

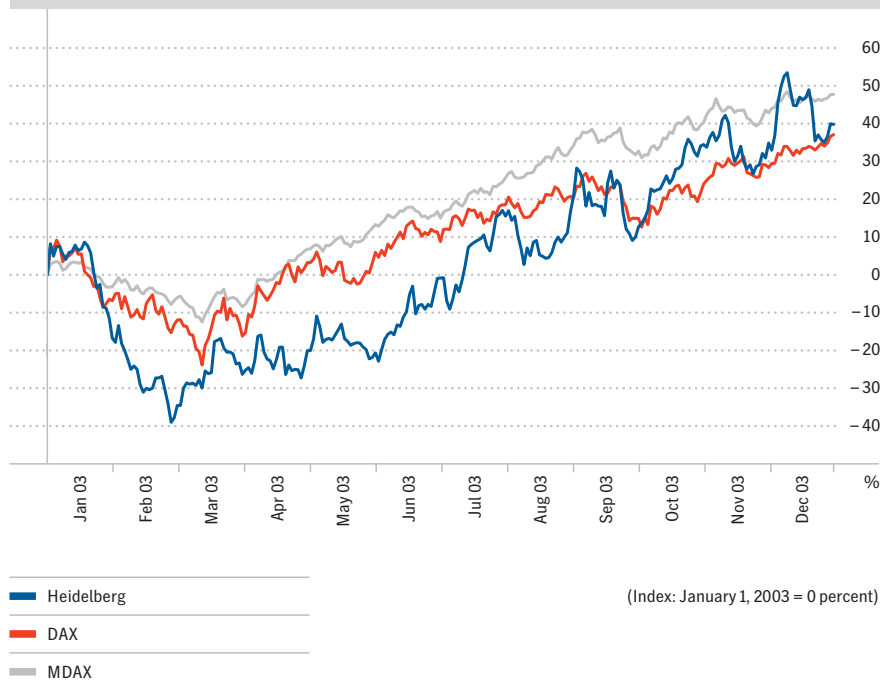
# Interim Financial Report

3rd Quarter 2003/2004

**HEIDELBERG**

## Performance of the Heidelberg Share

compared with the DAX/MDAX



## Key Performance Data

Figures in € millions

	Q1 to Q3 prior year	Q1 to Q3 2003/2004	Q3 prior year	Q3 2003/2004
<b>Incoming orders</b>	3,141	<b>2,766</b>	1,116	<b>983</b>
<b>Net sales</b>	2,904	<b>2,455</b>	1,001	<b>946</b>
<b>EBITDA<sup>1)</sup></b>	189	<b>40</b>	58	<b>45</b>
<b>EBITDA in percent of sales<sup>1)</sup></b>	6.5	<b>1.6</b>	5.8	<b>4.8</b>
<b>Restructuring costs</b>	126	<b>542</b>	126	<b>539</b>
<b>Net loss</b>	-82	<b>-725</b>	-95	<b>-596</b>
<b>Cash flow in percent of sales<sup>2)</sup></b>	4.1	<b>2.1</b>	2.9	<b>2.7</b>
<b>Investments</b>	157	<b>110</b>	60	<b>35</b>
<b>Earnings per share in €</b>	-0.99	<b>-8.48</b>	-1.12	<b>-6.94</b>

<sup>1)</sup> Excluding restructuring costs

<sup>2)</sup> One-time restructuring costs in prior year have been adjusted

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## The Heidelberg Share

The favorable development since February 2003 of the price of the Heidelberg Druckmaschinen Aktiengesellschaft share continued into the third quarter of the financial year.

Heidelberg presented its interim financial statements for financial year 2003/2004 at its mid-year annual results press conference held on November 12. The disclosure had hardly any impact on the share price, which has remained remarkably stable since mid-October in a range between € 28 and € 30.

The reorientation of the Heidelberg Group that was disclosed on November 27 was largely well received by the capital market as a necessary streamlining measure. Some financial analysts took this occasion to improve the share's rating. The interest of investors also continues undiminished at present. The Heidelberg share price regained its previous upward momentum and on December 4 reached its high point for the year of € 33.76. This price reflects in part favorable expectations with regards to an economic upswing, success at the drupa trade fair, and implementation of already announced measures.

The Heidelberg share price rose by 87 percent since the beginning of the financial year, thereby surpassing both the DAX, which recorded a 62 percent increase, as well as the MDAX, which was up by 60 percent.

### Key Performance Data Heidelberg Share

Figures in €	Q3	Q3
	prior year	2003/2004
Earnings per share	- 1.12	<b>- 6.94</b>
Cash flow per share <sup>1)</sup>	0.34	<b>0.30</b>
Price-cash flow-ratio <sup>1)2)</sup>	65.40	<b>102.49</b>
High	29.25	<b>33.76</b>
Low	21.70	<b>25.29</b>
Price at the beginning of the quarter	28.18	<b>25.29</b>
Price at the end of the quarter	22.00	<b>30.75</b>
Market capitalisation in millions	1,890	<b>2,642</b>
Number of shares in thousands	85,908	<b>85,908</b>

<sup>1)</sup> One-time restructuring costs in prior year have been adjusted

<sup>2)</sup> Based upon end-of-quarter final quotation at Xetra; source: Bloomberg

## Industry Development

Following initial uncertainties at the beginning of calendar year 2003 such as the war in Iraq and SARS, expectations of an economic upswing have been increasing since the end of the second quarter. A 3.4 percent increase in global GDP is anticipated for the past calendar year, due in particular to the strong fourth quarter in the US.

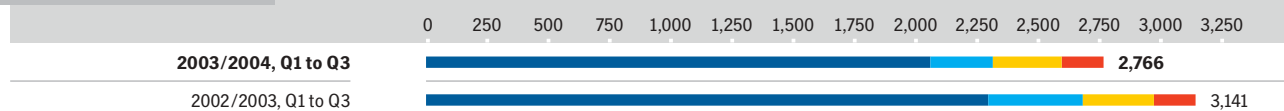
No upswing occurred in the Euro zone following the weak previous year. The principal market of Germany even posted a slight decline in 2003. Although Asia still was being hampered by SARS at the beginning of the year, overall developments were nevertheless favorable. After the Brazilian economic crisis was overcome, Latin America recovered in 2003.

In the printing industry, favored by a renewed upswing in advertising budgets, initial signs of improvement were evident in nearly all markets. In the US, since the fourth calendar quarter most printers have been reporting a growth in their business. In addition, the continuously low capacity utilization of US printers that has been evident since the beginning of 2003 has slowly begun to turn around. A similar development is also already perceptible in Germany.

## Business Development

### Incoming Orders

Figures in € millions



Digital	171	+1%
Sheetfed	2,059	-10%
Web Systems	255	-34%
Postpress	281	-3%
<b>Heidelberg Group</b>	<b>2,766</b>	<b>-12%</b>

Digital	60	-13%
Sheetfed	756	-7%
Web Systems	69	-48%
Postpress	98	-3%
<b>Heidelberg Group</b>	<b>983</b>	<b>-12%</b>

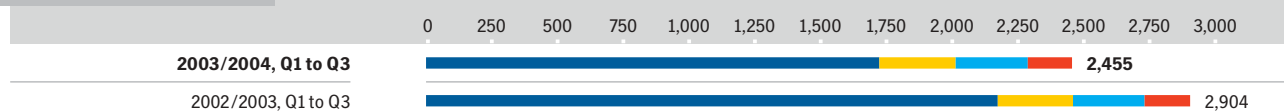
The Heidelberg Group's **incoming orders** for the first three quarters of the financial year totalled € 2,766 million; this fell short of the previous year's figure. This development was largely attributable to the weak business environment in the principal markets as well as the orders generated at the IPEX specialized trade fair in the previous year. The apparent bottoming-out of the economy in the North America region has been gratifying; the previous year's figures were nearly matched on an adjusted basis.

