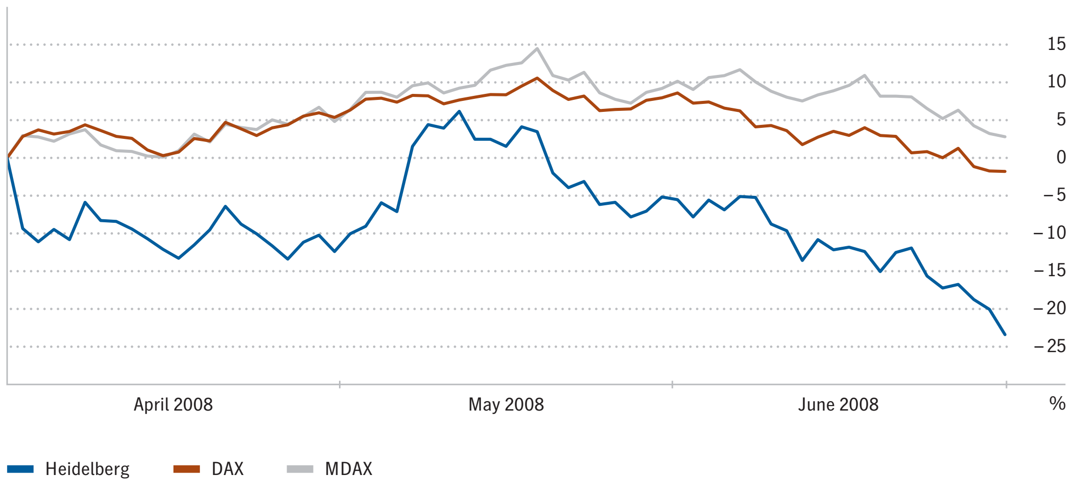
Q1

INTERIM FINANCIAL REPORT 2008/2009

HEIDELBERG

PERFORMANCE OF THE HEIDELBERG SHARE

compared with the DAX/MDAX (Index: April 1, 2008 = 0 percent)



KEY PERFORMANCE DATA

Figures in € millions

	Q1 prior year	**Q1 2008/2009**
Incoming orders	934	**1,151**
Net sales	742	**657**
Result of operating activities	26	**– 35**
– in percent of sales	3.5	**– 5.3**
Net profit/loss	8	**– 39**
– in percent of sales	1.1	**– 5.9**
Cash flow	28	**– 26**
– in percent of sales	3.8	**– 4.0**
Free cash flow	– 81	**– 211**
Research and development costs	57	**50**
Investments	52	**44**
Earnings per share in €	0.10	**– 0.51**

The Heidelberg Share

KEY PERFORMANCE DATA OF THE HEIDELBERG SHARE

Figures in €

	Q1 prior year	Q1 08/09
Earnings per share	0.10	– 0.51
Cash flow per share	0.36	– 0.34
Share price – high	39.29	18.06
Share price – low	34.27	13.03
Share price – beginning of the quarter[1]	34.86	15.42
Share price – end of the quarter[1]	35.93	13.03
Market capitalization at the end of the quarter in € millions	2,865	1,017
Number of shares in thousands[2]	79,032	77,643

[1] Xetra closing price; source of prices: Bloomberg
[2] Weighted number of outstanding shares

During the first quarter of our financial year, the two most important German stock market indexes, the DAX and the MDAX, were unable to make up for the losses suffered to date during this calendar year. Although they made at times considerable recoveries during the first few months of the financial year, in June they nevertheless weakened once again. By the close of the reporting quarter, the DAX had declined by nearly 2 percent, whereas the MDAX was up by approximately 3 percent.

Following the downward revision of our forecast for the past financial year, which we issued on March 31, 2008, at the beginning of the reporting quarter the Heidelberg share lost considerable value. The share price recovered somewhat only in early May. A renewed decline ensued, caused by the ongoing restrained business prospects together with the burden of increasing raw material and energy costs as well as the continuing weak US dollar. As of June 30, 2008, the price of our share closed at a low for the quarter of € 13.03 – down by 23 percent for the quarter.

The largest international trade show for the print and media industry, drupa, was held in Dusseldorf from May 29 until June 11. At this trade show, within the framework of our annual analysts' and investors' conference, financial analysts and investors could form an impression of our many innovations and of the strong customer interest that was evident. Nevertheless, our presence at this event did not help our share price, as the negative factors affecting our industry continue unabated.

Overall Picture

During the first quarter, drupa, our industry's major trade show, contributed decisively to our high level of incoming orders. As expected, sales, the result of operating activities, and free cash flow worsened compared with the previous year. Like most industry experts, we believe the print media industry is now entering a period of sustained drift. Although some vigorous market segments continue to experience growth trends – for example, packaging printing – adverse factors are having a greater impact. We do not expect a significant upswing in our industry in the near term. The market environment is characterized not only by difficult underlying cyclical conditions and exchange rate influences, but by rapidly increasing raw material prices as well. These factors are hampering the development of all market participants.

Package of Measures

We focus on our strategy of continuing to expand our business in packaging printing, our consumables business and our services to the print media industry. We took the first step in this direction by acquiring the British-Dutch coating manufacturer Hi-Tech Coatings. By means of this acquisition, we expanded our offerings of consumables to include water-based and UV coatings used in the production of print products and packaging.

In order to confront the general increase in the burden of costs, we developed a comprehensive package of measures designed to improve the cost situation. This package is being implemented without delay. These measures are expected to generate overall annual savings of € 100 million in financial year 2010/2011. A large share of these savings amounting to € 75 million should be realized by the end of financial year 2009/2010. Implementation of the package of measures will generate one-time charges totaling € 100 million, of which approximately € 70 million will be incurred during the current financial year.

The program is based on four major pillars:

> **Cutbacks in research and development costs**
Research and development costs are to be reduced to less than 5 percent of overall sales in the medium term. We will achieve this by increasing efficiency, merging development activities, and consolidating R&D units. These measures are expected to save at least € 25 million in annual costs – a good 10 percent decrease vis-à-vis today's expenditures!

> **Restructuring the Postpress Packaging business**
We will restructure the Postpress Packaging area over the next three years, thereby improving the result by € 20 million. This is to be achieved by merging production capacities, relocating some areas in Slovakia, and restructuring development activities.

> **Expansion of purchasing and production outside the euro zone**
Cost savings of approximately € 15 million will result from an increase in purchasing operations in the non-euro-zone and the strengthening of overseas manufacturing. With this goal in mind, we intend to expand the purchasing volume outside the euro zone from its current volume of approximately € 40 million in the financial year to nearly € 200 million in financial year 2010/2011. The plants in China and Slovakia are to be expanded. We will additionally shift the production of a small-format printing press to our US plant in Sidney, Ohio, since North America is our biggest market for this product.

> **Reducing structural costs**
We also intend to lower structural costs. We will reduce indirect costs by € 40 million over the next two years, of which € 10 million will be achieved during the current financial year.

Underlying Conditions

Although during calendar year 2007 the **global economy** grew by 3.8 percent, the economy began weakening towards the end of the year – a trend that continued into 2008. The **US** continues to suffer considerably from the impact of the financial crisis, as a result of which substantial uncertainty spread to Europe and Asia. An additional factor is the continuing high cost of oil and raw materials. The steel price in particular has again increased considerably.

