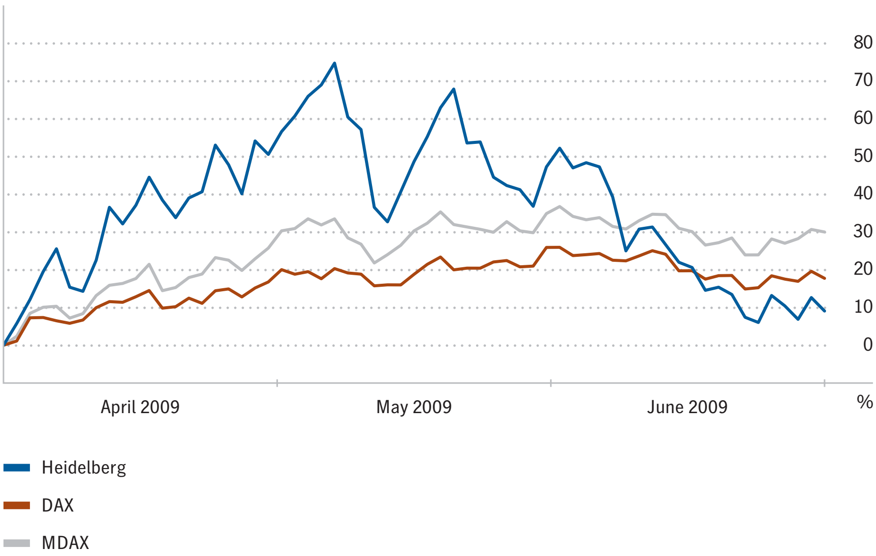
Q1

INTERIM FINANCIAL REPORT
2009/2010

HEIDELBERG

PERFORMANCE OF THE HEIDELBERG SHARE

compared with the DAX/MDAX (Index: April 1, 2009 = 0 percent)



KEY PERFORMANCE DATA

Figures in € millions

	Q1 prior year	Q1 2009/2010
Incoming orders [1]	1,151	**550**
Net sales	657	**514**
Total operating performance	836	**478**
Result of operating activities [2]	– 35	**– 63**
– in percent of sales	– 5.3	**– 12.3**
Net loss	– 39	**– 69**
– in percent of sales	– 5.9	**– 13.4**
Cash flow	– 26	**– 70**
– in percent of sales	– 4.0	**– 13.6**
Free cash flow	– 211	**– 29**
Research and development costs	50	**30**
Investments	44	**10**
Earnings per share in €	– 0.51	**– 0.89**

[1] The same quarter the previous year comprises incoming orders generated at the drupa trade show; incoming orders the previous year amounted to € 560 million in Q3 and € 474 million in Q4

[2] Excluding special items

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The Heidelberg Share

Following the German economy's plunge in the first quarter of calendar year 2009 – the biggest downturn since quarterly surveys were introduced in 1970 – the outlook improved slightly during the second quarter. During the reporting quarter, the hope for an end to the downturn or even a stabilization of the global economy caused an upswing of the two major German share indexes, the DAX and the MDAX, by approximately 18 percent and 30 percent, respectively.

At first, the Heidelberg share also benefited from the improved economic data, thereby rising considerably in value at the beginning of the quarter and reaching a quarterly record level of € 6.36 in May. The development of Heidelberg's share price during the reporting quarter was additionally influenced by commitments of the Federal Government and States to make available guaranteed credits under the so-called Economic Stimulus Package II as well as by the Heidelberg Group's new financing structure. Nevertheless, higher refinancing costs, the continued bleak economic climate in the print industry, and the low capacity utilization of print shops worldwide caused declines in the share price during the second half of the reporting quarter.

The Heidelberg share closed at € 3.97 on June 30 – representing an increase of approximately 9 percent for the reporting quarter.

KEY PERFORMANCE DATA OF THE HEIDELBERG SHARE

Figures in €

	Q1 prior year	**Q1 2009/2010**
Earnings per share	– 0.51	– 0.89
Cash flow per share	– 0.34	– 0.90
Share price – high	18.06	6.36
Share price – low	13.03	3.85
Share price – beginning of the quarter [1]	15.42	3.85
Share price – end of the quarter [1]	13.03	3.97
Market capitalization at the end of the quarter in € millions	1,017	310
Number of shares in thousands [2]	77,643	77,643

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

Overall Picture

As expected, during the reporting quarter our customers' propensity to invest, and thereby also our incoming orders, remained at the low level of prior quarters. We had also anticipated a decline in quarterly sales from the same quarter the previous year. We were able to partially compensate for the consequent lack of profit contributions through savings generated by our Heidelberg 2010 program. We were also successful in substantially limiting the outflow of funds from the free cash flow compared with the previous year.

Underlying Conditions

In calendar year 2008, the **global economy** fell into a deep crisis, which subsequently further intensified at the beginning of 2009. Due primarily to the numerous government programs to support the economy, the downturn at least slowed down by mid-year 2009. Even though the economic data has not yet improved, hope is at least being provided by the outlook for an improvement in the economy.

In the **US,** although fiscal-policy measures prevented the complete collapse of the financial sector, private households suffered an enormous deterioration in assets. Together with a higher savings rate, this resulted in a very low propensity to spend. Due to slack demand, companies have considerable excess capacities.

In **Europe** as well, the economy is suffering from globally weak demand. The general uncertainty concerning future economic developments is burdening consumer spending, which is consequently lacking as a support for growth. In the euro region, the exporting country **Germany** has been hardest hit by the crisis. Rapidly increasing unemployment is currently being limited by the government-supported short-time work model. German households have also increased their savings rate. Domestic demand is being reinforced by the government's economic stimulus packages.

In **Eastern Europe,** the economies are burdened by in some cases massive currency devaluations and rising unemployment. **Russia** is suffering from the weakness in the price of oil. The banking crisis has furthermore resulted in a considerable deterioration in assets in this country.

