INTERIM FINANCIAL REPORT

Q2

2nd QUARTER 2006/2007

HEIDELBERG

PERFORMANCE OF THE HEIDELBERG SHARE

compared with the DAX/MDAX (Index: April 1, 2006 = 0 percent)

KEY PERFORMANCE DATA

Figures in € millions

	Q1 to Q2 prior year	**Q1 to Q2 2006/2007**	Q2 prior year	**Q2 2006/2007**
Incoming orders	1,760	1,996	874	920
Net sales	1,529	1,628	869	909
Result of operating activities [1]	72	118	65	102
– in percent of sales	4.7	7.2	7.5	11.2
Net profit [1]	31	68	32	63
– in percent of sales	2.0	4.2	3.7	6.9
Cash flow [1]	117	94	87	64
– in percent of sales	7.7	5.8	10.0	7.0
Free cash flow [1]	– 60	– 25	46	69
Research and development costs	101	116	52	58
Investments	66	66	37	37
Earnings per share in €	0.36	0.83	0.37	0.77

[1] Previous year’s figures were adjusted

Contents

The Heidelberg Share

Following marked declines at the beginning of the second quarter, the two most important German share indexes – the DAX and the MDAX – subsequently picked up. The DAX again rose above the 6,000 mark at the end of September, thereby posting growth of 6 percent during the quarter. The MDAX, which increased by 8 percent, grew at an even more rapid pace.

Although the Heidelberg share followed the initially negative market trend, it subsequently came under pressure and was only able to benefit from the improving market environment in September. Nevertheless, the overall development was disappointing during the reporting quarter, with a decline of nearly 7 percent posted.

Approximately 1,200 shareholders, representing some 60 percent of Heidelberg's share capital, attended our Annual General Meeting at Mannheim's Congress Center Rosengarten on July 20, 2006. All proposals for resolution on the agenda items – including a vote on the appropriation of distributable profit and the related distribution of a dividend of € 0.65 per share – were approved by a large majority.

The share buyback program, which was launched in November 2005, was concluded in July 2006. A total of 4,295,424 shares representing 5 percent of the share capital were repurchased via the stock market. Of this, 2,857,777 shares were already retired on March 31, 2006 within the framework of a decrease in capital from € 220.0 million to € 212.6 million, apportioned among 83,050,703 shares.

KEY PERFORMANCE DATA OF THE HEIDELBERG SHARE

Figures in €

	Q2 prior year	**Q2 2006/2007**
Earnings per share	0.37	0.77
Cash flow per share	1.01	0.78
Share price – high	29.50	36.47
Share price – low	24.30	30.67
Share price – beginning of the quarter [1]	24.30	36.33
Share price – end of the quarter [1]	28.51	32.51
Market capitalization at the end of the quarter in € millions	2,449	2,700
Number of shares in thousands [2]	85,908	81,986

1) Xetra closing price; source of prices: Bloomberg

2) Weighted number of outstanding shares

Overall Picture

The print media industry's upward trend continued into the second quarter as well. This was reflected in a favorable development of the key performance data for the Heidelberg Group, with the figures for incoming orders, sales, and the result of operating activities improving considerably over the previous year. Our forecasts for developments in the financial year as a whole have so far been confirmed and therefore remain in effect.

Underlying Conditions

The global economy remains robust, with favorable developments continuing so far this year. In addition to the still booming economy in China, the US, and India in particular have proven to be engines for growth. Only isolated initial regional weaker tendencies have emerged in recent months. Nevertheless, the IMF is projecting a 5.1 percent increase in global GDP.

The European region is still experiencing a moderate, yet stable, period of economic recovery. The German economy has picked up noticeably so far this year, thereby reducing its growth gap vis-à-vis the other euro countries. Two of the most significant causes for this have been the favorable effect of the soccer World Championship as well as acquisitions that are now being brought forward in order to avoid the value added tax increase in 2007. As a consequence, economic forecasts for 2006 have been revised upward. Up to the present, the US has only experienced an insignificant slowdown in growth caused by continuing high energy prices and interest rates.

Asia continues to be the world's most dynamic economic region. Besides China, Eastern Asia's emerging markets are also growing at an above-average pace. Favored by high prices for exported raw materials and the ongoing strengthening of domestic demand, the economic situation in Latin America is robust.

The print media industry is also developing favorably. The approximately 80 percent capacity utilization of US print shops remains stable. Capacity utilization in Germany, which is approximately 85 percent at present, shows a marked upward trend as well. Moreover, the German Printing and Media Industries Federation has reported a further improvement in the business climate, reaching its highest level in six years.

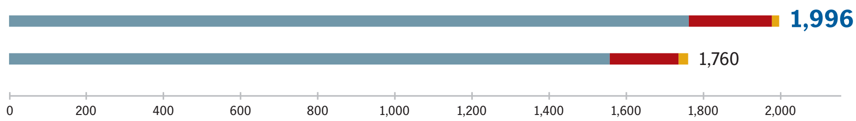
Business Development

INCOMING ORDERS BY DIVISION

2006/2007, Q1 to Q2

2005/2006, Q1 to Q2

Figures in € millions



Press	**1,762**	+ 13 %
Postpress	**215**	+ 21 %
Financial Services	**19**	– 24 %
Heidelberg Group	**1,996**	**+ 13 %**

Q2

Press	**808**	+ 5 %
Postpress	**103**	+ 11 %
Financial Services	**9**	– 25 %
Heidelberg Group	**920**	**+ 5 %**

The Heidelberg Group's **incoming orders** also developed favorably during the second quarter of the current financial year, rising by 5 percent over the previous year's figure to € 920 million. We benefited from our industry's continuing favorable investment climate in the euro zone. We are currently highly successful with our solutions, especially in Germany. Thus far, developments continue to be favorable in the US as well. In the first half of the year as a whole, incoming orders reached € 1,996 million – a very high level for the Heidelberg Group, surpassing the previous year's figure by 13 percent!

Sales of the Heidelberg Group during the second quarter reached € 909 million – up by nearly 5 percent over the previous year's figure. On a comparable basis, the second quarter thereby generated the highest level of sales in five years! We experienced improvement especially in the large format segment. From a regional point of view, we generated strong growth in Germany and Latin America. The Asia/Pacific region still falls short of the previous year's figure – here, primarily the temporary suspension of the tax exemption in China had a decelerating effect. The Heidelberg Group's overall sales for the first half-year amounted to € 1,628 million – up by approximately 6 percent over the previous year's figure.

Our **order backlog** of € 1,343 million as of September 30, 2006 changed only slightly compared with the figure as of the end of the previous quarter. The length of our order backlog is 4.4 months at present, therefore guaranteeing high capacity utilization for the next few months.

