

Q1

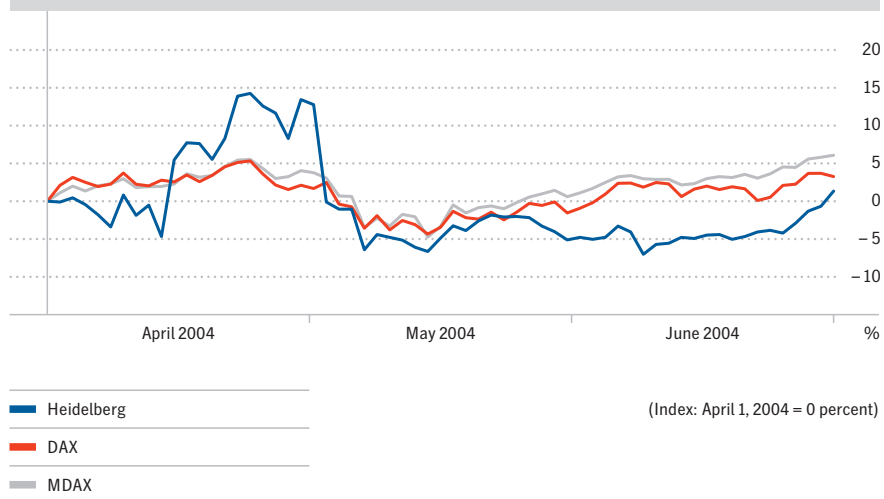
Interim
Financial Report

1st Quarter 2004/2005

HEIDELBERG

Performance of the Heidelberg Share

compared with the DAX/MDAX



Key Performance Data

Figures in € millions

	Q1 prior year	Q1 2004/2005
Incoming orders	783	1,286
Net sales	741	710
Result of operating activities¹⁾	-43	-54
Result of operating activities in percent of sales¹⁾	-5.8	-7.6
Restructuring expenses	0.4	5.4
Special expenditures from discontinuing operations	-	-
Net loss	-77	-63
Return on sales in percent	-10.4	-8.8
Cash flow in percent of sales	-0.6	-5.2
Investments	37	30
Earnings per share in €	-0.91	-0.74

¹⁾ Before restructuring expenses and special expenditures arising from discontinuing operations

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for the Period April 1, 2004 to June 30, 2004**

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The Heidelberg Share

The price of a Heidelberg share of € 27.14 at the close of the first quarter of the financial year was slightly higher than its price at beginning of the quarter. Although the share's price during the quarter demonstrated considerably greater volatility than the overall market, it nevertheless developed in line with the basic market trend.

Despite the highly favorable course of the drupa specialized trade fair, the Heidelberg share was only able to gradually recover from the decline experienced during the placement of the RWE share package. This transaction nevertheless considerably enhanced the attractiveness of the share.

In general, the increase in the free float to 57 percent was received favorably. In particular investment funds, which previously perceived the Heidelberg share as being insufficiently liquid, have shown greater interest during the last few weeks. This was applicable primarily for US investors, who were noticeable during the placement by their strong demand as well as their placement share of 38 percent. Of the remaining shares, a 28 percent share was accounted for by the UK and 18 percent by Germany. In line with the share's greater liquidity since the placement, the average trading volume has quadrupled. Due to the free float increase, the MDAX weighting was also adjusted in favor of the Heidelberg share from 1 percent to approximately 2.5 percent.

In sum, the now considerably greater free float opens the door to completely new potential benefits. The last quarter was therefore highly gratifying for all Heidelberg shareholders despite the share's only moderately favorable performance.

Regional Placement of the RWE Shareholding

Percentage share

USA	38
United Kingdom	28
Germany	18
Other	16

Key Performance Data of the Heidelberg Share

Figures in €

	Q1 prior year	Q1 2004/2005
Earnings per share	-0.91	-0.74
Cash flow per share	-0.05	-0.43
Price-cash flow-ratio ¹⁾	-407.40	-63.09
High	22.02	31.39
Low	16.00	24.49
Price at the beginning of the quarter	16.59	26.78
Price at the end of the quarter	21.80	27.14
Market capitalization at the end of the quarter in millions	1,873	2,332
Number of shares in thousands	85,908	85,908

¹⁾ Based on Xetra end-of-quarter final quotation; source: Bloomberg

Industry Development

The world economy finds itself in a stable upward trend at present – a consequence of a substantial upswing in Asia, primarily in China, as well as in the US. Even the latest increases in the price of oil and raw materials were unable to slow the pace of growth. A worldwide rise in GDP of 4.6 percent is anticipated for 2004 overall.

The economic upswing is also beginning to exercise a favorable influence on the Euro Zone. However, Germany continues to limp on, falling behind the overall trend. Structural problems in Germany are preventing the kind of vigorous development being experienced in other countries. Nevertheless, economic growth of 1.6 percent is expected for 2004, which will be carried mainly by exports. The expansion of the EU has created an additional impetus in Eastern Europe. Latin America is also coming out of its previous period of economic weakness and is expanding at a greater pace than last year.

The print media industry has overcome its weakness as well; the lowest level of capacity utilization in 20 years is now a thing of the past. The greater advertising budgets resulting from an economic upswing will provide an additional impetus in this segment. The industry's greater confidence and a renewed strengthening in the propensity to invest were also reflected in the favorable course of the drupa specialized trade fair, where we were successful in booking a high volume of orders.

Heidelberg 2004

A contract was signed on March 7, 2004, providing for the sale of the Digital Division to Eastman Kodak, which went into effect on May 1, 2004. Furthermore, the contract with Goss International covering the sale of the Web Offset Printing Press Division was signed on June 16, 2004.

