HEIDELBERG

Q2

TECHNOLOGIES FOR TOMORROW

Interim Financial Report Q2 2022/2023

INTERIM FINANCIAL REPORT Q2 2022/2023

- Incoming orders in the second quarter up around 5 percent year-on-year – order backlog exceeds one billion euros
- Sales after six months up around 14 percent year-on-year to € 1,120 million thanks to substantial growth in the second quarter
- EBITDA increases by € 30 million to € 68 million in the second quarter compared with the adjusted prior-year figure (€ 38 million) – volume growth ensures high capacity utilization
- Net result after taxes at € 44 million after six months – equity ratio climbs significantly
- Free cash flow down on previous year at € – 13 million – NWC increases during year due to high order backlog
- Forecast for financial year 2022/2023 confirmed

Key performance data

Figures in € millions	6M		Q2	
	2021/2022	**2022/2023**	2021/2022	**2022/2023**
Incoming orders	1,245	1,229	593	622
Order backlog	886	1,019	886	1,019
Net sales	983	1,120	542	590
EBITDA [1]	75	104	60	68
in percent of net sales	7.6	9.2	11.0	11.6
Result of operating activities (EBIT)	37	64	41	48
Financial result	– 17	– 14	– 10	– 7
Net result before taxes	20	51	31	42
Net result after taxes	13	44	27	39
Research and development costs	47	47	24	23
Investments	31	40	16	23
Equity	137	457	137	457
Net debt [2]	– 4	23	– 4	23
Leverage [3]	< 0	0.1	< 0	0.1
Free cash flow	74	– 13	45	– 12
Earnings per share in €	0.04	0.14	0.09	0.12
Number of employees at end of quarter (excluding trainees)	9,925	9,547	9,925	9,547

[1] Result of operating activities before interest, taxes, depreciation and amortization
[2] Net total of financial liabilities and cash and cash equivalents and current securities
[3] Ratio of net debt to EBITDA for the last four quarters

Note
In individual cases, rounding could result in discrepancies concerning the totals and percentages contained in this interim financial report.

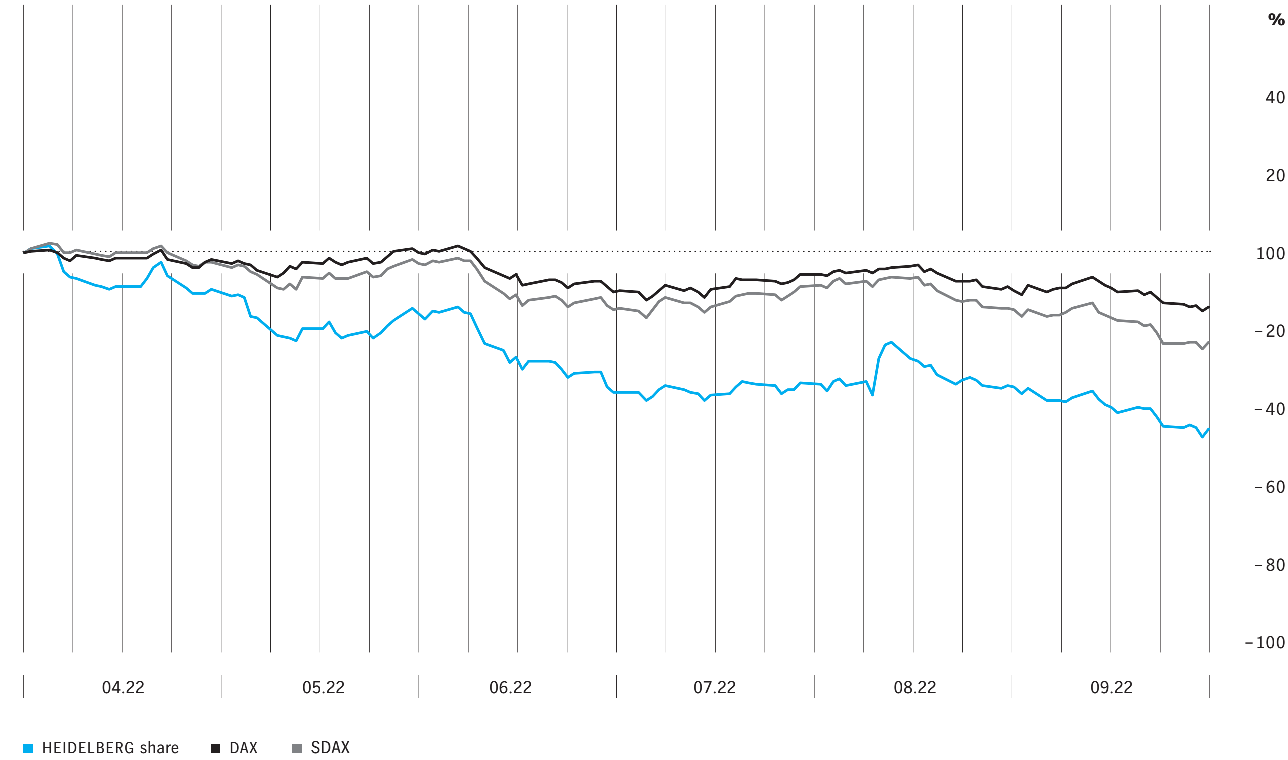
Interim consolidated financial report

Q2 2022/2023

HEIDELBERG on the capital markets

Performance of the HEIDELBERG share

Compared to the DAX and the SDAX (index: April 1, 2022 = 0 percent)



The HEIDELBERG share

The changing macroeconomic conditions continued to have a negative impact on the capital markets in the first half of the financial year 2022/23. While the German DAX benchmark index fell by around 17 percent, the SDAX small cap selection index slipped by as much as 27 percent. The Industrial Machinery Index saw an even more substantial downturn of almost 35 percent. Price performance in recent months was driven by the significant deterioration in economic growth forecasts for the current year and the increased probability of a recession in some parts of the world in the coming year. Inflation was exacerbated by high energy prices, leading to a rapid turnaround in monetary policy in the US in particular. Rising interest rates had a negative impact on the valuation of many companies, while also making other asset classes more attractive.

HEIDELBERG's share price broadly followed the performance of the benchmark indices in the first six months of the financial year 2022/2023, albeit – in the same way as for the Industrial Machinery selection index – with more pronounced volatility and price changes. Changing economic expectations meant that HEIDELBERG's share price was around 56 percent lower at the end of the quarter than at the start of the calendar year. As in the wider printing sector, this downturn was mainly concentrated in the first half of the current financial year. Falling valuations in the e-mobility sector also had a negative impact on the Company's share price. The Industrial Machinery selection index fell by 53 percent in the same period. HEIDELBERG's share price rose following the publication of the figures for the first quarter of the financial year 2022/2023. In line with the general trend, however, the share's performance became softer again towards the end of the second quarter of the financial year 2022/2023.

Key performance data of the HEIDELBERG share

Figures in € ISIN: DE 0007314007	Q2 2021/2022	**Q2 2022/2023**
High	2.35	1.79
Low	1.76	1.09
Price at beginning of quarter [1]	2.03	1.43
Price at end of quarter [1]	1.97	1.17
Market capitalization at end of quarter in € millions	600	356
Outstanding shares in thousands (reporting date)	304,479	304,479

[1] Xetra closing price, source: Bloomberg

Events in the second quarter of 2022/2023

August 2022

Fully digital label printing with Gallus One

HEIDELBERG and Gallus presented their first fully digital label printing system for the growing market of label production: Gallus One. Extensive automation and cloud-based technologies improve efficiency and productivity on the basis of the tried-and-tested Gallus Labelmaster press platform. Gallus One can be fully integrated into the HEIDELBERG Prinect cloud-based workflow software. Prinect gives production managers access to insights and production data to enable optimized production irrespective of the size of their label print shop. This includes remote access via a secure network and from any smart device. Gallus One was also showcased at the Labelexpo Americas 2022 trade show in September.