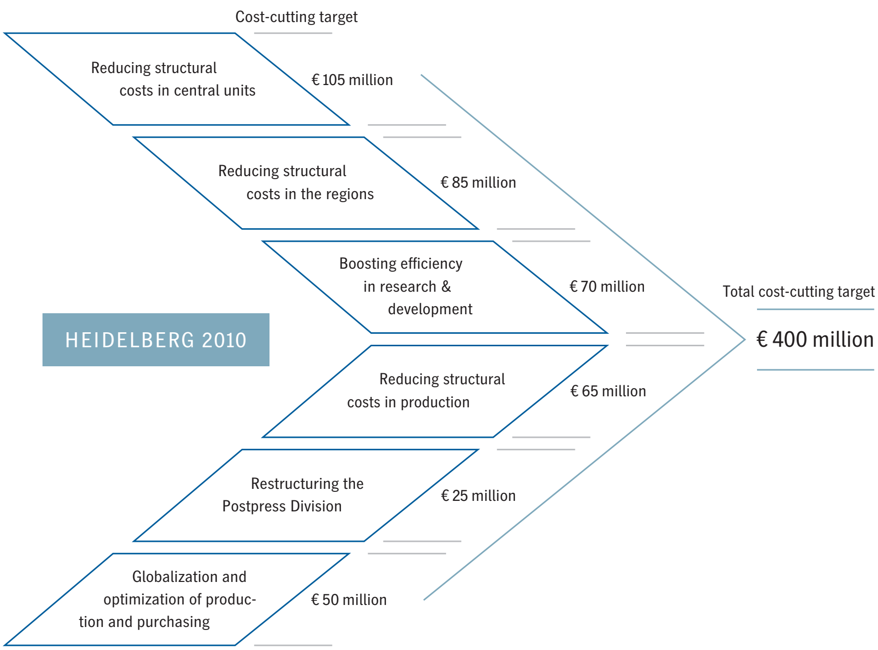
Asia was also unable to escape the economic downturn. Japan in particular has had to struggle with problems that are worsening as a result of the strengthening of the yen. Although the other countries in Asia are also subject to the impact of declining global demand, as in the past they have succeeded in continuing to generate favorable growth rates.

In **Latin America,** profits from raw material trading, which are the primary source of income for these countries, have declined considerably due to the low price of oil.

The climate of business in the **print media industry** continues to be weak. Since the capacity utilization of print shops is very low, declining advertising expenditures are causing a postponement of investments in new and replacement capital. An improvement in the production figures and capacity utilization of the print industry, which would result in an improved propensity to invest, can only be expected when overall economic conditions improve.

Heidelberg 2010

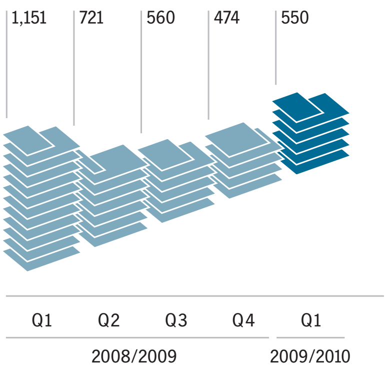
We introduced our Heidelberg 2010 program for the first time in the previous financial year, subsequently expanding it twice due to the economic climate. Based on this program, we are substantially reducing the structural costs of the Heidelberg Group in order to be in a better position to respond to periods of economic weakness in the future. We are striving for overall annual savings of € 400 million, of which € 350 to € 380 million already during the current financial year. Implementation of the program is proceeding according to plan. The graphic, below, shows the individual areas of thrust of Heidelberg 2010 and the intended cost-cutting goals.



Business Development

INCOMING ORDERS PER QUARTER

Figures in € millions



Our customers' propensity to invest continues to be influenced by the continued weak underlying cyclical conditions and persistently restrictive lending conditions, primarily in the emerging markets. Nevertheless, we were able to stabilize the **incoming orders** of the Heidelberg Group during the first quarter of € 550 million at about the same level of the two previous quarters. One positive aspect is that first signs suggest that the economy has bottomed out – still, further development remains to be seen. In addition to the economic crisis, the marked shortfall from the previous year's figure was largely attributable to the incoming orders that had arisen from the drupa trade show in the previous year. All the product lines of the two divisions, Press and Postpress, have been affected by the decline. Only the consumables area reached the previous year's level.

Due to the weak volume of orders in the first quarter, as of June 30, 2009 the **order backlog** of the Heidelberg Group declined to € 616 million.

The Heidelberg Group generated **sales** totaling € 514 million during the first quarter. Due to the weak order situation as well as the low order backlog at the end of the previous financial year, as had been expected, this figure was down by 22 percent from the previous year's figure. Developments in the various regions were varied. Whereas the figure for the North America region was 40 percent below the previous year, the Asia/Pacific region even slightly surpassed the previous year's figure due to a strong trend of sales in China.

SALES BY DIVISION

Figures in € millions

	Q1 prior year	**Q1 2009/2010**	Deviation
Press	568	460	– 19 %
Postpress	82	49	– 40 %
Financial Services	7	5	– 29 %
Heidelberg Group	657	514	– 22 %

Results of Operations, Net Assets, and Financial Position

During the reporting quarter, the **result of operating activities** of the Heidelberg Group of € – 63 million, excluding special items, benefited from savings generated by our Heidelberg 2010 program, with the decline in sales partially compensating for the lack of profit contributions. We reduced the staff costs in the short term primarily through German-wide short-time work. Moreover, the result had been burdened during the same quarter the previous year by expenses for the drupa trade show. Expenses for special items were very modest in scope during the reporting quarter.

RESULT OF OPERATING ACTIVITIES[1]

Figures in € millions

	Q1 prior year	Q1 2009/2010	Deviation
Press	– 29	– 51	– 22
Postpress	– 11	– 13	– 2
Financial Services	5	1	– 4
Heidelberg Group	– 35	– 63	– 28

1) Excluding special items

The **financial result** during the first quarter worsened from € –16 million the previous year to € – 22 million, with the development of the hedging activities' market values easing and higher refinancing cost as well as the sale of the corporate tax credit burdening the financial result. **Income before taxes** was € – 86 million for the first three months of the current financial year, with the net loss for the quarter amounting to € – 69 million as of June 30, 2009. The net loss for the quarter had amounted to € – 39 million for the same period the previous year. Earnings per share amount to € – 0.89.

During the reporting quarter, we were successful in considerably reducing **investments** in tangible and intangible assets, which amounted to € 10 million – 77 percent below the previous year's volume.

The **total assets** of the Heidelberg Group amounted to € 3,054 million as of the quarterly reporting date – down by € 187 million from the previous financial year-end.

Among **assets,** we were able to substantially reduce trade receivables and inventories with the help of the measures we launched during the past financial year. Receivables from sales financing also declined slightly. Furthermore, other assets decreased due to the sale of the corporation income tax credit during the reporting quarter.

Among **equity and liabilities,** shareholders' equity as of June 30, 2009 declined to € 728 million as a consequence of the quarterly loss. The equity ratio amounts to 23.8 percent. Financial liabilities rose again slightly, amounting to € 804 million at the quarterly reporting date, following € 760 million at the previous financial year-end.