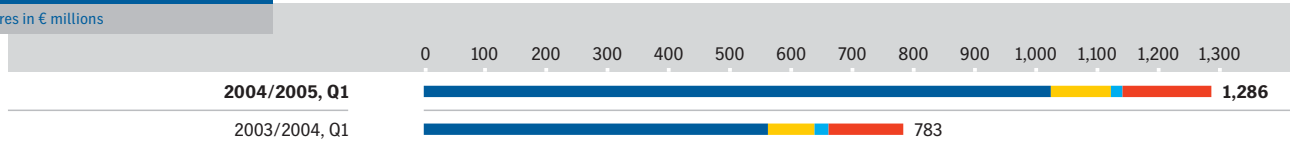
Segment reporting in this quarterly report has been adjusted in line with the reorientation of the Heidelberg Group. Our segment reporting now covers the **Press**, **Postpress** and **Financial Services** divisions. The presentation of the regions remains unchanged. The Press Division comprises the Sheetfed, Pre-press, and Gallus business areas as well as the Web Systems sales channels that are still part of the Heidelberg Group in various regions. As in the past, Post-press includes our business with Finishing solutions. The Financial Services Division has been added, which comprises our overall range of customer financing services. The addition of this division to the segmental organization serves to increase transparency. This division's interest revenue and expenditures have been reclassified for this purpose as net sales or cost of materials. The previous year's figures were restated accordingly.

We show the Company's divested Digital and Web Systems operations (including the processing installations for web printing presses in the US) as discontinuing operations.

Business Development

Incoming Orders

Figures in € millions



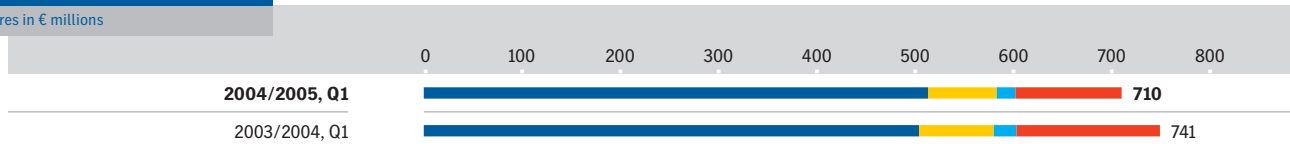
Press	1,024	+ 82 %
Postpress	98	+ 30 %
Financial Services	19	- 19 %
Continuing Operations	1,141	+ 73 %
Discontinuing Operations	145	+ 19 %
Heidelberg Group	1,286	+ 64 %

Incoming orders in the Heidelberg Group (continuing operations) amounted to € 1,141 million during the first quarter – 70 percent higher than the comparable previous year's figures. This was largely the result of the volume of orders acquired at the drupa specialized trade fair totaling approximately € 900 million on an adjusted basis. With over 50 innovative products, Heidelberg again successfully presented itself as a solutions provider and strong partner for printing establishments. In addition, in many markets the confidence in an economic upswing noticeably increased during the first quarter.

Due to the gratifyingly high level of incoming orders we had an overall **order backlog** of € 1,498 million at the end of the first quarter. This exceeded the figure for the end of the last financial year by more than half.

Net Sales by Division

Figures in € millions



Press	513	+ 2 %
Postpress	70	+ 3 %
Financial Services	19	- 19 %
Continuing Operations	602	+ 1 %
Discontinuing Operations	108	- 26 %
Heidelberg Group	710	- 4 %

The first quarter **net sales** of the Heidelberg Group (continuing operations) amounted to € 602 million – the same level as the previous year. The principal cause of the relatively low sales volume was the reduced installation activity following the previous year's very strong fourth quarter as well as weaker business operations in the run-up to drupa. However, the delivery of orders received at drupa should result in an increase in subsequent quarters.

Asset, Financial and Income Positions

During the first quarter, compared with the same period the previous year, the Heidelberg Group (continuing operations) recorded a worsened € -21 million result of operating activities before restructuring expenses and special expenditures from discontinuing operations.

Result of Operating Activities before Special Expenditures

Figures in € millions



With a similar sales trend, this development reflected the outlays for the drupa specialized trade fair, which was held in May of this year.

We were also successful in further reducing our structural costs based on the continuation of our **program for medium-term cost reductions and increases in efficiency** during the current financial year.

The **pre-tax income** of the Heidelberg Group as a whole of € -74 million was at about previous year's level. The **net loss** for the first quarter amounted to € -63 million, compared with the figure of € -77 million during the first quarter of the previous year.

Total assets amounted to € 4,079 million as of June 30, 2004. The approximately 4 percent decline from the end of the previous financial year results primarily from the measures for reorienting the Heidelberg Group as well as the already implemented deconsolidation of the Digital operations.

Fixed assets decreased during the first quarter largely due to these deconsolidations as well as the relatively low volume of investments. Current assets declined mainly as a result of the lower business volume in the first quarter as well as deconsolidations. The decline of accounts receivable from customer financing is primarily attributed to the sale of receivables as well as to value adjustments within the framework of the reorientation of the Heidelberg Group. Inventories rose to € 996 million.

Among liabilities, provisions decreased primarily due to utilizations in connection with the reorientation of the Heidelberg Group. Liabilities remained stable at their financial year-end levels.

Balance Sheet Structure

Figures in percent

	31-Mar- 2004	30-Jun- 2004
Fixed assets	21	21
Current assets	79	79
Total assets	100	100
Shareholders' equity	29	29
Provisions	36	35
Liabilities	35	36
Total assets	100	100

The first quarter's cash flow statement of the Heidelberg Group reflects the accumulated loss, the effects of the Group's reorientation, and typical quarterly movements in current assets. **Cash flow** totalling € - 37 million was negative during the reporting period primarily due to the accumulated loss that was posted through June 30, 2004. Due to the lower cash flow, **net cash used in operating activities** of € -103 million was also higher than in the comparable period the previous year. The additional externalization of customer financing and the lower cash outflow with regard to liabilities had a favorable impact. This contrasted with greater net cash used with regard to inventories as well as provisions.

By further limiting increases to tangible assets and software we were able to also considerably reduce **net cash used in investment activity**. Additionally, no net cash was used for the joint venture NexPress.

Overall, these developments resulted in a decrease of **free cash flow** vis-à-vis the same quarter of the previous year from € -109 million to € -121 million.

