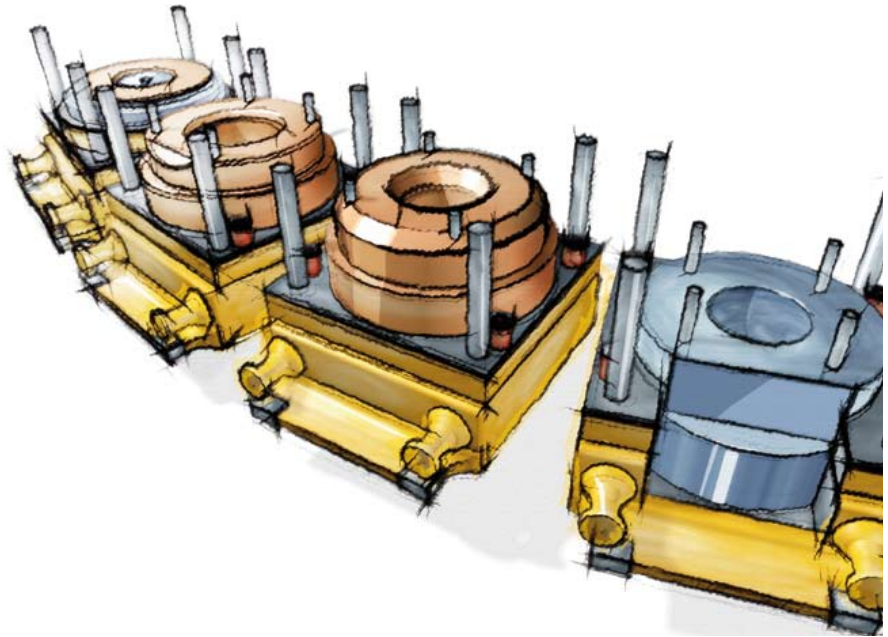


SUPPLEMENT TO THE ANNUAL REPORT

CORPORATE PROFILE 2006/2007

Tradition
Innovation
Vision



GESCO – SUBSTANCE WITH VISION

THE BUSINESS MODEL...

- GESCO AG acquires industrial SMEs on a long-term basis, i.e. without intending to exit, and develops them further.
- We seek out the "hidden champions" of the SME sector: proven success record, strategically attractive market and technological leaders.
- We focus on companies in the tool manufacture and mechanical engineering and plastics technology segments based in Germany and with sales of around EUR 10 million and above.
- We specialise in succession issues and always acquire majority holdings, mostly 100 %.
- When companies are acquired, the new management generally have a 10-20 % share in their company.
- The subsidiaries are operationally independent and receive active support from GESCO AG in the form of coaching, consulting and financial controlling.
- Regular investment is made in the subsidiaries to ensure that the high standard of their technological equipment is maintained.
- Our aim is to increase the value of the individual companies on a sustained basis, thus increasing the value of the Group as a whole while achieving good operating results.
- The model optimises opportunities and limits risks.

...WITH SUBSTANCE...

- The operating subsidiaries have technical expertise gained over many years and a sound market position.
- All operating subsidiaries have adequate equity at their disposal.
- The GESCO Group provides a healthy balance sheet structure and growing earnings power.
- We operate under a low risk policy and the Group balance sheet demonstrates low risks.

...AND VISION

- We generate internal growth based on a healthy portfolio.
- The abundance of unresolved succession issues in the German SME sector also provides scope for external growth through further acquisitions.
- We stay true to the spirit of a family company while shaping companies to cope with globalisation.

GESCO SHARES

- Listed on the official market in the Prime Standard
- The key to ambitious SMEs
- Attractive dividend returns
- Potential for further price gains through internal and external growth
- Active investor relations, highly transparent reporting

IN THIS ANNEX TO THE ANNUAL REPORT 2006/2007 WE ILLUSTRATE THE SIGNIFICANT OPERATING COMPANIES IN THE GESCO GROUP WITH THEIR PRODUCTS, THEIR MARKETS AND THEIR MANAGEMENT.

