



## Interim Results 3-month figures FY 12

Bernhard Schreier, CEO

Dirk Kaliebe, CFO

Robin Karpp, Head of Investor Relations

**HEIDELBERG**

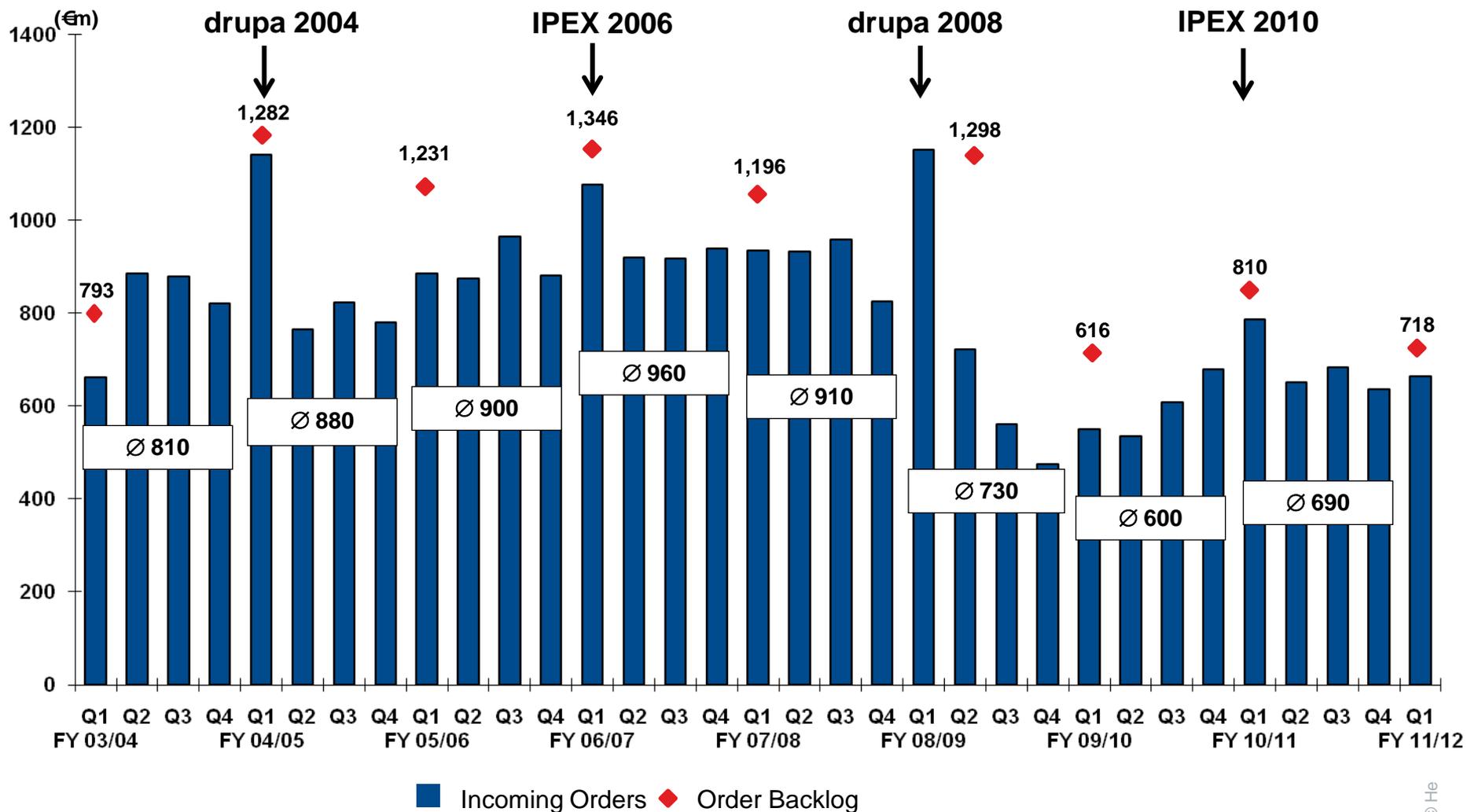
*Heidelberger Druckmaschinen AG*

*August 9, 2011*

## Highlights Q1 FY 12

- Global economic situation increasingly difficult to predict due to concerns surrounding the economic development in America and Europe, and in some key emerging markets
- Incoming orders (€ 665 million) and order backlog (€ 718 million) above previous quarter
- Sales (€ 544 million) slightly below expectations due to temporary sales shifts into subsequent quarters
- Operating result (€ -25 million) improved while fx-adjusted sales remained stable
- Financial stability: Net debt (€ 260 million) significantly reduced, equity ratio 32 percent
- Almost balanced free cash flow (€ -6 million) despite one-time payments for refinancing

# Incoming order and backlog



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

## Profit and loss statement

million EUR	FY11 Q1	FY12 Q1	yoy
<b>Sales</b>	563	<sup>1)</sup> <b>544</b>	-3%
<b>Total operating performance</b>	594	<b>617</b>	+4%
<b>EBIT before Special items</b>	-35	<b>-25</b>	+10 mEUR
Special items	-15	<b>0</b>	-
<b>EBIT after Special items</b>	-20	<b>-25</b>	-
<b>Financial result</b>	-35	<b>-22</b>	+13 mEUR
<b>Income before Tax</b>	-56	<b>-47</b>	+9 mEUR
<b>Net loss</b>	-52	<b>-46</b>	+6 mEUR

<sup>1)</sup> FX adjusted € 563 million

## Sales / EBIT divisions

million EUR	Sales			EBIT		
	FY2011 Q1	FY2012 Q1	yoy	FY2011 Q1	FY2012 Q1	yoy
Heidelberg Equipment	297	<b>300</b>	+1%	-48	<b>-39</b>	+9 mEUR
<i>Currency adjusted</i>			+5%			
Heidelberg Services	261	<b>241</b>	-8%	10	<b>10</b>	-