Cash Flow Statement

Figures in € millions

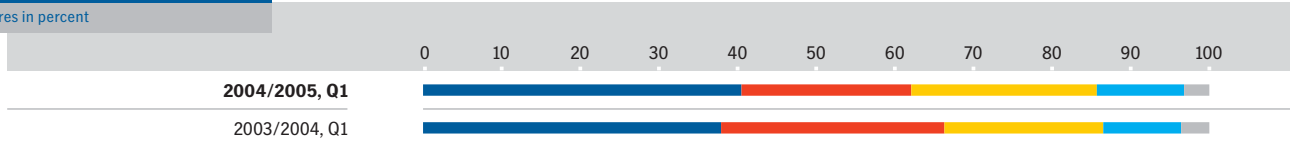
	Q1 prior year	Q1 2004/2005
Net loss	- 77	- 63
Depreciation	44	32
Other	28	- 6
Cash flow	- 5	- 37
of which: continuing operations	(13)	(- 2)
Net cash used in operating activities	- 72	- 103
Net cash used in investment activity	- 37	- 18
Free cash flow	- 109	- 121
of which: continuing operations	(- 62)	(- 69)

Regional Report

During the first quarter of the financial year, the **Europe, Middle East and Africa** region benefited from the drupa specialized trade fair, which was held in May. This was reflected in a considerably increased volume of incoming orders of € 570 million – approximately 80 percent higher than in the same quarter the previous year. Sales only slightly surpassed the previous year's figure. The greatest increase was posted in the principal market, Germany.

Net Sales Portion of the Regions

Figures in percent



Europe, Middle East and Africa	40.5	37.9
Eastern Europe	11.1	9.9
North America	21.6	28.4
Latin America	3.2	3.6
Asia/Pacific	23.6	20.2
Heidelberg Group	100.0	100.0

The incoming orders of the **Eastern Europe** region also surpassed the previous year's figure, thereby underscoring this region's significance as a strong growth market, where we intend to continuously expand our business. Primarily due to the vigorous business in Austria, sales exceeded the previous year's figure.

In line with the improved business prospects of many of our customers, during the first quarter the **North America** region was successful in considerably boosting incoming orders over the previous year's figures. Sales remained below the previous year, among other things because fewer installations were set up following the previous financial year's strong fourth quarter. The divestiture of the two former Digital and Web Systems divisions will result in a decline in the share of sales of this region in the future.

The overall economic situation in the **Latin America** region improved further, which has already been reflected in the favorable development of incoming orders of € 32 million during the first quarter – 70 percent above the previous year's figure. Sales did not yet match the previous year's level.

Asia/Pacific also proved itself as a growth region during the first quarter of the current financial year. Approximately a quarter of all drupa orders came from this region, with very strong demand from China. This resulted in overall incoming orders of € 327 million, a nearly 90 percent improvement over the previous year! Sales of € 168 million also exceeded the previous year's figure.

Net Sales by Region

Figures in € millions in comparison to prior year			
	Q1 prior year	Q1 2004/2005	Change in percent
Europe, Middle East and Africa	281	287	+ 2
Eastern Europe	73	79	+ 8
North America	210	153	- 27
Latin America	27	23	- 15
Asia/Pacific	150	168	+ 12
Heidelberg Group	741	710	- 4

Research and Development

The Heidelberg Group (continuing operations) spent € 50 million for research and development during the first quarter. Although the R&D rate declined slightly, it nevertheless remained at a similarly high level. We will further increase the effectiveness of our research and development through the improved management of product life cycles.

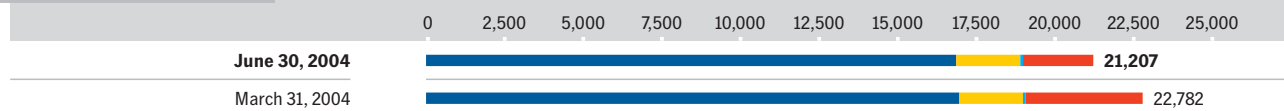
Investments

Investments in the Heidelberg Group (continuing operations) amounted to € 29 million during the first quarter – 13 percent lower than in the same quarter the previous year and only slightly higher than depreciation during the reporting period. We continue to strive to use our resources as well-aimed as possible. We succeeded in noticeably reducing investments in tangible and intangible assets, particularly with regard to plant and equipment as well as software and licenses.

Employees

Employees by Division

Number of employees



Press	16,857	- 1 %
Postpress	2,035	+ 1 %
Financial Services	83	- 2 %
Continuing Operations	18,975	0 %
Discontinuing Operations	2,232	- 40 %
Heidelberg Group	21,207	- 7 %

The number of employees in the Heidelberg Group (continuing operations) fell by a further 89 during the first quarter of the financial year. This decline is directly related to our new, more functional and leaner organizational structure. Overall, the number of employees in the Group fell by 1,575; this was primarily due to the divestiture of our former Digital Division.

The 10 percent reduction in the working time was cancelled due to our success at drupa 2004 and the resulting greater capacity utilization. Future employment peaks will be covered by flexible personal working time offset accounts.

Corporate Risks

General economic conditions influence capacity utilization and thereby our customers' propensity to invest. Therefore, the failure of an upswing to materialize also represents a potential risk for the Heidelberg Group. We endeavor to spread this risk on a regional basis by making use of our outstanding sales organization. Nevertheless, global economic difficulties would also have an impact on the Heidelberg Group. In our view, the improvement in general economic conditions as well as our decision to divest the Web Systems Division and the Digital Division have reduced overall risks to the Heidelberg Group.

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

Outlook

The forecast for global economic growth in calendar year 2004 was raised slightly over our original assumption to 4.6 percent. The US and Asia will be the principal growth regions during the current year. On this basis and due to the highly favorable developments at the drupa specialized trade fair, we continue to expect moderate growth prospects for printing press manufacturers in the current financial year. The ongoing strength of the euro vis-à-vis the US dollar and the Japanese yen continues to be of critical importance for German suppliers.

Heidelberg will continue to benefit in subsequent years from the current measures designed to cut costs, boost efficiency, and reorient the Company – among other things because these measures make it possible to react to fluctuations in customer orders more flexibly.

Taking into consideration these economic and internal prerequisites, during the current year we are striving for an increase in sales, on a comparable basis, of at least 5 percent over the previous year.

We are projecting an improvement in earnings over the previous year. This will result largely from the consistent divestiture of the loss-generating areas Digital and Web Systems, as well as from a reduction in the Heidelberg Group's structural costs. Our target is to achieve an operating return on sales including all special effects of about 5 percent. Overall, we are projecting net profit in at least the mid-double-digit million euro range.