Despite the continuing strong euro, stable growth was recorded in the **euro region** in the first half of the year, although negative signals are being seen in individual markets such as Spain and Italy: In addition to general uncertainty in respect of future economic developments, unexpectedly high inflation is putting a brake on consumer spending. The situation in **Germany** appeared to be relatively stable during the first half of the year, but here as well, investments are declining and inflation is burdening growth. Growth may therefore slow during the remainder of the current year.

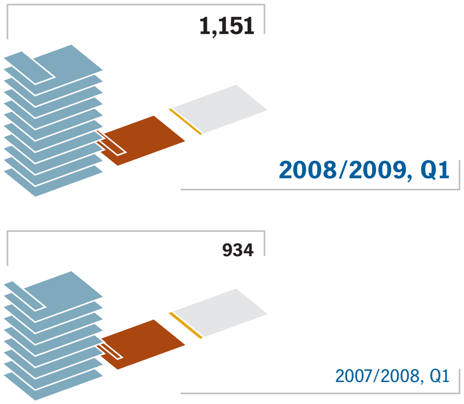
Eastern Europe continues to realize substantial growth. **Latin America,** like Russia, is also benefiting from high raw material and energy prices. The vigorous economic growth in **Asia** continued, where declines in exports due to the weak US market could be compensated for in part. Yet in this region as well, the high cost of energy and food is also putting brakes on the economy. This development could become critical for individual economies in the emerging markets. **China** is still the engine for growth of the global economy. However, vigorous growth is accompanied by very strong inflation. It is anticipated that government anti-inflationary measures will have a restraining effect on economic developments.

The development of the **print media industry** is in line with the restrained economic developments. Capacity utilization is falling. Additionally, the higher raw material prices can only be passed on to print shop customers to a limited extent. German machinery and equipment suppliers are continuing to suffer from difficult exchange rate structures. The industry's highlight event was the drupa trade show, which was held during May 29 to June 11 in Duesseldorf. Despite the favorable developments at the trade show, industry experts do not expect a perceptible upswing.

Business Development

INCOMING ORDERS BY DIVISION

Figures in € millions



Press	**1,030**	+ 26 %
Postpress	**114**	+ 5 %
Financial Services	**7**	– 13 %
Heidelberg Group	**1,151**	**+ 23 %**

SALES BY DIVISION

Figures in € millions

	Q1 prior year	**Q1 08/09**
Press	639	568
Postpress	95	82
Financial Services	8	7
Heidelberg Group	742	657

Our industry's major trade show, drupa, generated a volume of orders exceeding our forecast. Due to the favorable course of the trade show, during the first quarter of the current financial year we recorded **incoming orders** of € 1,151 million – 23 percent more than in the same period the previous year. We were especially successful here in the Europe, Middle East and Africa, Asia/Pacific, and North America regions, where we exceeded the weak previous year's figure. We were successful at the trade show in positioning Heidelberg in the packaging printing market and as a service provider for consumables as well. The launch of the new large format equipment also aroused exceptionally strong interest. In volume terms, the orders for our Speedmaster XL 105 considerably surpassed our expectations.

Due to the high volume of first quarter orders, the **order backlog** as of June 30, 2008 of € 1,298 million was € 424 million higher than at the end of the previous financial year. The length of the order backlog is currently 4 months, thereby ensuring that our production capacities will be utilized to the largest possible extent over the next few months.

In the area of sales, the difficult underlying conditions and restrained investment activity had an impact on our customers in the run-up to drupa. During the first quarter of the current financial year, we were only able to generate consolidated **sales** of € 657 million. Following the low order backlog at the end of the previous financial year, as expected, sales declined by 11 percent from the previous year's figure. All regions were affected by the sales decline. The lowest decline was recorded in the Europe, Middle East and Africa region. Germany was the only larger market to improve its sales volume over the comparable period the previous year. Most of the orders realized at drupa will be reflected in the consolidated sales for the second and third quarters.

Results of Operations, Net Assets and Financial Position

We had already projected a negative result of operating activities for the reporting quarter in the 2007/2008 annual report. Due to the weak sales trend and the additional cost burdens for, among other things, our presence at the drupa trade show, the Heidelberg Group generated a negative **result of operating activities** of only € – 35 million during the first quarter. All three divisions declined considerably from the comparable period the previous year, when we generated a positive result of € 26 million.

The **financial result,** which amounts to € –16 million, worsened from the previous year, due especially to net interest during the first quarter. **Income before taxes** reached € – 50 million and the net loss amounted to € – 39 million, compared with a net profit of € 8 million for the same period the previous year. Earnings per share amounted to € – 0.51.

Consolidated **investments** in tangible assets and intangible assets amounted to € 44 million for the first quarter – 16 percent below the previous year's figure, which had included investments for the construction of the new Assembly Hall 11.

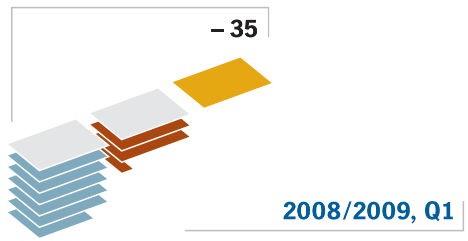
The **total assets** of the Heidelberg Group changed only slightly during the first quarter, amounting to € 3,515 million as of June 30, 2008 – € 8 million higher than at the end of the previous financial year.

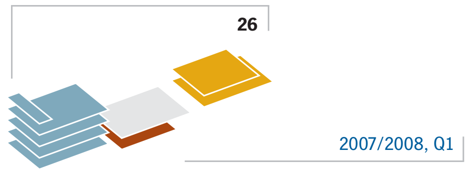
Among assets, primarily due to a delivery-related higher inventory of finished goods, inventories rose considerably compared with March 31, 2008. This increase was compensated for by the decline in trade receivables. We were also successful in further reducing receivables from customer financing.

Among liabilities, shareholders' equity decreased due to the loss for the quarter. The equity ratio amounted to 32.4 percent at the end of the reporting quarter. Short-term financial liabilities were higher due to the increased funding needs for operating activities as well as payment for the acquisition of the firm Hi-Tech Coatings. Overall financial liabilities amounted to € 700 million as of the quarterly reporting date.

RESULT OF OPERATING ACTIVITIES

Figures in € millions





	08/09, Q1	07/08, Q1
Press	**– 29**	21
Postpress	**– 11**	– 4
Financial Services	**5**	9
Heidelberg Group	**– 35**	**26**

BALANCE SHEET STRUCTURE

Figures in € millions

	31-Mar-2008	in percent of total assets	30-Jun-2008	in percent of total assets
Non-current assets	1,450	41.3	1,415	40.3
Current assets	2,057	58.7	2,100	59.7
Total assets	3,507	100.0	3,515	100.0
Shareholders' equity	1,193	34.0	1,139	32.4
Non-current liabilities	1,229	35.0	1,214	34.5
Current liabilities	1,085	31.0	1,162	33.0
Total equity and liabilities	3,507	100.0	3,515	100.0

CONSOLIDATED CASH FLOW STATEMENT OF THE HEIDELBERG GROUP

Figures in € millions

	Q1 prior year	**Q1 08/09**
Consolidated net profit/loss	8	– 39
Other	20	13
Cash flow	28	– 26
Working Capital	– 14	– 57
Receivables from customer financing	16	21
Other	– 61	– 88
Other operating changes	– 59	– 124
Outflow of funds from investment activity	– 50	– 60
Free cash flow	– 81	– 211

We generated overall **free cash flow** of € –211 million during the reporting quarter – € 130 million below the previous year's figure. As is apparent from the table on the left, this deterioration was caused by three significant factors: the decline in the operating result, the seasonally larger commitment of funds for the higher inventories, and the higher volume of investments due to the acquisition of Hi-Tech Coatings.