NET SALES BY DIVISION

Figures in € millions

	Q1 to Q2 prior year	**Q1 to Q2 2006/2007**	Q2 prior year	**Q2 2006/2007**
Press	1,330	1,423	763	803
Postpress	174	186	94	97
Financial Services	25	19	12	9
Heidelberg Group	1,529	1,628	869	909

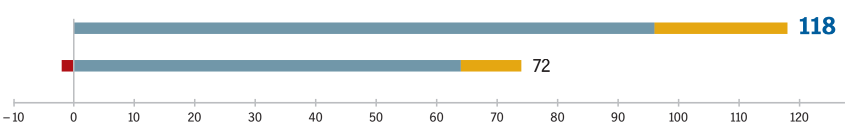
Results of Operations, Net Assets, and Financial Position

RESULT OF OPERATING ACTIVITIES

2006/2007, Q1 to Q2

2005/2006, Q1 to Q2

Figures in € millions



	2006/2007, Q1 to Q2	2005/2006, Q1 to Q2
Press	**96**	64
Postpress	**0**	–2
Financial Services	**22**	10
Heidelberg Group	**118**	**72**

Q2

	2006/2007	2005/2006
Press	**92**	57
Postpress	**0**	2
Financial Services	**10**	6
Heidelberg Group	**102**	**65**

During the second quarter of the current financial year, the Heidelberg Group generated a **result of operating activities** of € 102 million. Compared with the same period the previous year, the result was favored by the increased sales and the associated higher profit contributions, by the strong result of the Financial Services Division, and by our improved cost situation. The divestiture of Linotype GmbH, which we successfully sold to one of its competitors early in August, also had a favorable impact. The result was restrained by considerable advance services in the R&D area.

We therefore achieved a result of operating activities of € 118 million for the first half-year as a whole – more than 60 percent above the previous year's figure.

Income before taxes reached € 94 million during the first half of the year. **Net profit** of € 68 million was more than double the previous year's figure. Earnings per share for the first two quarters amount to € 0.83.

We undertook **investments** in tangible and intangible assets of € 66 million during the first half of the reporting year, thereby matching the previous year's figure. The investment ratio up to the present time this financial year amounts to 4 percent of sales. Work on the construction of the new Hall 11 at our Wiesloch manufacturing facility has been ongoing since early in August, with completion planned for August 2007.

The Heidelberg Group's **total assets** declined slightly during the second quarter, amounting to € 3,262 million as of September 30, 2006. Primarily assets held for sale declined due to the sale of Linotype GmbH and the divestiture of a financial participation.

Among **assets,** the delivery-related growth in inventories did not extend beyond the first quarter. By contrast, trade receivables increased further through the end of the second quarter. Although receivables from customer financing remained virtually unchanged from the end of the previous quarter, they declined in the first half of the current financial year.

Among **liabilities,** no decline in shareholders' equity occured despite the dividend payment following the Annual General Meeting in July as well as the share buyback program, which was still in force at the beginning of the quarter. The high net profit generated during the second quarter had a favorable effect here. The equity ratio amounted to 33 percent at the end of the quarter. We have meanwhile concluded the share buyback program, under which a total of 5 percent of the share capital was repurchased via the stock market. We were able to further reduce pension provisions, thanks to an additional funding of € 50 million. Financial liabilities rose only slightly during the second quarter.

BALANCE SHEET STRUCTURE

Figures in € millions

	31-Mar-2006	in percent of total assets	**30-Sep-2006**	in percent of total assets
Non-current assets	1,389	42	1,393	43
Current assets	1,892	58	1,869	57
Total assets	3,281	100	3,262	100
Shareholders' equity	1,138	35	1,091	33
Non-current liabilities	1,134	35	1,058	33
Current liabilities	1,009	30	1,113	34
Total equity and liabilities	3,281	100	3,262	100

Cash flow reached € 94 million during the first half-year, thereby amounting to 6 percent of sales. **Other operating changes** reflect an outflow of funds during the same period of € –77 million – considerably less than the previous year's figure. This is due not only to the lower outflow of funds through inventory buildup, but to the considerably greater inflow of funds generated by trade receivables as well. The **outflow of funds from investment activity** during the first two quarters amounted to € –43 million, with the inflow of funds from the divestiture of participations counteracting investments in tangible and intangible assets. This figure also includes the additional funding of pension obligations totaling € 50 million, which we effected in July 2006.

Although our **free cash flow** of € –25 million during the first half of the year is still negative, during the second quarter alone it reached a positive € 69 million. Moreover, both figures show improvement over the comparable figures for the previous year. We utilized the positive free cash flow during the second quarter in order to finance the dividend payment and undertake further share buybacks without the need to increase bank debt.

CASH FLOW STATEMENT [1)]

Figures in € millions

	Q1 to Q2 prior year	**Q1 to Q2 2006/2007**
Cash flow	117	94
Inventories	– 152	– 124
Receivables from customer financing	40	27
Trade receivables	10	84
Trade payables	– 29	– 14
Other	7	– 50
Other operating changes	– 124	– 77
Outflow of funds from investment activity [2)]	– 53	– 43
Free cash flow	– 60	– 25

1) Previous year's figures were adjusted

2) Includes the funding of pensions and income generated from the divestiture of Linotype GmbH during the reporting period

Divisions

As already during the first quarter, incoming orders generated by the **Press** Division of € 808 million during the second quarter were again in excess of the previous year's figure. We benefited here from the ongoing favorable underlying conditions, primarily in the euro zone. Demand for our Speedmaster XL 105, which has meanwhile been introduced to all the larger markets, continues to be especially strong. The division continued its expansionary course in the area of sales, which exceed the previous year's figures. The result of operating activities reached € 92 million during the second quarter, thereby considerably surpassing the previous year's figure – a development that was favorably influenced by the successful sale of Linotype GmbH. The continuing high level of advance services in the R&D area had a dampening effect. Nevertheless, the overall result of operating activities during the first half-year of € 96 million exceeded the previous year's figure. Among other things due to the startup of the new training year, the number of employees in the division had increased to 17,031 by September 30, 2006.

During the second quarter, the **Postpress** Division successfully sustained its initial favorable start in the current financial year. Incoming orders of € 103 million surpassed the previous year's figure by 11 percent, with even greater improvement posted during the first half-year on a cumulative basis. We continue to be successful with our folder business, with demand for the highly automated folder model surpassing our forecast, especially in the US market. This division's sales also exceed the previous year's level – this factor and the improved cost situation provided the basis for our successful achievement of a breakeven result during the second quarter. The number of employees in the division rose slightly to 1,977 during the second quarter.

In the **Financial Services** Division, we will continue our successful strategy: The consistent attention focused on our external financing partners is resulting in further declines in the volume of risks arising from customer financing. The result of operating activities of € 10 million during the second quarter and € 22 million during the first half of the year as a whole represent growth over the same periods of the previous year according to plan. As a result of the more favorable risk environment in our major financing markets, we were able to continue to improve the quality of our portfolio. This division had a total of 85 employees as of September 30, 2006.