<i>Currency adjusted</i>			-5%			
Heidelberg Financial Services	5	<b>3</b>	-40%	3	<b>4</b>	+1 mEUR
Heidelberg-Group	563	<b>544</b>	-3%	-35	<b>-25</b>	+10 mEUR
<i>Currency adjusted</i>			+/-0%			
Special items				-15	<b>0</b>	
EBIT incl. special items				-20	<b>-25</b>	

# Balance Sheet

Million EUR							
	06/30/2010	03/31/2011	06/30/2011	06/30/2010	03/31/2011	06/30/2011	
<b>Fixed assets</b>	<b>915</b>	<b>869</b>	<b>856</b>	<b>Shareholder's equity / minorities</b>	<b>534</b>	<b>869</b>	<b>848</b>
<b>Current assets</b>	<b>1.795</b>	<b>1.639</b>	<b>1.641</b>	<b>Provisions</b>	<b>952</b>	<b>815</b>	<b>752</b>
<i>thereof inventories</i>	874	748	839	<i>thereof provisions for pensions</i>	280	221	199*
<i>thereof receivables from customer financing</i>	211	178	167	<b>Other Liabilities</b>	<b>1.331</b>	<b>882</b>	<b>965</b>
<i>thereof trade receivables</i>	349	377	291	<i>thereof trade payables</i>	147	130	171
<i>thereof cash and cash equivalents</i>	135	148	177	<i>thereof financial liabilities</i>	764	395	437
<b>Def tax assets, Prepaid expenses, other</b>	<b>204</b>	<b>135</b>	<b>144</b>	<b>Def. tax liabilities, deferred income</b>	<b>97</b>	<b>77</b>	<b>76</b>
<i>thereof deferred tax assets</i>	187	119	111	<i>thereof deferred tax liabilities</i>	13	6	9
<i>thereof assets - held for sale</i>	0	1	2	<i>thereof deferred income</i>	84	71	67
<b>Total assets</b>	<b>2.914</b>	<b>2.643</b>	<b>2.641</b>	<b>Total equity and liabilities</b>	<b>2.914</b>	<b>2.643</b>	<b>2.641</b>

\* As of June 30, 2011 a discount rate of 5.25 percent (June 30, 2010: 4.5 percent; March 31, 2011: 5.0 percent) was used to determine actuarial gains and losses for domestic entities.

