LEADING IN PRODUCTION EFFICIENCY

# FINANCIAL REPORT

## JANUARY 1 TO JUNE 30, 2012

www.durr.com

# CONTENTS



**COVER PHOTO:**
The compact paint booth system EcoReBooth with energy-saving dry separation.

# Key figures for the Dürr Group (IFRS)[1]

| | | **H1 2012** | H1 2011 | Q2 2012 | Q2 2011 |
|---|---|---|---|---|---|
| Incoming orders | € m | 1,404.3 | 1,200.4 | 725.2 | 643.4 |
| Orders on hand (June 30) | € m | 2,386.5 | 1,746.9 | 2,386.5 | 1,746.9 |
| | | | | | |
| Sales revenues | € m | 1,163.3 | 783.5 | 600.9 | 424.9 |
| EBITDA | € m | 85.2 | 43.4 | 49.7 | 29.0 |
| EBIT | € m | 72.3 | 33.9 | 42.7 | 24.1 |
| Earnings after tax | € m | 44.0 | 16.0 | 26.8 | 14.2 |
| | | | | | |
| Cash flow from operating activities | € m | -64.6 | -25.1 | -45.9 | -9.1 |
| Cash flow from investing activities | € m | 21.4 | -17.1 | -3.7 | -13.1 |
| Cash flow from financing activities | € m | -22.0 | -9.4 | -21.3 | -8.7 |
| Free cash flow | € m | -81.7 | -33.3 | -57.2 | -12.1 |
| Total assets (June 30) | € m | 1,752.4 | 1,327.4 | 1,752.4 | 1,327.4 |
| Equity (with non-controlling interests) (June 30) | € m | 386.6 | 323.2 | 386.6 | 323.2 |
| Net financial status (June 30) | € m | -48.3 | -34.9 | -48.3 | -34.9 |
| Net working capital (June 30) | € m | 151.2 | 63.0 | 151.2 | 63.0 |
| | | | | | |
| Employees (June 30) | | 7,314 | 6,433 | 7,314 | 6,433 |
| | | | | | |
| **Dürr share**<br>ISIN: DE0005565204 | | | | | |
| High[2] | € | 50.23 | 28.20 | 50.23 | 28.20 |
| Low[2] | € | 33.75 | 20.68 | 38.75 | 23.42 |
| Close[2] | € | 48.60 | 28.20 | 48.60 | 28.20 |
| Number of shares (weighted average) | k | 17,301 | 17,301 | 17,301 | 17,301 |
| Earnings per share (basic / undiluted) | € | 2.47 | 0.88 | 1.51 | 0.78 |

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

[1]The interest cost from the measurement of pension obligations was reclassified in 2011. The figures for the first half and the second quarter of 2011 have been adjusted.

[2] Xetra

# Highlights

- Strong incoming orders in Q2: up 7% on Q1 2012 and 13% on Q2 2011
- Further increase in sales revenues in Q2: up 7% on Q1 2012 and 41% on Q2 2011
- Incoming orders exceeded sales revenues by 21% in H1
- Record orders on hand valued at € 2,387 million, equivalent to more than one year's worth of sales revenues
- Further earnings improvement in Q2: EBIT up 77%, earnings after tax up 89% on Q2 2011
- Cash flow: Strain resulting from temporary accumulation of net working capital
- Outlook for 2012 raised in June:
  - Incoming orders: around € 2.5 billion (previously: > € 2.0 billion)
  - Sales revenues: around € 2.3 billion (previously: > € 2.0 billion)
  - EBIT margin: 6.5 to 7% (previously: 5.5 to 6%)

# Group management report

# Operating environment

**ECONOMY**

Against the backdrop of the European debt problems in tandem with mounting economic uncertainties, the forecasts for the global economy were scaled back to some degree in the second quarter of 2012. Experts now project growth of around 3.2% in 2012, down from the March estimate of 3.5%. Forecasts for the emerging markets (including China) have also been lowered slightly. Western Europe is passing through a recession, with Germany remaining the exception thanks to its relatively stable economy. GDP growth of only a good 2% is now being forecast for the United States for 2012.

Looking forward to 2013, global economic growth should pick up again slightly to around 3.5%. High growth rates are also projected for China and India in the years ahead. After a slowdown this year, Brazil should regain momentum in 2013.

Given the slightly more muted economic expectations and high sovereign debt, interest rates should remain low in the second half of 2012. According to market experts, inflation is receding in China, opening up further scope for monetary-policy easing and possibly also for an economic stimulus program.

// ECONOMIC FORECAST

| | 2010 | 2011 | 2012F | 2013F |
|---|---|---|---|---|
| GDP growth, % | | | | |
| G7 | 3.0 | 1.4 | 1.6 | 1.8 |
| United States | 3.0 | 1.7 | 2.3 | 2.6 |
| Japan | 4.5 | -0.7 | 3.1 | 1.2 |
| Eurozone | 1.9 | 1.5 | -0.5 | 0.3 |
| Germany | 3.6 | 3.1 | 0.9 | 1.1 |
| Emerging markets | 7.8 | 6.2 | 5.1 | 5.6 |
| China | 10.3 | 9.2 | 7.9 | 8.4 |
| India | 9.9 | 7.3 | 6.3 | 6.5 |
| Russia | 4.3 | 4.3 | 4.0 | 4.1 |
| Brazil | 7.5 | 2.7 | 1.9 | 4.5 |
| **Global** | **5.1** | **3.5** | **3.2** | **3.5** |

Source: Deutsche Bank Global Markets Research, July 2012
F = forecast

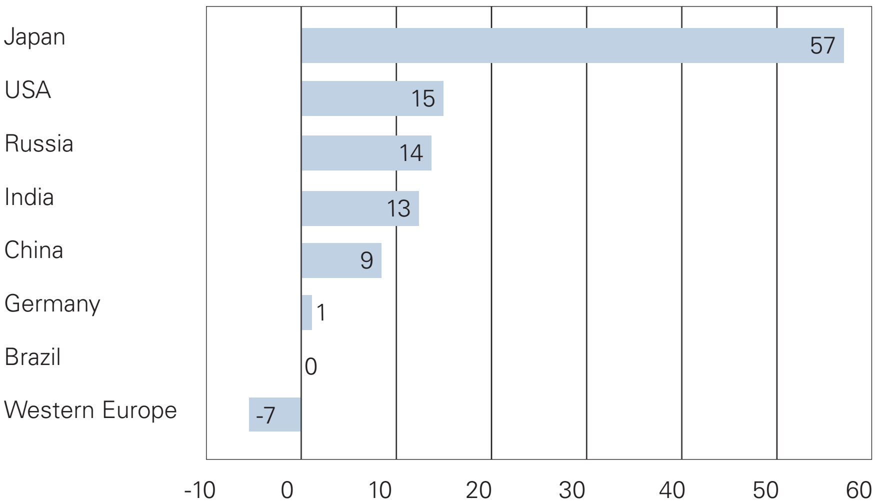
**AUTOMOBILE INDUSTRY**

After a moderate start, global automobile sales generally performed well in the first half of 2012. Accordingly, sales trends are standing noticeably apart from the increasingly more muted growth expectations for the economy as a whole. China, the world's largest automobile market, returned to a strong growth trajectory after a weak start to the year. The other BRIC nations as well as Japan and the United States also registered double-digit growth rates in June 2012. In Western Europe, passenger vehicle sales slipped by 7% in the first half of 2012. This decline would have been even greater had it not been for robust conditions in the United Kingdom and Germany.

Production and sales figures as well as future expectations in the automobile industry are indicators of the sector's future capital spending plans. OEMs' liquidity and earnings situation also provide a guide. In their July 2012 outlook, the automobile analysts at PricewaterhouseCoopers (PwC) have not scaled back expectations for global automobile production. They continue to project an average production growth of 6% for passenger cars and light commercial vehicles until 2016. China, India, Russia and Thailand should achieve double-digit annual growth according to PwC.

// PASSENGER CAR SALES JANUARY TO JUNE 2012

Percentage change year over year




Source: VDA

**OTHER SECTORS**

Despite high kerosene prices, global air traffic expanded by 6.5% in the first five months of 2012 (source: IATA). Whereas airlines' earnings came under pressure from rising kerosene prices, aircraft builders Airbus and Boeing achieved high growth in deliveries in the first half of 2012. Although order intake was down on the strong previous year, it is still in excess of deliveries. Russian and Chinese aircraft producers are driving the development of new models in a bid to close the gap between them and the global vanguard.

Generally speaking, order receipts in the mechanical and plant engineering industry have declined recently. According to the German industry association VDMA, they were down 6% year on year in the period from March to May 2012 but are expected to stabilize in the coming months.

# Business development[1]

**STRONG ORDER INTAKE IN EUROPE AS WELL**

From January to June 2012, the Dürr Group's incoming orders increased by 17.0% over the same period in the previous year, coming to € 1,404.3 million. This was already the third consecutive half-year period in which double-digit growth was achieved. All four divisions contributed to this growth. The greatest gains were recorded by Paint and Assembly Systems (30.6%), followed by Clean Technology Systems (14.1%) and Application Technology (7.3%). Incoming orders in the mechanical engineering division Measuring and Process Systems were up 9.9% in the second quarter after contracting slightly in the first three months of the year due to baseline effects. The price quality of the new orders remained satisfactory.