September 2022

Combating the skills shortage through in-house training

128 young people began their training at HEIDELBERG in September. In addition to traditional mechanical engineering and business administration disciplines, IT-related professions and courses resulting from the Company's digital transformation are becoming increasingly important. Examples include specialist IT, application development and, since this year, data and process analysis. With its high proportion of trainees, the Company is combating the skills shortage while also addressing the challenges of demographic change.

September 2022

New-generation SX 102

HEIDELBERG has strengthened its core business with the new-generation Speedmaster SX 102. The new machine generation includes numerous automation components from the XL series as well as the new 92 format option (650 x 940 millimeters). This cuts printing plate costs by up to 20 percent compared with the conventional 102 sheet format (720 x 1020 millimeters), which is also available. Digital assistance systems use artificial intelligence to further reduce the number of manual interventions by operators. Thanks to the Prinect Press Center XL 3 and the Prinect workflow, the Speedmaster SX 102 can be fully integrated into a print shop's overall workflow.

September 2022

AMPERFIED presents new wallbox generation

The HEIDELBERG subsidiary Amperfied GmbH presented a new generation of charging systems with a focus on connectivity and modularity as well as integration into home energy management systems for the use of self-generated electricity. These new systems also lay the foundations for the expansion of the range in the field of charging management for apartment buildings or entire vehicle fleets. The first barrier-free charging station that meets the requirements at public locations such as supermarkets, rest stops and restaurants was also presented. The extended range was rounded off with the presentation of CO_2-compensated wall charging stations as well as a new control unit for dynamic load management for the optimal charging of multiple vehicles.

The new wallbox generation also features a completely new housing made from an innovative plastic developed by BASF that is especially distortion-optimized, weather-resistant and electromagnetically compatible.

ECONOMIC REPORT

Macroeconomic and industry-specific conditions

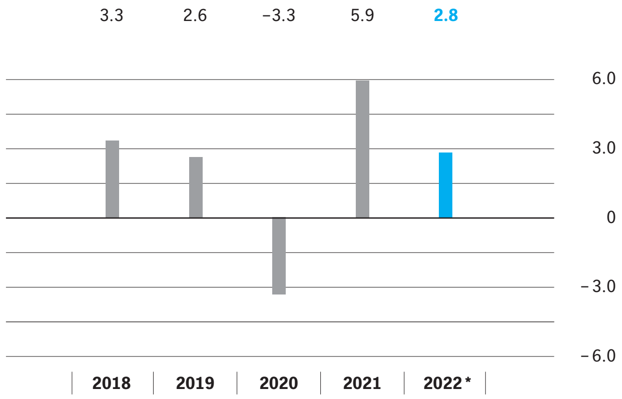
Having recovered significantly in the first half of the 2021 calendar year with growth of 7.2 percent, the world economy continued this development in the same period of the current year with a growth rate of 3.5 percent. As stated in the fall report of the German Federal Ministry for Economic Affairs and Energy, this development slowed considerably in the third quarter of the calendar year. In addition to the ongoing impact of the COVID-19-related lockdowns in China, this was primarily attributable to the Russian war on Ukraine, which has led to a further upturn in inflation and supply bottlenecks. In manufacturing in particular, problems affecting the availability of preliminary products are having a significant impact, resulting in a decline in production in the third quarter of the calendar year according to the report.

Inflation is the main factor putting pressure on industry and consumers. As the Federal Statistical Office announced in its press release of September 20, producer prices increased by 8.3 percent in August 2022 as compared to August 2021, even without taking energy prices into account. Year-on-year price increases were particularly high for secondary raw materials (+104 percent) as well as wooden packaging (+89.4 percent). On average, metals were 34.9 percent more expensive than one year ago.

Economic development in the individual countries was mixed. In the industrialized nations, GDP grew by 3.4 percent in the first six months of 2022. Macroeconomic development in the United States increased by 2.6 percent, while the figure for the euro zone was 4.8 percent. Although growth was curbed by the loss of purchasing power due to rising inflation, private consumer spending more than offset the impact of labor shortages and supply chain problems. In Japan, the end of the winter coronavirus wave led to an upturn in GDP of 1.2 percent in the first six months of 2022.

Change in global GDP [1)]

Figures in percent

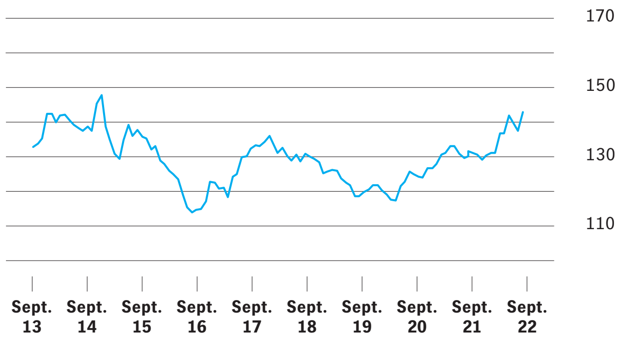


* Forecast

Source: IHS Markit Global Insight; calendar year; as of October 2022

Development of EUR / JPY

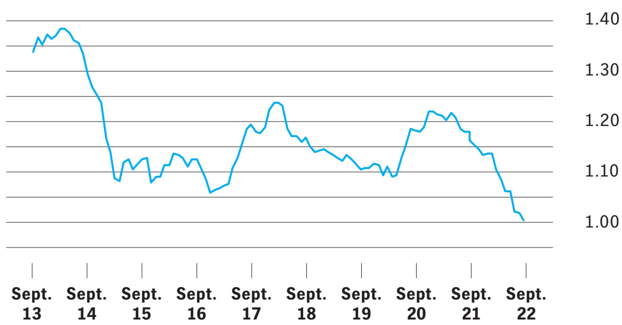
September 2013 until September 2022



Source: IHS Markit Global Insight (October 2022)

Development of EUR / USD

September 2013 until September 2022



Source: IHS Markit Global Insight (October 2022)

Despite economic weakness in China and the slump in production in Russia, macroeconomic development in the emerging economies was positive overall. In China, economic activity was hindered by the strict zero-COVID-19 policy and problems affecting the real estate sector. Following growth of 4.5 percent in the first quarter of 2022, GDP rose by just 0.3 percent in the second quarter. Other Asian nations such as Indonesia, Malaysia and India saw a pronounced upturn in economic performance. Latin America also saw economic growth of 3.9 percent in the first half of the year.

For the nations of Central and Eastern Europe, the economic consequences of the war in Ukraine and the sanctions imposed on Russia are particularly pronounced on account of their geographical proximity and close trade links. Accordingly, GDP in Eastern Europe declined by 1.6 percent.

The energy crisis, high inflation and the impact of the zero-COVID-19 policy in China also adversely affected the statistics published by the German Mechanical Engineering Industry Association (VDMA). From January to August 2022, sales of printing presses by German manufacturers fell by 6 percent and incoming orders declined by 1 percent year-on-year (in real terms).

Overall assessment of business development

The Heidelberg Group (HEIDELBERG) built on its successful start to the financial year 2022/2023 with a strong second quarter. Incoming orders increased further compared with the first quarter and were around 5 percent higher than in the second quarter of the previous year. Incoming orders for the first half of the year were largely the same as the prior-year figure, which was positively impacted by a trade show in the first quarter of the year. The order backlog increased to more than € 1 billion at the reporting date.

Sales in the second quarter were also higher than in the previous year in spite of the considerable challenges posed by the ongoing restrictions affecting the availability of supplied parts and delays in logistics. Despite the lockdowns in China, especially in the first quarter, sales for the first six months increased by around 14 percent year-on-year.