## Net debt

million EUR			
	30.06.2010	31.03.2011	30.06.2011
Financial liabilities	764	395	437
./. Cash and cash equivalents	135	148	177
<b>Net debt</b>	<b>629</b>	<b>247</b>	<b>260</b>
Provisions for pensions	280	221	199
Equity	534	869	848

### Total debt facilities of ~ €800m<sup>(1)</sup>



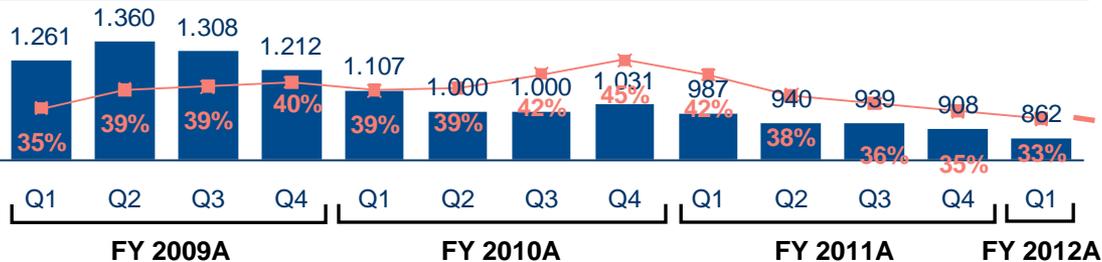
- (1) New financing structure as of June, 2011
- (2) Maturity date December 2014
- (3) Maturity date April 2018

## Net Working Capital

million EUR				
	31.03.2010	30.06.2010	31.03.2011	30.06.2011
Inventories	827	874	748	<b>839</b>
+ Trade receivables	396	349	377	<b>291</b>
./. Trade payables	132	147	130	<b>171</b>
./. Advance payments	60	89	87	<b>97</b>
<b>Net Working Capital</b>	1.031	987	908	<b>862</b>

## Tighter cash management

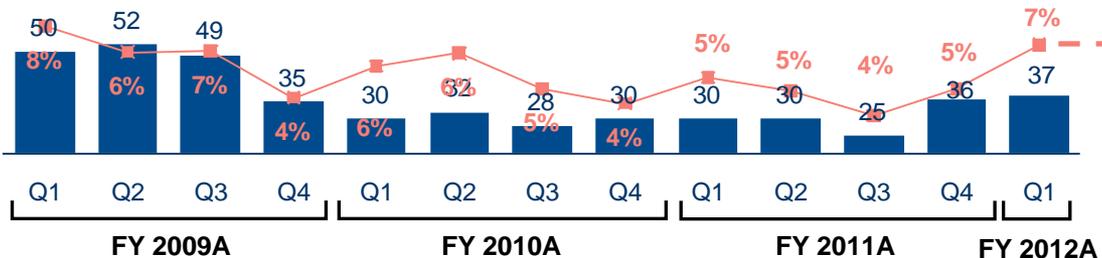
### Net working capital in €m / as % of LTM sales <sup>1</sup>



