

Investors' & Analysts' Conference FY 10

Bernhard Schreier, CEO

Dirk Kaliebe, CFO

Andreas Trösch, Head of Investor Relations

Heidelberger Druckmaschinen AG

June 15, 2010

HEIDELBERG

NOT FOR PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA, CANADA, JAPAN OR AUSTRALIA

This presentation constitutes neither an offer to sell nor a solicitation to buy or subscribe for securities. Any such offer will be made solely on the basis of the Securities Prospectus to be published and registered with the German Financial Supervisory Authority (BaFin). The information legally required to be provided to investors is contained only in the Securities Prospectus.

The information contained in this presentation is not for distribution, directly or indirectly, in or into the United States of America (including its territories and possessions of any State of the United States of America or the District of Columbia) and must not be distributed to U.S. persons (as defined in Regulation S under the U.S. Securities Act of 1933, as amended ("Securities Act")) or publications with a general circulation in the United States of America. This publication is not an offer of securities for sale in the United States of America. The securities have not been and will not be registered under the Securities Act and may not be offered or sold in the United States of America absent registration or an exemption from registration under the Securities Act. Heidelberg Druckmaschinen AG does not intend to register any portion of the offering in the United States of America or to conduct a public offering of the securities in the United States of America.

This presentation is not an offer of securities for sale in the United Kingdom, Canada, Japan or Australia.

The offer or sale of securities or transactions may be restricted by law. Potential investors are required to inform themselves of and to observe any legal restrictions on their involvement in any transaction. There will be no offer or sale of the securities in any state or jurisdiction in which such offer; solicitation or sale would be unlawful prior to qualification under securities laws of such state or jurisdiction.

This presentation is subject to completion and amendment without notice.

Executive Summary

Heidelberg is on track to deliver strong recovery of results

- ✓ **▪ Achieved earnings guidance given in October 2009**
- ✓ **▪ Order intake has stabilised in past 4 quarters and shows first signs of recovery**
- ✓ **▪ Cost savings from successfully implemented restructuring measures**
 - Cost savings of €400m realised by implementation of „Heidelberg 2010“
 - Additional efficiencies of c. €80m identified and realisation initiated
- ✓ **▪ New segmentation to enhance focus on strategic priorities**
- ✓ **▪ Planned capital increase to strengthen balance sheet and support turnaround**
- ✓ **▪ Refinancing will be finalised by 2012**

Today's presentation will provide a detailed update on the recent development of Heidelberg's business and its strategic priorities to safeguard future success

Heidelberg update highlights

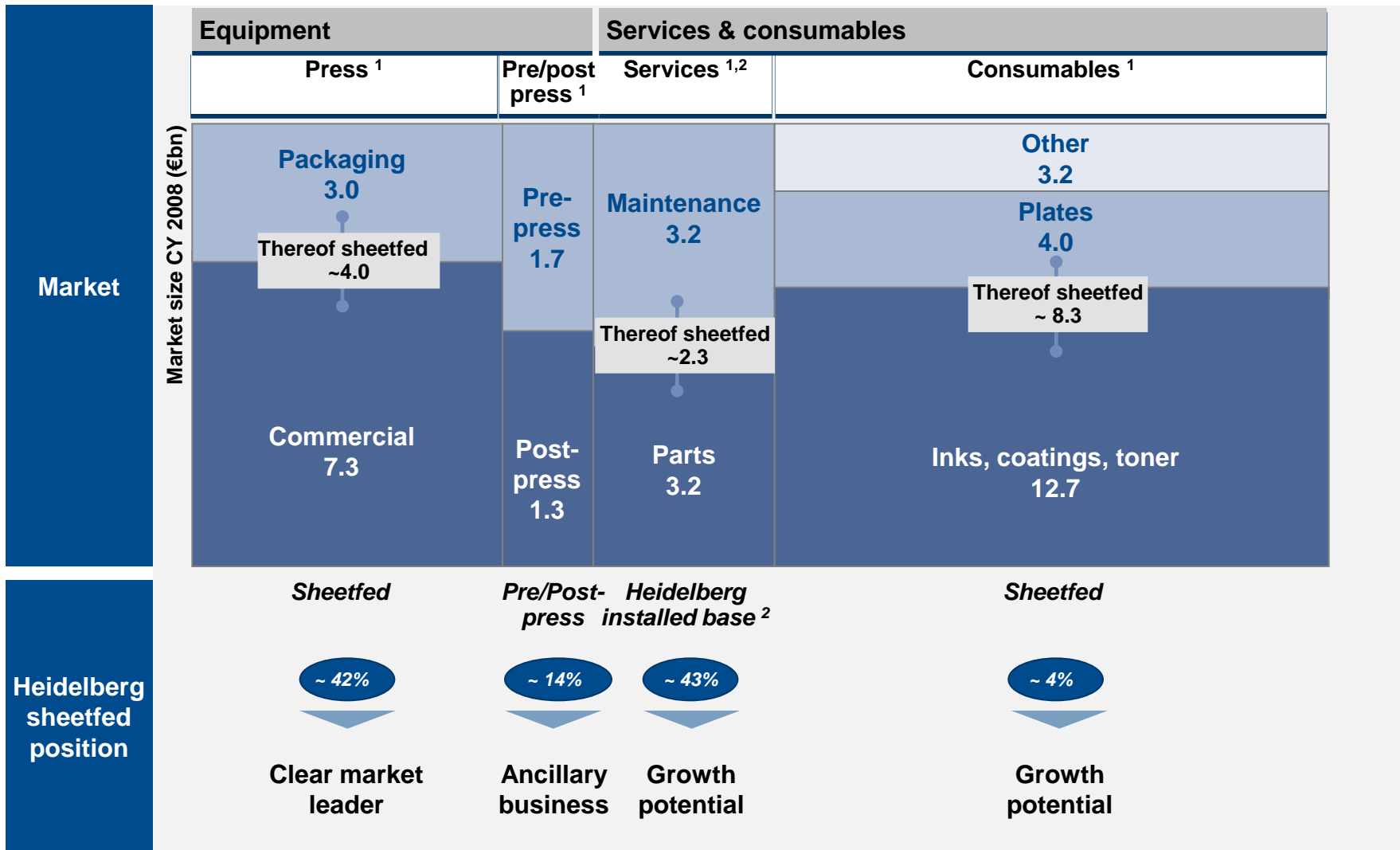
1 *Strong position to benefit from expected market recovery*

- Market leadership: global market and technology leadership in offset printing technology – strengthened further through recent down-cycle in most format classes
- Market recovery: sheetfed offset equipment market set for a cyclical recovery – expected back up to 80% of previous cycle peaks

2 *Focused strategy*

3 *Value creation roadmap*

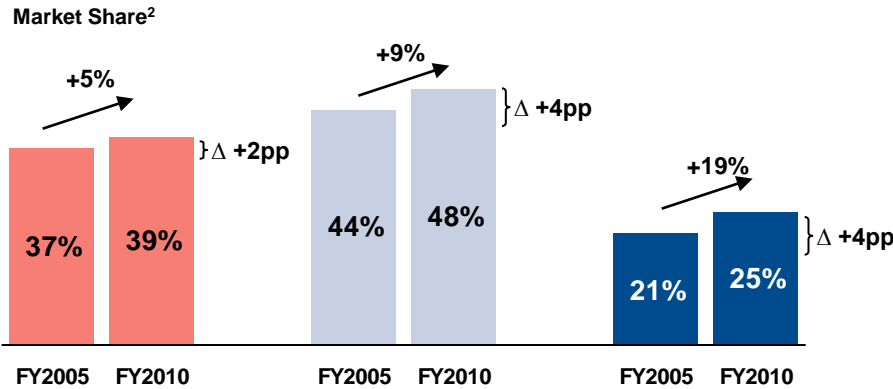
Focus on key segments of the €40bn printing technology market



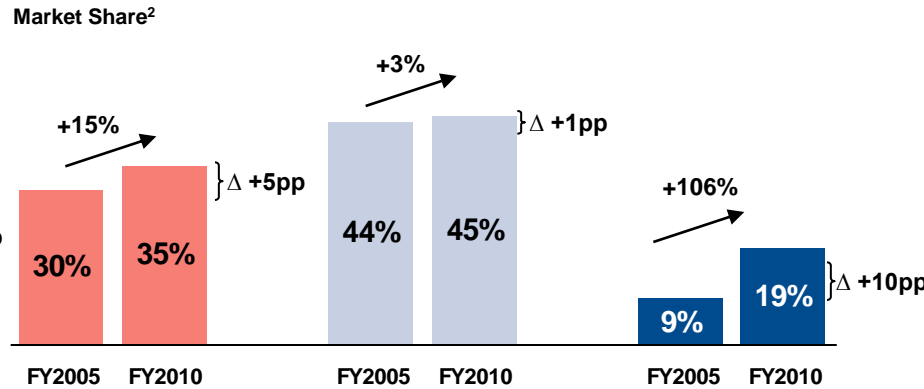
Source: Heidelberg estimates (market shares); The Boston Consulting Group, Jun. 2010 (market data); calendar year
 (1) Market sizes reflect all printing technologies (i.e. sheetfed, webfed, digital, flexo, gravure); Heidelberg market share generally referring to sheetfed markets
 (2) Heidelberg services targeted to Heidelberg installed base only, size of addressable market approx. €1bn