This sales growth is also reflected in EBITDA thanks to the improved utilization of the production capacities that were revised as part of the transformation program. The improved price quality of sales offset the sharp price rises for raw materials and preliminary products. EBITDA amounted to € 68 million in the second quarter, up € 30 million on the prior-year figure adjusted for the disposal of Docufy GmbH (€ 38 million). Accordingly, EBITDA for the first six months totaled € 104 million (previous year: € 75 million), corresponding to an EBITDA margin of 9.2 percent. In light of the rising costs that are anticipated in the second half of the year, e. g. due to the collective pay increase, the results for the first half of the year therefore provide strong foundations for achieving the full-year targets.

Free cash flow amounted to € – 13 million and was down on the previous year due to the increase in net working capital (NWC) during the year and lower income from asset management projects. The higher level of NWC was attributable to the increase in inventories due to production. In the previous year, this was offset by a sharp rise in advance payments in connection with the rapid business recovery. The current supply chain disruption also tends to mean longer production times.

In the segments, Packaging Solutions recorded significant sales growth of 31 percent compared with the sluggish prior-year period. In terms of regions, Central Europe and North America in particular recorded sales growth from new machinery business. Business in China improved in the second quarter as there were no lockdown-related restrictions affecting production, but sales for the first half of the year failed to repeat the prior-year figure.

Orders and sales

INCOMING ORDERS were essentially unchanged year-on-year at around € 1,229 million as of September 30, 2022 (previous year: € 1,245 million). Incoming orders in the second quarter of 2022/2023 increased to € 622 million (previous year: € 593 million).

At € 1,019 million, the ORDER BACKLOG as of September 30, 2022 improved further compared with March 31, 2022 (€ 901 million) and the prior-year reporting date (€ 886 million).

SALES for the first six months increased substantially to € 1,120 million (previous year: € 983 million). In the second quarter, sales amounted to € 590 million after € 542 million in the same period of the previous year.

Accordingly, TOTAL OPERATING PERFORMANCE for the first half of the year increased to € 1,193 million (previous year: € 1,047 million).

Business performance by quarter

Figures in € millions		6M		Q2
	2021/2022	**2022/2023**	2021/2022	**2022/2023**
Incoming orders	1,245	1,229	593	622
Sales	983	1,120	542	590

Results of operations, net assets and financial position

The result of operating activities before interest, taxes, depreciation and amortization (EBITDA) improved significantly to € 104 million in the first half of 2022/2023 (first half of 2021/2022: € 75 million). This development was due in particular to the increased sales volume and the high utilization of production capacities as a result. The improved price quality of sales also offset the sharp price rises for raw materials and preliminary products. At the same time, staff costs declined in the second quarter after adjustment for currency translation effects as forecast. Adjusted for the income from the disposal of Docufy GmbH in the same period of the previous year, operating EBITDA for the second quarter rose by around € 30 million year-on-year to € 68 million. At € 64 million, the result of operating activities (EBIT) for the first six months was also higher than in the same period of the previous year (€ 37 million), as was the figure for the second quarter at € 48 million (previous year: € 41 million).

The FINANCIAL RESULT for the first half of the year improved to € – 14 million (previous year: € – 17 million), including as a result of lower financing costs due to the reduction in financial liabilities.

The NET RESULT BEFORE TAXES for the first half of the year improved from € 20 million in the previous year to € 51 million in the period under review. The figure for the second quarter also improved to € 42 million (previous year: € 31 million). Accordingly, the NET RESULT AFTER TAXES increased to € 44 million after the first six months (previous year: € 13 million) and to € 39 million in the second quarter (previous year: € 27 million).

Income statement

Figures in € millions		6M		Q2
	2021/2022	**2022/2023**	2021/2022	**2022/2023**
Net sales	**983**	**1,120**	**542**	**590**
Change in inventories/other own work capitalized	63	73	– 5	17
Total operating performance	**1,047**	**1,193**	**537**	**606**
EBITDA	**75**	**104**	**60**	**68**
Depreciation and amortization	38	39	19	20
Result of operating activities (EBIT)	**37**	**64**	**41**	**48**
Financial result	**– 17**	**–14**	**– 10**	**-7**
Net result before taxes	**20**	**51**	**31**	**42**
Taxes on income	7	7	4	2
Net result after taxes	**13**	**44**	**27**	**39**

TOTAL ASSETS rose slightly compared with March 31, 2022, amounting to € 2,257 million as of September 30, 2022.

INVENTORIES increased to € 736 million as a result of the higher order and production volume in the first half of the year (March 31, 2022: € 631 million). Accordingly, NET WORKING CAPITAL also rose to € 523 million as of September 30, 2022 (March 31, 2022: € 440 million). The increase in inventories was cushioned slightly by the higher level of trade payables and advance payments. In the previous year, the increase in inventories during the reporting period was offset in particular by the sharp rise in advance payments due to the business recovery.

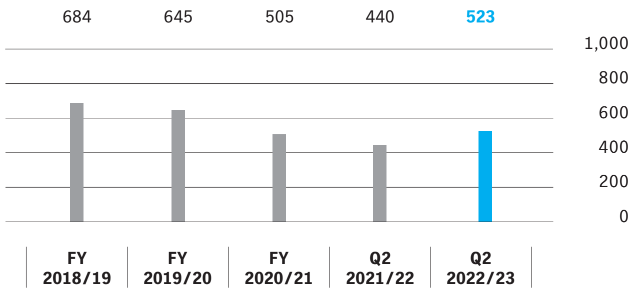
Our customers' financing requirements were covered largely externally in the reporting period; we therefore provided customer financing directly to a limited extent only. RECEIVABLES FROM SALES FINANCING declined to € 37 million as of September 30, 2022 on account of the repayments received and refinancing on the part of customers.

Assets

Figures in € millions	31-Mar-2022	**30-Sep-2022**
Non-current assets	843	842
Inventories	631	736
Trade receivables	246	271
Receivables from sales financing	43	37
Cash and cash equivalents and current securities	146	120
Other assets	274	250
	2,183	**2,257**

Development of net working capital [1]

Figures in € millions



[1] Total of inventories and trade receivables less trade payables and advance payments

Compared with the end of the previous financial year on March 31, 2022, the HEIDELBERG Group's **EQUITY** increased to € 457 million as of September 30, 2022 as a result of the significant rise in the interest rate for German pensions (from 2.1 percent as of March 31, 2022 to 3.9 percent as of September 30, 2022) and the positive net result after taxes for the first six months. The equity ratio was thus 20 percent.

Pension provisions declined substantially to € 670 million owing to the higher interest rate (start of financial year: € 843 million). **PROVISIONS** declined to € 919 million in total (March 31, 2022: € 1,113 million).

Due to the slightly negative free cash flow, **NET DEBT** stood at € 23 million at the end of the first six months (March 31, 2022: € –4 million) and thus remained at a low level. Leverage (the ratio of net debt to EBITDA for the last four quarters) amounted to 0.1. Financial liabilities increased slightly compared with the start of the financial year to € 143 million as of September 30, 2022 (March 31, 2022: € 135 million). This was considerably lower than the figure at the prior-year reporting date (September 30, 2021: € 201 million).