Heidelberg's consolidated **cash flow** reached € –26 million during the reporting period, considerably below the comparable previous year's figure. This decline was caused by lower sales as well as the additional cost burdens that resulted in a quarterly loss.

The outflow of funds in connection with **other operating changes** of € –124 million was also significantly higher than in the previous year – caused primarily by the higher commitment of funds to inventories.

Despite lower investments in tangible and intangible assets, due to investments in financial assets, the **outflow of funds due to investment activity** increased by € 10 million over the previous year during the first quarter to € –60 million. A large part of the acquisition price for Hi-Tech Coatings was included in this item.

Divisions

Due to the favorable course of the drupa trade show, the **Press** division generated a substantial volume of incoming orders, which totaled € 1,030 million during the first quarter of the financial year, 26 percent over the previous year's figure. In addition to generating vigorous interest in our new offerings in the packaging printing area, this trade show aided us in generating marked increases in the format categories 50 × 70 and 70 × 100 over the previous year. The trade show also achieved success in the Prepress area. As expected, this division's first quarter sales of € 568 million – down 11 percent from the previous financial year – were unsatisfactory. This was caused by the weak development of business primarily during the fourth quarter. The weak sales trend together with the additional burdens of costs – among other things for the presence at drupa – generated a result of operating activities of € –29 million, compared with a positive result of € 21 million during the first quarter of the previous year. This division had a total of 17,657 employees as of June 30, 2008 – slightly below the number for the first quarter after adjusting for first-time consolidations and trainees.

The drupa trade show also had a favorable impact on the incoming orders of the **Postpress** Division, although to a lesser extent than on the Press Division. The division was successful in boosting its incoming orders by 5 percent over the previous year's figure to € 114 million. An especially favorable development was the growth in the die-cutter business. On the other hand, all product lines were subject to weak sales during the first quarter. Due to the low volume of orders at the end of the previous financial year, sales amounted to € 82 million – down by 14 percent from the same period the previous year. This division's result of operating activities worsened to € –11 million from the previous year – a result of the cost burden of maintaining a presence at trade shows as well as weaker sales. Within the framework of our package of measures, we will restructure the Postpress Packaging area and thereby considerably improve the cost structure of this division by financial year 2010/2011. The number of employees in this division declined during the first quarter, totaling 2,004 employees as of June 30, 2008.

The **Financial Services** division further successfully implemented the outplacement of new financing in the quarter just ended, with the share of new financing assumed directly by our print finance firms considerably below the average of recent years. From the end of the previous financial year, receivables from sales financing also declined, falling by € 21 million to € 302 million as of the quarterly reporting date. As expected, both interest income of € 7 million as well as the result of operating activities of € 5 million were below the previous year's figures. This division had a total of 76 employees as of June 30, 2008.

Regions

Favored by the drupa trade show, the **Europe, Middle East and Africa** region generated incoming orders of € 595 million during the first quarter of the current financial year – 33 percent higher than the figure for the same period the previous year. Business in Germany in particular improved considerably. France as well, for example, considerably benefited from orders generated at the trade show. Sales for the region were – 2 percent, slightly below the previous year's level. Whereas business was in decline in almost all markets during the first quarter, sales in Germany exceeded the previous year's figure.

NET SALES BY REGION

Figures in € millions

	Q1 prior year	**Q1 2008/2009**
Europe, Middle East and Africa	331	323
Eastern Europe	90	71
North America	114	84
Latin America	40	31
Asia/Pacific	167	148
Heidelberg Group	742	657

The incoming orders of the **Eastern Europe** region fell short of the good previous year's level, as the drupa trade show does not have the same significance here as it does in Central Europe, for example. The weak developments during the fourth quarter of the previous financial year resulted in a low order backlog as of March 31, 2008. As expected, the region's sales of € 71 million were therefore down by 21 percent from the previous year. This development affected the two largest markets – Poland and Russia – as well as numerous smaller markets.

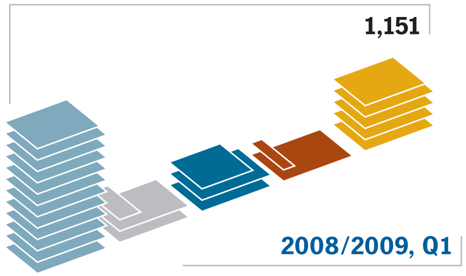
The incoming orders of the **North America** region of € 137 million were 12 percent higher than the previous year's figure – a surprisingly favorable development. However, success at the drupa trade show does not provide any certainty regarding the further developments during the financial year. The low order backlog at the beginning of the financial year resulted in sales of only € 84 million – considerably below the previous year's figure.

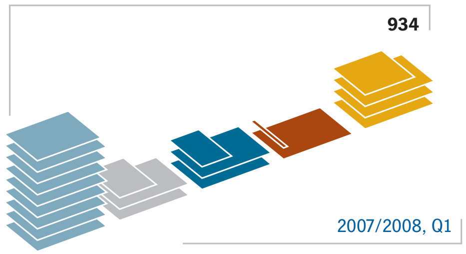
During the first quarter, the incoming orders of the **Latin America** region also improved compared to the same period the previous year. The 11 percent growth was attained mainly in smaller markets. Nevertheless, our sales fell considerably short of the previous year's level in this region as well.

Of customers from the **Asia/Pacific** region, in particular customers from China and Japan at drupa were enthusiastic about our solutions. The orders from these two markets contributed decisively to the region's 31 percent growth in incoming orders during the first quarter over the previous year's figure to € 244 million. Sales in the region fell short of the previous year's figures – a result here as well of the restrained investment activity at the end of the previous financial year.

INCOMING ORDERS BY REGION

Figures in € millions





Europe, Middle East and Africa	**595**	+ 33 %
Eastern Europe	**116**	– 9 %
North America	**137**	+ 12 %
Latin America	**59**	+ 11 %
Asia/Pacific	**244**	+ 31 %
Heidelberg Group	**1,151**	**+ 23 %**

Employees

EMPLOYEES BY DIVISION

Number of employees

	31-Mar-2008	30-Jun-2008
Press	17,468	17,657
Postpress	2,050	2,004
Financial Services	78	76
Heidelberg Group	19,596	19,737

As of June 30, 2008 the Heidelberg Group had a total of 19,737 employees. The number of employees declined by 77 during the first quarter after adjusting for first-time consolidations and trainees. The acquisition of the Hi-Tech Coatings companies as well as the initial consolidation of the production site in Qingpu, China, had an expansionary effect on the reported number of employees.

