KOENIG & BAUER

Group Interim Report First Half-Year 2019

we're on it.

Koenig & Bauer Group in figures

01.01. - 30.06. in €m	2018	**2019**
Order intake	705.3	**573.3**
Revenue	514.4	**506.0**
Order backlog at 30.06.	805.8	**678.2**
Export level in %	87.6	**83.9**
Earnings before interest and taxes (EBIT)	10.6	**0.6**
Earnings before taxes (EBT)	8.5	**–2.0**
Net profit/loss	6.7	**–2.4**
Balance sheet total at 30.06. (prior year: 31.12.)	1,178.3	**1,245.5**
Equity at 30.06. (prior year: 31.12.)	453.4	**420.9**
Investment in intangible assets, property, plant and equipment	21.1	**36.3**
Depreciation on intangible assets, property, plant and equipment	14.1	**17.4**
Payroll at 30.06.	5,605	**5,725** [1]
- thereof apprentices/trainees	260	**275**
Cash flows from operating activities	17.4	**–96.5**
Earnings per share in €	0.39	**–0.15**

[1] including 51 following the consolidation of Koenig & Bauer Duran

We have made good progress with our strategic projects geared toward the achievement of sustainably profitable growth. We have already sold our fifth RotaJET system for digital decor printing. Two orders for this sophisticated and premium-quality digital printing solution have been received from manufacturers of wood-based products who themselves want to print decors that had to date been procured externally. This allows them to address the increasing trend toward individualisation with smaller order volumes. We are seeing great revenue and earnings potential for our RotaJET digital printing platform as a result of this increasingly apparent structural transformation in decor printing. This applies simultaneously to digital beverage carton printing following the key contract from Tetra Pak. The large-format RotaJET that was ordered is currently being built and will subsequently be installed at the Tetra Pak production plant in Denton, Texas/USA. Field testing with digitally-printed beverage carton packaging is scheduled to start at the beginning of 2020.

Following approval from antitrust authorities, we officially founded the 50/50 joint venture with inkjet pioneer Durst at the beginning of May 2019 and appointed an experienced expert as managing director as of 1 August 2019. We are also seeing good opportunities for digital production lines in the folding carton and corrugated board industry. This sector is demanding economical and flexible solutions for smaller, more individualised print runs. In addition to the VariJET 106 for digital folding carton printing, the Koenig & Bauer CorruJET 170 and the Durst SPC 130 for digital direct printing on corrugated board as well as the ink business and all related services are part of the Koenig & Bauer Durst portfolio.

For high to medium quantities, analogue printing processes will, according to current market forecasts and our own assessments, in the future continue to dominate in industrially-positioned packaging printing. For the large and high growth market for analogue direct printing on corrugated board, we have developed the sheetfed flexo presses CorruCUT and CorruFLEX with a number of unique features. Following a testing phase in our plant, the prestigious pilot customer and development partner Klingele has now approved the ordered CorruCUT. By virtue of the printing and die-cutting quality, the short make-ready times and general operating comfort, our innovation has generated a very positive response from the customer and the global corrugated board industry. Equally gratifying is customer feedback from the field tests currently underway on the CS MetalCan which we developed for 2-piece beverage can decorating with some unique features.

From an operational perspective, the Koenig & Bauer Group achieved a good order intake of €573.3m in the first half of 2019 despite a challenging market environment. The prior-year figure of €705.3m was buoyed by the major order for delivery of several press lines for banknote production in Egypt. Orders of this scope are unusual, even in security printing. Through the accumulation of deliveries in the second half of the year, revenue of €506m was still slightly below the prior-year figure of €514.4m. Besides the delivery-related low revenue level in the first half of the year, there was a significant impact on earnings due to expenses for the growth offensive 2023 which we cumulatively estimate at around €50m for 2019 to 2021 with a heavier load in the first year. Accordingly, EBIT of €0.6m was below the prior year (€10.6m).