Regions

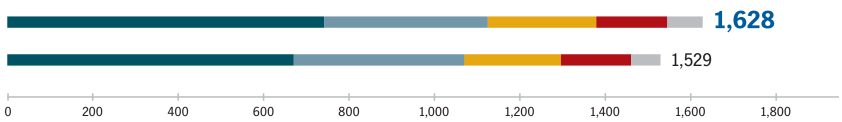
Following the high level of incoming orders in the first quarter in the **Europe, Middle East and Africa** region, which resulted from the IPEX trade show, incoming orders of € 420 million showed strength during the second quarter as well, surpassing the previous year's figure by 11 percent. The ongoing solid propensity to invest in Germany was reflected in the outstanding volume of incoming orders, with Italy and the Benelux countries also realizing an upward trend. Thus, during the first half of the year we generated overall incoming orders of € 961 million in this region – 28 percent more than in the previous year. Sales in this region also surpassed the previous year's figures, both in the quarter alone as well as for the first half-year on a cumulative basis.

NET SALES BY REGION

2006/2007, Q1 to Q2

2005/2006, Q1 to Q2

Figures in € millions



Europe, Middle East and Africa [1]	742	+ 11 %
Eastern Europe [1]	166	+ 1 %
North America	254	+ 12 %
Latin America	83	+ 20 %
Asia / Pacific	383	– 4 %
Heidelberg Group	**1,628**	**+ 6 %**
Q2		
Europe, Middle East and Africa [1]	402	+ 9 %
Eastern Europe [1]	90	– 8 %
North America	142	+ 8 %
Latin America	51	+ 55 %
Asia / Pacific	224	– 6 %
Heidelberg Group	**909**	**+ 5 %**

[1] Previous year's figures were adjusted

The **Eastern Europe** region continues to experience an upward trend. Incoming orders of € 95 million exceeded the previous year's figure during the second quarter as well, with growth of 27 percent over the previous year posted for the first half-year as a whole! Despite a rather restrained second quarter, sales remained at the previous year's level for the first half of the year.

Business remained solid in the **North America** region. Second quarter incoming orders of € 160 million continued at the previous year's level – and this despite the fact that Print 05 had been held in September 2005. During the first half of the year as a whole, incoming orders were up by 10 percent over the previous year's figure. We benefited here from the gradual breakup of the investment backlog in the US. The more favorable underlying conditions are also reflected in the sales of the region, which exceeded the previous year's figures by 8 percent for the quarter and by 12 percent during the first half of the year as a whole.

Business in the **Latin America** region picked up considerably following the rather restrained first quarter. With incoming orders during the second quarter amounting to € 54 million, not only was the previous year's figure for the quarter surpassed by 42 percent, but incoming orders exceeded the previous year's figure on a cumulative basis for the first half of the financial year as well. Our business is especially successful in Brazil at present. This region has meanwhile shown considerable improvement over the previous year in terms of sales as well.

The incoming orders of the **Asia/Pacific** region failed to reach the previous year's level during the second quarter. This was due primarily to developments in the Chinese market, where local print shops are currently maintaining a restrained wait-and-see attitude in their purchasing decisions because of the temporary suspension of the tax exemption. A reissue is anticipated by the end of the year. Against this backdrop, we believe that incoming orders will subsequently rise again, since print shops have ongoing requirements. Overall sales in this region amounted to € 224 million during the second quarter and € 383 million for the first half of the year. Adjusted for negative foreign currency influences, the previous year's figure was nearly equaled.

INCOMING ORDERS BY REGION

Figures in € millions

	Q1 to Q2 prior year	**Q1 to Q2 2006/2007**	Q2 prior year	**Q2 2006/2007**
Europe, Middle East and Africa[1]	748	961	380	420
Eastern Europe[1]	173	220	89	95
North America	255	281	158	160
Latin America	86	97	38	54
Asia/Pacific	498	437	209	191
Heidelberg Group	1,760	1,996	874	920

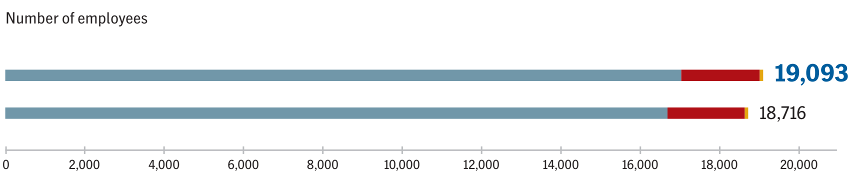
1) Previous year's figures were adjusted

Research and Development

The Heidelberg Group's research and development costs amounted to € 116 million during the first half-year, compared with € 101 million during the same period the previous year. Our R&D rate is projected to be between 6 and 7 percent for the year as a whole. The principal focus is on the development of a new generation of printing presses for a new 'very large format'. Moreover, with the further development of our Prinect workflow system we promote the integration of all processes, from prepress to printing and all the way to the finishing stage.

Employees

EMPLOYEES



	September 30, 2006	March 31, 2006
Press	**17,031**	16,684
Postpress	**1,977**	1,946
Financial Services	**85**	86
Heidelberg Group	**19,093**	**18,716**

Training has a high priority at Heidelberg. For a number of years, our training quota has remained stable in Germany at 6 percent or higher. As of September 1, a total of 196 young people began their training at our German plants. Heidelberg offers a total of 13 varied apprenticeship-based trades and courses of study.

As of September 30, 2006 we had a total of 19,093 employees. Due not only to a modest expansion of the manufacturing volume but in particular to an increase in the number of new apprentices, this number grew by 217 during the course of the second quarter – and by 377 since the end of the previous financial year.

Risk Report

The development of the global economy has had a major impact on our business development. Up to now, economic trends have been highly robust in the face of high raw material prices as well as various conflicts. Our considerable regional diversification and the lowering of our structural costs reduce our overall risk. We thereby diminish our susceptibility to periods of weakness in individual markets as well as to fluctuations in customer orders.

There are currently no recognizable risks that could threaten the existence of the Heidelberg Group. The detailed presentation of corporate risks and the description of our system of risk management can be found in our Annual Report 2005/2006. The statements included therein largely continue to apply.

Future Prospects

We anticipate global economic growth of 5.1 percent for calendar year 2006. Nevertheless, the high and unstable price of oil constitutes a risk to further growth. In our view, the print media industry will further recover and the printing volume will grow at least over the next three years. We believe that the greater demand for printed products and improved capacity utilization will be reflected in the print media industry by a higher propensity to invest in producer goods in 2006. However, as in recent years, the greatest contribution to growth in our industry will come from the emerging markets. Exchange rate relationships, especially due to the rather weak Japanese yen, will continue to have an impact on competition among European equipment suppliers to the print media industry.

