Interim report January 1 to March 31, 2011

Technologies · Systems · Solutions

Contents

Cover photo:
Cleaning of a motorcycle tank with the Dürr Ecoclean environment-friendly *Eco*CSteam process which removes contamination from the workpiece with a combination of hot steam and compressed air.

Key figures for the Dürr Group (IFRS)

		Q1 2011	Q1 2010
Incoming orders	€ m	557.0	362.2
Orders on hand (March 31)	€ m	1,529.3	1,146.5
Sales revenues	€ m	358.6	230.3
EBITDA	€ m	13.7	-1.5
EBIT	€ m	9.1	-6.1
Earnings after tax	€ m	1.8	-10.4
Cash flow from operating activities	€ m	-16.0	16.4
Cash flow from investing activities	€ m	-4.0	-4.6
Cash flow from financing activities	€ m	-0.7	-2.3
Free cash flow	€ m	-21.2	8.3
Total assets (March 31)	€ m	1,200.7	948.7
Equity (with non-controlling interests) (March 31)	€ m	314.8	298.3
Equity ratio (March 31)	%	26.2)	31.4
Net financial status (March 31)	€ m	-0.4	11.9
Net working capital (March 31)	€ m	56.9	31.6
Employees (March 31)		6,080	5,721
Dürr share ISIN: DE0005565204			
High[1]	€	27.30	18.68
Low[1]	€	20.68	14.17
Close[1]	€	23.45	17.00
Number of shares (weighted average)	k	17,301	17,301
Earnings per share (diluted / undiluted)	€	0.10	-0.60

[1] XETRA

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

Highlights Q1 2011

- Incoming orders exceed strong Q4 2010, marked improvement in machinery business
- Order intake picks up also in mature markets
- High order backlog of over € 1.5 billion
- Sales revenues up 56% on weak Q1 2010
- Book-to-bill ratio of 1.6
- Positive result after tax: € 1.8 million after € -10.4 million a year earlier
- Outlook for 2011 unchanged: at least 15% growth in sales revenues and a marked rise in earnings

Management report

Operating environment

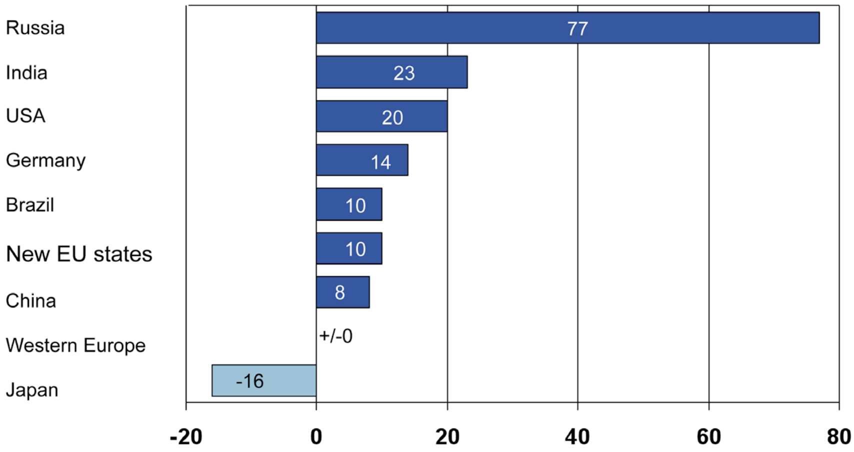
Economy

The **macroeconomic situation** continued to improve in the first quarter of 2011. In Japan, gross domestic product (GDP) plunged in the wake of the earthquake and nuclear disaster. However, economists predict high reconstruction investment in the further course of the year, which should have a positive impact on the country's economy. The catastrophe in Japan has only minor repercussions for the world economy. World GDP will probably grow less strongly in 2011 and 2012 than in 2010, but the growth in each of these years should still be above 4%. As rising inflation is seen increasingly as a risk, the central banks are likely to switch to a more restrictive monetary policy. Both short and long-term interest rates should therefore tend to pick up.

The upward trend in **world automobile production** continued in the first three months of 2011. In China, the growth in automobile sales, at 7%, was more moderate than in the first quarter last year; this was due, among other things, to the reduction of government incentives. In the other BRIC countries – Russia, India, and Brazil – growth rates were exceptionally high at 77%, 22%, and 18%, respectively. On the US automobile market, the positive trend from last year continued with surprising vigor. In Germany, automobile sales were up 14%, while the markets in southern Europe were sluggish. As was to be expected, demand on the Japanese automobile market weakened.

Passenger car sales January – March 2011

Change year-over-year in %



Source: VDA (German car makers´ association)

The growth in world production and the automobile manufacturers' positive earnings and cash flow situation suggest that investment and spending in the industry will remain at a high level. The positive development of our incoming orders – also in the service business – should therefore continue. Investment activity has revived in a number of countries since the beginning of the year so China is now not the only demand driver. Requests for quotations have picked up especially in Brazil and India, but also in Russia. In North America, too, the investment backlog in the automobile industry is beginning to unwind. The three US automakers intend to modernize their existing capacities, and there are also projects for the construction of new automobile plants in the pipeline again.

The aircraft industry is also benefiting from the general economic recovery and rising traffic volumes. However, the higher kerosene prices are having a dampening effect. Nonetheless, our customers in the aircraft industry should benefit from increasing investment by the airlines. Moreover, Russian and Chinese aircraft manufacturers' plans to develop and build new aircraft should lead to growing investment in production facilities.

In general industry, too, the positive trend continued in the first quarter. According to figures published by the German plant and mechanical engineering association, the Verband des Deutschen Maschinen- und Anlagenbaus (VDMA), new orders at its member firms from December 2010 to February 2011 were a good 40% higher than in the same period last year.

New division to support long-term growth

We set up a new division called Clean Technology Systems on January 1, 2011. The Group therefore has three divisions now instead of the previous two. Clean Technology Systems groups together all our energy efficiency and environmental systems activities, increasing the transparency of our growth targets and progress in this area. The new division consists of two business units:

- Environmental and Energy Systems, which was previously part of the Paint and Assembly Systems division, will continue to pursue its core business of exhaust-air purification systems. It will also build up new activities in the area of waste heat recovery and utilization.

- The new Energy Technology Systems business unit was set up on January 1, 2011. A team of experts is currently reviewing business opportunities for technologies for increasing the energy efficiency of production processes in a number of industries. We plan selective acquisitions here with a view to adding further promising technologies to supplement our existing know-how.