Equity and liabilities

Figures in € millions	31-Mar-2022	**30-Sep-2022**
Equity	242	457
Provisions	1,113	919
of which: pension provisions	843	670
Financial liabilities	135	143
Trade payables	216	241
Other equity and liabilities	477	497
	2,183	**2,257**

Overview of net assets

Figures in € millions	31-Mar-2022	**30-Sep-2022**
Total assets	2,183	2,257
Net working capital	451	523
in percent of sales [1]	23.6	22.5
Equity	242	457
in percent of total equity and liabilities	11.1	20.2
Net debt [2]	– 4	23

[1] Net working capital in relation to sales for the last four quarters
[2] Net total of financial liabilities and cash and cash equivalents and current securities

HEIDELBERG's financing portfolio consists of a syndicated credit facility (around € 250 million) with a term to 2024 and various loans and development loans. HEIDELBERG's credit facilities, which currently total around € 307 million, have a maturity structure until 2024 and provide solid foundations for the Company's continued strategic development.

We supplement our financing with operating leases where economically appropriate. There are no financing instruments not reported on the face of the statement of financial position with a significant influence on the economic position of the Group.

FREE CASH FLOW amounted to € – 13 million after the first six months (previous year: € 74 million). Cash used in operating activities amounted to € – 44 million at the end of the first half of the year (previous year: cash generated by operating activities of € 17 million). This change was mainly due to the differences in the development of net working capital. Net other operating changes improved on account of the significantly higher result after taxes, but were again impacted by scheduled payments in connection with the transformation program initiated in March 2020.

The sale of land in St. Gallen and the reversal of a cash investment position meant that **NET CASH GENERATED BY INVESTING ACTIVITIES** was positive at € 31 million in the first half of the year (previous year: € 56 million). The sale of land at the Wiesloch-Walldorf production site and the disposal of the subsidiary Docufy resulted in a higher level of cash generated by investing activities in the previous year.

Statement of cash flows of the HEIDELBERG Group

Figures in € millions		6M		Q2
	2021/2022	**2022/2023**	2021/2022	**2022/2023**
Cash used in/generated by operating activities	17	– 44	22	– 19
of which: net working capital	54	– 70	14	– 61
of which: receivables from sales financing	3	6	3	2
of which: other operating changes	– 40	20	4	40
Cash generated by investing activities	56	31	23	7
Free cash flow	74	– 13	45	– 12
in percent of sales	7.5	– 1.2	8.3	– 2.0

Segment report

Incoming orders in the PRINT SOLUTIONS segment in the first six months were largely unchanged compared with the previous year, whereas sales increased slightly by just over 3 percent. A comparison between the second quarter and the same period of the previous year shows that incoming orders remained at a consistently high level. Sales in the second quarter were down slightly on the strong prior-year level.

The result of operating activities before interest, taxes, depreciation and amortization (EBITDA) amounted to € 33 million in the second quarter of the current financial year. This was lower than the prior-year figure (€ 48 million), which included non-recurring income from the disposal of the subsidiary Docufy in the amount of around € 22 million. EBITDA at the end of the first six months was largely unchanged year-on-year at € 53 million (previous year: € 55 million).

The Print Solutions segment had a total of 5,271 employees as of September 30, 2022.

Print Solutions

Figures in € millions		6M		Q2
	2021/2022	**2022/2023**	2021/2022	**2022/2023**
Incoming orders	689	682	334	334
Sales	547	566	309	293
Order backlog	475	533	475	533
EBITDA [1]	55	53	48	33
Employees [2]	5,492	5,271	5,492	5,271

[1] Result of operating activities before interest, taxes, depreciation and amortization
[2] At end of quarter (excluding trainees)

The PACKAGING SOLUTIONS segment increased its incoming orders by 12 percent compared with the first quarter, thus closing the first half of the year at almost the same level as in the previous year. Sales in the first six months improved significantly by almost 30 percent year-on-year. With segment cost allocation remaining unchanged, the higher level of sales meant that EBITDA for the second quarter increased substantially to € 38 million. EBITDA for the first half of the year was also up significantly year-on-year at € 55 million.

The Packaging Solutions segment had a total of 4,137 employees as of September 30, 2022.

Packaging Solutions

Figures in € millions		6M		Q2
	2021/2022	**2022/2023**	2021/2022	**2022/2023**
Incoming orders	535	531	247	281
Sales	415	538	221	291
Order backlog	411	461	411	461
EBITDA [1]	17	55	11	38
Employees [2]	4,300	4,137	4,300	4,137

[1] Result of operating activities before interest, taxes, depreciation and amortization
[2] At end of quarter (excluding trainees)

The TECHNOLOGY SOLUTIONS segment was unable to repeat its extraordinary prior-year growth in incoming orders and sales. The substantial reduction in incoming orders and sales in the second quarter meant that both figures were down around 25 percent year-on-year at the end of the first six months. In addition to the expiry of subsidies for private charging stations in Germany, this was due in particular to longer delivery times for new electric vehicles. Accordingly, the segment reported negative EBITDA.

The Technology Solutions segment had a total of 139 employees as of September 30, 2022.

Technology Solutions

Figures in € millions		6M		Q2
	2021/2022	**2022/2023**	2021/2022	**2022/2023**
Incoming orders	21	16	12	6
Sales	21	16	12	6
Order backlog	0	25	0	25
EBITDA [1]	2	– 4	1	– 3
Employees [2]	133	139	133	139

[1] Result of operating activities before interest, taxes, depreciation and amortization
[2] At end of quarter (excluding trainees)

Report on the regions

Incoming orders in the EMEA (Europe, Middle East and Africa) region increased slightly year-on-year, with the second quarter of the financial year 2022/2023 accounting for just over half of the total. Within the region, France and Spain recorded particularly strong performance in terms of incoming orders. The EMEA region enjoyed extremely positive year-on-year sales growth of 24 percent in the first half of the year and 9 percent in the second quarter. This was attributable to Italy in particular, but Belgium, France, and Spain also reported positive sales development in the first half of 2022/2023.

Incoming orders in the ASIA/PACIFIC region declined by around 22 percent year-on-year as of September 30, 2022. The prior-year figure was characterized by the high order volume generated as a result of the China Print trade show in June 2021. The important market of China was also impacted by lockdowns in the first quarter of 2022/2023, with incoming orders falling by almost 38 percent in the first six months of the financial year as a result. By contrast, the growing market of India recorded an increase of 70 percent. Sales in the region also declined by 8.5 percent year-on-year.

As expected, incoming orders in the EASTERN EUROPE region were weaker than in the previous year due to Russia's war on Ukraine and the resulting sanctions. In terms of quarterly performance, there was a downturn of almost 20 percent between the stronger first quarter and the weaker second quarter, reflecting the tensions in the region. The improvement in sales in markets such as Poland slightly outweighed the downturn in business in Russia. The second quarter was especially successful in this respect, with growth of 18 percent.

The **NORTH AMERICA** region built on the successful development in the previous year, with incoming orders increasing by almost 29 percent in the first half of 2022/2023. The second quarter accounted for a slightly higher proportion of the orders received. This growth was driven by all countries in the region, but especially by the US. Sales saw similar but even stronger development, increasing by 32 percent.

The **SOUTH AMERICA** region recorded growth in incoming orders of 49 percent in the first six months of the current financial year. This was almost entirely attributable to the Brazilian market. Sales also increased by 49 percent in the first six months and were largely generated in Brazil.

Incoming orders by region

Figures in € millions		6M		Q2
	2021/2022	**2022/2023**	2021/2022	**2022/2023**
EMEA	481	491	219	249
Asia/Pacific	381	300	177	156
Eastern Europe	142	122	64	61
North America	211	272	114	139
South America	29	44	19	17
HEIDELBERG Group	**1,245**	**1,229**	**593**	**622**

Sales by region

Figures in € millions		6M		Q2
	2021/2022	**2022/2023**	2021/2022	**2022/2023**
EMEA	361	448	191	208
Asia/Pacific	298	273	167	160
Eastern Europe	131	140	73	86
North America	174	230	98	119
South America	20	29	14	15
HEIDELBERG Group	**983**	**1,120**	**542**	**590**

Employees

There were 9,547 employees in the HEIDELBERG Group in the second quarter of the financial year 2022/2023 (plus 449 trainees).