Against this backdrop, we are budgeting an overall growth in sales for the current financial year of approximately 5 percent over the previous year. We intend to further boost the result of operating activities. We generated an operating return on sales of 7.7 percent during the previous year; this figure should amount to approximately 10 percent in the current financial year. The sales increase, our ongoing and unswerving cost reduction measures, the savings due to the agreement to secure the future, and more favorable conditions for currency hedging, will all have a positive impact. Earnings are being hampered by advance services in the R&D area. We have ambitious goals, especially vis-à-vis an increase in corporate value, for which we intend to again achieve a return on capital employed (ROCE) of over 16 percent. With a weighted average cost of capital of approximately 10 percent we will generate an economic value added of over 6 percent – probably during the current financial year, but otherwise beginning in financial year 2007/2008.

> THE 2ND QUARTER IN REVIEW

FINANCIAL YEAR 2006/2007

> THE 2ND QUARTER 2006/2007 IN REVIEW

July 26, 2006
Share buyback program concluded

July 20, 2006
Annual General Meeting

July — 7/2006

August — 8/2006

2006 Annual General Meeting

July 20, 2006 +++ All items on the agenda passed +++

Around 1,200 shareholders – representing approximately 60 percent of the Company's share capital – attended the Annual General Meeting of Heidelberger Druckmaschinen Aktiengesellschaft for financial year 2005/2006. The shareholders voted on nine items on the agenda. These included the appropriation of retained earnings and the associated issuing of a dividend of € 0.65 per participating share.

Share Buyback Program Concluded

July 26, 2006 +++ A total of five percent of the capital stock were bought back +++

Heidelberg concluded the share buyback program launched in November 2005. A total of five percent of the capital stock were repurchased for approximately € 150 million – equivalent to an average price of € 35.

'Award Winning' Annual Report

September 6, 2006 +++ Annual report achieves best result of all times +++

For the second time in a row, Heidelberg's annual report was awarded the title of best annual report in the MDAX segment by the German business magazine 'manager magazin'. Altogether, Heidelberg has come in first in this segment for the fifth time. With its second place in the overall ranking, Heidelberg achieved its best result so far. Already in July, last year's annual report had won two prizes at the 2005 Vision Awards of the 'League of American Communication Professionals' (LACP) and came in first among the top 100 annual reports.

2006/07

September 19, 2006
New Suprasetter

September 28, 2006
New plant in Shanghai

September 6, 2006
'manager magazin' award

September 20, 2006
Innovation award

September

9/2006

New Suprasetter for Small and Medium Formats

September 19, 2006 +++ High-end technology now also available for entry-level market +++

At a trade press conference, Heidelberg presented the new Suprasetter A52 and A74 models – the most cost-effective gateway to thermal printing plate production for small and medium-sized commercial print shops. These new models perfectly complement Heidelberg's portfolio and fill a gap in the entry-level market. The new platesetter uses the same laser technology – developed by Heidelberg – as the high-end Suprasetter units.

Innovation Award for Heidelberg Products from the German Printing Industry

September 20, 2006 +++ Awards for Prinect Inpress Control, Prinect Integration System, and Anicolor +++

Readers of the trade magazines published by the publishing company Ebner ranked Heidelberger Druckmaschinen AG's solutions and products first and second in the 'print' segment. The majority of readers decided in favor of the inline color measurement device Prinect Inpress Control, and the Anicolor inking unit technology came in second. Additionally, Heidelberg's Prinect Integration System achieved second place in the 'prepress' segment.

New Plant in China Inaugurated

September 28, 2006 +++ Production site at the Qingpu industrial zone near Shanghai +++

Heidelberg has officially inaugurated its new assembly plant in China. Production at the site already started in spring 2006. It is the first plant in Asia for the world's largest manufacturer of sheetfed offset printing presses which next to Germany also operates production sites in four other countries.

> CONSOLIDATED INTERIM FINANCIAL STATEMENTS

for the period April 1, 2006 to September 30, 2006

Interim income statement of the Heidelberg Group April 1, 2006 to September 30, 2006

> INTERIM INCOME STATEMENT[1)]

Figures in € thousands

	Note	1-Apr-2005 to 30-Sep-2005	**1-Apr-2006 to 30-Sep-2006**
Net sales		1,528,536	1,627,717
Change in inventories		97,295	83,175
Other own work capitalized		20,638	25,532
Total operating performance		1,646,469	1,736,424
Other operating income	3	107,763	119,454
Cost of materials	4	721,415	763,175
Personnel expenses		530,101	562,929
Depreciation and amortization		62,836	64,804
Other operating expenses	5	367,844	346,985
Result of operating activities		72,036	117,985
Result from the equity valuation		–	– 20
Financial income	6	17,987	14,678
Financial expenses	7	36,366	38,934
Financial result		– 18,379	– 24,276
Income before taxes		53,657	93,709
Taxes on income		22,496	26,121
Net profit		31,161	67,588
– of which: Heidelberg portion		(31,240)	(67,759)
– of which: minority interests		(– 79)	(– 171)
Undiluted/diluted earnings per share according to IAS 33 (in € per share)	8	0.36	0.83

1) Previous year's figures were adjusted (see Note 1)

Interim income statement of the Heidelberg Group July 1, 2006 to September 30, 2006

> INTERIM INCOME STATEMENT[1)]

Figures in € thousands

	1-Jul-2005 to 30-Sep-2005	**1-Jul-2006 to 30-Sep-2006**
Net sales	868,678	908,762
Change in inventories	– 8,076	– 6,154
Other own work capitalized	9,676	11,437
Total operating performance	870,278	914,045
Other operating income	42,414	72,480
Cost of materials	361,684	397,741
Personnel expenses	264,133	278,853
Depreciation and amortization	31,922	33,685
Other operating expenses	190,009	173,891
Result of operating activities	64,944	102,355
Result from the equity valuation	–	180
Financial income	7,411	7,208
Financial expenses	18,606	22,083
Financial result	– 11,195	– 14,695
Income before taxes	53,749	87,660
Taxes on income	22,008	24,662
Net profit	31,741	62,998
– of which: Heidelberg portion	(31,755)	(63,075)
– of which: minority interests	(– 14)	(– 77)
Undiluted/diluted earnings per share according to IAS 33 (in € per share)	0.37	0.77

[1)] Previous year's figures were adjusted (see Note 1)

Interim income statement of the Heidelberg Group – Quarterly overview

> INTERIM INCOME STATEMENT

Figures in € thousands	1-Apr-2006 to 30-Jun-2006	1-Jul-2006 to 30-Sep-2006	**1-Apr-2006 to 30-Sep-2006**
Net sales	718,955	908,762	1,627,717
Change in inventories	89,329	– 6,154	83,175
Other own work capitalized	14,095	11,437	25,532
Total operating performance	822,379	914,045	1,736,424
Other operating income	46,974	72,480	119,454
Cost of materials	365,434	397,741	763,175
Personnel expenses	284,076	278,853	562,929
Depreciation and amortization	31,119	33,685	64,804
Other operating expenses	173,094	173,891	346,985
Result of operating activities	15,630	102,355	117,985
Result from the equity valuation	– 200	180	– 20
Financial income	7,470	7,208	14,678
Financial expenses	16,851	22,083	38,934
Financial result	– 9,581	– 14,695	– 24,276
Income before taxes	6,049	87,660	93,709
Taxes on income	1,459	24,662	26,121
Net profit	4,590	62,998	67,588
– of which: Heidelberg portion	(4,684)	(63,075)	(67,759)
– of which: minority interests	(– 94)	(– 77)	(– 171)
Undiluted/diluted earnings per share according to IAS 33 (in € per share)	0.06	0.77	0.83