BALANCE SHEET STRUCTURE

Figures in € millions

	31-Mar-2009	in percent of total assets	30-Jun-2009	in percent of total assets
Non-current assets	1,352	41.7	1,253	41.0
Current assets	1,889	58.3	1,801	59.0
Total assets	3,241	100.0	3,054	100.0
Shareholders' equity	796	24.6	728	23.8
Non-current liabilities	817	25.2	787	25.8
Current liabilities	1,628	50.2	1,539	50.3
Total equity and liabilities	3,241	100.0	3,054	100.0

Despite the hefty decline in the total operating performance from € 836 million the previous year to € 478 million in the reporting quarter, the **cash flow** for the reporting quarter fell only moderately from € −26 million to € −70 million against the same quarter the previous year.

Moreover, the declines in the various items comprising net working capital had a favorable impact. We were successful in generating a marked inflow of funds in both inventories and trade receivables. Favorable effects also resulted from other asset management measures. Overall, we attained an inflow of funds of € 47 million in the area of **other operating changes.** Through our consistent reduction of the investments, the **outflow of funds from investment activity** amounted to a very modest € 5 million. The outflow of funds for the same quarter the previous year had included the acquisition of Hi-Tech Coatings.

Overall, this resulted in **free cash flow** of € −29 million for the reporting quarter, compared with a considerably more unfavorable figure of € −211 million during the first quarter of the previous year.

CONSOLIDATED CASH FLOW STATEMENT

Figures in € millions

	Q1 prior year	Q1 2009/2010
Cash flow	– 26	– 70
Net working capital	– 57	85
Receivables from customer financing	21	14
Other	– 88	– 52
Other operating changes	– 124	47
Outflow of funds from investment activity	– 60	– 5
Free cash flow	– 211	– 29

Comprehensive discussions have been held with the banks that are providing the financing based on a detailed financing concept that is largely in agreement with the previous **financing structure** in type, scope, and term. These banks granted their fundamental credit approval late in May through early June 2009, however under the condition that in accordance with the second package of measures, i.e. the 'Pact for Employment and Stability in Germany' (the so-called Economic Stimulus Package II), and for the loan granted by KfW, collateral be provided by the Federal Republic of Germany and the States of Baden-Württemberg and Brandenburg by the end of August 2009. Although the corresponding administrative units have granted their fundamental approval, written confirmation is currently still pending.

Divisions

As a consequence of the weak economic situation, during the first quarter incoming orders of the **Press** Division of € 493 million remained at the low level of the previous quarters and were 52 percent below the figure for the same quarter the previous year – which had additionally included the incoming orders generated at the drupa trade show. Due to the slack demand and the low order backlog at the beginning of the reporting quarter, sales also fell short of the previous year's figure, amounting to € 460 million – 19 percent below the figure for the same quarter the previous year. The lack of profit contributions burdened the result of this division. An opposite effect resulted from the savings generated by the Heidelberg 2010 program as well as by the reduction in staff costs through the introduction of short-time work. Moreover, a large part of the expenses for the drupa trade show had been posted in the same quarter the previous year. Overall, the result of operating activities, excluding special items, amounted to € –51 million. As of June 30, 2009 this division had a total of 16,572 employees. Since March 31, 2008, the human resource capacity of this division, including temporary hirings and adjusted for first-time consolidations, was reduced by approximately 1,600 employees.

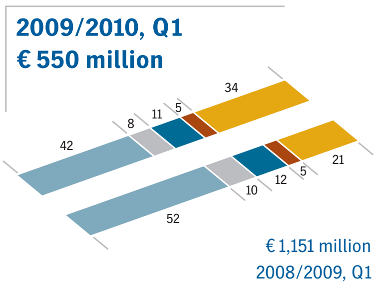
The **Postpress** Division suffered more from the poor underlying conditions during the reporting quarter than our Press Division, with incoming orders amounting to only € 52 million – 54 percent below the figure for the same quarter the previous year. The sales decline of 40 percent from the previous year was twice as high as the decrease posted by the Press Division. The lack of profit contributions resulting from weak sales are the main cause for the disappointing result of operating activities, excluding special items, of € –13 million. This division had a total of 1,718 employees as of the quarterly reporting date. Since March 31, 2008, the human resource capacity of this division, including temporary hirings and adjusted for first-time consolidations, was cut back by approximately 400 employees.

The weak business environment also burdened the result of the **Financial Services** Division during the reporting quarter. Due to the weak equipment sales, receivables from sales financing declined further. Nevertheless, we anticipate an increase again in this area in the second half of the financial year. The poor business environment and special factors in the emerging markets resulted in an increase in past-due items in our portfolio, for which we formed a corresponding risk provision. The result of the provision for risks together with declining net interest is responsible for this division's considerable decline in the result of operating activities compared with the same quarter the previous year. This figure nevertheless again remained moderately in the black for the reporting quarter.

Regions

INCOMING ORDERS BY REGION

Percentage Heidelberg Group



	Q1 09/10	Q1 prior year
Europe, Middle East and Africa	**42**	52
Eastern Europe	**8**	10
North America	**11**	12
Latin America	**5**	5
Asia/Pacific	**34**	21
Heidelberg Group	**100**	100

With incoming orders of only € 234 million and experiencing a 61 percent decline from the same quarter the previous year, the **Europe, Middle East and Africa** region suffered considerably from the weak economic environment. Moreover, particularly in the German market, the previous year's figure had been very high due to the success of the drupa trade show. The sales in this region of € 226 million during the reporting quarter also fell far short of the previous year's figure.

During the first quarter of the current financial year, the **Eastern Europe** region also suffered a substantial decline in orders to € 46 million, which amounted to 60 percent less than the previous year's figure. By contrast, the sales of this region totaling € 69 million, which were nearly at the previous year's level, were gratifying. This development was reinforced by the delivery of a large web offset printing press order in the Russian market.

As in the previous quarters, the print media industry in the **North America** region also continues to suffer from the impact of the world economic crisis. Our customers' propensity to invest is low, and the figures for the reporting quarter give little hope for a short-term improvement in the situation. The region's incoming orders and sales during the first quarter were, respectively, € 59 million, down by 57 percent, and € 84 million, down by 41 percent from the previous year's figure.

Primarily due to a hefty decline in the Brazilian market, the incoming orders of the **Latin America** region of € 26 million were considerably below the previous year's figure. Sales in this region were also a weak € 19 million.