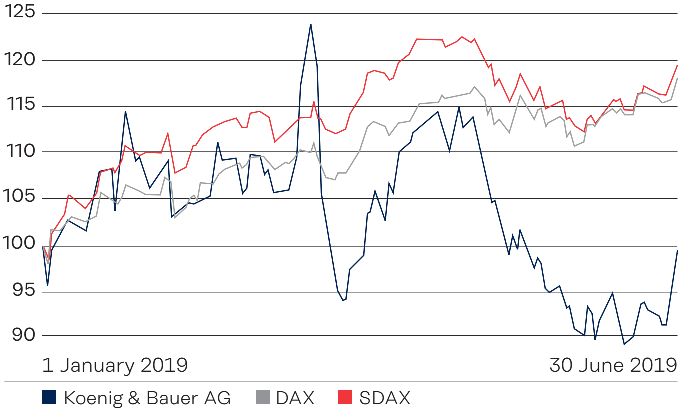
With the high order backlog of €678.2m as of 30 June 2019, we have good visibility for the second half of 2019. On the basis of a good order situation with high capacity utilisation and the continued progress with our Group projects for boosting earnings, we are confident, with the planned order processing in security printing and the expected orders in metal decorating, to achieve organic growth of around 4% in revenue and an EBIT margin of around 6% in 2019 in the Group. The impact on the margin resulting from the growth offensive 2023 has already been taken into account for our earnings target 2019.

We have taken careful note of and analysed the recent ad hoc releases issued by our listed competitors Heidelberger Druckmaschinen, Bobst and Komori. In general, we believe that price cuts to expand or maintain market shares in limited markets, which can at most be subject to macroeconomic fluctuations, is the wrong concept. We are not aware of any capital goods market in which a competitor successfully – meaning that it resulted in profit growth – added market share through price cuts. On the contrary, such an approach always weakens the margin and thus also the innovation and future sustainability of the company. The only, and in our view, most logical way to deal with fluctuations in demand is the active and fast cost structuring while continuing to work on innovative products which enable customers to realise tangible added value.

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

Koenig & Bauer shares

in %



Koenig & Bauer shares

Despite the economic slowdown arising from trade conflicts and political developments, by the end of June the DAX increased by 17.4% as compared with the closing at the end of the prior year. The SDAX also recorded significant gains, expanding by 19.7%. The stock markets were helped along by the central banks. The ECB promised that there would be no changes to its accommodating monetary policy in the current year due to economic risks. As was the case with other capital goods companies, it was primarily the fear of recession that weighed on the performance of the Koenig & Bauer share. Following a high for the year of €48.04 on 18 March, the share price decreases up to €33.74. At the end of June, our share price was at €36.26, thus nearly reaching the price level from the end of 2018. Considering the earnings level that has been achieved and the potential from the growth offensive 2023, we are anything but satisfied with the price development of our share and are working intensively on a valuation that takes into account the profitability and opportunities of our company.

Group management report

Economic environment

Rising global economic concerns have slowed demand for capital goods. According to price-adjusted information from the German Mechanical and Plant Engineering Association (VDMA), 9.5% fewer machines and plants were ordered in the first five months of 2019 than in the previous year. Despite structural declines in commercial printing, the 1.8% drop in the printing press sector was moderate as a result of increases in packaging printing.

Business performance

Following €276.4m in the first quarter, positive order development in the Koenig & Bauer Group continued in the second quarter with new orders of €296.9m. In the first half of 2019 a good **order intake** of €573.3m was achieved. The prior-year figure of €705.3m benefited from a major order in security printing which is not usual in this scope. Through the accumulation of deliveries in the second half of the year, Group **revenue** of €506m was still slightly below the prior-year figure of €514.4m. Strong domestic business reduced the export ratio from 87.6% to 83.9%. While the share of business in Europe outside Germany of 33% remained at the level of the prior year (33.8%), the share contributed by North America narrowed from 15.7% to 14.3% and the Asia/Pacific region went from 27.1% to 23.4%. Latin America accounted for 13.2% of Group revenue (2018: 11%). At €678.2m, **order backlog** as of 30 June was 11% higher compared with the beginning of the year (€610.9m), although it was lower y-o-y as a result of the huge security printing order booked in the second quarter of 2018 (€805.8m).