**Interim income statement
of the Heidelberg Group
April 1, 2004 to
June 30, 2004**

Interim income statement¹⁾

Figures in € thousands	Note	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004
Net sales		741,277	710,276
– of which: discontinuing operations		(146,478)	(108,463)
Change in inventories		19,264	56,057
Other own work capitalized		19,821	16,621
Total operating performance		780,362	782,954
Other operating income	5	90,884	81,811
Cost of materials	6	334,791	366,066
Personnel expenses		333,683	310,910
Depreciation and amortization		44,370	31,626
Other operating expenses	7	201,010	210,016
Result of operating activities before restructuring expenses and special expenditures arising from discontinuing operations		– 42,608	– 53,853
Restructuring expenses	8	367	5,413
Special expenditures arising from discontinuing operations		–	–
Result of operating activities after restructuring expenses and special expenditures arising from discontinuing operations		– 42,975	– 59,266
– of which: discontinuing operations		(– 30,890)	(– 34,479)
Result from financial assets and marketable securities		– 13,819	– 5,209
– of which: result from the equity valuation		(– 17,469)	(– 8,236)
– of which: discontinuing operations		(– 17,469)	(– 8,236)
Net interest income		– 13,227	– 9,751
Financial result	9	– 27,046	– 14,960
Pre-tax income		– 70,021	– 74,226
– of which: discontinuing operations		(– 50,378)	(– 46,222)
Taxes on income		6,794	– 11,465
– of which: discontinuing operations		(1,294)	(2,908)
Net loss		– 76,815	– 62,761
– of which: discontinuing operations		(– 51,672)	(– 43,314)
Minority interests		1,388	716
Net loss – Heidelberg portion		– 78,203	– 63,477
Undiluted / diluted earnings per share according to IAS 33 (in € per share)²⁾	10	– 0.91	– 0.74
– of which: discontinuing operations		(– 0.60)	(– 0.50)

¹⁾ Previous year's values were adjusted to the new structure; see Note 2

²⁾ The earnings per share before restructuring expenses and special expenditures arising from discontinuing operations amount to € – 0.67 (previous year: € – 0.91)

**Interim balance sheet
of the Heidelberg Group
as of June 30, 2004**

Assets

Figures in € thousands	Note	31-Mar-2004	30-Jun-2004
Fixed assets	11		
Intangible assets		219,535	222,200
Tangible assets		629,858	597,145
Financial assets ¹⁾		47,517	47,483
		<u>896,910</u>	<u>866,828</u>
Current assets			
Inventories	12	930,783	995,783
Accounts receivable from customer financing	13	769,182	718,043
Other receivables and other assets	13	954,990	806,358
Marketable securities		347,619	338,877
Cash and cash equivalents		91,824	84,667
		<u>3,094,398</u>	<u>2,943,728</u>
Deferred taxes		214,389	220,199
Prepaid expenses		26,755	48,322
		<u>4,232,452</u>	<u>4,079,077</u>
– of which: discontinuing operations			
Digital		(107,022)	(–)
Web ²⁾		(348,080)	(349,027)

¹⁾ Of which: financial assets carried according to the equity method € 7,111 thousand (previous year: € 7,090 thousand)

²⁾ Web Systems including Web Finishing

Equity and liabilities

Figures in € thousands

	Note	31-Mar-2004	30-Jun-2004
Shareholders' equity and minority interests	14		
Subscribed capital		219,926	219,926
Capital reserve		1,541	1,541
Revenue reserves		1,677,817	974,786
Net loss – Heidelberg portion		– 700,933	– 63,477
		1,198,351	1,132,776
Minority interests		31,299	32,621
		1,229,650	1,165,397
Provisions	15		
Provisions for pensions and similar obligations		582,774	583,442
Tax provisions		170,474	169,631
Other provisions		773,518	673,479
		1,526,766	1,426,552
Liabilities¹⁾	16	1,347,769	1,357,442
Deferred taxes		80,265	81,520
Deferred income		48,002	48,166
		4,232,452	4,079,077
– of which: discontinuing operations²⁾			
Digital		(121,274)	(–)
Web ³⁾		(310,842)	(289,869)

¹⁾ Of which: long-term interest-bearing financial obligations € 59,953 thousand (previous year: € 61,271 thousand)

²⁾ Excluding shareholders' equity/minority interests/internal refinancing

³⁾ Web Systems including Web Finishing

Consolidated cash flow statement of the Heidelberg Group¹⁾

Figures in € thousands

	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004
Net loss	-76,815	-62,761
Depreciation and amortization/write-ups to fixed assets/ reversal of negative goodwill	44,370	31,626
Change in pension provisions	7,116	6,699
Change in deferred taxes	7,705	-15,699
Result from the equity valuation	17,469	8,236
Result from the disposal of fixed assets	-4,442	-5,055
Cash flow	-4,597	-36,954
- of which: discontinuing operations	(-17,977)	(-34,996)
Change in other provisions	-48,863	-58,500
Change in customer financing	30,559	40,184
Change in other net current assets	28,302	-1,434
Change in other balance sheet items	-77,136	-46,279
Net cash used in operating activities	-71,735	-102,983
- of which: discontinuing operations	(-33,359)	(-43,617)
Intangible assets/tangible assets		
Investments	-37,379	-30,424
Proceeds from disposals	11,851	19,977
Acquisitions, shares in subsidiaries, loans		
Investments/outflow of funds from changes in the scope of the consolidation	-13,115	-7,904
Proceeds from disposals	920	361
Net cash used in investment activity	-37,723	-17,990
- of which: discontinuing operations	(-14,342)	(-8,822)
Free cash flow	-109,458	-120,973
- of which: discontinuing operations	(-47,701)	(-52,439)
Dividend payment	-	-
Change in financial liabilities	87,864	87,126
Cash inflow from financing activity	87,864	87,126
- of which: discontinuing operations	(48,428)	(52,512)
Net change in cash and cash equivalents	-21,594	-33,847
Cash and cash equivalents at the beginning of the financial year	82,771	120,092
Changes in the scope of the consolidation	-1,780	-9
Currency adjustments	1,277	-1,299
Net change in cash and cash equivalents	-21,594	-33,847
Cash and cash equivalents at the end of the quarter	60,674	84,937