The smallest decline in incoming orders from the previous year was posted by the **Asia/Pacific** region. Reinforced by the favorable course of the China Print trade show, which was held during May 12 – 16 in Beijing, and the high level of incoming orders in the Chinese market, the figure of € 185 million was only 24 percent below the previous year's figure. The decline is primarily attributable to the low volume of orders in the Japanese market. This region's share in total incoming orders of the Heidelberg Group has increased significantly against the same quarter the previous year. Sales of € 150 million even slightly surpassed the previous year's level, with a marked increase posted above all in the Chinese market.

NET SALES BY REGION

Figures in € millions

	Q1 prior year	**Q1 2009/2010**	Deviation
Europe, Middle East and Africa	323	226	– 30 %
Eastern Europe	71	69	– 3 %
North America	84	50	– 41 %
Latin America	31	19	– 39 %
Asia/Pacific	148	150	1 %
Heidelberg Group	657	514	– 22 %

Employees

The number of employees in the Heidelberg Group continues to fall. As of June 30, 2009, Heidelberg had a total number of 18,353 employees. The number of employees thereby declined by 573 during the first quarter. We were additionally able to reduce the number of temporary hirings by a further 60 people. Since March 31, in 2008, we therefore succeeded with cutting back our human resource capacity, adjusted for first-time consolidations, by 2,000 positions. Overall, within the framework of the Heidelberg 2010 program we intend to reduce the number of positions by up to 5,000 worldwide in a socially responsible manner. In order to generate short-term savings in the human resources area, we continue to make use of the instrument of short-time work throughout Germany.

EMPLOYEES BY DIVISION

Number of employees

	31-Mar-2009	30-Jun-2009
Press	17,040	16,572
Postpress	1,818	1,718
Financial Services	68	63
Heidelberg Group	18,926	18,353

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 control them or to make appropriate provisions. We also intend to assess opportunities as early on as possible and systematically take advantage of them. For a detailed version of our Risk and Opportunity Report, please refer to our 2008/2009 Annual Report.

The economic and financial market crisis has had an impact on the Heidelberg Group. The overall risk situation has intensified compared with the previous year. We report on the measures to stabilize our financing structure on page 10. Even though final written confirmation is still outstanding, the fundamental credit approval by the banks and collateral in the form of a guarantee as well as a liability exemption by the German Federal Government and German Federal States have already been granted. Should a complete and legally binding agreement fail to occur, this would result in a risk endangering Heidelberg's existence. No other recognizable risk that could threaten the existence of the Heidelberg Group is currently foreseeable.

There continues to be a significant risk that overall economic conditions could further worsen or fail to improve to the expected degree. Since our industry is dependent on advertising expenditures, which, in turn, are influenced by business developments, the print media industry is particularly affected by economic uncertainties.

We continue to pursue a strategy of reinforcing those business units that will make us less dependent on cyclical fluctuations in the future. These include in particular packaging printing as well as business with services and consumables for the print industry. Moreover, we are reducing the Group's structural costs by means of our Heidelberg 2010 package of measures. We intend to further implement these measures according to plan during the current financial year.

Besides risks, there are also opportunities that would favor our business. We see an opportunity that, primarily due to the measures that have been implemented by many governments, the economic situation could recover more rapidly and on a more sustained basis than is generally expected, and confidence in the economy could return.

Future Prospects

The global economy has remained in a deep recession. No clear upward trend can be seen at present. Print shops in the commercial printing area – our largest target group – must accept enormous declines in orders, and their propensity to invest remains low. It is currently still uncertain whether the recession has bottomed out. Most leading economic research institutes only expect a turnaround in calendar year 2010. Global Insight anticipates a further 2.7 percent decline in global economic performance in 2009 and growth of 1.9 percent the following year. However, all forecasts are fraught with considerable uncertainties.

Due to these underlying conditions, we must assume that the overall sales level of the Heidelberg Group during the current financial year will fall below the low level of the previous financial year. A lack of profit contributions will consequently unfavorably influence the result of operating activities. Our Heidelberg 2010 program is serving to lower the Group's break-even point as quickly as possible. The scheduled implementation of this program will already begin producing perceptible savings during the current financial year. The enormously higher refinancing costs, which also include the costs of guarantees under the Economic Stimulus Package II, will considerably burden our financial result. For these reasons, we are projecting a net loss for the current financial year.

Supplementary Report

Our explanations concerning the financing structure in the financial position section on page 9 may be amended as follows: On August 7, 2009 we were able to sign the credit agreements with our banks and complete our negotiations. We expect to receive the deeds of guarantee from the German Federal Government and the States during the course of August. Subsequently, the risk endangering Heidelberg's existence described in the Risk and Opportunity Report on page 13 will cease to apply.

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 macroeconomic 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 2009/2010 IN REVIEW

APRIL 2009

MAY 2009

APRIL 7
New PMA
in Amsterdam

APRIL 30
Stahlfolder
anniversary

New Print Media Academy (PMA) in Amsterdam

April 7, 2009 +++ Opening ceremony with sales partner Tetterode +++

In April, Heidelberg and its sales partner Tetterode-Nederland bv opened a new Print Media Academy in Amsterdam. The opening ceremony was attended by more than 80 guests from the print media industry. Offerings will include product and application trainings as well as seminars and workshops on industry-relevant topics. Heidelberg now has 19 Print Media Academies in 16 countries.

60 Years of Stahlfolder Production in Ludwigsburg

April 30, 2009 +++ Folding machines represented worldwide +++

The Ludwigsburg site of Heidelberger Druckmaschinen Aktiengesellschaft celebrates the 60th anniversary of its folding machines. Founded under the name of Stahl & Co. in 1949, the company was taken over by Heidelberg in 1999. During the 'Stahlfolder Demo Weeks' at the Information Center in Ludwigsburg, customers from all over the world had the chance to learn about the history and the advantages of the latest folding machine models.

JUNE 2009

MAY 12 – 16
China Print

JUNE 9 – 12
Graphitec

JUNE 16 – 17
Packaging Days

China Print 2009

May 12 – 16, 2009 +++ Heidelberg presents a comprehensive range of solutions in Beijing +++

At the China Print 2009 trade show, on an area of more than 3,500 square meters, Heidelberg presented its comprehensive range of solutions along the entire added-value chain of sheetfed offset printing, including various locally manufactured exhibits. Based on the slogans 'HEI Performance' and 'HEI Value', seen at drupa, Heidelberg focused on continuity in its corporate identity on the international stage. At the same time Heidelberg has tailored its exhibits to the strong Chinese market. China Print is the largest and most important trade show for the Chinese printing industry.