Market position in prime formats¹ reinforced during recent downturn

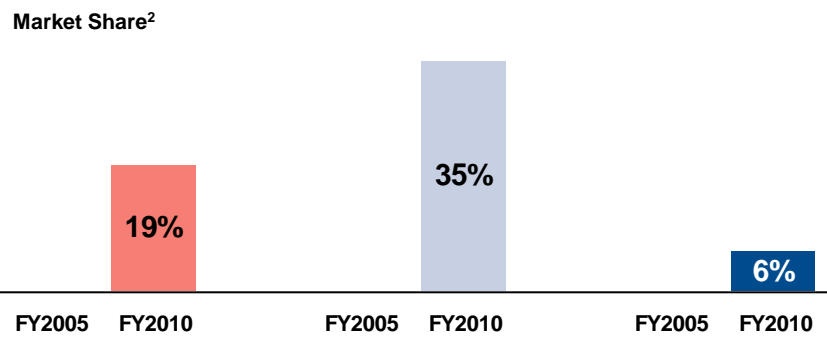
SF 70x100



SF 50x70



VLF 145 & 162



Commentary

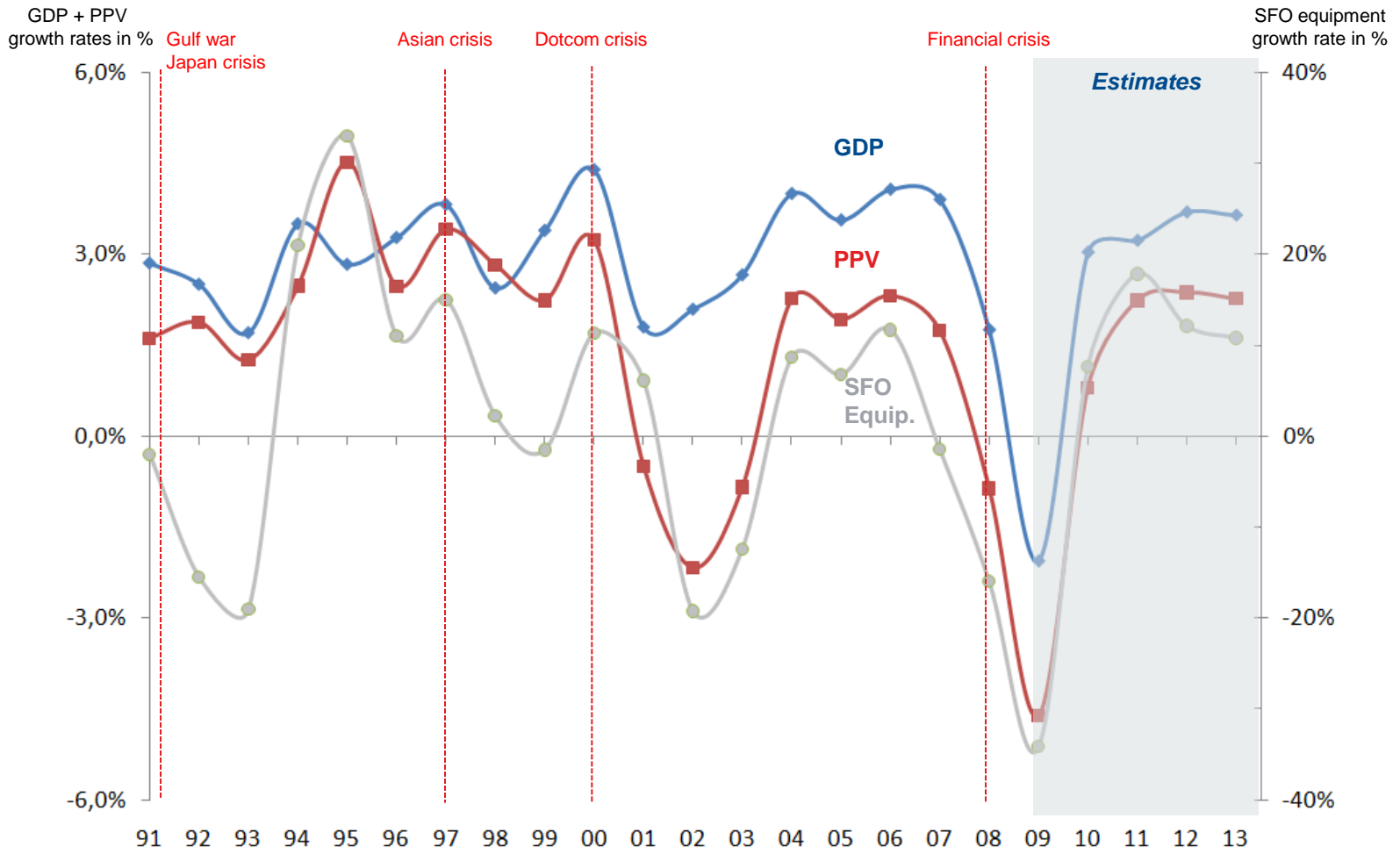
- Superior technology and close customer relationships are key drivers of Heidelberg's competitiveness
- Successful market introduction of VLF and build-up of strong presence within short time frame

Global Industrialised economies China

Source: Heidelberg estimates; data based on Heidelberg fiscal year (FYE 31 Mar)
 (1) Represents more than 85% of Heidelberg sheetfed offset new equipment sales
 (2) Based on order intake in printing units

Strong historical correlation between economic development and sheetfed equipment growth

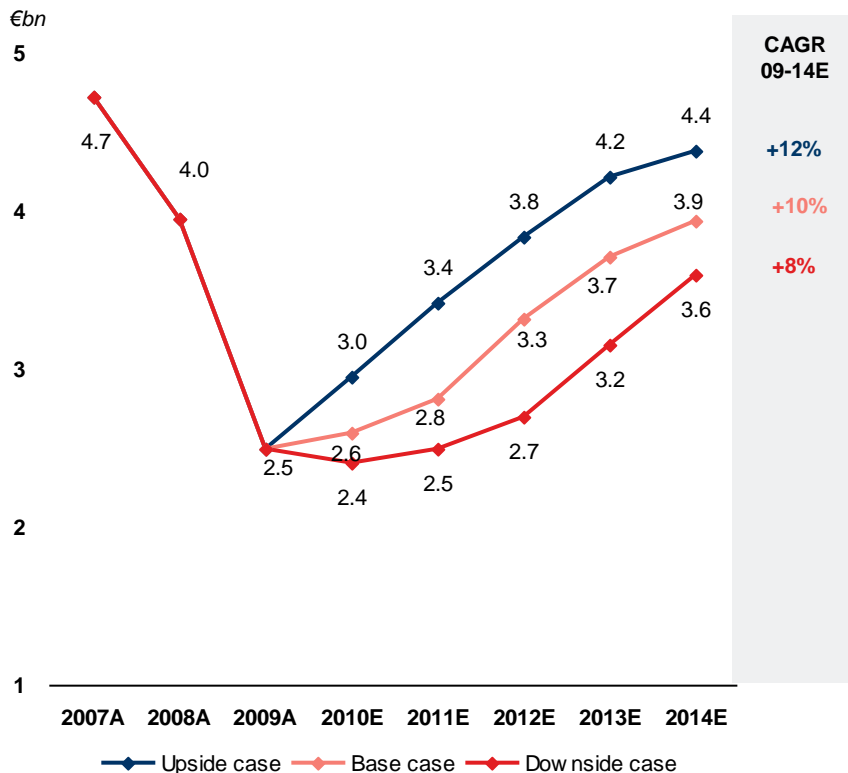
Growth rates: GDP and PPV vs. SFO Equipment ¹



Source: Heidelberg estimates, Feb. 2010 (based on: Global Insight, industry statistics, PIRA, PRIMIR, company annual reports; calendar years; 1991-2008: actuals; 2009-13: estimates)
 (1) "GDP": gross domestic product; "PPV": print production volume; "SFO": sheetfed offset

In line with economic recovery, printing equipment market expected to stabilize and return to growth from 2010 onwards

Global sheetfed offset equipment market

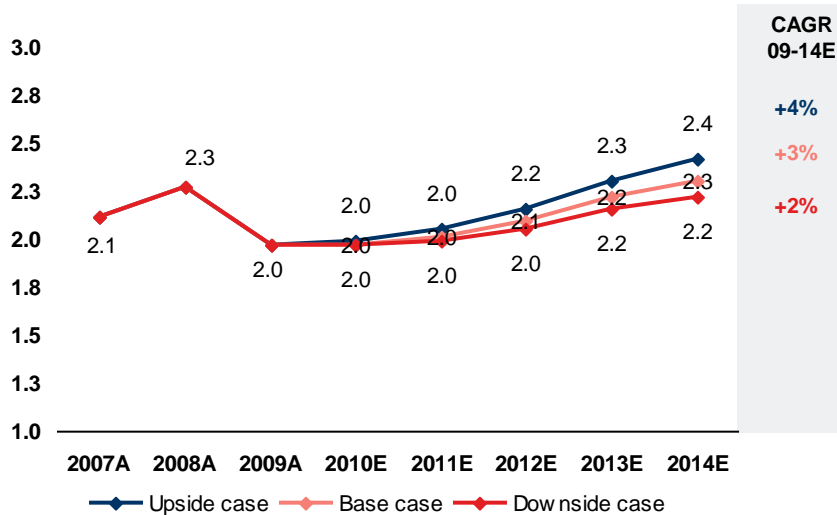


- 2009: cycle trough (50% of pre-crisis peak)
- Significant pent-up demand exists due to capex backlog among commercial printers
- Recovery from 2010 onwards to up to 80% of pre-crisis peak by 2014 expected in the base case

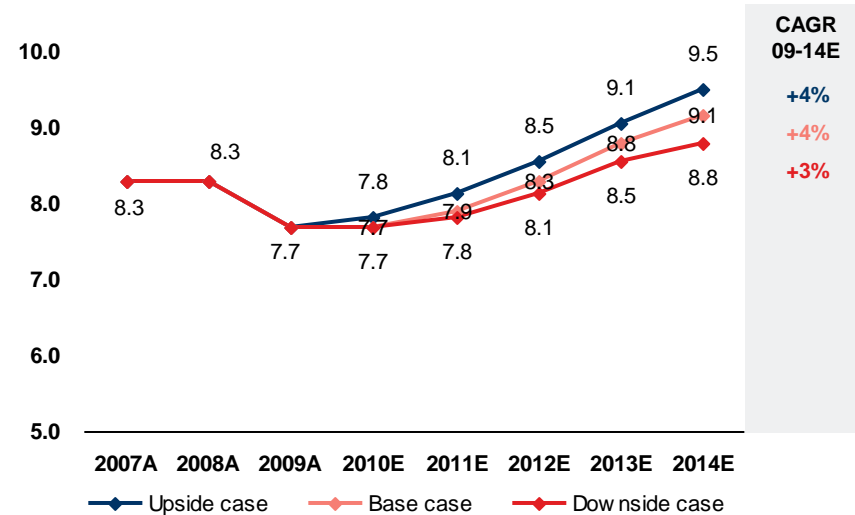
Source: The Boston Consulting Group, Jun. 2010 (calendar years; 2007-09: actuals; 2010-14: estimates)

Accelerated growth in services and consumables expected, driven by strengthened print production volumes

SF-related services market (€bn)



SF-related consumables market (€bn)



- Less cyclical than equipment business
→ less affected by crisis
- Maintenance and spare parts revenues expected to grow in line with rising utilization levels at printers

- Lower cyclical than equipment business
- Accelerated growth of consumables revenues expected to be driven by increase in print production volumes

Source: The Boston Consulting Group, Jun. 2010 (calendar years; 2007-09: actuals; 2010-14: estimates)

