Group Interim Report
First Half-Year 2012

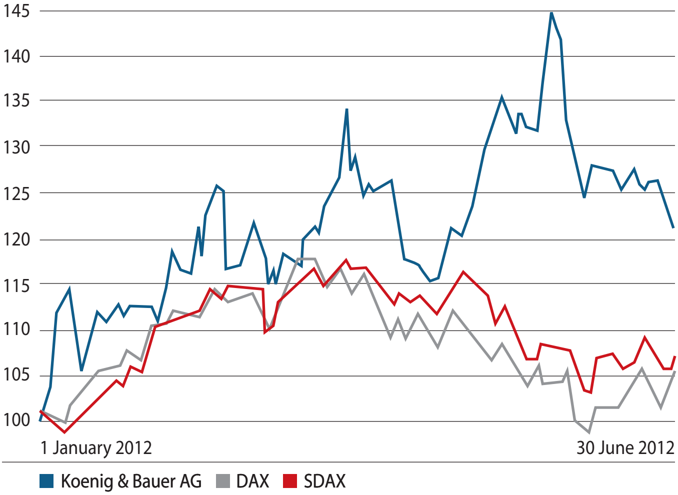
KBA
Koenig & Bauer Group

KBA Group in Figures

01.01. - 30.06. in €m	2011	**2012**
Order intake	682.9	**579.3**
Sales	509.7	**590.5**
Order backlog at 30.06.	614.0	**814.5**
Export level in %	85.3	**89.7**
Operating profit/loss	–7.3	**13.6**
Earnings before taxes	–11.0	**7.9**
Net profit/loss	–14.7	**4.5**
Balance sheet total at 30.6. (prior year: 31.12.)	1,222.8	**1,296.7**
Equity at 30.06. (prior year: 31.12.)	466.6	**473.7**
Investment in intangible assets, property, plant and equipment	19.9	**10.0**
Depreciation on intangible assets, property, plant and equipment	17.9	**18.5**
Payroll at 30.06.	6,371	**6,252**
Cash flows from operating activities	32.3	**65.7**
Earnings per share in €	–0.89	**0.27**

Koenig & Bauer shares

in %



Letter to Shareholders	**4**	
KBA Shares	**6**	
Management Report	**6**	
	6	Market and industry environment
	8	Earnings, finances and assets
	11	Research and development
	11	Human resources
	12	Risk management
	12	Outlook
Interim Accounts	**14**	
	14	Group balance sheet
	15	Group income statement
	16	Statement of changes in Group equity
	16	Statement of comprehensive Group income
	18	Group cash flow statement
	19	Notes
Key Financial Dates	**23**	

Title photo
Our new RotaJET 76 digital inkjet press is a major focus of interest following its acclaimed debut at the leading trade show in the industry, Drupa, in May

While Drupa in mid-May was a big success for KBA, with our numerous new advances in sheetfed offset, web offset and digital printing attracting a raft of new orders, its impact on the half-year accounts was naturally more evident in the expenses necessary than in the sales figures.

Because of the lead times typical in our industry, Drupa's positive impact on KBA's figures will be more noticeable in the second half of the year, as will a large proportion of the orders placed after the show. Fortunately, this unique global showcase for the print media industry means that we are well on our way to reaching our goals for 2012. Considering the current euro crisis and the industry situation, the willingness of the visiting customers to invest was much greater than expected.

Drawing nearly 315,000 trade professionals from over a hundred different countries, more than 1,800 exhibitors and orders surpassing the billion euro mark, Drupa demonstrated that even in today's digital world the prospects for print are bright provided the industry focuses on its credibility, haptic properties and quality. Success in a multimedia environment demands cutting-edge production technology which we showed on our bustling 3,500m² stand, and these were very well received by existing and new customers.

Even though Drupa is first and foremost a sheetfed offset and digital printing show, we also unveiled new web offset presses and sold several machines. Our new RotaJET 76 inkjet web press made a much-acclaimed debut after less than twelve months in development and signals our entry into the promising digital printing market with an own-brand product. Several prospective customers have already expressed serious interest and we are confident that, following a few final touches, we shall be able to announce the first orders very soon.