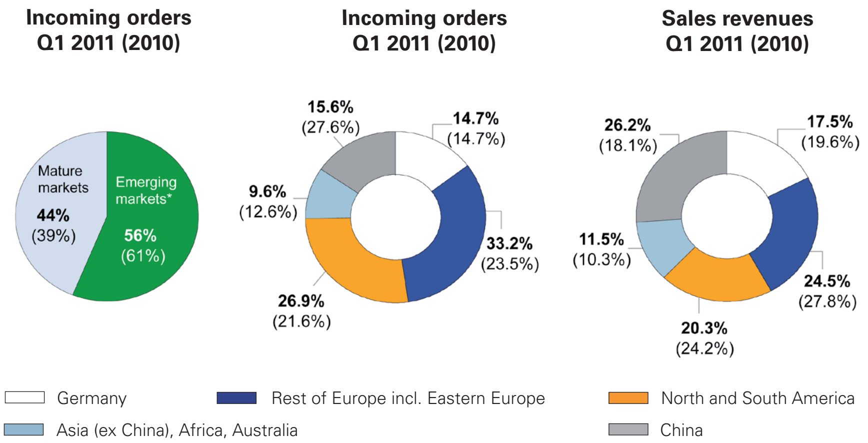
Owing to the transfer of the Environmental and Energy Systems business unit from Paint and Assembly Systems to the new Clean Technology Systems division, we have adjusted the prior-year figures for the Paint and Assembly Systems division.

Business development

High order intake from various regions
Incoming orders were up 53.8% year over year to € 557.0 million in the first quarter of 2011. Order intake was therefore in excess of € 500 million for the second quarter in succession. Both the plant engineering and the machinery business contributed to the growth in the first quarter of 2011. We had already achieved growth of 74% in the first three months of 2010.

The strong growth in order intake in the first quarter of 2011 was attributable to almost all regions of the world; Asia business remained at the high previous year's level. In Europe, all countries except France contributed to the marked growth in incoming orders. In the USA, orders tripled from a low base. 56% of the incoming orders came from the emerging markets (Mexico, Brazil, Eastern Europe, Asia ex Japan), while Germany accounted for 15%, and the rest of Europe for 33%. The America business contributed roughly 27% and Asia 25%.

As far as we can judge today, the catastrophe in Japan has little impact on Dürr. We have generated relatively small sales and orders there in the past years. The investment projects relevant for us currently in the pipeline in Japan are of an only limited volume. On the procurement side, the main supplies we source from Japan are gears for painting robots; however, according to our Japanese suppliers, no significant constraints are to be expected there. Our employees in Japan have remained very largely unscathed by the disaster.



*Asia (ex Japan), Mexico, Brazil, Eastern Europe

Order intake in the Paint and Assembly Systems division was up strongly in the first quarter of 2011 by 49.4% to € 371.2 million. Paint systems for the automobile industry accounted for a large part of the incoming orders; at Application Technology the volume of orders almost doubled. Aircraft and Technology Systems – our smallest business unit which addresses the aircraft industry – witnessed a temporary falloff after the high level in the same quarter last year.

Our mechanical engineering division, Measuring and Process Systems, also achieved strong growth again in the first quarter; order intake was up 64.1% to € 165.1 million. The revival is spread across all market regions and user industries, with extensive orders especially from the automobile industry. While Balancing and Assembly Products booked 30.2% more orders, Cleaning and Filtration Systems more than doubled its intake as a result of several large orders.

At present, the figures for the Clean Technology Systems division, which was set up at the beginning of 2011, only consist of the figures for the exhaust-air purification technology business (Environmental and Energy Systems). Order intake was up strongly here, too, with growth of 56.9% year over year to € 20.7 million. The bulk of the orders were from non-automotive business in sectors such as chemicals and pharmaceuticals.

Continued high book-to-bill ratio of 1.6

The Group's consolidated sales revenues were up 55.7% on the weak first quarter of 2010 to € 358.6 million, thus reflecting the positive development of incoming orders with a time lag. Incoming orders exceeded sales revenues by 55% in the first quarter of 2011.

Orders on hand as of March 31, 2011 rose to € 1,529.3 million (March 31, 2010: € 1,146.5 million). The reach of orders therefore exceeds the annual sales revenues of approximately € 1,450 million targeted for 2011.

Europe accounted for 42% and North and South America for 20% of sales revenues in the first quarter of 2011. The contribution from Asia (incl. Africa and Australia) rose to 38%, from 28% still in the first quarter last year. The emerging markets accounted for 56%, with the bulk of this coming from the BRIC countries.

Gross profit up 44%

At 17.1%, the gross margin in the first quarter of 2011 was lower than in the first quarter last year (18.5%). This was due to two factors. Firstly, earnings were affected by the billing of orders we had taken on at poor margins in the face of stiff competition in 2009 and at the beginning of 2010. Secondly, with growth of 28%, the higher-margin service business grew less strongly than project business. Nonetheless, owing to the strong growth in sales revenues, we were able to increase gross profit by 44% to € 61.3 million.

Overhead costs rise below-proportionally to sales revenues
Overhead costs (including R&D expenses) increased by 8.3% to € 52.8 million. Contributing factors were not only pay increases but also higher bonuses. We increased our R&D spending by 10.2% to € 6.9 million. We will continue to step up this item in order to secure our technology lead and to expand new activities for instance in energy and battery assembly technology.

Other operating income and expenses showed a small positive balance of € 0.6 million (Q1 2010: € 0.2 million). The largest single item was income of € 0.5 million (Q1 2010: € 1.0 million) from currency translation. Restructuring costs were only incurred to a very small extent.

Marked earnings turnaround versus Q1 2010
As a result of the strong growth in sales revenues and the below-proportional rise in overhead costs, EBITDA and EBIT were well into positive territory at € 13.7 million and € 9.1 million, respectively. In the first quarter of 2010, both items had been negative to the tune of € -1.5 million and € -6.1 million. The financial result weakened to € -5.5 million in the first quarter of 2011 (Q1 2010: € -4.9 million). This was due to the allocation of deferred costs for the old syndicated loan, which was terminated one quarter earlier than originally planned. As a result, costs of € 1.0 million allocated for the second quarter were brought forward to the first quarter. The new syndicated loan, which follows on directly from the old loan and runs until 2014, provides us with better conditions and has two components: a cash credit line of € 50 million and a guarantee facility of € 180 million. Further information can be found on page 33.

Income tax expense for the first quarter of 2011 and the following quarters is calculated on the basis of the income taxes expected for the individual consolidated group companies. This results in tax expense of € 1.9 million for the period from January to March 2011 on pre-tax profit of € 3.7 million. We therefore also achieved a positive result of € 1.8 million after taxes (Q1 2010: € -10.4 million).

Financial position

Growth in net working capital crimps cash flow

Despite the strong growth in revenues, **cash flow from operating activities** was negative to the tune of € -16.0 million in the first quarter of 2011 (Q1 2010: € 16.4 million). This was chiefly due to the fact that net working capital (NWC) increased by € 29.6 million, whereas it had fallen by € 26.9 million in the first quarter last year. We had expected the growth in net working capital; it is due to the strongly expanded volume of business. The prepayments received recognized as liabilities under trade payables amounted to € 242.8 million as of March 31, 2011. This was a decrease of € 30.4 million versus the end of 2010.