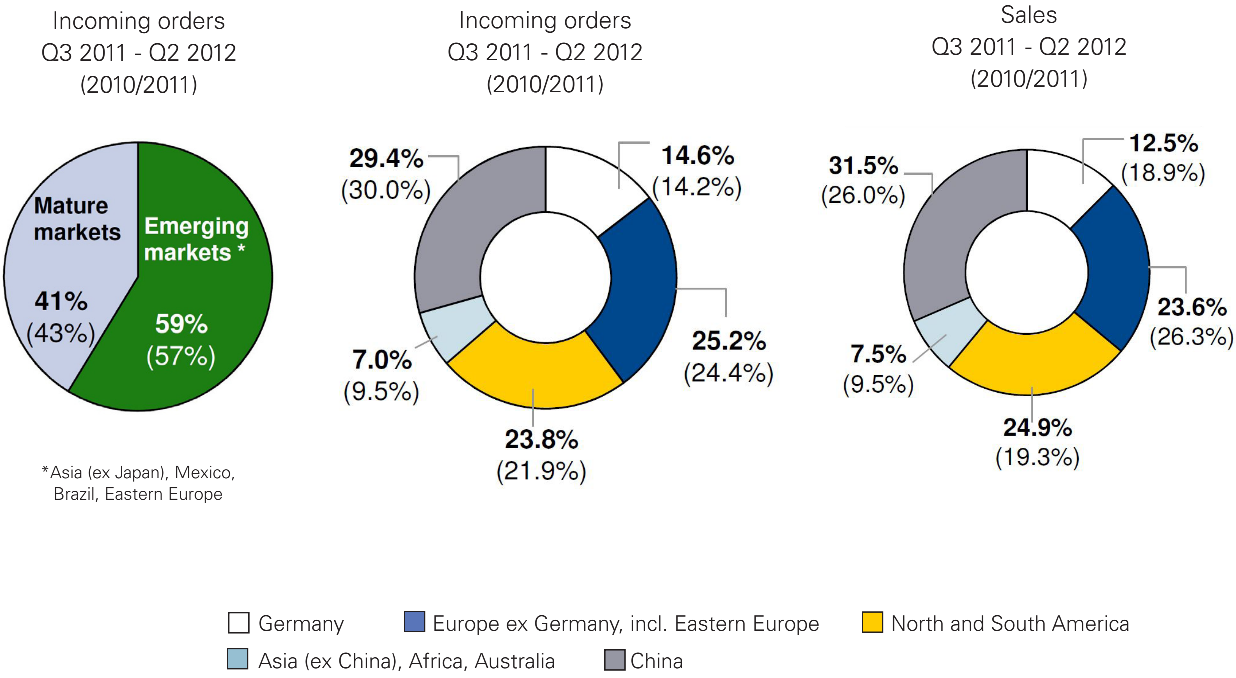
At € 725.2 million, new orders achieved an extraordinarily high level in the second quarter of 2012, rising by 7% over the strong first quarter of 2012 and 13% over the second quarter of 2011.

In the emerging markets (Mexico, Brazil, Eastern Europe, Asia excluding Japan), incoming orders leveled off to some extent in the first half of 2012. Whereas order intake in China remained more or less steady, we registered a temporary decline in Brazil and India. However, there are several major projects in the pipeline for 2012 and 2013 in these two countries. Demand continued to pick up in the United States, causing incoming orders to rise by 38%. In Europe as well, we were able to achieve what at first glance appears to be a surprisingly substantial rise in order intake. We were awarded contracts for various major paint system projects, including conversion work for Daimler/Smart in France, Ford and Seat in Spain and Ford in Turkey. In addition, we received a contract from a car manufacturer to construct a further paint shop in Germany. All told, order intake in Europe (including Germany) rose by 49% in the first half of 2012.

[1] This interim report has been prepared in accordance with the International Financial Reporting Standards (IFRS).

43% of the Group's incoming orders came from the emerging markets in the first half of 2012, with China contributing 21%. The diagram below illustrates the regional breakdown of incoming orders over the last four quarters. This rolling medium-term depiction provides a more reliable indication than an isolated analysis of the separate quarters, in which individual large-scale orders may give a false impression of the regional distribution of business. Over the past four quarters, orders from the emerging markets have accounted for 59% of incoming orders.

// INCOMING ORDERS AND SALES IN THE PREVIOUS FOUR QUARTERS (ROLLING COMPARISON)



### SALES REVENUES UP 49% IN THE FIRST HALF OF 2012

As expected, our sales realization continued to gather pace, reflecting the trend in order intake with a time lag. In the first half of 2012, revenues climbed to € 1,163.3 million, an increase of 48.5% over the same period in the previous year. As in the previous two years, incoming orders exceeded sales revenues, resulting in a book-to-bill ratio of 1.2. Accordingly, orders on hand were up 36.6% compared with June 30, 2011, reaching a record of € 2,386.5 million. This is equivalent to more than one year's worth of sales revenues and will ensure capacity utilization until well into 2013.

The growth in sales revenues was particularly underpinned by gains in mechanical and plant engineering. However, service business also increased by an encouraging 21.6%, contributing 19% of the Group's sales revenues (H1 2011: 24%); we expect the proportion of service business to widen again in the second half of 2012.

Our broad international positioning is reflected in a balanced regional distribution of sales revenues. In the first half of 2012, 12% came from Germany, 23% from other Western and Eastern European countries and 26% from North and South America. At 39%, the contribution made by Asia and Africa was well in excess of the year-ago period. We generated 61% of our sales revenues in the emerging markets, notably the BRIC nations.

### GROSS MARGIN WIDER IN THE SECOND QUARTER

The gross margin improved appreciably in the second quarter of 2012, widening from 16.4% in the first quarter to 17.6%. This was due to strong capacity utilization as well as the successive invoicing of orders with greater margins. On the other hand, the slower growth in more profitable service business compared with new equipment business had a dampening effect. The cost of sales rose by 50.0% in the first half of 2012 and thus slightly more quickly than sales revenues. Accordingly, gross profit increased by 41.2 to € 198.1 million.

Consolidated material expenses, all of which are reported as cost of sales, came to € 567.4 million in the first half of 2012. The material expense ratio, i.e. the ratio of material expenses to sales revenues, widened to 48.8% (H1 2011: 42.9%). The higher prices charged by suppliers were one of the reasons for this. In addition, we made greater use of subcontractors in order to meet project deadlines given the high volume of business.

### OVERHEAD COSTS RISING MORE SLOWLY THAN SALES REVENUES

Overhead costs (including R&D expenses) climbed by 19.7% to € 128.0 million in the first half of the year. This was due to increased employee numbers as well as higher pay-scale salaries and bonuses. Research and development expenses were raised by 18.8% to € 16.4 million. Further increases are planned in this area to safeguard our technological lead and to expand new areas of business such as energy-efficiency technology.

Other operating income net of other operating expense came to € 2.2 million in the first half of 2012 (H1 2011: € 0.4 million). The most important individual items were currency translation gains and losses, which came to a net € -0.2 million. In addition, proceeds of € 1.5 million were recorded from the reversal of provisions.

**EBIT DOUBLED IN THE FIRST HALF OF 2012**

EBIT doubled over the first half of 2011, rising to € 72.3 million. This was also accompanied by a substantially larger EBIT margin, which widened to 6.2% in the first half of the year; in the second quarter, it increased to 7.1% with EBIT coming to € 42.7 million. Before depreciation and amortization, which amounted to € 12.8 million, EBITDA was up 96% to € 85.2 million.

At € 12.8 million in the first half of 2012, net finance expense was somewhat greater than in the first half of 2011 (€ 10.1 million). Interest expense was incurred for the first time in connection with financing for the acquisition of the Group headquarters in Bietigheim-Bissingen (Dürr Campus). On the other hand, the high cash and cash equivalents yielded only a small volume of interest income due to general interest levels. All in all, our earnings improved somewhat as a result of the acquisition of the Group headquarters: The improvement in EBIT caused by the absence of lease expense for the Campus is greater than the strain on net finance expense arising from additional interest costs.

With tax expense coming to € 15.5 million (H1 2011: € 7.7 million), earnings after tax climbed to € 44.0 million in the first half of 2012, up from € 16.0 million in the same period of the previous year. The effective tax rate came to 26.0%. For 2012 as a whole it should be in the region of 25% as we will be continuing to utilize or capitalize our unused tax losses given the positive earnings performance.

**ACTUAL PERFORMANCE VS. FORECAST:**
**BUSINESS PERFORMANCE BETTER THAN EXPECTED**

Business performance in the first half of 2012 exceeded both our budget planning and analysts' expectations. This prompted us to raise our business outlook for 2012 in an ad-hoc release published on June 21. Further information on our forecasts can be found in the Outlook section on page 23.

# Financial position

### RISING BUSINESS VOLUMES CAUSING ACCUMULATION OF NET WORKING CAPITAL

Although earnings and revenues rose sharply in the first half of 2012, a negative cash flow from operating activities of € -64.6 million was recorded (H1 2011: € -25.1 million). This was caused by an increase in net working capital (NWC) of € 120.0 million (compared with December 31, 2011) primarily as a result of the sharp increase in business. However, NWC should recede again in accordance with our operating liquidity budgeting as several projects have reached the completion phase, with corresponding final payments falling due. Cash flow from operating activities also came under pressure from the offloading of pension risks of € 10.7 million in Germany. With this measure, which is mainly reflected in changes in provisions, we have reduced longevity risks.

// CASH FLOW STATEMENT*

| € m | **H1 2012** | H1 2011 |
|---|---|---|
| Earnings before income taxes | 59.5 | 23.7 |
| Depreciation and amortization | 12.8 | 9.5 |
| Interest result | 13.1 | 10.5 ** |
| Income tax payments | -8.8 | -4.3 |
| Change in provisions | -15.2 | -0.4 ** |
| Change in net working capital | -120.0 | -33.2 |
| Other items | -6.0 | -30.9 |
| **Cash flow from operating activities** | **-64.6** | **-25.1** |
| Interest payments (net) | -2.1 | -0.2 |
| Capital expenditure | -15.0 | -8.0 |
| **Free cash flow** | **-81.7** | **-33.3** |
| Other cash flows (incl. dividend) | -18.4 | -25.2 |
| **Decrease (+), increase (-) in net financial debt** | **-100.1** | **-58.5** |

* 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.

** The interest and the expected returns from plan assets arising from the measurement of pensions commitments, which were previously presented under functional costs, have been allocated to net interest.