Graphitec 2009

June 9 – 12, 2009 +++ Impetus despite economic crisis +++

Notwithstanding the economic crisis, around 200 exhibitors were represented at the major international trade show, Graphitec, which took place in Paris in June. With some 11,000 visitors, the trade show was regarded as a success. The Heidelberg booth was well attended, with its focus on the topics of sustainability and differentiation.

Second International Packaging Days

June 16 – 17, 2009 +++ Heidelberg underscores its leading position in packaging printing +++

The second international Packaging Days, which took place in the Print Media Center in Hall 11 at the Wiesloch-Walldorf site on June 16 and 17, 2009. More than 160 customers from various countries seized the opportunity to obtain extensive information on Heidelberg's innovations in packaging printing.

> CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD APRIL 1, 2009 TO JUNE 30, 2009

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Consolidated interim income statement April 1, 2009 to June 30, 2009

> INTERIM INCOME STATEMENT

Figures in € thousands

	Note	1-Apr-2008 to 30-Jun-2008	**1-Apr-2009 to 30-Jun-2009**
Net sales		656,944	514,189
Change in inventories		161,207	– 38,017
Other own work capitalized		18,140	1,961
Total operating performance		836,291	478,133
Other operating income	3	35,189	31,074
Cost of materials	4	394,471	222,008
Personnel expenses		291,630	194,893
Depreciation and amortization		30,502	26,722
Other operating expenses	5	189,680	128,688
Special items	6	–	1,625
Result of operating activities		– 34,803	– 64,729
Financial income	7	4,448	17,352
Financial expenses	8	19,988	39,025
Financial result		– 15,540	– 21,673
Income before taxes		– 50,343	– 86,402
Taxes on income		– 11,042	– 17,553
Consolidated net loss		– 39,301	– 68,849
Undiluted earnings per share according to IAS 33 (in € per share)	9	– 0.51	– 0.89
Diluted earnings per share according to IAS 33 (in € per share)	9	– 0.51	– 0.89

Consolidated interim balance sheet as of June 30, 2009

> ASSETS

Figures in € thousands

	Note	31-Mar-2009	30-Jun-2009
Non-current assets			
Intangible assets	10	322,246	315,781
Tangible assets	10	645,615	632,671
Investment property	10	1,766	1,762
Financial assets		28,857	28,370
Receivables from customer financing		150,976	139,764
Other receivables and other assets	11	40,019	44,413
Income tax assets		70,862	749
Deferred tax assets		92,126	89,240
		1,352,467	1,252,750
Current assets			
Inventories	12	1,034,126	993,733
Receivables from customer financing		122,218	113,478
Trade receivables		450,866	344,059
Other receivables and other assets	11	157,660	222,323
Income tax assets		27,995	17,679
Marketable securities		889	–
Cash and cash equivalents		79,117	93,918
		1,872,871	1,785,190
Assets held for sale		15,824	15,824
Total assets		3,241,162	3,053,764

> EQUITY AND LIABILITIES

Figures in € thousands

	Note	31-Mar-2009	**30-Jun-2009**
Shareholders' equity	13		
Subscribed capital		198,767	198,767
Capital reserves and retained earnings		846,066	597,719
Consolidated net loss		– 248,707	– 68,849
		796,126	727,637
Non-current liabilities			
Provisions for pensions and similar obligations	14	154,162	145,032
Other provisions	15	349,055	360,689
Financial liabilities	16	127,094	124,224
Other liabilities	17	148,592	131,075
Deferred tax liabilities		37,753	25,795
		816,656	786,815
Current liabilities			
Other provisions	15	469,499	397,467
Financial liabilities	16	632,824	680,167
Trade payables		181,920	149,608
Income tax liabilities		1,962	2,296
Other liabilities	17	342,175	309,774
		1,628,380	1,539,312
Total equity and liabilities		3,241,162	3,053,764

> CONSOLIDATED CASH FLOW STATEMENT

Figures in € thousands

	1-Apr-2008 to 30-Jun-2008	**1-Apr-2009 to 30-Jun-2009**
Consolidated net loss	– 39,301	– 68,849
Depreciation and amortization [1]	30,502	26,802
Change in pension provisions	4,252	6,344
Change in deferred tax assets/deferred tax liabilities/ tax provisions	– 21,654	– 34,797
Result from disposals [1]	15	34
Cash flow	– 26,186	– 70,466
Change in inventories	– 177,142	28,435
Change in sales financing	21,231	13,860
Change in trade receivables/trade payables	95,445	66,674
Change in other provisions	– 36,339	– 29,847
Change in other balance sheet items	– 27,240	– 31,905
Other operating changes	– 124,045	47,217
Outflow of funds from operating activities	– 150,231	– 23,249
Intangible assets/tangible assets/investment property		
Investments	– 43,832	– 10,138
Proceeds from disposals	11,328	4,786
Financial assets		
Investments	– 27,839	– 1
Proceeds from disposals	–	–
Outflow of funds from investment activity	– 60,343	– 5,353
Free cash flow	– 210,574	– 28,602
Dividend payment	–	–
Change in financial liabilities	153,459	42,513
Inflow of funds from financing activity	153,459	42,513
Net change in cash and cash equivalents	– 57,115	13,911
Cash and cash equivalents at the beginning of the quarter	143,943	80,006
Changes in the scope of the consolidation	1,277	67
Currency adjustments	58	– 66
Net change in cash and cash equivalents	– 57,115	13,911
Cash and cash equivalents at the end of the quarter	88,163	93,918

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

> STATEMENT OF RECOGNIZED INCOME AND EXPENSE

Figures in € thousands

	1-Apr-2008 to 30-Jun-2008	**1-Apr-2009 to 30-Jun-2009**
Consolidated net loss	– 39,301	– 68,849
Pension obligations	– 25,632	20,972
Foreign currency translation	– 38	– 18,927
Financial assets	119	619
Cash flow hedges	6,477	268
Deferred income taxes	2,030	– 831
Total recognized income and expense without effect on the income statement	– 17,044	2,101
Total comprehensive income	– 56,345	– 66,748

> DEVELOPMENT OF SHAREHOLDERS' EQUITY

Figures in € thousands

	2008	**2009**
Shareholders' equity as of April 1	1,192,835	796,126
Dividend payment	–	–
Total comprehensive income	– 56,345	– 66,748
Consolidations/other changes	2,742	– 1,741
Shareholders' equity as of June 30	1,139,232	727,637

> CONSOLIDATED SEGMENT INFORMATION APRIL 1, 2009 TO JUNE 30, 2009[1)]