Ackermann Fahrzeugbau GmbH, Wolfhagen



GESCO AG SHAREHOLDING	80%
MANAGEMENT SHAREHOLDING	20%
CAPITAL RATIO (31.12.2006)	34.4%
2006 SALES (IN EUR M)	11.5 (+6.9%)
STAFF (31.12.2006)	81 (+3.8%)
MEMBER OF THE GESCO GROUP SINCE	15.05.1996

STRATEGY AND BUSINESS SEGMENTS

Ackermann is one of the most renowned brands in the field of commercial vehicles and boasts a long history of tradition. The company produces sandwich panels, sandwich constructions and rigid body kits for closed HGV and trailer superstructures. One of the most modern European manufacturing plants lies at the core of the production of CFC-free polyurethane sandwich panels. Ackermann is a partner for regionally active bodywork manufacturers, vehicle constructors, reputed retail chains and logistics companies. Due to their static and insulating properties, the sandwich panels have a wide range of applications, for example in the construction of motor homes, glider dollies and trade fair stands.

FINANCIAL YEAR 2006

In 2006, Ackermann increased its sales mainly by the expansion of sandwich panel sales. The company continued the marketing measures introduced in 2005 at the international commercial vehicles exhibition in September 2006, where it presented a weight-optimised light container with extensive tie-down components enabling a larger load for the end customer.

On 31 October 2006, the long-term managing partner, Peter Axmann, retired. He was succeeded by Michael Tabouratzidis, who was appointed as the company's managing director on 1 July 2006.

OUTLOOK AND AIMS FOR 2007

Given a favourable sector environment, Ackermann anticipates further growth in sales in 2007. The expansion of exports is an important goal for the next few years.



PETER AXMANN,
MANAGING DIRECTOR
UNTIL 31 OCTOBER 2006



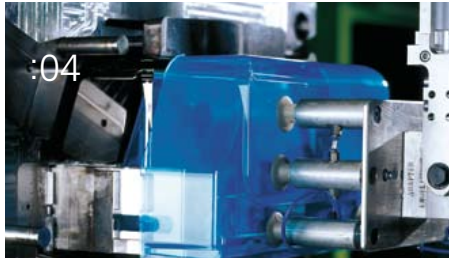
MICHAEL TABOURATZIDIS,
MANAGING DIRECTOR
SINCE 1 JULY 2006

GESCO AG SHAREHOLDING
 MANAGEMENT SHAREHOLDING
 CAPITAL RATIO (31.12.2006)
 2006 SALES (IN EUR M)
 STAFF (31.12.2006)
 MEMBER OF THE GESCO GROUP SINCE

80%
 20%
 47.4%
 15.1 (+19.5%)
 84 (UNCHANGED)
 01.05.1995



AstroPlast Kunststofftechnik GmbH & Co. KG, Sundern



STRATEGY AND BUSINESS SEGMENTS

As a renowned specialist provider of high precision injection-moulded plastics, AstroPlast is active in two divisions. In one division, the company develops, produces and markets a proprietary range of plastic spools which are sold, for example, to manufacturers of wires, cables, tapes and optical fibres. AstroPlast's other division manufactures customised injection-moulded parts for various applications. The most important target markets are the electrical, household appliances and automotive industries as well as the logistics sector.

As a technically competent and creative problem solver, consultant and development partner, the company provides its customers with comprehensive expertise. Its state-of-the-art site and, in particular, its wealth of large-scale machinery with locking pressure of up to 1,500 t sets AstroPlast far ahead of its competitors.

FINANCIAL YEAR 2006

2006 was a year of dynamic growth for AstroPlast, with sales exceeding EUR 15 million for the first time. The increase in the export figures from 26.3% to 29.2% was due mainly to the success of the proprietary range of plastic spools. The company made further investment into the machinery site in order to maintain and expand its technical standard.

OUTLOOK AND AIMS FOR 2007

Following strong growth in 2006, the company expects to maintain the previously attained high level in 2007. While demand remains healthy, AstroPlast intends to invest further in its technical assets.