Although overall incoming orders of € 983 million in the third quarter did not quite reach the previous quarter's high level, the figure nevertheless substantially exceeded the financial year's first quarter.

The Heidelberg Group generated **sales** of € 946 million during the third quarter, thereby considerably surpassing the two previous quarters and meeting our projections for both sales and incoming orders. Sales of € 2,455 million for the first three quarters of the financial year ending on December 31, 2003 also

### Net Sales

Figures in € millions



Digital	168	-3%
Sheetfed	1,723	-21%
Web Systems	275	+1%
Postpress	289	+1%
<b>Heidelberg Group</b>	<b>2,455</b>	<b>-15%</b>

Digital	64	+8%
Sheetfed	667	-12%
Web Systems	114	+34%
Postpress	101	+3%
<b>Heidelberg Group</b>	<b>946</b>	<b>-5%</b>

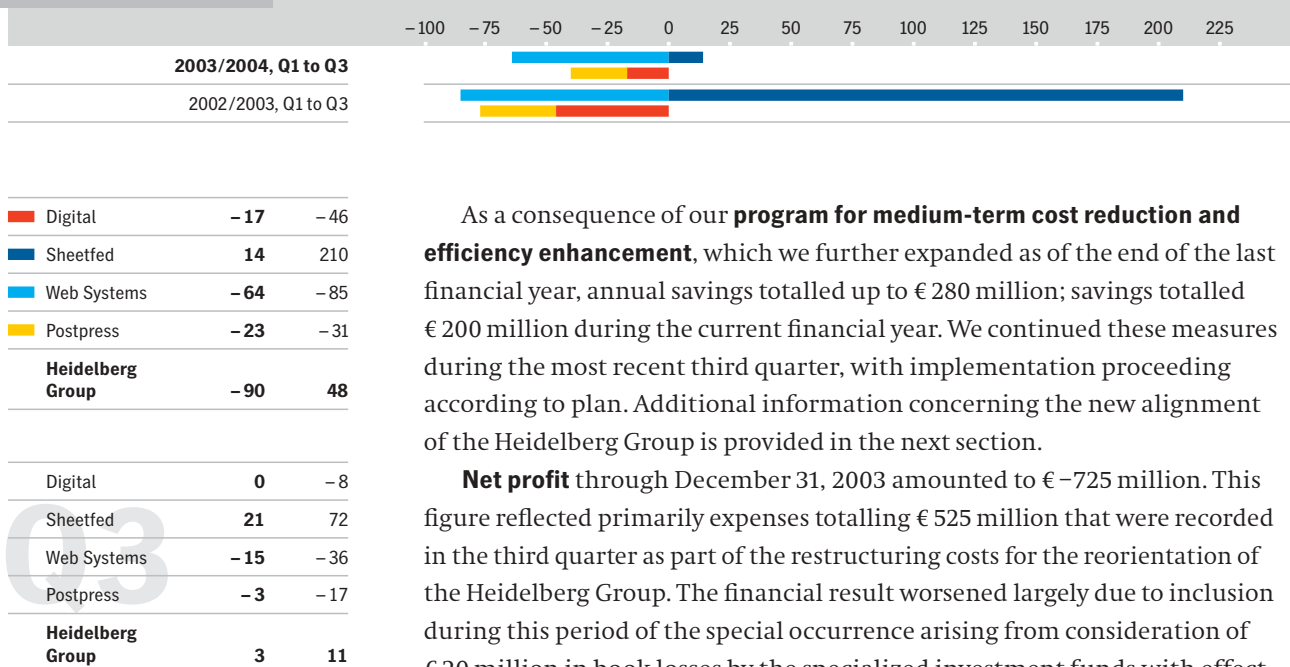
fell short of the previous year's figure for the Heidelberg Group. Sales declined by 10 percent adjusted for exchange-rate effects and changes in the scope of the consolidation; this was primarily a reflection of the difficult business environment in the US and the Euro zone. The Sheetfed Division was especially affected by this decline. The Heidelberg Group was able to grow considerably over the previous year in newspaper printing thanks to the delivery of several large orders.

## Asset, Financial and Income Positions

The Heidelberg Group generated a positive € 3 million **result of operating activities (net of restructuring costs)** during the third quarter. The cost reduction measures that are now taking hold had an impact here, reducing structural costs by approximately € 55 million in the third quarter alone. Overall, thanks to cost-saving measures the level of the structural costs has so far been reduced by approximately € 115 million from the previous year. This has served to limit the impact of the currently disappointing earnings position of the Sheetfed Division, which suffered from a substantial sales decline. As a consequence of the cost-saving measures, all other areas improved from the previous year. Nevertheless, the operating loss for the first nine months of the financial year through December 31, 2003 amounted to € -90 million, compared with a positive result generated during the same period the previous year.

### Result of Operating Activities<sup>1)</sup>

Figures in € millions



As a consequence of our **program for medium-term cost reduction and efficiency enhancement**, which we further expanded as of the end of the last financial year, annual savings totalled up to € 280 million; savings totalled € 200 million during the current financial year. We continued these measures during the most recent third quarter, with implementation proceeding according to plan. Additional information concerning the new alignment of the Heidelberg Group is provided in the next section.

**Net profit** through December 31, 2003 amounted to € -725 million. This figure reflected primarily expenses totalling € 525 million that were recorded in the third quarter as part of the restructuring costs for the reorientation of the Heidelberg Group. The financial result worsened largely due to inclusion during this period of the special occurrence arising from consideration of € 20 million in book losses by the specialized investment funds with effect on expenses. Net interest income continued to be positive.

<sup>1)</sup> Excluding restructuring costs

## Balance Sheet Structure

Figures in percent

	31-Mar-2003	31-Dec-2003
<b>Fixed assets</b>	23	22
<b>Current assets</b>	77	78
<b>Total assets</b>	100	100
<b>Shareholders' equity</b>	38	25
<b>Provisions</b>	28	38
<b>Liabilities</b>	34	37
<b>Total assets</b>	100	100

The balance sheet structure of the Heidelberg Group was also influenced by the measures for the realignment of the Group as of December 31, 2003. The effects were taken into account in the provisions. **Total assets** declined by approximately 6 percent to € 4,804 million since the beginning of the financial year. Besides the lower level of business operations, a crucial factor here were exchange-rate effects of approximately € 164 million.

Fixed assets declined primarily due to foreign currency-related factors and relatively minor volume of investments. Due to our cost-saving measures, additions to tangible and intangible assets have largely been less than depreciation and asset disposals up to now. Inventories, which rose to € 1,108 million due to seasonal factors, will be cut back again by the financial year-end.

Among liabilities, shareholders' equity decreased due to the accumulated loss during the financial year and to the measures for the realignment of the Heidelberg Group. The equity ratio consequently fell to 25 percent. This ratio will again be higher following successful implementation of the measures.

The **net financial debt** of the Heidelberg Group was € 392 million as of December 31, 2003.

The **free cash flow** of the Heidelberg Group through the end of the third quarter reflects accumulated losses and the effects of our restructuring measures. Non-cash special occurrences arising from the reorientation of the Heidelberg Group were adjusted via the cash flow statement.

The **cash flow** for the reporting period was a positive € 51 million. Due to the higher operating loss during the current business year, this figure fell short of the previous year's figure. The cash flow for the third quarter of € 26 million remained more or less at the previous year's level.

