Interim *Statement*

Third Quarter of 2024/2025

Interim statement for Q3 2024/2025

- Incoming orders after nine months 7.7 percent higher than previous year at € 1,823 million and 8.3 percent higher in third quarter
- Sales in third quarter of € 594 million at the level of same quarter of previous year as expected, but after nine months still around 10.5 percent lower than in same period of the previous year
- Cost management having an impact: significant rise in adjusted EBITDA margin in third quarter (9.2 percent; same quarter of previous year: 5.7 percent), although after three quarters still below previous year's figure as expected at 5.7 percent
- Free cash flow in third quarter positive and significantly improved, active NWC management makes an impact but cumulative figure after nine months still below previous year's figure due to sales and earnings performance in first half of year
- HEIDELBERG confirms forecast for 2024/2025 financial year

Key figures overview

Figures in € millions	9M		Q3	
	2023/2024	**2024/2025**	2023/2024	**2024/2025**
Results of operations				
Incoming orders	1,692	1,823	508	550
Order backlog[1]	786	903	786	903
Net sales	1,686	1,509	594	594
Adjusted EBITDA[2]	135	86	34	55
in percent of sales	8.0	5.7	5.7	9.2
EBITDA[2]	135	57	34	26
Result of operating activities (EBIT)	78	1	15	8
Net result after taxes	34	– 42	1	– 7
Earnings per share in €	0.11	– 0.14	0.00	– 0.03
Financial position				
Cash generated from operating activities	– 38	– 66	– 23	22
Free cash flow	– 54	– 97	– 26	4
Net assets				
Equity[1]	488	469	488	469
Net financial position[1], [3]	– 21	– 51	– 21	– 51
Number of employees[1] (excluding trainees)	9,565	9,398	9,565	9,398

1) As of the end of the reporting period, December 31, 2024
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

Note
In individual cases, rounding may result in discrepancies concerning the totals and percentages contained in this interim statement.

Overall assessment of business development

Heidelberger Druckmaschinen AG (HEIDELBERG) concluded the first nine months (April 1 to December 31, 2024) of the 2024/2025 financial year in line with its communicated expectations, whereby there was a strong positive trend especially in the third quarter (October 1 to December 31, 2024). While sales in this period of € 594 million reached the same level as in the previous year, the key figures used to measure operating performance were considerably improved in comparison to the first half of the year and the same quarter of the previous year. In particular, the cost reduction measures initiated at the Company had an impact. Combined with the high utilization of production capacities, this resulted in an improved adjusted EBITDA margin of 9.2 percent in the third quarter (same quarter of the previous year: 5.7 percent). Important decisions related to the future economic development of the Company that aim to improve profitability and competitiveness over the long term were taken during this period. In the third quarter, the Company presented a growth strategy with a medium-term sales potential of more than € 300 million and agreed a package of measures with social partners for the structural reduction of staff costs that should have a positive influence on the profitability of the Company in the coming quarters.

Despite the challenging economic environment, the Company has confirmed its forecast for the current financial year. This decision was also supported above all by the solid development in incoming orders, which increased after nine months to € 1,823 million, exceeding the previous year's figure (€ 1,692 million) by around 7.7 percent. The orders received during the sector trade fair drupa in the first quarter of 2024/2025 certainly made a contribution, but incoming orders also improved in the third quarter of the current financial year to € 550 million and were around 8.3 percent higher than the same quarter of the previous year (€ 508 million). In particular, this improvement was due, from a geographical perspective, to growth of around 16 percent in the EMEA region and, from a product perspective, to growth of around 15 percent in the Packaging Solutions segment.

In contrast to the general trend in the mechanical and plant engineering sector, for which the VDMA reported a continued slowdown in investment demand and a decline in orders of 8 percent in 2024, HEIDELBERG was able to perform well overall.

After three quarters, HEIDELBERG's sales stood at € 1,509 million, and were thus around 10.5 percent below the level in the previous year (€ 1,686 million) as expected. Due to its large order backlog, HEIDELBERG expects a significant increase in sales in the fourth quarter compared to the same period of the previous year. In line with the sales performance, the adjusted EBITDA margin after the first nine months was also below the previous year's figure (8.0 percent) at 5.7 percent.

In light of the positive development in the third quarter, the large order backlog of around € 903 million and the expectation of a very strong final quarter, the Company has confirmed its targets for the year as a whole.