Earnings, finances and assets

Earnings

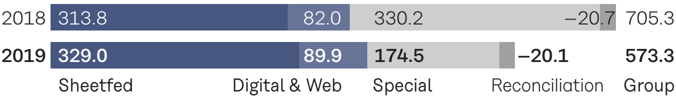
In addition to the low level of revenue in the first half of the year, **earnings** in the Group were mainly impacted by expenses for the growth offensive 2023. The **gross margin** came to 26.5%, following 29.6% in the prior year. R&D expenses of €22.5m were slightly below the prior-year figure of €23.6m. While distribution costs increased from €67.3m to €68.1m, administration expenses fell from €49.4m to €43.6m. Other income and expenses amounted to €0.7m after –€1.4m in 2018. This resulted in **EBIT** of €0.6m (2018: €10.6m). The interest result of –€2.6m (2018: –€2.1m) led to **earnings before taxes** of –€2m as compared with €8.5m in the previous year. After income taxes, Group **net earnings** came to –€2.4m as of 30 June (2018: €6.7m). This corresponds to **earnings per share** of –€0.15. The prior-year figure was €0.39.

Finances

Despite lower trade receivables and increased customer prepayments, higher inventories for revenue growth in

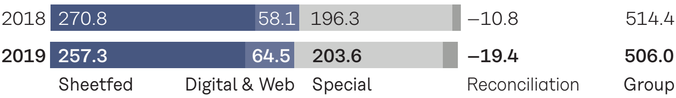
Group order intake

in €m



Group revenue

in €m



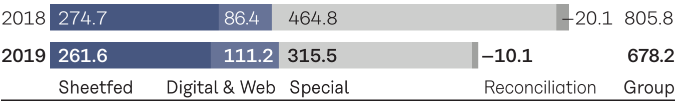
the second half of the year left traces on **cash flows from operating activities** of –€96.5m (2018: €17.4m). In addition to higher income tax payments, there was an additional burden on the operating cash flow due to the CHF20m partial payment made to the Swiss Office of the Attorney General in Q1 following completion of the self-disclosure proceedings. After taking the high level of investments into account, **free cash flow** of –€135.2m (2018: –€39.7m) was reported. We are currently investing in the expansion of the demonstration centre in Radebeul, the plant development in Würzburg, the new Kammann facility and the SAP roll-out. At the end of the first half of the year, **funds** stood at €74m (31 December 2018: €142m). Adjusted for bank loans of €158.8m, the net financial position was –€84.8m. In addition to securities of €17.4m that can be liquidated at any time, the Group also has access to syndicated credit facilities. Besides the dividend distribution, the increase in pension provisions following the cut in the discount rate for domestic retirement benefits from 1.9% to 1.1% contributed to a reduction of equity to €420.9m and the equity ratio to 33.8% (end of 2018: €453.4m and 38.5%, respectively).

Assets

For construction and IT projects, a sum of €36.3m was invested in property, plant and equipment as well as intangible assets (2018: €21.1m). The investments were countered by depreciation of €17.4m (2018: €14.1m). Intangible assets and property, plant and equipment increased from €293m to €335.1m. IFRS 16, which is applicable from 1 January 2019, contributed to this increase through the capitalisation

Group order backlog

in €m



Group net earnings

in €m

of leases. In total, the Group **balance sheet total** rose to €1,245.5m (end of 2018: €1,178.3m) as a result of the increase in non-current assets from €399.8m to €446.3m and in current assets to €799.2m (31 December 2018: €778.5m).

Segment performance

In the **Sheetfed** segment, the successful Print China trade fair in mid-April contributed to the increase in order intake of 4.8% to €329m (2018: €313.8m). Development of new business in medium-format and in services was particularly gratifying. For delivery-related reasons, revenue of €257.3m was below the prior-year figure of €270.8m. The high order backlog of €261.6m (2018: €274.7m) ensures continued full capacity utilisation. Due to lower revenue, the product mix and costs for the Print China trade fair, EBIT of –€1.2m was below the figure from the prior year (€8.1m).

