

Press Information

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Heidelberger Druckmaschinen AG

Postfach 10 29 40
69019 Heidelberg
Germany

Kurfürsten-Anlage 52–60
69115 Heidelberg

Florian Pitzinger

Phone +49 6222 82 2553

Florian.Pitzinger@heidelberg.com
www.heidelberg.com

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HEIDELBERG confirms forecast in challenging climate

- **Sales in line with previous year's level after three quarters and following adjustment for exchange rate movements**
- **Adjusted EBITDA margin rises to 8.0 percent**
- **Incoming orders weaker in third quarter after strong first half-year**
- **Value creation program supports free cash flow with around € 60 million by the end of Q3 2023/24**

The development of sales and EBITDA at Heidelberger Druckmaschinen AG (HEIDELBERG) is within the expected range for financial year 2023/2024. After three quarters (April 1 – December 31, 2023), the technology company achieved **sales** of € 1.686 billion, thanks primarily to growth in the packaging segment. Following adjustment for exchange rate movements, this figure matches the previous year's level (€1.729 billion). The adjusted **operating result** (EBITDA) was an improvement on the same period of the previous year, with the figure after three quarters amounting to € 135 million (adjusted result for previous year: € 125 million). The corresponding adjusted **EBITDA margin** increased to 8.0 percent (previous year: 7.2 percent), whereby there were no special items to be adjusted in the current financial year. The **net result after taxes** after nine months remained clearly positive at € 34 million. Compared with the previous year (€ 54 million), higher tax expenditure, increased pension-related interest costs, and the lack of positive special items had a bearing on the result.

“In the first three quarters of the financial year, HEIDELBERG has held its own in a weak macroeconomic climate. The development of sales and EBITDA is within the expected range,” said HEIDELBERG CEO Dr. Ludwin Monz.

Press Information

Following the good first half-year, **incoming orders** in the third quarter of the financial year reflected the economic climate. Overall, they were significantly weaker at € 1.692 billion (previous year: € 1.859 billion). While the development of service business was stable, one particular adverse effect was the downturn in equipment business in North America and EMEA. Another reason for this downturn besides the weaker economic climate is that some customers are waiting for interest rates to drop in the short term and for innovations at the drupa industry trade show, which starts in May. HEIDELBERG is actively countering the weaker market development by initiating measures that will have a financial impact. In the light of lower incoming orders, the company has been implementing short-time working in parts of its operations at several production sites since January 2024.

Value creation program will deliver positive effects of around €60 million by the end of Q3 2023/24

Since April last year, HEIDELBERG has identified around 250 initiatives for the coming three years as part of the value creation program. These initiatives will help generate sustainably positive free cash flow moving forward. In the current financial year, the measures are already playing a key role in achieving the positive free cash flow figure that is expected at the end of the financial year.

“HEIDELBERG is facing up to the changed underlying conditions, acting quickly to counter rising costs and the weaker order situation. What’s more, the value creation program will already make a positive contribution to free cash flow amounting to around € 60 million in this financial year,” said CFO Tania von der Goltz. The cash generated from operating activities (operating cash flow) has improved substantially, in particular thanks to more efficient management of inventories and receivables (working capital) in the reporting period.

At € –54 million, **free cash flow** after nine months was lower than in the previous year (€ –16 million), when it was supported by positive special items such as land sales totaling some € 72 million. There were no such effects in the current financial year.

Forecast confirmed

The **forecast** for financial year 2023/2024 remains as published on June 14, 2023. Assuming the global economy develops as predicted by the economic research institutions, the company is still expecting sales in financial year 2023/2024 to match

Press Information

the previous year's figure. The adjusted EBITDA margin is also anticipated to remain at the previous year's level.

Figure 1: With a printing speed of 21,000 sheets per hour, the Speedmaster XL 106 from HEIDELBERG makes it possible to increase net output in folding carton production by up to ten percent compared to the standard configuration.

Image material and further information about the company are available in the [Investor Relations](#) portal and [Press Lounge](#) of Heidelberger Druckmaschinen AG at www.heidelberg.com.

HEIDELBERG at drupa 2024:

[drupa 2024 | HEIDELBERG](#)

[Drupa Interview Dr. Monz | HEIDELBERG](#)

Further information:

Corporate Communications

Florian Pitzinger

Phone: +49 151 67968774

E-mail: Florian.Pitzinger@heidelberg.com

Thomas Fichtl

Phone: +49 6222 82-67123

E-mail: Thomas.Fichtl@heidelberg.com

Investor Relations

Maximilian Beyer

Phone: +49 6222 82-67120

E-mail: Maximilian.Beyer@heidelberg.com

Important note:

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Press Information

Key figures 9m 2023/2024

Key figures overview

Figures in € millions	9M	
	2022/2023	2023/2024
Results of operations		
Incoming orders	1,859	1,692
Order backlog ¹⁾	995	786
Net sales	1,729	1,686
Adjusted EBITDA ²⁾	125	135
in percent of sales	7.2	8.0
EBITDA ²⁾	144	135
Result of operating activities (EBIT)	85	78
Net result after taxes	54	34
Earnings per share in €	0.18	0.11
Financial position		
Cash generated from operating activities	-72	-38
Free Cash flow	-16	-54
Net assets		
Equity ¹⁾	457	488
Net financial position ¹⁾	-26	-21
Number of employees ¹⁾ (excluding trainees)	9,548	9,565

1) as of the end of the reporting period, December 31, 2023

2) Result of operating activities before interest, taxes, depreciation and amortization

3) Net total of cash and cash equivalents and current securities less financial liabilities