Forfaiting, factoring and negotiation transactions must be taken into account when comparing cash flow over different reporting periods, although their influence has declined considerably in the last quarters. Their volume sank by € 16.7 million in the first half of 2011 and by € 7.7 million in the first half of 2012. Adjusted for this reduction, cash flow from operating activities would have been € 7.7 million higher (H1 2011: € 16.7 million).

| € m | December 31, 2010 | June 30, 2011 | December 31, 2011 | June 30, 2012 |
|---|---|---|---|---|
| Factoring, forfaiting & negotiation | **25.1** | **20.5** | **20.5** | **12.8** |

A **net cash inflow from investing activities** of € 21.4 million was recorded in the first half of 2012 due to the reduction of time deposits (H1 2011: net cash outflow of € 17.1 million). Capital expenditure (including equity investments) rose by € 3.7 million year over year.

There was a **net cash outflow from financing activities** of € 22.0 million (H1 2011: net cash outflow of € 9.4 million) chiefly due to the dividend distributed in April 2012.

**Free cash flow,** which indicates the resources that are available for paying dividends, buying back shares and reducing net financial debt, stood at € -81.7 million. The other cash flows (net outflow of € 18.4 million) reported in the table on page 11 include the cash outflows for acquisitions and dividend distribution.

### FURTHER INCREASE IN TOTAL ASSETS DUE TO RISING BUSINESS VOLUMES

Total assets increased by 5.5% compared with the end of 2011 to € 1,752.4 million. On the assets side, trade receivables and inventories rose by a total of € 182.2 million. On the liabilities side, however, trade payables climbed by only € 63.4 million. Net working capital rose by € 120.0 million before currency conversion compared with the end of 2011. At € 532.1 million, non-current assets remained largely unchanged. The accumulation of net working capital corresponded to a decline of € 63.1 million in cash and cash equivalents to € 235.5 million.

## // CURRENT AND NON-CURRENT ASSETS

| € million | June 30, 2012 | as % of total assets | December 31, 2011 |
|---|---|---|---|
| Intangible assets | 326.7 | 18.7 | 326.7 |
| Property, plant and equipment | 148.8 | 8.5 | 144.9 |
| Other non-current assets | 56.6 | 3.2 | 57.4 |
| **Non-current assets** | **532.1** | **30.4** | **529.0** |
| Inventories | 160.9 | 9.2 | 124.5 |
| Trade receivables | 771.4 | 44.0 | 625.6 |
| Cash and cash equivalents | 235.5 | 13.4 | 298.6 |
| Other current assets | 52.5 | 3.0 | 83.3 |
| **Current assets** | **1,220.3** | **69.6** | **1,132.0** |
| **Total assets** | **1,752.4** | **100** | **1,661.0** |

As a result of the accumulation in NWC, a negative net financial status of € -48.3 million was recorded as of June 30, 2012 (June 30, 2011: € -34.9 million). In the year to date, we have covered our funding requirements from our cash flow and cash and cash equivalents (further information can be found in the Outlook section on page 23).

## // EQUITY

| € million | June 30, 2012 | as % of total assets | December 31, 2011 |
|---|---|---|---|
| Subscribed capital | 44.3 | 2.5 | 44.3 |
| Other equity | 336.8 | 19.2 | 314.6 |
| Equity attributable to shareholders | 381.1 | 21.7 | 358.9 |
| Non-controlling interests | 5.5 | 0.4 | 5.4 |
| **Total equity** | **386.6** | **22.1** | **364.3** |

As of the middle of the year, equity had risen by € 22.3 million over December 31, 2011 to € 386.6 million. A sum of € 20.8 million was used for the dividend payment. Despite the increase, the equity ratio was virtually unchanged at 22.1% as total assets widened (December 31, 2011: 21.9%). We assume that it will rise again in the second half of the year; in the medium term, we want to return towards our target of 30% by retaining earnings.

/ / CURRENT AND NON-CURRENT LIABILITIES

| € million | **June 30, 2012** | as % of total assets | December 31, 2011 |
|---|---|---|---|
| Financial liabilities (incl. bond) | 288.5 | 16.5 | 286.2 |
| Provisions (incl. pensions) | 104.9 | 6.0 | 110.3 |
| Trade payables | 781.1 | 44.6 | 717.7 |
| of which prepayments received | 503.3 | 28.7 | 446.8 |
| Income tax liabilities | 6.8 | 0.4 | 8.9 |
| Other liabilities (incl. deferred taxes, deferred income) | 184.5 | 10.4 | 173.6 |
| **Total** | **1,365.8** | **77.9** | **1,296.7** |

The liabilities side remained largely unchanged compared with December 31, 2011. One exception was trade payables, which rose by 8.8% to € 781.1 million (December 31, 2011: € 717.7 million). This is the largest item on the liabilities side and includes prepayments of € 503.3 million received from customers. Compared to the end of 2011, prepayments received rose by another € 56.5 million. The decline in provisions to € 104.9 million (December 31, 2011: € 110.3 million) is chiefly due to the offloading of pension risks of € 10.7 million.

**OFF-BALANCE-SHEET FINANCING INSTRUMENTS AND OBLIGATIONS**

The volume of off-balance-sheet financing instruments and obligations changed only marginally compared with the end of 2011. Future minimum payments under operating leases amounted to € 83.8 million as of June 30, 2012, which was slightly higher than on December 31, 2011 (€ 72.0 million) but well below June 30, 2011 (€ 125.2 million) on account of the absence of lease payment obligations for the Campus. We make selective use of receivables financing (forfaiting, factoring, negotiation) to reduce the capital employed at individual companies. Since the end of 2011, the volume of these transactions has contracted from € 20.5 million to € 12.8 million. The off-balance sheet obligations also include liabilities of € 14.4 million from other continuing obligations (December 31, 2011: € 9.7 million). The guarantees drawn in the amount of € 406 million as of June 30, 2012 consist mainly of credit guarantees and sureties and are not off-balance-sheet financing instruments.

# R&D and capital expenditures

In the first half of 2012, we increased our direct R&D spending by 18.8% to € 16.4 million (H1 2011: € 13.8 million). As sales revenues grew by a quicker 49%, the R&D ratio dropped to 1.4%, down from 1.8% in the year-ago period. The "Research and development costs" item comprises only part of actual R&D spending as this also includes development costs arising in connection with customer orders, which are therefore reported within the cost of sales. Moreover, some development expenses are capitalized as intangible assets. These were valued at € 1.6 million in the first half of 2012 (H1 2011: € 1.1 million).

One important innovation in paint systems is the compact EcoReBooth spray booth concept, which uses the energy-saving EcoDryScrubber technology. This space-saving system is particularly suitable for integration in existing paint shops which are to be converted from conventional wet separation of paint particles to EcoDryScrubber dry separation. Unlike usual spray booths, each EcoReBooth module has its own separate air circulation system. We unveiled the EcoReBooth at the international Dürr Open House, which took place in Bietigheim-Bissingen in May 2012. The numerous other new developments which were presented to the more than 800 guests included EcoGun Sealing IDS for vehicle sealing. This compact system combines the applicator and the dosage system for applying the sealing in a single component. The advantages include low weight, reduced maintenance and flexible use for all standard sealing applications.

Remote diagnosis using "fingerprinting" is a new service in balancing technology. Before we deliver a balancing system, we map its ideal amplitude in the testing shop, its "fingerprint" so to speak. If any problems arise during operation, a further amplitude diagram can be prepared at the customer's site. The difference between the two diagrams allows us to identify the component which requires repairing.

Energy-efficiency activities concentrated on the further development of microgas turbine technology. Among other things, we forged a research partnership with the German Aerospace Center in Stuttgart to explore new applications for decentralized energy supplies. Environmental technology focused on enhancements to various processes which we offer in conjunction with partners. These include, for example, systems to dispose of oil sludge, saline waste or exhaust gases containing silane.

**HEIGHTENED SPENDING ON PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS**

Capital expenditure increased from € 12.1 million in the first half of 2011 to € 16.1 million. Of this, property, plant and equipment accounted for € 10.7 million (H1 2011: € 5.2 million) and intangible assets for € 5.4 million (H1 2011: € 6.8 million). The latter chiefly entailed the acquisition of licenses and software.

Corporate Center capital expenditure (€ 5.2 million) comprises purchases made by Dürr IT Service GmbH (software and licenses) as well as the acquisition of land in Bietigheim-Bissingen. The expenditure on acquiring the equity interest in HeatMatrix B.V. and for increasing the interest in LaTherm GmbH came to € 0.8 million in the first half of 2012 (H1 2011: € 16.6 million) and is not included in the following table. HeatMatrix is a company specializing in heat exchangers made from plastic, while LaTherm develops heat-storage technologies. Further details can be found in the section on the Clean Technology Systems division on page 20.

// CAPITAL EXPENDITURE*

| € million | **H1 2012** | H1 2011 |
|---|---|---|
| Paint and Assembly Systems | 5.2 | 1.7 |
| Application Technology | 2.6 | 2.0 |
| Measuring and Process Systems | 2.3 | 3.1 |
| Clean Technology Systems | 0.8 | 0.2 |
| Corporate Center | 5.2 | 5.1 |
| **Total** | **16.1** | **12.1** |

* on property, plant and equipment and on intangible assets

In order to accommodate the increased order volumes, we are expanding our capacity in Germany and the emerging markets. Thus, a further hall with a floor area of 6,000 m² for robot production and logistics is being built in Bietigheim-Bissingen. In Shanghai, a new production facility for our plant engineering activities went into operation in the first quarter, with a further site to be constructed in Shanghai by 2013 for our mechanical engineering activities. In addition, the facilities in Mexico and Brazil are being extended by a total of 5,000 m². Total expansion spending is expected to come to around € 25 million and will chiefly comprise lease and rental expense.

# Employees

**WORKFORCE STILL GROWING**

We have increased our workforce by 13.7% to 7,314 people since mid-2011 in response to increased business volumes. The number of external employees has also grown and now accounts for some 18% of the entire workforce. Recruiting chiefly arose in the growth markets of China, India and Brazil. The headcount in the emerging markets increased by 26.3% over June 30, 2011 to 2,376 employees, meaning that these regions now account for 32.5% of the total workforce. In North America (including Mexico), the workforce has widened by 21.8% since mid-2011. In Germany, 205 new jobs have been created since June 30, 2011.