Heidelberg update highlights

1 *Strong position to benefit from market recovery*

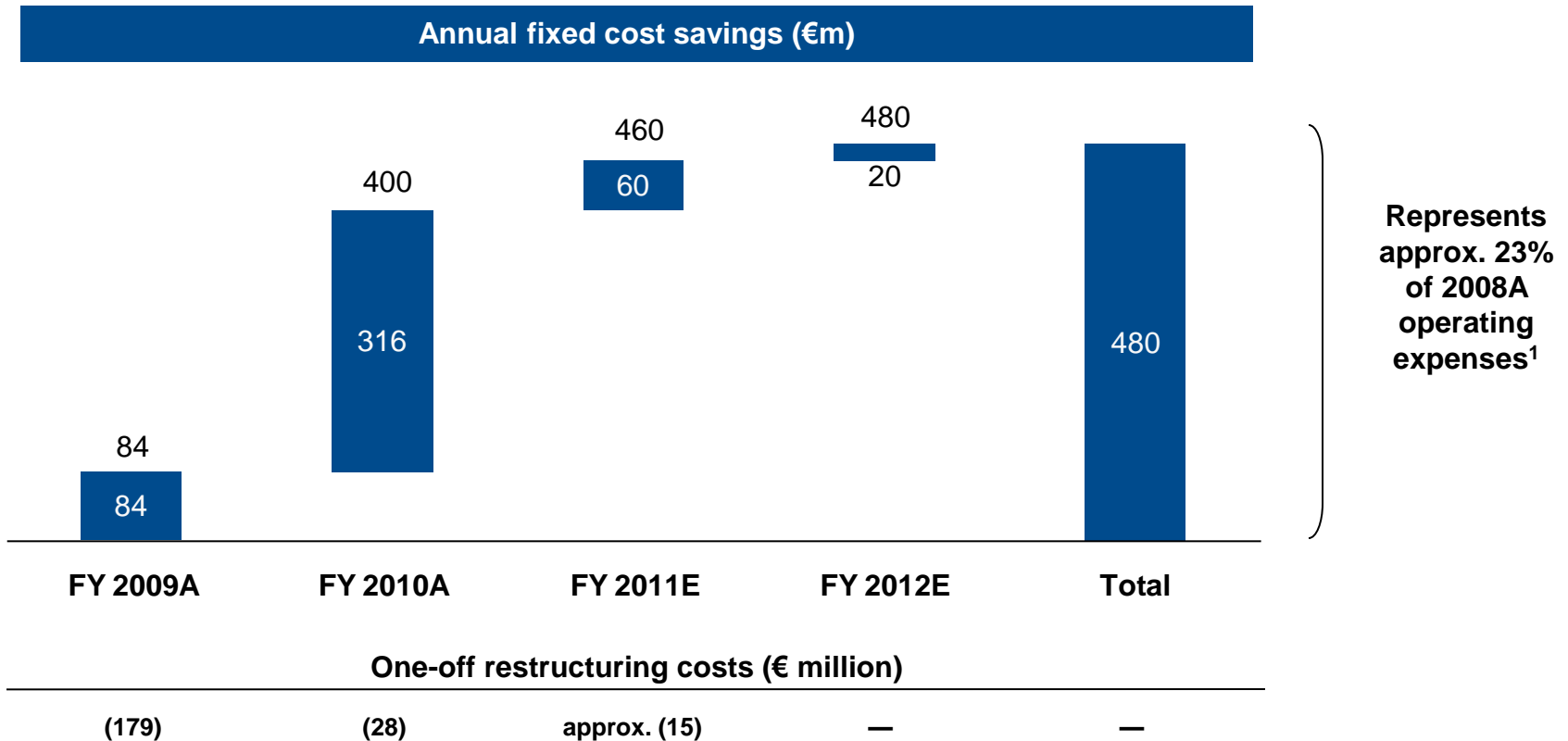
2 ***Focused strategy***

- Continued restructuring: further capacity and headcount reduction resulting in substantially lowered break-even volume and improved structural profitability
- Focus on clearly defined growth opportunities: packaging printing, services, consumables, emerging markets and opportunities in digital technology

3 *Value creation roadmap*

Estimated total fixed cost savings of €480m reduce cost base sustainably

Improvement program of €400m already concluded in FY 2010, further cost measures planned until FY 2012

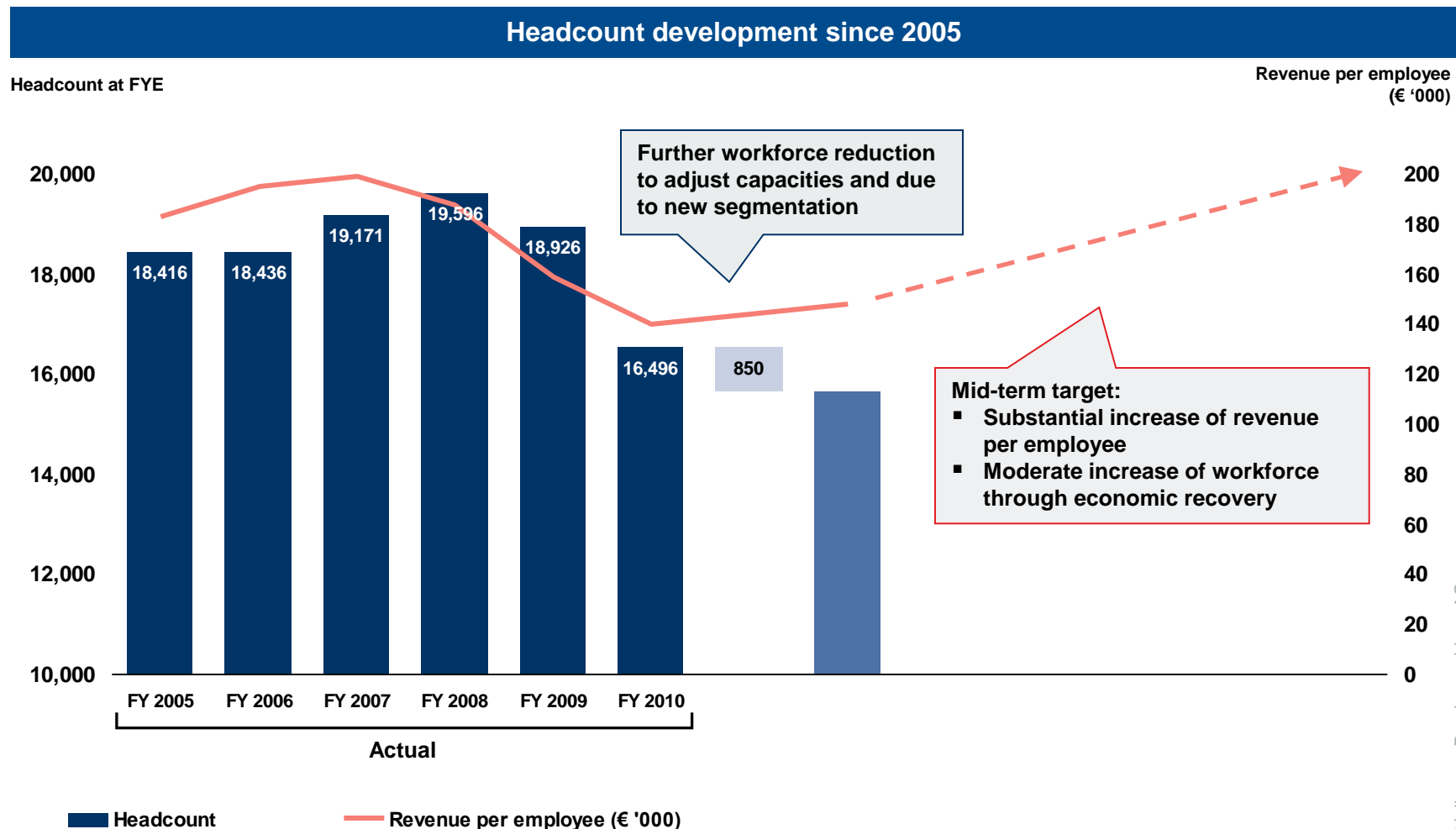


Source: Heidelberg; financial data based on Heidelberg fiscal year (FYE 31 Mar); 2009-2010: actual (as per annual report); 2011-2012: estimates (as per Heidelberg press releases (22/04/2010, 30/03/2010, 07/10/2009, 26/03/2009))

(1) Operating expenses incl. personnel, D&A and other operating expenses, excluding cost of materials

