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New records for Krones in the 2007 business year

Dividend to rise from 0.53 euros to 0.70 euros per share Strong first quarter in 2008

Krones AG, the world's market leader for beverage filling and packaging technology, achieved new record highs in all its major figures during the 2007 business year. Sales rose by 12.8 % over the preceding year to reach 2,156.0 million euros. Order bookings were up by 16.9 % at 2,300.2 million euros.

At 890.9 million euros, (preceding year: 746.7 million euros), Krones possessed a comfortable order backlog on 31 December 2007.

Dynamic growth in 2007 was driven primarily by continually increasing demand for packaging machinery. The company also benefits from its ability to offer the entire spectrum of products and services required for building bottling and canning plants. International beverage conglomerates in particular, who are building numerous new facilities in regions like Eastern Europe, Asia and Africa, make full use of Krones' complete-job-package capabilities.

Profitability improved significantly

Earnings before taxes rose in 2007 by 40.1 % to reach 153.6 million euros. The EBT margin, i.e. pretax earnings in relation to sales, thus improved from 5.7 % to 7.1 %. For profits after taxes, Krones broke the 100-million-euros barrier for the first time in 2007. At 101.8 million euros, profits were 31.4 % up on the preceding year's level. Earnings per share increased from 2.45 euros to 3.25 euros. The Executive and Supervisory Boards will propose to the AGM that the dividend per share be increased from 0.52 euros to 0.70 euros per share. This would be the ninth dividend increase in succession.

The return on capital employed (ROCE) improved in 2007 from 16.1 % to 20.2 %, and thus exceeded the targeted figure of at least 20 %.

A good start to the 2008 business year

Krones achieved substantial growth in the first quarter of 2008, with sales up by 17.9 % on a like-for-like basis at 595.2 million euros. Order bookings rose by 9.0 % to reach 607.3 million euros. On 31 March, orders on hand at Krones totalled 903.0 million euros, 13.0 % up on the preceding year's figure.

Earnings before taxes (EBT) rose in the year's first quarter by 26.3 % to reach 45.6 million euros. The EBT margin thus improved from 7.1 % to 7.7 %. Profits after taxes rose by 34.1 % to reach 30.7 million euros, earnings per share from 0.72 euros to 0.98 euros.

Outlook

In the long term, Krones is targeting an annual increase in revenues of between 5 and 10 %. In view of a good first quarter and auspicious prospects, the Executive Board anticipates that sales growth in 2008 will lie towards the upper end of the forecast corridor, and that revenues will exceed 2.3 billion euros.

Krones aims to further improve the return on sales before taxes (EBT margin) in 2008 (preceding year: 7.1 %). Since the company benefits from the reform of Germany's corporation tax legislation, earnings after taxes will increase more steeply than pretax earnings.

For details of the 2007 annual report and the first quarter of 2008, please consult the quarterly and annual reports, which as from 29 April 2008 are available at:
[www.krones.com/Investor Relations](http://www.krones.com/Investor_Relations)

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