

## CONSOLIDATED FINANCIAL STATEMENTS

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## Customers benefit from KRONES expertise

The KRONES Academy accompanies our customers on the road to success. The Academy offers training options that range from basic courses for machine operators to specialised courses for specific tasks to management training. Because the Academy has locations around the globe it is able to bring valuable knowledge to customers locally.

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Securing value for a strong future. Creating value with powerful solutions. **Respecting values in effective dialogue.**

## Separate income statement and Statement of comprehensive income

Separate income statement	2010	2009	
€ thousand, except per share amounts	Notes		
Sales revenue	19	2,173,304	1,864,921
Increase (previous year: reduction) in inventories of finished goods and work in progress		25,918	-7,428
Other own work capitalised	20	33,269	28,896
Other operating income	21	86,831	2,319,322
			103,289
			1,989,678
Goods and services purchased	22		
Expenses for materials and supplies and for goods purchased		-904,543	-824,321
Expenses for services purchased		-214,396	-1,118,939
			-171,868
			-996,189
Personnel expenses	23		
Wages and salaries		-565,189	-512,088
Social security contributions and expenses for pension plans and for benefits		-120,320	-685,509
			-103,226
			-615,314
Depreciation and amortisation of intangible assets and property, plant and equipment			-60,684
Other operating expenses	24		-386,126
EBIT			68,064
			-29,605
Investment income	25	1,752	969
Income from other securities and loans classified as non-current financial assets	25	5	8
Other interest and similar income	25	5,599	6,800
Write-downs on non-current financial assets	25	-104	-13,188
Interest and similar expenses	25	-4,553	-4,232
			2,699
			-9,643
Earnings before taxes			70,763
			-39,248
Income tax	7, 26		-19,850
			4,767
Consolidated net income (loss)			50,913
			-34,481
Profit (loss) share of non-controlling interests		100	169
Profit (loss) share of KRONES Group shareholders			50,813
			-34,650
Earnings per share (diluted/basic) in €	27		1.68
			-1.13

Statement of comprehensive income	2010	2009	
€ thousand	Notes		
Consolidated net income (loss)		50,913	-34,481
Exchange differences on translation		12,756	4,291
Available-for-sale financial instruments			
Derivative financial instruments		-392	-1,776
Other comprehensive income	8	12,364	2,515
Total comprehensive income	8	63,277	-31,966
of which attributable to non-controlling interests		100	169
of which attributable to KRONES Group shareholders		63,177	-32,135

Assets		31 Dec 2010		31 Dec 2009	
€ thousand	Notes				
Intangible assets	1	100,582		86,118	
Property, plant and equipment	2	416,300		407,416	
Non-current financial assets	3	2,139		2,296	
<b>Property, plant and equipment, intangible assets, and non-current financial assets</b>		<b>519,021</b>		<b>495,830</b>	
Deferred tax assets	7	15,861		12,005	
Trade receivables	5	22,893		18,827	
Current tax receivables	7	9,494		10,853	
Other assets	5	2,229		4,955	
<b>Non-current assets</b>		<b>569,498</b>		<b>542,470</b>	
Inventories	4	583,613		521,949	
Trade receivables	5	505,316		458,257	
Current tax receivables	7	3,902		5,348	
Other assets	5	76,315		126,955	
Cash and cash equivalents	6	147,447		135,519	
<b>Current assets</b>		<b>1,316,593</b>		<b>1,248,028</b>	
<b>Total</b>		<b>1,886,091</b>		<b>1,790,498</b>	

Equity and liabilities		31 Dec 2010		31 Dec 2009	
€ thousand	Notes				
Issued capital	8	40,000		40,000	
Capital reserves	9	66,645		66,645	
Retained earnings	10	397,121		483,811	
Other reserves	11	-625		-233	
Group unappropriated profit		254,939		104,680	
<b>Group equity of the parent company</b>		<b>758,080</b>		<b>694,903</b>	
Non-controlling interests	12	853		753	
<b>Equity</b>	8	<b>758,933</b>		<b>695,656</b>	
Provisions for pensions	13	80,229		76,751	
Deferred tax liabilities	7	3,757		2,182	
Other provisions	14	33,941		37,668	
Liabilities to banks	15	0		0	
Other financial liabilities	15	3,031		2,891	
Other liabilities	15	3,797		5,503	
<b>Non-current liabilities</b>		<b>124,755</b>		<b>124,995</b>	
Other provisions	14	148,887		183,860	
Provisions for taxes	14	5,449		8,099	
Liabilities to banks	15	0		0	
Advances received	15	434,911		434,245	
Trade payables	15	173,936		162,259	
Current tax liabilities	7	346		0	
Other financial liabilities	15	12,389		5,889	
Other liabilities and accruals		226,485		175,495	
<b>Current liabilities</b>		<b>1,002,403</b>		<b>969,847</b>	
<b>Total</b>		<b>1,886,091</b>		<b>1,790,498</b>	

