

— The KRONES share — MDAX (indexed)

The KRONES share
 Share price climbs more than 42%
 Dividend to increase more
 than 30% to €0.70
 MDAX membership secured



Olaf Scholz
Head of Investor Relations

Our shareholders can be pleased with impressive gains once again in 2007. The KRONES share continued its record-setting streak and closed the year up 42.2%.

The stock markets in 2007

Most of the major international stock markets closed 2007 with slight gains. After starting the year strong, the mood on the world's equity markets was dampened by severe declines on the Chinese stock markets in late February. This brief period of weakness was followed by a strong price rally that lasted until mid-July. The upswing was driven by a high level of liquidity on the markets and recurring takeover dreams. The subprime mortgage crisis in the us brought the rally to an abrupt halt. From August through to the end of the year, the stock markets fluctuated sharply, but the overall trend was sideways. Investor hopes that dropping interest rates would limit the credit crunch's impact on the real economy were the main reason why most of the indices were able to retain some of their earlier gains. As the us dollar weakened, international investors shifted more and more of their money into European shares, with a particular emphasis on Germany. This pushed the DAX up 22.3%, for an 8,067 point close for 2007. Thus, Germany's biggest index far outperformed the EURO STOXX 50, which gained 6.9% for the year. Despite the subprime mortgage crisis and credit crunch in the us, the Dow Jones Industrial Average still gained 6.4%. Japan's Nikkei index was one of the few losers of 2007, closing the year down 11.1%.

The KRONES share registers strong gains

After getting the year off to a slow start, the KRONES share price – adjusted to account for the recent split – jumped from just under €39 to €60 in the first six months of 2007. The share price was buoyed by generally favourable sentiment on the stock markets as well as strong business development at KRONES. During the market slump from mid-July to early August the share price dipped to around €50, but it rebounded sharply on the back of strong quarterly earnings. The high for the year, €64.09, was reached on 25 October.

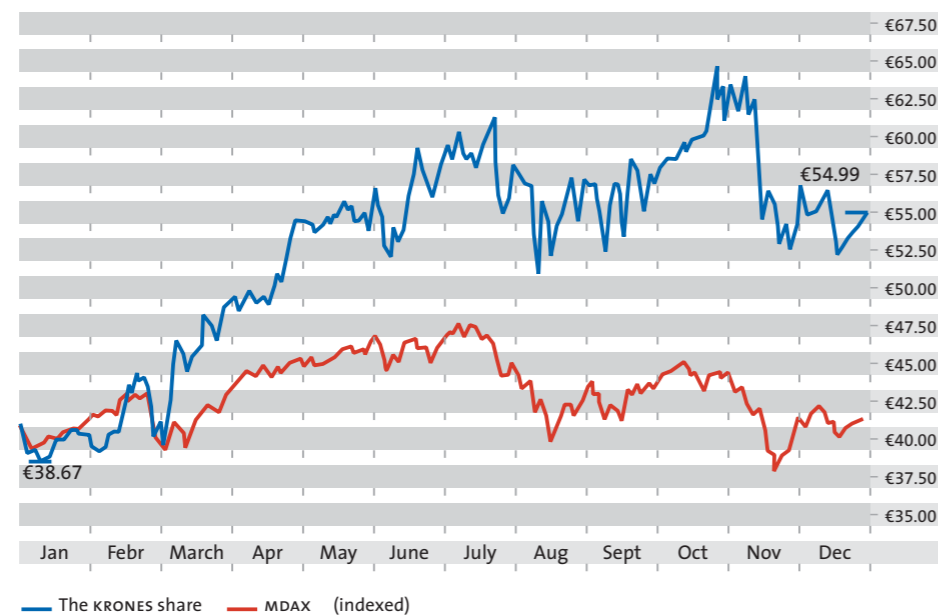
The KRONES share closed 2007 at €54.99, for a gain of 42.2% over the start of the year.

Fears of recession resulted in price declines on the world's equity markets at the start of November and the KRONES share was caught in the slide. Nevertheless, it finished the year at €54.99, for a strong closing gain of 42.2%. That was far better than the MDAX gain of 4.9% for the year. Only six of the 50 MDAX shares performed better than KRONES. Our share also fared better than average compared with industry peers. The Prime Industrial – Deutsche Börse AG's industry index that includes the shares of machinery manufacturers – gained 33.9% in 2007.

The KRONES share has outperformed the MDAX for the past several years. The positive trend reflects our company's stable, strong growth over the years. Only a few MDAX companies are showing similarly sustainable growth.