// EMPLOYEES

| | **June 30, 2012** | December 31, 2011 | June 30, 2011 |
|---|---|---|---|
| Paint and Assembly Systems | 2,750 | 2,524 | 2,333 |
| Application Technology | 1,281 | 1,203 | 1,130 |
| Measuring and Process Systems | 2,952 | 2,790 | 2,683 |
| Clean Technology Systems | 223 | 205 | 191 |
| Corporate Center | 108 | 101 | 96 |
| **Total** | **7,314** | **6,823** | **6,433** |

# Personnel changes

At the annual general meeting held on April 27, 2012, Mr. Klaus Eberhardt, the CEO of Rheinmetall AG, was voted to Dürr AG's Supervisory Board with a large majority. He replaces Mr. Joachim Schielke, a former member of the Board of Management of Landesbank Baden-Württemberg, who stepped down after eleven years. Dr. Alexandra Dürr has assumed Mr. Schielke's seat on the Supervisory Board's audit committee.

# Overview of the divisions

## // PAINT AND ASSEMBLY SYSTEMS

| | | H1 2012 | H1 2011 |
|---|---|---|---|
| Incoming orders | € m | 703.4 | 538.5 |
| Sales revenues | € m | 531.2 | 342.8 |
| EBITDA | € m | 31.6 | 15.8 |
| EBIT | € m | 29.5 | 14.0 |
| Employees (June 30) | | 2,750 | 2,333 |

The Paint and Assembly Systems division continued to perform well in the first half of 2012. As expected, sales revenues and incoming orders did not grow quite as quickly in the second quarter due to baseline effects. Compared with the first half of the previous year, incoming orders were up 31%. Paint and Final Assembly Systems and Aircraft and Technology Systems both expanded at double-digit rates. Major orders for paint systems came from China and the United States as well as from Europe, e.g. from Daimler/Smart (France), Ford (Spain, Turkey) and Seat (Spain). Due to brisk European business, the proportion of incoming orders from the emerging markets in the Paint and Assembly Systems division temporarily contracted to 39.9% in the first half of 2012. However, we expect this share to widen again substantially by the end of the year.

Sales revenues climbed by 55.0% and hence more quickly than additions to the workforce (up 17.9%). However, as incoming orders continued to exceed revenues, orders on hand further increased. The gross margin has widened in the course of the year but has not yet returned to the previous year's level as the proportion of service business in sales revenues is smaller than usual due to the disproportionately strong increase in new business. High capacity utilization, the growth in sales revenues and moderate increase in overheads caused EBIT to rise to € 29.5 million, with the EBIT margin widening to 5.6%.

## // APPLICATION TECHNOLOGY

| | | H1 2012 | H1 2011 |
|---|---|---|---|
| Incoming orders | € m | 303.2 | 282.5 |
| Sales revenues | € m | 264.5 | 171.5 |
| EBITDA | € m | 28.1 | 9.5 |
| EBIT | € m | 25.0 | 7.2 |
| Employees (June 30) | | 1,281 | 1,130 |

Application Technology's business also continued to perform well. Project inquiries have remained at a high level, with orders in the first half of 2012 rising by 7.3% year over year. Despite the increase of 54.2% in sales revenues, the book-to-bill ratio came to 1.15. Major contracts for the delivery of painting robots and application technology were received from China, the United States and also Europe.

Application Technology was able to widen its gross margin already in the first half of 2012 thanks to high capacity utilization and the improved margin quality of orders on hand. This together with fixed costs, which did not rise as quickly as revenues, caused EBIT to climb by € 17.8 million to € 25.0 million. The EBIT margin came to 9.4%. We have increased the workforce by 13.4% to 1,281 people since mid-2011 in response to the sharp business growth.

## // MEASURING AND PROCESS SYSTEMS

| | | H1 2012 | H1 2011 |
|---|---|---|---|
| Incoming orders | € m | 334.5 | 324.1 |
| Sales revenues | € m | 323.8 | 236.6 |
| EBITDA | € m | 27.8 | 16.3 |
| EBIT | € m | 22.8 | 12.4 |
| Employees (June 30) | | 2,952 | 2,683 |

Order intake in the Measuring and Process Systems division rose by an encouraging 9.9% in the second quarter of 2012, thus reversing the 3.3% year-on-year decline which had emerged in the first quarter. By comparison, the industry association VDMA reported a substantial decline in order volumes in the German mechanical and plant engineering industry in the months from March to May 2012.

The Balancing and Assembly Products business unit registered high growth in orders, benefiting from its broad market base in various sectors. Once again, it received several orders from suppliers of power generating equipment, while business in products for final automobile assembly (filling and testing systems) was also brisk. The Cleaning and Filtration Systems business unit recorded a decline in new orders in the first half of 2012 as a whole, although orders picked up again in the second quarter. The decline in the first quarter of 2012 must be seen in the light of several large orders that Cleaning and Filtration Systems had received in the United States in the same period of the previous year, resulting in a non-recurring effect.

Sales revenues in the Measuring and Process Systems division rose sharply by 36.9%, with both business units achieving similar growth. Thanks to its high capacity utilization levels, Balancing and Assembly Products was able to increase its earnings in the first half of 2012 and attain very satisfactory margin levels. Cleaning and Filtration Systems also reported a profit, whereas it had sustained a loss in the first half of 2011. The Measuring and Process Systems division achieved an EBIT margin of 7.0%.

In response to the sharp growth in business, the division's workforce was increased by 269 employees to 2,952 (up 10.0%). Schenck Technologie- und Industriepark (TIP), which is part of Measuring and Process Systems, achieved a very satisfactory EBIT margin in tandem with an increase in revenues to a good € 10 million.

// CLEAN TECHNOLOGY SYSTEMS

| | | **H1 2012** | H1 2011 |
|---|---|---|---|
| Incoming orders | € m | 63.2 | 55.4 |
| Sales revenues | € m | 43.7 | 32.6 |
| EBITDA | € m | 0.7 | 1.7 |
| EBIT | € m | 0.6 | 1.5 |
| Employees (June 30) | | 223 | 191 |

The figures for the Clean Technology Systems division, which was established at the beginning of 2011, so far comprise only the activities of the Environmental and Energy Systems business unit. This also includes the start-up company Dürr Cyplan Ltd., in which we acquired a 50% stake in June 2011. Dürr Cyplan achieved first market successes with its ORC technology in the second quarter of 2012. ORC (organic rankine cycle) is a process for generating electricity from waste heat.

In the first half of 2012, we acquired a 15% interest in Dutch start-up HeatMatrix Group B.V. in order to additionally extend our range of energy efficiency processes. HeatMatrix develops and produces innovative heat exchangers made from plastic which are particularly suitable for use with corrosive media. In addition, we increased our share in LaTherm GmbH from 8% to 29%. LaTherm specializes in latent heat storage systems for storing and recycling the heat given off by industrial processes and combined heating/power stations.

The strong demand for exhaust-air purification systems continued in the chemical, pharmaceutical and carbon fiber industries in the first half of 2012, resulting in a 14.1% increase in order volumes in the Clean Technology Systems division. Incoming orders gained momentum in the second quarter of 2012, exceeding the first quarter by 23%. Despite a sharp 34.3% increase in revenues, the book-to-bill ratio came to a high 1.45 in the first half of the year. With an EBIT margin of 6.2%, earnings improved in line with forecasts in the second quarter. The first quarter had seen a small loss chiefly arising from non-recurring costs in connection with business expansion in the emerging markets. We expect the division to post a substantial profit for 2012 as a whole. Employee numbers increased by 16.8% over the previous year.

**CORPORATE CENTER**

The Corporate Center (Dürr AG and Dürr IT Service GmbH) posted an EBIT of -5.5 million in the first half of 2012 (H1 2011: € -1.2 million). The Corporate Center's expenses are not fully recharged to the divisions. The EBIT includes consolidation effects of € -0.9 million (H1 2011: € 0.5 million).

# Opportunities and risks

The opportunities and risks of our business are discussed in detail in our annual report for 2011, where you will also find a description of our risk and opportunity management systems

**RISKS**

The European debt crisis has recently been increasingly spreading to Spain and Italy. At the same time, there is mounting pressure on the European governments to take sustained and comprehensive measures to consolidate their budgets. Against this backdrop, the Western European economy has continued to weaken, increasingly exerting pressure on non-European economies as well.

As only 11% of our revenues are currently being generated in Western Europe (excluding Germany), we consider the risks arising from the euro crisis for our business to be manageable. What is more, we were successful in major bidding processes that were carried through in Western Europe despite the economic downswing.

The economic problems in Europe are also leaving traces on China in the form of softer exports. Together with weaker domestic demand and a flat real estate market, this caused growth in Chinese gross domestic product to slow to 7.6% in the second quarter of 2012. On the other hand, passenger vehicle sales remained very solid, growing by 8.9% in the first half of the year. Our business in China remains strong, with the automobile industry continuing to invest heavily in additional production capacity and planning further construction and extension projects.

We address the risk of capacity shortfalls occurring with major projects by recruiting extra staff and utilizing additional external employees. As well as this, we distribute work packages evenly across our global business locations. In this way, we are able to avoid capacity overloads and deploy the available capacity to optimum effect. Heavy capacity utilization on the part of our suppliers may lead to higher sourcing costs and cause sporadic delivery delays. For this reason, we are steadily widening our supplier base particularly in the emerging markets.

The risks to which we are exposed in the event of a substantial decline in orders are lower than three years ago thanks to the high volume of orders on hand, improved margins and our systematic cost management. No risks liable to threaten the Group's going concern status are currently discernible.

**OPPORTUNITIES**

With our high order backlog and consistently strong order receipts in the first half of 2012, we will continue to operate at high capacity utilization levels in the foreseeable future. This also applies to our Western European facilities, which in addition to executing local orders are heavily involved in Dürr projects in the emerging markets.

We see good opportunities for expanding our service business as the numerous new production systems which we have supplied in the past few years have broadened our installed base, resulting in future demand for spare parts, modernization and other services.