Within the framework of our package of measures, we will reduce the number of employees by approximately 500 worldwide by the end of financial year 2010/2011. The reduction will be undertaken in a socially responsible manner and in line with the agreement on safeguarding the future.

Risk and Opportunity Report

Part of our management philosophy is to recognize risks as soon as possible, to assess them realistically, and to either systematically deal with them or undertake appropriate provisions. We also intend to assess opportunities as early on as possible and systematically take advantage of them. We provide detailed information concerning our risk management system in the 2007/2008 Annual Report on pages 41 to 42.

There is no recognizable risk that could threaten the existence of the Heidelberg Group – either currently or for the foreseeable future. We currently consider a potential worsening of overall economic conditions to be our greatest risk. It is unclear how long the financial crisis will continue and how strong it will affect the overall economy and our industry's economic situation. There continues to be a danger that our Japanese competitors could gain additional market shares due to the exchange rate situation.

We will strengthen those business units that make us less dependent on cyclical fluctuations – in particular, packaging printing, the consumables business as well as services for the print media industry. We are also counteracting increasing cost burdens by means of our package of measures.

Besides the risks, there are also opportunities that would benefit our business. The factors that are currently constraining the world economy could weaken, thereby returning the economy to a stable trend of further growth. A development of exchange rates causing a strengthening of the US dollar in favor of suppliers in the European region would have a favorable impact on our business development.

Future Prospects

Global business prospects for the current calendar year continue to be restrained. The greatest burdening factors here are the impact of the financial market crisis in the US and the continuing high prices of oil and raw materials. Although forecasts differ considerably among themselves in some respects, global economic growth is generally anticipated to be at most 3.0 percent – a considerable decline from previous years. We believe the print media industry will enter a phase of sustained, sideward drift. We do not anticipate any perceptible upswing in our industry in the near future, for the market environment is characterized by difficult underlying cyclical conditions that are burdening all market participants.

In view of this situation, for the year as a whole we expect sales to decline from the previous year. The result of operating activities will also fall considerably short of the previous year's result during the current financial year. In addition to non-recurring expenditures in connection with our presence at the drupa trade show as well as the startup of series production of new products, the strong euro exchange rate will also continue to act as a restraint. For further details concerning our package of measures to improve our cost situation, please refer to the chapter 'Package of Measures' and to the Supplementary Report.

A reliable forecast concerning the significant key performance data for financial year 2008/2009 will only be possible during the further course of the year. We will make this known, at the latest, early in November, when we present the financial figures for the first half of the current financial year.

Supplementary Report

In order to confront the overall increasing cost burdens, on July 10, 2008 Heidelberg's Management Board announced a comprehensive package of measures designed to improve the cost situation. Details of these measures can be found in the Section 'Package of Measures'.

Disclaimer

This Quarterly Report contains forward-looking statements based on assumptions and estimations by the Management Board of Heidelberger Druckmaschinen Aktiengesellschaft. Even though the Management Board is of the opinion that these assumptions and estimations are realistic, the actual future development and results may deviate substantially from these forward-looking statements due to various factors, such as changes in the macro-economic situation, in the exchange rates, in the interest rates, and in the print media industry. Heidelberger Druckmaschinen Aktiengesellschaft gives no warranty and does not assume liability for any damages in case the future development and the projected results do not correspond with the forward-looking statements contained in this Quarterly Report.

> FIRST QUARTER IN REVIEW

FINANCIAL YEAR 2008/2009

First Quarter 2008/2009 in Review

APRIL 2008

4 08

1 **APRIL 10**
Award for Environmental Commitment

MAY 2008

5 08

2 **MAY 5**
New Board Member

1

AWARD FOR ENVIRONMENTAL COMMITMENT

April 10, 2008 +++ Heidelberg receives award for Environmental Process +++

The Canadian trade magazine ‘PrintAction’ awards Heidelberg its ‘Most Progressive Environmental Process’ prize. The award particularly recognizes the company’s holistic approach to environmental protection. For example, Heidelberg was the first manufacturer of printing presses to certify its Print Media Centers in Heidelberg and Wiesloch-Walldorf according to FSC standards. Paper used in customer demonstration processes is from FSC-certified sustainable forest management.

2

EXPANDED MANAGEMENT BOARD

May 5, 2008 +++ New responsibilities; fourth Board member +++

With effect from July 1, 2008, Stephan Plenz is appointed new Board member by the Heidelberg Supervisory Board. He will be responsible for the areas research and development, production and purchasing. Furthermore, the roles and responsibilities on the Management Board will be reorganized: CEO Bernhard Schreier will focus on strategic development, acquisitions, communications and compliance. He retains his function as Personnel Director. Responsibility for sales, previously held by Bernhard Schreier, is passed on to Dr. Jürgen Rautert. There will be no structural changes in the finance sector under Dirk Kaliebe.

HI-TECH COATINGS

3

HEIDELBERG ACQUIRES HI-TECH COATINGS

May 27, 2008 +++ Consumables business expanded +++

Heidelberg takes over the British/Dutch coating manufacturer Hi-Tech Coatings. With this acquisition the company expands its consumables offerings to include water-based and ultraviolet coatings for the production of print products and packaging. Hi-Tech Coatings develops and manufactures more than 1,000 environmentally friendly products and formulations. For Heidelberg, this acquisition is part of the corporate strategy to expand its service and consumables business in order to reduce the company’s sensitivity to cyclical fluctuations. The corporate group acquired was founded in 1993 and generated sales of some € 25 million in 2007.

JUNE 2008

6
08

MAY 27
Hi-Tech Coatings

3 4

MAY 29 – JUNE 11
drupa 2008

4

HEIDELBERG AT DRUPA 2008

May 29 to June 11, 2008 +++ Great interest in new packaging printing offerings +++

At drupa 2008, on a floor space of 7,800 m^2, Heidelberg presented integrated solutions under the slogan HEI PERFORMANCE – HEI VALUE. In addition to the realization of varied print jobs for different customer segments, Heidelberg presented its overall service and consumables offerings to complete the portfolio. Some 400,000 visitors from 138 countries came to see the trade show. Heidelberg received more than 2,500 orders totaling over € 1 billion. As had been expected, the strongest individual market was Germany, which accounted for some 25 percent of the orders received at the trade show.

One of Heidelberg's main focuses at the trade show was on packaging solutions with an entire hall dedicated to this business segment alone. The company expanded its product range with the introduction of the very large format. The first-time presentation of the Speedmaster XL 145 and XL 162 was received with great interest among the visitors. Additionally, under the slogan HEI ECO, the company highlighted its commitment to environmental protection at the trade show: At drupa, Heidelberg launched the first international environmental award for sustainable printing in the sheetfed offset sector.

> CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD APRIL 1, 2008 TO JUNE 30, 2008

Consolidated interim income statement April 1, 2008 to June 30, 2008

> INTERIM INCOME STATEMENT

Figures in € thousands

	Note	1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**
Net sales		742,218	656,944
Change in inventories		113,118	161,207
Other own work capitalized		22,634	18,140
Total operating performance		877,970	836,291
Other operating income	3	39,638	35,189
Cost of materials	4	393,354	394,471
Personnel expenses		301,326	291,630
Depreciation and amortization		29,558	30,502
Other operating expenses	5	167,384	189,680
Result of operating activities		25,986	– 34,803
Financial income	6	3,866	4,448
Financial expenses	7	17,659	19,988
Financial result		– 13,793	– 15,540
Income before taxes		12,193	– 50,343
Taxes on income		4,283	– 11,042
Consolidated net profit/loss		7,910	– 39,301
Minority interests		– 146	–
Consolidated net profit/loss – attributable to Heidelberg		8,056	– 39,301
Undiluted earnings per share according to IAS 33 (in € per share)	8	0.10	– 0.51
Diluted earnings per share according to IAS 33 (in € per share)	8	0.12	– 0.44

Consolidated interim balance sheet as of June 30, 2008

> ASSETS

Figures in € thousands

	Note	31-Mar-2008	30-Jun-2008
Non-current assets			
Intangible assets	9	273,152	315,999
Tangible assets	9	580,187	586,492
Investment property	9	1,782	1,773
Financial assets	10	68,049	39,505
Receivables from sales financing	11	194,839	176,289
Other receivables and other assets	11	178,846	143,806
Income tax assets		76,045	76,794
Deferred tax assets		77,288	74,572
		1,450,188	1,415,230
Current assets			
Inventories	12	973,714	1,163,646
Receivables from sales financing	11	128,205	125,895
Trade receivables	11	596,473	482,878
Other receivables and other assets	11	171,153	192,689
Income tax assets		26,836	29,709
Marketable securities		2,075	2,013
Cash and cash equivalents		141,868	86,150
		2,040,324	2,082,980
Assets held for sale		16,645	16,746
Total assets		3,507,157	3,514,956

> EQUITY AND LIABILITIES

Figures in € thousands

	Note	31-Mar-2008	30-Jun-2008
Shareholders' equity	13		
Subscribed capital		198,767	198,767
Capital reserves and retained earnings		852,298	979,766
Consolidated net profit/loss – attributable to Heidelberg		141,770	– 39,301
		1,192,835	1,139,232
Non-current liabilities			
Provisions for pensions and similar obligations	14	115,969	117,435
Other provisions	15	360,374	358,796
Financial liabilities	16	493,512	492,101
Other liabilities	17	114,390	114,754
Deferred tax liabilities		144,661	131,097
		1,228,906	1,214,183
Current liabilities			
Other provisions	15	378,386	316,575
Financial liabilities	16	50,636	208,369
Trade payables		294,955	278,988
Income tax liabilities		3,546	2,320
Other liabilities	17	357,893	355,289
		1,085,416	1,161,541
Total equity and liabilities		3,507,157	3,514,956

> CONSOLIDATED CASH FLOW STATEMENT

Figures in € thousands

	1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**
Consolidated net profit/loss	7,910	– 39,301
Depreciation and amortization [1]	29,558	30,502
Change in pension provisions	– 2,268	4,252
Change in deferred tax assets/deferred tax liabilities/tax provisions	– 7,327	– 21,654
Result from disposals	461	15
Cash flow	28,334	– 26,186
Change in inventories	– 137,216	– 177,142
Change in sales financing	16,120	21,231
Change in trade receivables/trade payables	100,210	95,445
Change in other provisions	– 26,442	– 36,339
Change in other balance sheet items	– 11,521	– 27,240
Other operating changes	– 58,849	– 124,045
Inflow of funds from operating activities	– 30,515	– 150,231
Intangible assets/tangible assets/investment property		
Investments	– 52,415	– 43,832
Proceeds from disposals	4,797	11,328
Financial assets		
Investments	– 2,383	– 27,839
Proceeds from disposals	–	–
Outflow of funds from investment activity	– 50,001	– 60,343
Free cash flow	– 80,516	– 210,574
Change in treasury stock	– 17,471	–
Dividend payment	–	–
Change in financial liabilities	94,128	153,459
Inflow of funds from financing activity	76,657	153,459
Net change in cash and cash equivalents	– 3,859	– 57,115
Cash and cash equivalents at the beginning of the quarter	79,247	143,943
Changes in the scope of the consolidation	–	1,277
Currency adjustments	117	58
Net change in cash and cash equivalents	– 3,859	– 57,115
Cash and cash equivalents at the end of the quarter	75,505	88,163

[1] Relates to intangible assets, tangible assets, investment property, and financial assets

> STATEMENT OF RECOGNIZED INCOME AND EXPENSE

Figures in € thousands

	1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**
Consolidated net profit/loss	7,910	– 39,301
Pension obligations[1]	39,386	– 25,632
Foreign currency translation	– 2,631	– 38
Financial assets		
Market valuation of financial assets	76	119
Cash flow hedges		
Fair value of cash flow hedges in equity	1,214	24,477
Cash flow hedges recognized in income	– 113	– 18,000
Deferred income taxes	– 12,321	2,030
Total recognized income and expense without effect on the income statement	25,611	– 17,044
Total recognized income and expense	33,521	– 56,345
– of which: Heidelberg Group	33,657	– 56,345
– of which: minority interests	– 136	–

[1] Changes in actuarial gains and losses and in asset ceiling due to IAS 19.58 b)

> DEVELOPMENT OF SHAREHOLDERS' EQUITY

Figures in € thousands

	2007	**2008**
Shareholders' equity as of April 1	1,201,671	1,192,835
Total recognized income and expense without effect on the income statement	25,611	– 17,044
Consolidated net profit/loss	7,910	– 39,301
Total recognized income and expense	33,521	– 56,345
Dividend payment	–	–
Treasury stock	– 17,471	–
Consolidations/other changes	– 790	2,742
Shareholders' equity as of June 30	1,216,931	1,139,232

Consolidated segment information April 1, 2008 to June 30, 2008

> SEGMENT INFORMATION BY DIVISION

	Press		Postpress		Financial Services	
	1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**	1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**	1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**
External sales	638,846	568,199	95,240	81,658	8,132	7,087
Depreciation [1]	27,877	28,839	1,576	1,661	105	2
Non-cash expenses	81,622	83,575	9,119	10,510	5,173	5,192
Research and development costs	50,395	43,666	6,118	6,582	–	–
Result of operating activities (segment result)	20,996	– 29,484	– 4,046	– 10,643	9,036	5,324
Investments	50,434	42,197	1,978	1,635	3	–
Segment assets [2]	2,601,739	2,647,066	247,936	263,561	328,952	308,632
Segment debt [2]	1,148,455	1,101,459	100,172	96,314	77,834	87,243
Number of employees [2]	17,468	17,657	2,050	2,004	78	76

> SEGMENT INFORMATION BY REGION

	Europe, Middle East and Africa		Eastern Europe		North America	
	1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**	1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**	1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**
External sales by customer location	331,359	322,995	90,075	71,146	113,514	84,196
Investments	47,770	40,452	281	245	3,786	1,595
Segment assets [2]	2,208,753	2,285,977	168,449	154,684	230,070	209,972

For additional explanations see note 19

[1] Including impairment losses in income of € 363 thousand (previous year: € 0 thousand)

[2] Previous year's figures refer to March 31, 2008

Figures in € thousands

Heidelberg Group	
1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**
742,218	656,944
29,558	30,502
95,914	99,277
56,513	50,248
25,986	– 34,803
52,415	43,832
3,178,627	3,219,259
1,326,461	1,285,016
19,596	19,737

Figures in € thousands

Latin America		Asia/Pacific		**Heidelberg Group**	
1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**	1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**	1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**
40,509	30,848	166,761	147,759	742,218	656,944
71	195	507	1,345	52,415	43,832
192,078	168,106	379,277	400,520	3,178,627	3,219,259

Notes

1 Accounting and valuation policies

The consolidated interim financial report as of June 30, 2008 was prepared in accordance with the International Financial Reporting Standards (IFRS) which became effective and binding at that time. The IFRS comprise the IFRS newly released by the International Accounting Standards Board (IASB), as well as the International Accounting Standards (IAS), and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and of the Standing Interpretations Committee (SIC).

