other comprehensive income	-45,514	-29,428	-37,294
Amounts recorded directly in equity from non-current assets classified as held for sale	-3,202	-489	-2,800
Equity without minority interests	**251,088**	**241,841**	**255,540**
Minority interests	1,865	1,712	1,569
Equity with minority interests	**252,953**	**243,553**	**257,109**
Provisions for post-employment benefit obligations	50,047	60,578	50,007
Other provisions	7,870	7,595	6,180
Bond	192,200	190,566	191,699
Other financial liabilities	7,107	10,114	7,831
Income tax liabilities	15,363	12,597	15,609
Other liabilities	14,876	13,428	14,289
Deferred taxes	18,203	25,286	18,152
Deferred income	1,112	1,418	1,205
Non-current liabilities	**306,778**	**321,582**	**304,972**
Other provisions	57,434	58,099	59,626
Trade payables	375,783	307,502	344,763
Financial liabilities	9,737	7,477	15,054
Income tax liabilities	12,077	11,641	15,842
Other liabilities	71,240	74,659	76,454
Deferred income	957	2,122	950
Current liabilities	**527,228**	**461,500**	**512,689**
Total equity and liabilities Dürr Group	**1,086,959**	**1,026,635**	**1,074,770**

Consolidated statement of changes in shareholders´ equity

of Dürr Aktiengesellschaft, Stuttgart, for the period from January 1 to March 31, 2008

Amounts in € k	Subscribed capital	Capital reserve	Revenue reserves	Accumulated other comprehensive income	Amounts resulting from assets held for sale	Equity without minority interests	Minority interests	Equity with minority interests
January 1, 2007	**40,264**	**160,459**	**73,021**	**-29,257**	**-495**	**243,992**	**1,708**	**245,700**
Accumulated other comprehensive income	-	-	-	-171	6	-165	-	-165
Profit/loss from continuing operations	-	-	-2,067	-	-	-2,067	4	-2,063
Profit/loss from discontinued operations	-	-	81	-	-	81	-	81
March 31, 2007	**40,264**	**160,459**	**71,035**	**-29,428**	**-489**	**241,841**	**1,712**	**243,553**
January 1, 2008	**40,264**	**160,459**	**94,911**	**-37,294**	**-2,800**	**255,540**	**1,569**	**257,109**
Accumulated other comprehensive income	-	-	-	-8,220	-402	-8,622	-	-8,622
Profit/loss from continuing operations	-	-	4,170	-	-	4,170	296	4,466
Profit/loss from discontinued operations	-	-	-	-	-	-	-	-
March 31, 2008	**40,264**	**160,459**	**99,081**	**-45,514**	**-3,202**	**251,088**	**1,865**	**252,953**

Statement of recognized income and expense

in the consolidated financial statements of Dürr Aktiengesellschaft, Stuttgart, for the period from January 1 to March 31, 2008

Amounts in € k	Q1 2008	Q1 2007
Changes in fair value of financial instruments used for hedging purposes recognized in equity	106	1,241
Special reserve for currency translation of foreign subsidiaries	-8,114	-915
Amounts recognized directly in equity from non-current assets classified as held for sale	-402	6
Deferred taxes on revaluations recognized directly in equity	-212	-497
Revaluations recognized directly in equity	**-8,622**	**-165**
of which attributable to minority interests	-	-
Profit/loss after tax	**4,466**	**-1,982**
of which attributable to minority interests	296	4
Total profit/loss for the period and revaluations recognized directly in equity in the period	**-4,156**	**-2,147**
of which attributable to minority interests	296	4

Consolidated cash flow statement

of Dürr Aktiengesellschaft, Stuttgart, for the period from January 1 to March 31, 2008