	2010	2009
€ thousand		
	Notes	
Earnings before taxes	70,763	-39,248
Depreciation and amortisation (reversals)	60,788	72,764
Decrease in provisions and accruals	-18,487	-17,000
Deferred tax item changes recognised in profit or loss	-721	-14,406
Interest expenses and interest income	-1,046	-2,568
Proceeds and losses from the disposal of non-current assets	-247	-174
Other non-cash expenses and income	-86	-787
Decrease in trade receivables and other assets not attributable to investing or financing activities	7,535	61,515
Increase (previous year: decrease) in inventories	-54,900	49,719
Increase in trade payables and other liabilities not attributable to investing or financing activities	34,677	78,742
<b>Cash generated from operating activities</b>	<b>98,276</b>	<b>188,557</b>
Interest paid	-3,280	-3,695
Income tax paid and refunds received	-17,498	-15,156
<b>Cash flow from operating activities</b>	<b>77,498</b>	<b>169,706</b>
Cash payments to acquire intangible assets	-33,024	-28,345
Proceeds from the disposal of intangible assets	7	293
Cash payments to acquire property, plant and equipment	-48,500	-59,902
Proceeds from the disposal of property, plant and equipment	1,375	1,881
Cash payments to acquire non-current financial assets	-212	-224
Proceeds from the disposal of non-current financial assets	22	210
Cash payments to acquire shares in affiliated companies	0	-7,205
Interest received	3,807	5,126
Dividends received	1,752	969
<b>Cash flow from investing activities</b>	<b>-74,773</b>	<b>-87,197</b>
Cash payments to company owners	0	-18,101
Cash payments to acquire treasury shares	0	-37,058
Cash payments to service debt	0	-731
Cash payments to pay lease liabilities	-2,303	-2,142
<b>Cash flow from financing activities</b>	<b>-2,303</b>	<b>-58,032</b>
Net change in cash and cash equivalents	422	24,477
Changes in cash and cash equivalents arising from exchange rates	5,641	2,666
Changes in cash and cash equivalents arising from the consolidated group	5,865	0
Cash and cash equivalents at the beginning of the period	135,519	108,376
<b>Cash and cash equivalents at the end of the period</b>	<b>147,447</b>	<b>135,519</b>

€ thousand	Parent company							Non-controlling interests	Group equity
	Issued capital	Capital reserves	Retained earnings	Currency differences in equity	Other reserves	Group unappropriated profit	Equity	Equity	
Notes	8	9	10		11			12	
<b>At 1 January 2009</b>	<b>40,000</b>	<b>103,703</b>	<b>476,718</b>	<b>-8,963</b>	<b>1,543</b>	<b>175,824</b>	<b>788,825</b>	<b>1,161</b>	<b>789,986</b>
Dividend payment (€0.60 per share)						-18,101	-18,101		-18,101
Consolidated net income 2009						-34,650	-34,650	169	-34,481
Purchase of treasury shares		-37,058					-37,058		-37,058
Allocation to retained earnings			18,507			-18,507	0		0
Changes in the consolidated group			-6,628				-6,628	-577	-7,205
Currency differences				4,177		114	4,291		4,291
Hedge accounting					-1,776		-1,776		-1,776
<b>At 31 December 2009</b>	<b>40,000</b>	<b>66,645</b>	<b>488,597</b>	<b>-4,786</b>	<b>-233</b>	<b>104,680</b>	<b>694,903</b>	<b>753</b>	<b>695,656</b>
Consolidated net income 2010						50,813	50,813	100	50,913
Deduction from retained earnings			-100,000			100,000	0		0
Allocation to retained earnings			481			-481	0		0
Currency differences				12,829		-73	12,756		12,756
Hedge accounting					-392		-392		-392
<b>At 31 December 2010</b>	<b>40,000</b>	<b>66,645</b>	<b>389,078</b>	<b>8,043</b>	<b>-625</b>	<b>254,939</b>	<b>758,080</b>	<b>853</b>	<b>758,933</b>