Net sales and results of operations

After three quarters, **sales** stood at € 1,509 million, which was still around 10.5 percent below the figure for the same period of the previous year (€ 1,686 million) as a result of the poor first quarter caused by purchasing restraint in the lead-up to drupa. In the third quarter of the current financial year, sales stood at € 594 million, which was at the same level as in the previous year (€ 594 million). In view of the large order backlog and high utilization of production capacities in the third quarter – which was also clearly reflected in the change in inventories and the higher total operating performance – HEIDELBERG expects a significantly higher sales volume in the fourth quarter.

After nine months, **adjusted EBITDA** stood at € 86 million (same period of the previous year: adjusted figure of € 135 million), while the adjusted EBITDA margin stood at 5.7 percent (same period of the previous year: 8.0 percent). This was primarily due to low sales volumes in the first quarter and the associated low capacity utilization. Expenses for drupa of around € 10 million also had a negative impact on the adjusted EBITDA margin compared to the same period of the previous year. In the third quarter of the current financial year, adjusted EBITDA increased to € 55 million, compared to € 34 million in the same quarter of the previous year. The adjusted EBITDA margin improved significantly from 5.7 percent to 9.2 percent. The cost reduction measures initiated at the Company had an impact in the third quarter and, alongside the high utilization of production capacities, contributed to an increase in earnings.

In the third quarter, total provisions of around € 29 million were formed for the agreed measures to structurally reduce staff costs. These were reported under staff costs. An adjustment was made to EBITDA for this special item. EBITDA including this effect stood at € 26 million in the third quarter, while the EBITDA margin stood at 4.4 percent. There were no adjustments made for special items in the previous year or in the first and second quarters of the current financial year.

The **financial result** amounted to € –8 million in the third quarter (same quarter of the previous year: € –8 million) and € –25 million after three quarters (same period of the previous year: € –26 million). It mainly comprises interest expenses for pensions.

Including income taxes of € 7 million (same quarter of the previous year: € 7 million), the **net result after taxes** came to € –7 million in the third quarter (same quarter of the previous year: € 1 million) and € –42 million after nine months (same period of the previous year: € 34 million).

Interim consolidated income statement

Figures in € millions	9M		Q3	
	2023/2024	**2024/2025**	2023/2024	**2024/2025**
Net sales	**1,686**	**1,509**	**594**	**594**
Change in inventories/other own work capitalized	84	164	–3	63
Total operating performance	**1,770**	**1,673**	**591**	**657**
Other operating income and expenses	261	222	93	73
Cost of materials	788	779	268	329
Staff costs	586	615	195	229
EBITDA[1)]	**135**	**57**	**34**	**26**
Adjusted EBITDA[1)]	**135**	**86**	**34**	**55**
in % of sales	8.0	5.7	5.7	9.2
Depreciation and amortization	57	56	19	18
Result of operating activities (EBIT)	**78**	**1**	**15**	**8**
Financial result	–26	–25	–8	–8
Net result before taxes	**52**	**–24**	**7**	**0**
Taxes on income	18	18	7	7
Net result after taxes	**34**	**–42**	**1**	**–7**

1) Operating result before interest, taxes, depreciation and amortization

Net assets

Assets

Figures in € millions	31-Mar-2024	**31-Dec-2024**
Non-current assets	902	899
Inventories	588	752
Trade receivables	252	214
Receivables from sales financing	43	53
Cash and cash equivalents	153	116
Other assets	177	173
Total Assets	**2,114**	**2,207**

Inventories increased in comparison to the beginning of the financial year to € 752 million as a result of the increase in the order backlog and the rise in production volume (March 31, 2024: € 588 million). Despite the sharp increase in inventories, net working capital (NWC, the total of inventories and trade receivables less trade payables and advance payments) only increased by around € 34 million to € 507 million (March 31, 2024: € 472 million), which was attributable to, among other things, the fact that the Company was able to increase advance payments significantly and reduce trade receivables.

Cash and cash equivalents fell to € 116 million compared to the start of the financial year, mainly due to the negative free cash flow.

Equity and liabilities

Figures in € millions	31-Mar-2024	**31-Dec-2024**
Equity	527	469
Provisions	896	906
of which: pension provisions	688	698
Financial liabilities	76	166
Trade liabilities	227	212
Other equity and liabilities	387	453
Total equity and liabilities	**2,114**	**2,207**

Equity decreased to € 469 million at the end of the quarter, while the equity ratio stood at 21.2 percent. This was mainly influenced by the quarterly loss and the slight increase in pension provisions as a result of the slight reduction in the actuarial interest rate for pensions in Germany as of December 31, 2024 to 3.4 percent (March 31, 2024: 3.5 percent). This effect is recognized directly in equity.