¹⁾ The cash flow statement is explained in Note 18

Development of shareholders' equity and minority interests¹⁾

Figures in € thousands

	Subscribed capital ²⁾	Capital reserve ²⁾	Revenue reserves				Total retained earnings
			Other revenue reserves	Foreign currency translation	Market evaluation of hedging transactions	Market evaluation of other financial assets	
April 1, 2003	219,926	947,804	923,700	44,881	-9,232	-61,449	897,900
Dividend payment	-	-	-	-	-	-	-
Net profit or loss	-	-	-143,771	-	-	-	-143,771
Foreign currency changes	-	-	-	-44,988	-	-	-44,988
Market evaluation of financial assets/cash flow hedges	-	-	-	-	10,534	12,213	22,747
Reversals booked to the income statement	-	-	-	-	-11,403	355	-11,048
Consolidations/other changes	-	-	-2,200	-	-	-	-2,200
June 30, 2003	<u>219,926</u>	<u>947,804</u>	<u>777,729</u>	<u>-107</u>	<u>-10,101</u>	<u>-48,881</u>	<u>718,640</u>
April 1, 2004	219,926	1,541	1,777,327	-84,155	-13,894	-1,461	1,677,817
Dividend payment	-	-	-	-	-	-	-
Net profit or loss	-	-	-700,933	-	-	-	-700,933
Foreign currency changes	-	-	-	-358	-	-	-358
Market evaluation of financial assets/cash flow hedges	-	-	-	-	14,059	-6,568	7,491
Reversals booked to the income statement	-	-	-	-	-2,301	-741	-3,042
Consolidations/other changes	-	-	1,348	-7,537	-	-	-6,189
June 30, 2004	<u>219,926</u>	<u>1,541</u>	<u>1,077,742</u>	<u>-92,050</u>	<u>-2,136</u>	<u>-8,770</u>	<u>974,786</u>

Net loss Heidelberg portion	Shares of the Heidelberg Group	Minority interests	Total
- 143,771	1,921,859	28,374	1,950,233
-	-	-	-
65,568	- 78,203	1,388	- 76,815
-	- 44,988	- 1,510	- 46,498
-	22,747	-	22,747
-	- 11,048	-	- 11,048
-	- 2,200	-	- 2,200
<u>- 78,203</u>	<u>1,808,167</u>	<u>28,252</u>	<u>1,836,419</u>
- 700,933	1,198,351	31,299	1,229,650
-	-	-	-
637,456	- 63,477	716	- 62,761
-	- 358	606	248
-	7,491	-	7,491
-	- 3,042	-	- 3,042
-	- 6,189	-	- 6,189
<u>- 63,477</u>	<u>1,132,776</u>	<u>32,621</u>	<u>1,165,397</u>

¹⁾ Please refer to Note 14 for additional explanations

²⁾ Of Heidelberger Druckmaschinen Aktiengesellschaft

Segment information of the Heidelberg Group April 1, 2004 to June 30, 2004

Segment information by division

Figures in € thousands	Press		Postpress	
	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004
External sales	503,835	513,091	67,847	69,912
Scheduled depreciation	33,286	25,855	2,123	1,036
Non-cash expenses	78,762	48,426	8,790	5,520
Research and development costs	48,370	43,261	7,187	6,288
Result of operating activities before restructuring expenses and special expenditures arising from discontinuing operations	-14,548	-21,833	-8,969	-8,471
Restructuring expenses	-	3,338	-	174
– of which: impairment loss	-	-	-	-
Special expenditures from discontinuing operations	-	-	-	-
– of which: impairment loss	-	-	-	-
Result of operating activities after restructuring expenses and special expenditures arising from discontinuing operations	-14,548	-25,171	-8,969	-8,645
Result from the equity valuation	-	-	-	-
– of which: impairment loss in connection with discontinuing operations	-	-	-	-
Carrying amount of the shares in equity companies	7,090	7,111	-	-
Investments	30,052	28,057	3,040	808
Segment assets	2,107,463	2,112,142	225,834	230,526
Segment debts	1,348,123	1,331,355	151,374	133,041
Number of employees	16,957	16,857	2,022	2,035

Segment information by region

Figures in € thousands	Europe, Middle East and Africa		Eastern Europe	
	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004
External net sales by customer location	280,873	287,139	73,007	78,979
Investments	32,768	28,414	1,183	911
Segment assets	1,895,145	1,906,773	226,351	217,366

For additional explanations see Note 19

Financial Services		Continuing Operations		Discontinuing Operations		Heidelberg Group	
		Total		Total			
1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004
23,117	18,810	594,799	601,813	146,478	108,463	741,277	710,276
145	168	35,554	27,059	8,816	4,567	44,370	31,626
11,695	11,254	99,247	65,200	32,497	34,798	131,744	99,998
-	-	55,557	49,549	24,249	11,780	79,806	61,329
11,432	9,029	- 12,085	- 21,275	- 30,523	- 32,578	- 42,608	- 53,853
-	-	-	3,512	367	1,901	367	5,413
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
11,432	9,029	- 12,085	- 24,787	- 30,890	- 34,479	- 42,975	- 59,266
-	-	-	-	- 17,469	- 8,236	- 17,469	- 8,236
-	-	-	-	-	-	-	-
-	-	7,090	7,111	-	-	7,090	7,111
493	329	33,585	29,194	3,794	1,230	37,379	30,424
797,398	770,473	3,130,695	3,113,141	387,798	296,036	3,518,493	3,409,177
211,838	231,758	1,711,335	1,696,154	416,824	279,364	2,128,159	1,975,518
85	83	19,064	18,975	3,718	2,232	22,782	21,207

North America		Latin America		Asia/Pacific		Heidelberg Group	
1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004
210,671	153,541	26,833	22,838	149,893	167,779	741,277	710,276
2,593	656	309	65	526	378	37,379	30,424
687,716	632,573	227,363	207,553	481,918	444,912	3,518,493	3,409,177

Notes

1 Accounting and valuation policies

We have prepared the consolidated interim financial report as of June 30, 2004 of Heidelberger Druckmaschinen Aktiengesellschaft 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). With the exception of the new rules for the valuation of goodwill, the same accounting and valuation principles as in the consolidated annual financial statements as of March 31, 2004 are applied.

In accordance with IAS 36 (revised in 2004), beginning on April 1, 2004 capitalized goodwill is no longer subject to scheduled depreciation. Rather, the goodwill valuations are subject to an impairment test either on an annual basis or if there are corresponding indications of an impairment. An impairment loss is to be taken if the recoverable amount is less than the carrying amount of a cash-generating unit to which goodwill was assigned.

Income generated during the financial year due to seasonal or cyclical factors or only earned occasionally is neither brought forward nor deferred in the consolidated interim financial statements. Expenses that arise from time to time during the financial year are deferred if such deferment would also have occurred at the end of the financial year.