Substantial headcount reduction delivers sustainably lower cost base

Workforce has been reduced by around 4,000 by March 2010¹

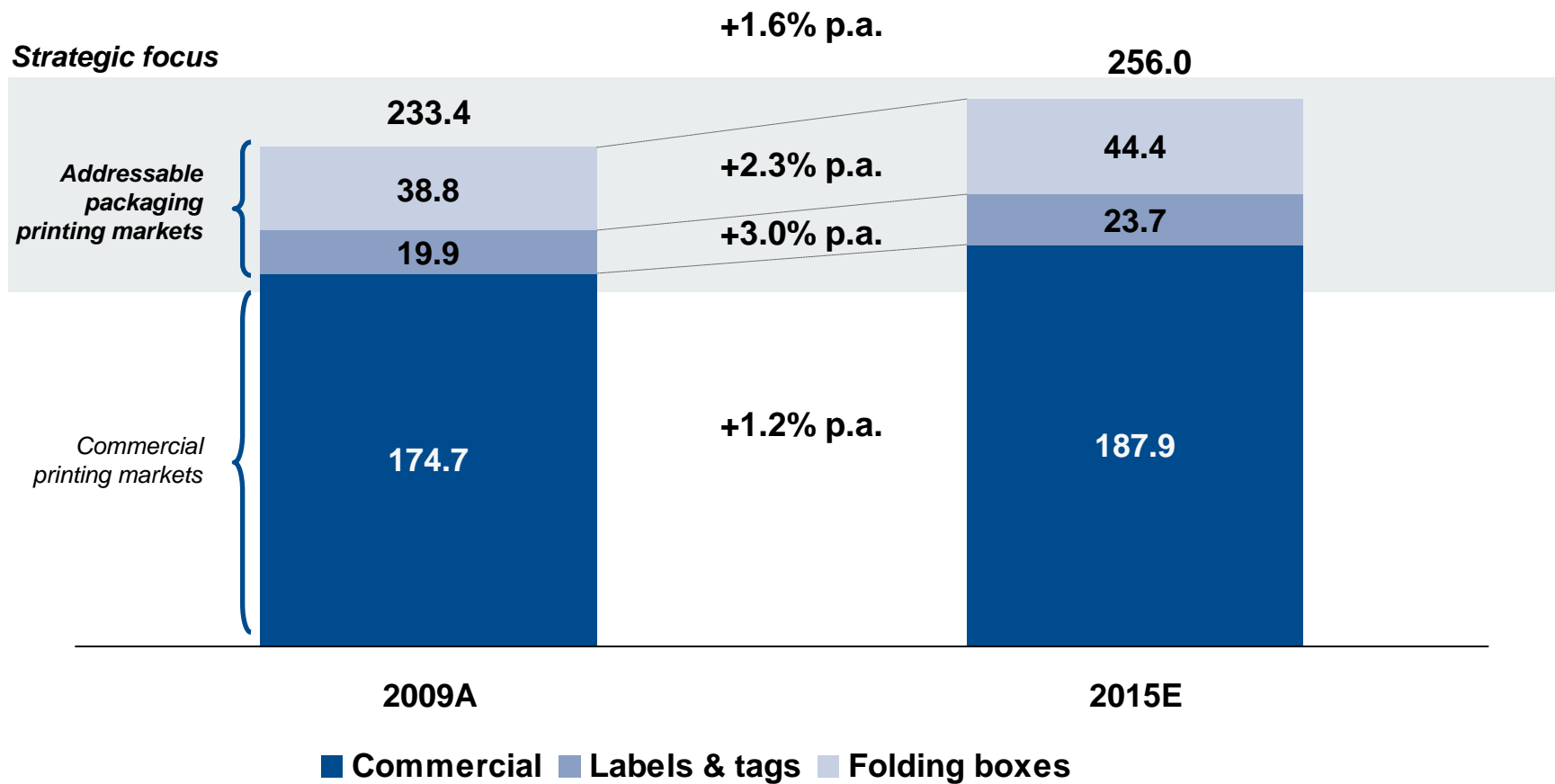


Source: Heidelberg annual reports (headcount, sales), Heidelberg press release 30/03/2010 (further headcount reduction), Heidelberg annual report FY 2010; data based on Heidelberg fiscal year (FYE 31 Mar); 2005-10: actuals; mid-term target: estimate

(1) Including temporary workers and excluding consolidation effects

Strong growth trend for commercial and packaging print production volumes

Expected development of global commercial and addressable packaging printing markets 2009-15 (PPV, €bn)



Source: Heidelberg estimate, Apr. 2010 (based on: industry statistics 2009, PIRA 2009, Jakkoo Pöyry 2008, Primir (GAMIS) 2009, Global Insight 2010; calendar years)

Focus on utilisation of large installed base to strengthen services and service parts business

Key strategic measures

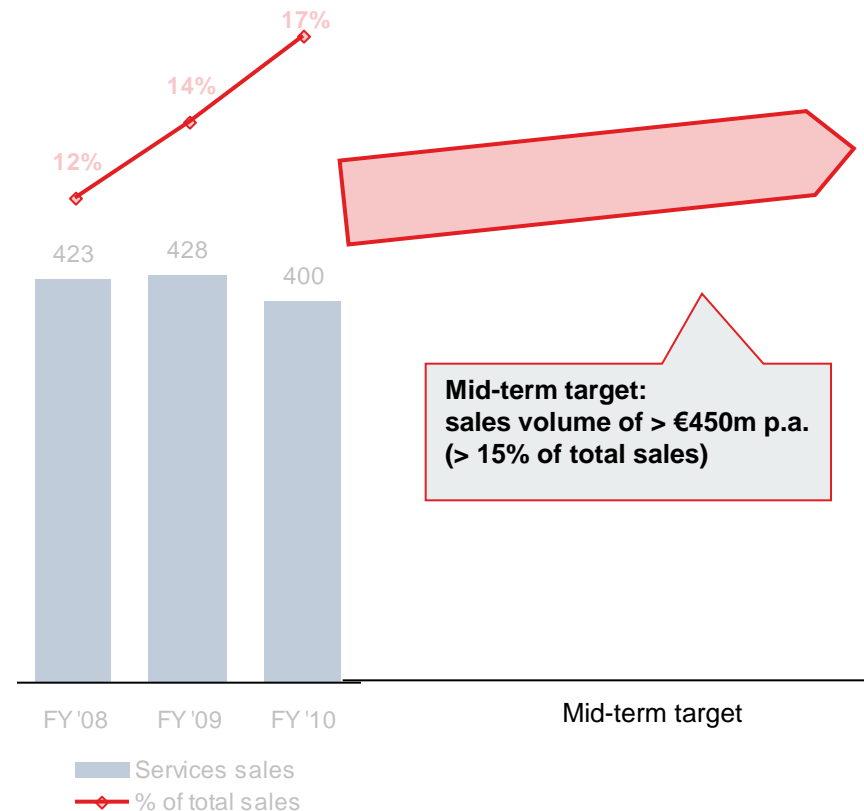
Services: improve penetration of Heidelberg installed base (addressable market c. €1.0bn)

- Product bundling
- Leverage large installed base >8 years age
- Standardised and modular service offering with differentiated prices
- Reduction of operating costs targeted to free up capacity for growth programs

Service parts

- Recovery with rising PPV and increased equipment utilisation expected
- Global hubs to optimise logistics and inventory

Financial impact (€m) ¹



Source: Heidelberg; financial data based on Heidelberg fiscal year (FYE 31 Mar); 2008-10: actuals; mid-term target: estimate

(1) Numbers include service parts, technical services, contract services and training

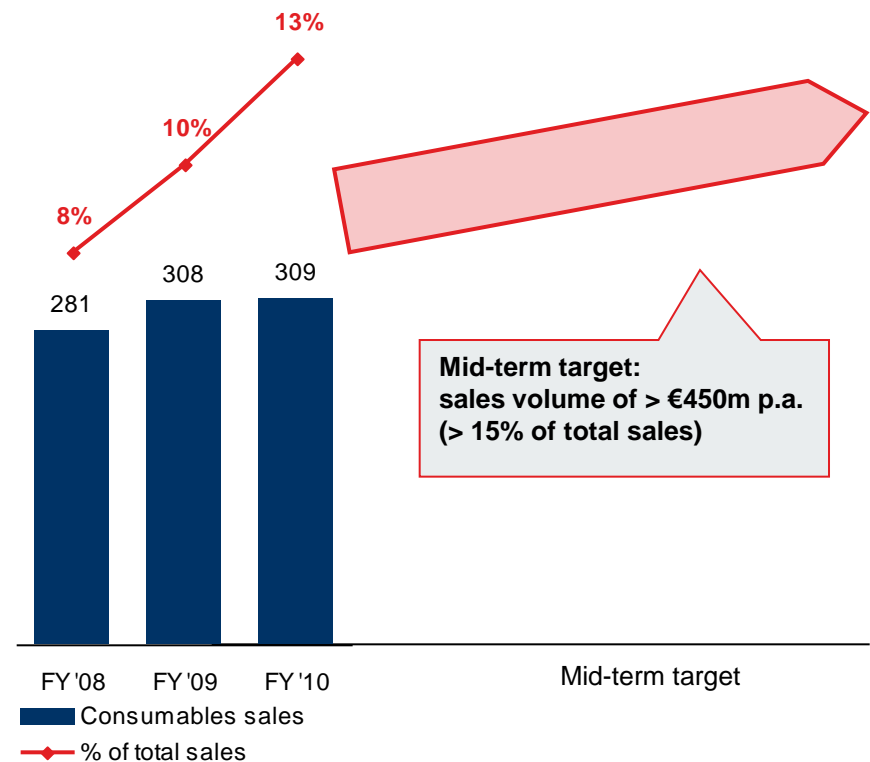
Leveraging the Heidelberg brand and global access to customers for broader consumables offering

Key strategic measures

- Direct access to customers and strong brand
- Print production know-how
- Product bundling
- Bargaining power through standardized portfolio and global supplier management
- Supply chain management combined with existing global spare parts supply chain (local warehouses, regional hubs)

- **Targets:**
 - Harmonize and complete product portfolio over next 2 years in each market
 - Improve market coverage and penetration
 - **Global market share: 4% (2010) → 7% (2015 targeted)**

Financial impact (€m)

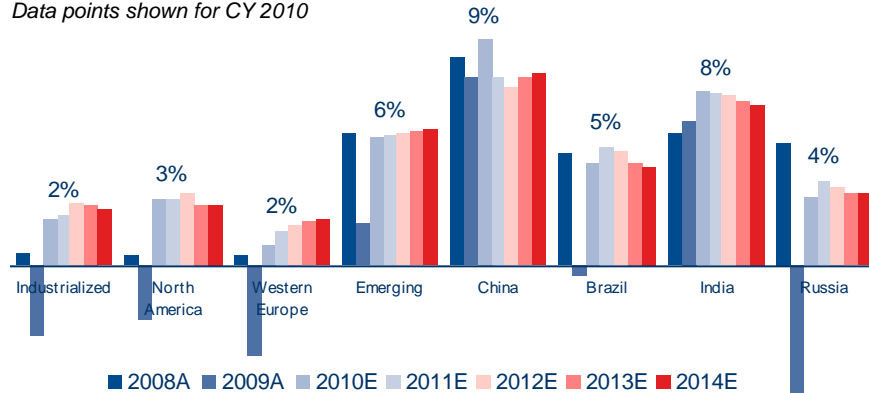


Source: Heidelberg; financial data based on Heidelberg fiscal year (FYE 31 Mar); 2008-10: actuals; mid-term target: estimate

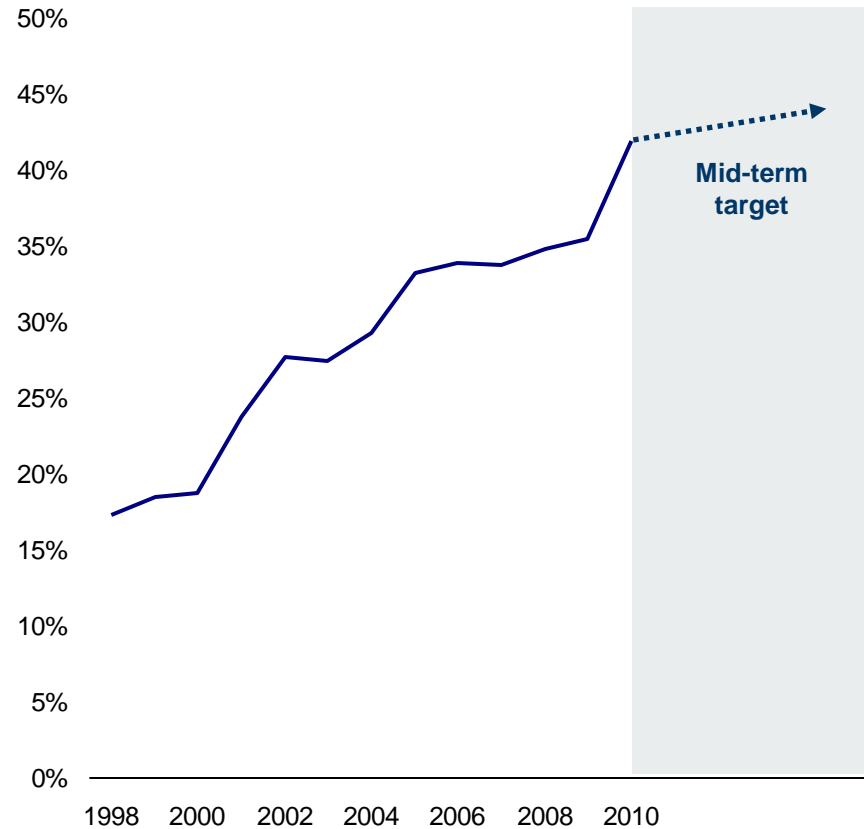
Heidelberg captures strong expected emerging markets growth