DR. WOLFGANG KEMPER,
 MANAGING DIRECTOR

Paul Beier GmbH Werkzeug- und Maschinenbau & Co. KG, Kassel



GESCO AG SHAREHOLDING	80%
MANAGEMENT SHAREHOLDING	20%
CAPITAL RATIO (31.12.2006)	56.3%
2006 SALES (IN EUR M)	9.4 (+19.2%)
STAFF (31.12.2006)	85 (-4.5%)
MEMBER OF THE GESCO GROUP SINCE	01.04.1999

STRATEGY AND BUSINESS SEGMENTS

Founded in 1924, the company is a recognised specialist in the production of sophisticated tools and the small-scale and job-lot production for the specialist machinery industry. The company offers its customers solutions from under one roof, ranging from consultancy and construction to production and testing.

Beier predominantly acts as a supplier to the automotive and mechanical engineering sectors and the chemical and foodstuff industries. The company has gained a unique position in gear technology on the strength of its grading tools for rotationally symmetric components. Beier products include casting machines, heat exchangers and pre-forming equipment for the foodstuffs industry, worm gear pairs and toothed gearing and pumps, as well as complete cutting, punching, deep-drawing and grading tools.

FINANCIAL YEAR 2006

The substantial growth in sales in financial year 2006 is primarily due to a one-off bulk order from a customer. Beier has also managed to attract new customers.

OUTLOOK AND AIMS FOR 2007

In view of the one-off effect of the non-recurring bulk order in 2006, Beier expects sales to return to normal for financial year 2007.

The main section of the Annual Report contains a detailed profile of Paul Beier.



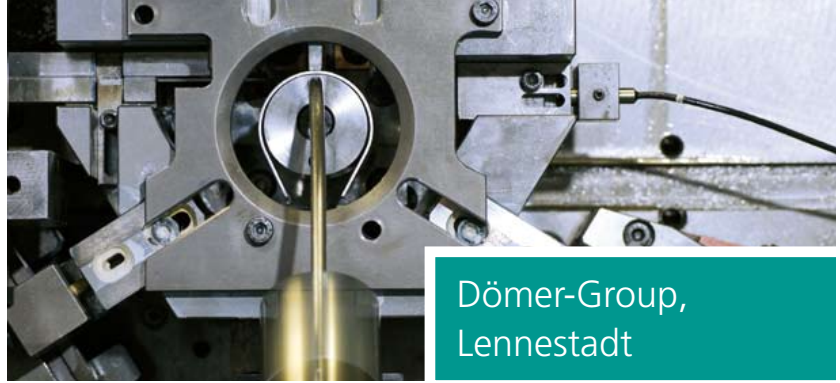
SIEGFRIED HEINRICH,
MANAGING DIRECTOR

GESCO AG SHAREHOLDING
 CAPITAL RATIO (31.12.2006)
 2006 SALES (IN EUR M)
 STAFF (31.12.2006)
 MEMBER OF THE GESCO GROUP SINCE

100%
 63.1%
 11.0 (+3.0%)
 84 (+3.7%)
 01.09.2005



:06



Dömer-Group,
 Lennestadt



MARGOT AND JOSEF DÖMER,
 MANAGEMENT UNTIL
 31 DECEMBER 2006



DR. JOCHEN ASBECK,
 MANAGING DIRECTOR SINCE
 1 OCTOBER 2006

STRATEGY AND BUSINESS SEGMENTS

The Group comprises Press- und Stanzwerk Dömer GmbH + Co. KG and Josef Dömer Werkzeugbau GmbH. Dömer was founded in 1969 and has many years' experience in metal stamping, bending and forming and associated tool manufacture. The Group produces high-tech components and its customers include the automotive, metal fittings and railway industries. The company's key strengths are founded on in-depth expertise in machining technology and an exceptionally well-equipped facility. These strengths stand the company in good stead when it comes to advanced special components, complex structures and specific material requirements.

On 31 December 2006, founders and managing directors Margot and Josef Dömer, who sold the company to GESCO AG in 2005 as part of an age-related succession process, retired. On 1 October 2006, Dr. Jochen Asbeck was appointed as the new managing director.

FINANCIAL YEAR 2006

The company posted a pleasing development in 2006, achieving a slight increase in sales.