For sheetfed offset printers we have introduced an entire family of high-tech products including the Rapida 145 in large format, the Rapida 106 in medium format and the equally new Rapida 76 in half-format. Our Rapida 105 all-round press, with integrated inkjet unit, has proven very popular in China and other developing markets. Between the beginning of April and the end of June the market focus and appeal of our sheetfed offset technology were rewarded with orders worth €210m, the highest quarterly inflow in years.

The substantial Group order backlog of €814.5m at 30 June, €200m more than in 2011, means we can plan with much greater confidence. At €590.5m, Group sales in the first six months were up by nearly 16% on 2011. Given the positive impact Drupa will have on sheetfed offset sales in coming months, we are on course to meet our annualised target of over €1.2bn. There was also a major improvement in pre-tax earnings to €7.9m, compared to twelve months earlier (–€11m) and the first quarter profit of €0.2m. The targeted increase in earnings announced by management for the current financial year remains realistic.

At the end of the second quarter KBA was on course to achieve its targets, despite the current economic instability and the slump in major sales markets in southern Europe and other parts of the world. We hope that the problems surrounding the euro and their repercussions on the global economy and on our business will be kept to a minimum in future months as we continue to focus on achieving our joint goals.

Claus Bolza-Schünemann
President and CEO, Koenig & Bauer AG

KBA Shares

The volatile performance of Koenig & Bauer shares in the first six months, when their price fluctuated between €10 and €15, was largely caused by reports of the impact of structural changes in the print media industry and an economic slowdown in key export markets. Spurred on by good news from Drupa and by the predominantly positive assessment of figures for the first quarter, our share price rose to a temporary high of €14.99 on 25 May. The present more cautious attitude of investors towards the printing machine sector, and shareholders' criticism of our dividend policy, acted as a damper on share performance in the month that followed. Although the share price fell to €12.43 at the end of June, this was still a 24.7% improvement on the closing figure for 2011. During that same period the DAX and SDAX climbed by just under 9%. In July shares fluctuated between €12.40 and €13.33 as the holiday season affected trading.

Management Report

Market and Industry Environment

In the second quarter the globally successful German engineering industry was confronted by flagging economic dynamics not only in Europe and the USA but also in growth markets like China and Brazil. The unresolved sovereign debt crisis in southern Europe and its concomitant dangers for the euro and the global economy are causing repeated fluctuations on stock exchanges and financial markets and increasingly impacting on the investment climate beyond those countries directly involved. There have since been growing indications of an economic slowdown affecting the previously robust, yet export-reliant German industry. In the second quarter of 2012 there was a substantial drop in the ifo Business Climate Index for the manufacturing industry. The German engineering industry's order intake in the second quarter was 6% lower than in 2011. Further developments in the European and global economy will depend largely on the political decisions made to stabilise the euro and their acceptance by the financial industry. Any exchange-related advantages over American or Japanese competitors from a weak euro can only be exploited outside the euro zone if confidence in ongoing economic stability promotes investment and consumption.

In a fundamentally weaker economic scenario German press manufacturers profited from a boost in May from the Drupa international trade fair in Düsseldorf. This leading trade fair for the sheetfed offset sector brought KBA an influx of orders worth far more than hundred million euros, which will continue to have a positive impact on our bottom line in the second half-year.

With the volume of orders booked at Drupa exceeding all our expectations, following a highly successful pre-Drupa event at our Radebeul plant, the order intake in the sheetfed offset division for the three months to July came to €211.1m, the highest quarterly figure in years. Over the full six-month period the number of sheetfed orders rose by 17.4% to €364m (2011: €310.1m). The modern technology and high productivity of our medium- and large-format Rapida presses made them particularly popular among packaging printers, who were less affected by the structural changes in the industry. At present about 60% of our presses go to the expanding packaging market, in which KBA has a strong presence. This sector also encompasses carton printing, which is served by our plant in Radebeul, and metal decorating, in which KBA-MetalPrint is a successful vendor.

New orders for web and special presses placed in the first six months stood at €215.3m, compared to €372.8m in 2011. The prior-year figures were unusually high following a number of major orders for special presses. This was not the case this year, but such fluctuations in demand are not uncommon in the heavy plant sector. Alongside shifts in the media landscape, the uncertainty engendered by the euro crisis acted as a brake on demand for newspaper and commercial web presses, with their longer planning cycles. The **Group order intake** came to €579.3m and thus fell 15.2% short of last year's record high of €682.9m, but again such statistically anomalous fluctuations are typical of the heavy plant sector.