The **net cash from operating activities** for the first three quarters worsened to € -84 million, compared with a positive cash flow recorded in the previous year. The cash flow from customer financing that this figure comprises improved due to our efforts to externalize customer financing. The seasonal development of receivables and the reduction in other provisions served to alleviate this development. The net cash used in provisions was attributable not least to disbursements for deferred restructuring expenses. Net cash from operating activities totalled € 11 million during the quarter.

The **net cash used in investment activity** was reduced considerably within the framework of our cost-saving measures.

Despite a worsened result, during the third quarter alone the **free cash flow** of € -31 million surpassed the previous year's figure - primarily a result of the reduced level of investment. Overall, free cash flow for the first three quarters of the financial year worsened from the previous year, declining from € -137 million to € -208 million.



## Consolidated Cash Flow Statement

Figures in € millions	Q1 to Q3 prior year	Q1 to Q3 2003/2004
<b>Cash flow<sup>1)</sup></b>	118	51
<b>Net cash generated from/used in operating activities<sup>1)</sup></b>	93	- 84
<b>Outflow of funds from investment activity</b>	- 230	- 124
<b>Free cash flow</b>	- 137	- 208

<sup>1)</sup> One-time restructuring costs in prior year have been adjusted

## Heidelberg 2004

The project **Heidelberg 2004**, which was approved at the end of November, includes the realignment of the Company and the planned withdrawal from the development and production of web offset printing presses. The highest priority here is on maintaining seamless support for the existing customer base. In the digital printing area, Heidelberg intends to adapt its existing capacities and adjust its previous orientation.

The overall print finishing area will be integrated within its own organizational unit in order to satisfy the requirements of this market segment. Heidelberg will concentrate to a greater extent on the sheetfed offset printing business in the future. This will continue to include the areas of prepress and print finishing and related workflow components as well as training and services. Based on its global sales and service network, Heidelberg will continue to offer all its customers highly qualified support and advice for products developed by Heidelberg as well as products from selected partners.

The Company's organization will become leaner and henceforth organized on a functional basis. This will result in an additional worldwide reduction of up to 1,000 jobs.

A total of approximately € 525 million was added to the provisions during the third quarter in order to take the costs of the reorientation into account. The new alignment will considerably enhance the earnings capacity as well as cash flow of the Heidelberg Group in both the short- and medium-term. Our program for medium-term cost reduction and efficiency enhancement, which was already expanded at the end of the past financial year, has not been affected by this and will be continued. A further € 17 million in restructuring costs arose for this purpose during the current financial year, compared with € 126 million the previous year.

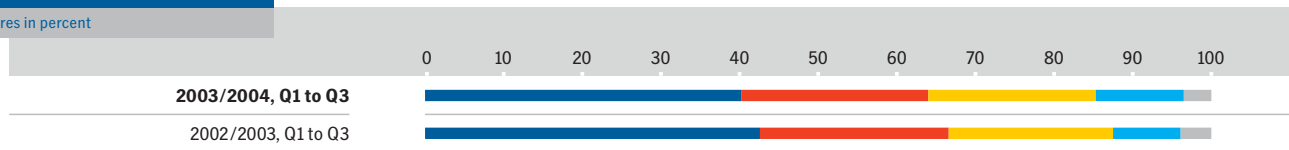
## Regional Report

With sales of € 420 million during the quarter, the **Europe, Middle East and Africa** region posted a record figure for a single quarter. On an accumulated basis, both sales and incoming orders fell considerably short of the previous year's figures. Whereas evidence of an initial upward trend was evident in individual markets such as the Netherlands or Spain, the situation remains farther strained in other key markets such as Germany or France.

During the third quarter, the **Eastern Europe** region continued the favorable business development of past quarters. Incoming orders for the first three quarters of the financial year of € 297 million were slightly greater than the previous year's figure. The region recorded highly successful quarterly sales figures, boosting sales for the first three quarters to € 276 million – considerably higher than the previous year's figure.

### Net Sales Portion of the Regions

Figures in percent



Europe, Middle East and Africa	<b>40.2</b>	42.6
Eastern Europe	<b>11.2</b>	8.6
North America	<b>23.8</b>	24.0
Latin America	<b>3.5</b>	3.9
Asia/Pacific	<b>21.3</b>	20.9
<b>Heidelberg Group</b>	<b>100.0</b>	<b>100.0</b>

Supported by orders generated at the Graph Expo trade show, incoming orders in the **North America** region through December 31, 2003, adjusted for foreign currency changes, reached € 613 million – nearly the previous year's figure. The region's sales still fall short of the previous year's figure. Nevertheless, the weak Graphic Arts industry seems to have bottomed out in the US, with many printing establishments expressing their expectation of improved business prospects.

In the **Latin America** region, incoming orders of € 99 million were generated during the first three quarters, thereby considerably surpassing the previous year's figure. In the area of sales, despite a respectable third quarter the region nevertheless fell short of the previous year's figure.

During the first three quarters of the financial year, the incoming orders of the **Asia/Pacific** region, which benefited from the orders at IGAS, amounted to € 664 million adjusted for foreign currency changes, thereby exceeding the previous year's figures. As expected, sales for the first nine months of the financial year failed to reach the previous year's high figure. This development was attributable not only to the dampening influence of SARS, but to the changed economic environment in some market segments as well.

## Net Sales by Region

Figures in € millions in comparison to prior year				
	Q1 to Q3	Change	Q3	Change
	2003/2004	in percent	2003/2004	in percent
Europe, Middle East and Africa	986	- 20	420	- 3
Eastern Europe	276	+ 10	126	+ 29
North America	585	- 16	190	- 19
Latin America	86	- 23	35	+ 17
Asia/Pacific	522	- 14	175	- 15
<b>Heidelberg Group</b>	<b>2,455</b>	<b>- 15</b>	<b>946</b>	<b>- 5</b>

## Research and Development

The research and development expenses of the Heidelberg Group through December 31, 2003 totalled € 234 million. The focus of activity was on the Sheetfed Division. The virtually unchanged R&D ratio of approximately 10 percent of consolidated sales clearly demonstrates the importance to us of the further progress of future-oriented technologies and product innovations, not only in view of drupa 2004.

## Investments

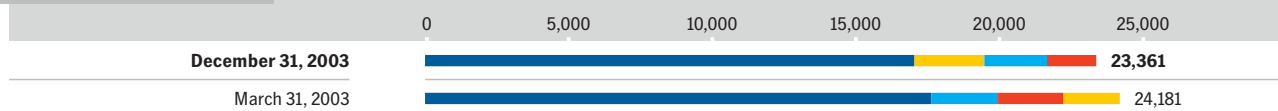
Within the framework of our cost-saving measures, investments in tangible and intangible assets were especially reduced in the area of working capital as well as for software and licenses during the financial year. The total investments of € 110 million during the first three quarters of the financial year were approximately 30 percent below the previous year's figure, thereby also falling below depreciation for the period.

## Employees

The Heidelberg Group had a total of 23,361 employees as of December 31, 2003. Adjusted for changes in the scope of the consolidation and trainees, the number of employees fell by 1,461 people, or approximately 6 percent. This reduction resulted from the implementation of our measures for lowering structural costs. Since March 31, 2002 we have cut back our overall staff by approximately 3,000.

### Employees by Division

Number of employees



Digital	1,715	-25%
Sheetfed	17,034	-3%
Web Systems	2,179	-6%
Postpress	2,433	+24%
<b>Heidelberg Group</b>	<b>23,361</b>	<b>-3%</b>

## Corporate Risks

Our customers' capacity utilization and propensity to invest is closely linked to general economic developments. A delay in an economic turnaround would entail a risk to our business development. Although with its sales and service organization, the Heidelberg Group benefits from a solid regional risk diversification, the Group would also be affected by a slowdown in the global economy.