The consolidated interim financial report was strictly based on the same accounting and valuation policies as the consolidated Annual Report for the financial year 2007/2008, and complies with the provisions of IAS 34 (Interim financial reporting). Contingent liabilities resulting from recourse obligations used to be calculated based on the maximum contingency risk. Since the beginning of the reporting year, contingent liabilities from recourse obligations are recognized on the basis of IAS 37 (Provisions, contingent liabilities and contingent assets). This adjustment was required since particularly with regard to issues for which a provision was recognized within the scope of our risk management, the need to report a contingent liability no longer exists. The previous year's figure was adjusted accordingly (see note 18).

In the consolidated interim financial report, no new standards and interpretations for the financial year 2008/2009 need to be applied for the first time. The IASB and the IFRIC have issued the following standards and interpretations that are not mandatory in the financial year 2008/2009 and/or that have not yet been approved by the EU:

- Changes to IFRS 2: 'Share-based Payment'
- Changes to IFRS 3: 'Business Combinations'
- IFRS 8: 'Operating Segments'
- Changes to IAS 1: 'Presentation of Financial Statements'
- Changes to IAS 23: 'Borrowing Costs'
- Changes to IAS 27: 'Consolidated and Separate Financial Statements'
- Changes to IAS 32: 'Financial Instruments: Presentation' and IAS 1: 'Presentation of Financial Statements'
- IFRIC 12: 'Service Concession Arrangements'
- IFRIC 13: 'Customer Loyalty Programs'
- IFRIC 14: 'IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction'

The effects of a first-time application of the standards relevant for Heidelberg on the consolidated financial statements are being verified at present. Currently, Heidelberg is not planning to apply these standards at an early stage.

Revenues that are received seasonally, cyclically, or occasionally are not anticipated or deferred in the consolidated interim financial report. Costs incurred unevenly during the financial year were deferred if deferral would be appropriate at the end of the financial year.

2 Scope of the consolidation

Apart from Heidelberger Druckmaschinen Aktiengesellschaft, the consolidated interim financial statements include a total of 76 (March 31, 2008: 71) domestic and foreign companies in which Heidelberger Druckmaschinen Aktiengesellschaft is in a position to exercise control as defined by IAS 27. Of these companies, 68 (March 31, 2008: 64) are located outside Germany. Shares in subsidiaries that are of minor significance are not included.

In the first quarter of the financial year 2008/2009, Heidelberg Graphic Equipment (Shanghai) Co. Ltd., Shanghai, China, and Heidelberg Consumables Holding GmbH, Heidelberg, Germany, were included in the scope of the consolidation. Furthermore, Heidelberg HDU, Inc., Wilmington, Delaware, USA, was liquidated.

On May 27, 2008 Heidelberg took over the British/Dutch coating manufacturer ‘Hi-Tech Coatings’, a corporate group consisting of four companies. Heidelberg acquired 100 percent of the shares in each corporation, namely Hi-Tech Coatings Limited, Aylesbury, Bucks, UK; Hi-Tech Coatings International Limited, Aylesbury, Bucks, UK; Hi-Tech Coatings B.V., Zwaag, the Netherlands; and Hi-Tech Coatings International B.V., Zwaag, the Netherlands.

The provisional purchase price amounting to € 42.2 million is composed of a performance-neutral component of € 34.4 million and two performance-based elements (earn-out) totaling € 7.8 million.

The performance-based components are to be paid at the end of the first and the second year following the date of purchase, respectively, if the earnings before interest and taxes (EBIT) exceed a particular amount. Additionally, the earn-out depends on the previous owners continuing to act for Hi-Tech Coatings until 2009 or 2010, respectively. Incidental acquisition expenses amount to € 1,145 thousand.

For Heidelberg, goodwill totaling € 22,631 thousand results primarily from the opportunity to underpin its less cyclical consumables business and bolster its market position in this profitable growth market.

If the acquisition had been concluded completely at the beginning of the financial year, the Company would have reported consolidated net sales for the first quarter 2008/2009 of € 660,697 thousand and a consolidated net loss for the year of € 38,967 thousand.

Since its first-time consolidation, the acquired company has contributed to the consolidated net loss with a positive result of € 276 thousand.

The present value of the provisional purchase price less goodwill breaks down as follows into the assets and liabilities acquired:

	Carrying amount according to IFRS previous to acquisition	Fair value of assets and liabilities acquired
Intangible assets	–	18,604
Tangible assets	1,810	1,810
Inventories	882	882
Trade receivables	4,916	4,916
Other receivables and other assets	39	39
Deferred tax assets	–	–
Cash and cash equivalents	3,896	3,896
Total assets	11,543	30,147
Other provisions	1,188	1,188
Trade payables	3,824	3,824
Deferred tax liabilities	–	4,869
Total liabilities	5,012	9,881

3 Other operating income

	1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**
Reversal of other provisions/accrued liabilities	9,866	9,596
Income from written-off receivables and other assets	7,284	7,475
Income from operating facilities	4,669	4,172
Hedging transactions/foreign-exchange profit	3,178	2,797
Income from disposals of intangible assets, tangible assets, and investment property	188	338
Other income	14,453	10,811
	39,638	35,189

Income from hedging transactions/foreign-exchange profits is offset by expenses from hedging transactions/foreign-exchange losses that are shown in other operating expenses (note 5).

4 Cost of materials

	1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**
Expenses for raw materials, consumables, and supplies, as well as for goods purchased	336,627	338,260
Costs of purchased services	56,223	56,136
Interest expenses of Financial Services	504	75
	393,354	394,471

Proportionate interest expenses accrued in connection with the Financial Services Division are shown in the cost of materials. Interest income from sales financing totaling € 7,087 thousand (previous year: € 8,132 thousand) is included in net sales.