OUTLOOK AND AIMS FOR 2007

Although a large fixed-term client contract expired at the end of 2006, Dömer anticipates increased sales in 2007. The company plans to invest in a new precision stamping press, which will drive forward the technically challenging domain of thick-walled material stamping, where initial lucrative commissions have already been carried out.

Dörrenberg Edelstahl GmbH, Engelskirchen-Ründeroth



GESCO AG SHAREHOLDING	90%
MANAGEMENT SHAREHOLDING	10%
CAPITAL RATIO (31.12.2006)	29.6%
2006 SALES (IN EUR M)	124.7 (+5.4%)
STAFF (31.12.2006)	469 (-2.9%)
MEMBER OF THE GESCO GROUP SINCE	01.01.1996

STRATEGY AND BUSINESS SEGMENTS

The biggest company in the GESCO Group can look back on a history spanning over 150 years. Dörrenberg is positioned as a full service provider in the stainless steel segment for the tool manufacturing industry and has four divisions which operate as separate profit centres: stainless steel, stainless steel mould castings, surface technology and precision castings. The range of products and services offered by Dörrenberg includes the supply of tool steel and castings, precision castings, as well as heat treatment and surface coatings for a wide variety of steel products, coupled with expert technical advice, often as early as at design stage. The company primarily supplies customers in plant construction and mechanical engineering, tool manufacture and the automotive industry.

Over the decades, Dörrenberg has acquired considerable expertise in metallurgy. The company carries out research and development in conjunction with universities and other institutes and holds numerous patents for steels it has developed.

FINANCIAL YEAR 2006

Following two successful previous years, Dörrenberg again increased its sales in 2006. The high demand affected all business divisions. In May 2006, the stainless steel division transferred to new premises acquired at the end of 2005 located near the central plant. The core of investment has been the high-rack storage for this property and a vacuum hardening oven for the surface technology division.

Dörrenberg has established a branch in Singapore in order to cater more intensively for the Asian market. After launching a joint venture in Spain in 2005, this is another significant step in the globalisation of Dörrenberg.

OUTLOOK AND AIMS FOR 2007

The company expects another increase in sales in 2007.



MANAGING DIRECTORS
GERD BÖHRNER (L.)
AND DR.-ING. FRANK STAHL

GESCO AG SHAREHOLDING
 CAPITAL RATIO (31.12.2006)
 2006 SALES (IN EUR M)
 STAFF (31.12.2006)
 MEMBER OF THE GESCO GROUP SINCE

100%
 25.1%
 19.7
 201
 01.08.2006



Frank Walz- und Schmiedetechnik GmbH,
 Hatzfeld



STRATEGY AND BUSINESS SEGMENTS

Frank Walz- und Schmiedetechnik GmbH is Europe's leading manufacturer of expendable parts for agriculture and is also a supplier of local government technology and the construction industry. The company manufactures rolled and forged wear parts from alloyed special steels. Frank is an original equipment supplier to agricultural machinery manufacturers in the fields of land management and harvesting technology and it supplies the specialised wholesale trade with expendable parts. The product range comprises over 10,000 different parts. The "ORIGINAL FRANK" brand has been established with the relevant target groups for decades and stands for premium quality worldwide.

The company's production is carried out mainly at its principal site in Hatzfeld and at its Hungarian subsidiary Frank Hungária Kft. Frank Lemeks TOW, the company's distribution company in Ukraine gives it a presence in the extremely important Eastern European market.

In July 2006, GESCO AG wholly acquired Frank from its managing partners, Heinz Georg and Gerhard Zirener, as part of an age-related succession process. Heinz Georg retired in March 2007 and Georg Zirener will continue to work for the company for a few more years.

FINANCIAL YEAR 2006

Frank recorded dynamic growth in the financial year. Impetus came both from Western Europe, where rising producer prices and energy generation from biomass increased purchasing enthusiasm, and from Eastern Europe.

OUTLOOK AND AIMS FOR 2007

Frank is optimistic about the new financial year and anticipates further growth.