Cash flow statement

€ million	Q1 2011	Q1 2010
Earnings before income taxes	3.7	-11.0
Depreciation and amortization	4.6	4.6
Interest result	5.6	4.8
Income tax payments	-2.0	-2.2
Change in provisions	1.4	-0.1
Change in net working capital	-29.6	26.9
Other items	0.3	-6.8
Cash flow from operating activities	**-16.0**	**16.4**
Interest payments (net)	-0.6	-5.6
Capital expenditure	-4.6	-2.5
Free cash flow	**-21.2**	**8.3**
Other cash flows	-2.8	0.6
Decrease (+), increase (-) in net financial debt	**-24.0**	**8.9**

Currency translation effects have been eliminated from the cash flow statement. As such, the cash flow statement does not fully reflect all changes in balance sheet positions as shown in the statement of financial position.

Forfaiting, factoring and negotiation transactions need to be taken into account in a period comparison of cash flows, although their influence has declined in the past quarters. Their volume sank in the first quarter of 2011 by € 9.7 million versus the end of 2010 and by € 4.2 million in the first quarter of 2010 versus December 31, 2009. Without this reduction, cash flow would have turned our correspondingly higher. On a comparable basis, there would have been an only slightly negative cash flow of € -6.3 million in the first quarter of 2011.

€ million	March 31, 2011	Dec. 31, 2010	March 31, 2010	Dec. 31, 2009
Factoring	12.1	12.1	7.7	11.9
Forfaiting	0.0	0.0	0.0	0.0
Negotiation	3.3	13.0	0.0	0.0
Total	**15.4**	**25.1**	**7.7**	**11.9**

Cash flow from investing activities amounted to € -4.0 million in the first three months of 2011, and was therefore little changed versus the same period last year (€ -4.6 million). Totaling € 4.6 million, capital expenditure on property, plant and equipment and on intangible assets was € 2.1 million higher than in the first quarter of 2010.

Cash flow from financing activities was € -0.7 million (Q1 2010: € -2.3 million). Interest payments were reduced significantly in the first quarter of 2011 as a result of the different interest payment dates for the new bond.

Free cash flow was negative to the tune of € -21.2 million. As a result, our net financial status weakened to € -0.4 million after standing at € +23.6 million at the end of 2010. Owing to the growing volume of business and the higher financing requirements we expect in the coming months, especially in the machinery business, the net financial status will deteriorate again slightly in the further course of the year.

Financial and balance sheet ratios stable versus year-end 2010

Non-current assets decreased by € 8.2 million versus the end of 2010 to € 454.1 million as of March 31, 2011. In current assets, trends differed: while inventories and trade receivables rose by € 14.3 million, cash and cash equivalents were down € 25.4 million to € 226.9 million. On the equity and liabilities side, there was a reduction of € 15.2 million in trade payables. This includes a decrease of € 30.4 million in prepayments received. This decrease is normal as we began executing a number of large projects in the first quarter.

Despite the Group's net profit, equity sank from € 319.4 million to € 314.8 million. This was due to currency translation losses in the first quarter of 2011. At 26.2%, the equity ratio was virtually unchanged versus the end of 2010 (26.3%). Total assets declined by € 15.8 million to € 1,200.7 million.

Net working capital increased, as discussed in the cash flow section, by € 29.6 million to € 56.9 million. As a result, days working capital, which indicates the average number of days that working capital is tied up, rose to 14.3 days (December 31, 2010: 7.8 days). We see days working capital of between 20 and 25 days as a normal level over the longer term.

The changes in the statement of financial position were more pronounced compared to March 31, 2010 than versus the end of 2010. The bond issue in the second half of the year and the growth in the volume of business caused the balance sheet to expand by a substantial € 252 million versus the end of the first quarter of 2010. The new bond was reflected in cash and cash equivalents and in financial liabilities, while the growth in business volume showed up especially in inventories, trade receivables and trade payables. The other changes in assets and in equity and liabilities were limited. Equity increased by a total of € 16.5 million year over year; in addition to the Group's net profit, this was also due to exchange rate gains.

Current and non-current liabilities

€ million	March 31, 2011	March 31, 2010	Dec. 31, 2010
Financial liabilities (incl. bond)	230.8	107.9	232.3
Provisions (incl. pensions)	103.0	108.7	103.6
Trade payables	424.4	314.9	439.6
of which: prepayments received	242.8	201.9	273.2
Income tax liabilities	3.2	8.4	2.7
Other liabilities (incl. deferred taxes, deferred income)	124.5	110.5	118.9
Total	**885.9**	**650.4**	**897.1**

R&D and capital expenditure

Research & development

In the first quarter of 2011, direct R&D expenses were up 10.2% versus the same quarter last year to € 6.9 million. However, our actual R&D spending was significantly higher than that as development costs that are allocable to individual customer projects were recognized as cost of sales. Another € 0.7 million was capitalized as intangible assets and was therefore not reported as direct R&D expenses either. The R&D ratio, which is the ratio of direct R&D expenses to sales revenues, declined to 1.9% (Q1 2010: 2.7%) owing to the strong growth in sales revenues.

We introduced a number of innovations in the first quarter of 2011. With the EcoBell Cleaner B, our new EcoBell3 paint atomizers can be cleaned reliably in less than 30 seconds after use. The EcoBell Cleaner B combines brush cleaning, rinsing, and drying, and is the only product in the market that cleans all the functional parts of the atomizer.

In environmental technology, we have developed a low-cost exhaust-air purification process for use in the cement industry. This combines thermal oxidation, the process currently used in the cement industry, with catalytic oxidation, which requires less energy. We have successfully started up a test plant in the USA that uses this process.

The Balancing and Assembly Products business unit unveiled a new machine for high-precision turbocharger balancing, which was developed jointly by experts from Schenck RoTec in Darmstadt and the French specialist firm Datatechnic that was acquired in 2009. The new machine is part of a full-line series that we are designing for balancing components in turbocharger production.

In industrial cleaning technology, we have introduced a new version of the entry-level EcoCBase model. The EcoCBase W3 uses water-based cleaning fluids and is extremely energy efficient. For drying the cleaned workpieces, the system requires up to 50% less energy than comparable systems. The EcoCBase W3 was recently presented to our customers at a special exhibition in China.

Capital expenditure* stepped up

At € 5.0 million, our capital expenditure was slightly higher than in the first quarter of 2010. While in the previous year there had been the purchase price for the glueing specialist Kleinmichel, there were no acquisitions in the first quarter of 2011. We increased our investment in property, plant and equipment appreciably. The expenditure on intangible assets (€ 2.4 million) was mainly for the purchase of licenses and software. Expenditure in the Corporate Center is affected by the creation of the new firm Dürr IT Service GmbH. We have transferred our information technology activities in Germany to the new company in order to conduct them in a more focused way across the boundaries of countries and business units. This change reduces capital expenditure at the business units and increases it at the Corporate Center level. For a loan from the European Investment Bank (EIB) we have capitalized transaction costs of € 0.1 million. The EIB loan of € 40 million is to be used to finance R&D projects but will not be drawn for the time being. Further information can be found on page 33.