2008-2014E real GDP growth

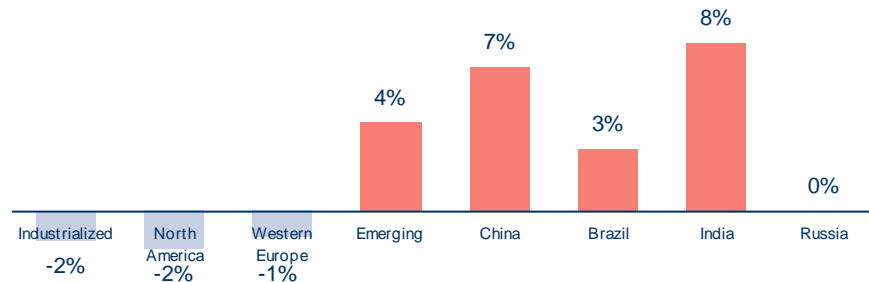
Data points shown for CY 2010



Emerging markets sales as % of group sales ¹



2010E total PPV growth (value in €)



Source: Heidelberg estimate – Apr. 2010, Industry statistics 2009, PIRA 2009, Jakkoo Pöyry 2008, Primir (GAMIS) 2009, Global Insight 2010; calendar years

(1) Financial data based on Heidelberg fiscal year (FYE 31 Mar); “emerging markets” include Eastern Europe, Latin America, Asia (ex Japan, Australia, New Zealand), Mid-East / Africa; 1998-2010 actuals

Digital opportunity – expanding Heidelberg’s addressable market

Heidelberg’s contribution ...

- Sales platform and infrastructure
- In-depth customer knowledge and understanding of customer needs
- Direct customer access and proximity on a global scale
- Sophisticated integrated workflow tools, integration capabilities
- Service expertise and network
- Top technology and process know-how in printing
- Customer training
- Brand leadership

Digital manufacturer’s contribution ...

- Established digital product offering
- Technological know-how / experience in digital printing
- Strong product development pipeline
- Complements Heidelberg’s product offering as print shops need digital equipment for low volumes

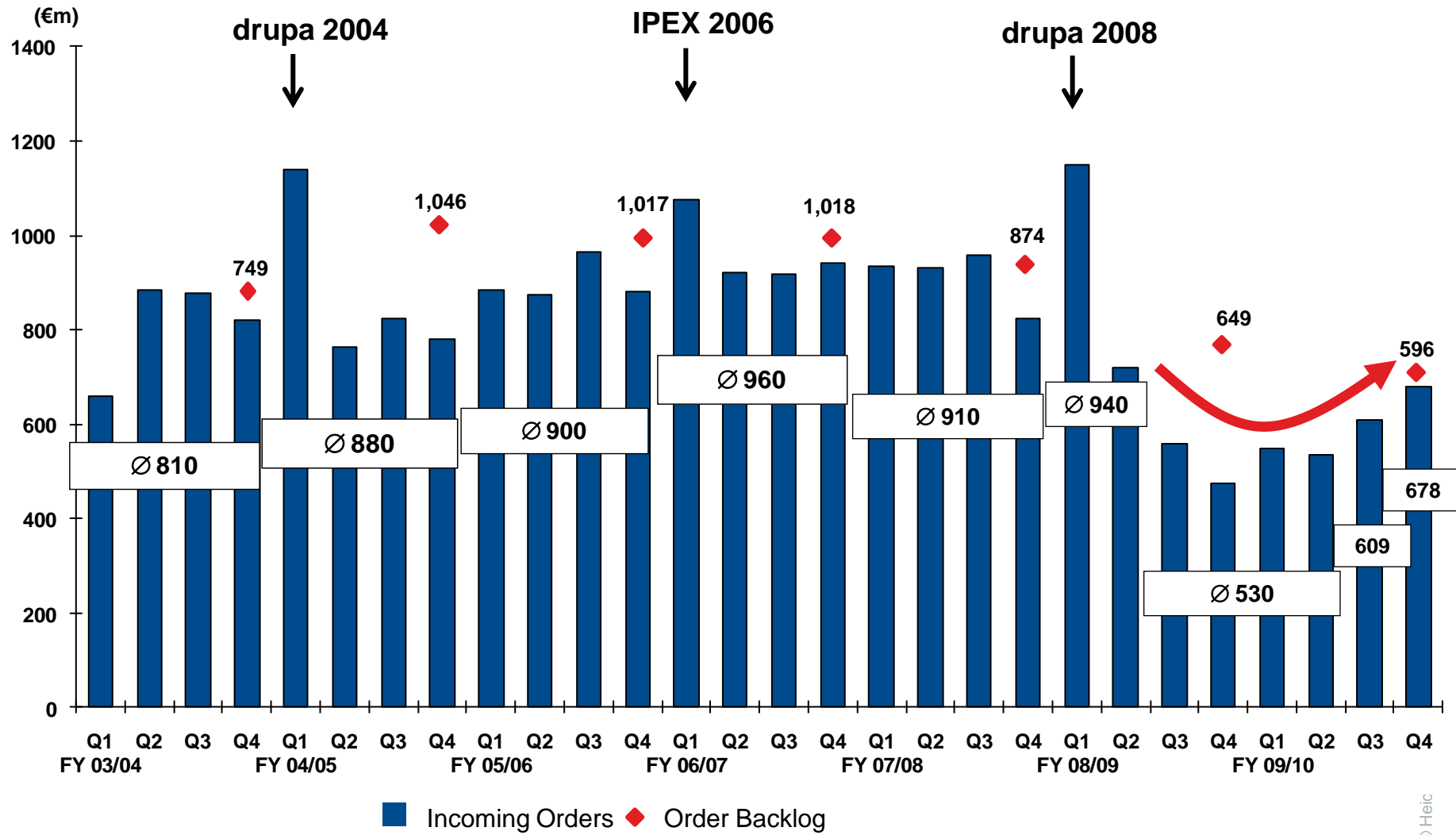
Partnership model

- Complete and competitive solutions for customer needs in short runs
- Integrated solutions from a single supplier, including workflow / software and consumables

Heidelberg update highlights

- 1 *Strong position to benefit from market recovery*
 - 2 *Focused strategy*
 - 3 ***Value creation roadmap***
 - Marked recovery from current cycle low expected
 - Stabilisation of order volumes and revenues in recent quarters
 - Commitment to reposition Heidelberg on a path of sustained profitability
-

Order development shows clear improvement trend



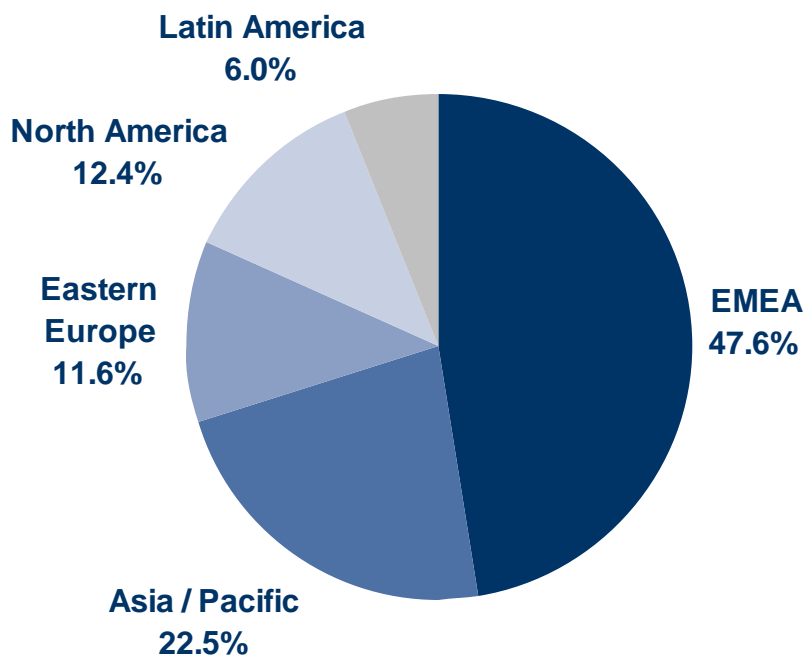
Source: Heidelberg; data based on Heidelberg fiscal year (FYE 31 Mar); actuals

Strong orders from China, Brazil and a robust EMEA region increased order intake by 11% in Q4 versus Q3 FY 2010

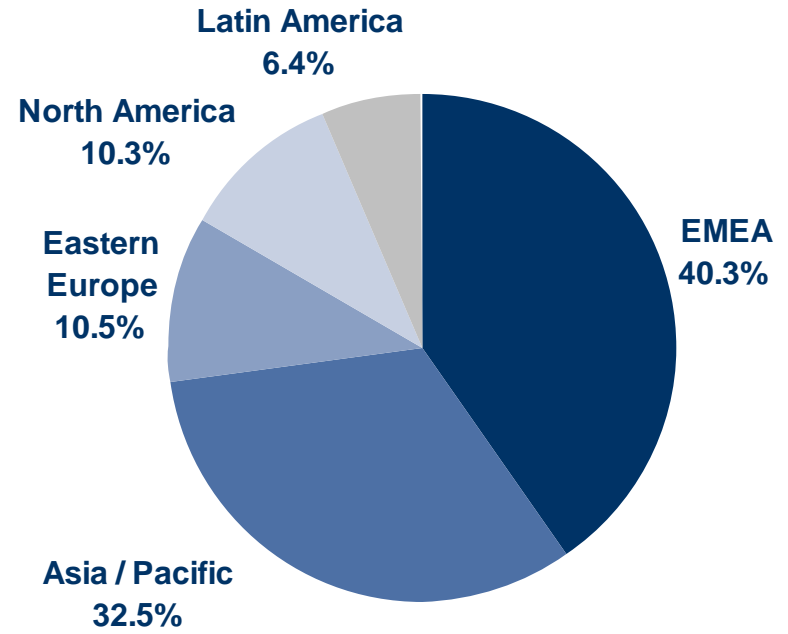
| € million | FY2009 | FY2009 | FY2010 | FY2010 | FY2010 | FY2010 |
|-------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | Q3 | Q4 | Q1 | Q2 | Q3 | Q4 |
| | 01/10/08 - 31/12/08 | 01/01/09 - 31/03/09 | 01/04/09 - 30/06/09 | 01/07/09 - 30/09/09 | 01/10/09 - 31/12/09 | 01/01/10 - 31/03/10 |
| EMEA | 232 | 223 | 234 | 203 | 254 | 265 |
| Eastern Europe | 77 | 30 | 46 | 56 | 70 | 77 |
| North America | 82 | 65 | 59 | 67 | 57 | 62 |
| Latin America | 43 | 18 | 26 | 36 | 36 | 53 |
| Asia / Pacific | 126 | 138 | 185 | 172 | 192 | 221 |
| Heidelberg-Group | 560 | 474 | 550 | 534 | 609 | 678 |