### Mid-term target

< 35%

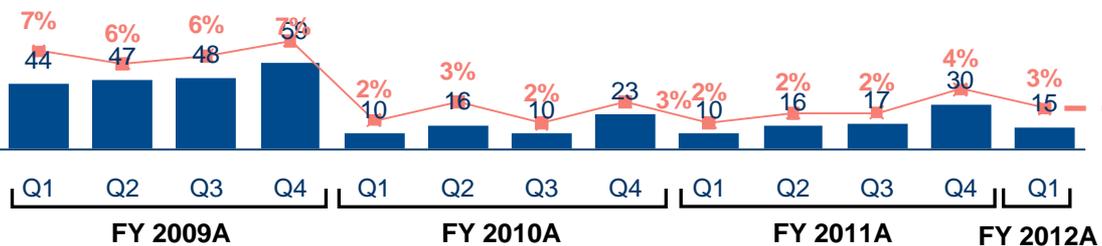
### R&D in €m / as % of quarterly sales



### Mid-term target

≤ 5%

### Capex<sup>2</sup> in €m / as % of quarterly sales



### Mid-term target

c. 2%

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

## Cash Flow statement

Million EUR	01.04.10	01.04.11
	-30.06.2010	-30.06.2011
<b>Cash Flow</b>	-34	-22
<b>Other operating changes</b>	99	23
<i>thereof inventory</i>	-24	-93
<i>thereof sales financing</i>	14	9
<i>thereof trade receivables/trade payables</i>	95	125
<b>Net cash from operating activities</b>	66	1
<b>Inflow/Outflow of funds from investment activity</b>	-3	-7
<b>Free Cash Flow</b>	62	-6

## Outlook

- **FY 2011/2012:**

Assuming that the volume of business will increase we expect a balanced pre-tax result on the basis of a higher operating result and lower financing expenses

- **FY 2012/2013:**

If favorable trends continue into the year of the drupa trade show, we expect our after-tax result to be in the black

- **Condition:**

Stable development of overall economic conditions and of our industry

Medium-term goals confirmed	
Sales	> €3 bn
EBIT-margin	>5 %
ROCE	~ 15%



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## Incoming orders by region<sup>1)</sup>

million EUR	FY11 Q1	FY11 Q2	FY11 Q3	FY11 Q4	FY12 Q1	yoy
<b>EMEA</b>	<b>316</b>	231	273	229	<b>245</b>	-22,5%
<b>Eastern Europe</b>	<b>84</b>	63	80	81	<b>73</b>	-13,1%
<b>North America</b>	<b>80</b>	81	88	82	<b>76</b>	-5,0%
<b>South America</b>	<b>44</b>	47	40	41	<b>35</b>	-20,5%
<b>Asia / Pacific</b>	<b>262</b>	228	203	204	<b>236</b>	-9,9%
<b>Heidelberg-Group</b>	<b>786</b>	650	684	637	<b>665</b> <sup>2)</sup>	-15,4%