€ million	Q1 2011	Q1 2010
Paint and Assembly Systems	1.7	3.1
Measuring and Process Systems	1.8	1.5
Clean Technology Systems	0.2	0.0
Corporate Center	1.3	0.0
Total	**5.0**	**4.6**

* on property, plant and equipment and on intangible assets; according to IFRS rules, capital expenditures (acquisitions) in this overview deviate from the figures in the statements of cash flows.

Employees

Headcount increased due to strong business expansion

The number of employees within the Dürr Group has increased by 6.3% versus March 31, 2010 to 6,080. At the height of the economic crisis in 2009 we had approximately 5,700 employees. Since then we have also increased the number of external workers again significantly. We have taken on new employees mostly in the growth markets of China, India, and Brazil. The number of employees has increased by 10.8% versus March 31, 2010 also in North America. Adjusted for acquisitions, headcount in Germany was relatively stable at 2,960. In France, the now completed restructuring reduced the number of employees by 46 to 354. The workforce has been increased by a further 22% over a year earlier in the emerging markets, where there were 1,733 people working for Dürr as of March 31, 2011. The emerging markets meanwhile account for 28.5% of the Group's total workforce. The marked rise in the number of Corporate Center employees is due to the inclusion of Dürr IT Service GmbH as from January 1, 2011.

	March 31, 2011	March 31, 2010	Dec. 31, 2010
Paint and Assembly Systems	3,317	3,125	3,244
Measuring and Process Systems	2,487	2,380	2,444
Clean Technology Systems	187	170	180
Corporate Center	89	46	47
Total	**6,080**	**5,721**	**5,915**

Personnel changes

There were no personnel changes in the reporting period.

Overview of the divisions

Paint and Assembly Systems

€ million	Q1 2011	Q1 2010
Incoming orders	371.2	248.4
Sales revenues	237.1	154.4
EBITDA	8.9	0.5
EBIT	6.9	-2.1
Employees (March 31)	3,317	3,125

The Paint and Assembly Systems division booked 49.4% more orders than in the first quarter of 2010. While plant engineering orders were up a good 40%, orders for robot systems and application technology almost doubled. Orders for aircraft production systems did not match the high level of the previous year when we had booked several large orders. The emerging markets accounted for 63.5% of the Paint and Assembly Systems division's incoming orders. In contrast to the previous year, the growth was not concentrated so strongly on China but was spread over several countries. Besides China (Shanghai Volkswagen) and India (Tata), we also received large orders from Brazil (Daimler) and Hungary (Audi).

Capacity utilization at Paint and Assembly Systems has improved appreciably compared to the first quarter of 2010 and is running at a high level. The number of employees has risen accordingly by 6.1%. The division increased its sales revenues by 53.6% to € 237.1 million. The gross margin weakened slightly due to the billing of projects we had taken on at poorer margins in the face of stiff competition in 2009 and at the beginning of 2010. The below-proportional - compared with the project business - growth in sales revenue in the more profitable service business also had a negative effect on the gross margin. Nonetheless, earnings were turned around at Paint and Assembly Systems thanks to the strong growth in sales revenue and the only moderate rise in administrative costs.

Measuring and Process Systems

€ million	Q1 2011	Q1 2010
Incoming orders	165.1	100.6
Sales revenues	105.7	63.2
EBITDA	3.8	-2.2
EBIT	1.9	-4.1
Employees (March 31)	2,487	2,380

Measuring and Process Systems increased its incoming orders by 64.1% in the first quarter of 2011. Strong growth was witnessed at both business units (Balancing and Assembly Products, Cleaning and Filtration Systems). Cleaning and Filtration Systems benefited from several large orders for the supply of production systems for engine plants. Business picked up worldwide; the strong upturn in North America is particularly encouraging.

Measuring and Process Systems also improved its sales revenues strongly by 67.2%. Earnings at Balancing and Assembly Products were well into positive territory after a loss in the first quarter of 2010 due to poor capacity utilization. Earnings performance at Cleaning and Filtration Systems was still unsatisfactory due to the billing of a number of low-margin orders. However, a marked turnaround is planned for the further course of the year.

The number of employees in the Measuring and Process Systems division has increased by 4.5% due to the strong expansion of business. Schenck Technologie- und Industriepark GmbH (TIP), which is part of the Measuring and Process Systems division, posted revenues at the previous year's level; earnings were positive and above the year-earlier level.

Clean Technology Systems

€ million	Q1 2011	Q1 2010
Incoming orders	20.7	13.2
Sales revenues	15.8	12.7
EBITDA	0.7	0.1
EBIT	0.6	0.0
Employees (March 31)	187	170

The Clean Technology Systems division, which was set up on January 1, 2011, has been included in this quarterly report for the first time. The figures only relate to the exhaust-air purification technology business of the Environmental and Energy Systems business unit because the second business unit – Energy Technology Systems – does not yet have any operating business. The exhaust-air purification technology business witnessed a global upturn in demand driven mainly by the chemical, pharmaceutical, and carbon industries. Against this backdrop, Clean Technology Systems posted strong growth of 56.8% in incoming orders in the first quarter of 2011. This positive trend should continue during the rest of the year. After a weak first quarter of 2010, sales revenues were up 24.4% to € 15.8 million. Earnings also improved appreciably due to higher capacity utilization.

Corporate Center

Corporate Center EBIT came to € -0.8 million in the first quarter of 2011 after € 0.1 million in the same quarter last year. The Corporate Center's expenses are not reallocated in full to the business units.

Opportunities and risks

For a detailed presentation of the opportunities and risks of our business please refer to the 2010 annual report. There you will also find a description of our risk and opportunity management systems.

Risks

The economic upswing is still robust. However, there are a number of risk factors that could impede the recovery's progress. Those include the European debt crisis, the high government debt in the USA, the upheavals in North Africa, and possible repercussions from the disaster in Japan. The European Central Bank recently hiked its key rates in order to contain inflation risks in the euro area. However, this move could dampen investment activity and economic momentum. In China, risks are still presented by high property prices and general price inflation.

The risk situation at Dürr has continued to improve with the positive business development in the first quarter of 2011. Capacities at all the Group's locations are well employed.

Owing to stiff competition, the margins on orders taken on in 2009 were lower than usual. This is still squeezing earnings. Additional pressure could arise if we do not succeed in passing on increases in the prices of input materials and intermediate products, especially in the machinery business, to our customers.

As far as we can judge today, the earthquake and nuclear disaster in Japan has only limited repercussions for Dürr. At our balancing technology joint venture Nagahama Seisakusho in Osaka in the south of Japan there were no production stoppages, only delays at a few of Nagahama Seisakusho's suppliers and customers. Generally, we source few components from suppliers in Japan, gears for our painting robots being the most notable. However, there are no bottlenecks at our suppliers for these or any other parts.

Japan's automobile industry might possibly postpone one or other investment project as a result of the disaster. However, this would not have any significant impact on Dürr as our order backlog is exceptionally high and Japan accounts for a relatively small proportion of our business.