At **Digital & Web**, order intake expanded from €82m in the prior year to €89.9m. Order gains in flexible packaging printing and more press sales for the newspaper and digital decor printing overcompensated the declining services business with web offset presses for newspaper and commercial printing. While revenue increased from €58.1m to €64.5m, order backlog was up significantly from €86.4m to €111.2m. EBIT, burdened by market-entry and growth-related expenses, was –€11.1m as compared to –€9.9m in the prior year.

In the **Special** segment, order intake of €174.5m was below the prior-year figure of €330.2m, which was impacted by a

Geographical breakdown of revenue

in %	2018	**2019**
Germany	12.4	16.1
Rest of Europe	33.8	33.0
North America	15.7	14.3
Asia/Pacific	27.1	23.4
Africa/Latin America	11.0	13.2

huge order. Major orders of this scope are unusual, even in security printing. In a highly-competitive environment with sometimes massive concessions from the competition, we were not able to succeed in all security printing tender awards. Nevertheless, order intake was in line with planning. Following strong metal decorating orders for large-scale machine lines for 3-piece can decorating in recent years, the dynamic demand has calmed currently as a result of delayed project completions. By contrast, we were able to achieve significant order growth in glass and hollow container decorating. Revenue was up from €196.3m to €203.6m. After €14.7m in the prior year, EBIT came to €6.4m in the first half of 2019. With €315.5m, order backlog and capacity utilisation are at a high level (2018: €464.8m).

Research and development

In addition to ongoing product innovations and developments, new customer-oriented offerings and digital services are the focus of our research and development activities. With our comprehensive, customised solutions, we aim to give our clients a competitive edge through quality and productivity improvements as well as through greater transparency. Predictive maintenance, benchmark analyses, Visual PressSupport and PressCall are examples of our new data-based services using modern technologies such as the Internet-of-Things (IoT). To simplify training processes and for the development of proactive maintenance plans, we are increasingly making use of artificial intelligence with learning algorithms in the services area. On the basis of performance

Group payroll at 30 June

data from customer systems, we offer comprehensive analyses for process optimisation and efficiency enhancements as well as anonymised benchmarks on a global basis. Through photos and videos, audio transmissions as well as commentary functions, remote maintenance issues can be perfectly described through Visual PressSupport. This means that remote maintenance has expanded into the areas of process technology and mechanical engineering. With PressCall, communication during remote maintenance can be further optimised because the hotline technician has access to all required information at the press of a button on the console. As a result of the faster and more efficient problem-solving, downtimes can be reduced and availability increased.

Of particular focus is the IoT-based service process which recognises errors on our machines and their causes before they occur and automatically analyses them. The service manager has a complete overview of the machine and, using the ServiceApp on his mobile device, can access the machine and service history at any time. On this basis, he can plan the remote maintenance and the potential service calls. The technician on site takes care of the required service tasks before there is a breakdown on the machine. In addition to calculable downtimes for service calls, the user benefits from reliable production and productivity enhancements.

Employees

As of 30 June, the Group workforce grew by 120 over the prior year to 5,725 employees (2018: 5,605). 51 employees joined the Group as a result of the first-time consolidation of Koenig & Bauer Duran.

Risk report

The major risks facing our business and the early warning system are described in detail in the annual report 2018 (from page 55). Although we have not yet noted any significant adverse effects on our international business, economic uncertainties or lower global economic growth could dampen the investment behaviour of printers, thus lowering sales of our products and services and leaving traces on our forecasts.

We currently do not see any risks that could either individually or cumulatively jeopardise the Koenig & Bauer Group's going-concern status.