5 Other operating expenses

	1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**
Other deliveries and services not included in the cost of materials	27,575	36,762
Special direct sales expenses including freight charges	31,994	30,822
Rent and leases (excluding car fleet)	13,722	16,834
Travel expenses	15,516	15,186
Costs of information technology	13,648	14,954
Hedging transactions / exchange rate losses	4,053	9,970
Provisions for doubtful accounts and other assets	4,957	7,918
Legal, consulting, and audit fees	5,265	7,401
Costs of car fleet	4,937	5,780
Insurance expense	4,776	4,935
Additions to provisions (relates to several expense accounts)	6,617	4,291
Costs of mail and payment transactions	3,333	3,290
Expenses from operating facilities	3,516	3,054
Other research and development costs	2,653	2,851
Public-sector fees and other taxes	2,467	2,258
License fees	1,943	2,026
Office supplies, newspapers, technical literature	1,022	954
Losses from disposals of intangible assets and tangible assets	649	353
Other overhead costs	18,741	20,041
	167,384	189,680

Expenses from hedging transactions/foreign-exchange losses are offset by income from hedging transactions/foreign-exchange profits that are shown in other operating income (note 3).

6 Financial income

	1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**
Interest and similar income	2,663	3,402
Income from financial assets/loans/marketable securities	1,203	1,046
	3,866	4,448

7 Financial expenses

	1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**
Interest and similar expenses	16,129	19,745
Expenses from financial assets/loans/marketable securities	1,530	243
	17,659	19,988

8 Earnings per share

Earnings per share are calculated by dividing the net profit to which the shareholders of Heidelberg are entitled by the weighted number of shares outstanding during the period (first quarter 2008/2009: 77,643,434 no-par shares). The weighted number of outstanding shares was influenced by the purchase of treasury stock in the first six months of the financial year. As at June 30, 2008 the treasury stock comprised 400,000 shares.

9 Intangible assets, tangible assets, and investment property

	Intangible assets	Tangible assets	Investment property
Acquisition or manufacturing cost 31-Mar-2008	476,535	2,038,491	6,650
Acquisition or manufacturing cost 30-Jun-2008	**525,092**	**2,042,320**	**6,650**
Accumulated depreciation 31-Mar-2008	203,383	1,458,304	4,868
Accumulated depreciation 30-Jun-2008	**209,093**	**1,455,828**	**4,877**
Book values 31-Mar-2008	273,152	580,187	1,782
Book values 30-Jun-2008	**315,999**	**586,492**	**1,773**

10 Financial assets

Financial assets include shares in affiliated companies totaling € 17,193 thousand (March 31, 2008: € 45,657 thousand) as well as other investments totaling € 14,362 thousand (March 31, 2008: € 14,326 thousand), and securities totaling € 7,950 thousand (March 31, 2008: € 8,066 thousand).

11 Receivables and other assets

	31-Mar-2008			30-Jun-2008		
	Current	Non-current	Total	Current	Non-current	Total
Receivables from sales financing	128,205	194,839	323,044	125,895	176,289	302,184
Trade receivables	596,473	–	596,473	482,878	–	482,878
Other receivables and other assets						
Other tax refund claims	19,113	–	19,113	22,034	–	22,034
Loans	549	8,785	9,334	824	8,613	9,437
Derivative financial instruments	67,722	39,208	106,930	48,507	41,416	89,923
Deferred interest payments	242	–	242	217	–	217
Prepaid expenses	16,063	–	16,063	39,167	–	39,167
Other assets	67,464	130,853	198,317	81,940	93,777	175,717
	171,153	178,846	349,999	192,689	143,806	336,495

12 Inventories

	31-Mar-2008	30-Jun-2008
Raw materials, consumables, and supplies	136,812	147,973
Work and services in process	384,247	428,537
Manufactured products and merchandise	440,364	576,256
Prepayments	12,291	10,880
	973,714	1,163,646

13 Shareholders' equity

As was the case on March 31, 2008, the Company still held 400,000 shares (cost of the acquisition: € 13,258 thousand) as of June 30, 2008. The repurchased shares may only be utilized to reduce the Company's capital stock or for employee share participation programs, as well as other forms of share distribution to the employees of the Company or a subsidiary or to individuals who are or were employed by the Company or affiliated companies.

At the Annual General Meeting on July 18, 2008, the Management Board was authorized to acquire treasury stock for any permissible purpose in an amount of up to the lower of 10 percent – also by the use of derivatives in an amount of up to 5 percent – of either the capital stock as of July 18, 2008 or the capital stock at the time of the exercise of the authorization until January 15, 2010. Based on particular conditions specified in the resolution of the Annual General Meeting of July 18, 2008, the shares may furthermore be utilized while disapplying the subscription rights; this utilization is also applicable to treasury stock already held by the Company.

As court decisions give rise to doubts as to the legitimacy of the existing authorization of the company dating back to 2006 to issue convertible bonds and/or bonds with warrants under the Stock Corporation Act, two basically equivalent, yet divergent authorizations with regard to the defined option or conversion price were concluded to issue convertible bonds and/or bonds with warrants, profit participation rights and/or income bonds (or combinations of these instruments) and to exclude the subscription rights as well as to create the requirements for Contingent Capital 2008/I and 2008/II. While these authorizations complement the authorization granted on July 20, 2006 to issue convertible bonds and/or bonds with warrants, they do not increase the amount of the capital stock up to which the Management Board is authorized to grant option rights or conversion rights and/or conversion obligations.

In accordance with the resolution of the Annual General Meeting of July 18, 2008, the unappropriated surplus for the financial year 2007/2008 of € 83,138,224.98 is used as follows: distribution of a dividend of € 0.95 per share (total dividend: € 73,761,262.30) and carry-forward of the remainder of € 9,376,962.68 to new account.

14 Provisions for pensions and similar obligations

We maintain benefit programs for the majority of employees for the period following their retirement – either through the direct program or one financed by payments of premiums to private institutions. The level of benefit payments depends on the conditions in particular countries. The amounts are generally based on the term of employment and the salary of the employees. The liabilities include both those arising from current pensions as well as vested pension rights for pensions payable in the future. The pension payments expected following the beginning of benefit payments are apportioned over the employee's overall period of employment. After deduction of deferred taxes, the actuarial gains and losses are offset to shareholders' equity without effect on the income statement. As of June 30, 2008, a discount rate of 6.25 percent (March 31, 2008: 6.0 percent) was applied for domestic companies.

15 Other provisions

			31-Mar-2008			**30-Jun-2008**
	Current	Non-current	Total	Current	Non-current	Total
Tax provisions	37,705	257,271	294,976	30,691	256,068	286,759
Other provisions						
Liabilities arising from human resources	91,365	51,747	143,112	75,793	51,517	127,310
Liabilities arising from sales and service activities	180,104	11,735	191,839	165,261	11,315	176,576
Other	69,212	39,621	108,833	44,830	39,896	84,726
	340,681	103,103	443,784	285,884	102,728	388,612
	378,386	360,374	738,760	316,575	358,796	675,371

16 Financial liabilities

			31-Mar-2008			**30-Jun-2008**
	Current	Non-current	Total	Current	Non-current	Total
Convertible bond	–	295,055	295,055	–	297,247	297,247
Borrower's note loans	7,243	123,500	130,743	7,599	123,500	131,099
To banks	18,414	70,579	88,993	177,744	67,236	244,980
From finance lease contracts	4,487	4,106	8,593	4,561	3,922	8,483
Other	20,492	272	20,764	18,465	196	18,661
	50,636	493,512	544,148	208,369	492,101	700,470

17 Other liabilities

	31-Mar-2008			30-Jun-2008		
	Current	Non-current	Total	Current	Non-current	Total
Advance payments received on orders	81,912	–	81,912	106,524	–	106,524
Accrued liabilities from human resources	84,307	–	84,307	84,996	–	84,996
From derivative financial instruments	24,175	2,600	26,775	13,949	2,224	16,173
From other taxes	54,630	–	54,630	35,454	–	35,454
Relating to social security	6,041	2,704	8,745	7,974	2,083	10,057
Deferred income	49,381	35,116	84,497	50,737	33,612	84,349
Other	57,447	73,970	131,417	55,655	76,835	132,490
	357,893	114,390	472,283	355,289	114,754	470,043

18 Contingent liabilities and other financial liabilities

As of June 30, 2008 contingent liabilities for warranties and guarantees totaled € 21,684 thousand (March 31, 2008: € 20,664 thousand; previously € 179,962 thousand). Please refer to note 1 regarding the adjustment of the previous year's figure.