Opportunities

In our core business with the automobile industry, the growth in production presents opportunities for Dürr. Experts estimate that over 20 million units of additional production capacity will be created in the period from 2010 to 2015. The bulk of the new production capacities will be created in the emerging markets where we hold an exceptionally good market position.

Owing to the buoyant demand, many automakers are stretched to the limits of their capacity; to meet deliveries, stoppages have to be avoided. This increases the demand for our services and replacement parts to ensure maximum availability of the production lines.

We continued to press ahead with the development of new products without cutbacks also during the economic crisis. In many areas we therefore have a young portfolio of products with good marketing potential. One example is the energy-saving EcoDryScrubber paint booth system which we have already sold about 40 times since it was launched at the end of 2008.

In the last two years we have entered various niches that offer good potential for above-average growth. This includes glueing technology, ultrafine cleaning systems, and turbocharger balancing technology. We are also expanding the business in exhaust-air purification systems and energy-efficient technologies.

Transactions with related parties

This information can be found in the notes to the consolidated financial statements on page 37.

Outlook

The operating environment remains positive. However, inflationary pressures are making themselves felt more. Economists expect GDP growth of over 4% in each case in 2011 and 2012. The automobile industry has continued on its growth path in the first quarter of 2011; with few exceptions, manufacturers are reporting a very good earnings situation.

The outlook for 2011 and 2012 we formulated in our 2010 annual report still applies unchanged. The strong order intake in the first quarter of 2011, the unbroken buoyant level of requests for quotation, and the high order backlog suggest that we can firmly reach our targets for sales revenues and incoming orders.

We aim to increase sales revenues by at least 15% to around € 1.45 billion in 2011; all business units should contribute. After the exceptionally high order intake in 2010, we expect growth of about 5% in incoming orders to € 1,720 million in 2011.

The upward trend in earnings will probably also continue in 2011. The higher capacity utilization and volume and cost degression effects should result in a significant EBIT improvement and an EBIT margin of 3.5 to 4%. There ought to be a further marked improvement also in earnings after tax. The dividend for 2011 is to be between 30% and 40% of Group net profit, in line with our distribution policy, and should also rise significantly.

All three divisions should develop well in 2011 and increase their earnings considerably. Paint and Assembly Systems is benefiting from the strong demand from the automobile industry, a high order backlog, and gradually improved pricing. At Measuring and Process Systems, the expected turnaround at Cleaning and Filtration Systems should have a positive impact on earnings. The Clean Technology Systems division expects continued buoyant demand from the chemical and pharmaceutical industry, providing a platform for further growth of the environmental technology business.

We expect operating cash flow to be lower but still clearly positive in 2011; free cash flow will probably be slightly negative. Higher revenues and earnings are likely to be offset by growth in net working capital. This is mainly due to the fact that many plant engineering projects will be reaching an advanced stage of execution, which is usually associated with higher net working capital requirements. Business volumes will pick up on the mechanical engineering side, which means that we will have to prefinance more inventories again.

Capital expenditure on property, plant and equipment and intangible assets in 2011 should be in the region of € 10 to 15 million (without acquisitions) and be mostly on replacements. Further small acquisitions are planned to strengthen the core business and to build up the new Clean Technology Systems division.

Our net financial status at the end of 2011 is likely to be slightly negative owing to the expected growth in net working capital. Equity will increase in absolute terms, and the equity ratio should also rise.

Owing to the strong expansion of business we are taking on further skilled employees both at home and abroad. The focus of the new hirings will continue to be in the emerging markets. The number of employees will be significantly above 6,100 at the end of 2011.

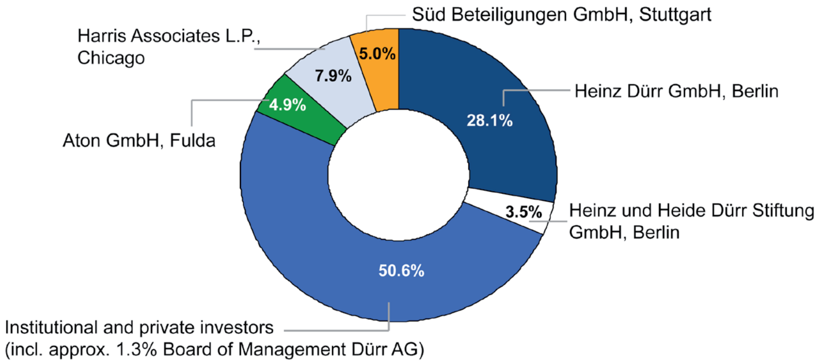
Treasury stock and capital changes

Dürr AG does not hold any of its own stock. Our capital stock of € 44.3 million, which is divided into 17.3 million shares, did not change in the reporting period.

Dürr share performance

The disaster in Japan only had a stronger impact on the equity markets for a short while. Once it became clear that the purely economic repercussions for the world markets would remain manageable, share prices regained ground through to the end of the first quarter of 2011. Moreover, companies have managed to meet earnings expectations on average. The price of the Dürr share eased slightly versus the end of 2010 but recovered strongly again in April, and performed slightly better overall than the German market indices, the DAX, MDAX and SDAX.

Shareholder structure (as of May 2, 2011)
ATON GmbH reduced its shareholding in Dürr AG from 20% to less than 10% in the first quarter of 2011. ATON continued selling in April and its shareholding fell below the five percent threshold on April 28, 2011. The shares were sold to institutional investors; this has increased the Dürr share's free float to over 50%. Average daily turnover in our share is currently in the region of more than 50,000 shares as compared to about 20,000 shares in the previous years. Heinz Dürr GmbH has increased its shareholding slightly versus the end of 2010 and continues to be the largest single shareholder.



Events subsequent to the reporting date

No other events that could materially affect the Group's asset, financial or income positions occurred between the end of the reporting period and the publication of this report.

Bietigheim-Bissingen, May 3, 2011

Dürr Aktiengesellschaft

The Board of Management

Consolidated statement of income

of Dürr Aktiengesellschaft, Stuttgart, for the period from January 1 to March 31, 2011

€ k	Q1 2011	Q1 2010
Sales revenues	358,561	230,328
Cost of sales	-297,279	-187,854*
Gross profit on sales	**61,282**	**42,474***
Selling expenses	-25,169	-23,157*
General and administrative expenses	-20,700	-19,306
Research and development costs	-6,913	-6,273
Other operating income	3,568	5,854
Other operating expenses	-2,937	-5,659
Earnings before investment income, interest and similar income, interest and similar expenses, and income taxes	**9,131**	**-6,067**
Profit / loss from entities accounted for using the equity method	122	-95
Interest and similar income	1,650	636
Interest and similar expenses	-7,225	-5,469
Earnings before income taxes	**3,678**	**-10,995**
Income taxes	-1,873	573
Profit/loss of the Dürr Group	**1,805**	**-10,422**
Attributable to:		
Non-controlling interests	77	-48
Shareholders of Dürr Aktiengesellschaft	**1,728**	**-10,374**
Earnings per share in € (basic and diluted)	0.10	-0.60

* The presentation has changed compared to the consolidated financial statements for the first quarter of 2010 because the gain or loss on restructuring/onerous contracts and impairment losses/reversals of impairment losses are now allocated to various expense items instead of being reported in a separate item.