HEINZ GEORG
 MANAGING DIRECTOR
 UNTIL 31 MARCH 2007



GERHARD ZIRENER
 MANAGING DIRECTOR

Franz Funke Zerspanungstechnik GmbH & Co. KG, Sundern



GESCO AG SHAREHOLDING	80%
MANAGEMENT SHAREHOLDING	20%
CAPITAL RATIO (31.12.2006)	30.5%
2006 SALES (IN EUR M)	13.3 (+66.7%)
STAFF (31.12.2006)	64 (+1.6%)
MEMBER OF THE GESCO GROUP SINCE	01.05.1995

STRATEGY AND BUSINESS SEGMENTS

Equipped with CNC-controlled machines, Franz Funke Zerspanungstechnik produces turned components of between 6 and 65 mm in diameter in brass, aluminium, gunmetal and steel. The company's customers are primarily companies in the plumbing, air conditioning, electrical and mechanical engineering sectors. Funke offers services including galvanic surface finishing, assembly installation and thermal material handling, as well as connection technology such as soldering, welding and compression. The company's advisory and support services highlight its problem-solving capabilities and reinforce customer loyalty.

FINANCIAL YEAR 2006

Franz Funke recorded a sharp sales increase of 66.7% in 2006. This is also partly attributable to a brisk demand from existing customers, the extension of the customer base and, to a certain extent, higher material prices.

OUTLOOK AND AIMS FOR 2007

Further increases can also be expected in 2007 as the result of a high volume of orders. Funke is creating the prerequisites for further growth by investing in machinery and its manufacturing infrastructure.



DR. WOLFGANG KEMPER,
MANAGING DIRECTOR



Haseke GmbH & Co. KG,
Porta Westfalica

GESCO AG SHAREHOLDING	80%
MANAGEMENT SHAREHOLDING	20%
CAPITAL RATIO (31.12.2006)	36.5%
2006 SALES (IN EUR M)	10.5 (-1.8%)
STAFF (31.12.2006)	51 (+2.0%)
MEMBER OF THE GESCO GROUP SINCE	01.01.1990

STRATEGY AND BUSINESS SEGMENTS

Haseke describes its core technical competence as "lift, lower, swivel" and is active in three business segments: installation systems, brackets and swivel arms for medical technology ("MediArms"), command housings with support systems used in the mechanical engineering and command and control technology industries ("ProVersa"), and office technology such as computer installation systems for ergonomic PC workstation design ("ercos").

The specialist in small-batch and individual solutions based on a contrived building block system trades under its own brand as well as supplying well-known companies. As a fast, flexible and reliable partner, Haseke is now a recognised partner to top names in the industry. A strong development and construction department is as strong a success factor as the incorporation of ergonomic and design aspects. A few dozen property rights and various design-related awards support this claim.

FINANCIAL YEAR 2006

In 2006, Haseke maintained the previous year's high level in terms of sales. At the end of 2006, the company presented a new generation of housings under the ProVersa brand, which were launched on the market in spring 2007.

OUTLOOK AND AIMS FOR 2007

In financial year 2007, Haseke plans to expand its product range in medical technology. Overall, the company is viewing the new financial year with optimism and expects increased sales.



GÜNTER KEGEL,
MANAGING DIRECTOR



Hubl GmbH,
Vaihingen/Enz



GESCO AG SHAREHOLDING	100%
CAPITAL RATIO (31.12.2006)	37.6%
2006 SALES (IN EUR M)	8.5 (-18.7%)
STAFF (31.12.2006)	76 (+5.6%)
MEMBER OF THE GESCO GROUP SINCE	01.01.2002

STRATEGY AND BUSINESS SEGMENTS

Founded in 1976, Hubl GmbH develops and produces precision machine coverings, cladding, casings and components from stainless steel for the high-end of the market. Key customer sectors comprise the pharmaceutical and medical technology sectors, mechanical engineering, clean room engineering and food technology. Hubl has a well-resourced design department in terms of staff and technology and the very latest machinery, and creativity and flexibility enable the company to continuously transfer sophisticated solutions into superior design. Hubl is positioned as a system supplier covering a wide range of clients and sectors, which provides its customers with complex development and construction services and allows customers to be involved in development or construction processes.

FINANCIAL YEAR 2006

Market changes affecting two major clients led to a significant drop in sales for Hubl in 2006. The shortfall in sales has already been compensated to some degree by commissions from new clients.