Outlook and opportunities

In the Koenig & Bauer Group, with the high order backlog of €678.2m as of 30 June 2019, we have good visibility for the second half of 2019. On the basis of a good order situation with high capacity utilisation and the continued progress with our Group projects for boosting earnings by €70m as compared to 2016, we are confident, with the planned order processing in security printing and the expected orders in metal decorating, to achieve organic growth of around 4% in revenue and an EBIT margin of around 6% in 2019 in the Group. We are attaching particularly high priority to our growth offensive 2023, the cumulative costs of which we expect to reach around €50m for 2019 to 2021 with a heavier load in the first year. The resulting margin impact is already included in our earnings target 2019. By taking advantage of potential growth opportunities offered by the market in the new press business, we can widen the installed basis as a foundation for further growth in service business.

With our growth offensive 2023, we want to actively make use of market opportunities currently presented in the corrugated board, cardboard, flexible packaging, 2-piece can, coding, glass direct and decor printing as well as in the postpress area for sustainably profitable growth. The influence of the volatile security printing business will subside with the higher share of packaging in Group revenue. With web offset presses for newspaper and commercial printing, we anticipate further declines in the service business due to increased machine shut downs and printshop closings. With all of our initiatives and projects, we are targeting to increase Group revenue to around €1.5bn with an EBIT margin of between 7% and 10% until 2023. All three segments are to contribute to the growth in revenue and earnings. In addition to a dividend ratio of 15% to 35% of Group net profit, further targets include an equity ratio of over 45%, a net working capital target corridor of between 20% and 25% of revenue and a 30% share of revenue from services.

Group balance sheet

Assets		
in €m	31.12.2018	**30.06.2019**
Non-current assets		
Intangible assets, property, plant and equipment	293.0	335.1
Investments and other financial receivables	26.0	30.0
Other assets	1.3	1.1
Deferred tax assets	79.5	80.1
	399.8	**446.3**
Current assets		
Inventories	265.7	357.4
Trade receivables	156.0	114.3
Other financial receivables	13.7	16.7
Other assets	184.8	219.4
Securities	16.3	17.4
Cash and cash equivalents	142.0	74.0
	778.5	**799.2**
Balance sheet total	**1,178.3**	**1,245.5**

Equity and liabilities		
in €m	31.12.2018	**30.06.2019**
Equity		
Share capital	43.0	43.0
Share premium	87.5	87.5
Reserves	322.0	289.2
Equity attributable to owners of the Parent	**452.5**	**419.7**
Equity attributable to non-controlling interests	0.9	1.2
	453.4	**420.9**
Liabilities		
Non-current liabilities		
Pension provisions and similar obligations	152.6	163.3
Other provisions	20.9	21.0
Bank loans	1.0	0.4
Other financial payables	5.4	14.9
Other liabilities	0.9	1.3
Deferred tax liabilities	33.9	34.3
	214.7	**235.2**
Current liabilities		
Other provisions	138.0	91.1
Trade payables	82.5	65.0
Bank loans	73.4	158.4
Other financial payables	68.8	101.2
Other liabilities	147.5	173.7
	510.2	**589.4**
Balance sheet total	**1,178.3**	**1,245.5**

Group income statement

01.01. - 30.06. in €m	2018	**2019**
Revenue	514.4	506.0
Cost of sales	–362.1	–371.9
Gross profit	**152.3**	**134.1**
Research and development costs	–23.6	–22.5
Distribution costs	–67.3	–68.1
Administrative expenses	–49.4	–43.6
Other income and expenses	–1.4	0.7
Earnings before interest and taxes (EBIT)	**10.6**	**0.6**
Interest result	–2.1	–2.6
Earnings before taxes (EBT)	**8.5**	**–2.0**
Income tax expense	–1.8	–0.4
Net profit/loss	**6.7**	**–2.4**
- attributable to owners of the Parent	6.5	–2.5
- attributable to non-controlling interests	0.2	0.1
Earnings per share (in €, basic/dilutive)	**0.39**	**–0.15**