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 Realignment of the Heidelberg Group

Discontinuing Operations:

As of March 7, 2004 a contract was signed with Eastman Kodak Co. covering the sale of the Digital Division. Following fulfillment of the contractual conditions, the contract went into effect on May 1, 2004. The agreement covers the production, service and sales of our digital black-and-white and color printing presses.

On June 16, 2004 a contract was signed with Goss International Corporation, Delaware, USA, covering the sale of the Web Systems Division. The transaction covers Heidelberg's business segments Commercial Web, Newspaper Printing Presses, and – in the US – Processing Installations for Web Printing Presses. In Germany, Austria, Switzerland, Eastern Europe, Brazil, Mexico, South Africa, and South Korea we will continue our sales and service operations for Goss International Corporation. As a new shareholder, Heidelberg will hold a 15 percent share in Goss International Corporation, Delaware, USA.

Continuing Operations:

Following the realignment of the Heidelberg Group we will concentrate on the Press Division (Sheetfed including Prepress and Gallus, as well as Web Systems Distribution) and the Postpress Division (Print Finishing). As an additional area of operations, the Financial Services Division is responsible for our entire range of services in the Customer Financing segment. Consequently, we adapted the structure of segment reporting as of April 1, 2004. To increase transparency of reporting – after adjustment of the previous year's figures – we shifted interest income (in the amount of € 23,117 thousand) and interest expenses (in the amount of € 6,600 thousand) of the Financial Services Division to net sales and cost of materials, respectively.

3 Scope of the consolidation

Apart from Heidelberger Druckmaschinen Aktiengesellschaft, the consolidated interim financial statements include all domestic and foreign companies in 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-2004	Total 30-Jun-2004
Number of wholly consolidated companies	83	80
Number of non-consolidated companies due to their minor significance	37	38
Number of companies measured according to the equity method	2	1
	<u>122</u>	<u>119</u>

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

- Deconsolidation:
Due to the sale of the Digital Division, the following companies were deconsolidated during the first quarter of the financial year:
 - NexPress GmbH, Kiel;
 - Heidelberg Digital LLC, Rochester, USA;
 - NexPress Solutions LLC, Rochester, USA (previously stated according to the equity method).
- Merger:
As of April 1, 2004 Brehmer Buchbindereimaschinen GmbH, Leipzig, was merged with Heidelberg Postpress Deutschland GmbH, Heidelberg.

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

	2003/2004	2004/2005
Fixed assets	- 4,846	- 16,306
Current assets	6,300	- 34,665
Total assets	1,454	- 50,971
Shareholders' equity	-	-
Liabilities	1,454	- 50,971
Equity and liabilities	1,454	- 50,971
Sales	34,286	- 16,348
Net result	- 1,432	12,595

4 Foreign currency changes

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

	2003/2004	2004/2005
Fixed assets	- 33,937	2,847
Current assets	- 94,730	- 5,764
Total assets	- 128,667	- 2,917
Shareholders' equity	- 79,725	248
Liabilities	- 48,942	- 3,165
Equity and liabilities	- 128,667	- 2,917
Sales	- 72,887	- 11,811

5 Other operating income

	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004
Reversal of other provisions	14,965	31,558
Foreign exchange profits	21,088	7,451
Income from disposals of intangible assets and tangible assets	6,768	5,329
Income from written-off receivables	8,114	4,960
Income from operating facilities	2,715	4,762
Income from job research projects	12,011	4,522
Other income	25,223	23,229
	<u>90,884</u>	<u>81,811</u>

The decline in income from job research projects is associated with NexPress GmbH, Kiel, which was deconsolidated.

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

6 Cost of materials

	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004
Expenses for raw materials, consumables and supplies, and for goods purchased	295,733	321,170
Costs of purchased services	32,458	39,342
Interest expenses Financial Services	6,600	5,554
	<u>334,791</u>	<u>366,066</u>

Due to the reorientation proportionate interest expenses accrued in connection with the Financial Services Division are shown in the cost of materials. Interest income from customer financing is shown as net sales.

7 Other operating expenses

	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004
Other deliveries and services, not included in the cost of materials	27,326	41,866
Special direct sales expenses including freight charges	18,258	23,434
Rent and leases (excluding car fleet)	23,845	22,640
Travel expenses	18,202	21,076
Provisions for doubtful accounts and other assets	17,362	16,742
Information technology	6,872	7,740
Additions to provisions (relates to several expense accounts)	11,485	7,310
Legal and consulting fees	6,386	7,062
Insurance expenses	7,602	5,933
Costs of mail and payment transactions	4,397	4,879
Public-sector fees and other taxes	4,357	3,891
Car fleet costs	3,194	3,362
Operating facilities	2,971	3,001
License fees	3,201	2,338
Other research and development costs	4,196	2,272
Commissions	1,030	1,360
Office supplies, newspapers, technical literature	1,701	1,272
Exchange rate losses	2,422	1,019
Losses from disposals of intangible assets and tangible assets	843	319
Other overhead costs	35,360	32,500
	<u>201,010</u>	<u>210,016</u>

8 Restructuring expenses

	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004
Non-scheduled depreciation of intangible assets and tangible assets	–	–
Cost of materials	–	–
Personnel expenses	352	447
Other costs	15	4,966
	<u>367</u>	<u>5,413</u>

9 Financial result

	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004
Result from the equity valuation	- 17,469	- 8,236
- of which: impairment loss in connection with discontinuing operations	(-)	(-)
Income from the specialized investment funds	3,968	4,479
Other result	- 318	- 1,452
Result from financial assets and marketable securities	- 13,819	- 5,209
Other interest and similar income	660	509
Interest and similar expenses	-13,887	- 10,260
Net interest result	- 13,227	- 9,751
	- 27,046	- 14,960

Due to the reorientation interest income and interest expenses accrued in connection with the Financial Services Division are shown in net sales and cost of materials, respectively. The previous year's figures were restated accordingly.

10 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 (2004/2005: 85,908,480 shares). There is no difference between the diluted and undiluted earnings per share.