Nonetheless, the **Group order backlog** at 30 June came to €814.5m, a good €200m higher than twelve months earlier (€614m). The volume of orders on hand for sheetfed offset presses totalled €270m (2011: €214.6m) and for web and special presses €544.5m (€399.4m).

Earnings, Finances and Assets

Earnings

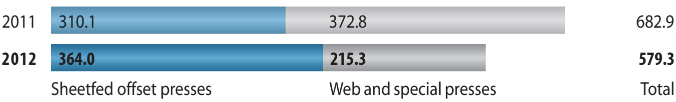
Group sales of €590.5m in the first six months were 15.9% higher than at the same time last year (€509.7m). Revenue of €347.5m from web and special presses easily surpassed the 2011 figure of €251.5m. Security presses, newspaper and commercial web press lines, coding and marking systems all contributed to a growth rate of 38.2%. Sales in our sheetfed offset division came to €243m, a drop of 5.9% (2011: €258.2m). The positive impact of Drupa on revenues will not become noticeable until the second half of the year.

Domestic sales fell by 18.6% to €60.8m compared to 2011, raising the export level to 89.7%. Deliveries to the rest of Europe, parts of which were affected by the debt crisis, reached €168.6m, some 11% less than in the previous year. By contrast the volume of sales in the Asia-Pacific region rose by 11.7% to €161.7m and at 27.4% the proportion of Group sales attributable to this region closely approached the figure for the rest of Europe (28.6%). Business in China, which has grown substantially in recent years, made a major contribution. Sales in central and south America and Africa soared to €157.8m from €58.7m in 2011. The proportion of sales generated in these emerging economies stood at 26.7%, well above the average. In North America there was an ongoing lack of investment in web presses. Group regional sales there remained more or less constant at €41.6m, compared to €42.3m in 2011, but sank from 8.3% of Group sales to 7%.

The double-digit increase in sales, the product mix shipped and the cost reductions achieved all had a positive impact on **earnings** in the first half of the year. Our **gross profit margin** rose from 22.7% the previous year to 29%. Higher deliveries and the extraordinary expense

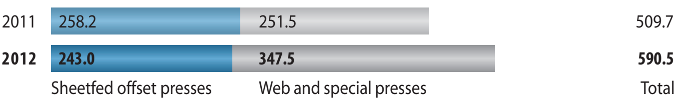
Group order intake

in €m



Group sales

in €m

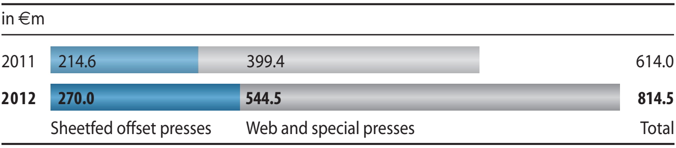


associated with Drupa and the pre-Drupa open house in Radebeul drove up distribution costs from €66.4m to €82.2m. A wage increase was a contributory factor in propelling administrative expenses to €38m (2011: €31.8m). High research and development costs for new products launched at the show and further development projects caused other operating expenses to outweigh other operating income by 37.4m (2011: €24.9m). To sum up we transformed an operating loss of €7.3m in 2011 into an **operating profit** of €13.6m – an improvement of more than €20m.

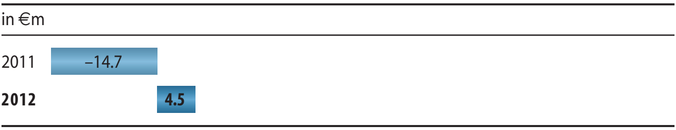
Notwithstanding the difficulties associated with weak demand and continuing pricing pressures in the web press sector, our web and special press division posted a sizeable profit of €31.7m (2011: €14.1m). The higher contribution margins delivered by higher sales, our profitable service activities, and continued brisk demand for security presses as well as for industrial coding and marking systems, all played a part. Management is committed to restoring the profitability of our core business, web presses, for which demand has slumped following media and structural changes and the ensuing decline in global market volume. Upgrading and streamlining our portfolio of newspaper and commercial presses to trim costs, introducing more flexible working hours to counterbalance fluctuations in capacity utilisation at no added expense and concentrating web press activities (with the exception of manufacturing) in the remit of a single member of the management board should soon enable us to achieve these objectives.