01.04. - 30.06. in €m	2018	**2019**
Revenue	297.1	275.3
Cost of sales	–211.5	–204.5
Gross profit	**85.6**	**70.8**
Research and development costs	–11.5	–11.3
Distribution costs	–36.4	–35.3
Administrative expenses	–23.2	–21.4
Other income and expenses	–2.0	0.6
Earnings before interest and taxes (EBIT)	**12.5**	**3.4**
Interest result	–1.1	–1.3
Earnings before taxes (EBT)	**11.4**	**2.1**
Income tax expense	–2.4	0.4
Net profit	**9.0**	**2.5**
- attributable to owners of the Parent	8.9	2.5
- attributable to non-controlling interests	0.1	–
Earnings per share (in €, basic/dilutive)	**0.54**	**0.15**

Statement of changes in Group equity

in €m	Share capital	Share premium
31.12.2017	**43.0**	**87.5**
Amendments in accordance with IFRS 9	–	–
Amendments in accordance with IFRS 15	–	–
01.01.2018	**43.0**	**87.5**
Net profit	–	–
Losses recognised directly in equity	–	–
Total comprehensive income	**–**	**–**
Dividend	–	–
Other changes	–	–
30.06.2018	**43.0**	**87.5**
31.12.2018	**43.0**	**87.5**
Amendments in accordance with IFRS 16	–	–
01.01.2019	**43.0**	**87.5**
Net profit/loss	–	–
Losses recognised directly in equity	–	–
Total comprehensive income	**–**	**–**
Dividend	–	–
Other changes	–	–
30.06.2019	**43.0**	**87.5**

Statement of comprehensive Group income

01.01. - 30.06.

in €m	2018	**2019**
Net profit/loss	**6.7**	**–2.4**
Items, which later will be reclassified to consolidated profit/loss		
Foreign currency translation	–0.1	0.3
Measurement of derivatives	–3.6	–0.3
Deferred taxes	0.7	0.2
	–3.0	**0.2**
Items, which later will not be reclassified to consolidated profit/loss		
Defined benefit plans	–10.6	–14.0
Deferred taxes	3.0	0.3
	–7.6	**–13.7**
Losses recognised directly in equity	**–10.6**	**–13.5**
Total comprehensive income	**–3.9**	**–15.9**
- attributable to owners of the Parent	–4.1	–16.0
- attributable to non-controlling interests	0.2	0.1

Reserves: Recognised in equity	Reserves: Other	**Equity attr. to owners of the Parent**	Equity attr. to non-controlling interests	**Total**
–64.4	**357.9**	**424.0**	**–**	**424.0**
–2.9	3.4	0.5	–	0.5
–	–4.0	–4.0	–	–4.0
–67.3	**357.3**	**420.5**	**–**	**420.5**
–	6.5	6.5	0.2	6.7
–10.6	–	–10.6	–	–10.6
–10.6	**6.5**	**–4.1**	**0.2**	**–3.9**
–	–14.9	–14.9	–	–14.9
–	0.6	0.6	0.5	1.1
–77.9	**349.5**	**402.1**	**0.7**	**402.8**
–84.6	**406.6**	**452.5**	**0.9**	**453.4**
–	–0.3	–0.3	–	–0.3
–84.6	**406.3**	**452.2**	**0.9**	**453.1**
–	–2.5	–2.5	0.1	–2.4
–13.5	–	–13.5	–	–13.5
–13.5	**–2.5**	**–16.0**	**0.1**	**–15.9**
–	–16.5	–16.5	–	–16.5
–	–	–	0.2	0.2
–98.1	**387.3**	**419.7**	**1.2**	**420.9**

Group cash flow statement

01.01. - 30.06.

in €m	2018	**2019**
Earnings before taxes (EBT)	8.5	–2.0
Non-cash transactions	16.6	17.8
Gross cash flow	**25.1**	**15.8**
Changes in inventories, receivables and other assets	–6.5	–78.9
Changes in provisions and payables	–1.2	–33.4
Cash flows from operating activities	**17.4**	**–96.5**
Cash flows from investing activities	**–57.1**	**–38.7**
Free cash flow	**–39.7**	**–135.2**
Cash flows from financing activities	**1.6**	**67.2**
Change in funds	**–38.1**	**–68.0**
Effect of changes in exchange rates and consolidated companies	3.0	–
Funds at beginning of period	142.4	142.0
Funds at end of period	**107.3**	**74.0**

Notes to the interim accounts to 30 June 2019

1 New standards

The implementation of **IFRS 16 - Leases**, which is mandatory from 1 January 2019, impacted accounting and measurement practices for 2019.

