

Ad hoc Press Release:

GfK Group Q2 growth more modest than anticipated

GfK Group is anticipated to record sales totaling around EUR 554 million in the first half of the year, which represents growth of 3.6% compared with the same period the previous year (EUR 534.4 million). The anticipated organic growth is just under 5%. At EUR 63.5 million, the adjusted operating result for the first six months of the year is comparable to the figure of EUR 63.8 million recorded in the previous year. This corresponds to a margin of 11.5% compared with the 11.9% achieved the previous year. EBIT is predicted to amount to just under EUR 55 million (same period the previous year: EUR 55.4 million).

Q2/2007 developed as follows: sales totaled around EUR 292 million, compared with EUR 285.9 million for the same period the previous year. The adjusted operating result is down from EUR 42.7 million in the same period the previous year to just under EUR 39 million. Q2 EBIT is forecast to amount to around EUR 34 million (same period the previous year: EUR 38.9 million).

The Q2 results are attributable in the main to the modest development of the Custom Research and HealthCare divisions. The crisis hitting a number of US motor manufacturers affected the Custom Research division in that syndicated business contracts were not extended. The loss of these sales impacted in full on income. The repercussions have altered the margin structure of the Customer Research division and accounts for the fact that growth has fallen short of that recorded in previous comparable periods. In other areas, Custom Research is achieving healthy growth.

Due to the stagnation of market research budgets in the pharmaceutical industry in the North American, West European/Middle Eastern and African regions, the HealthCare division results are below expectation. In addition, there has been a change of management in one of the GfK companies in England occasioned by the unsatisfactory level of development.

The Consumer Tracking and Media divisions have grown according to expectations and the Retail and Technology business is set to record markedly higher sales and operating results than anticipated.

The order position for the current year as a whole is good. The total of order inventory, orders received and sales already invoiced is around 76.1%, which is 1.9 percentage points above the pro rata figure for six months in the previous year, when it was 74.2%.

The company believes that it is still on course to virtually achieve its targets for the year: sales growth of at least 5% and a margin (adjusted operating result) of up to 13.5%.