KRONES share price performance compared with the MDAX in 2007

The KRONES share outperformed the MDAX by a wide margin in 2007.



KRONES share price performance compared with the MDAX 2001 to 2007



Key figures for the KRONES share

At 31 December	2007	2006	2005
Number of shares (million)	31.59	31.59	31.59
Price/earnings (PE) ratio	17	16	14
Cash flow per share	€ 4.73	4.03	3.48
Equity per share	€ 22.36	19.90	18.11
Earnings per share	€ 3.25	2.45	2.00
High	€ 64.09	38.61	34.66
Low	€ 37.40	28.83	23.99
Year's closing price	€ 54.99	38.61	28.37
Dividend per ordinary share	€ 0.70*	0.53**	0.47**

*As per proposal for profit appropriation **Adjusted for share split

Portrait of the KRONES share

Trading of the KRONES share picked up considerably in 2007.

KRONES shares are no par value ordinary bearer shares. Each share carries one vote. The stock has been listed and available for trading on all German stock exchanges since 29 October 1984. In fiscal 2007, daily trading volume on the Frankfurt stock exchange and in Xetra trading averaged 118,000 shares. In 2006, the average daily trading volume was 70,000 shares. Besides the MDAX, the KRONES share is also included in the German Entrepreneurial Index GEX and others.

A 3-for-1 stock split that had been approved by the annual shareholders' meeting took effect on 22 August 2007. KRONES' capital stock of €40.0m is now divided into 31,593,072 shares.

Shareholder structure (As of March 2008)



Shareholder structure

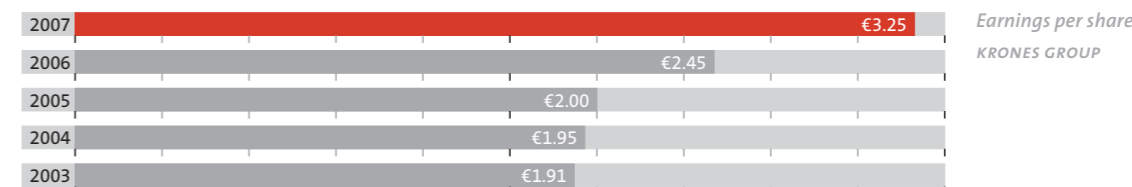
With 52.4%, the Kronseder family holds the majority stake. Free float is at 47.6%. The US investment firm TIAA holds a stake of around 5.1% in KRONES, making it the largest free float shareholder.

Key data for the KRONES share

Ordinary shares	31,593,072
German securities identification number (WKN)	WKN 633500
ISIN	DE0006335003
Ticker symbol	KRN

Earnings per share up 32.7%

Earnings per share rose €0.80 to €3.25 in fiscal 2007. After the stock split, KRONES profit is now divided among 31,593,072 shares. The previous years' figures for earnings per share have been adjusted accordingly.



HGB through 2003, IFRS from 2004 onward

Dividend to increase to €0.70

The Executive Board and Supervisory Board of KRONES AG will propose to the annual shareholders' meeting on 18 June 2008 a dividend of €0.70 per share. That means the dividend will increase by more than 30%, proportionately to net income. This will be the ninth consecutive dividend increase. The total payout to shareholders for 2007 is €22.1m (2006: €16.9m).

Successful investor relations work secures KRONES' place on the MDAX

KRONES expanded its investor relations department in 2007 to ramp up communications with investors and analysts. Olaf Scholz came on board as our new investor relations manager in January 2007 to support our IR activities. On 1 October, he took over the helm of the department when former IR chief Hermann Graf Castell assumed the position of Director of Corporate Communications for the KRONES GROUP.

KRONES is openly and actively keeping shareholders informed. In 2007 we expanded our investor relations department further.

In 2007, four banks placed our share on their watchlists. That brings the total number of analysts from banks in Germany and abroad that are tracking the KRONES share to 21. The overwhelming majority of banks took a positive view of our share. At the end of 2007, only one analyst recommended selling our share.

In 2007, KRONES was presented to investors and analysts at 16 road shows in Germany and abroad, with particular interest coming from Britain, North America, and Scandinavia. KRONES also participated in six investor conferences. The KRONES management and IR staff also conducted some 100 one-on-one meetings with analysts and investors.

Ramping up our investor relations activities has paid off. While the KRONES share had faced the possibility of elimination from the MDAX at the end of 2006, our position at the end of 2007 was considerably more secure. KRONES improved its position on the Deutsche Börse AG ranking from 56th to 39th in terms of market capitalization and from 55th to 48th in terms of trading volume.