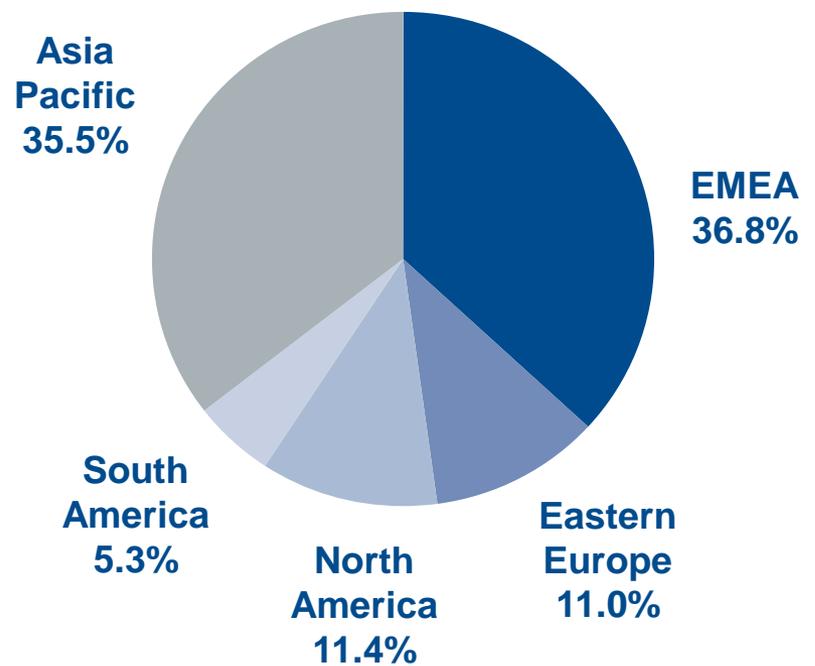
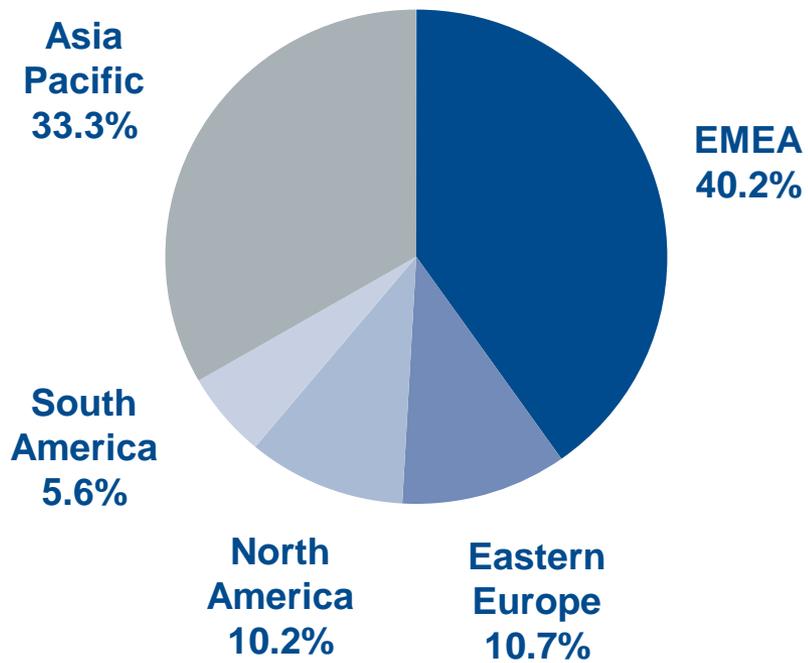
<sup>1)</sup> Markets have been re-classified according to internal lead market sales structure; prior year has been restated accordingly