Amounts in € k	Q1 2008	Q1 2007
Earnings before income taxes	6,290	-2,381
Income taxes paid	-3,673	-1,956
Net interest	4,438	5,674
Profit/loss from entities accounted for using the equity method	-376	-324
Amortization and depreciation of non-current assets	4,378	4,149
Net gain/loss on the disposal of non-current assets	42	-1,169
Other non-cash income and expenses	11	129
Changes in operating assets and liabilities		
Inventories	-11,966	-3,698
Trade receivables	-7,854	-629
Other receivables and assets	-9,959	-6,747
Provisions	665	-5,860
Trade payables	46,221	8,599
Other liabilities (other than bank)	-2,353	-2,699
Other assets and liabilities	-4,876	-2,099
Cash flow from operating activities	**20,988**	**-9,011**
Purchase of intangible assets	-1,102	-4,327
Purchase of property, plant and equipment	-2,570	-1,987
Purchase of other financial assets	-	-48
Proceeds from the sale of non-current assets	231	1,470
Disposal of discontinued operations, net of cash disposed of	-	-2,184
Interest received	964	487
Cash flow from investing activities	**-2,477**	**-6,589**
Change in current bank liabilities	-5,222	-2,647
Repayment of non-current financial liabilities	-241	-
Payment of finance lease liabilities	-210	-221
Borrowing (repayment) of financial liabilities due to entities accounted for using the equity method	10	13
Interest paid	-10,183	-10,367
Cash flow from financing activities	**-15,846**	**-13,222**
Effects of exchange rate changes	-4,290	-77
Changes in cash and cash equivalents	-1,625	-28,899
Cash and cash equivalents		
At the beginning of the period	147,489	101,482
At the end of the period	145,864	72,583

Notes to the consolidated financial statements January 1 to March 31, 2008

1. Summary of significant accounting policies

The Company

Dürr Aktiengesellschaft ("Dürr AG" or the "Company") is headquartered at Otto-Dürr-Strasse 8, 70435 Stuttgart, Germany. The Dürr Group ("Dürr" or the "Group") consists of Dürr AG and its subsidiaries. The Dürr Group specializes in mechanical and plant engineering and is one of the global market leaders in almost all of its fields of business. It generates some 85% of sales revenue with the automotive industry, but also acts as supplier of production and environmental technology for other industries including the aviation, mechanical engineering as well as the chemical and pharmaceutical industries. Dürr serves the market with two divisions: the Paint and Assembly Systems division offers production and paint finishing technology, mainly for automotive bodyshells. The machines and systems produced by the Measuring and Process Systems division are used in engine and transmission manufacturing as well as final assembly.

Accounting policies

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU as of the balance sheet date, and the additional requirements of German commercial law pursuant to Sec. 315a (1) HGB („Handelsgesetzbuch": German Commercial Code). The consolidated financial statements are in line with all IFRSs that have to be adopted by the balance sheet date. Due to the application of IAS 34 „Interim Financial Reporting", these financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting.

The consolidated financial statements as of March 31, 2008 are not subject to any audit or review.

With regard to the preparation of consolidated financial statements for interim reporting in accordance with IAS 34 the Management Board has to make estimates and judgements, which influence the application of accounting policies within the Company and the reporting of assets and liabilities as well as income and expenses. The actual amounts can differ from these estimates.

The accounting policies used generally correspond to the methods applied in the consolidated financial statements as of December 31, 2007; we refer to our 2007 annual report.

Income that is recorded during the reporting period for seasonal reasons, due to cyclical developments, or only occasionally is not cut off in the consolidated interim financial statements. Expenses that are incurred irregularly during the reporting period have been cut off in those cases where they would also be cut off at year-end.

The income taxes were determined on the basis of an estimated average annual effective income tax rate.

The consolidated financial statements are prepared in euros; all amounts are reported in thousands of euros (€ k), unless stated otherwise.

2. Consolidated group

Besides Dürr AG, the consolidated financial statements as of March 31, 2008 contain all domestic and foreign companies which Dürr AG can control, directly or indirectly (control concept). The entities are included in the consolidated financial statements from the date on which the possibility of control was obtained. Joint ventures and associates are included in the consolidated financial statements using the equity method from the date on which joint control or the possibility of significant influence, respectively, existed.

The table below shows the number of entities included in the consolidated group besides Dürr AG.