An increased risk could arise in new areas of business due to a modest level of experience. Our decision to reorganize our operations in these areas considerably reduces this risk.

There are currently no recognizable risks that could threaten the existence of the Heidelberg Group.

## Outlook

Due to the stabilizing order situation during the last two quarters of the current financial year, we anticipate that sales for financial year 2003/2004 will decline by approximately ten percent from the previous year. We still aim at achieving the already announced goal of a break-even operating result net of restructuring expenses.

The planned boosts in efficiency in production, sales and administration totalling € 200 million will be attained, thereby serving to considerably reduce structural costs already during the current financial year.

## Interim Financial Statements

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of the Heidelberg Group  
for the period

**April 1, 2003 to  
December 31, 2003**

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**Interim income statement  
of the Heidelberg Group  
April 1, 2003 to  
December 31, 2003**

**Interim income statement**

Figures in € thousands	Note	1-Apr-2002 to 31-Dec-2002	<b>1-Apr-2003 to 31-Dec-2003</b>
Net sales		2,903,976	2,455,166
Change in inventories		49,894	38,511
Other own work capitalized		55,786	53,711
<b>Total operating performance</b>		<u>3,009,656</u>	<u>2,547,388</u>
Other operating income	4	185,824	217,803
Cost of materials		1,184,798	1,106,115
Personnel expenses		1,096,076	973,297
Depreciation and amortization		140,733	129,946
Other operating expenses	5	725,968	645,617
<b>Result of operating activities excluding restructuring costs</b>		<u>47,905</u>	<u>- 89,784</u>
Restructuring costs	6	126,108	542,396
Result of operating activities including restructuring costs		<u>- 78,203</u>	<u>- 632,180</u>
Result from financial assets and marketable securities <sup>1)</sup>		- 57,132	- 62,816
Net interest income		14,393	9,828
<b>Financial result</b>	7	<u>- 42,739</u>	<u>- 52,988</u>
<b>Income before taxes</b>		- 120,942	- 685,168
Taxes on income		- 39,143	39,766
<b>Net loss</b>		<u>- 81,799</u>	<u>- 724,934</u>
Minority interests		2,969	3,286
Net loss – Heidelberg portion		- 84,768	- 728,220
<b>Earnings per share according to IAS 33 (in € per share)</b>	8	- 0.99	- 8.48

<sup>1)</sup> Of which result from equity valuation: € -53,081 thousand (previous year: € -60,741 thousand)

**Interim income statement  
of the Heidelberg Group  
October 1, 2003 to  
December 31, 2003**

**Interim income statement**

Figures in € thousands

	1-Oct-2002 to 31-Dec-2002	1-Oct-2003 to 31-Dec-2003
Net sales	1,000,760	945,714
Change in inventories	- 25,036	- 17,899
Other own work capitalized	21,349	16,566
<b>Total operating performance</b>	<b>997,073</b>	<b>944,381</b>
Other operating income	60,536	74,317
Cost of materials	391,024	415,396
Personnel expenses	359,181	329,065
Depreciation and amortization	46,615	42,045
Other operating expenses	249,351	228,741
<b>Result of operating activities excluding restructuring costs</b>	<b>11,438</b>	<b>3,451</b>
Restructuring costs	126,108	538,714
Result of operating activities including restructuring costs	- 114,670	- 535,263
Result from financial assets and marketable securities <sup>1)</sup>	- 30,474	- 38,040
Net interest income	1,828	2,222
<b>Financial result</b>	<b>- 28,646</b>	<b>- 35,818</b>
<b>Income before taxes</b>	<b>- 143,316</b>	<b>- 571,081</b>
Taxes on income	- 48,170	24,467
<b>Net loss</b>	<b>- 95,146</b>	<b>- 595,548</b>
Minority interests	1,052	36
Net loss – Heidelberg portion	- 96,198	- 595,584
<b>Earnings per share according to IAS 33 (in € per share)</b>	<b>- 1.12</b>	<b>- 6.94</b>

<sup>1)</sup> Of which result from equity valuation: € -17,022 thousand (previous year: € -28,442 thousand)



## Interim income statement – Quarterly overview

Figures in € thousands

	1-Apr-2003 to 30-Jun-2003	1-Jul-2003 to 30-Sep-2003	1-Oct-2003 to 31-Dec-2003	1-Apr-2003 to 31-Dec-2003
Net sales	718,160	791,292	945,714	2,455,166
Change in inventories	19,264	37,146	-17,899	38,511
Other own work capitalized	19,821	17,324	16,566	53,711
<b>Total operating performance</b>	<b>757,245</b>	<b>845,762</b>	<b>944,381</b>	<b>2,547,388</b>
Other operating income	90,884	52,602	74,317	217,803
Cost of materials	328,191	362,528	415,396	1,106,115
Personnel expenses	333,683	310,549	329,065	973,297
Depreciation and amortization	44,370	43,531	42,045	129,946
Other operating expenses	201,010	215,866	228,741	645,617
<b>Result of operating activities excluding restructuring costs</b>	<b>-59,125</b>	<b>-34,110</b>	<b>3,451</b>	<b>-89,784</b>
Restructuring costs	367	3,315	538,714	542,396
Result of operating activities including restructuring costs	-59,492	-37,425	-535,263	-632,180
Result from financial assets and marketable securities	-13,819	-10,957	-38,040	-62,816
Net interest income	3,290	4,316	2,222	9,828
<b>Financial result</b>	<b>-10,529</b>	<b>-6,641</b>	<b>-35,818</b>	<b>-52,988</b>
<b>Income before taxes</b>	<b>-70,021</b>	<b>-44,066</b>	<b>-571,081</b>	<b>-685,168</b>
Taxes on income	6,794	8,505	24,467	39,766
<b>Net loss</b>	<b>-76,815</b>	<b>-52,571</b>	<b>-595,548</b>	<b>-724,934</b>
Minority interests	1,388	1,862	36	3,286
Net loss – Heidelberg portion	-78,203	-54,433	-595,584	-728,220
<b>Earnings per share according to IAS 33 (in € per share)</b>	<b>-0.91</b>	<b>-0.63</b>	<b>-6.94</b>	<b>-8.48</b>

**Interim balance sheet  
of the Heidelberg Group  
as of December 31, 2003**

**Assets**

Figures in € thousands	Note	31-Mar-2003	31-Dec-2003
<b>Fixed assets</b>	9		
Intangible assets		265,842	250,641
Tangible assets		687,042	637,577
Financial assets <sup>1)</sup>		204,521	161,912
		<u>1,157,405</u>	<u>1,050,130</u>
<b>Current assets</b>			
Inventories	10	1,073,411	1,108,198
Accounts receivable from customer financing	11	860,389	768,801
Other receivables and other assets	11	1,068,601	950,829
Marketable securities		316,270	342,134
Cash and cash equivalents		82,596	80,874
		<u>3,401,267</u>	<u>3,250,836</u>
<b>Deferred taxes</b>		542,763	473,410
<b>Prepaid expenses</b>		30,030	29,622
		<u>5,131,465</u>	<u>4,803,998</u>