Employees by region

Number of employees [1]	31-Mar-2022	**30-Sep-2022**
EMEA	7,040	6,871
Asia/Pacific	1,636	1,620
Eastern Europe	440	355
North America	606	610
South America	89	91
HEIDELBERG Group	**9,811**	**9,547**

[1] Excluding trainees

Risk and opportunity report

As of September 30, 2022, there were no fundamental changes in the assessment of the risks and opportunities of the HEIDELBERG Group compared to the presentation in the 2021/2022 Annual Report. HEIDELBERG is monitoring the risks of economic development as well as the risks arising from the availability (shortage) and the price of energy (electricity, gas). As things currently stand, no significant impairment to the Company's own production is expected. However, an indirect risk remains in that suppliers could be more severely affected by a possible gas shortage and by energy and supply chain problems, with a negative impact on HEIDELBERG.

Future prospects

The forecast for the financial year 2022/2023 is unchanged from that published in the Group's 2021/2022 Annual Report (pages 64 and 65) on June 9, 2022.

Important note
This interim financial report 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 development and results deviating from the assumptions and estimates made in this interim financial report. HEIDELBERG neither intends nor assumes any obligation to update the assumptions and estimates made in this interim financial report to reflect events or developments occurring after the publication of this interim report.

Interim consolidated financial statements

for the period April 1, 2022 to September 30, 2022

Interim consolidated income statement – April 1, 2022 to September 30, 2022

Figures in € millions	Note	1-Apr-2021 to 30-Sep-2021	**1-Apr-2022 to 30-Sep-2022**
Net sales	3	983	1,120
Change in inventories		53	61
Other own work capitalized		11	13
Total operating performance		**1,047**	**1,193**
Other operating income	4	60	42
Cost of materials		486	547
Staff costs	5	380	391
Depreciation and amortization		38	39
Other operating expenses	6	167	193
Result of operating activities		**37**	**64**
Financial income	7	2	1
Financial expenses	8	19	15
Financial result		**– 17**	**– 14**
Net result before taxes		**20**	**51**
Taxes on income		7	7
Net result after taxes		**13**	**44**
Basic earnings per share according to IAS 33 (in € per share)	9	**0.04**	**0.14**
Diluted earnings per share according to IAS 33 (in € per share)	9	**0.04**	**0.14**

Interim consolidated statement of comprehensive income – April 1, 2022 to September 30, 2022

Figures in € millions	1-Apr-2021 to 30-Sep-2021	**1-Apr-2022 to 30-Sep-2022**
Net result after taxes	**13**	**44**
Other comprehensive income not reclassified to the income statement		
Remeasurement of defined benefit pension plans and similar obligations	9	167
Deferred income taxes	0	–1
	9	**166**
Other comprehensive income which may subsequently be reclassified to the income statement		
Currency translation	4	12
Available-for-sale financial assets	0	0
Cash flow hedges	0	–2
Deferred income taxes	0	0
	4	**10**
Total other comprehensive income	13	175
Total comprehensive income	**26**	**219**

Interim consolidated income statement – July 1, 2022 to September 30, 2022

Figures in € millions	1-Jul-2021 to 30-Sep-2021	**1-Jul-2022 to 30-Sep-2022**
Net sales	542	590
Change in inventories	– 9	9
Other own work capitalized	4	7
Total operating performance	**537**	**606**
Other operating income	37	13
Cost of materials	249	267
Staff costs	180	185
Depreciation and amortization	19	20
Other operating expenses	85	98
Result of operating activities	**41**	**48**
Financial income	1	1
Financial expenses	11	7
Financial result	**– 10**	**– 7**
Net result before taxes	**31**	**42**
Taxes on income	4	2
Net result after taxes	**27**	**39**
Basic earnings per share according to IAS 33 (in € per share)	**0.09**	**0.12**
Diluted earnings per share according to IAS 33 (in € per share)	**0.09**	**0.12**

Interim consolidated statement of comprehensive income – July 1, 2022 to September 30, 2022

Figures in € millions	1-Jul-2021 to 30-Sep-2021	**1-Jul-2022 to 30-Sep-2022**
Net result after taxes	**27**	**39**
Other comprehensive income not reclassified to the income statement		
Remeasurement of defined benefit pension plans and similar obligations	23	9
Deferred income taxes	0	1
	23	**10**
Other comprehensive income which may subsequently be reclassified to the income statement		
Currency translation	4	6
Available-for-sale financial assets	0	0
Cash flow hedges	–1	0
Deferred income taxes	0	0
	3	**7**
Total other comprehensive income	26	15
Total comprehensive income	**53**	**55**

Interim consolidated statement of financial position as of September 30, 2022

Assets

Figures in € millions	Note	31-Mar-2022	30-Sep-2022
Non-current assets			
Intangible assets	10	199	204
Property, plant and equipment	10	630	627
Investment property		7	5
Financial assets		7	6
Receivables from sales financing		21	19
Other receivables and other assets	12	20	19
Deferred tax assets		75	81
		960	962
Current assets			
Inventories	11	631	736
Receivables from sales financing		22	18
Trade receivables		246	271
Other receivables and other assets	12	133	123
Income tax assets		17	9
Cash and cash equivalents	13	146	120
		1,194	1,277
Assets held for sale	14	30	18
Total assets		**2,183**	**2,257**

Interim consolidated statement of financial position as of September 30, 2022

Equity and liabilities

Figures in € millions	Note	31-Mar-2022	**30-Sep-2022**
Equity	15		
Issued capital		779	779
Capital reserves, retained earnings and other reserves		– 570	– 366
Net result after taxes		33	44
		242	457
Non-current liabilities			
Provisions for pensions and similar obligations	16	843	670
Other provisions	17	71	65
Financial liabilities	18	62	57
Contractual liabilities	19	19	21
Income tax liabilities		55	55
Other liabilities	20	8	8
Deferred tax liabilities		3	1
		1,061	877
Current liabilities			
Other provisions	17	198	184
Financial liabilities	18	73	86
Contractual liabilities	19	265	287
Trade payables		216	241
Income tax liabilities		17	16
Other liabilities	20	110	110
		880	924
Total equity and liabilities		**2,183**	**2,257**

Statement of changes in consolidated equity as of September 30, 2022 [1)]

Figures in € millions	Issued capital	Capital reserves	Retained earnings
April 1, 2021	779	33	– 690
Profit carryforward (+)	–	–	– 43
Total comprehensive income	–	–	9
Consolidation adjustments/other changes	–	–	30
September 30, 2021	**779**	**33**	**– 694**
April 1, 2022	779	33	– 608
Profit carryforward (+)	–	–	33
Total comprehensive income	–	–	166
Consolidation adjustments/other changes	–	–	– 4
September 30, 2022	**779**	**33**	**– 413**

1) For further details, please refer to note 15

Other retained earnings				Total other retained earnings	Total capital reserves, retained earnings and other retained earnings	Net result after taxes	Total
Revaluation of land	Currency translation	Fair value of other financial assets	Fair value of cash flow hedges				
169	–137	0	–3	29	–627	–43	109
–	–	–	–	0	–43	43	0
–	4	0	0	4	13	13	26
–28	–	–	–	–28	2	–	2
140	**–132**	**0**	**–3**	**6**	**–655**	**13**	**137**
120	–114	0	0	5	–570	33	242
–	–	–	–	0	33	–33	0
–	12	0	–2	9	175	44	219
–	–	–	–	0	–4	–	–4
120	**–103**	**0**	**–3**	**14**	**–366**	**44**	**457**

Interim consolidated statement of cash flows – April 1, 2022 to September 30, 2022