Figures in € thousands

	Press		Postpress		Financial Services		**Heidelberg Group**	
	1-Apr-08 to 30-Jun-08	**1-Apr-09 to 30-Jun-09**	1-Apr-08 to 30-Jun-08	**1-Apr-09 to 30-Jun-09**	1-Apr-08 to 30-Jun-08	**1-Apr-09 to 30-Jun-09**	1-Apr-08 to 30-Jun-08	**1-Apr-09 to 30-Jun-09**
External sales	568,199	459,704	81,658	49,264	7,087	5,221	656,944	514,189
Result of operating activities (segment result)	– 29,484	– 52,951	– 10,643	– 12,942	5,324	1,164	– 34,803	– 64,729
Investments	42,197	7,400	1,635	2,968	–	–	43,832	10,368
Segment assets[2)]	2,428,793	2,354,176	230,835	221,733	280,363	259,248	2,939,991	2,835,157

1) For additional explanations see note 19

2) Previous year's figures refer to March 31, 2009

Notes

1 Accounting and valuation policies

The consolidated interim financial report as of June 30, 2009 was prepared in accordance with the International Financial Reporting Standards (IFRS) for interim financial reporting as applicable in the European Union.

The consolidated interim financial report was based on the same accounting and valuation policies as the consolidated Annual Report for the financial year 2008/2009, and complies with the provisions of IAS 34 (interim financial reporting). In accordance with the provisions of IAS 34 a set of condensed financial statements is published compared to the consolidated financial statements as of March 31, 2009.

The International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) have issued the following new standards, amendments to existing standards, and interpretations, which are to be applied for the first time in financial year 2009/2010:

Standard	Publication by the IASB/IFRIC	Effective date[1]	Adopted by EU Commission	Effects
Amendments to standards				
IAS 1: 'Presentation of Financial Statements'	September 6, 2007	January 1, 2009	December 18, 2008	> No material effects
IAS 23: 'Borrowing costs'	March 29, 2007	January 1, 2009	December 17, 2008	> No material effects
'Amendments to IAS 32 and IAS 1: Puttable Financial Instruments and Obligations Arising on Liquidation'	February 14, 2008	January 1, 2009	January 22, 2009	> None
'Amendments to IFRS 1 and IAS 27: Cost of an Investment in a Subsidiary, Jointly Controlled Entity, or Associated Company'	May 22, 2008	January 1, 2009	January 24, 2009	> None
IFRS 2: 'Share-based Payment'	January 17, 2008	January 1, 2009	December 17, 2008	> None
'Improvements to International Financial Reporting Standards 2008'	May 22, 2008	January 1, 2009	January 24, 2009	> No material effects
New standards				
IFRS 8: 'Operating Segments'	November 30, 2006	January 1, 2009	November 22, 2007	> No material effects
New interpretations				
IFRIC 12: 'Service Concession Arrangements'	November 30, 2006	March 29, 2009	March 25, 2009	> None
IFRIC 13: 'Customer Loyalty Programmes'	June 28, 2007	July 1, 2008	December 17, 2008	> No material effects
IFRIC 14: 'IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction'	July 5, 2007	January 1, 2009	December 17, 2008	> No material effects

[1] For financial years beginning on or after this date

The IASB and the IFRIC approved the following standards and interpretations whose application during the financial year 2009/2010 is not yet compulsory or which have not yet been approved by the European Union (EU):

> Changes to IFRS 1: 'First-time Adoption of International Financial Reporting Standards'
> Changes to IFRS 3: 'Business Combinations'
> Changes to IFRS 7: 'Financial Instruments: Disclosures'
> Changes to IAS 27: 'Consolidated and Separate Financial Statements according to IFRS'
> Changes to IAS 39: 'Financial Instruments: Recognition and Measurement': Designated Hedged Items
> Changes to IAS 39 and IFRS 7: Reclassification of Financial Assets – Effective Date and Transition
> Changes to IFRIC 9 and IAS 39: 'Embedded Derivatives'
> IFRIC 15: 'Agreements for the Construction of Real Estate'
> IFRIC 16: 'Hedges of a Net Investment in a Foreign Operation'
> IFRIC 17: 'Distributions of Non-cash Assets to Owners'
> IFRIC 18: 'Transfers of Assets from Customers'
> 'Improvements to International Financial Reporting Standards 2009'

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 73 (March 31, 2009: 73) domestic and foreign companies in which Heidelberger Druckmaschinen Aktiengesellschaft is in a position to exercise control as defined by IAS 27. Of these companies, 64 (March 31, 2008: 65) are located outside Germany. Shares in subsidiaries that are of minor significance are not included.

During the first quarter of financial year 2009/2010, Saphira Handelsgesellschaft mbH, Waiblingen, Germany, was included in the scope of consolidation. Furthermore, Hi-Tech Coatings B.V., Zwaag, the Netherlands, was merged with Hi-Tech Coatings International B.V., Zwaag, the Netherlands.

3 Other operating income

	1-Apr-2008 to 30-Jun-2008	**1-Apr-2009 to 30-Jun-2009**
Reversal of other provisions/accrued liabilities	9,596	9,251
Income from written-off receivables and other assets	7,475	7,083
Hedging transactions/foreign-exchange profit	2,797	5,239
Income from operating facilities	4,172	3,618
Income from disposals of intangible assets, tangible assets, and investment property	338	97
Other income	10,811	5,786
	35,189	31,074

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

Proportionate interest expenses accrued in connection with the Financial Services Division totaling € 1,114 thousand (April 1, 2008 to June 30, 2008: € 75 thousand) are shown in the cost of materials. Interest income from sales financing totaling € 5,221 thousand (April 1, 2008 to June 30, 2008: € 7,087 thousand) is included in net sales.