Accordingly, pension provisions increased slightly as of the end of the reporting period on December 31, 2024. **Provisions** amounted to € 906 million (March 31, 2024: € 896 million). The agreed measures to structurally reduce staff costs increased other provisions, although seasonal use of provisions for personnel reduced this figure.

Financial liabilities increased as of the end of the reporting period to € 166 million due to the utilization of the revolving credit facility, which was necessary because of the negative free cash flow. Accordingly, the **net financial position**, i. e. the balance of cash and cash equivalents and financial liabilities, stood at € – 51 million (same quarter of the previous year: € – 21 million; March 31, 2024: € 77 million). Financial liabilities were thus higher than the cash and cash equivalents as of the end of the reporting period, while net liabilities remained at a low level.

Since the successful refinancing process at the end of July 2023, HEIDELBERG's **financing structure** has mainly consisted of a syndicated credit line (around € 370 million) and a few small loans, providing a solid foundation for the Company's further strategic development. At the end of June 2024, the term of the syndicated credit line was extended by the bank consortium by a further year until July 2028.

Financial position

Interim consolidated statement of cash flows

Figures in € millions		9M		Q3
	2023/2024	**2024/2025**	2023/2024	**2024/2025**
Cash used in/generated by operating activities	– 38	– 66	– 23	22
of which: net result after taxes	34	– 42	1	– 7
of which: net working capital	– 72	– 32	– 39	– 8
of which: other changes	1	9	16	37
Cash used in investing activities	– 16	– 32	– 3	– 17
Free cash flow	– 54	– 97	– 26	4
in percent of sales	– 3.2	– 6.4	– 4.4	0.7

Cash generated from operating activities (operating cash flow) stood at € – 66 million after nine months (same period of the previous year € – 38 million). The main reason for this development in comparison to the previous year was the lower net result after taxes. The provisions for the agreed measures to structurally reduce staff costs of around € 29 million included in this figure were eliminated in the statement of cash flows under other changes because it was a non-cash effect in the reporting period. The customary increase in net working capital associated with the increase in order and production volumes also had a negative impact on operating cash flow during this year, although the impact was significantly less than in the same period of the previous year. In the third quarter, there was a positive trend in operating cash flow and, at € 22 million, was considerably higher than the previous year's figure (€ – 23 million).

The **cash used in investing activities** stood at € – 32 million after nine months (same period of the previous year: € – 16 million). In the third quarter, it was € – 17 million, compared with € – 3 million in the same quarter of the previous year.

Accordingly, there was a **free cash flow** of € – 97 million after three quarters (same period of the previous year: € – 54 million). In the third quarter of the current financial year, it amounted to € 4 million compared to € – 26 million in the same quarter of the previous year.

Segments

Print Solutions

Figures in € millions	9M		Q3	
	2023/2024	**2024/2025**	2023/2024	**2024/2025**
Incoming orders	822	858	259	264
Order backlog	365	382	365	382
Sales	804	730	271	271
Adjusted EBITDA[1)]	72	35	11	24
EBITDA[1)]	72	21	11	10

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

The **Print Solutions** segment recorded growth in incoming orders in the first nine months (4.4 percent) and in the third quarter (2.1 percent) of the current 2024/2025 financial year. After three quarters, sales were lower overall than in the previous year, while sales in the third quarter were in line with the figure for the same quarter of the previous year. After three quarters, adjusted EBITDA had fallen considerably below the figure in the same period of the previous year, although it improved significantly in the third quarter. The expenses for the personnel cost reduction measures amounted to around € 14 million for the Print Solutions segment.

Packaging Solutions

Figures in € millions	9M		Q3	
	2023/2024	**2024/2025**	2023/2024	**2024/2025**
Incoming orders	862	959	247	284
Order backlog	414	519	414	519
Sales	874	774	320	321
Adjusted EBITDA[1)]	76	58	26	33
EBITDA[1)]	76	43	26	18

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

The **Packaging Solutions** segment showed an even stronger increase in incoming orders. Incoming orders grew by around 11 percent in the first three quarters and by around 15 percent in the third quarter. Although sales in the nine month period were around 11 percent lower than in the same period of the previous year, sales in the third quarter were almost at the level as in the same quarter of the previous year. After three quarters, adjusted EBITDA was below the figure in the same period of the previous year but improved noticeably in the third quarter and exceeded the figure for the same quarter of the previous year. The expenses for the personnel cost reduction measures amounted to around € 15 million for the Packaging Solutions segment.