Figures in € millions	1-Apr-2021 to 30-Sep-2021	**1-Apr-2022 to 30-Sep-2022**
Net result after taxes	13	44
Depreciation, amortization, write-downs and write-ups [1]	41	39
Change in pension provisions	– 7	– 6
Change in deferred tax assets/deferred tax liabilities/tax provisions	0	– 4
Result from disposals	– 10	– 12
Change in inventories	– 84	– 95
Change in trade receivables/payables	77	8
Change in advance payments	61	17
Change in sales financing	3	6
Change in other provisions	– 25	– 28
Change in other items of the statement of financial position	– 51	– 13
Cash generated by/used in operating activities	**17**	**– 44**
Intangible assets/property, plant and equipment/investment property		
Investments	– 26	– 25
Income from disposals	55	36
Financial assets/company acquisitions		
Investments	0	0
Income from disposals	27	0
Cash generated by investing activities before cash investment	**56**	**11**
Cash investments	0	20
Cash generated by investing activities	**56**	**31**
Borrowing of financial liabilities	4	40
Repayment of financial liabilities	– 78	– 55
Cash used in financing activities	**– 74**	– 15
Net change in cash and cash equivalents	**– 1**	**– 27**
Cash and cash equivalents at the beginning of the reporting period	**204**	**146**
Currency adjustments	2	2
Net change in cash and cash equivalents	– 1	– 27
Cash and cash equivalents at the end of the reporting period	**205**	**120**
Cash generated by/used in operating activities	17	– 44
Cash generated by investing activities	56	31
Free cash flow	**74**	**– 13**

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

Notes

1 Accounting policies

The interim consolidated financial statements as of September 30, 2022 are consistent with and were prepared in line with the regulations of IAS 34 (Interim Financial Reporting). They should be read in conjunction with the consolidated financial statements as of March 31, 2022, which were prepared in line with the International Financial Reporting Standards (IFRS) as endorsed in the EU.

The interim consolidated financial statements were prepared using the same accounting policies as the consolidated financial statements for the 2021/2022 financial year. In accordance with the regulations of IAS 34, a condensed scope of reporting was chosen as against the consolidated financial statements as of March 31, 2022. All amounts are stated in millions of euros.

The International Accounting Standards Board (IASB) and the IFRS Interpretations Committee (IFRS IC) have approved the following changes to existing standards, which are to be applied for the first time in financial year 2022/2023.

Standards	Publication by the IASB / IFRS IC	Date of adoption [1]	Published in Official Journal of the EU	Effects
Amendments to standards				
Amendments to IAS 16: Property, Plant and Equipment – Proceeds before Intended Use	14-May-2020	1-Jan-2022	2-Jul-2021	None
Amendments to IAS 37: Onerous Contracts – Cost of Fulfilling a Contract	14-May-2020	1-Jan-2022	2-Jul-2021	No material effects
Amendments to IFRS 3: Business Combinations – Reference to the Conceptual Framework	14-May-2020	1-Jan-2022	2-Jul-2021	No material effects
Annual Improvements to IFRS® Standards 2018–2020 Cycle	14-May-2020	1-Jan-2022	2-Jul-2021	No material effects

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

Traditionally, HEIDELBERG generates more sales in the second half of the financial year than in the first. Income that is generated due to seasonal reasons, economic reasons, or only occasionally within the financial year is not brought forward or deferred in the interim consolidated financial statements. Expenses that are incurred irregularly during the financial year are deferred in cases in which they would also be deferred at the end of the financial year.

This interim financial report has neither been audited in accordance with section 317 of the German Commercial Code (HGB) nor reviewed by the auditors.

Due to the significant increase in interest rates and the continuing rise in energy and commodity prices as well as the impacts of the war in Ukraine we tested our goodwill for impairment as of September 30, 2022. The increased level of uncertainty with respect to future interest rates and cash flows was duly taken into account by considering corresponding scenarios. Management continues to assume that the target values from last year‘s planning will be realized in the medium and long term. On this basis, the impairment test did not reveal any need for impairment of goodwill.

2 Scope of consolidation

The interim consolidated financial statements of Heidelberger Druckmaschinen Aktiengesellschaft include a total of 64 (March 31, 2021: 65) domestic and foreign companies in which Heidelberger Druckmaschinen Aktiengesellschaft has a controlling influence as defined by IFRS 10. Of these, 50 (March 31, 2021: 52) are located outside Germany. Subsidiaries that are of minor importance are not included.

Heidelberg CIS OOO, Moscow, Russia, was deconsolidated effective April 1, 2022.

Gallus Inc., Philadelphia, USA, was merged with Heidelberg Americas Inc., Kennesaw, USA, as of April 1, 2022.

The newly created company Heidelberger Druckmaschinen Subscription GmbH, Wiesloch, Germany, was included in consolidation effective May 25, 2022.

3 Net sales

Net sales of € 1,120 million (April 1, 2021 to September 30, 2021: € 983 million) comprise net sales from contracts with customers of € 1,112 million (April 1, 2021 to September 30, 2021: € 974 million) and other net sales of € 8 million (April 1, 2021 to September 30, 2021: € 9 million).

The breakdown of net sales by segment and by region is shown in note 23.

4 Other operating income

	1-Apr-2021 to 30-Sep-2021	**1-Apr-2022 to 30-Sep-2022**
Income from disposals of intangible assets, property, plant and equipment and investment property	12	13
Reversal of other provisions and accruals	10	10
Hedging/exchange rate gains	3	7
Income from operating facilities	2	1
Recoveries on loans and other assets previously written down	2	1
Income from deconsolidation of ducufy GmbH	22	–
Other income	9	9
	60	**42**

Income from hedging/exchange rate gains is offset by expenses for hedging/exchange rate losses reported under other operating expenses (see note 7).

5 Staff costs

	1-Apr-2021 to 30-Sep-2021	**1-Apr-2022 to 30-Sep-2022**
Wages and salaries	314	323
Cost of/income from pension scheme	9	8
Other social security contributions and expenses	57	60
	380	**391**

6 Other operating expenses

	1-Apr-2021 to 30-Sep-2021	**1-Apr-2022 to 30-Sep-2022**
Other deliveries and services not included in the cost of materials	68	72
Special direct selling expenses including freight charges	37	43
Travel expenses	11	15
Hedging/exchange rate losses	2	8
Insurance expense	7	7
Rent and leases	5	6
Additions to provisions and accruals relating to several types of expense	3	4
Bad debt allowances and impairment on other assets under IFRS 9	4	4
Costs of car fleet (excluding leases)	2	2
Other overheads	28	32
	167	**193**

The expenses for hedging/exchange rate losses are offset by income from hedging/exchange rate gains reported under other operating income (see note 4).

7 Financial income

	1-Apr-2021 to 30-Sep-2021	**1-Apr-2022 to 30-Sep-2022**
Interest and similar income	2	1
Income from financial assets/loans/securities	0	0
	2	**1**

8 Financial expenses

	1-Apr-2021 to 30-Sep-2021	**1-Apr-2022 to 30-Sep-2022**
Interest and similar expenses	15	14
Expenses for financial assets/loans/securities	4	1
	19	**15**

9 Earnings per share

Earnings per share are calculated by dividing the net result after taxes attributable to shareholders by the weighted number of shares outstanding in the period. The weighted number of shares outstanding was 304,336,334 in the period under review (April 1, 2021 to September 30, 2021: 304,336,334). The weighted number of shares outstanding was influenced by the holdings of treasury shares. The Company held 142,919 (March 31, 2022: 142,919) treasury shares as of September 30, 2022.