Resilience of order intake from emerging markets

Regional split of order intake in FY2009 (€2,906m)




















Regional split of order intake in FY2010 (€ 2,371m)



Key financials FY 2010 show positive trend in H2

EBIT break-even (before special items) due to savings from cost-cutting measures

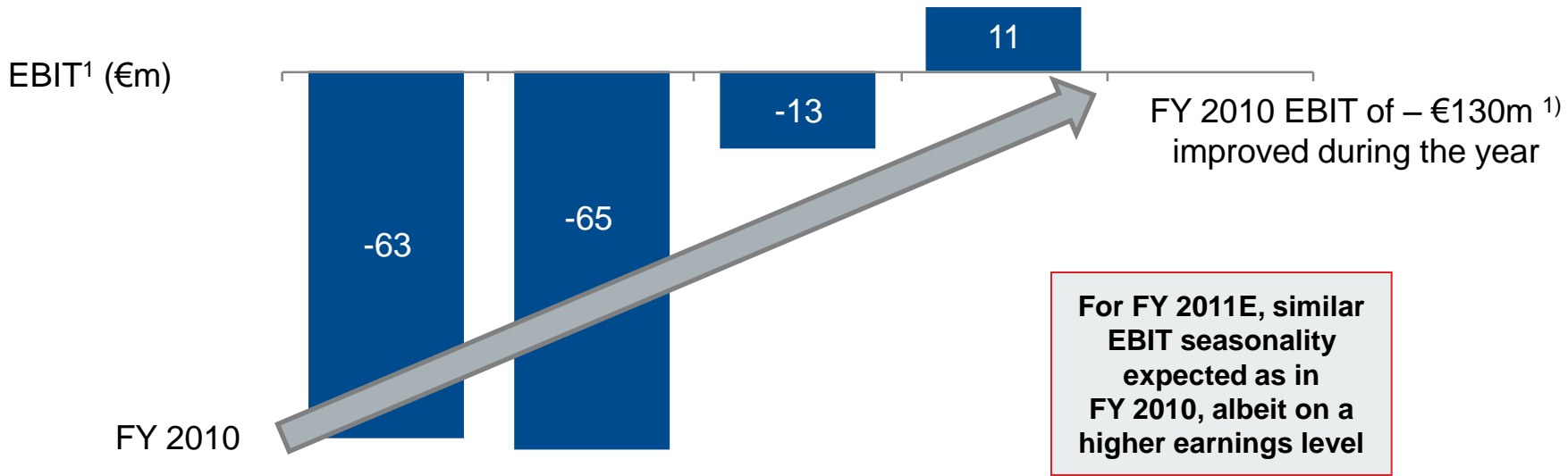
| € million | FY2009 | | | FY2010 | | | Δ to pY | Δ H2 to H1 |
|---------------------------|--------|-------|---------------------------|--------------|--------------|---------------------------|----------------|---|
| | H1 | H2 | 01/04/2008 -31/03/2009 | H1 | H2 | 01/04/2009 -31/03/2010 | | |
| Order intake | 1,872 | 1,034 | 2,906 | 1,084 | 1,287 | 2,371 | -18.4% |   |
| Net Sales | 1,461 | 1,538 | 2,999 | 1,013 | 1,293 | 2,306 | -23.1% |   |
| EBIT before Special items | -45 | -4 | -49 | -128 | -2 | -130 | -81 €m |   |
| Special items | 40 | 139 | 179 | 11 | 17 | 28 | -151 €m |   |
| EBIT after Special items | -85 | -143 | -228 | -139 | -20 | -159 | 69 €m |   |
| Financial result | -46 | -73 | -119 | -49 | -79 | -128 | -9 €m |   |
| Profit before Tax | -131 | -216 | -347 | -188 | -99 | -287 | 60 €m |   |
| Net profit/Net loss | -95 | -154 | -249 | -147 | -82 | -229 | 20 €m |   |
| Free Cash Flow | -273 | 72 | -201 | -18 | -44 | -62 | 139 €m |   |

Strong earnings improvement in H2 FY 2010

| € million | Sales | | EBIT | | FY 2010 | |
|----------------------|----------------------------|----------------------------|----------------------------|------|---------|----------------------------|
| | FY 2009 | FY2010 | FY2009 | H1 | H2 | FY 2010 |
| | 01/04/2008 - 31/03/2009 | 01/04/2009 - 31/03/2010 | 01/04/2008 - 31/03/2009 | | | 01/04/2009 - 31/03/2010 |
| Press | 2,621 | 2,058 | -35 | -111 | 1 | -110 |
| Postpress | 353 | 229 | -31 | -21 | -10 | -31 |
| Financial Services | 25 | 19 | 17 | 4 | 7 | 11 |
| Heidelberg-Group | 2,999 | 2,306 | -49 | | | -130 |
| <i>Special items</i> | | | 179 | | | 28 |
| | | | -228 | | | -159 |

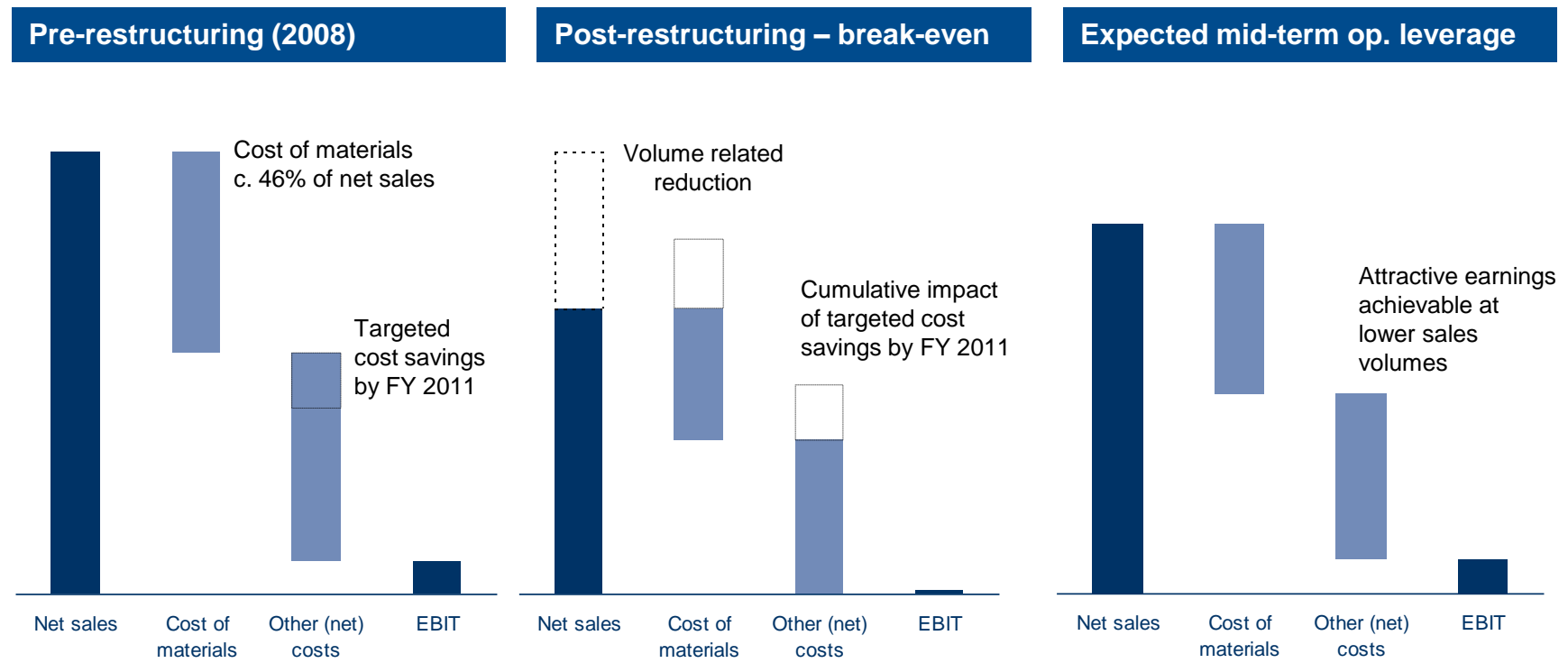
Turnaround in sales and stricter cost management improve profitability quarter by quarter in FY 2010

| (FYE 31 Mar) | Q1 2010 | Q2 2010 | Q3 2010 | Q4 2010 | FY 2010 |
|--------------|---------|---------|---------|---------|---------|
| Sales (€m) | 514 | 499 | 578 | 715 | 2,306 |