Other financial liabilities are broken down as follows:

	31-Mar-2008			30-Jun-2008		
	Current	Non-current	Total	Current	Non-current	Total
Lease obligations	65,506	364,533	430,039	65,346	368,908	434,254
Investments	45,720	3,833	49,553	49,110	4,084	53,194
	111,226	368,366	479,592	114,456	372,992	487,448

19 Information concerning segment reporting

The segment information is based on the **'risk and reward approach'**. Intersegmental sales are of minor financial significance and may therefore be ignored.

Non-cash expenses comprise the following:

	1-Apr-2007 to 30-Jun-2007	**1-Apr-2008 to 30-Jun-2008**
Provisions for doubtful accounts and other assets	4,957	7,918
Additions to provisions and accrued liabilities	90,957	91,359
	95,914	99,277

Research and development costs result from research and development costs incurred in the reporting period, however excluding depreciation on the development costs for the reporting period.

Investments comprise investments in intangible assets, tangible assets, as well as investment property.

Segment assets and **segment debt** result from gross assets or gross debt as follows:

	31-Mar-2008	**30-Jun-2008**
Assets per balance sheet	3,507,157	3,514,956
– financial assets	– 68,049	– 39,505
– marketable securities	– 2,075	– 2,013
– finance receivables	– 59,124	– 51,070
– deferred tax assets	– 77,288	– 74,572
– tax refund claims	– 121,994	– 128,537
Segment assets	3,178,627	3,219,259

	31-Mar-2008	**30-Jun-2008**
Liabilities per balance sheet	2,314,322	2,375,724
– tax provisions	– 294,976	– 286,759
– tax obligations	– 58,176	– 37,774
– financial obligations	– 490,048	– 635,078
– deferred tax liabilities	– 144,661	– 131,097
Segment liabilities	1,326,461	1,285,016

Finance receivables comprise finance receivables against affiliated companies and other financial assets.

Financial liabilities comprise the items specified in note 16, with the exception of financial liabilities associated with sales financing.

The **number of employees** was recorded as of June 30, 2008 compared with March 31, 2008.

20 Supervisory Board / Management Board

The members of the Supervisory Board and the Management Board are listed on page 39 ff.

21 Related party transactions

As described in our notes to the consolidated financial statements as of March 31, 2008 under note 40, Heidelberger Druckmaschinen Aktiengesellschaft and its subsidiaries undertake business dealings with numerous companies in the ordinary course of business. This also includes associated companies, which are regarded as related companies of the Heidelberg Group.

Over the first quarter 2008/2009, transactions carried out with related parties resulted in liabilities of € 7,239 thousand, receivables of € 21,240 thousand, expenses of € 4,441 thousand and income of € 6,653 thousand, which essentially included sales. All business dealings were concluded at terms that are customary in the market and which as a matter of principle do not differ from delivery and service relationships with other companies.

Also unchanged compared to the wording in note 40 in the Notes to the Consolidated Financial Statements as of March 31, 2008, no significant transactions were undertaken by the Heidelberg Group with related parties.

22 Events after the reporting date

In order to counter the rising overall cost burden, the Management Board announced a comprehensive package of measures to enhance the expense situation on July 10, 2008. For further details, please refer to the section ‘Package of Measures’ in the management report.

Heidelberg, August 5, 2008

Heidelberger Druckmaschinen Aktiengesellschaft
The Management Board

Supervisory Board

>>>

Dr. Mark Wössner
Chairman
of the Supervisory Board

Rainer Wagner*
Deputy Chairman
of the Supervisory Board

Martin Blessing
– through July 18, 2008 –

Dr. Werner Brandt
– since July 18, 2008 –

Edwin Eichler
– since July 18, 2008 –

Wolfgang Flörchinger*

Martin Gauß*

Mirko Geiger*

Gunther Heller*

Dr. Jürgen Heraeus
– through July 18, 2008 –

Jörg Hofmann*

Dr. Siegfried Jaschinski

Robert J. Koehler

Uwe Lüders
– through July 18, 2008 –

Dr. Gerhard Rupprecht

Beate Schmitt*

Prof. Dr.-Ing. Günther Schuh
– since July 18, 2008 –

Dr. Klaus Sturany

Peter Sudadse*

* Employee Representative

Committees of the Supervisory Board

Management Committee

Dr. Mark Wössner (Chairman)

Rainer Wagner

Martin Blessing
– through July 18, 2008 –

Martin Gauß

Mirko Geiger

Dr. Gerhard Rupprecht

Dr. Klaus Sturany
– since July 18, 2008 –

Mediation Committee under Article 27 Subsection 3 of the Codetermination Act

Dr. Mark Wössner

Rainer Wagner

Martin Blessing
– through July 18, 2008 –

Wolfgang Flörchinger

Dr. Gerhard Rupprecht
– since July 18, 2008 –

Committee on Arranging Personnel Matters of the Management Board

Dr. Mark Wössner

Rainer Wagner

Dr. Gerhard Rupprecht

Audit Committee

Dr. Klaus Sturany

Dr. Werner Brandt
– since July 18, 2008 –

Dr. Jürgen Heraeus
– through July 18, 2008 –

Mirko Geiger

Rainer Wagner

Nomination Committee

Dr. Mark Wössner

Dr. Klaus Sturany

Management Board

Bernhard Schreier
Chairman of the Management Board

Dirk Kaliebe

Dr. Jürgen Rautert

Stephan Plenz
– since July 1, 2008 –

Financial Calendar 2008/2009

November 6, 2008	Publication of Half-Year Figures 2008/2009
February 3, 2009	Publication of Third Quarter Figures 2008/2009
May 5, 2009	Publication of Preliminary Figures 2008/2009
June 9, 2009	Press Conference, Annual Analysts' and Investors' Conference
July 23, 2009	Annual General Meeting
August 4, 2009	Publication of First Quarter Figures 2009/2010
November 3, 2009	Publication of Half-Year Figures 2009/2010

Subject to change

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Aktiengesellschaft
Kurfuersten-Anlage 52 – 60
69115 Heidelberg
Germany
www.heidelberg.com
investorrelations@heidelberg.com

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Kurfuersten-Anlage 52 – 60
69115 Heidelberg
Germany
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