Below-target sales and high pre-production costs for new generations of machines in all formats caused the sheetfed offset division to post a loss for the first half-year, despite rigorous efforts to reduce costs. However, the €18.1m operating loss was smaller than last year (€21.4m). The unsatisfactory profit situation in the sheetfed

Group order backlog



Group net profit/loss



offset division is largely the result of continuing downward pressure on prices. We are confident that our new product lines will not only strengthen our position in the market but also help to trim our manufacturing costs and improve our gross profit margin. A similar cost-cutting programme implemented at our web press operations will also be introduced in this division. Management has set up a committee to expedite this process.

Following a modest financial loss of €5.7m our **pre-tax profit** (EBT) rose to €7.9m following a pre-tax loss of €11m in 2011. After deducting income taxes **Group results** jumped from –€14.7m in 2011 to €4.5m. This corresponds to **earnings per share** of €0.27 (2011: –€0.89).

Finances

The substantial improvement in earnings, a €37.7m drop in trade receivables, a €27.5m increase in customer prepayments and a €32.1m jump in provisions boosted **cash flows from operating activities** to €65.7m, despite larger inventories for imminent deliveries (up €56.3m). The cash flow was more than double the prior-year figure of €32.3m, covering payments for investments. As a result the **free cash flow** came to €55.8m (2011: €15.4m). These figures reflect the positive impact of measures taken to focus on generating cash. At the end of the second quarter **funds** rose to €205.2m (end of 2011: €145.6m), underscoring the Group's sound financial resources. There are also ample credit lines. Less bank loans of €36.5m this resulted in a comfortable net liquidity of €168.7m. Equity of €473.7m represented 36.5% of the balance sheet total.

Assets

The **Group balance sheet total** of €1,296.7m was €73.9m higher than the 2011 year-end figure (€1,222.8m). A €74.3m increase in current assets was a major contributory factor, whereby higher inventories and liquid assets outweighed a drop in trade receivables. €10m invested in intangible assets, property, plant and equipment (2011: €19.9m) stood against depreciation totalling €18.5m (2011: €17.9m). Non-current assets came to €344.5m, similar to the year-end figure in 2011 (€344.9m).

Geographical breakdown of sales

in %	2011	**2012**
Germany	14.7	10.3
Rest of Europe	37.1	28.6
North America	8.3	7.0
Asia/Pacific	28.4	27.4
Africa/Latin America	11.5	26.7

Research and Development

The new products our engineers have developed over the past two years were received with acclaim by print professionals at Drupa. The new Rapida 145 sheetfed offset press we exhibited was the only large-format press at the fair. Boasting a superior production speed of 17,000 sheets per hour, extensive automation for ultra-fast job changes and many other unique features, the Rapida 145 targets not just the growing packaging printing market but also large-scale commercial and internet printers.

With twelve printing, coating and drying units, the Rapida 106 world makeready champion was the longest medium-format machine at this year's Drupa. Its maximum rated output of 20,000 sheets per hour in straight printing, 18,000 in multicolour perfect printing plus coating and its many other winning features place the Rapida 106 at the very top of its format class both technologically and in terms of productivity.

Many of the innovative features developed for the Rapida 106 have also been incorporated in our new-generation large-format presses and our new half-size Rapida 76.

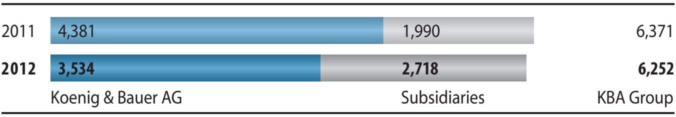
A major attraction on the KBA stand was the RotaJET 76 inkjet web press developed jointly with our American partner RR Donnelley and built at our main factory in Würzburg. In conjunction with a downstream finishing line provided by our Swiss partner, Müller Martini, it produced a daily show magazine as well as bound sections and advertising brochures.

Our new Varius 80 web offset press for the previously unaddressed flexible packaging market, our new Commander CL web offset newspaper press and the KBA Technology Lounge promoting new environmentally friendly dryers aroused keen interest among the printers targeted. Visitors were also very impressed by the openness with which KBA staff demonstrated the new products and distributed samples directly off the presses.