<sup>2)</sup> FX adjusted € 690 million

# Regions\*

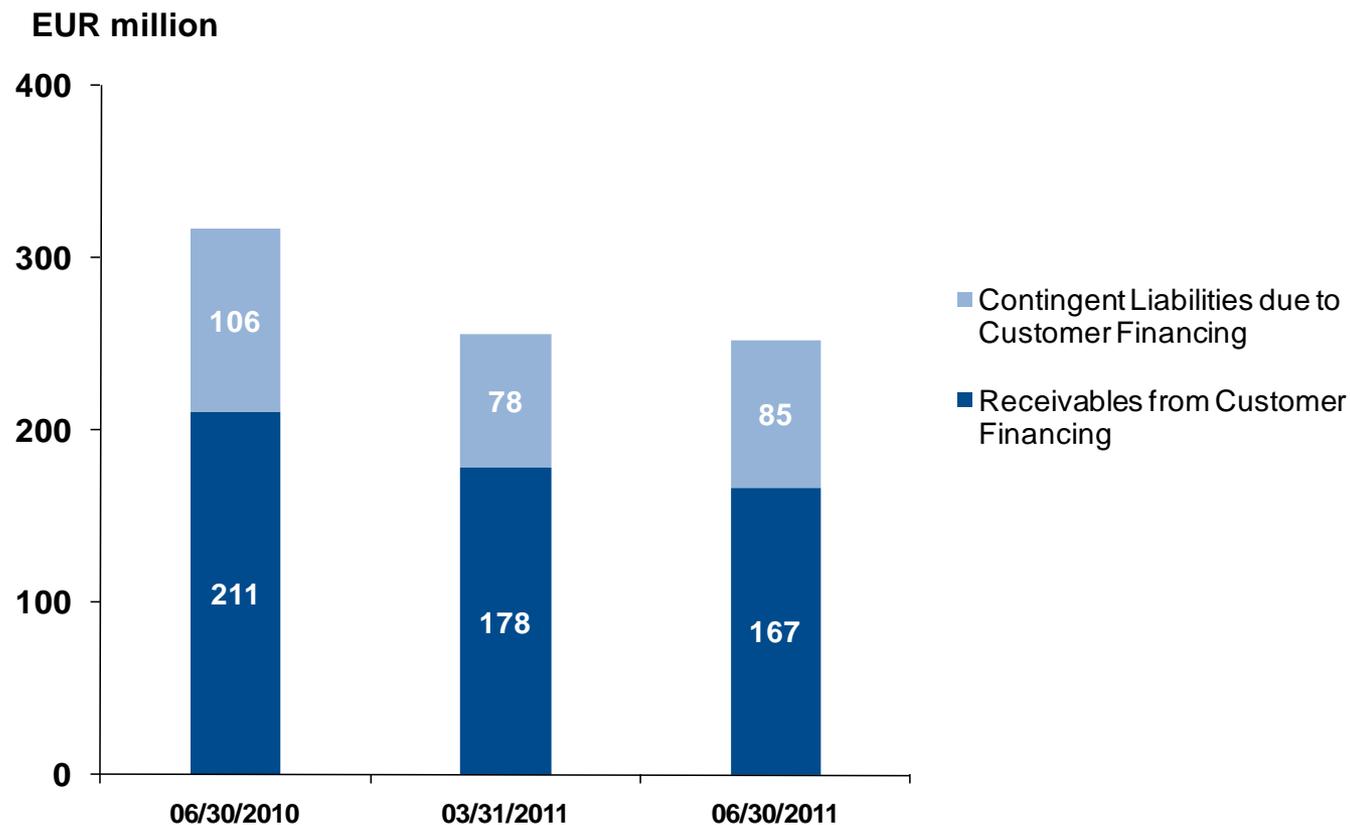
Regional split of order intake in Q1 FY11 (€786m)

Regional split of order intake in Q1 FY12 (€665m)



\*Markets have been re-classified according to internal lead market sales structure; prior year has been restated accordingly

## Ongoing reduction of customer financing achieved in difficult economical situation



## New segmentation implemented to better reflect strategic positioning of Heidelberg

Bernhard Schreier (CEO)		
Stephan Plenz	Marcel Kießling	Dirk Kaliebe
<b>Heidelberg Equipment</b>	<b>Heidelberg Services</b>	<b>Financial Services</b>
<ul style="list-style-type: none"> <li>▪ Press</li> <li>▪ Postpress Commercial</li> <li>▪ Postpress Packaging</li> <li>▪ Linoprint</li> </ul>	<ul style="list-style-type: none"> <li>▪ Systemservice</li> <li>▪ Heidelberg Spare Parts</li> <li>▪ Saphira Consumables</li> <li>▪ Prinect Software</li> <li>▪ CtP</li> <li>▪ Business Consultancy</li> <li>▪ Remarketed Equipment</li> </ul>	<ul style="list-style-type: none"> <li>▪ Financing Partners</li> <li>▪ Export Credit Insurance</li> <li>▪ Heidelberg Print Finance</li> </ul>