	March 31, 2008	December 31, 2007
Number of fully consolidated entities		
Germany	10	10
Other countries	39	40
	49	**50**

	March 31, 2008	December 31, 2007
Number of entities accounted for using the equity method		
Germany	2	2
Other countries	2	2
	4	**4**

The consolidated financial statements contain three entities (December 31, 2007: three) in which minority shareholders hold interests.

With economic effect as of January 1, 2008, Behr Industrial Systems Inc., Windsor, Ontario, Canada, was merged into Dürr Acco Canada Inc., Windsor, Ontario, Canada. Since then, the company has been signing with the name Dürr Systems Canada Inc.

3. Discontinued operations

The consolidated financial statements for the first three months of fiscal year 2008 do not include any subsequent effects on results (first quarter 2007: + € 81 thousand) from the sale of the Services, Development Test Systems (DTS) and Measuring and Process Technologies (MPT) business units.

4. Earnings per share

Earnings per share are determined pursuant to IAS 33 „Earnings per Share".

They are determined by dividing the earnings share of the shareholders of Dürr Aktiengesellschaft by the weighted average number of shares outstanding. The calculation is presented below. In the periods from January 1 to March 31, 2008 and 2007 there were no dilutive effects.

		Q1 2008	Q1 2007
Profit/loss attributable to shareholders of Dürr Aktiengesellschaft in	€ k	4,170	-1,986
of which continuing operationsin	€ k	4,170	-2,067
of which discontinued operations	in € k	-	81
Number of shares outstanding (weighted average)	in k	15,728.0	15,728.0
Earnings per share (basic and diluted)	in €	0.27	-0.13
of which continuing operations	in €	0.27	-0.13
of which discontinued operations	in €	0.00	0.00

5. Liabilities from restructuring measures

Liabilities from restructuring measures have decreased by € 655 thousand to € 8,528 thousand compared to December 31, 2007. The decrease is mainly due to the utilization of liabilities formed in prior periods.

6. Segment reporting

The segment reporting was prepared according to IAS 14 „Segment Reporting". Based on the internal reporting and organizational structure of the Group, the consolidated financial statement data is presented by division. The segmentation aims to make the earnings power and the net assets and financial situation of the activities more transparent.

The primary reporting is based on the divisions of the Group. The Dürr Group is comprised of a management holding and two divisions differentiated by product and service spectrum that each have global responsibility for their products and results.

The Corporate Center mainly consists of Dürr AG.

At the beginning of 2008 the product business with assembly, filling and testing technology was spun off from the Factory Assembly Systems business unit, which was part of the Paint and Assembly Systems division and was dissolved meanwhile. Together with the previous Balancing and Diagnostic Systems business unit, it now makes up the new Balancing and Assembly Products business unit, which is part of the Measuring and Process Systems division. Pursuant to this reorganization, the previous year's numbers were adjusted on the division level.

January 1 to March 31, 2008		Paint and Assembly Systems	Measuring and Process Systems	Corporate Center	Consolidation	Continuing operations	Discontinued operations	Total divisions
External sales revenues	in € k	268,757	87,402	-	-	**356,159**	-	356,159
Sales revenues with other division	in € k	147	7,026	-	-7,173	**-**	-	-
Total sales revenues	**in € k**	**268,904**	**94,428**	**-**	-7,173	**356,159**	**-**	**356,159**
Earnings before investment income, interest, and taxes	in € k	9,053	2,323	-1,103	79	**10,352**	-	10,352
Assets (as of March 31)	in € k	547,989	406,278	496,093	-540,084	**910,276**	-	910,276
Employees (as of March 31)		3,530	2,430	48	-	**6,008**	-	6,008