Technology Solutions

Figures in € millions	9M		Q3	
	2023/2024	**2024/2025**	2023/2024	**2024/2025**
Incoming orders	8	5	2	2
Order backlog	8	1	8	1
Sales	8	5	2	2
Adjusted EBITDA[1)]	– 13	– 7	– 3	– 2
EBITDA[1)]	– 13	– 7	– 3	– 2

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

In the **Technology Solutions** segment, incoming orders and sales after nine months were both significantly lower than the figures in the previous year. Adjusted EBITDA improved noticeably in comparison to the previous year's figure. This was due to the fact that the loss contributions from Heidelberg Printed Electronics GmbH were eliminated after it was sold in the previous year, and those from Zaikio GmbH were eliminated following its liquidation at the beginning of this financial year. There were no provisions formed for staff cost reduction measures in the Technology Solutions segment.

Regions

Incoming orders by region

Figures in € millions	9M		Q3	
	2023/2024	**2024/2025**	2023/2024	**2024/2025**
EMEA	855	929	254	295
Asia-Pacific	443	483	128	137
Americas	394	410	126	118
HEIDELBERG Group	**1,692**	**1,823**	**508**	**550**

Sales by region

Figures in € millions	9M		Q3	
	2023/2024	**2024/2025**	2023/2024	**2024/2025**
EMEA	854	741	287	289
Asia-Pacific	421	422	149	178
Americas	411	345	157	127
HEIDELBERG Group	**1,686**	**1,509**	**594**	**594**

In the **EMEA** region, incoming orders after nine months were around 9 percent higher than the previous year's figure. In the third quarter, incoming orders rose by 16 percent, which was mainly due to orders from Eastern Europe and Italy. In contrast, sales in the first three quarters were 13 percent lower than the previous year's figure. In the third quarter, sales were at the same level as in the previous year and reflected the good performance in Eastern Europe.

In the **Asia-Pacific** region, incoming orders after nine months increased by around 9 percent in comparison to the same period of the previous year. Incoming orders in the third quarter were 7 percent higher than the previous year's figure. While incoming orders fell in China as a result of the China Print trade fair in the previous year, they increased in all other countries in the region. Sales in this region after nine months were at the previous year's level, although they increased in the third quarter by 19 percent in comparison to the same quarter of the previous year.

In the **Americas** region, incoming orders in the first nine months rose by around 4 percent in comparison to the same period of the previous year. This increase was due to a strong first quarter. In the third quarter, orders fell by 6 percent in comparison to the previous year and thus decreased for the second quarter in a row, reflecting the political uncertainty in the USA. Sales fell in the first nine months by 16 percent in comparison to the strong performance in the same period of the previous year. In the third quarter, sales fell by 19 percent in comparison to the third quarter of the previous year.

Risk and opportunity report

As of the end of the third quarter of 2024/2025, there were no fundamental changes to the types of risks described in the assessment of the risks and opportunities for the HEIDELBERG Group, although an increase in the scope of some of the individual risks could be identified, such as in the economic environment and for political and geopolitical risks (change of government in the USA and collapse of the coalition government in Germany). Therefore, the Company continuously examines the extent to which suitable countermeasures could be taken in response to the increase in scope of these risks.

Outlook

Taking into account the expectations and assumptions published and presented in the 2023/2024 management report, the Company continues to expect sales for the financial year 2024/2025 to be in line with the previous year's figure (previous year: € 2,395 million). The adjusted EBITDA margin is also expected to be similar to the previous year's figure (previous year: 7.2 percent). The high order backlog and the continuous focus on margins and costs will provide a sound basis for the achievement of the targets.

Financial section

Interim consolidated income statement

Figures in € millions		9M		Q3
	2023/2024	**2024/2025**	2023/2024	**2024/2025**
Net sales	1,686	1,509	594	594
Change in inventories / other own work capitalized	84	164	– 3	63
Total operating performance	**1,770**	**1,673**	**591**	**657**
Other operating income	38	39	16	14
Cost of materials	788	779	268	329
Staff costs	586	615	195	229
Depreciation and amortization	57	56	19	18
Other operating expenses	299	261	109	87
Result of operating activities[1)]	**78**	**1**	**15**	**8**
Financial income	5	3	2	1
Financial expenses	31	29	10	9
Financial result	**– 26**	**– 25**	**– 8**	**– 8**
Net result before taxes	**52**	**– 24**	**7**	**0**
Taxes on income	18	18	7	7
Net result after taxes	**34**	**– 42**	**1**	**– 7**
Basic earnings per share according to IAS 33 (in € per share)	**0.11**	**– 0.14**	**0.00**	**– 0.03**
Diluted earnings per share according to IAS 33 (in € per share)	**0.11**	**– 0.14**	**0.00**	**– 0.03**