**Equity and liabilities**

Figures in € thousands	Note	31-Mar-2003	31-Dec-2003
<b>Shareholders' equity / minority interests</b>	12		
Subscribed capital		219,926	219,926
Capital reserve		947,804	947,804
Revenue reserves		897,900	713,609
Net loss – Heidelberg portion		– 143,771	– 728,220
		<u>1,921,859</u>	<u>1,153,119</u>
Minority interests		28,374	28,405
		<u>1,950,233</u>	<u>1,181,524</u>
<b>Provisions</b>	13		
Provisions for pensions and similar obligations		559,471	581,452
Tax provisions		199,471	169,827
Other provisions		695,776	1,066,099
		<u>1,454,718</u>	<u>1,817,378</u>
<b>Liabilities<sup>2)</sup></b>	14	1,474,062	1,557,520
<b>Deferred taxes</b>		207,334	199,438
<b>Deferred income</b>		45,118	48,138
		<u>5,131,465</u>	<u>4,803,998</u>

<sup>1)</sup> Of which financial assets carried in accordance with the equity method of € 124,194 thousand (31-Mar-2003: € 159,054 thousand)

<sup>2)</sup> Of which liabilities to banks of € 1,002,695 thousand (31-Mar-2003: € 796,477 thousand)

## Development of shareholders' equity and minority interests<sup>1)</sup>

Figures in € thousands

			Revenue reserves			Net profit or loss Heidelberg portion	Shares of the Heidelberg Group	Minority interests	Total
	Subscribed capital <sup>2)</sup>	Capital reserve <sup>2)</sup>	Other revenue reserves	Foreign currency translation	Market valuation per IAS 39				
<b>April 1, 2002</b>	219,926	947,804	897,151	225,264	-20,147	199,474	2,469,472	513	2,469,985
Dividend payment	-	-	-	-	-	-120,265	-120,265	-1,912	-122,177
Net profit or loss	-	-	79,209	-	-	-163,977	-84,768	2,969	-81,799
Foreign currency changes	-	-	-	-144,282	-	-	-144,282	-444	-144,726
Market valuation per IAS 39	-	-	-	-	-37,249	-	-37,249	-	-37,249
Consolidations/other changes	-	-	-27,181	-	-	-	-27,181	25,688	-1,493
<b>December 31, 2002</b>	<u>219,926</u>	<u>947,804</u>	<u>949,179</u>	<u>80,982</u>	<u>-57,396</u>	<u>-84,768</u>	<u>2,055,727</u>	<u>26,814</u>	<u>2,082,541</u>
<b>April 1, 2003</b>	219,926	947,804	923,700	44,881	-70,681	-143,771	1,921,859	28,374	1,950,233
Dividend payment <sup>3)</sup>	-	-	-	-	-	-	-	-1,545	-1,545
Net profit or loss	-	-	-143,771	-	-	-584,449	-728,220	3,286	-724,934
Foreign currency changes	-	-	-	-101,790	-	-	-101,790	-1,710	-103,500
Market valuation per IAS 39	-	-	-	-	62,042	-	62,042	-	62,042
Consolidations/other changes	-	-	-772	-	-	-	-772	-	-772
<b>December 31, 2003</b>	<u>219,926</u>	<u>947,804</u>	<u>779,157</u>	<u>-56,909</u>	<u>-8,639</u>	<u>-728,220</u>	<u>1,153,119</u>	<u>28,405</u>	<u>1,181,524</u>

<sup>1)</sup> Please refer to Note 12 for additional explanations

<sup>2)</sup> of Heidelberger Druckmaschinen Aktiengesellschaft

<sup>3)</sup> Dividend payment of Gallus Holding AG, St. Gallen

### Consolidated cash flow statement of the Heidelberg Group

Figures in € thousands	1-Apr-2002 to 31-Dec-2002	1-Apr-2003 to 31-Dec-2003
Net loss	– 81,799	– 724,934
Depreciation and amortization / write-ups to fixed assets / reversal of negative goodwill	147,416	135,953
Change in pension provisions	20,934	22,148
Change in deferred taxes	– 91,371	23,402
Result from the equity valuation	60,741	53,081
Result from the disposal of fixed assets	– 12,729	– 3,434
One-time expenses <sup>1)</sup>	74,524	545,000
<b>Cash flow</b>	<b>117,716</b>	<b>51,216</b>
Change in other provisions <sup>1)</sup>	– 27,264	– 155,928
Change in customer financing	3,294	69,108
Change in other net current assets	48,586	– 3,163
Change in other balance sheet items	– 49,746	– 45,501
<b>Net cash generated from / used in operating activities</b>	<b>92,586</b>	<b>– 84,268</b>
Intangible assets / tangible assets		
Investments	– 156,883	– 110,454
Proceeds from disposals	15,210	27,601
Acquisitions, shares in subsidiaries, loans		
Investments/outflow of funds from changes in the scope of the consolidation	– 91,222	– 41,141
Proceeds/expenditures from disposals	2,844	144
<b>Outflow of funds from investment activity</b>	<b>– 230,051</b>	<b>– 123,850</b>
<b>Free cash flow</b>	<b>– 137,465</b>	<b>– 208,118</b>
Dividend payment	– 122,177	– 1,545
Change in financial liabilities	251,068	212,533
<b>Cash inflow from financing activity</b>	<b>128,891</b>	<b>210,988</b>
<b>Net change in cash and cash equivalents</b>	<b>– 8,574</b>	<b>2,870</b>
<b>Cash and cash equivalents as of April 1</b>	<b>89,832</b>	<b>82,771</b>
Translation adjustments / changes in the scope of the consolidation	751	– 4,547
Net change in cash and cash equivalents	– 8,574	2,870
<b>Cash and cash equivalents as of December 31</b>	<b>82,009</b>	<b>81,094</b>

<sup>1)</sup> In the current financial year – as already during the same period the previous year – the quarterly interim financial statements include special occurrences resulting from restructuring costs and from downward adjustments in the value of securities held in the specialized investment funds. To enhance clarity, we show these special occurrences separately in the cash flow statement. The respective items of the previous year were adjusted accordingly (see Note 6 and Note 7).

## Consolidated cash flow statement of the Heidelberg Group Quarterly overview

Figures in € thousands

	1-Apr-2003 to 30-Jun-2003	1-Jul-2003 to 30-Sep-2003	1-Oct-2003 to 31-Dec-2003	1-Apr-2003 to 31-Dec-2003
Net loss	- 76,815	- 52,571	- 595,548	- 724,934
Depreciation and amortization / write-ups to fixed assets / reversal of negative goodwill	44,370	43,038	48,545	135,953
Change in pension provisions	7,116	7,879	7,153	22,148
Change in deferred taxes	7,705	13,029	2,668	23,402
Result from the equity valuation	17,469	18,590	17,022	53,081
Result from the disposal of fixed assets	- 4,442	74	934	- 3,434
One-time expenses	-	-	545,000	545,000
<b>Cash flow</b>	<b>- 4,597</b>	<b>30,039</b>	<b>25,774</b>	<b>51,216</b>
Change in other provisions	- 48,863	- 42,654	- 64,411	- 155,928
Change in customer financing	30,559	32,885	5,664	69,108
Change in other net current assets	28,302	- 19,654	- 11,811	- 3,163
Change in other balance sheet items	- 77,136	- 24,338	55,973	- 45,501
<b>Net cash generated from / used in operating activities</b>	<b>- 71,735</b>	<b>- 23,722</b>	<b>11,189</b>	<b>- 84,268</b>
Intangible assets / tangible assets				
Investments	- 37,379	- 37,663	- 35,412	- 110,454
Proceeds from disposals	11,851	7,878	7,872	27,601
Acquisitions, shares in subsidiaries, loans				
Investments / outflow of funds from changes in the scope of the consolidation	- 13,115	- 12,757	- 15,269	- 41,141
Proceeds / expenditures from disposals	920	- 1,633	857	144
<b>Outflow of funds from investment activity</b>	<b>- 37,723</b>	<b>- 44,175</b>	<b>- 41,952</b>	<b>- 123,850</b>
<b>Free cash flow</b>	<b>- 109,458</b>	<b>- 67,897</b>	<b>- 30,763</b>	<b>- 208,118</b>
Dividend payment	-	- 1,551	6	- 1,545
Change in financial liabilities	87,864	77,016	47,653	212,533
<b>Cash inflow from financing activity</b>	<b>87,864</b>	<b>75,465</b>	<b>47,659</b>	<b>210,988</b>
<b>Net change in cash and cash equivalents</b>	<b>- 21,594</b>	<b>7,568</b>	<b>16,896</b>	<b>2,870</b>
<b>Cash and cash equivalents at the beginning of the quarter</b>	<b>82,771</b>	<b>60,674</b>	<b>69,163</b>	<b>82,771</b>
Translation adjustments / changes in the scope of the consolidation	- 503	921	- 4,965	- 4,547
Net change in cash and cash equivalents	- 21,594	7,568	16,896	2,870
<b>Cash and cash equivalents at the end of the quarter</b>	<b>60,674</b>	<b>69,163</b>	<b>81,094</b>	<b>81,094</b>

