



P R E S S E I N F O R M A T I O N

P R E S S R E L E A S E

GEA set to strengthen Process Engineering business by acquiring Diessel and Colby Powder Systems

Frankfurt am Main, March 4, 2004: The Bochum-based GEA Group, a subsidiary of mg technologies ag, has agreed to acquire the business of Diessel GmbH & Co. KG, Hildesheim, Germany. The agreement is still subject to approval by the German antitrust authorities. Diessel, which was established in 1924, is a leading provider of process plant for breweries, the beverage industry and for the pharmaceutical and biotech sectors. The acquisition constitutes an ideal fit for the pharmaceutical, food and brewery activities of GEA's Process Engineering division. The parties to the deal have agreed not to reveal the purchase price. GEA will take on 177 of Diessel's employees, its fixed assets and the majority of its order book. Diessel intends to generate sales - excluding synergies - of approximately €33 million in 2004.

GEA also intends - subject to approval by the competent antitrust authorities - to buy Colby Powder Systems, currently a division of Siemens Dematic AG. The company designs and builds integrated powder-handling and powder-filling equipment for the milk-processing industry and the production of baby food. Colby Powder Systems consists of two companies based in Sydney, Australia, and Auckland, New Zealand, as well as sales and service activities in the U.S. and Europe. The company generates sales of roughly €22 million and employs a total of 109 people. This acquisition will make GEA's Process Engineering division the world's only supplier able to realize and seamlessly integrate all stages of the value chain in the production of powdered milk.

Following the decision taken by mg technologies ag on October 2 last year to refocus its strategy, its subsidiary GEA is continuing to extend its portfolio with these two acquisitions. GEA will form the nucleus of the new mg, generating roughly 80 percent of its value added.

mg technologies ag is an international technologies group with core activities to date in engineering and chemicals. In the future, mg will concentrate on special engineering with the focus on process technology and components as well as plant engineering. Preliminary sales in financial 2003 totaled EUR 8.2 billion. At present, the group has a payroll of some 31,000 staff. In 90 percent of the fields in which it is active, mg is one of the market and technology leaders.