January 1 to March 31, 2007		Paint and Assembly Systems	Measuring and Process Systems	Corporate Center	Consolidation	Continuing operations	Discontinued operations	Total divisions
External sales revenues	in € k	228,361	75,704	-	-	**304,065**	-	304,065
Sales revenues with other division	in € k	567	3,060	-	-3,627	**-**	-	-
Total sales revenues	**in € k**	**228,928**	**78,764**	**-**	**-3,627**	**304,065**	**-**	**304,065**
Earnings before investment income, interest, and taxes	in € k	2,612	636	-297	18	**2,969**	81	3,050
Assets (as of March 31)	in € k	573,781	388,812	494,718	-544,321	**912,990**	-	912,990
Employees (as of March 31)		3,366	2,262	42	-	**5,670**	-	5,670

7. Related-party transactions

Dr.-Ing. E. h. Heinz Dürr is the chairman of the Supervisory Boards of Dürr AG and Dürr Systems GmbH. In the first three months of 2008, Dr.-Ing. E. h. Heinz Dürr received remuneration of € 52 thousand for these activities. Dr.-Ing. E. h. Heinz Dürr is also a member of the supervisory board of Landesbank Baden-Württemberg. In the first three months expenses of € 48 thousand were payable to Heinz

Dürr GmbH, Berlin, of which Dr.-Ing. E. h. Heinz Dürr is general manager, for reimbursement of office and travel expenses relating to supervisory board activities and for cost reimbursements for the Dürr office in the German capital, Berlin. For his former activity as general manager, Dr.-Ing. E. h. Heinz Dürr also received benefits from the pension commitment (of April 2, 1978, supplemented December 21, 1988) of € 93 thousand in the first three months.

Mr. Joachim Schielke is a Supervisory Board member of Dürr AG, a member of the Board of Management of Landesbank Baden-Württemberg and Chairman of the Board of Management of Baden-Württembergische Bank. From the current business relationship, there was a balance at Baden-Württembergische Bank of € 49,110 thousand as of March 31, 2008. From transactions with Baden-Württembergische Bank there were interest expenses in the first three months of 2008 of € 20 thousand. The warranties and guarantees issued by Baden-Württembergische Bank on behalf of Dürr amounted to € 18,894 thousand as of March 31, 2008.

The Board of Management confirms that all the related-party transactions described above were carried out at arm's length conditions.

8. Contingent liabilities and other financial obligations

Amounts in € k	March 31, 2008	December 31, 2007
Contingent liabilities from guarantees, notes and check guarantees	164,683	123,160
Other	28,489	32,135
Contingent liabilities	**193,172**	**155,295**

Amounts in € k	March 31, 2008	December 31, 2007
Rent and lease agreements (operating leases)	138,358	145,521
Liabilities from other continuous obligations	16,074	25,387
Other financial obligations	**154,432**	**170,908**

The increase of the contingent liabilities mainly resulted from advance payment guarantees, given in connection with major incoming orders.

Responsibility statement by management

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group, and the interim management report of the group includes a fair review of the development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group for the remaining months of the financial year.

Stuttgart, April 29, 2008

Dürr Aktiengesellschaft

The Board of Management

Ralf Dieter Chairman of the Board of Management	Ralph Heuwing Chief Financial Officer

Financial calendar

05-02-2008	Annual shareholders´ meeting, Stuttgart
08-07-2008	Interim report on the first half of 2008
11-06-2008	Interim report on the first nine months of 2008

Contact

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This interim report is the English translation of the German original.

This interim report includes forward-looking statements about future developments. As is the case for any business activity conducted in a global environment, such forward-looking statements are always subject to uncertainty. Our information is based on the conviction and assumptions of the Board of Management of Dürr AG, as developed from the information currently available. However, the following factors may affect the success of our strategic and operating measures: geopolitical risks, changes in general economic conditions (especially a prolonged recession in Europe or North America), exchange rate fluctuations and changes in interest rates, new products launched by competitors, and a lack of customer acceptance for new Dürr products or services, including growing competitive pressure. Should any of these factors or other imponderable circumstances arise, or should the assumptions underlying the forward-looking statements prove incorrect, actual results may differ from those projected. Dürr AG undertakes no obligation to provide continuous updates of forward-looking statements and information. Such statements and information are based upon the circumstances as of the date of their publication.