Consolidated statement of comprehensive income

of Dürr Aktiengesellschaft, Stuttgart, for the period from January 1 to March 31, 2011

€ k	Q1 2011	Q1 2010
Profit/loss of the Dürr Group	**1,805**	**-10,422**
Components of other comprehensive income		
Changes in fair value of financial instruments used for hedging purposes recognized in equity	1,189	-709
Currency translation reserve of foreign subsidiaries	-7,045	7,407
Currency translation reserve of foreign entities accounted for using the equity method	-888	445
Actuarial gains/losses from defined benefit plans and similar obligations	912	-1
Deferred taxes recognized on components of other comprehensive income	-573	212
Other comprehensive income, net of tax	**-6,405**	**7,354**
Total comprehensive income for the period, net of tax	**-4,600**	**-3,068**
Attributable to:		
Non-controlling interests	77	-48
Shareholders of Dürr Aktiengesellschaft	**-4,677**	**-3,020**

Consolidated statement of financial position

of Dürr Aktiengesellschaft, Stuttgart, as of March 31, 2011

€ k	March 31, 2011	December, 31 2010
Assets		
Goodwill	278,624	281,702
Other intangible assets	32,411	34,440
Property, plant and equipment	89,289	91,199
Investment property	22,934	23,134
Investments in entities accounted for using the equity method	11,116	11,912
Other financial assets	450	457
Trade receivables	1,350	1,321
Income tax receivables	91	100
Sundry financial assets	2,948	2,955
Other assets	50	103
Deferred taxes	7,850	7,909
Prepaid expenses	6,976	7,099
Non-current assets	**454,089**	**462,331**
Inventories and prepayments	85,970	73,761
Trade receivables	394,083	391,950
Income tax receivables	5,418	5,750
Sundry financial assets	14,447	11,671
Other assets	14,941	15,581
Cash and cash equivalents	226,924	252,308
Prepaid expenses	4,783	3,113
Current assets	**746,566**	**754,134**
Total assets Dürr Group	**1,200,655**	**1,216,465**
Equity and liabilities		
Subscribed capital	44,289	44,289
Capital reserve	200,186	200,186
Revenue reserves	99,457	97,533
Other comprehensive income	-35,248	-28,838
Total equity attributable to the shareholders of Dürr Aktiengesellschaft	**308,684**	**313,170**
Non-controlling interests	6,117	6,231
Total equity	**314,801**	**319,401**
Provisions for post-employment benefit obligations	54,736	55,894
Other provisions	7,515	7,745
Bond	225,509	225,639
Other financial liabilities	3,829	4,906
Sundry financial liabilities	10,450	9,522
Income tax liabilities	90	163
Other liabilities	3,844	3,774
Deferred taxes	19,455	20,006
Deferred income	525	573
Non-current liabilities	**325,953**	**328,222**
Other provisions	40,708	39,983
Trade payables	424,441	439,680
Financial liabilities	1,472	1,768
Sundry financial liabilities	22,930	17,545
Income tax liabilities	3,080	2,527
Other liabilities	66,864	66,758
Deferred income	406	581
Current liabilities	**559,901**	**568,842**
Total equity and liabilities Dürr Group	**1,200,655**	**1,216,465**

Consolidated statement of cash flows

of Dürr Aktiengesellschaft, Stuttgart, for the period from January 1 to March 31, 2011

€ k	Q1 2011	Q1 2010
Earnings before income taxes	3,678	-10,995
Income taxes paid	-1,971	-2,201
Net interest	5,575	4,833
Profit/loss from entities accounted for using the equity method	-122	95
Amortization and depreciation of non-current assets	4,598	4,620
Net gain/loss on the disposal of non-current assets	-	1
Other non-cash income and expenses	-6	-5
Changes in operating assets and liabilities		
Inventories	-13,277	-220
Trade receivables	-12,113	54,599
Other receivables and assets	-467	-502
Provisions	1,389	66
Trade payables	-4,241	-27,473
Other liabilities (other than bank)	2,843	-4,028
Other assets and liabilities	-1,850	-2,373
Cash flow from operating activities	**-15,964**	**16,417**
Purchase of intangible assets	-2,060	-886
Purchase of property, plant and equipment	-2,549	-1,604
Proceeds from the sale of non-current assets	66	168
Acquisitions, net of cash acquired	-	-2,500
Interest received	512	193
Cash flow from investing activities	**-4,031**	**-4,629**
Change in current bank liabilities and other financing activities	482	4,450
Repayment of non-current financial liabilities	-63	-68
Payment of finance lease liabilities	-81	-954
Borrowing of financial liabilities due to entities accounted for using the equity method	-	5
Interest paid	-1,083	-5,766
Cash flow from financing activities	**-745**	**-2,333**
Effects of exchange rate changes	-4,644	4,212
Changes in cash and cash equivalents related to changes in the consolidated group	-	58
Change in cash and cash equivalents	-25,384	13,725
Cash and cash equivalents		
At the beginning of the period	252,308	103,897
At the end of the period	226,924	117,622

Consolidated statement of changes in equity

of Dürr Aktiengesellschaft, Stuttgart, for the period from January 1 to March 31, 2011

				Other comprehensive income								
€ k	Subscribed capital	Capital reserve	Revenue reserves	Unrealized gains/ losses from cash flow hedges	Unrealized gains/ losses from available-for-sale securities	Changes related to the consolidated group/ reclassifications	Unrealized actuarial gains/ losses	Currency translation	Other comprehensive income	Total equity attributable to the shareholders of Dürr Aktiengesellschaft	Non-controlling-interests	Total equity
January 1, 2010	**44,289**	**200,186**	**92,237**	**-304**	**-11**	**801**	**-11,085**	**-31,198**	**-41,797**	**294,915**	**6,488**	**301,403**
Loss for the period	-	-	-10,374	-	-	-	-	-	-	-10,374	-48	-10,422
Other comprehensive income	-	-	-	-497	-	-	-1	7,852	7,354	7,354	-	7,354
Total comprehensive income, net of tax	**-**	**-**	**-10,374**	**-497**	**-**	**-**	**-1**	**7,852**	**7,354**	**-3,020**	**-48**	**-3,068**
Put option non-controlling interests	-	-	65	-	-	-	-	-	-	65	-65	-
Other changes	-	-	5	-	-	-5	-	-	-5	-	-	-
March 31, 2010	**44,289**	**200,186**	**81,933**	**-801**	**-11**	**796**	**-11,086**	**-23,346**	**-34,448**	**291,960**	**6,375**	**298,335**
January 1, 2011	**44,289**	**200,186**	**97,533**	**-499**	**-11**	**779**	**-12,263**	**-16,844**	**-28,838**	**313,170**	**6,231**	**319,401**
Profit for the period	-	-	1,728	-	-	-	-	-	-	1,728	77	1,805
Other comprehensive income	-	-	-	837	-	-	691	-7,933	-6,405	-6,405	-	-6,405
Total comprehensive income, net of tax	**-**	**-**	**1,728**	**837**	**-**	**-**	**691**	**-7,933**	**-6,405**	**-4,677**	**77**	**-4,600**
Put option non-controlling interests	-	-	191	-	-	-	-	-	-	191	-191	-
Other changes	-	-	5	-	-	-5	-	-	-5	-	-	-
March 31, 2011	**44,289**	**200,186**	**99,457**	**338**	**-11**	**774**	**-11,572**	**-24,777**	**-35,248**	**308,684**	**6,117**	**314,801**