Production growth in the automobile industry is continuing to offer us good opportunities for expansion. Experts assume that world production will increase by 30 million units by 2017. The bulk of this, namely some 22 million automobiles, is likely to be in the emerging markets where we hold a strong market position.

In order to tap further growth opportunities in our core business we have made various acquisitions in attractive niches offering great potential for the future over the past three years. These include glueing technology, ultrafine cleaning systems, turbocharger balancing technology, and filling equipment.

We are systematically expanding our position in South-East Asia, which is one of the automobile industry's key growth markets of the future. Via our 10% equity interest in the Japanese paint systems engineer Parker Engineering we are improving our access to the Japanese automobile industry, which is the dominant player in South-East Asia. In February 2012, we set up a local company in Thailand to step up our market penetration.

Established at the beginning of 2011, the Clean Technology Systems division is laying the foundations for growth in energy-efficient production technologies as a further business mainstay for the Dürr Group. Our focus is on utilizing the heat and waste heat from industrial processes. In this segment, we are building up a broad range of processes that can be applied in various sectors through selective acquisitions and in-house development. Examples include ORC (organic rankine cycle) systems and micro gas turbine technologies for generating electricity from heat. We are also concentrating closely on heat exchanger technologies, the conversion of heat into cold and heat storage. Clean Technology Systems is to achieve sales revenues of over € 200 million by 2015. We also see growth potential for exhaust-air purification systems business, especially in the emerging markets.

# Transactions with related parties

This information can be found in the notes to the consolidated financial statements on page 40.

# Outlook

The macroeconomic outlook clouded over somewhat in the second quarter of 2012 in the wake of the worsening debt crisis in Europe. At the same time, growth expectations in the United States and the emerging markets have also been scaled back slightly. Economists are now projecting global GDP growth of just over 3% in 2012 and a somewhat higher rate in 2013.

After the strain exerted by the economic slowdown on automobile sales in the first quarter of 2012, distinct signs of a recovery emerged in the second quarter. Market observers and analysts are still upbeat with respect to the outlook for the automobile industry. PricewaterhouseCoopers left its production forecasts unchanged in its July 2012 study. Looking ahead over the next few years, China will be the driving force behind the automobile industry. Save for a few exceptions, automobile OEMs have good to very good earnings and liquidity and are registering strong demand. These are both indicators pointing to continued brisk capital spending in this sector.

**Production forecast cars and light commercial vehicles**

| Million units | 2011 | 2016F | CAGR 2011-2016 |
|---|---|---|---|
| North America | 13.1 | 17.4 | 5.8% |
| Mercosur | 4.2 | 6.3 | 8.4% |
| Western Euope | 13.6 | 14.8 | 1.7% |
| Eastern Europe | 6.3 | 8.8 | 6.9% |
| Asia | 34.9 | 51.6 | 8.1% |
| Thereof China | 15.3 | 25.9 | 11.1% |
| Others | 2.5 | 2.9 | 3.0% |
| **Global** | **74.6** | **101.2** | **6.4%** |

Source: PwC, own estimates, July 2012
F=Forecast

**SALES REVENUES, INCOMING EARNINGS, AND EARNINGS**

On June 21, we raised the outlook for 2012 and 2013 which had been described in our annual report for 2011. This was materially due to the strong order intake in the first half of the year, the unabated high number of project inquiries and our ample order backlog. Accordingly, we have increased our sales revenue forecast for 2012 from at least € 2.0 billion to around € 2.3 billion and are now looking for incoming orders of some € 2.5 billion, up from our previous forecast of at least € 2.0 billion.

The target corridor for the full-year EBIT margin for 2012 has been lifted to between 6.5 and 7%. Prior to this, we had been expecting a figure of 5.5 to 6%. The basis for the expected growth in earnings are the increased levels of capacity utilization, improved margins on our orders on hand as well as volume and cost degression effects. Earnings after tax should improve by around 50% over 2011. In accordance with our dividend policy, the distribution for 2012 should be between 30 and 40% of consolidated net profit and should therefore also be higher.

### DIVISIONS

All four divisions should be able to post substantially higher full-year earnings in 2012. Paint and Assembly Systems is benefiting from the strong demand in the automobile industry and the high order backlog. The same thing applies to Application Technology, where economies of scale and growing service business will spur earnings to an even greater extent than with Paint and Assembly Systems. Measuring and Process Systems should benefit from the sustained favorable performance of its broad-based balancing technology. We expect a further substantial boost to earnings in Cleaning and Filtration Systems, which broke even in 2011. Clean Technology Systems expects continued brisk demand from the chemical and pharmaceuticals industry particularly in the emerging markets. Despite the muted start to the year, full-year earnings should be higher here as well in 2012 than in the previous year.

### CASH FLOW, CAPITAL EXPENDITURE, FINANCIAL POSITION

We expect operating cash flow to be slightly lower but still clearly positive in 2012; free cash flow should also be positive. The substantially increased earnings and revenues are likely to be set against a higher net working capital at the end of the year as well. As volumes in mechanical engineering business are continuing to grow, we will have to prefinance more inventories and trade receivables again. In plant engineering, we expect to see a slight decline in the high prepayment surplus in the further course of the year. However, we project a substantial decline in NWC compared with June 30, 2012.

Capital expenditure on property, plant and equipment and on intangible assets should exceed € 20 million (without acquisitions) in 2012. In addition to replacement spending, this also includes the purchase of land. Equity investments came to € 0.8 million in the first half of 2012. We plan further minor acquisitions between now and the end of the year to strengthen our core business and to expand the new Clean Technology Systems division.

After temporarily entering negative territory in mid-2012, the net financial status should be between zero and € +50 million at the end of the year. Trends in net working capital have a crucial bearing on the net financial status. Cash and cash equivalents should remain substantially above € 200 million. Equity will increase in absolute terms in 2012; the equity ratio is also expected to improve compared with the end of 2011.

### EMPLOYEES

In response to the sharp growth in business, we are recruiting a greater number of employees than originally planned both in Germany and internationally, particularly in the emerging markets. We assume that by the end of the year the Group will have around 700 employees more than it did at the beginning of the year (6,823).

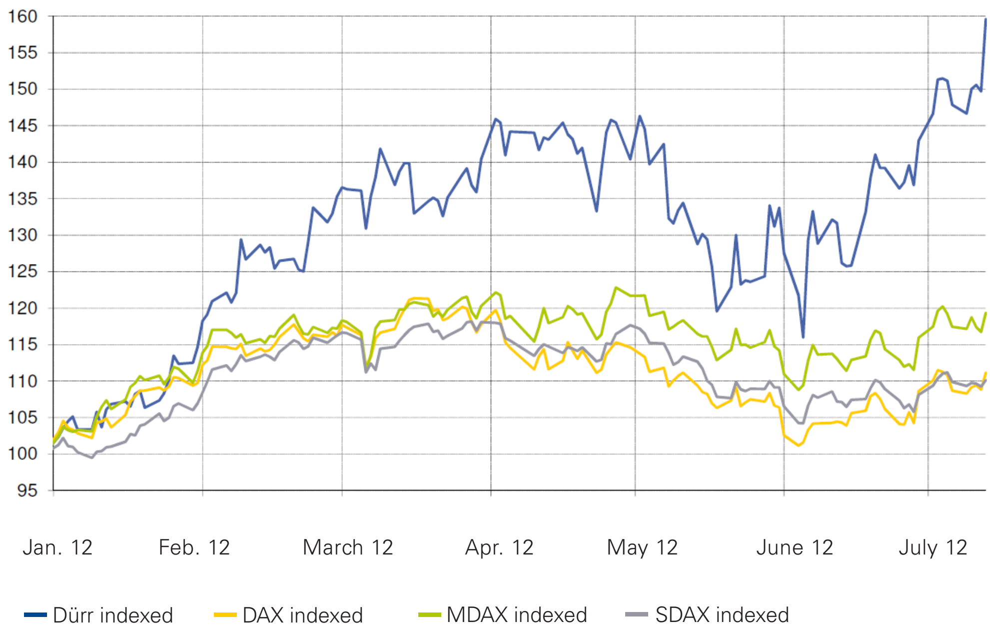
**FINANCING**

As of June 30, 2012, we had not utilized our syndicated loan or the loan granted by the European Investment Bank (EIB), both of which had been taken out in the first half of 2011. No further financing measures are planned for 2012 and 2013.

## Treasury stock and capital changes

Dürr AG does not hold any treasury stock. There were no changes in our capital stock of € 44.3 million, which is divided into 17.3 million shares, in the reporting period.

## Dürr share performance

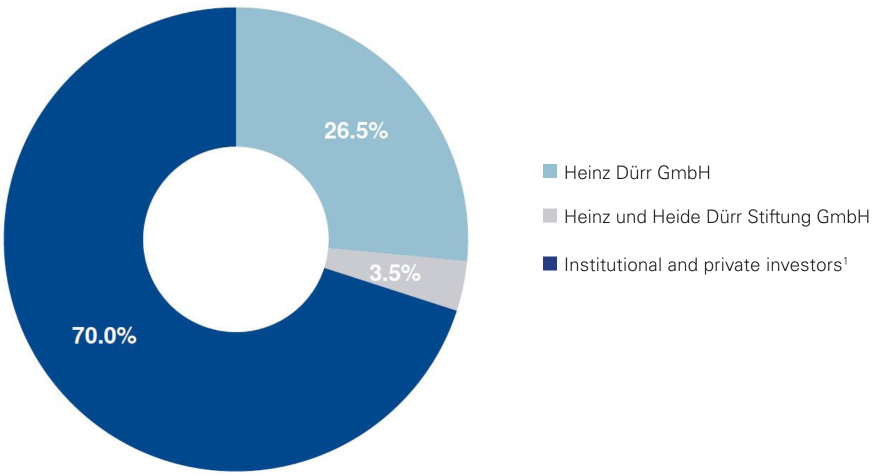



After a very strong start to the year, the equity markets have been drifting sideward since March 2012. In the wake of the European debt crisis and the economic slowdown, some companies have already scaled back their earnings forecasts. However, the equity markets are being buoyed by the ample liquidity available in the markets, low interest rates around the world and the relatively low valuations.