11 Fixed assets

	Intangible assets	Tangible assets	Financial assets	Total
Cost of acquisition or manufacturing costs March 31, 2004	531,971	2,447,421	374,139	3,353,531
Cost of acquisition or manufacturing costs June 30, 2004	383,086	2,376,445	69,409	2,828,940
Accumulated depreciation March 31, 2004	312,436	1,817,563	326,622	2,456,621
Accumulated depreciation June 30, 2004	160,886	1,779,300	21,926	1,962,112
Book values March 31, 2004	219,535	629,858	47,517	896,910
Book values June 30, 2004	222,200	597,145	47,483	866,828

12 Inventories

	31-Mar-2004	30-Jun-2004
Raw materials, consumables and supplies	172,428	139,094
Work and services in process	339,640	353,728
Manufactured products and merchandise	412,709	493,119
Prepayments	6,006	9,842
	<u>930,783</u>	<u>995,783</u>

**13 Receivables
and other assets**

	31-Mar- 2004	of which term to maturity			30-Jun- 2004	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	<u>769,182</u>	<u>164,598</u>	<u>356,951</u>	<u>247,633</u>	<u>718,043</u>	<u>205,780</u>	<u>320,495</u>	<u>191,768</u>
Trade receivables	713,226	703,490	9,736	–	587,281	580,395	6,886	–
Receivables from affiliated enterprises	54,258	53,886	372	–	24,660	24,288	372	–
Receivables from associated companies/joint ventures	22,071	22,071	–	–	–	–	–	–
Other assets	165,435	138,486	20,565	6,384	194,417	156,300	28,196	9,921
– of which:								
tax reimbursement claims	(51,608)	(51,584)	(24)	(–)	(41,155)	(40,737)	(418)	(–)
– of which: loans granted	(775)	(485)	(259)	(31)	(740)	(544)	(196)	(–)
– of which:								
derivative financial instruments	(31,302)	(27,226)	(4,076)	(–)	(32,360)	(25,833)	(6,527)	(–)
– of which:								
deferred interest payments	(6,812)	(6,812)	(–)	(–)	(6,411)	(6,411)	(–)	(–)
	<u>954,990</u>	<u>917,933</u>	<u>30,673</u>	<u>6,384</u>	<u>806,358</u>	<u>760,983</u>	<u>35,454</u>	<u>9,921</u>

14 Shareholders' equity / minority interests

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

On May 7, 2004, RWE Gesellschaft für Finanzbeteiligungen mbH, Essen, whose sole shareholder is RWE Aktiengesellschaft, Essen, sold shares of Heidelberger Druckmaschinen Aktiengesellschaft, Heidelberg, directly in an accelerated tender offer and issued an exchangeable bond that can be exchanged for shares of Heidelberger Druckmaschinen Aktiengesellschaft, Heidelberg. The previous shareholding of 50.016 percent was placed with institutional investors. A portion of this amount has been allocated to service the exchangeable bond.

15 Provisions

	31-Mar-	Maturity			30-Jun-	Maturity		
	2004	1 year or less	from 1 to 5 years	over 5 years	2004	1 year or less	from 1 to 5 years	over 5 years
Provisions for pensions and similar obligations	582,774	23,395	84,086	475,293	583,442	25,084	82,783	475,575
Tax provisions	170,474	11,173	159,301	–	169,631	10,249	159,382	–
Other provisions								
Sales and service	176,715	147,965	19,145	9,605	170,904	147,179	18,011	5,714
Human resources	187,419	114,532	53,004	19,883	165,971	94,492	51,905	19,574
Research and development	9,330	9,330	–	–	8,069	8,069	–	–
Restructuring	111,719	82,110	29,609	–	94,498	94,498	–	–
Special expenditures discontinuing operations	181,110	181,110	–	–	134,990	134,990	–	–
Other	107,225	101,325	5,659	241	99,047	93,450	5,532	65
	<u>773,518</u>	<u>636,372</u>	<u>107,417</u>	<u>29,729</u>	<u>673,479</u>	<u>572,678</u>	<u>75,448</u>	<u>25,353</u>
	<u>1,526,766</u>	<u>670,940</u>	<u>350,804</u>	<u>505,022</u>	<u>1,426,552</u>	<u>608,011</u>	<u>317,613</u>	<u>500,928</u>

16 Liabilities

	31-Mar- 2004	of which term to maturity			30-Jun- 2004	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
Private placement	50,279	3,779	28,000	18,500	50,690	4,190	28,000	18,500
To banks	667,273	655,727	11,524	22	759,396	748,730	10,666	–
Advance payments received on orders	88,982	88,982	–	–	104,191	104,191	–	–
Trade payables	266,983	264,623	2,360	–	223,686	221,045	2,641	–
Arising from the acceptance of drawn bills and the issue of own bills	8,426	8,426	–	–	2,668	2,668	–	–
To affiliated enterprises	10,075	10,075	–	–	6,206	6,206	–	–
To associated companies/ joint ventures	1,835	1,835	–	–	–	–	–	–
Other liabilities	253,916	221,541	11,347	21,028	210,605	192,313	10,313	7,979
– of which: derivative financial instruments	(37,976)	(10,410)	(6,538)	(21,028)	(21,265)	(4,173)	(9,115)	(7,977)
– of which: taxes	(42,930)	(42,930)	(–)	(–)	(41,537)	(41,537)	(–)	(–)
– of which: relating to social security	(27,302)	(27,302)	(–)	(–)	(36,202)	(36,202)	(–)	(–)
	<u>1,347,769</u>	<u>1,254,988</u>	<u>53,231</u>	<u>39,550</u>	<u>1,357,442</u>	<u>1,279,343</u>	<u>51,620</u>	<u>26,479</u>

17 Contingent liabilities and other financial liabilities

	31-Mar-2004	30-Jun-2004
Liability arising from the endorsement of bills of exchange	243	243
Guarantees and warranties	321,132	354,591
	<u>321,375</u>	<u>354,834</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-	Maturity			30-Jun-	Maturity		
	2004	1 year or less	from 1 to 5 years	over 5 years		2004	1 year or less	from 1 to 5 years
Operating lease relationships								
Minimum lease payments	417,935	48,295	117,054	252,586	389,177	41,551	106,814	240,812
Other								
Orders for investments	23,656	23,656	–	–	22,906	22,906	–	–
Future lease obligations	65,483	18,083	42,918	4,482	79,905	16,814	51,090	12,001
Additional obligations	6,711	6,682	29	–	750	750	–	–
	95,850	48,421	42,947	4,482	103,561	40,470	51,090	12,001
	513,785	96,716	160,001	257,068	492,738	82,021	157,904	252,813

18 Information on the cash flow statement

The **discontinuing operations** have the following effect on the cash flow statement:

	Digital		Web ¹⁾		Total	
	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004
Net cash from operating activities	– 1,234	3,968	– 32,125	– 47,585	– 33,359	– 43,617
Net cash from investment activities	– 12,752	– 8,125	– 1,590	– 697	– 14,342	– 8,822
Net cash from financing activities	13,850	4,307	34,578	48,205	48,428	52,512
Net change in cash and cash equivalents	– 136	150	863	– 77	727	73

¹⁾ Web Systems including Web Finishing

19 Information concerning segment reporting

The segment information is based on the ‘**risk and reward approach**’. Inter-segmental sales are of minor financial significance and can therefore be ignored.