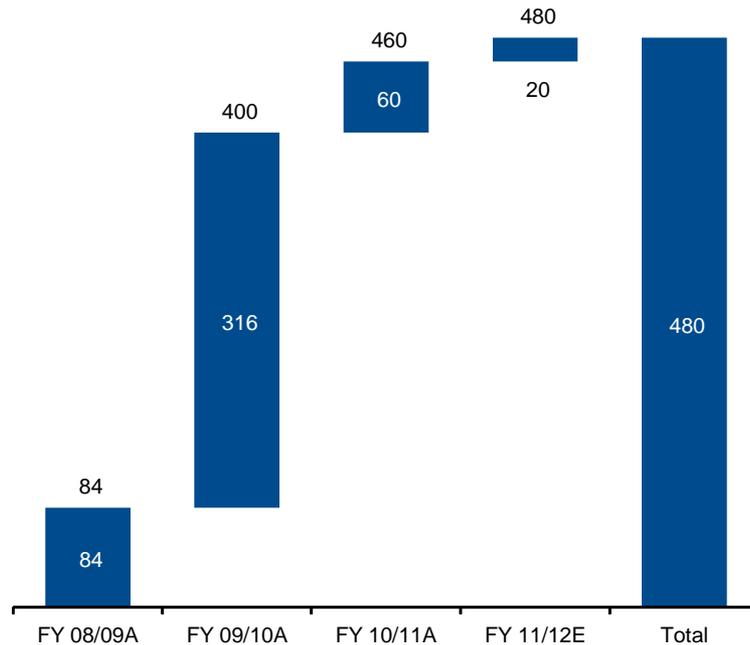
Data FY 10/11:

Sales:	€ 1,516m	Sales:	€ 1,097m	Sales:	€ 16m
EBIT*:	€ -98m	EBIT*:	€ 84m	EBIT*:	€ 18m

\* excluding special items

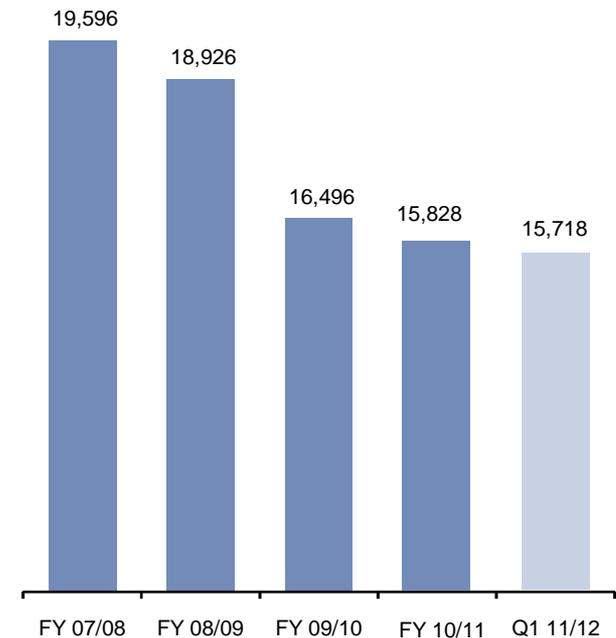
## Expected total fixed cost savings of €480m to reduce cost base sustainably

### Annual fixed cost savings (€m)



Represents approx. 23% of 2008A operating expenses<sup>(1)</sup>

### Headcount development since FY 07/08<sup>(2)</sup>



### One-off restructuring costs (€m)

Year	Cost
FY 08/09A	(179)
FY 09/10A	(28)
FY 10/11A	2
FY 11/12E	—
<b>Total</b>	<b>(205)</b>

Source: Heidelberg; financial data based on Heidelberg fiscal year (FYE 31 Mar); 2009-2010: actual (as per annual report); 2012: estimates (as per Heidelberg press releases (19/07/2010, 15/06/2010, 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

Source: Heidelberg annual reports (headcount, sales), Heidelberg press release 30/03/2010 (further headcount reduction), Heidelberg press release 22/04/2010 and 19/06/2010 (preliminary financial figures); data based on Heidelberg fiscal year (FYE 31 Mar); 2008-12 actuals

(2) Including temporary workers and excluding consolidation effects

## Financial Calendar 2011/2012

Event	Date
Release of the figures for Q2 FY 12	November 8, 2011
Release of the figures for Q3 FY 12	February 8, 2012
Annual Analysts' and Investors' conference	June 14, 2012

## Investor Relations

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