## Segment information of the Heidelberg Group April 1, 2003 to December 31, 2003

### Segment information by division

Figures in € thousands		Digital <sup>7)</sup>		Sheetfed	
		1-Apr-2002 to 31-Dec-2002	<b>1-Apr-2003</b> <b>to 31-Dec-2003</b>	1-Apr-2002 to 31-Dec-2002	<b>1-Apr-2003</b> <b>to 31-Dec-2003</b>
External sales	173,224	167,367	2,172,335	1,723,248	
Depreciation <sup>1)</sup> /value adjustments	20,757	20,850	143,653	142,579	
R&D costs <sup>2)</sup>	73,619	44,607	157,941	141,688	
Result of operating activities excluding restructuring costs	- 46,474	- 16,806	210,186	14,376	
Restructuring costs <sup>3)</sup>	42,507	4,204	53,024	581	
Result from the equity valuation	- 60,741	- 53,081	-	-	
Investments in intangible and tangible assets	47,559	5,438	89,848	91,837	
Book value of assets <sup>4) 6)</sup>	194,448	146,781	1,412,185	1,428,777	
Liabilities <sup>5) 6)</sup>	140,907	147,662	1,138,516	1,199,244	
Number of employees <sup>6)</sup>	2,279	1,715	17,615	17,034	

### Segment information by region

Figures in € thousands		Europe, Middle East and Africa		Eastern Europe		North America	
		1-Apr-2002 to 31-Dec-2002	<b>1-Apr-2003</b> <b>to 31-Dec-2003</b>	1-Apr-2002 to 31-Dec-2002	<b>1-Apr-2003</b> <b>to 31-Dec-2003</b>	1-Apr-2002 to 31-Dec-2002	<b>1-Apr-2003</b> <b>to 31-Dec-2003</b>
External net sales							
by customer location	1,239,100	986,351	250,324	276,287	697,075	584,992	
Investments in intangible and tangible assets	94,774	96,505	1,588	3,370	56,200	6,613	
Book value of assets <sup>4) 6)</sup>	1,373,722	1,382,551	59,866	80,047	427,031	349,023	

Web Systems		Postpress <sup>7)</sup>		Heidelberg Group	
1-Apr-2002 to 31-Dec-2002	<b>1-Apr-2003 to 31-Dec-2003</b>	1-Apr-2002 to 31-Dec-2002	<b>1-Apr-2003 to 31-Dec-2003</b>	1-Apr-2002 to 31-Dec-2002	<b>1-Apr-2003 to 31-Dec-2003</b>
272,274	275,300	286,143	289,251	2,903,976	2,455,166
41,956	26,077	11,360	10,676	217,726	200,182
27,035	20,823	15,900	27,173	274,495	234,291
-84,867	-63,818	-30,940	-23,536	47,905	-89,784
21,612	665	8,965	11,946	126,108	17,396
-	-	-	-	-60,741	-53,081
11,425	3,714	8,051	9,465	156,883	110,454
250,937	236,043	168,725	184,815	2,026,295	1,996,416
121,872	129,293	72,767	81,321	1,474,062	1,557,520
2,329	2,179	1,958	2,433	24,181	23,361

Latin America		Asia/Pacific		Heidelberg Group	
1-Apr-2002 to 31-Dec-2002	<b>1-Apr-2003 to 31-Dec-2003</b>	1-Apr-2002 to 31-Dec-2002	<b>1-Apr-2003 to 31-Dec-2003</b>	1-Apr-2002 to 31-Dec-2002	<b>1-Apr-2003 to 31-Dec-2003</b>
111,782	85,714	605,695	521,822	2,903,976	2,455,166
457	2,347	3,864	1,619	156,883	110,454
35,049	30,148	130,627	154,647	2,026,295	1,996,416

Segment information is generated on the basis of the management approach. Intersegmental sales are of minor financial importance and can therefore be ignored.

<sup>1)</sup> Excluding financial assets

<sup>2)</sup> Including capitalized development costs but excluding depreciation during the financial year

<sup>3)</sup> Excluding costs for the realignment of the Heidelberg Group in 2004

<sup>4)</sup> Including: intangible assets, tangible assets and inventories

<sup>5)</sup> Value of liabilities in accordance with the consolidated balance sheet

<sup>6)</sup> As of accounting date 31-Dec-2003 compared with 31-Mar-2003

<sup>7)</sup> The positioning of the Mühlhausen plant within the segment presentation has changed from the previous year. Due to the transfer of the installation operations for inline finishing to Rochester within the framework of the restructuring measures, the business remaining at Mühlhausen has now been included in the Postpress Division (previous year: Digital Division).

## Notes

### 1 Accounting and valuation policies

We present the Interim Financial Report of the Heidelberg Group according to IAS 34, which governs the rules for interim financial reporting. The financial data presented as of March 31, 2003 were not subject to any change in accounting and valuation policies. Income generated during the financial year due to seasonal, economic or other effects is not periodically deferred in the consolidated Interim Financial Statements of the Group. Expenses generated on an irregular basis during the financial year are deferred if they will also be deferred at the financial year-end.

Taxes on income are calculated according to the weighted average tax rate of the respective country for the overall financial year.

To increase the transparency of the Financial Report, we have combined certain items in the balance sheet and the income statement.

### 2 Scope of the consolidation

The quarterly interim financial statements of Heidelberger Druckmaschinen Aktiengesellschaft include all domestic and foreign companies over which Heidelberger Druckmaschinen Aktiengesellschaft is in a position to exercise a controlling influence. Shares in subsidiaries that are of minor importance are not included. They account for less than 1 percent of consolidated net sales.

The scope of the consolidation is broken down as follows:

	Total 31-Mar-2003	Total 31-Dec-2003
Number of wholly consolidated companies	91	85
Number of non-consolidated companies due to their minor significance	34	35
Number of companies measured according to the equity method	2	2
	<u>127</u>	<u>122</u>



Compared with the previous year, the scope of the consolidation changed as follows:

- Initial consolidation:  
Heidelberg Postpress Packaging GmbH, Neuss, Germany;  
Heidelberg CIS OOO, Moscow, Russia.
- Deconsolidation/merger:  
Heidelberg Nigeria Ltd., Lagos, Nigeria;  
Heidelberg Lebanon S.A.R.L., Beirut, Lebanon;  
Heidelberg Used Equipment Ltd., Slough, UK;  
Heidelberg Postpress Packaging GmbH, Neuss, Germany;  
Heidelberg Sverige AG, Stockholm, Sweden;  
Heidelberg Danmark A/S, Ballerup, Denmark;  
Heidelberg Korea A/S, Ballerup, Denmark;  
Heidelberg HHU Inc., Wilmington, Delaware, USA.