OUTLOOK AND AIMS FOR 2007

On 1 April 2007, long-term executive director and sales manager, Rainer Kiefer, was appointed managing director. The previous managing director, Reinhard Hubl, who sold his company to GESCO AG in 2002, retired from the company on 30 April 2007 as was planned.

In the new financial year, Hubl expects increased sales, stemming from development of business with existing customers as well as sales from new clients.



REINHARD HUBL,
MANAGING DIRECTOR
UNTIL 30 APRIL 2007



RAINER KIEFER,
MANAGING DIRECTOR
SINCE 1 APRIL 2007

MAE Maschinen- und Apparatebau Götzen GmbH & Co. KG, Erkrath

12

GESCO AG SHAREHOLDING 100%
CAPITAL RATIO (31.12.2006) 38.6%
2006 SALES (IN EUR M) 15.7 (+12.6%)
STAFF (31.12.2006) 102 (+1.0%)
MEMBER OF THE GESCO GROUP SINCE 01.01.1997

STRATEGY AND BUSINESS SEGMENTS

Founded in 1931, the company is the world market leader in automatic levelling machines, which are used primarily in the automobile and supporting industry, as well as in wheel presses for rolling stock. The range is completed by a standard range of manual presses and special machinery for clearing, assembling, testing and forming.

MAE substantiated its innovation by launching a new machinery design to level large metal components, such as forged steel, corrugation and drill bits up to 400 mm in diameter and up to 20 metres in length on the market in 2005. MAE produces the largest automatic levelling machine in the world with a levelling force of 10,000 kN. Tremendous achievements in development have also been provided for this in the field of hydraulic drive systems.

FINANCIAL YEAR 2006

In the 75th anniversary year of the company, MAE increased its sales by 12.6%. The response from the target groups to the recently developed large metal component levelling plant was very positive and contributed to growth. The company has carried out considerable strategic expansion of its potential customer base with this innovation. In April 2006 MAE founded a subsidiary in Switzerland to forge stronger sales and service links with the markets in Switzerland and Austria as well as those in Southern and Eastern Europe. The export ratio stood at 38.2% (previous year: 40%).

OUTLOOK AND AIMS FOR 2007

MAE anticipates a further increase in sales in the new financial year. With its achievements in research and development of recent years, the company has created the prerequisites for future growth and strengthened its position as market leader.



RÜDIGER GÖTZEN,
MANAGING DIRECTOR



GESCO AG SHAREHOLDING	100%
CAPITAL RATIO (31.12.2006)	85.9%
2006 SALES (IN EUR M)	10.2 (-12.2%)
STAFF (31.12.2006)	63 (-18.2%)
MEMBER OF THE GESCO GROUP SINCE	30.04.2004

Setter Group,
Emmerich

STRATEGY AND BUSINESS SEGMENTS

Founded in 1963, the Setter Group, consisting of Setter GmbH & Co. Papierverarbeitung and its wholly owned subsidiary, Q-Plast GmbH & Co., produces plastic and paper sticks. The company markets its products on all continents, with exports accounting for around 80 % of sales. Setter regards itself as a leader in quality and volume in this niche market. Setter supplies companies in the confectionery and healthcare industries. The sticks are used in products like lollipops and cotton buds.

Setter has leased manufacturing plants to a cooperation partner in the US via HRP Leasing GmbH for its in-house production of sticks using Setter technology.

FINANCIAL YEAR 2006

Setter had a decline in sales in 2006 because the previous year was characterised by a fixed-term one-off order from the US cooperation partner, which has since assumed its own production.

OUTLOOK AND AIMS FOR 2007

Setter anticipates a slight decline in sales for the new financial year, mainly due to the changes to the exchange rate. At the start of 2007 Setter acquired HRP Leasing GmbH, Emmerich. In the purchase of the Setter Group by GESCO AG in 2004, the seller granted an option to acquire this leasing company; Setter has now exercised this option after the successful launch of the leasing business.