Interim balance sheet of the Heidelberg Group as of September 30, 2006

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> ASSETS

Figures in € thousands

	Note	31-Mar-2006	30-Sep-2006
Non-current assets			
Intangible assets	9	258,531	255,526
Tangible assets	9	523,207	513,242
Investment property	9	26,506	19,115
Financial assets[1]	10	55,515	51,547
Receivables from customer financing	11	360,860	374,613
Other receivables and other assets	11	51,886	69,306
Deferred taxes		112,540	109,704
		1,389,045	1,393,053
Current assets			
Inventories	12	844,738	957,147
Receivables from customer financing	11	135,071	85,965
Trade receivables	11	678,320	579,956
Other receivables and other assets	11	137,896	153,055
Income tax assets		12,262	1,432
Marketable securities		187	688
Cash and cash equivalents		79,492	89,297
		1,887,966	1,867,540
Assets held for sale		3,879	1,115
		3,280,890	3,261,708

[1] Of which: financial assets carried according to the equity method € 1,793 thousand (March 31, 2006: € 3,332 thousand)

> EQUITY AND LIABILITIES

Figures in € thousands

	Note	31-Mar-2006	30-Sep-2006
Shareholders' equity	13		
Subscribed capital		212,610	209,066
Capital and revenue reserves		787,975	811,813
Net profit – Heidelberg portion		134,752	67,759
		1,135,337	1,088,638
Minority interests		2,375	1,998
		1,137,712	1,090,636
Non-current liabilities			
Provisions for pensions and similar obligations	14	211,606	148,404
Other provisions	15	325,071	312,657
Financial liabilities	16	430,006	424,725
Other liabilities	17	96,316	95,797
Deferred income taxes		70,671	76,473
		1,133,670	1,058,056
Current liabilities			
Other provisions	15	353,971	362,283
Financial liabilities	16	140,159	294,576
Trade payables		228,242	212,721
Income tax liabilities		4,868	3,257
Other liabilities	17	276,437	240,179
		1,003,677	1,113,016
Liabilities held for sale		5,831	–
		3,280,890	3,261,708

> CONSOLIDATED CASH FLOW STATEMENT[1)]

Figures in € thousands

	1-Apr-2005 to 30-Sep-2005	**1-Apr-2006 to 30-Sep-2006**
Net profit	31,161	67,588
Depreciation and amortization[2)]	62,836	64,804
Change in pension provisions	11,543	– 5,526
Change in deferred taxes/tax provisions	12,070	14,882
Result from the equity valuation	–	20
Result from disposals	– 558	– 47,574
Cash flow	117,052	94,194
Change in inventories	– 152,401	– 124,011
Change in customer financing	40,158	26,837
Change in trade receivables/trade payables	– 18,875	70,237
Change in other provisions	– 51,352	– 21,113
Change in other balance sheet items	58,318	– 28,745
Other operating changes	– 124,152	– 76,795
Outflow/inflow of funds from operating activities	– 7,100	17,399
Intangible assets/tangible assets/investment property		
Investments	– 65,690	– 65,857
Proceeds from disposals	15,911	30,021
Financial assets		
Investments	– 3,266	– 8,627
Proceeds from disposals	93	51,710
Pension funding	–	– 50,000
Outflow of funds from investment activity	– 52,952	– 42,753
Free cash flow	– 60,052	– 25,354
Treasury stock	–	– 52,055
Dividend payment	– 25,858	– 53,275
Change in financial liabilities	48,525	142,355
Inflow of funds from financing activity	22,667	37,025
Net change in cash and cash equivalents	– 37,385	11,671
Cash and cash equivalents at the beginning of the quarter	131,537	79,679
Changes in the scope of the consolidation	–	–
Currency adjustments	2,548	– 1,365
Net change in cash and cash equivalents	– 37,385	11,671
Cash and cash equivalents at the end of the quarter	96,700	89,985

1) Previous year's figures were adjusted (see Note 1)

2) Relates to intangible assets, tangible assets, investment property, and financial assets

> CONSOLIDATED CASH FLOW STATEMENT – QUARTERLY OVERVIEW

Figures in € thousands

	1-Apr-2006 to 30-Jun-2006	1-Jul-2006 to 30-Sep-2006	**1-Apr-2006 to 30-Sep-2006**
Net profit	4,590	62,998	67,588
Depreciation and amortization [1]	31,119	33,685	64,804
Change in pension provisions	– 1,440	– 4,086	– 5,526
Change in deferred taxes / tax provisions	– 4,169	19,051	14,882
Result from the equity valuation	200	– 180	20
Result from disposals	– 200	– 47,374	– 47,574
Cash flow	30,100	64,094	94,194
Change in inventories	– 129,411	5,400	– 124,011
Change in customer financing	24,418	2,419	26,837
Change in trade receivables / trade payables	119,346	– 49,109	70,237
Change in other provisions	– 41,383	20,270	– 21,113
Change in other balance sheet items	– 73,474	44,729	– 28,745
Other operating changes	– 100,504	23,709	– 76,795
Outflow/inflow of funds from operating activities	– 70,404	87,803	17,399
Intangible assets / tangible assets / investment property			
Investments	– 29,124	– 36,733	– 65,857
Proceeds from disposals	9,778	20,243	30,021
Financial assets			
Investments	– 4,165	– 4,462	– 8,627
Proceeds from disposals	–	51,710	51,710
Pension funding	–	– 50,000	– 50,000
Outflow of funds from investment activity	– 23,511	– 19,242	– 42,753
Free cash flow	– 93,915	68,561	– 25,354
Treasury stock	– 45,712	– 6,343	– 52,055
Dividend payment	– 163	– 53,112	– 53,275
Change in financial liabilities	141,747	608	142,355
Inflow/outflow of funds from financing activity	95,872	– 58,847	37,025
Net change in cash and cash equivalents	1,957	9,714	11,671
Cash and cash equivalents at the beginning of the quarter	79,679	80,500	79,679
Changes in the scope of the consolidation	–	–	–
Currency adjustments	– 1,136	– 229	– 1,365
Net change in cash and cash equivalents	1,957	9,714	11,671
Cash and cash equivalents at the end of the quarter	80,500	89,985	89,985

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

> STATEMENT OF RECOGNIZED INCOME AND EXPENSE

Figures in € thousands

	1-Apr-2005 to 30-Sep-2005	**1-Apr-2006 to 30-Sep-2006**
Net profit	31,161	67,588
Actuarial losses from pension obligations	– 57,204	13,214
Foreign currency translation	4,477	– 27,023
Financial assets	11,636	– 203
Cash flow hedges	– 13,441	502
Total recognized income and expense without effect on the income statement	– 54,532	– 13,510
Total income and expense	– 23,371	54,078
– of which: Heidelberg portion	(– 23,366)	(54,292)
– of which: minority interests	(– 5)	(– 214)