The change of the scope of the consolidation had the following effects:

	2002/2003	2003/2004
Fixed assets	31,808	-7,129
Current assets	44,283	7,414
<b>Total assets</b>	<b>76,091</b>	<b>285</b>
Shareholders' equity	25,846	-
Liabilities	50,245	285
<b>Equity and liabilities</b>	<b>76,091</b>	<b>285</b>
Sales	33,042	37,005
Net profit	14,210	2,784

Within the scope of the debt consolidation of Heidelberg CIS OOO, Moscow, the difference resulting from the set-off of the respective receivables and liabilities amounting to approximately € 9 million (before taxes) of former financial years was recorded with effect to the income statement.

### 3 Foreign currency changes

Due to exchange rate differences, the translation of the financial figures drawn up in foreign currencies had the following effect on the consolidated financial figures.

	2002/2003	2003/2004
Fixed assets	- 97,998	- 40,422
Current assets	- 235,221	- 123,245
<b>Assets</b>	<b>- 333,219</b>	<b>- 163,667</b>
Shareholders' equity	- 181,439	- 103,500
Liabilities	- 151,780	- 60,167
<b>Equity and liabilities</b>	<b>- 333,219</b>	<b>- 163,667</b>
Sales	- 138,628	- 191,138

### 4 Other operating income

	1-Apr-2002 to 31-Dec-2002	1-Apr-2003 to 31-Dec-2003
Income from job research projects	44,347	34,921
Reversal of other provisions	23,972	40,750
Foreign exchange profits	19,680	29,274
Income from operating facilities	7,848	12,476
Income from disposals of intangible assets and tangible assets	2,166	8,705
Reversal of negative goodwill	1,463	493
Income from written-off receivables	13,598	25,110
Income resulting from deconsolidations of companies	13,705	-
Sundry income	59,045	66,074
	<b>185,824</b>	<b>217,803</b>

Foreign exchange profits result from the settlement of our hedging transactions.

## 5 Other operating expenses

	1-Apr-2002 to 31-Dec-2002	1-Apr-2003 to 31-Dec-2003
Other deliveries and services, not included in the cost of materials	107,451	94,607
Provisions for doubtful accounts and other assets	76,993	70,236
Rent and leases (excluding car fleet)	62,885	69,423
Special direct selling costs including freight charges	73,896	63,502
Travel expenses	69,999	59,127
Additions to provisions (relates to several expense accounts)	43,296	34,054
IT expenses	35,792	29,564
Insurance expenses	18,065	20,837
Legal and consulting fees	24,076	20,228
Costs of mail and payment transactions	19,374	14,875
Public-sector fees and other taxes	13,624	12,690
Other research and development costs	16,495	11,867
Expenses from operating facilities	10,440	10,001
Car fleet costs	9,117	9,819
License fees	12,934	8,876
Commissions	8,933	5,298
Office supplies, newspapers, technical literature	6,228	4,937
Exchange rate losses	10,097	4,092
Losses from disposals of intangible assets and tangible assets	4,736	3,817
Other overhead costs	101,537	97,767
	<u>725,968</u>	<u>645,617</u>

## 6 Restructuring costs

	1-Apr-2002 to 31-Dec-2002	1-Apr-2003 to 31-Dec-2003
Cost for new alignment of the Heidelberg Group 2004	–	525,000
Program for medium-term cost reduction	126,108	17,396
	<u>126,108</u>	<u>542,396</u>

The costs arising from the new alignment of the Heidelberg Group in 2004, which was announced in November 2003, were reflected in the quarterly interim financial statements as per December 31, 2003 by a corresponding provision.

## 7 Financial result

	1-Apr-2002 to 31-Dec-2002	1-Apr-2003 to 31-Dec-2003
Result from the equity valuation	– 60,741	– 53,081
Income from the specialized investment funds	3,918	– 8,816
Other result	– 309	– 919
<b>Result from financial assets and marketable securities</b>	<u>– 57,132</u>	<u>– 62,816</u>
Other interest and similar income	84,762	68,782
Interest and similar expenses	– 70,369	– 58,954
<b>Net interest income</b>	<u>14,393</u>	<u>9,828</u>
	<u>– 42,739</u>	<u>– 52,988</u>

The result generated by the specialized investment funds during the reporting period includes sustained declines in value of securities with effect on the income statement amounting to € 20 million, which in the past were shown in the shareholders' equity without effect on the income statement.

## 8 Earnings per share

The earnings per share are calculated by dividing the net profit to which the shareholders of Heidelberg are entitled by the weighted average number of outstanding shares during the period (2003/2004: 85,908,480 shares). There is no difference between the diluted and undiluted earnings per share.

## 9 Fixed assets

	Intangible assets	Tangible assets	Financial assets	Total
Cost of acquisition or manufacturing costs March 31, 2003	506,761	2,524,191	342,235	3,373,187
<b>Cost of acquisition or manufacturing costs December 31, 2003</b>	<b>517,586</b>	<b>2,457,264</b>	<b>339,941</b>	<b>3,314,791</b>
Accumulated depreciation March 31, 2003	240,919	1,837,149	137,714	2,215,782
<b>Accumulated depreciation December 31, 2003</b>	<b>266,945</b>	<b>1,819,687</b>	<b>178,029</b>	<b>2,264,661</b>
Book values March 31, 2003	265,842	687,042	204,521	1,157,405
<b>Book values December 31, 2003</b>	<b>250,641</b>	<b>637,577</b>	<b>161,912</b>	<b>1,050,130</b>

## 10 Inventories

	31-Mar-2003	31-Dec-2003
Raw materials, consumables and supplies	222,523	195,156
Work and services in process	303,054	347,803
Manufactured products and merchandise	540,975	550,760
Payments on account	6,859	14,479
	<b>1,073,411</b>	<b>1,108,198</b>

## 11 Receivables and other assets

	31-Mar- 2003	of which term to maturity			31-Dec- 2003	of which term to maturity		
		1 year or less	from 1 to 5 years	over 5 years		1 year or less	from 1 to 5 years	over 5 years
Receivables from customer financing	860,389	184,957	410,160	265,272	768,801	178,150	378,436	212,215
Trade receivables	813,358	810,581	2,777	–	662,749	650,486	12,263	–
Receivables from affiliated enterprises	35,496	34,810	686	–	26,943	23,908	3,035	–
Receivables from associated companies/joint ventures	24,689	24,689	–	–	26,358	26,358	–	–
Other assets	195,058	150,767	27,010	17,281	234,779	204,370	24,384	6,025
– of which								
tax reimbursement claims	(56,871)	(56,865)	(6)	(–)	(84,169)	(84,151)	(18)	(–)
– of which loans granted	(588)	(283)	(279)	(26)	(839)	(484)	(323)	(32)
– of which								
derivative financial instruments	(44,574)	(34,237)	(10,337)	(–)	(56,165)	(48,055)	(8,110)	(–)
– of which								
deferred interest payments	(9,148)	(6,066)	(3,082)	(–)	(8,294)	(8,226)	(68)	(–)
	<u>1,068,601</u>	<u>1,020,847</u>	<u>30,473</u>	<u>17,281</u>	<u>950,829</u>	<u>905,122</u>	<u>39,682</u>	<u>6,025</u>

## 12 Shareholders' equity / minority interests

As of the reporting date, Heidelberger Druckmaschinen Aktiengesellschaft does not hold any treasury stock.