Notes to the consolidated financial statements January 1 to March 31, 2011

1. Summary of significant accounting policies

The Company

Dürr Aktiengesellschaft ("Dürr AG" or the "Company") has its registered offices in Stuttgart, Germany. Its headquarters for operations are located at Carl-Benz-Strasse 34 in 74321 Bietigheim-Bissingen, 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 80% of sales revenues with the automotive industry, but also acts as supplier of production technology for other industries including the aviation, mechanical engineering, energy as well as the chemical and pharmaceutical industries. Since January 1, 2011 Dürr serves the market with three divisions instead of two divisions so far: 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 mainly used in engine and drive construction as well as in final assembly. The newly established division Clean Technology Systems encompasses the activities in air pollution control and develops systems for the increase of energy efficiency of manufacturing processes.

Accounting policies

The interim consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) at balance sheet date, and the additional requirements of German commercial law pursuant to Sec. 315a (1) HGB ("Handelsgesetzbuch": German Commercial Code).

The accompanying consolidated statements of income and comprehensive income for the first quarters of 2011 and 2010, the consolidated statement of financial position as of March 31, 2011, the consolidated statements of cash flows and the consolidated statements of changes in equity for the first quarters of 2011 and 2010 and the explanatory notes to the consolidated financial statements have been prepared for interim financial information. These interim consolidated financial statements are condensed and prepared in compliance with International Accounting Standard (IAS) 34 „Interim Financial Reporting".

The interim consolidated financial statements as of March 31, 2011 are not subject to any review or audit pursuant to Sec. 317 HGB.

The preparation of the consolidated financial statements for interim reporting pursuant to IAS 34 requires management to make estimates and judgements that affect the application of accounting policies in the Group as well as the reported amounts of assets and liabilities and the reported amounts of revenues and expenses. Actual figures may diverge from these estimates.

The accounting policies used generally correspond to the methods applied in the consolidated financial statements as of December 31, 2010; we refer to our 2010 annual report.

Changes in the accounting policies mainly arose from the amendments to IAS 24 "Related Party Disclosures": The amended standard affects the definition of persons and entities related to the reporting entity and the presentation of the relationships in the consolidated financial statements.

In the first quarter of fiscal year 2011 no further changes in accounting policies occurred from the first-time adoption of new or amended standards with material effects.

Expenses that 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 for the interim reporting periods are determined on the basis of an estimated annual effective income tax rate for each individual entity.

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

2. Consolidated group

Besides Dürr AG, the consolidated financial statements as of March 31, 2011 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, start to exist.

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

	March 31, 2011	Dec. 31, 2010
Number of fully consolidated entities		
Germany	11	11
Other countries	41	41
	52	**52**

	March 31, 2011	Dec. 31, 2010
Number of entities accounted for using the equity method		
Germany	3	3
Other countries	1	1
	4	**4**

The consolidated financial statements contain four entities (Dec. 31, 2010: four) with shareholders of non-controlling interests.

3. Earnings per share

Earnings per share is determined pursuant to IAS 33 "Earnings per Share".

Earnings per share is calculated as the profit share of the shareholders of Dürr AG divided by the weighted average number of shares issued. The calculation is presented in the table below. In the reporting periods from January 1 to March 31, 2011 and 2010, there were no dilutive effects.

		Q1 2011	Q1 2010
Profit/loss attributable to the shareholders of Dürr AG	€ k	1,728	-10,374
Number of shares issued (weighted average)	k	17,300.5	17,300.5
Earnings per share (basic and diluted)	€	0.10	-0.60

4. Other operating income and expenses

In the first three months of fiscal years 2011 and 2010 other operating income and expenses mainly comprised currency exchange rate gains and losses.

5. Group financing / net interest

On March 31, 2011, Dürr signed an agreement on a new syndicated loan. The current syndicated loan facility, which was due to expire on June 30, 2011, is terminated prematurely by this new agreement. The new syndicated loan expires on June 30, 2014, provided that Dürr and the banking consortium conclude the jointly drafted agreement relating to an adjustment in the amount of securities provided. Due to the favourable economic situation and the Group's improved financing structure this agreement effects a reduction in the amount of securities in comparison to the previous syndicated loan. The total line of credit amounts to € 230,000 thousand. It consists of a cash line of € 50,000 thousand and a bank guarantee line of € 180,000 thousand.

The negotiations with the European Investment Bank (EIB) on the agreement for a loan of € 40,000 thousand to finance research and development expenses are finalized. The loan agreement is expected to be signed in the second quarter of 2011. Its term is based on the syndicated loan. The EIB will also be part of the above mentioned agreement on securities provided.

The following table shows the interest result and the one-time-effects resulting from early redemption of the syndicated loan facility.

€ k	Q1 2011	Q1 2010
Interest and similar income	1,650	636
Interest and similar expenses	-7,225	-5,469
of which from:		
Scheduled amortization of transaction costs, premium, discount from a bond issue and from a syndicated loan	-943	-1,290
Non-recurring effects from the early redemption of the syndicated loan	-981	-
Interest expenses from finance leases	-71	-57
Other interest expenses	-5,230	-4,122
Net interest	**-5,575**	**-4,833**

6. Income tax effects relating to other comprehensive income

The following table presents the development of other comprehensive income and the associated tax effects from components of other comprehensive income, taking into account the changes in the item "Non-controlling interests".

	Q1 2011			Q1 2010		
€ k	Before tax	Tax effect	Net	Before tax	Tax effect	Net
Net gains/losses (-) from derivatives used to hedge cash flows	1,189	-352	837	-709	212	-497
Difference arising from foreign currency translation	-7,045	-	-7,045	7,407	-	7,407
Difference arising from foreign currency translation of entities accounted for using the equity method	-888	-	-888	445	-	445
Change in net actuarial gains and losses from benefit obligations	912	-221	691	-1	-	-1
Change in other comprehensive income	**-5,832**	**-573**	**-6,405**	**7,142**	**212**	**7,354**

The decrease of the components of other comprehensive income that were recognized directly in equity and that depend on currency exchange rates is mainly due to the fluctuations of the euro in comparison to US-dollar, Chinese renminbi yuan, Japanese yen, Brazilian real and Indian rupee.