ROBERT PRAGER,
MANAGING DIRECTOR



SVT GmbH,
Schwelm

:14

GESCO AG SHAREHOLDING
MANAGEMENT SHAREHOLDING
CAPITAL RATIO (31.12.2006)
2006 SALES (IN EUR M)
STAFF (31.12.2006)
MEMBER OF THE GESCO GROUP SINCE

90%
10%
44.4%
29.3 (+11.8%)
150 (+8.7%)
01.01.2002



KLAUS MERTENS,
MANAGING DIRECTOR

STRATEGY AND BUSINESS SEGMENTS

SVT develops, produces and markets high-quality equipment to load and unload liquids and gaseous materials on and off ships, tankers and containers. The SVT brand enjoys an excellent reputation with its customers, which are mainly active in the chemicals, petrochemicals, oil and gas industries. An important product group manufactured by the company is land and ship loading equipment for liquefied natural gas (LNG), which is natural gas cooled to minus 165°C. With its leading technology, SVT considers itself to be the second biggest supplier in this growth market worldwide. Experts expect LNG to experience a lasting boom over future years because gas transported by tankers offers independence from pipelines.

SVT generates around four fifths of its sales outside Germany. The products are used worldwide throughout the EU, the Near East, Asia, Australia and the USA. SVT has the technological expertise to design equipment and control units which comply with specific national requirements and standards.

FINANCIAL YEAR 2006

With financial year 2005 being characterised by very lively business activity, the company also recorded positive growth in 2006. The increasing demand for ship loading arms enabled the increase in sales. In addition to the German market, there was particularly strong growth in Asia and the US. In order to handle the increased demand and create capacity for future growth, SVT has rented a hall adjacent to the existing factory premises, optimised its procedures and increased the efficiency of its processes.

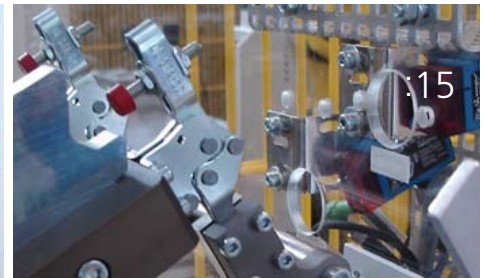
OUTLOOK AND AIMS FOR 2007

SVT began the new year with a large volume of orders and expects this positive trend to continue.



VWH Vorrichtungs- und Werkzeugbau Herschbach GmbH, Herschbach

GESCO AG SHAREHOLDING	100%
CAPITAL RATIO (31.12.2006)	49.5%
2006 SALES (IN EUR M)	8.7
STAFF (31.12.2006)	93
MEMBER OF THE GESCO GROUP SINCE	01.05.2007



STRATEGY AND BUSINESS SEGMENTS

VWH specialises in automation technology, mould construction and sensor technology. The company's core competence is the development and manufacture of complex part and fully automated production systems for the assembly of components, which include the appropriate testing technology. VWH specialised as a niche provider in custom machine engineering for the automation technology segment, mould and apparatus construction and systems for manufacturing sensors. Additionally, the company possesses sound expertise in 3D-MID technology, which opens up new possibilities for sensor technology in three-dimensional circuit board construction.

VWH supplies to well-known companies in the automotive and supplier industry as well as the electrical and electronics industry. The company can draw on a high level of technical expertise and provides its clients with a supportive partnership right from the development phase. VWH defines itself as a development provider, producing templates and prototypes

for its clients' new products and ultimately supplying moulds, stamping tools and systems for serial production of the relevant components.

GESCO AG acquired VWH as part of a succession agreement; the current management is available for the transition phase. When selling the company, the previous owners' main priority was to find a long-term focussed investor.

FINANCIAL YEAR 2006

In 2006, VWH succeeded in maintaining the previous year's sales level despite the loss of corporate client, Siemens and BenQ, to which VWH supplied mobile phone assembly systems.

OUTLOOK AND AIMS FOR 2007

Given the favourable economic environment, VWH sees good opportunities for growth in sales.



DR. EGBERT EYMANN,
MANAGING DIRECTOR



DR. HANS-DIETER RHEINFELD
MANAGING DIRECTOR



**Tradition
Innovation
Vision**

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