Source: Heidelberg quarterly reports
 (1) EBIT before special items

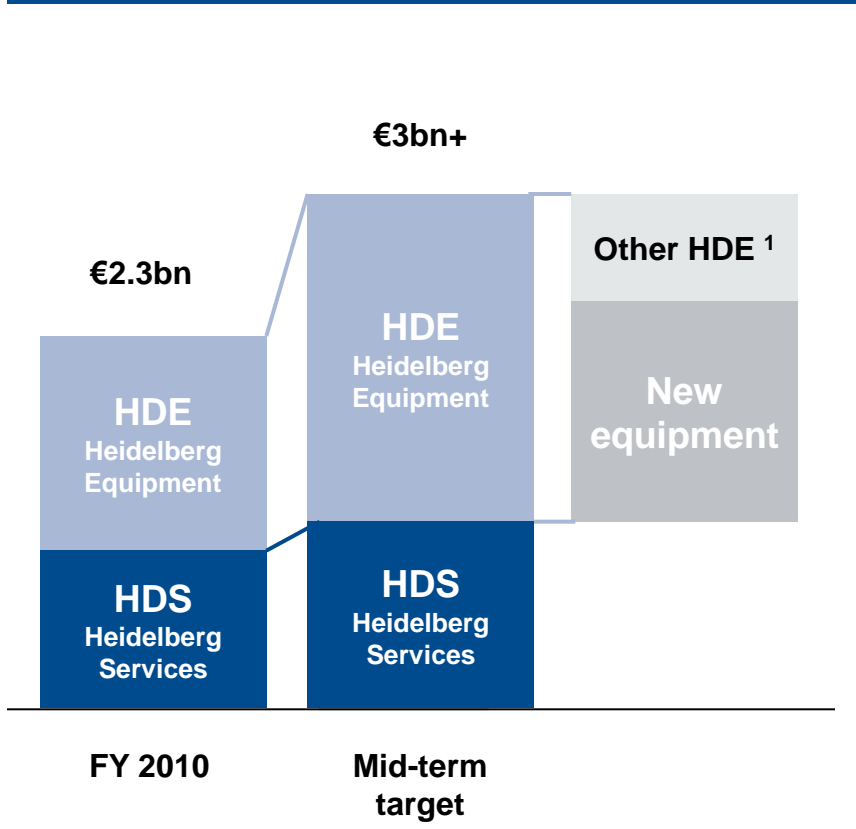
Sustainable cost cutting lowers break-even point and improves operating leverage during recovery



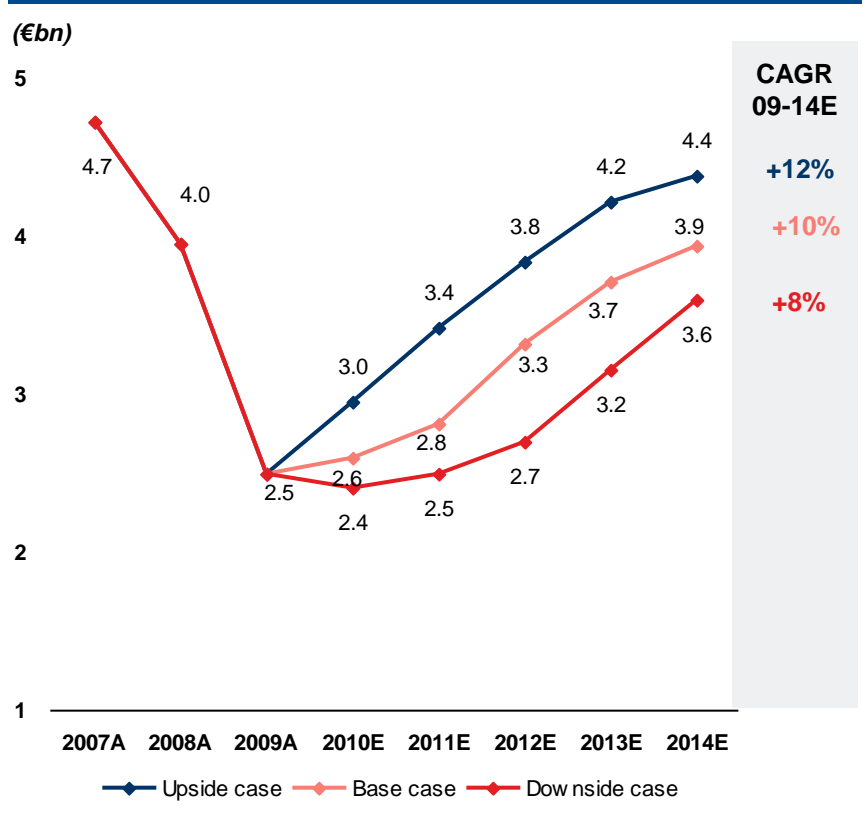
Source: Heidelberg annual report (FY 2008), Heidelberg press releases (22/04/2010, 30/03/2010, 07/10/2009, 26/03/2009); financial data based on Heidelberg fiscal year (FYE 31 Mar)

Mid-term sales target to achieve €3bn+

Target sales mix



Sheetfed offset equipment market growth scenarios

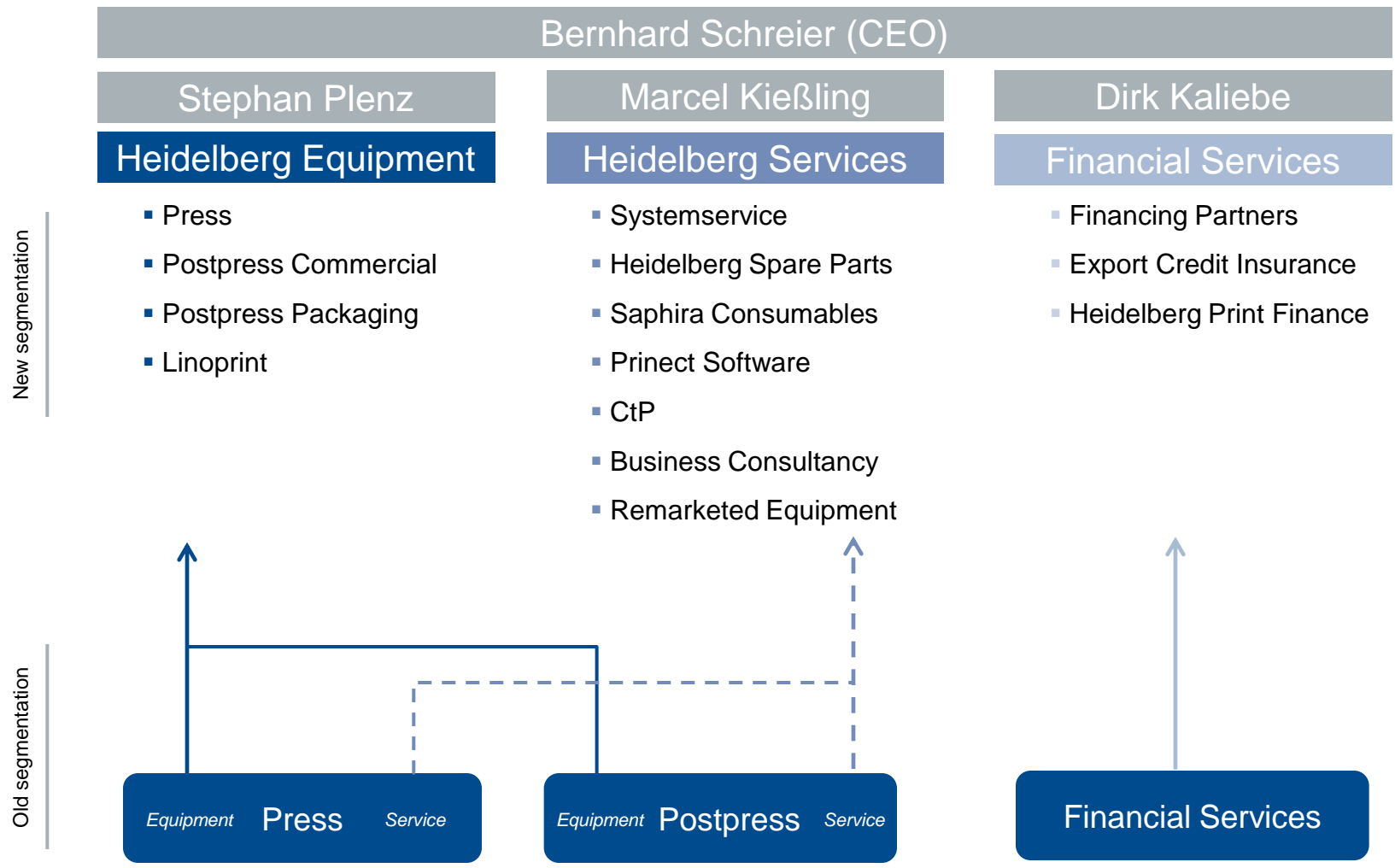


Mid-term target: maintain at least new equipment market share of approx. 42%

Source: Heidelberg; financial data based on Heidelberg fiscal year (FYE 31 Mar); 2010: actual; mid-term target: estimate
 (1) Other HDE sales incl. Gallus, WEB, post-press, other new equipment

Source: The Boston Consulting Group, Jun. 2010 (calendar years; 2007-09: actuals; 2010-14: estimates)

New segmentation implemented to better reflect strategic positioning of Heidelberg



New segmentation enhances focus on strategic priorities – divisional view FY 2010¹

| € million | Sales | | EBIT |
|-------------------------------------|-------------------------|--|------|
| | FY2010 | | |
| | 01/04/2009 – 31/03/2010 | | |
| Heidelberg Equipment (HDE) | 1,271 | | -142 |
| Heidelberg Services (HDS) | 1,016 | | 1 |
| Heidelberg Financial Services (HDF) | 19 | | 11 |
| Heidelberg-Group | 2,306 | | -130 |