The DAX, MDAX and SDAX advanced by between 8 and 17% in the first half of 2012. With gains of 43%, Dürr outperformed the market substantially on the strength of its better-than-expected figures for 2011 and the upbeat outlook, which we raised again in June. This caused most analysts to lift their target prices. Dürr stock hit an all-time high of € 58.00 on July 19, 2012. At the end of June 2012, our bond was trading at € 111.00 and was hence also higher than at the beginning of the year (€ 108.50).

**SHAREHOLDER STRUCTURE**

There were no changes in Dürr AG's shareholder structure in the second quarter of 2012 after Harris Associates had reduced its share from 8% to under 3% in the first quarter. The Dürr family continues to hold just under 30% of the voting rights. Free float increased to 70%, up from 63% in mid-2011. Against this backdrop, average daily trading volumes for our stock rose to 115,000 (2011: around 20,000).




[1] including 1.1% held by Dürr AG's Board of Management

# Events after the reporting period

No exceptional or reportable events occurred between the end of the reporting period and the publication of this report.

Bietigheim-Bissingen, August 1, 2012
Dürr Aktiengesellschaft

The Board of Management

# Consolidated statement of income

## OF DÜRR AKTIENGESELLSCHAFT, STUTTGART, FOR THE PERIOD FROM JANUARY 1 TO JUNE 30, 2012

| € k | **H1 2012** | H1 2011 | Q2 2012 | Q2 2011 | July 1, 2011 - June 30, 2012 |
|---|---|---|---|---|---|
| Sales revenues | 1,163,307 | 783,482 | 600,948 | 424,921 | 2,301,812 |
| Cost of sales | -965,202 | -643,068* | -495,144 | -345,853* | -1,912,718 |
| **Gross profit on sales** | **198,105** | **140,414*** | **105,804** | **79,068*** | **389,094** |
| Selling expenses | -61,328 | -51,951* | -31,988 | -26,799* | -116,609 |
| General administrative expenses | -50,302 | -41,198* | -25,129 | -21,048* | -97,842 |
| Research and development costs | -16,381 | -13,783* | -7,781 | -6,871* | -32,102 |
| Other operating income | 12,541 | 7,401 | 6,522 | 3,833 | 30,922 |
| Other operating expenses | -10,307 | -7,010 | -4,737 | -4,073 | -28,514 |
| **Earnings before investment income, interest and income taxes** | **72,328** | **33,873*** | **42,691** | **24,110*** | **144,949** |
| Profit from entities accounted for using the equity method | 263 | 399 | 308 | 277 | 444 |
| Other investment income | 23 | - | 23 | - | 23 |
| Interest and similar income | 1,619 | 3,282* | 716 | 1,242* | 3,879 |
| Interest and similar expenses | -14,723 | -13,825* | -7,655 | -5,578* | -27,705 |
| **Earnings before income taxes** | **59,510** | **23,729** | **36,083** | **20,051** | **121,590** |
| Income taxes | -15,497 | -7,713 | -9,284 | -5,840 | -29,336 |
| **Profit of the Dürr Group** | **44,013** | **16,016** | **26,799** | **14,211** | **92,254** |
| **Attributable to:** | | | | | |
| Non-controlling interests | 1,361 | 773 | 727 | 696 | 2.995 |
| **Shareholders of Dürr Aktiengesellschaft** | **42,652** | **15,243** | **26,072** | **13,515** | **89,259** |
| Earnings per share in € (basic and diluted) | 2.47 | 0.88 | 1.51 | 0.78 | 5.16 |

* The presentation has changed compared to the consolidated financial statements for the first six months of 2011 because the interest cost (from the measurement of pension obligations and similar obligations) and the expected return from plan assets, which were previously presented under functional costs, have been allocated to interest and similar expenses and interest and similar income.

# Consolidated statement of comprehensive income

## OF DÜRR AKTIENGESELLSCHAFT, STUTTGART, FOR THE PERIOD FROM JANUARY 1 TO JUNE 30, 2012

| € k | **H1 2012** | H1 2011 | Q2 2012 | Q2 2011 |
|---|---|---|---|---|
| **Profit of the Dürr Group** | **44,013** | **16,016** | **26,799** | **14,211** |
| **Components of other comprehensive income** | | | | |
| Changes in fair value of financial instruments used for hedging purposes recognized in equity | 6,281 | 1,104 | 2,390 | -85 |
| Currency translation reserve of foreign subsidiaries | 3,270 | -8,263 | 6,288 | -1,218 |
| Currency translation reserve of foreign entities accounted for using the equity method | 13 | -843 | 1,136 | 45 |
| Actuarial gains/losses from defined benefit plans and similar obligations | -7,667 | 1,368 | -1,762 | 456 |
| Deferred taxes recognized on components of other comprehensive income | -5 | -627 | -118 | -54 |
| **Other comprehensive income, net of tax** | **1,892** | **-7,261** | **7,934** | **-856** |
| **Total comprehensive income for the year, net of tax** | **45,905** | **8,755** | **34,733** | **13,355** |
| **Attributable to:** | | | | |
| Non-controlling interests | 1,338 | 775 | 713 | 698 |
| **Shareholders of Dürr Aktiengesellschaft** | **44,567** | **7,980** | **34,020** | **12,657** |

# Consolidated statement of financial position

## OF DÜRR AKTIENGESELLSCHAFT, STUTTGART, AS OF JUNE 30, 2012

| € k | **June 30, 2012** | December 31, 2011 | June 30, 2011 |
|---|---|---|---|
| **ASSETS** | | | |
| Goodwill | 285,613 | 284,482 | 281,324 |
| Other intangible assets | 41,078 | 42,177 | 41,518 |
| Property, plant and equipment | 148,833 | 144,879 | 89,481 |
| Investment property | 22,025 | 22,333 | 22,763 |
| Investments in entities accounted for using the equity method | 18,247 | 17,207 | 15,023 |
| Other financial assets | 2,674 | 2,629 | 2,465 |
| Trade receivables | 12 | 191 | 1,836 |
| Income tax receivables | 71 | 76 | 91 |
| Sundry financial assets | 3,185 | 3,343 | 3,571 |
| Other assets | 301 | 215 | 45 |
| Deferred taxes | 8,322 | 9,644 | 7,286 |
| Prepaid expenses | 1,751 | 1,835 | 6,942 |
| **Non-current assets** | **532,112** | **529,011** | **472,345** |
| Inventories and prepayments | 160,887 | 124,471 | 108,792 |
| Trade receivables | 771,406 | 625,644 | 493,935 |
| Income tax receivables | 4,264 | 7,576 | 4,637 |
| Sundry financial assets | 19,468 | 50,174 | 21,340 |
| Other assets | 24,206 | 22,244 | 26,213 |
| Cash and cash equivalents | 235,523 | 298,561 | 195,165 |
| Prepaid expenses | 4,529 | 3,360 | 5,008 |
| **Current assets** | **1,220,283** | **1,132,030** | **855,090** |
| **Total assets Dürr Group** | **1,752,395** | **1,661,041** | **1,327,435** |
| **EQUITY AND LIABILITIES** | | | |
| Subscribed capital | 44,289 | 44,289 | 44,289 |
| Capital reserve | 200,186 | 200,186 | 200,186 |
| Revenue reserves | 166,269 | 146,003 | 105,693 |
| Other comprehensive income | -29,688 | -31,592 | -36,112 |
| **Total equity attributable to the shareholders of Dürr Aktiengesellschaft** | **381,056** | **358,886** | **314,056** |
| Non-controlling interests | 5,564 | 5,434 | 9,095 |
| **Total equity** | **386,620** | **364,320** | **323,151** |
| Provisions for post-employment benefit obligations | 52,196 | 57,779 | 54,062 |
| Other provisions | 5,062 | 6,654 | 7,217 |
| Trade payables | 5,646 | 6,394 | - |
| Bond | 225,403 | 225,511 | 225,534 |
| Other financial liabilities | 47,072 | 47,331 | 3,733 |
| Sundry financial liabilities | 16,548 | 26,162 | 14,335 |
| Income tax liabilities | 229 | 220 | 144 |
| Other liabilities | 6,847 | 4,507 | 3,713 |
| Deferred taxes | 31,669 | 26,921 | 23,503 |
| Deferred income | 348 | 425 | 477 |
| **Non-current liabilities** | **391,020** | **401,904** | **332,718** |
| Other provisions | 47,584 | 45,902 | 40,666 |
| Trade payables | 775,444 | 711,327 | 541,527 |
| Financial liabilities | 16,040 | 13,322 | 4,289 |
| Sundry financial liabilities | 45,264 | 27,363 | 23,379 |
| Income tax liabilities | 6,614 | 8,728 | 2,822 |
| Other liabilities | 83,461 | 87,907 | 58,470 |
| Deferred income | 348 | 268 | 413 |
| **Current liabilities** | **974,755** | **894,817** | **671,566** |
| **Total equity and liabilities Dürr Group** | **1,752,395** | **1,661,041** | **1,327,435** |