Human Resources

At the end of June there were 6,252 employees on the Group payroll, 119 fewer than twelve months earlier (6,371). Excluding the staff at our newly consolidated Swiss subsidiary, Print Assist AG, the number of employees was down by 134. Phased retirement schemes and other

Payroll at 30 June



measures will reduce the total to below 6,000 over the next few years. Given ongoing constraints and fluctuations in the press market, the management board, employee representatives and IG Metall are discussing various initiatives to stabilise capacity utilisation, including even more flexible working hours.

Risk Management

Potential threats to Group activities are included in the description of our risk management system on pages 41 and 42 of the Group financial statements for 2011 and also in the outlook on pages 45 to 48. There have since been no significant changes in the risk profile detailed there. Despite the current economic uncertainties and political insecurities we can discern no risks that could pose an existential threat to Group activities.

Outlook

Following the interim high beginning in 2010 and ending in the middle of 2011, prospects for the German engineering industry have dimmed in the last few months as a result of the recession in southern Europe, the damper applied by the euro crisis and other contributing factors. Economic growth in the USA, and even in booming China, is clearly flagging. Citing the high volume of sovereign debt in parts of Europe and the USA as the main reason, in July the International Monetary Fund (IMF) adjusted its original forecast for global economic growth in 2012 to 3.5%. Financial markets are on edge and this is impacting on the investment climate. Many investors are awaiting further developments relating to the euro. At present there is nothing to suggest that the economy will soon bounce back.

In the second quarter the printing and paper technology sector bucked the trend of weak demand in the engineering industry and with a 6% increase in order intake moved up to one of the top positions among the 29 engineering sectors ranked by the German Machinery and Plant Manufacturers' Association (VDMA). The number of orders received at Drupa by the big players in the sector, including KBA, exceeded expectations. The influx of orders booked before and after the world's largest show for the print media industry guarantees a higher level of capacity utilisation at our sheetfed offset plants and a substantial increase in sales in the second half of the year. Several orders for commercial and newspaper presses have also been received both in Germany and abroad in recent months and some of these should also make an impact on sales this year. Our new RotaJET 76 digital web press has been a focus of keen interest. In the medium term the RotaJET and upcoming products targeting the digital printing market should compensate, at least in part, for the decline in demand for web offset presses and help to boost production at our main plant in Würzburg on a sustainable basis.

The new sheetfed offset, digital print and web offset products unveiled at Drupa, and their performance parameters, were received with enthusiasm by print professionals and our customers, and confirm that KBA is technologically on the right course and a leader in many fields. This lays the foundation for future success in highly competitive markets. The 17.4% increase in new orders for sheetfed offset presses compared to the previous year, plus a Group order backlog at the end of June that was €200m higher than at the same time in 2011, both provide a certain stability in an unsettled economic environment. The recent bankruptcy of a major competitor and recent turbulence in financial markets have caused customers to focus more closely on their suppliers' balance sheets, financial stability, liquidity and earnings. Group figures indicate that KBA is well positioned in the sector and is widely seen as a financially stable partner with a diverse and technologically compelling product portfolio.

Our entry into the digital printing market with our own inkjet web press built in Germany has enhanced our image still further. We can now offer a choice of both digital and offset presses and are thus able to advise potential users more objectively than OEM vendors. KBA is in a strong position to defend its ranking as the world's second-largest press manufacturer, maintaining a vital focus on profit and earnings but without concentrating one-sidedly on size and market share.

In our core business of sheetfed and web offset presses, which has been hit particularly hard by structural changes in the print media industry, we are working vigorously to make the necessary improvements to our profitability. After four challenging years, KBA still has the financial power to make wise acquisitions. While we are not ruling out any options offered by consolidation in the sector and opportunities to branch out into new areas, we do not consider them an absolute essential at present.

Although, after six months, we are not quite halfway to reaching our sales target for 2012, the perceptible improvement in our gross profit margin and a pre-tax profit of €7.9m compared to an €11m loss in 2011 are good omens for the current financial year. Notwithstanding the higher economic risks, management stands by its target of a single-digit percentage increase in Group sales to over €1.2bn. An improvement in Group pre-tax earnings (EBT) from an unsatisfactory €3.3m in 2011 to a figure in the low double-digit million euros is also realistic – provided the global economy does not suddenly take a turn for the worse and the recently expanded cost-cutting measures can be implemented as planned.