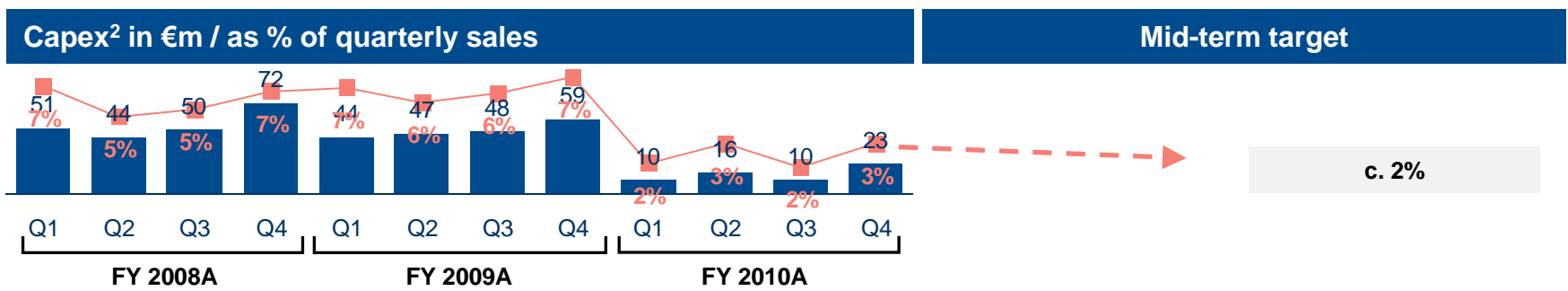
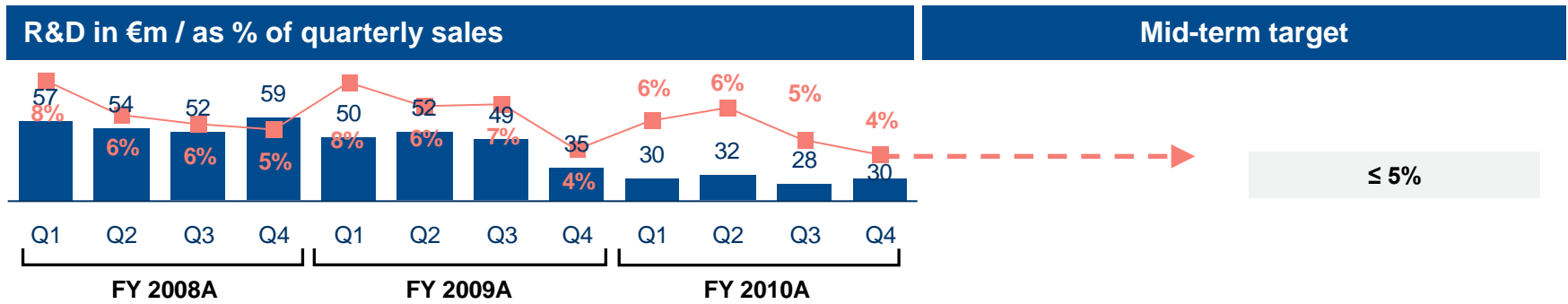
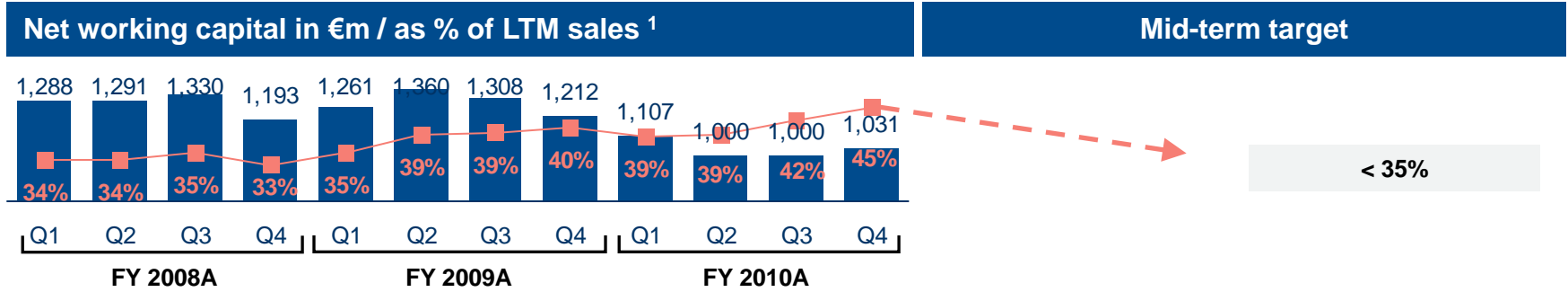
- New segmentation reflects strategic positioning for Heidelberg going forward
- Equipment: significant deterioration of sales volume and mix
- Services: relatively stable sales volume, EBIT break-even achieved

1) Preliminary reconciliation/pro forma

Strict asset management to protect balance sheet in weak economic environment

| € million | FY2009 | FY2010 | | FY2009 | FY2010 |
|---|--------------|--------------|--|--------------|--------------|
| | 03/31/2009 | 03/31/2010 | | 03/31/2009 | 03/31/2010 |
| Fixed assets | 1,008 | 924 | Shareholder's equity / minorities | 796 | 579 |
| Current assets | 2,107 | 1,769 | Provisions | 973 | 938 |
| <i>thereof inventories</i> | 1,034 | 827 | <i>thereof provisions for pensions</i> | 154 | 225 |
| <i>thereof receivables from customer financing</i> | 273 | 212 | Other liabilities | 1,336 | 1,262 |
| <i>thereof trade receivables</i> | 451 | 396 | <i>thereof trade payables</i> | 181 | 132 |
| Deferred tax assets, prepaid expenses, other | 126 | 186 | <i>thereof financial liabilities</i> | 760 | 816 |
| <i>thereof deferred tax assets</i> | 92 | 151 | Deferred tax liabilities, deferred income | 136 | 100 |
| <i>thereof prepaid expenses</i> | 18 | 18 | <i>thereof deferred tax liabilities</i> | 38 | 13 |
| <i>thereof assets - held for sale</i> | 16 | 17 | <i>thereof deferred income</i> | 98 | 88 |
| Total assets | 3,241 | 2,879 | Total equity and liabilities | 3,241 | 2,879 |

Tighter cash management



Source: Heidelberg quarterly reports; financial data based on Heidelberg fiscal year (FYE 31 Mar); actuals
 (1) Net working capital ("NWC") includes inventory and trade receivables net of trade payables and advance payments; "LTM": last twelve months
 (2) Capex is defined as investments in intangible assets, tangible assets and investment property

Stable net debt level in recent quarters due to strict cash management

| € million | FY2009 | FY2010 | FY2010 | FY2010 | FY2010 |
|--|------------|------------------|------------------|------------------|------------------|
| | 31/03/2009 | Q1 30/06/2009 | Q2 30/09/2009 | Q3 31/12/2009 | 31/03/2010 |
| Convertible bond | 304 | 306 | 308 | 310 | 0 |
| Liabilities to banks and private placement | 433 | 476 | 466 | 479 | 792 ¹ |
| ./. Cash and cash equivalents | 80 | 94 | 99 | 111 | 121 |
| Net debt | 657 | 688 | 675 | 678 | 672 |
| Provisions for pensions | 154 | 145 | 174 | 209 | 225 |

Total debt facilities of
€1.4bn²



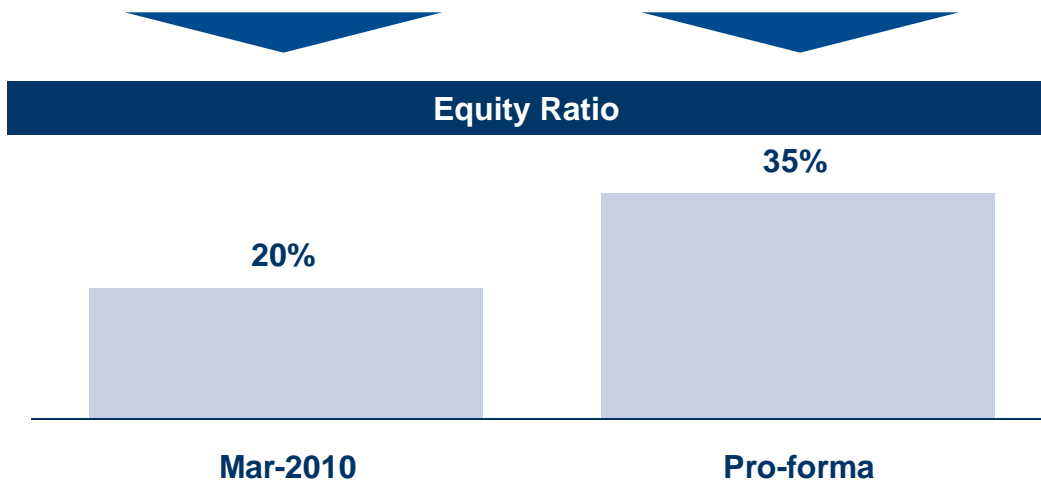
- Strong cash flow performance ensured net debt increased only marginally
- Sufficient funding in place following refinancing and amendment of facilities
- KfW term loan has been €291m drawn for repayment of convertible notes

1) Thereof approx. €291m from KfW facility

2) Maturity date July 2012

Planned capital raising of c. €420m to strengthen balance sheet

| million EUR | FY 2010 | Pro-forma ¹ |
|-------------------------------------|--------------|------------------------|
| | 31/03/2010 | 31/03/2010 |
| Equity | 579 | 999 |
| Financial liabilities | 816 | 396 |
| Other liabilities | 1,484 | 1,484 |
| Total liabilities and equity | 2,879 | 2,879 |



With envisaged capital raising, Heidelberg aims for a mid-term leverage of $\leq 2.5x$ net debt / EBITDA

Source: Heidelberg

(1) Pro-forma data based on financials as of 31/03/2010 and planned capital increase of c. €420m (before transaction costs)

Outlook - Management fully committed to reposition Heidelberg on a path of sustained profitability – with attainable financial targets

| | FY 2011 |
|---|-----------------|
| Sales | moderate growth |
| EBIT | break-even |
| Net profit / loss | net loss |
| Free cash flow before restructuring and interest ¹ | positive |

| | Mid-term targets |
|-------------------|------------------|
| Sales | €3bn+ |
| EBIT margin | >5% |
| ROCE | ~15% |
| Net debt / EBITDA | ≤ 2.5x |

(1) FY 2011 free cash flow after restructuring and interest expected „negative“

Commitment to value creation

Management fully committed to reposition Heidelberg on a path of sustained profitability – with attainable financial targets

Key strategic drivers of Heidelberg development

- Consistent focus on equipment and services, supported by cyclical upswing of end markets
- Focus on clearly identified growth opportunities in packaging printing, services, consumables and emerging markets
- Focused restructuring and capacity reduction effort
- Tight cash management and resource allocation

Mid-term operating and financial targets

- Net sales target of € 3bn+
- Target EBIT margin > 5%
- Target RoCE of around 15%



Sustainable capitalisation

- Sustainable leverage with investment grade credit characteristics
- Target net debt / EBITDA ≤ 2.5x

Thank you for your attention!

HEIDELBERG

Investor Relations

Andreas Trösch

Head of Investor Relations

+ 49 (0) 6221 92-6020

+ 49 (0) 6221 92-5189(Fax)

andreas.troesch@heidelberg.com

Heidelberger Druckmaschinen AG

Kurfuersten-Anlage 52-60

69115 Heidelberg

Germany

Disclaimer

This presentation contains forward-looking statements with respect to future results, performance and achievements that are subject to risk and uncertainties and reflect management's views and assumptions formed by available information. All statements other than statements of historical fact are statements that could be considered forward-looking statements. When used in this document, words such as "may," "will," "should," "anticipate," "believe," "estimate," "expect," "intend," "plan," "project," "seek," or "target" and similar expressions, as they relate to Heidelberger Druckmaschinen Aktiengesellschaft ("Heidelberg") or the market in which it operates, are intended to identify forward-looking statements. Many factors could cause the actual results, performance or achievements of Heidelberg to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including, among others, changes in general economic and business conditions, changes in currency exchange rates and interest rates, introduction of competing products by other companies, lack of acceptance of new products or services by Heidelberg's targeted customers, inability to meet efficiency and cost reduction objectives, changes in business strategy and various other factors. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein. Heidelberg does not intend or assume any obligation to update these forward-looking statements.