# Consolidated statement of cash flows

## OF DÜRR AKTIENGESELLSCHAFT, STUTTGART, FOR THE PERIOD FROM JANUARY 1 TO JUNE 30, 2012

| € k | **H1 2012** | H1 2011 | Q2 2012 | Q2 2011 |
|---|---|---|---|---|
| Earnings before income taxes | 59,510 | 23,729 | 36,083 | 20,051 |
| Income taxes paid | -8,807 | -4,334 | -5,979 | -2,363 |
| Net interest | 13,104 | 10,543 * | 6,939 | 4,336 |
| Profit from entities accounted for using the equity method | -263 | -399 | -308 | -277 |
| Amortization and depreciation of non-current assets | 12,838 | 9,514 | 6,961 | 4,916 |
| Net gain/loss on the disposal of non-current assets | 9 | 115 | 26 | 115 |
| Other non-cash income and expenses | - | -10 | 5 | -4 |
| Changes in operating assets and liabilities | | | | |
| Inventories | -34,739 | -31,976 | -11,893 | -18,699 |
| Trade receivables | -143,208 | -113,045 | -132,009 | -100,932 |
| Other receivables and assets | -7,559 | -18,309 | 4,412 | -17,842 |
| Provisions | -15,205 | -452 * | 753 | -1,209 |
| Trade payables | 57,931 | 111,856 | 52,286 | 116,097 |
| Other liabilities (other than bank) | 2,836 | -10,303 | -3,540 | -13,146 |
| Other assets and liabilities | -1,073 | -2,040 | 387 | -190 |
| **Cash flow from operating activities** | **-64,626** | **-25,111** | **-45,877** | **-9,147** |
| Purchase of intangible assets | -5,402 | -2,864 | -3,487 | -804 |
| Purchase of property, plant and equipment | -9,649 | -5,199 | -6,723 | -2,650 |
| Purchase of entities accounted for using the equity method | -400 | -2,020 | - | -2,020 |
| Purchase of other financial assets | -400 | -2,036 | - | -2,036 |
| Proceeds from the sale of non-current assets | 455 | 273 | 307 | 207 |
| Acquisitions, net of cash acquired | -230 | -6,816 | -230 | -6,816 |
| Investments in time deposits | 35,950 | - | 5,896 | - |
| Interest received | 1,104 | 1,548 | 550 | 1,036 |
| **Cash flow from investing activities** | **21,428** | **-17,114** | **-3,687** | **-13,083** |
| Change in current bank liabilities and other financing activities | 4,969 | -1,676 | 3,439 | -2,158 |
| Repayment of non-current financial liabilities | -1,057 | -125 | -532 | -62 |
| Payment of finance lease liabilities | -279 | -169 | -163 | -88 |
| Change in financial receivables due from entities accounted for using the equity method | -407 | - | -407 | - |
| Sale of securities | 2 | - | 2 | - |
| Dividends paid to the shareholders of Dürr Aktiengesellschaft | -20,760 | -5,190 | -20,760 | -5,190 |
| Dividends paid to non-controlling interests | -1,276 | -504 | -1,158 | -504 |
| Interest paid | -3,200 | -1,717 | -1,695 | -634 |
| **Cash flow from financing activities** | **-22,008** | **-9,381** | **-21,274** | **-8,636** |
| Effects of exchange rate changes | 2,168 | -5,537 | 4,537 | -893 |
| Change in cash and cash equivalents | -63,038 | -57,143 | -66,301 | -31,759 |
| **Cash and cash equivalents** | | | | |
| At the beginning of the period | 298,561 | 252,308 | 301,824 | 226,924 |
| At the end of the period | 235,523 | 195,165 | 235,523 | 195,165 |

* The presentation has changed compared to the consolidated financial statements for the first six months of 2011 because the interest cost (from the measurement of pension obligations and similar obligations) and the expected return from plan assets, which were previously presented under functional costs, have been allocated to net interest.

# Consolidated statement of changes in equity

## OF DÜRR AKTIENGESELLSCHAFT, STUTTGART, FOR THE PERIOD FROM JANUARY 1 TO JUNE 30, 2012

| | | | | 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, 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 year | - | - | 15,243 | - | - | - | - | - | - | 15,243 | 773 | 16,016 |
| Other comprehensive income | - | - | - | 808 | - | - | 1,037 | -9,108 | -7,263 | -7,263 | 2 | -7,261 |
| **Total comprehensive income, net of tax** | **-** | **-** | **15,243** | **808** | **-** | **-** | **1,037** | **-9,108** | **-7,263** | **7,980** | **775** | **8,755** |
| Dividends | - | - | -5,190 | - | - | - | - | - | - | -5,190 | -504 | -5,694 |
| Put option non-controlling interests | - | - | -1,904 | - | - | - | - | - | - | -1,904 | -528 | -2,432 |
| Other changes | - | - | 11 | - | - | -11 | - | - | -11 | - | 3,121 | 3,121 |
| **June 30, 2011** | **44,289** | **200,186** | **105,693** | **309** | **-11** | **768** | **-11,226** | **-25,952** | **-36,112** | **314,056** | **9,095** | **323,151** |
| | | | | | | | | | | | | |
| **January 1, 2012** | **44,289** | **200,186** | **146,003** | **-3,749** | **-** | **758** | **-14,991** | **-13,610** | **-31,592** | **358,886** | **5,434** | **364,320** |
| Profit for the year | - | - | 42,652 | - | - | - | - | - | - | 42,652 | 1,361 | 44,013 |
| Other comprehensive income | - | - | - | 4,321 | - | - | -5,712 | 3,306 | 1,915 | 1,915 | -23 | 1,892 |
| **Total comprehensive income, net of tax** | **-** | **-** | **42,652** | **4,321** | **-** | **-** | **-5,712** | **3,306** | **1,915** | **44,567** | **1,338** | **45,905** |
| Dividends | - | - | -20,760 | - | - | - | - | - | - | -20,760 | -1,276 | -22,036 |
| Put option non-controlling interests | - | - | -1,637 | - | - | - | - | - | - | -1,637 | 68 | -1,569 |
| Other changes | - | - | 11 | - | - | -11 | - | - | -11 | - | - | - |
| **June 30, 2012** | **44,289** | **200,186** | **166,269** | **572** | **-** | **747** | **-20,703** | **-10,304** | **-29,688** | **381,056** | **5,564** | **386,620** |

# Notes to the consolidated financial statements January 1 to June 30, 2012

## 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. Dürr serves the market with four divisions: the Paint and Assembly Systems division offers production and paint finishing technology, mainly for automotive bodyshells, but also for aircraft. Application Technologies offers products for automated spray painting as well as technology for sealing and glueing. The machines and systems produced by the Measuring and Process Systems division are used in engine and drive construction as well as final assembly. The Clean Technology Systems division manufactures plant and equipment for purifying exhaust gases produced by industrial processes and develops technologies for improving the energy efficiency of production 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 consolidated statements of income for the second quarter of 2012 and 2011, the first six months of 2012 and 2011 as well as for the period from July 1, 2011 to June 30, 2012 have been prepared for interim financial information. The same applies to the consolidated statements of comprehensive income and the consolidated statements of cash flows for the second quarter and the first six months of 2012 and 2011, for the consolidated statements of financial position as of June 30, 2012, December 31, 2011 and June 30, 2011, and also for the consolidated statements of changes in equity for the first six months of 2012 and 2011 and the explanatory notes to the consolidated financial statements. 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 June 30, 2012 are not subject to any review pursuant to Sec. 37w (5) WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act) or audit pursuant to Sec. 317 HGB.

The accounting policies used generally correspond to the methods applied in the consolidated financial statements as of December 31, 2011; we refer to our 2011 annual report. In the first six months of the fiscal year 2012 no further changes in accounting policies occurred from the first-time adoption of new or amended IFRS standards or interpretations with material effects.

The preparation of the consolidated financial statements for interim reporting pursuant to IAS 34 requires management to make estimates and judgments 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 methods of estimation used generally correspond to the methods applied in the consolidated financial statements as of December 31, 2011.

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. Dürr's operations are not subject to material seasonal influences.

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.

In the reporting period no unusual events occurred that had a material effect on the interim report as of June 30, 2012.

## 2. Consolidated group

Besides Dürr AG, the consolidated financial statements as of June 30, 2012 contain all German 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 existed.

The tables below show the number of entities included in the consolidated group besides Dürr AG as the parent.

// NUMBER OF FULLY CONSOLIDATED ENTITIES

| | **June 30, 2012** | December 31, 2011 |
|---|---|---|
| Germany | 12 | 12 |
| Other countries | 46 | 45 |
| | **58** | **57** |

On February 22, 2012, Dürr founded the company Dürr (Thailand) Co., Ltd. with registered offices in Bangkok, Thailand. The consolidated financial statements contain eight entities (Dec. 31, 2011: eight) with shareholders of non-controlling interests.

// NUMBER OF ENTITIES ACCOUNTED FOR USING THE EQUITY METHOD ////////////////////

| | **June 30, 2012** | December 31, 2011 |
|---|---|---|
| Germany | 3 | 2 |
| Other countries | 2 | 2 |
| | **5** | **4** |

On March 22, 2012, Dürr signed an agreement for the purchase of an additional 21% of the shares in LaTherm GmbH, based in Dortmund, Germany. Dürr now has a 29.2% stake in the company. LaTherm GmbH is accounted for as an associate using the equity method. Previously the company was recognized in other financial assets.

## 3. Long-term investments

Other financial assets rose by € 400 thousand due to the 15% investment in HeatMatrix Group B.V., registered in Rotterdam, Netherlands, on January 30, 2012. The reclassification of the investment in LaTherm GmbH to investments in entities accounted for using the equity method reduced other financial assets by € 355 thousand.

## 4. 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. There were no dilutive effects in the first six months of 2012 and 2011.

| | | **H1 2012** | H1 2011 |
|---|---|---|---|
| Profit attributable to the shareholders of Dürr AG | € k | 42,652 | 15,243 |
| Number of shares issued | thousands | 17,300.5 | 17,300.5 |
| Earnings per share (basic and diluted) | € | 2.47 | 0.88 |

5. Other operating income and expenses

As in the prior period, other operating income and expenses mainly comprise currency exchange rate gains and losses.