> DEVELOPMENT OF SHAREHOLDERS' EQUITY [1)]

Figures in € thousands

	2005	**2006**
Shareholders' equity as of April 1	1,166,453	1,137,712
Total recognized income and expense without effect on the income statement	– 54,532	– 13,510
Net profit	31,161	67,588
Dividend payment	– 25,858	– 53,275
Purchase of treasury stock	–	– 52,055
Consolidations / other changes	1,934	4,176
Shareholders' equity as of September 30	1,119,158	1,090,636

[1)] Previous year's figures were adjusted (see Note 1)

Segment information of the Heidelberg Group April 1, 2006 to September 30, 2006

> SEGMENT INFORMATION BY DIVISION[1]

Figures in € thousands

	Press		Postpress	
	1-Apr-2005 to 30-Sep-2005	**1-Apr-2006 to 30-Sep-2006**	1-Apr-2005 to 30-Sep-2005	**1-Apr-2006 to 30-Sep-2006**
External sales	1,329,539	1,422,471	174,238	185,944
Depreciation[2]	60,142	61,908	2,381	2,859
Non-cash expenses	132,984	173,455	11,837	12,409
Research and development costs	91,518	104,461	9,776	11,655
Result of operating activities (segment result)	63,525	95,619	– 2,089	539
Result from the equity valuation	–	– 20	–	–
Investments	62,167	63,771	3,426	1,975
Segment assets[4]	2,255,041	2,284,869	251,275	263,611
Segment debt[4]	1,108,044	1,015,616	86,522	84,329
Number of employees[4]	16,684	17,031	1,946	1,977

> SEGMENT INFORMATION BY REGION

Figures in € thousands

	Europe, Middle East and Africa[3]		Eastern Europe[3]	
	1-Apr-2005 to 30-Sep-2005	**1-Apr-2006 to 30-Sep-2006**	1-Apr-2005 to 30-Sep-2005	**1-Apr-2006 to 30-Sep-2006**
External sales by customer location	669,657	742,115	163,600	165,653
Investments	54,764	61,157	998	2,312
Segment assets[4]	1,836,968	1,942,666	186,522	175,335

For additional explanations see Note 19

1) Previous year's figures were adjusted (see Note 1)

2) Including non-scheduled depreciation totaling € 1,966 thousand (previous year: € 0 thousand)

3) Previous year's figures were adjusted due to the reassignment of affiliated companies within the regions

4) Previous year's figures refer to March 31, 2006

Financial Services		Heidelberg Group	
1-Apr-2005 to 30-Sep-2005	**1-Apr-2006 to 30-Sep-2006**	1-Apr-2005 to 30-Sep-2005	**1-Apr-2006 to 30-Sep-2006**
24,759	19,302	1,528,536	1,627,717
313	37	62,836	64,804
16,872	8,969	161,693	194,833
–	–	101,294	116,116
10,600	21,827	72,036	117,985
–	–	–	– 20
97	111	65,690	65,857
509,185	465,181	3,015,501	3,013,661
137,742	132,792	1,332,308	1,232,737
86	85	18,716	19,093

North America		Latin America		Asia/Pacific		Heidelberg Group	
1-Apr-2005 to 30-Sep-2005	**1-Apr-2006 to 30-Sep-2006**	1-Apr-2005 to 30-Sep-2005	**1-Apr-2006 to 30-Sep-2006**	1-Apr-2005 to 30-Sep-2005	**1-Apr-2006 to 30-Sep-2006**	1-Apr-2005 to 30-Sep-2005	**1-Apr-2006 to 30-Sep-2006**
225,541	254,051	69,317	82,689	400,421	383,209	1,528,536	1,627,717
7,416	984	1,026	511	1,486	893	65,690	65,857
389,633	323,955	190,624	187,439	411,754	384,266	3,015,501	3,013,661

Notes

1 Accounting and valuation policies

The consolidated interim financial report as of September 30, 2006 was prepared in accordance with the International Financial Reporting Standards (IFRS) which became effective and binding at that time. The IFRS comprise the IFRS newly released by the International Accounting Standards Board (IASB), as well as the International Accounting Standards (IAS), and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and of the Standing Interpretations Committee (SIC).

Due to the initial application of the new IFRS provision on share-based payment (IFRS 2) as well as to the changed regulations regarding employee benefits (IAS 19 [2004]) and regarding the disclosure and presentation of financial instruments (IAS 32) in financial year 2005/2006, each of which came into effect retroactively, the previous year's figures were adjusted.

The standards and interpretations becoming initially effective and binding beginning in financial year 2006/2007 had no significant influence on the quarterly statement. The impact of standards already released but not yet applicable, particularly those of IFRS 7 'Financial instruments: Disclosures', are currently being analyzed. The initial application of IFRS 7 will result in an extension of the Notes to the Financial Statements.

Revenues that are received seasonally, cyclically, or occasionally are not anticipated or deferred in the consolidated interim financial report. Costs incurred unevenly during the financial year were deferred if deferral would be appropriate at the end of the financial year.

Income tax was calculated for the financial year as a whole based on the weighted average income tax rate of the respective country.

2 Scope of the consolidation

Apart from Heidelberger Druckmaschinen Aktiengesellschaft, the consolidated interim financial statements include all domestic and foreign entities in which Heidelberger Druckmaschinen Aktiengesellschaft is in a position to exercise a controlling influence as described in IAS 27. Shares in subsidiaries that are of minor significance are not included.

The scope of the consolidation is as follows:

	31-Mar-2006	**30-Sep-2006**
Wholly consolidated companies	72	70
Non-consolidated companies due to their minor importance	33	34
Associated companies measured according to the equity method	1	1
Associated companies not measured according to the equity method due to their minor importance	4	4
Other participations	4	4
	114	113

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

- Deconsolidation:
  During the second quarter of the current financial year, Linotype GmbH, Bad Homburg, was deconsolidated as a result of the sale of the shareholding.
- Merger:
  During the second quarter of the current financial year, Heidelberg Boxmeer Participation B.V., Boxmeer, Netherlands, was merged with Heidelberg Boxmeer B.V., Boxmeer, Netherlands.

3 Other operating income

	1-Apr-2005 to 30-Sep-2005	**1-Apr-2006 to 30-Sep-2006**
Income from initial consolidation	–	37,594
Reversal of other provisions	40,251	21,980
Income from written-off receivables	14,620	10,097
Income from operating facilities	12,502	9,834
Hedging transactions / foreign-exchange profit	21,214	7,944
Income from disposals of intangible assets, tangible assets, and investment property	1,452	7,487
Other income	17,724	24,518
	107,763	119,454

Income from hedging transactions/foreign-exchange profits is offset by expenses from hedging transactions/foreign-exchange losses that are shown in other operating expenses (Note 5).