Group Balance Sheet

Assets

in €m	31.12.2011	30.06.2012
Non-current assets		
Intangible assets, property, plant and equipment	275.0	276.2
Investments and other financial receivables	22.1	18.1
Other assets	0.2	0.2
Deferred tax assets	47.6	50.0
	344.9	**344.5**
Current assets		
Inventories	328.1	384.4
Trade receivables	310.4	272.7
Other financial receivables	24.3	17.3
Other assets	40.8	43.1
Securities	28.7	29.5
Cash and cash equivalents	145.6	205.2
	877.9	**952.2**
Balance sheet total	**1,222.8**	**1.296.7**

Equity and liabilities

in €m	31.12.2011	30.06.2012
Equity		
Share capital	42.9	42.9
Share premium	87.3	87.3
Reserves	336.4	343.5
	466.6	**473.7**
Liabilities		
Non-current liabilities		
Pension provisions	106.6	108.0
Other provisions	65.9	68.1
Bank loans	8.0	7.8
Other financial payables	12.8	18.7
Other liabilities	0.1	3.2
Deferred tax liabilities	27.8	28.6
	221.2	**234.4**
Current liabilities		
Other provisions	137.4	165.9
Trade payables	64.2	62.2
Bank loans	27.9	28.7
Other financial payables	73.3	80.9
Other liabilities	232.2	250.9
	535.0	**588.6**
Balance sheet total	**1,222.8**	**1.296.7**

Group Income Statement

01.01. - 30.06. in €m	2011	2012
Sales	509.7	590.5
Cost of sales	–393.9	–419.3
Gross profit	**115.8**	**171.2**
Distribution costs	–66.4	–82.2
Administrative expenses	–31.8	–38.0
Other operating income and expenses	–24.9	–37.4
Operating profit/loss	**–7.3**	**13.6**
Financial result	–3.7	–5.7
Earnings before taxes	**–11.0**	**7.9**
Income tax	–3.7	–3.4
Net profit/loss	**–14.7**	**4.5**

01.04. - 30.06. in €m	2011	2012
Sales	256.4	327.0
Cost of sales	–200.8	–229.4
Gross profit	**55.6**	**97.6**
Distribution costs	–34.3	–44.4
Administrative expenses	–10.0	–19.2
Other operating income and expenses	–16.8	–22.4
Operating profit/loss	**–5.5**	**11.6**
Financial result	-1.6	–3.9
Earnings before taxes	**–7.1**	**7.7**
Income tax	–1.8	–2.4
Net profit/loss	**–8.9**	**5.3**

Statement of Changes in Group Equity

in €m	Share capital	Share premium
01.01.2011	**42.8**	**87.1**
Net loss	–	–
Gains recognised directly in equity	–	–
Total comprehensive income	**–**	**–**
Dividend	–	–
Other changes	–	–
30.06.2011	**42.8**	**87.1**
01.01.2012	**42.9**	**87.3**
Net profit	–	–
Gains recognised directly in equity	–	–
Total comprehensive income	**–**	**–**
Other changes	–	–
30.06.2012	**42.9**	**87.3**

Statement of Comprehensive Group Income

01.01. - 30.06. in €m	2011	**2012**
Net profit/loss	**–14.7**	**4.5**
Foreign currency translation	7.4	1.4
Measurement of primary financial instruments	–	0.9
Measurement of derivatives	–	1.4
Deferred taxes	–0.1	–0.4
Gains recognised directly in equity	**7.3**	**3.3**
Total comprehensive income	**–7.4**	**7.8**

Reserves		
Recognised in equity	Other	**Total**
34.3	**297.1**	**461.3**
–	–14.7	–14.7
7.3	–	7.3
7.3	**–14.7**	**–7.4**
–	–4.9	–4.9
–	2.1	2.1
41.6	**279.6**	**451.1**
42.6	**293.8**	**466.6**
–	4.5	4.5
3.3	–	3.3
3.3	**4.5**	**7.8**
–	–0.7	–0.7
45.9	**297.6**	**473.7**