The **discontinuing operations** comprise the following:

	Digital		Web ¹⁾		Total	
	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004
External sales	49,740	21,667	96,738	86,796	146,478	108,463
Scheduled depreciation	4,095	1,069	4,721	3,498	8,816	4,567
Non-cash expenses	6,680	6,755	25,817	28,043	32,497	34,798
Research and development costs	15,043	3,798	9,206	7,982	24,249	11,780
Result of operating activities before restructuring expenses and extraordinary expenditures arising from discontinuing operations	-11,074	-7,311	-19,449	-25,267	-30,523	-32,578
Restructuring expenses	332	1,072	35	829	367	1,901
– of which: impairment loss	–	–	–	–	–	–
Extraordinary expenditures from discontinuing operations	–	–	–	–	–	–
– of which: impairment loss	–	–	–	–	–	–
Result of operating activities after restructuring expenses and extraordinary expenditures arising from discontinuing operations	-11,406	-8,383	-19,484	-26,096	-30,890	-34,479
Result from the equity valuation	-17,469	-8,236	–	–	-17,469	-8,236
– of which: impairment loss in connection with discontinuing operations	–	–	–	–	–	–
Carrying amount of the shares in equity companies	–	–	–	–	–	–
Investments	2,188	535	1,606	695	3,794	1,230
Segment assets	93,344	–	294,454	296,036	387,798	296,036
Segment debt	117,399	–	299,425	279,364	416,824	279,364
Number of employees	1,475	–	2,243	2,232	3,718	2,232

¹⁾ Web Systems including Web Finishing

Additional comments:

Non-cash expenses comprise the following:

	1-Apr-2003 to 30-Jun-2003	1-Apr-2004 to 30-Jun-2004
Provisions for doubtful accounts and other assets	17,362	16,742
Allocations to provisions	114,382	83,256
	<u>131,744</u>	<u>99,998</u>

Allocations to provisions exclude liabilities arising from restructuring, as these are shown separately under segment information.

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-2004	30-Jun-2004
Gross assets per balance sheet	4,232,452	4,079,077
– financial assets	– 47,517	– 47,483
– marketable securities	– 347,619	– 338,877
– finance receivables	– 52,826	– 22,186
– deferred tax assets	– 214,389	– 220,199
– tax claims	– 51,608	– 41,155
Segment assets ¹⁾	<u>3,518,493</u>	<u>3,409,177</u>

	31-Mar-2004	30-Jun-2004
Gross debt per balance sheet ²⁾	3,002,802	2,913,680
– tax provisions	– 170,474	– 169,631
– tax obligations	– 42,930	– 41,537
– financial obligations	– 580,974	– 645,474
– deferred tax liabilities	– 80,265	– 81,520
Segment debt ¹⁾	<u>2,128,159</u>	<u>1,975,518</u>

¹⁾ As a result of the restructuring of segment reporting the segment assets and segment debt were adjusted as per March 31, 2004

²⁾ Consolidated balance sheet total less shareholders' equity/minority shareholders

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

Financial obligations comprise liabilities arising from the private placement and liabilities to financial institutions with the exception of financial obligations associated with customer financing, liabilities under financial leases, and other financial liabilities.

The carrying amount of shares in companies measured according to the equity method and the number of employees were recorded as of June 30, 2004 compared with March 31, 2004.

20 Supervisory Board/ Management Board

The members of the Supervisory Board and the Management Board are listed on page 34. Dr. Klaus Spiegel resigned from the Management Board as of June 30, 2004. With effect from July 1, 2004, the Supervisory Board appointed Dr. Jürgen Rautert as a full Member of the Management Board.

With effect from the end of the Annual General Meeting on July 21, 2004, Dr. Jan Zilius resigned from the Supervisory Board of Heidelberger Druckmaschinen Aktiengesellschaft.

Effective from July 30, 2004, Dr. Mark Wössner was appointed by the court as Member of the Supervisory Board of Heidelberger Druckmaschinen Aktiengesellschaft. He is to succeed Dr. Klaus Sturany as Chairman of the Supervisory Board.

21 Important events after the reporting date

On June 16, 2004 a contract was signed with Goss International Corporation, Delaware, USA, covering the sale of the Web Systems Division. Following fulfillment of the contractual conditions, the contract with Goss International Corporation, Delaware, USA, went into effect on August 6, 2004.

Heidelberg, August 2004

The Management Board

The Supervisory Board

Dr. Klaus Sturany
Chairman

Josef Pitz*
Deputy Chairman

Martin Blessing

Prof. Dr. Clemens Börsig

Wolfgang Flörchinger*

Martin Gauß*

Gunther Heller*

Dr. Jürgen Heraeus

Berthold Huber*

Johanna Klein*

Pat Klinis*

Robert J. Koehler

Uwe Lüders

Dr. Gerhard Rupprecht

Rainer Wagner*

Dr. Mark Wössner
– since July 30, 2004 –

Jan Zilius
– through July 21, 2004 –

**Committees of the
Supervisory Board**

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

Bernhard Schreier
Chairman

Dr. Herbert Meyer

Dr. Jürgen Rautert
– since July 1, 2004 –

Dr. Klaus Spiegel
– through June 30, 2004 –

* Employee Representative

Financial Calendar

November 8, 2004	Publication of Half-Year Figures 2004/2005
February 1, 2005	Publication of 3rd Quarter Figures 2004/2005
June 7, 2005	Press Conference, Annual Analysts' and Investors' Conference
July 20, 2005	Annual General Meeting

Subject to change

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