5 Other operating expenses

	1-Apr-2008 to 30-Jun-2008	**1-Apr-2009 to 30-Jun-2009**
Special direct sales expenses including freight charges	30,822	32,053
Other deliveries and services not included in the cost of materials	60,353	24,695
Rent and leases (excluding car fleet)	18,450	13,940
Travel expenses	15,186	9,092
Provisions for doubtful accounts and other assets	7,918	8,641
Costs of car fleet	5,780	5,582
Hedging transactions/exchange rate losses	9,970	4,998
Insurance expense	4,935	4,345
Additions to provisions (relates to several expense accounts)	4,291	4,006
Other overhead costs	31,975	21,336
	189,680	128,688

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 Special items

Special items include expenses in connection with our **Heidelberg 2010 program.**

7 Financial income

	1-Apr-2008 to 30-Jun-2008	**1-Apr-2009 to 30-Jun-2009**
Interest and similar income	3,402	16,956
Income from financial assets/loans/marketable securities	1,046	396
	4,448	17,352

8 Financial expenses

	1-Apr-2008 to 30-Jun-2008	**1-Apr-2009 to 30-Jun-2009**
Interest and similar expenses	19,745	38,332
Expenses from financial assets/loans/marketable securities	243	693
	19,988	39,025

9 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 (Q1 2009/2010: 77,643,434 no-par shares). The weighted number of outstanding shares was influenced by the treasury stock. As at June 30, 2009 the treasury stock comprised an unchanged number of 400,000 shares. The inclusion of potential shares owing to the issuance of the convertible bond in the calculation of diluted earnings per share did not have any dilutive effect.

10 Intangible assets, tangible assets, and investment property

During the period April 1, 2009 to June 30, 2009 additions to investments in intangible assets totaled € 495 thousand (April 1, 2008 to June 30, 2008: € 11,086 thousand) and in tangible assets € 9,873 thousand (April 1, 2008 to June 30, 2008: € 33,848 thousand). During the same period, the carrying amounts of disposals from intangible assets amounted to € 2 thousand (April 1, 2008 to June 30, 2008: € 1 thousand) and from tangible assets € 4,818 thousand (April 1, 2008 to June 30, 2008: € 11,342 thousand).

11 Other receivables and other assets

The Other receivables and other assets item includes receivables from derivative financial instruments totaling € 36,388 thousand (March 31, 2009: € 52,838 thousand) and prepaid expenses amounting to € 49,086 thousand (March 31, 2009: € 13,932 thousand).

12 Inventories

	31-Mar-2009	**30-Jun-2009**
Raw materials, consumables, and supplies	132,495	135,692
Work and services in process	321,346	336,732
Manufactured products and merchandise	572,829	503,728
Prepayments	7,456	17,581
	1,034,126	993,733

13 Shareholders' equity

As was the case on March 31, 2009, the Company still held 400,000 shares (cost of the acquisition: € 13,258 thousand) as of June 30, 2009. 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.

Please refer to note 26 in our consolidated annual financial statements with regard to the contingent capital as of March 31, 2009 and the Authorized Capital 2008. Substantial changes compared to the financial statements resulted from the resolution of the Annual General Meeting of July 23, 2009. On this date, the Annual General Meeting decided on an amendment to the Articles of Association authorizing the Management Board, with the approval of the Supervisory Board, to increase the share capital of the Company by up to € 39,958,236.16 on one or several occasions against cash contributions by July 1, 2014 (Authorized Capital 2009). The Management Board shall be authorized, under certain conditions, to disapply the subscription rights of the shareholders. This authorization will not take effect before the amendment to the Articles of Association is entered in the commercial register. The amendment has not yet been registered.

Furthermore, the Annual General Meeting decided on July 23, 2009 to allocate € 50,000,000.00 of the unappropriated surplus for financial year 2008/2009 of € 50,527,874.47 to retained earnings and carry forward to new account the remainder of € 527,874.47.

14 Provisions for pensions and similar obligations

As of June 30, 2009 a discount rate of 6.0 percent (March 31, 2009: 6.0 percent) was used to determine actuarial gains and losses for domestic entities.

15 Other provisions

Other provisions comprise tax provisions totaling € 255,017 thousand (March 31, 2009: € 280,071 thousand) and other provisions amounting to € 503,139 thousand (March 31, 2009: € 538,483 thousand). Other provisions include staff obligations of € 104,317 thousand (March 31, 2009: € 122,635 thousand) and sales obligations of € 150,889 thousand (March 31, 2009: € 155,821 thousand).

16 Financial liabilities

	31-Mar-2009			**30-Jun-2009**		
	Current	Non-current	Total	Current	Non-current	Total
Convertible bond	303,823	–	303,823	305,941	–	305,941
Borrower's note loans	62,105	61,500	123,605	62,263	61,500	123,763
To banks	246,423	63,281	309,704	292,030	60,663	352,693
From finance lease contracts	3,646	2,157	5,803	3,192	1,920	5,112
Other	16,827	156	16,983	16,741	141	16,882
	632,824	127,094	759,918	680,167	124,224	804,391

Regarding the refinancing, please refer to the information in our consolidated management report (Results of operations, net assets, and financial position).

17 Other liabilities

Other liabilities include advance payments on orders totaling € 81,477 thousand (March 31, 2009: € 91,483 thousand), liabilities from derivative financial instruments amounting to € 39,266 thousand (March 31, 2009: € 75,262 thousand), and prepaid expenses of € 91,855 thousand (March 31, 2009: € 97,782 thousand).

18 Contingent liabilities and other financial liabilities

As of June 30, 2009 contingent liabilities for warranties and guarantees totaled € 12,805 thousand (March 31, 2009: € 16,561 thousand).

As of June 30, 2009 other financial liabilities amounted to € 404,751 thousand (March 31, 2009: € 407,987 thousand). Of this amount, € 344,214 thousand (March 31, 2009: € 343,168 thousand) apply to lease obligations and € 60,537 thousand (March 31, 2009: € 64,819 thousand) to investments and other purchasing requirements.

19 Information concerning segment reporting

The segment information is based on the **management approach.**

The segment result is assigned to income before taxes as follows:

	1-Apr-2008 to 30-Jun-2008	**1-Apr-2009 to 30-Jun-2009**
Result of operating activities (segment result)	– 34,803	– 64,729
Financial result	– 15,540	– 21,673
Income before taxes	– 50,343	– 86,402

External sales are distributed among the regions as follows:

	1-Apr-2008 to 30-Jun-2008	**1-Apr-2009 to 30-Jun-2009**
Europe, Middle East and Africa		
Germany	135,285	75,269
Other regions Europe, Middle East and Africa	187,710	150,489
	322,995	225,758
Asia/Pacific		
China	56,616	80,330
Other regions Asia/Pacific	91,143	69,660
	147,759	149,990
Eastern Europe	71,146	69,249
North America	84,196	50,348
Latin America	30,848	18,844
	656,944	514,189

20 Supervisory Board / Management Board

The members of the Supervisory Board and the Management Board are listed on page 32.

21 Related party transactions

As described in our notes to the consolidated financial statements as of March 31, 2009 under note 41, 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.