RWE Aktiengesellschaft, Essen, holds an indirect participation in Heidelberger Druckmaschinen Aktiengesellschaft amounting to 50.016 percent of the voting shares as of the reporting date.

The dividend payment applies to the distribution to the minority shareholders of Gallus Holding AG, St. Gallen, Switzerland.

## 13 Provisions

	31-Mar-	Maturity			31-Dec-	Maturity		
	2003	1 year or less	from 1 to 5 years	over 5 years		2003	1 year or less	from 1 to 5 years
<b>Provisions for pensions and similar obligations</b>	559,471	33,002	75,953	450,516	581,452	24,260	79,803	477,389
<b>Tax provisions</b>	199,471	25,199	174,272	–	169,827	10,542	159,285	–
<b>Other provisions</b>								
arising from sales and service activities	197,570	171,311	15,379	10,880	162,902	156,233	6,406	263
arising from human resources	346,681	276,777	50,099	19,805	264,722	202,876	42,742	19,104
arising from research and development	15,141	15,141	–	–	10,692	10,692	–	–
Other	136,384	128,257	7,160	967	627,783	620,917	5,546	1,320
	695,776	591,486	72,638	31,652	1,066,099	990,718	54,694	20,687
	1,454,718	649,687	322,863	482,168	1,817,378	1,025,520	293,782	498,076

The increase of the remaining provisions results from the measures planned for the new alignment of the Heidelberg Group in 2004.

## 14 Liabilities

	31-Mar- 2003	of which term to maturity			31-Dec- 2003	of which term to maturity		
		1 year or less	from 1 to 5 years	over 5 years		1 year or less	from 1 to 5 years	over 5 years
To banks	796,477	786,494	9,919	64	1,002,695	986,915	15,759	21
Advance payments received on orders	97,408	97,408	–	–	100,031	100,010	21	–
Trade payables	274,952	270,633	4,311	8	183,217	180,350	2,867	–
Arising from the acceptance of drawn bills and the issue of own bills	5,546	5,546	–	–	5,017	5,017	–	–
To affiliated enterprises	8,382	6,699	1,683	–	8,981	7,965	1,016	–
To associated companies/ joint ventures	945	945	–	–	790	790	–	–
Other liabilities	290,352	224,527	38,221	27,604	256,789	228,433	14,332	14,024
– of which derivative financial instruments	(49,864)	(7,100)	(15,160)	(27,604)	(27,622)	(4,790)	(9,594)	(13,238)
– of which taxes	(54,999)	(54,999)	(–)	(–)	(68,430)	(68,430)	(–)	(–)
– of which relating to social security	(33,264)	(33,264)	(–)	(–)	(27,178)	(27,178)	(–)	(–)
	<u>1,474,062</u>	<u>1,392,252</u>	<u>54,134</u>	<u>27,676</u>	<u>1,557,520</u>	<u>1,509,480</u>	<u>33,995</u>	<u>14,045</u>

An underwriting syndicate under the management of Commerzbank AG and Deutsche Bank AG has granted Heidelberg a five-year revolving credit facility in the amount of € 750 million. Short-term liabilities to financial institutions (with a term to maturity of up to one year) amounting to € 986,915 thousand (31-Mar-03: € 786,494 thousand) include credit totaling € 500,609 thousand (31-Mar-03: € 428,575 thousand) under this long-term committed credit line.



**15 Contingent liabilities and other financial liabilities**

	31-Mar-2003	31-Dec-2003
Liability arising from the endorsement of bills of exchange	179	404
Guarantees and warranties	296,535	298,636
	<u>296,714</u>	<u>299,040</u>

Contingent liabilities primarily include guarantees provided for the liabilities of third parties in connection with long-term customer financing. Other financial liabilities are broken down as follows:

	31-Mar-2003	Maturity			31-Dec-2003	Maturity		
		1 year or less	from 1 to 5 years	over 5 years		1 year or less	from 1 to 5 years	over 5 years
<b>Operating lease relationships</b>								
Minimum lease payments	409,243	55,874	94,260	259,109	419,285	46,388	124,514	248,383
<b>Other</b>								
Orders for investments	26,930	26,930	–	–	36,470	36,470	–	–
Future lease obligations	77,360	17,824	50,119	9,417	70,414	17,558	48,099	4,757
Additional obligations	14,776	14,746	30	–	1,736	1,677	59	–
	<u>119,066</u>	<u>59,500</u>	<u>50,149</u>	<u>9,417</u>	<u>108,620</u>	<u>55,705</u>	<u>48,158</u>	<u>4,757</u>
	<u>528,309</u>	<u>115,374</u>	<u>144,409</u>	<u>268,526</u>	<u>527,905</u>	<u>102,093</u>	<u>172,672</u>	<u>253,140</u>

**16 Supervisory Board/ Management Board**

The members of the Supervisory Board and the Management Board are listed on page 32.

**17 Important events occurring after the reporting date**

There were no important events occurring after the reporting date.

Heidelberg, January 2004

**The Management Board**

## The Supervisory Board

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### Dr. Klaus Sturany

Chairman

### Dr. Dietmar Kuhnt

Chairman

– through September 12, 2003 –

### Josef Pitz\*

Deputy Chairman of the  
Supervisory Board

### Hans-Jürgen Bauer\*

– through September 12, 2003 –

### Martin Blessing

– since September 12, 2003 –

### Prof. Dr. Clemens Börsig

### Roland Eisenbarth\*

– through September 12, 2003 –

### Dr. Michael Endres

– through September 12, 2003 –

### Wolfgang Flörchinger\*

– since September 12, 2003 –

### Dietrich-Kurt Frowein

– through September 12, 2003 –

### Martin Gauß\*

### Uwe Heddendorp

– through September 12, 2003 –

### Dr. Jürgen Heraeus

### Gunther Heller\*

– since September 12, 2003 –

### Berthold Huber\*

### Johanna Klein\*

– since September 12, 2003 –

### Pat Klinis\*

### Robert J. Koehler

– since September 12, 2003 –

### Uwe Lüders

– since September 12, 2003 –

### Dr. Gerhard Rupprecht

### Rainer Wagner\*

### Helmut Weber\*

– through September 12, 2003 –

### Jan Zilius

– since September 12, 2003 –

### Committees of the Supervisory Board

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#### Management Committee

Dr. Klaus Sturany

Josef Pitz

Martin Blessing

Martin Gauß

Berthold Huber

Dr. Gerhard Rupprecht

#### Mediation Committee under Article 27 Subsection 3 of the Codetermination Act

Dr. Klaus Sturany

Josef Pitz

Martin Blessing

Wolfgang Flörchinger

#### Committee on Arranging Personnel Matters of the Management Board

Dr. Klaus Sturany

Josef Pitz

Dr. Gerhard Rupprecht

#### Audit Committee

Dr. Jürgen Heraeus

Prof. Dr. Clemens Börsig

Pat Klinis

Rainer Wagner

#### The Management Board

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#### Bernhard Schreier

Chairman

#### Dr. Herbert Meyer

#### Wolfgang Pfizenmaier

– through November 30, 2003 –

#### Holger Reichardt

– through November 30, 2003 –

#### Dr. Klaus Spiegel

\* Employee Representative

## Financial Calendar

<b>May 4, 2004</b>	Publication of Preliminary Figures for the Financial Year 2003/2004
<b>June 8, 2004</b>	Annual Press Conference, Analysts' and Investors' Conference
<b>July 21, 2004</b>	Annual General Meeting

Subject to change

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**HEIDELBERG**