Group Cash Flow Statement

01.01. - 30.06. in €m	2011	2012
Earnings before taxes	–11.0	7.9
Non-cash transactions	22.6	23.8
Gross cash flow	**11.6**	**31.7**
Changes in inventories, receivables and other assets	46.9	–5.7
Changes in provisions and payables	–26.2	39.7
Cash flows from operating activities	**32.3**	**65.7**
Cash flows from investing activities	**–16.9**	**–9.9**
Cash flows from financing activities	**–7.8**	**0.7**
Change in funds	**7.6**	**56.5**
Effect of changes in exchange rates and consolidated companies	6.2	3.1
Funds at beginning of period	91.0	145.6
Funds at end of period	**104.8**	**205.2**

Notes to the Interim Statement to 30 June 2012

1 Accounting Policies

This interim report for the Koenig & Bauer Group is based on international financial reporting standards (IFRS). The consolidated financial statements were prepared in accordance with the standards valid on that date, as issued by the International Accounting Standards Board (IASB), London, and all binding interpretations by the International Financial Reporting Interpretation Committee (IFRIC), with due regard for EU directives.

The interim accounts conform to IAS 34. Taxes on income were disclosed at the average national tax rate applicable.

Individual items in the balance sheet and the income statement were aggregated to clarify presentation. Figures represent million euros (€m), unless stated otherwise.

2 Consolidated Companies and Consolidation Principles

One subsidiary – Print Assist AG in Höri, Switzerland – was consolidated in the Group accounts for the first time on 1 January 2012. Domestic sheetfed offset sales activities were spun off from Koenig & Bauer AG into a new subsidiary, KBA Deutschland GmbH.

There were no changes in our consolidation principles.

The financial statements of foreign entities were translated at the closing rate or at an average exchange rate for the period, as specified in IAS 21.

3 Responsibility Statement

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

Würzburg, 10 August 2012
Management Board

Claus Bolza-Schünemann
President and CEO

Dr Axel Kaufmann
Deputy president

Michael Kummert

Christoph Müller

Ralf Sammeck

4 Segment Information

4.1 Business segments

01.01. - 30.06.	Web and special presses		Sheetfed offset presses	
in €m	2011	**2012**	2011	**2012**
Sales	251.5	347.5	258.2	243.0
Operating profit/loss	14.1	31.7	–21.4	–18.1
Capital investments	11.6	5.5	8.3	4.5

4.2 Geographical breakdown of sales

01.01. - 30.06. in €m	2011	**2012**
Germany	74.7	60.8
Rest of Europe	189.3	168.6
North America	42.3	41.6
Asia/Pacific	144.7	161.7
Africa/Latin America	58.7	157.8
Sales	**509.7**	**590.5**

5 Earnings per share

01.01. - 30.06. in €	2011	**2012**
Earnings per share	–0.89	0.27

Basic earnings per share were calculated in accordance with IAS 33 by dividing the net income attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period (16,485,953 no-par shares, previous year: 16,464,693 no-par shares).

6 Balance Sheet

6.1 Intangible assets, property, plant and equipment

in €m	Purchase or manufacturing cost	Accumulated depreciation	Carrying amount
Intangible assets	71.4	45.0	26.4
Property, plant and equipment	648.0	399.4	248.6
Total at 31.12.2011	**719.4**	**444.4**	**275.0**
Intangible assets	72.1	45.7	26.4
Property, plant and equipment	667.7	417.9	249.8
Total at 30.06.2012	**739.8**	**463.6**	**276.2**

Investment in property, plant and equipment totalling €9.4m (first half-year 2011: €19m) primarily refers to assets under construction and additions of plant and machinery, factory and office equipment.

The reduction in investments resulted primarily from the completion in 2011 of the major renovation of the foundry in Würzburg.

6.2 Inventories

in €m	31.12.2011	**30.06.2012**
Raw materials, consumables and supplies	62.2	70.1
Work in progress	221.8	267.9
Finished goods and products	44.1	46.4
	328.1	**384.4**

6.3 Liabilities

Current and non-current liabilities rose by €66.8m. This was largely due to a €27.5m increase in customer prepayments and to accrued expenses for sales generated.

Key Financial Dates

Interim report on 3rd quarter 2012
14 November 2012

Annual report 2012
22 March 2013

Interim report on 1st quarter 2013
14 May 2013

Koenig & Bauer Annual General Meeting
13 June 2013
Vogel Convention Center, Würzburg

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