Under IFRS 16, the lessee recognises its right to use the underlying item as an asset and its payment obligation as a liability. Simplification options are available for short-term leases and leases of low-value assets.

As of 1 January 2019, the first-time application of this IFRS caused intangible assets, property, plant and equipment to increase by €23.3m and leasing liabilities by €23.6m. Reserves dropped by €0.3m.

The new standard was applied using the modified retrospective method; the figures for the previous year were not restated.

2 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.

3 Consolidated companies and consolidation principles

There were no changes in our consolidated companies and consolidation principles.

4 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, 1 August 2019
Management Board

Claus Bolza-Schünemann
President and CEO

Dr Mathias Dähn

Christoph Müller

Dr Andreas Pleßke

Ralf Sammeck

5 Segment information

5.1 Business segments

As of 2019, the domestic and foreign subsidiaries that mostly offer sales and service functions for several segments are no longer allocated to the Sheetfed segment but are now spread across the segments according to their activities. The previous year's figures have been adjusted accordingly.

01.01. - 30.06.	Revenue		EBIT		Capital investments	
in €m	2018	**2019**	2018	**2019**	2018	**2019**
Segments						
Sheetfed	270.8	257.3	8.1	–1.2	9.1	10.6
Digital & Web	58.1	64.5	–9.9	–11.1	3.8	4.5
Special	196.3	203.6	14.7	6.4	2.7	7.9
Reconciliation	–10.8	–19.4	–2.3	6.5	5.5	13.3
Group	**514.4**	**506.0**	**10.6**	**0.6**	**21.1**	**36.3**

5.2 Geographical breakdown of revenue

01.01. - 30.06. in €m	2018	**2019**
Germany	63.8	81.3
Rest of Europe	173.6	167.3
North America	81.0	72.2
Asia/Pacific	139.2	118.5
Africa/Latin America	56.8	66.7
Revenue	**514.4**	**506.0**

6 Earnings per share

01.01. - 30.06. in €	2018	**2019**
Earnings per share	0.39	–0.15

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 (16,524,783 no-par shares, previous year: 16,524,783 no-par shares).

7 Balance sheet

7.1 Intangible assets, property, plant and equipment

in €m	Purchase or manufacturing cost	Accumulated depreciation	Carrying amount
Intangible assets	130.9	46.8	84.1
Property, plant and equipment	599.8	390.9	208.9
Total at 31.12.2018	**730.7**	**437.7**	**293.0**
Intangible assets	155.6	49.8	105.8
Property, plant and equipment	648.5	419.2	229.3
Total at 30.06.2019	**804.1**	**469.0**	**335.1**

Investment in property, plant and equipment totaling €23.1m (first half-year 2018: €14.8m) primarily refers to assets under construction and additions of other facilities, factory and office equipment.

7.2 Inventories

in €m	31.12.2018	**30.06.2019**
Raw materials, consumables and supplies	109.1	120.9
Work in progress	147.9	224.2
Finished goods and products	8.7	12.3
	265.7	**357.4**

7.3 Liabilities

Current and non-current liabilities increased by €99.7m compared with the end of 2018. This was due to €84.4m in bank loans and €10.7m in pension provisions which rose as a result of reduced domestic discount rates.

Key financial dates

Interim report on 3rd quarter 2019
7 November 2019

Annual Report 2019
19 March 2020

Interim report on 1st quarter 2020
7 May 2020

Koenig & Bauer Annual General Meeting
19 May 2020
Vogel Convention Center, Würzburg

Interim report on 2nd quarter 2020
29 July 2020

Interim report on 3rd quarter 2020
11 November 2020

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