During the reporting period, transactions carried out with related parties resulted in liabilities of € 5,332 thousand (March 31, 2009: € 6,769 thousand), receivables of € 19,013 thousand (March 31, 2009: € 21,558 thousand), expenses of € 2,760 thousand (April 1, 2008 to June 30, 2008: € 4,441 thousand), and income of € 5,639 thousand (April 1, 2008 to June 30, 2008: € 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.

Enterprises controlled by a member of the Supervisory Board of Heidelberger Druckmaschinen Aktiengesellschaft have provided advisory services to a non-German fully consolidated company amounting to € 46 thousand.

22 Events after the reporting date

Our explanations concerning the financing structure in the financial position section on page 9 may be amended as follows: On August 7, 2009 we were able to sign the credit agreements with our banks and complete our negotiations. We expect to receive the deeds of guarantee from the German Federal Government and the States in the course of August. Subsequently, the risk endangering Heidelberg's existence described in the Risk and Opportunity Report on page 13 will cease to apply.

Heidelberg, August 11, 2009

Heidelberger Druckmaschinen Aktiengesellschaft
The Management Board

Supervisory Board

Dr. Mark Wössner
Chairman
of the Supervisory Board

Rainer Wagner*
Deputy Chairman
of the Supervisory Board

Dr. Werner Brandt

Edwin Eichler

Wolfgang Flörchinger*

Martin Gauß*

Mirko Geiger*

Gunther Heller*

Jörg Hofmann*

Dr. Siegfried Jaschinski

Robert J. Koehler

Dr. Gerhard Rupprecht

Beate Schmitt*

Prof. Dr.-Ing. Günther Schuh

Dr. Klaus Sturany

Peter Sudadse*

* Employee Representative

Committees of the Supervisory Board

Management Committee
Dr. Mark Wössner
Rainer Wagner
Martin Gauß
Mirko Geiger
Dr. Gerhard Rupprecht
Dr. Klaus Sturany

Mediation Committee under Article 27 Subsection 3 of the Codetermination Act
Dr. Mark Wössner
Rainer Wagner
Wolfgang Flörchinger
Dr. Gerhard Rupprecht

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
Mirko Geiger
Rainer Wagner

Nomination Committee
Dr. Mark Wössner
Dr. Klaus Sturany

Management Board

Bernhard Schreier
Chairman
of the Management Board

Dirk Kaliebe

Stephan Plenz

Dr. Jürgen Rautert

Financial Calendar 2009/2010

November 10, 2009	Publication of Half-Year Figures 2009/2010
February 9, 2010	Publication of Third Quarter Figures 2009/2010
May 11, 2010	Publication of Preliminary Figures 2009/2010
June 15, 2010	Press Conference, Annual Analysts' and Investors' Conference
July 29, 2010	Annual General Meeting

Subject to change

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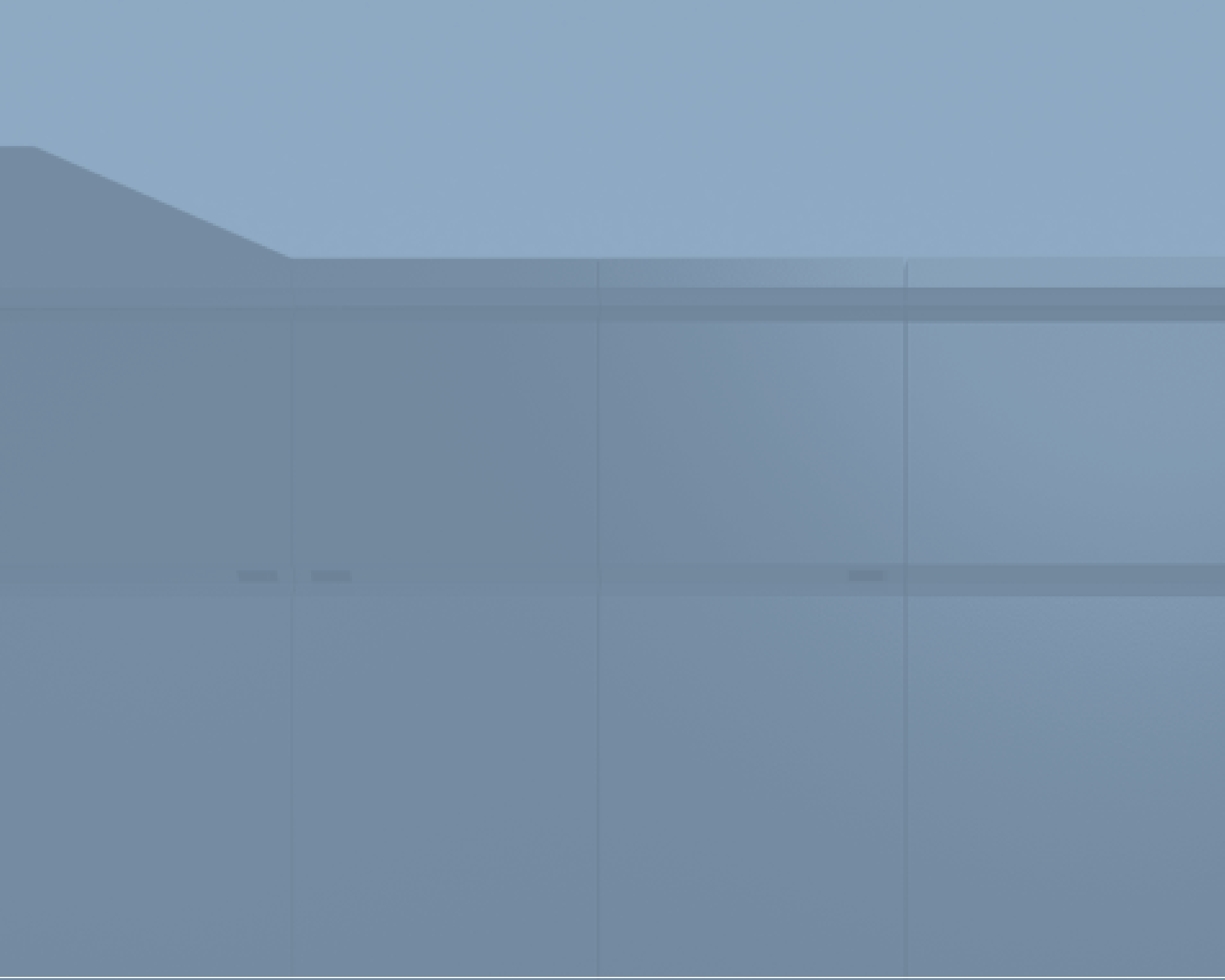

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