4 Cost of materials

	1-Apr-2005 to 30-Sep-2005	**1-Apr-2006 to 30-Sep-2006**
Expenses for raw materials, consumables and supplies, as well as for goods purchased	620,404	649,067
Costs of purchased services	96,079	112,074
Interest expenses of Financial Services	4,932	2,034
	721,415	763,175

Proportionate interest expenses accrued in connection with the Financial Services Division are shown in the cost of materials. Interest income from customer financing totaling € 19,302 thousand (previous year: € 24,759 thousand) is included in net sales.

5 Other operating expenses

	1-Apr-2005 to 30-Sep-2005	**1-Apr-2006 to 30-Sep-2006**
Special direct sales expenses including freight charges	56,209	59,154
Other deliveries and services not included in the cost of materials	54,361	58,711
Rent and leases (excluding car fleet)	32,263	28,938
Travel expenses	27,359	28,625
Costs of information technology	26,040	27,208
Provisions for doubtful accounts and other assets	33,544	17,429
Additions to provisions (relates to several expense accounts)	12,308	12,468
Other research and development costs	6,541	10,100
Costs of car fleet	8,425	9,632
Legal, consulting, and audit fees	9,329	9,280
Insurance expense	9,470	8,829
Costs of mail and payment transactions	6,903	6,418
Operating facilities	5,169	6,267
Hedging transactions / exchange rate losses	16,467	6,027
Commissions	2,830	4,857
Public-sector fees and other taxes	4,811	4,801
License fees	2,204	1,966
Office supplies, newspapers, technical literature	2,152	1,880
Losses from disposals of intangible assets and tangible assets	949	208
Other overhead costs	50,510	44,187
	367,844	346,985

Expenses from hedging transactions/foreign-exchange losses are offset by income from hedging transactions/foreign-exchange profits that are shown in other operating income (Note 3).

6 Financial income

	1-Apr-2005 to 30-Sep-2005	**1-Apr-2006 to 30-Sep-2006**
Interest and similar income	8,331	10,215
Income from financial assets/loans/marketable securities	9,656	4,463
	17,987	14,678

The decline in financial income is economically associated with the transfer of securities held in the specialized investment funds to the Heidelberg Pension-Trust e.V., Heidelberg, within the scope of a Contractual Trust Arrangement (CTA) at the end of financial year 2005/2006.

7 Financial expenses

	1-Apr-2005 to 30-Sep-2005	**1-Apr-2006 to 30-Sep-2006**
Interest and similar expenses	29,078	34,319
Expenses from financial assets/loans/marketable securities	7,288	4,615
	36,366	38,934

8 Earnings per share

Earnings per share are calculated by dividing the net profit to which the shareholders of Heidelberg are entitled by the weighted number of outstanding shares during the period (first half-year 2006/2007: 81,985,527 shares). The weighted number of outstanding shares was influenced by the purchase of treasury stock in the first six months of the financial year. As at September 30, 2006 the treasury stock comprised 1,384,424 shares. There is no difference between the diluted and undiluted earnings per share.

9 Intangible assets, tangible assets, and investment property

	Intangible assets	Tangible assets	Investment property
Acquisition or manufacturing costs 31-Mar-2006	409,050	2,095,087	71,557
Acquisition or manufacturing costs 30-Sep-2006	**420,651**	**2,090,747**	**49,982**
Accumulated depreciation 31-Mar-2006	150,519	1,571,880	45,051
Accumulated depreciation 30-Sep-2006	**165,125**	**1,577,505**	**30,867**
Book values 31-Mar-2006	258,531	523,207	26,506
Book values 30-Sep-2006	**255,526**	**513,242**	**19,115**

10 Financial assets

Financial assets primarily include shares in non-consolidated subsidiaries totaling € 23,822 thousand (March 31, 2006: € 16,967 thousand) as well as other participations totaling € 17,689 thousand (March 31, 2006: € 28,820 thousand) and marketable securities totaling € 10,036 thousand (March 31, 2006: € 9,728 thousand).

11 Receivables and other assets

			31-Mar-2006			**30-Sep-2006**
	Current	Non-current	Total	Current	Non-current	Total
Receivables from customer financing	135,071	360,860	495,931	85,965	374,613	460,578
Trade receivables	678,320	–	678,320	579,956	–	579,956
Other receivables and other assets						
Other tax refund claims	38,895	–	38,895	17,119	–	17,119
Loans	465	3,858	4,323	656	8,241	8,897
Derivative financial instruments	15,872	3,359	19,231	16,465	6,672	23,137
Deferred interest payments	3,740	–	3,740	3,462	–	3,462
Prepaid expenses	21,495	1,228	22,723	34,749	–	34,749
Other assets	57,429	43,441	100,870	80,604	54,393	134,997
	137,896	51,886	189,782	153,055	69,306	222,361

12 Inventories

	31-Mar-2006	30-Sep-2006
Raw materials, consumables and supplies	109,315	119,115
Work and services in process	316,426	350,585
Manufactured products and merchandise	397,733	458,340
Prepayments	21,264	29,107
	844,738	957,147

13 Shareholders' equity

On November 8, 2005 the Management Board of Heidelberger Druckmaschinen Aktiengesellschaft approved the launch of a share buyback program. Between November 9, 2005 and January 19, 2007 at the latest, the Company intends to acquire shares amounting to up to five percent of its capital stock (up to 4,295,424 shares). The Management Board is putting into effect the Annual General Meeting's decision of July 20, 2005 to authorize the buyback of shares amounting to up to ten percent of its capital stock (up to 8,590,848 shares) by January 19, 2007. With the Annual General Meeting's resolution of July 20, 2006, this authorization was replaced by a reauthorization valid until January 19, 2008 comprising essentially identical conditions. The repurchased shares are earmarked solely for capital retirement and employee share participation programs, as well as other forms of an allotment of shares to staff members of the Company or an affiliate following the Annual General Meeting's authorization.

Overall, 2,911,000 shares were repurchased by March 31, 2006 of which 53,223 shares were used in the employee share participation program. The remaining 2,857,777 shares were utilized within the framework of the capital reduction, which was approved by the Management Board on March 31, 2006. Share capital was thereby reduced from € 219,925,708.80 (= 85,908,480 shares) by € 7,315,909.12 (= 2,857,777 shares) to € 212,609,799.68 (= 83,050,703 shares). During the period April 1, 2006 to July 26, 2006 an additional 1,384,424 shares were bought back which were still held on stock at September 30, 2006.

14 Provisions for pensions and similar obligations

For the majority of employees we maintain benefit programs for the period following their retirement – either through the direct program or one financed by payments of premiums to private institutions. The level of benefit payments depends on the conditions in particular countries. The amounts are generally based on the term of employment and the salary of the employee. The liabilities include both those arising from current pensions as well as vested pension rights for pensions payable in the future. The pension payments expected following the beginning of benefit payments are apportioned over the employee's overall period of employment. After deduction of deferred taxes, actuarial gains and losses are offset against shareholders' equity without effect on the income statement.