10 Intangible assets, property, plant and equipment

In the period from April 1, 2022 to September 30, 2022, there were additions to intangible assets of € 11 million (April 1, 2021 to September 30, 2021: € 7 million) and to property, plant and equipment of € 29 million (April 1, 2021 to September 30, 2021: € 24 million). In the same period, the carrying amount of disposals from intangible assets was € 0 million (April 1, 2021 to September 30, 2021: € 2 million) and € 4 million (April 1, 2021 to September 30, 2021: € 6 million) for property, plant and equipment.

11 Inventories

Inventories include raw materials and supplies totaling € 145 million (March 31, 2022: € 120 million), work and services in progress of € 294 million (March 31, 2022: € 252 million), finished goods and goods for resale of € 284 million (March 31, 2022: € 249 million) and advance payments of € 12 million (March 31, 2022: € 10 million).

12 Other receivables and other assets

Other receivables and other assets include receivables from derivative financial instruments of € 4 million (March 31, 2022: € 3 million) and prepaid expenses of € 21 million (March 31, 2022: € 9 million).

13 Cash and cash equivalents

Restrictions on disposal of cash and cash equivalents due to foreign exchange restrictions amount to € 47 million (March 31, 2022: € 25 million).

14 Assets held for sale

The assets of € 18 million classified as held for sale in accordance with IFRS 5 as of September 30, 2022 (March 31, 2022: € 30 million) relate to seven developed plots of land and six undeveloped plots of land, whose sale is planned and has been initiated in each case.

The previous property in St. Gallen, Switzerland, was sold to the St. Gallen businessmen Marcel and Roger Baumer as of April 1, 2022. The brothers are the fourth-generation owners of the Hälg Group and have acquired the area privately. In the future, Gallus will continue to use the required space as the main tenant in this area. A corresponding purchase and long-term lease agreement has been signed. The purchase price was around € 32 million and resulted in a high single-digit million after-tax income. The transaction was completed in the first quarter of the fiscal year 2022/2023.

15 Equity

As was the case as of March 31, 2022, the Company still held 142,919 treasury shares as of September 30, 2022. The repurchased shares can only be utilized to reduce the capital of Heidelberger Druckmaschinen Aktiengesellschaft or for employee share participation programs and other forms of share distribution to the employees of the Company or a subsidiary or to individuals who are or were employed by Heidelberger Druckmaschinen Aktiengesellschaft or one of its associates.

Please see note 25 to the consolidated financial statements as of March 31, 2022 for information on the contingent capital and the authorized capital as of March 31, 2022. The Annual General Meeting on July 21, 2022, did not adopt any resolutions that resulted in a change in the contingent and authorized capital.

16 Provisions for pensions and similar obligations

A discount rate of 3.90 percent was used to calculate the remeasurement of net liabilities (assets) from defined benefit pension plans for German companies as of September 30, 2022 (March 31, 2022: 2.10 percent).

Assuming a domestic discount rate of 2.10 percent, the present value of the pension entitlements of employees would have been increased by € 164 million.

17 Other provisions

Other provisions include staff obligations of € 75 million (March 31, 2022: € 90 million), sales obligations of € 74 million (March 31, 2022: € 73 million) and miscellaneous other provisions of € 100 million (March 31, 2022: € 107 million). At € 64 million (March 31, 2022: € 73 million), the latter predominantly include provisions for our portfolio and cost efficiency measures.

18 Financial liabilities

	31-Mar-2022			30-Sep-2022		
	Current	Non-current	Total	Current	Non-current	**Total**
Amounts due to banks	49	36	85	62	19	81
Lease liabilities	19	24	43	19	37	56
Other	5	2	7	5	2	7
	73	62	**135**	86	58	**144**

Based on its financing structure as of September 30, 2022 with a maturity profile until 2024, HEIDELBERG has a stable financing basis. The HEIDELBERG Group was able to meet its financial obligations at all times in the reporting period.

With regard to our financing, please also refer to note 28 in the notes to the consolidated financial statements as of March 31, 2022.

19 Contract liabilities

Contract liabilities essentially comprise advance payments on orders and prepayments for future maintenance and services and amounted to € 307 million (March 31, 2022: € 284 million).

20 Other liabilities

Other liabilities include staff-related accruals of € 47 million (March 31, 2022: € 49 million), liabilities from derivative financial instruments of € 8 million (March 31, 2022: € 4 million) and deferred income of € 13 million (March 31, 2022: € 12 million).

21 Additional disclosures on financial instruments

Financial assets and financial liabilities are allocated to the three levels of the fair value hierarchy as set out in IFRS 13 depending on the availability of observable market data.

The individual levels are defined as follows:

LEVEL 1: Financial instruments traded on active markets whose quoted prices can be used to measure fair value without adjustment.

LEVEL 2: Measurement on the basis of measurement procedures whose inputs are derived from observable market data, either directly or indirectly.

LEVEL 3: Measurement on the basis of measurement procedures whose inputs are not derived from observable market data.

The HEIDELBERG Group is exposed to market price risks in the form of interest rate and exchange rate fluctuations. In general, derivative financial instruments are used to limit these risks. Their fair values correspond to changes in value arising from a notional revaluation taking into account the market parameters applicable at the end of the reporting period. The fair values are calculated using standardized measurement procedures (discounted cash flow and option pricing models). This corresponds to level 2 of the fair value hierarchy set out in IFRS 13, as only input data observable on the market, such as exchange rates, exchange rate volatilities and interest rates, is used.

Securities are classified as financial assets at fair value through other comprehensive income and recognized at fair value. This classification was chosen in accordance with the strategic orientation of these financial investments. The underlying quoted prices for the measurement of the vast majority of securities correspond to level 1 of the fair value hierarchy set out in IFRS 13, as only quoted prices observed on active markets are used in measurement. If the fair value of securities cannot be reliably determined, they are carried at cost.

The financial assets and financial liabilities recognized at fair value were assigned to the IFRS 13 fair value hierarchy as follows:

				31-Mar-2022				**30-Sep-2022**
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	**Total**
Securities	3	0	–	3	2	0	–	2
Derivative financial assets	–	3	–	3	–	4	–	4
Financial assets carried at fair value	**3**	**3**	**–**	**6**	**2**	**4**	–	**6**
Derivative financial liabilities	–	4	–	4	–	8	–	8
Financial liabilities carried at fair value	**–**	4	**–**	4	–	**8**	–	**8**

The fair value of receivables from sales financing essentially corresponds to the reported carrying amount. This fair value is based on expected cash flows and interest rates with matching maturities taking into account the customer-specific credit rating.

The carrying amount of trade receivables, other financial receivables reported in other receivables and other assets, and cash and cash equivalents is generally assumed as an appropriate estimate of the fair value.

The fair value of the development loan agreed with the European Investment Bank in March 2016 is € 31 million (March 31, 2022: € 44 million) as compared to the carrying amount of € 31 million (March 31, 2022: € 44 million).

The fair value of the promotional loan to finance the investment in relocating our research and development activities to our Wiesloch-Walldorf production site that was arranged with a syndicate of banks with refinancing by KfW (Energy Efficiency Program – “Energy-efficient Construction and Refurbishment”), is € 6 million (March 31, 2022: € 10 million), as compared to the carrying amount of € 6 million (March 31, 2022: € 9 million).

The fair value of the loan borrowed in May 2017 is € 8 million (March 31, 2022: € 10 million), as compared to the carrying amount of € 8 million (March 31, 2022: € 9 million).

The fair value of the loan borrowed in July 2019 to finance investment in our IT landscape is € 2 million (March 31, 2022: € 3 million) as compared to the carrying amount of € 2 million (March 31, 2022: € 3 million).