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

Interim consolidated statement of financial position as of December 31, 2024

Assets

Figures in € millions	31-Mar-2024	31-Dec-2024
Non-current assets		
Intangible assets	217	217
Property, plant and equipment	665	663
Investment property	10	10
Financial assets	10	9
Receivables from sales financing	26	31
Other receivables and other assets[1]	20	20
Income tax assets	0	0
Deferred tax assets	61	63
	1,010	**1,013**
Current assets		
Inventories	588	752
Receivables from sales financing	16	22
Trade receivables	252	214
Other receivables and other assets	85	80
Income tax assets	10	10
Cash and cash equivalents	153	116
	1,104	**1,194**
Total assets	**2,114**	**2,207**

Equity and liabilities

Figures in € millions	31-Mar-2024	31-Dec-2024
Equity		
Issued capital	779	779
Capital reserves, retained earnings and other reserves	– 291	– 268
Net result after taxes	39	– 42
	527	**469**
Non-current liabilities		
Provisions for pensions and similar obligations	688	698
Other provisions	37	33
Financial liabilities[1]	48	138
Contractual liabilities	22	19
Income tax liabilities	22	22
Other liabilities	12	12
Deferred tax liabilities	3	2
	831	**924**
Current liabilities		
Other provisions	171	175
Financial liabilities[1]	28	28
Contractual liabilities	185	287
Trade liabilities	227	212
Income tax liabilities	19	13
Other liabilities	125	99
	756	**814**
Total equity and liabilities	**2,114**	**2,207**

1) Adjustment of maturities due to the amendments to IAS 1. The previous year was adjusted accordingly.

Interim consolidated statement of cash flows as of December 31, 2024

Figures in € millions		9M
	2023/2024	**2024/2025**
Net result after taxes	34	– 42
Depreciation, amortization, write-downs and write-ups[1]	58	57
Change in pension provisions	– 3	– 4
Change in deferred tax assets / deferred tax liabilities	0	– 2
Result from disposals	0	0
Change in inventories	– 95	– 162
Change in trade receivables	24	38
Change in trade liabilities	– 5	– 14
Change in advance payments	3	105
Change in sales financing	3	– 4
Change in other provisions	– 19	– 1
Change in other items of the statement of financial position	– 37	– 38
Cash used in operating activities	**– 38**	**– 66**
Intangible assets / property, plant and equipment / investment property		
Investments	– 38	– 50
Income from disposal	16	19
Financial assets		
Investments	0	0
Income from disposal	2	0
Cash used in investing activities before cash investment	**– 20**	**– 32**
Cash investments	4	-
Cash used in investing activities	**– 16**	**– 32**
Cash used in operating activities	– 38	– 66
Cash used in investing activities	– 16	– 32
Free cash flow	**– 54**	**– 97**
Borrowing of financial liabilities	91	165
Repayment of financial liabilities	– 61	– 105
Cash generated by financial activities	**30**	**60**
Net change in cash and cash equivalents	**– 24**	**– 37**
Cash and cash equivalents at the beginning of the reported period	**153**	**153**
Currency adjustments	– 2	0
Net change in cash and cash equivalents	– 24	– 37
Cash and cash equivalents at the end of the reported period	**127**	**116**

1) Relates to intangible assets, property, plant and equipment, investment property and financial assets

Financial calendar 2024/2025

February 12, 2025
Publication of Third Quarter Figures 2024/2025

June 5, 2025
Press Conference, Annual Analysts' and Investors' Conference

July 24, 2025
Annual General Meeting

Subject to change
This interim statement was published on February 12, 2025.

Important note
This interim statement contains forward-looking statements based on assumptions and estimates by the management of Heidelberger Druckmaschinen Aktiengesellschaft. Although the Management Board is of the opinion that these assumptions and estimates are realistic, actual future developments and results may deviate substantially from these forward-looking statements due to various factors. These factors could, for instance, include changes in the overall economic situation, exchange rates and interest rates, as well as changes within the print media industry. Heidelberger Druckmaschinen Aktiengesellschaft provides no guarantee and assumes no liability for future developments and results deviating from the assumptions and estimates made in this interim statement. HEIDELBERG neither intends nor assumes any obligation to update the assumptions and estimates made in this interim statement to reflect events or developments occurring after the publication of this interim statement.

In individual cases, rounding may result in discrepancies concerning the totals and percentages contained in this interim statement.

This report is a non-binding English convenience translation of the German interim statement of Heidelberger Druckmaschinen Aktiengesellschaft. The Company disclaims responsibility for any misunderstanding or misinterpretation due to this translation.

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