6. Group financing / net interest

The following table shows the net interest.

| € k | **H1 2012** | H1 2011 |
|---|---|---|
| Interest and similar income | 1,619 | 3,282 |
| of which from: | | |
| Expected return on plan assets | 449 | 779 |
| Other interest income | 1,170 | 2,503 |
| Interest and similar expenses | -14,723 | -13,825 |
| of which from: | | |
| Nominal interest expenses on corporate bond | -8,156 | -8,156 |
| Amortization of transaction costs, discount from a bond issue and from a syndicated loan | -459 | -1,176 |
| Non-recurring effects from early redemption of the syndicated loan from 2008 | - | -981 |
| Interest expenses from finance leases | -135 | -139 |
| Interest cost from the measurement of pension obligations | -2,068 | -2,045 |
| Other interest expenses | -3,905 | -1,328 |
| **Net interest** | **-13,104** | **-10,543** |

## 7. Income tax effects relating to other comprehensive income

The table below 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".

| | H1 2012 | | | H1 2011 | | |
|---|---|---|---|---|---|---|
| € k | **Before tax** | **Tax effect** | **Net** | Before tax | Tax effect | Net |
| Net gains/losses (-) from derivatives used to hedge cash flows | 6,281 | -1,960 | 4,321 | 1,104 | -296 | 808 |
| Difference arising from foreign currency translation | 3,270 | - | 3,270 | -8,263 | - | -8,263 |
| Difference arising from foreign currency translation of entities accounted for using the equity method | 13 | - | 13 | -843 | - | -843 |
| Change in net actuarial gains and losses from defined benefit plans and similar obligations | -7,667 | 1,955 | -5,712 | 1,368 | -331 | 1,037 |
| **Change in other comprehensive income** | **1,897** | **-5** | **1,892** | **-6,634** | **-627** | **-7,261** |

The increase in currency-related components of other comprehensive income is essentially attributable to the fluctuation of the euro against the US-Dollar, the Brazilian real and the Chinese renminbi.

## 8. 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 data contained in the consolidated financial statements is presented by division. The segment reporting provides details on the results of operations, net assets and financial position of individual activities.

The reporting is based on the divisions of the Group. As of June 30, 2012, the Dürr Group consisted of the Corporate Center and four divisions differentiated by product and service range, each with global responsibility for their products and results. The Corporate Center comprises Dürr AG as the management holding, Dürr IT Service GmbH, which performs IT services throughout the Group, and Dürr GmbH & Co. Campus KG, which leases real estate to group entities at the location in Bietigheim-Bissingen. Transactions between the divisions are carried out at arm's length.

Management monitors the EBIT (earnings before investment income, interest and income taxes) of its four divisions separately for the purpose of making decisions about resource allocation and evaluating operating segment performance. 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.

| | H1 2012 | | | | | | |
|---|---|---|---|---|---|---|---|
| € k | Paint and Assembly Systems | Application Technology | Measuring and Process Systems | Clean Technology Systems | **Total segments** | Reconciliation | **Total Dürr Group** |
| External sales revenues | 531,224 | 264,526 | 323,812 | 43,733 | **1,163,295** | 12 | **1,163,307** |
| Sales revenues with other divisions | 1,264 | 1,769 | 6,348 | 421 | **9,802** | -9,802 | **-** |
| **Total sales revenues** | **532,488** | **266,295** | **330,160** | **44,154** | **1,173,097** | **-9,790** | **1,163,307** |
| EBIT | 29,497 | 24,970 | 22,792 | 601 | **77,860** | -5,532 | **72,328** |
| Assets (as of June 30) | 466,751 | 339,394 | 618,482 | 44,876 | **1,469,503** | 16,458 | **1,485,961** |
| Liabilities (as of June 30) | 548,887 | 203,143 | 250,995 | 28,773 | **1,031,798** | 6,950 | **1,038,748** |
| Employees (as of June 30) | 2,750 | 1,281 | 2,952 | 223 | **7,206** | 108 | **7,314** |

| | H1 2011 | | | | | | |
|---|---|---|---|---|---|---|---|
| € k | Paint and Assembly Systems | Application Technology | Measuring and Process Systems | Clean Technology Systems | **Total segments** | Reconciliation | **Total Dürr Group** |
| External sales revenues | 342,824 | 171,530 | 236,571 | 32,557 | **783,482** | - | **783,482** |
| Sales revenues with other divisions | 2,443 | 3,152 | 6,285 | 337 | **12,217** | -12,217 | **-** |
| **Total sales revenues** | **345,267** | **174,682** | **242,856** | **32,894** | **795,699** | **-12,217** | **783,482** |
| EBIT | 13,972 | 7,200 | 12,354 | 1,547 | **35,073** | -1,200 | **33,873** |
| Assets (as of Dec. 31) | 395,800 | 290,890 | 551,932 | 37,070 | **1,275,692** | 16,325 | **1,292,017** |
| Liabilities (as of Dec. 31) | 511,935 | 190,404 | 235,394 | 38,696 | **976,429** | -1,741 | **974,688** |
| Employees (as of June 30) | 2,333 | 1,130 | 2,683 | 191 | **6,337** | 96 | **6,433** |

The number of employees and external sales revenues reported in the reconciliation column relate to the Corporate Center.

Group figures are derived as follows from the segment figures:

| € k | **H1 2012** | H1 2011 |
|---|---|---|
| EBIT of the segments | 77,860 | 35,073 |
| EBIT of the Corporate Center | -4,597 | -1,688 |
| Borrowing costs recognized pursuant to IAS 23 | - | - |
| Elimination of consolidation entries | -935 | 488 |
| **EBIT of the Dürr Group** | **72,328** | **33,873** |

| € k | **June 30, 2012** | December 31, 2011 |
|---|---|---|
| Segment assets | 1,469,503 | 1,275,692 |
| Assets of the Corporate Center | 550,095 | 534,767 |
| Elimination of consolidation entries | -533,637 | -518,442 |
| Cash and cash equivalents | 235,523 | 298,561 |
| Time deposits and other short-term securities | 7 | 35,960 |
| Income tax receivables | 4,335 | 7,652 |
| Investments in entities accounted for using the equity method | 18,247 | 17,207 |
| Deferred tax assets | 8,322 | 9,644 |
| **Total assets of the Dürr Group** | **1,752,395** | **1,661,041** |

| € k | **June 30, 2012** | December 31, 2011 |
|---|---|---|
| Segment liabilities | 1,031,798 | 976,429 |
| Liabilities of the Corporate Center | 46,262 | 32,707 |
| Elimination of consolidation entries | -39,312 | -34,448 |
| Bond | 225,403 | 225,511 |
| Liabilities to banks | 58,847 | 57,201 |
| Finance lease liabilities | 4,265 | 3,452 |
| Income tax liabilities | 6,843 | 8,948 |
| Deferred tax liabilities | 31,669 | 26,921 |
| **Total liabilities of the Dürr Group*** | **1,365,775** | **1,296,721** |

* Consolidated total assets less total equity

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 customer-specific 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.

## 9. Related party transactions

Related parties comprise the members of the Supervisory Board and the Board of Management.

Dr.-Ing. E. h. Heinz Dürr is chairman of the Supervisory Board of Dürr AG. The remuneration paid for this activity amounted to € 93 thousand (prior period: € 70 thousand). Expenses of € 111 thousand (prior period: € 105 thousand) were payable to Heinz Dürr GmbH, Berlin, Germany, 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 pension benefits (of April 2, 1978, supplemented December 21, 1988) of € 120 thousand (prior period: € 120 thousand).

Some members of the Supervisory Board of Dürr AG hold high-ranking positions in other enterprises. Transactions between these entities and Dürr are carried out at arm's length.

On March 14, 2012, Chief Financial Officer Ralph Heuwing sold 30,300 shares at a price of € 47.51 per share. The transaction volume of € 1,435 thousand, were used to repay the loan provided by Heinz Dürr GmbH. There were no other significant transactions with any members of the Board of Management during the reporting period. Information on the compensation system for the Board of Management can be found in the compensation report of the annual report as of December 31, 2011.

Related parties also comprise the joint ventures and associates of the Dürr Group.

In the first six months of fiscal year 2012, there were intercompany transactions between Dürr and its joint ventures and associates of € 1,011 thousand (prior period: € 3,026 thousand). As of June 30, 2012, outstanding receivables from joint ventures and associates totaled € 683 thousand (Dec. 31, 2011: € 446 thousand), thereof € 278 thousand (Dec. 31, 2011: € 446 thousand) were current.

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

## 10. Contingent liabilities and other financial obligations

| € k | **June 30, 2012** | December 31, 2011 |
|---|---|---|
| Contingent liabilities from warranties, guarantees, notes and check guarantees | 25 | 113 |
| Other | 1,681 | 14,285 |
| **Contingent liabilities** | **1,706** | **14,398** |

| € k | **June 30, 2012** | December 31, 2011 |
|---|---|---|
| Future minimum payments for operating leases | 83,837 | 72,005 |
| Future minimum payments for finance leases | 5,906 | 4,409 |
| Sundry financial obligations | 14,383 | 9,667 |
| **Other financial obligations** | **104,126** | **86,081** |

Dürr 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 and the loan approved by the European Investment Bank (EIB) as of the reporting date. In addition, further collateral was provided by placing charges on current and non-current assets with a carrying amount of € 183,799 thousand as of June 30, 2012 (Dec. 31, 2011: € 150,369 thousand).

The following table shows the contingent liabilities for joint ventures.

| € k | **June 30, 2012** | December 31, 2011 |
|---|---|---|
| Guarantees for joint ventures | 314 | 314 |
| Accession of joint and several liability by the venturer | - | - |
| | **314** | **314** |

## 11. Subsequent events

No material events occurred between the reporting date and the publication of the interim report as of June 30, 2012.

# 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 consolidated interim 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, August 1, 2012

Dürr Aktiengesellschaft

The Board of Management

Ralf W. Dieter
Chairman of the Board
of Management

Ralph Heuwing
Chief Financial Officer

# Financial calendar

| | |
|---|---|
| September 25, 2012 | Baader Conference, Munich |
| September 26, 2012 | Berenberg & Goldman Conference, Munich |
| November 06, 2012 | Interim report for the first nine months of 2012, analyst conference |
| November 13/14, 2012 | UBS Conference, London |
| December 4-7 , 2012 | Berenberg Conference, London |

# Contact

Please contact us for further information:

Dürr AG
Günter Dielmann
Corporate Communications & Investor Relations
Carl-Benz-Strasse 34
74321 Bietigheim-Bissingen
Germany
Phone +49 7142 78-1785
Fax +49 7142 78-1716
corpcom@durr.com
investor.relations@durr.com

www.durr.com

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