15 Other provisions

			31-Mar-2006			**30-Sep-2006**
	Current	Non-current	Total	Current	Non-current	Total
Tax provisions	9,246	195,745	204,991	23,445	200,447	223,892
Other provisions						
Liabilities arising from human resources	121,871	72,135	194,006	130,280	51,946	182,226
Liabilities arising from sales and service activities	129,874	26,735	156,609	128,433	22,813	151,246
Other	92,980	30,456	123,436	80,125	37,451	117,576
	344,725	129,326	474,051	338,838	112,210	451,048
	353,971	325,071	679,042	362,283	312,657	674,940

16 Financial liabilities

			31-Mar-2006			**30-Sep-2006**
	Current	Non-current	Total	Current	Non-current	Total
Convertible bond	–	278,296	278,296	–	282,414	282,414
Private placement	7,256	137,500	144,756	7,206	134,000	141,206
To banks	109,004	8,034	117,038	256,813	2,889	259,702
From financial lease relationships	7,609	6,176	13,785	7,510	5,422	12,932
Other	16,290	–	16,290	23,047	–	23,047
	140,159	430,006	570,165	294,576	424,725	719,301

17 Other liabilities

	31-Mar-2006			30-Sep-2006		
	Current	Non-current	Total	Current	Non-current	Total
Advance payments received on orders	95,539	–	95,539	108,578	–	108,578
From derivative financial instruments	11,159	3,120	14,279	7,158	3,054	10,212
From other taxes	57,529	–	57,529	22,887	–	22,887
Relating to social security	17,171	–	17,171	12,895	–	12,895
Deferred income	27,618	24,552	52,170	31,453	25,935	57,388
Other	67,421	68,644	136,065	57,208	66,808	124,016
	276,437	96,316	372,753	240,179	95,797	335,976

18 Contingent liabilities and other financial liabilities

As of September 30, 2006 contingent liabilities for guarantees and warranties totaled € 228,504 thousand (March 31, 2006: € 291,018 thousand); these primarily include guarantees provided for the liabilities of third parties within the scope of long-term customer financing. Liability arising from the endorsement of bills of exchange totaled € 1,726 thousand (March 31, 2006: € 3,339 thousand) as of September 30, 2006.

Other financial liabilities are broken down as follows:

	31-Mar-2006			30-Sep-2006		
	Current	Non-current	Total	Current	Non-current	Total
Lease obligations	53,511	365,788	419,299	53,991	347,465	401,456
Orders for investments	25,423	–	25,423	55,037	–	55,037
	78,934	365,788	444,722	109,028	347,465	456,493

19 Information concerning segment reporting

The segment information is based on the **'risk and reward approach'.** Intersegmental sales are of minor financial significance and may therefore be ignored.

Non-cash expenses comprise the following:

	1-Apr-2005 to 30-Sep-2005	1-Apr-2006 to 30-Sep-2006
Provisions for doubtful accounts and other assets	33,544	17,429
Allocations to provisions	128,149	177,404
	161,693	194,833

Research and development costs result from capitalized research and development costs, however excluding depreciation on the development costs for the reporting period.

Investments comprise investments in intangible assets and tangible assets.

Segment assets and **segment debt** result from gross assets or gross debt as follows:

	31-Mar-2006	**30-Sep-2006**
Gross assets per balance sheet	3,280,890	3,261,708
– financial assets	– 55,515	– 51,547
– marketable securities	– 187	– 688
– finance receivables	– 45,676	– 67,557
– deferred tax assets [1]	– 112,854	– 109,704
– tax claims	– 51,157	– 18,551
Segment assets	3,015,501	3,013,661

[1] Deviations from the balance sheet result from assets held for sale

	31-Mar-2006	**30-Sep-2006**
Borrowed funds per balance sheet [1]	2,143,178	2,171,072
– tax provisions	– 204,991	– 223,892
– tax obligations [2]	– 62,453	– 26,144
– financial obligations	– 472,755	– 611,826
– deferred tax liabilities	– 70,671	– 76,473
Segment debt	1,332,308	1,232,737

[1] Non-current and current borrowed funds including liabilities held for sale
[2] Deviations from the balance sheet result from liabilities held for sale

Finance receivables comprise finance receivables against affiliated companies and other financial assets.

Financial liabilities comprise the items specified in Note 16, with the exception of financial liabilities associated with customer financing.

The **number of employees** was recorded as of September 30, 2006 compared with March 31, 2006.

20 Supervisory Board / Management Board

The members of the Supervisory Board and the Management Board are listed on page 38.

21 Information on events after the reporting date

On October 31, 2006 the Management Board of Heidelberger Druckmaschinen Aktiengesellschaft decided to acquire own shares in an amount equal to up to 5 percent of its capital stock (up to 4,152,535 shares) within the period from November 7, 2006 to January 19, 2008 at the latest.

Heidelberg, November 2006

The Management Board

The Supervisory Board

Dr. Mark Wössner
Chairman of the
Supervisory Board

Rainer Wagner*
Deputy Chairman
of the Supervisory Board

Martin Blessing

Prof. Dr. Clemens Börsig

Wolfgang Flörchinger*

Martin Gauß*

Mirko Geiger*

Gunther Heller*

Dr. Jürgen Heraeus

Jörg Hofmann*

Robert J. Koehler

Uwe Lüders

Dr. Gerhard Rupprecht

Beate Schmitt*

Dr. Klaus Sturany

Peter Sudadse*

* Employee Representative

Committees of the Supervisory Board

Management Committee
Dr. Mark Wössner
Rainer Wagner
Martin Blessing
Martin Gauß
Mirko Geiger
Dr. Gerhard Rupprecht

Mediation Committee under Article 27 Subsection 3 of the Codetermination Act
Dr. Mark Wössner
Rainer Wagner
Martin Blessing
Wolfgang Flörchinger

Committee on Arranging Personnel Matters of the Management Board
Dr. Mark Wössner
Rainer Wagner
Dr. Gerhard Rupprecht

Audit Committee
Dr. Klaus Sturany
Prof. Dr. Clemens Börsig
Mirko Geiger
Rainer Wagner

The Management Board

Bernhard Schreier
Chairman of the
Management Board

Dirk Kaliebe
– since October 1, 2006 –

Dr. Herbert Meyer
– through September 30, 2006 –

Dr. Jürgen Rautert

Financial Calendar 2006/2007

January 31, 2007	Publication of 3rd Quarter Figures 2006/2007
May 9, 2007	Publication of Preliminary Figures 2006/2007
June 13, 2007	Press Conference, Annual Analysts' and Investors' Conference
July 26, 2007	Annual General Meeting
August 2, 2007	Publication of 1st Quarter Figures 2007/2008
November 6, 2007	Publication of Half-Year Figures 2007/2008

Subject to change

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