The fair value of the loans borrowed in July and August 2019 to finance investment in two buildings at our Wiesloch-Walldorf production site amounts to € 1 million (March 31, 2022: € 3 million) and € 1 million (March 31, 2022: € 1 million) as compared to their carrying amounts of € 1 million (March 31, 2022: € 2 million) and € 1 million (March 31, 2022: € 1 million).

The fair value of the amortizing loan provided by the Italian State Guarantee Fund for Small and Medium-sized Enterprises issued in August 2020 is € 5 million (March 31, 2022: € 5 million) as compared to the carrying amount of € 5 million (March 31, 2022: € 5 million).

The fair value of each of these seven financial liabilities reported under financial liabilities was calculated on the basis of the discounted cash flow method using market interest rates and is assigned to level 2 of the IFRS 13 hierarchy.

The carrying amount of other financial liabilities, trade payables and other liabilities is generally assumed as an appropriate estimate of the fair value.

22 Contingent liabilities and other financial liabilities

The contingent liabilities for warranties and guarantees amount to € 2 million as of September 30, 2022 (March 31, 2022: € 3 million).

The other financial liabilities of € 48 million (March 31, 2022: € 31 million) relate to investments and other purchase commitments.

23 Group segment reporting

Segment reporting is based on the management approach.

The HEIDELBERG Group's structure is broken down in line with the internal organizational and reporting structure into the segments Print Solutions, Packaging Solutions and Technology Solutions. Print Solutions comprises the client categories Digital, Commercial, Industrial and Print Other. The client categories Folding Carton, Label and Packaging Other together form the Packaging Solutions client segment. Zaikio, E-Mobility and Printed Electronics are bundled in the Technology Solutions segment. Further information on the business activities, products and services of the individual segments can be found in note 8 of the consolidated financial statements as of March 31, 2022 and in the chapters "Management and control" and "Segments and business units" in the combined management report as of March 31, 2022.

Segment information April 1, 2022 to September 30, 2022:

	Print Solutions		Packaging Solutions		Technology Solutions		**HEIDELBERG Group**	
	1-Apr-2021 to 30-Sep-2021	**1-Apr-2022 to 30-Sep-2022**	1-Apr-2021 to 30-Sep-2021	**1-Apr-2022 to 30-Sep-2022**	1-Apr-2021 to 30-Sep-2021	**1-Apr-2022 to 30-Sep-2022**	1-Apr-2021 to 30-Sep-2021	**1-Apr-2022 to 30-Sep-2022**
External sales	547	566	415	538	21	16	983	1,120
EBITDA [1] (segment result)	55	53	17	55	2	–2	75	104

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

The segment result is reconciled to the net result before taxes as follows:

	1-Apr-2021 to 30-Sep-2021	**1-Apr-2022 to 30-Sep-2022**
EBITDA (segment result)	75	104
Depreciation and amortization	38	39
Result of operating activities	**37**	**64**
Financial income	2	1
Financial expenses	19	15
Financial result	**–17**	**–14**
Net result before taxes	**20**	**51**

Net sales by region according to domicile of the customer were as follows:

	Print Solutions		Packaging Solutions		Technology Solutions		HEIDELBERG Group	
	1-Apr-2021 to 30-Sep-2021	**1-Apr-2022 to 30-Sep-2022**	1-Apr-2021 to 30-Sep-2021	**1-Apr-2022 to 30-Sep-2022**	1-Apr-2021 to 30-Sep-2021	**1-Apr-2022 to 30-Sep-2022**	1-Apr-2021 to 30-Sep-2021	**1-Apr-2022 to 30-Sep-2022**
Europe, Middle East and Africa								
Germany	83	85	38	49	21	16	142	149
Other Europe, Middle East and Africa region	144	168	74	130	0	0	219	299
	227	253	112	179	21	16	361	448
Asia/Pacific								
China	76	49	106	104	–	–	182	153
Other Asia/Pacific region	61	55	55	64	–	–	116	120
	137	104	161	168	–	–	298	273
Eastern Europe	71	73	59	67	–	–	131	140
North America								
USA	76	86	58	94	–	–	135	180
Other North America region	26	30	14	20	–	–	40	50
	102	116	72	114	–	–	174	230
South America	10	20	10	10	–	–	20	29
	547	**566**	**415**	**538**	**–**	**–**	**983**	**1,120**

24 Supervisory Board/Management Board

The composition of the Supervisory Board and the Management Board as of March 31, 2022 is presented on pages 160 to 162 of the consolidated financial statements as of March 31, 2022.

There were the following changes in the Supervisory Board in the first half of the financial year 2022/2023:

The term of office of the member of the Supervisory Board elected by the Annual General Meeting, Dr. Oliver Jung, ended after the Annual General Meeting on July 21, 2022.

In accordance with a resolution of the Annual General Meeting on July 21, 2022, Dr. Oliver Jung was re-elected to the Supervisory Board as a shareholder representative effective from the end of the Annual General Meeting on July 21, 2022. The term of office of Dr. Oliver Jung ends at the end of the Annual General Meeting that adopts a resolution on official approval of the Supervisory Board's activities for financial year 2026/2027.

25 Related party transactions

As described in note 42 to the consolidated financial statements as of March 31, 2022, there are business relationships between numerous companies and Heidelberger Druckmaschinen Aktiengesellschaft and its subsidiaries in the course of ordinary business. This also includes joint ventures, which are regarded as related companies of the HEIDELBERG Group.

In the reporting period, transactions were performed with related parties that resulted in liabilities of € 3 million (March 31, 2022: € 3 million), receivables of € 1 million (March 31, 2022: € 1 million), expenses of € 2 million (April 1, 2021 to September 30, 2021: € 0 million) and income of € 3 million (April 1, 2021 to September 30, 2021: € 5 million), which includes net sales. All transactions were again conducted as at arm's length and did not differ from relationships with other companies.

In the reporting period, there were trading relationships with companies controlled by a member of the Supervisory Board that resulted in liabilities of € 3 million (March 31, 2022: € 4 million), receivables of € 0 million (March 31, 2022: € 0 million), expenses of € 18 million (April 1, 2021 to September 30, 2021: € 13 million) and net sales of € 0 million (April 1, 2021 to September 30, 2021: € 0 million).

Members of the Supervisory Board who are also employed by a company of the HEIDELBERG Group received work-based customary market remuneration in the period under review.

26 Significant events after the end of the reporting period

On October 17, the Supervisory Board and Mr. Marcus A. Wassenberg agreed that Mr. Wassenberg will resign from his functions as Chief Financial Officer and Labor Director of Heidelberger Druckmaschinen Aktiengesellschaft.

At its meeting on November 2, 2022 the Supervisory Board of Heidelberger Druckmaschinen AG appointed Tania von der Goltz as CFO with effect from January 1, 2023. She will join HEIDELBERG at the same time and become a member of the Management Board. Tania von der Goltz thus succeeds Marcus A. Wassenberg. The Chairman of the Executive Board, Dr. Ludwin Monz, will assume the function of Labor Director at the same time.

Heidelberg, November 9, 2022

HEIDELBERGER DRUCKMASCHINEN
AKTIENGESELLSCHAFT
The Management Board

Responsibility statement

To the best of our knowledge, and in accordance with the applicable reporting principles for interim reporting, the consolidated interim financial statements give a true and fair view of the net assets, financial position and results of operations of the Group, and the interim Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group over the remaining months of the current financial year.

Heidelberg, November 9, 2022

HEIDELBERGER DRUCKMASCHINEN
AKTIENGESELLSCHAFT
The Management Board

Dr. Ludwin Monz

Marcus A. Wassenberg

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FINANCIAL CALENDAR 2022/2023

FEBRUARY 8, 2023
Publication of Third Quarter Figures 2022/2023

JUNE 14, 2023
Press Conference,
Annual Analysts' and Investors' Conference

JULY 26, 2023
Annual General Meeting

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