7. Segment reporting

The segment reporting was prepared according to IFRS 8 „Operating Segments". Based on the internal reporting and organizational structure of the Group, the consolidated financial statement data is presented by division. The segmentation is to provide details on the results of operations, net assets and financial position of individual activities.

The reporting is based on the divisions of the Group. The Dürr Group consists of a management holding (Dürr AG) and three divisions differentiated by product and service range, each with global responsibility for their products and results. The Corporate Center essentially consists of Dürr AG and Dürr IT Service GmbH. The latter is rendering services in the field of information technology.

As of the beginning of the 2011 reporting period, the Environmental and Energy Systems business unit was spun off from the Paint and Assembly Systems division and has been combined together with the new Energy Technology Systems business unit in the new Clean Technology Systems division. The prior period figures were adjusted accordingly at the level of the divisions.

Management monitors the EBIT (earnings before investment income, interest and taxes) of its three divisions separately for the purpose of making decisions about resource allocation, evaluating operating segment performance and assessing the segments' development. As the basis for segment reporting in accordance with IFRS 8 is the same as is used internally (management approach), the level of EBIT determined may differ from the consolidated financial statements. Group financing (including finance cost and finance income) and income taxes are managed on a group basis and are not allocated to the operating segments.

Q1 2011		Paint and Assembly Systems	Measuring and Process Systems	Clean Technology Systems	Total segments	Reconciliation	Total Dürr Group
External sales revenues	€ k	237,108	105,683	15,766	**358,557**	4	**358,561**
Sales revenues with other divisions	€ k	681	3,050	132	**3,863**	-3,863	**-**
Total sales revenues	**€ k**	**237,789**	**108,733**	**15,898**	**362,420**	**-3,859**	**358,561**
EBIT	€ k	6,907	1,908	641	**9,456**	-325	**9,131**
Assets (as of March 31)	€ k	531,469	422,736	25,153	**979,358**	-30,102	**949,256**
Employees (as of March 31)		3,317	2,487	187	**5,991**	89	**6,080**

Q1 2010		Paint and Assembly Systems	Measuring and Process Systems	Clean Technology Systems	Total segments	Reconciliation	Total Dürr Group
External sales revenues	€ k	154,401	63,206	12,721	**230,328**	-	**230,328**
Sales revenues with other divisions	€ k	156	823	147	**1,126**	-1,126	**-**
Total sales revenues	**€ k**	**154,557**	**64,029**	**12,868**	**231,454**	**-1,126**	**230,328**
EBIT	€ k	-2,108	-4,078	36	**-6,150**	83	**-6,067**
Assets (as of Dec. 31)	€ k	526,079	408,729	31,976	**966,784**	-28,298	**938,486**
Employees (as of March 31)		3,125	2,380	170	**5,675**	46	**5,721**

The employees reported in the reconciliation column relate to the Corporate Center.

Group figures are derived as follows from the segment figures:

€ k	Q1 2011	Q1 2010
EBIT of the segments	9,456	-6,150
EBIT of the Corporate Center	-814	78
Borrowing costs recognized pursuant to IAS 23	-	-
Elimination from consolidation entries	489	5
EBIT of the Dürr Group	**9,131**	**-6,067**

€ k	March 31, 2011	Dec. 31, 2010
Segment assets	979,358	966,784
Assets of the Corporate Center	506,316	495,710
Elimination from consolidation entries	-536,418	-524,008
Cash and cash equivalents	226,924	252,308
Tax receivables	5,509	5,850
Investments in entities accounted for using the equity method	11,116	11,912
Deferred tax assets	7,850	7,909
Total assets of the Dürr Group	**1,200,655**	**1,216,465**

Pursuant to IAS 23 "Borrowing Costs", borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. In Dürr's financial statements this means that finance costs that are attributable to long-term construction contracts in accordance with IAS 11 "Construction Contracts" are recognized in cost of sales. Since the EBIT is the basis used internally for management purposes without taking into account finance costs, borrowing costs are not included in segment profit or loss. No borrowing costs pursuant to IAS 23 were recognized in the first three months of fiscal years 2011 and 2010.

8. Related-party transactions

Related persons comprise the members of the Board of Management and the chairman of the Supervisory Board of Dürr AG.

Dr.-Ing. E. h. Heinz Dürr is chairman of the Supervisory Board of Dürr AG. He received remuneration of € 27 thousand (prior period: € 13 thousand) for these duties. Expenses of € 37 thousand (prior period: € 62 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 € 60 thousand (prior period: € 60 thousand).

In the reporting period no major transactions occurred between the Company and the members of the Board of Management.

In the first three months of fiscal year 2011, there were intercompany transactions between Dürr and its associates of € 1,142 thousand (prior period: € 1.507 thousand). As of March 31, 2011, outstanding receivables from associates totaled € 276 thousand (Dec. 31, 2010: € 555 thousand) and were current.

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

9. Contingent liabilities and other financial obligations

€ k	March 31, 2011	Dec. 31, 2010
Contingent liabilities from guarantees, notes and check guarantees	1,236	281
Other	14,522	14,380
Contingent liabilities	**15,758**	**14,661**
Future minimum payments for operating leases	125,713	121,062
Future minimum payments for finance leases	4,480	4,756
Sundry financial obligations	9,665	9,859
Other financial obligations	**139,858**	**135,677**

The Company assumes that these contingent liabilities will not lead to any liabilities or cash outflows.

Shares in subsidiaries were pledged as collateral for the syndicated loan facility as of March 31, 2011. Further collateral was provided in the form of current and non-current assets with a carrying amount of € 155,289 thousand as of March 31, 2011 (Dec. 31, 2010: € 153,075 thousand). The mentioned collateral was pledged for the 2008 syndicated loan agreement. The amount of securities provided will be reduced as soon as the agreement stated in note 5 is signed.

The following table shows the contingent liabilities for joint ventures.

€ k	March 31, 2011	Dec. 31, 2010
Guarantees for joint ventures	2,880	3,069
Accession of joint and several liability by the venturer	-1,516	-1,705
	1,364	**1,364**

10. Subsequent events

No material events occurred between the reporting date and the publication of the interim report as of March 31, 2011.

Responsibility statement by management

To the best of our knowledge, and in accordance with the applicable principles for interim financial reporting, these interim consolidated financial statements give a true and fair view of the assets, liabilities, financial, and income position of the Group and the interim consolidated management report includes a fair review of the Group's business development, performance, and position 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.

Bietigheim-Bissingen, May 3, 2011

Dürr Aktiengesellschaft

The Board of Management

Ralf Dieter
Chairman of the Board
of Management

Ralph Heuwing
Chief Financial Officer

Financial calendar

05/06/2011	Annual general meeting, Bietigheim-Bissingen
08/04/2011	Interim financial report on the first half of 2011
11/03/2011	Interim report on the first nine months of 2011

Contact

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This interim report is the English translation of the German original. The German version shall prevail.

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.