Press release

# Koenig & Bauer with improved profitability in 2022 on the basis of its preliminary figures

* Group earnings before interest and taxes (EBIT) of around €22m
* EBIT margin of roughly 2%
* Strong second half, driven by P24x and more efficient response to supply-chain and capacity challenges
* Group revenue of €1,186m at the upper end of the forecast range of €1,160 - 1,190m
* Forecast for 2023: Revenue of €1.3bn with an EBIT margin of around 3%
* Order intake of €1.3bn, significant increase in order backlog to €950m

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Würzburg, 23.02.2023
Koenig & Bauer AG, Würzburg (“Koenig & Bauer”, WKN: 719 350 / ISIN: DE0007193500) has announced that, on the basis of its preliminary and as yet unaudited figures, its preliminary Group earnings before interest and taxes (EBIT) for 2022 have exceeded its own forecast as well as market expectations.

Despite a challenging environment characterised by supply-chain constraints and an associated increase in material and energy costs, which it was not possible to pass on to customers in full, the EBIT of €22m exceeded the company’s own forecast of €15-20m. It was additionally spurred by the accelerated implementation of the P24x efficiency improvement programme. At €1,186m, Group revenue reached the upper end of the projected range of €1,160 - 1,190m. The operating EBIT margin therefore came to 2%. In the previous year, revenue had amounted to €1,115.8m, while EBIT, which had been favourably influenced by the adjustment to the P24x restructuring provisions of around €23m, reached €28.5m.

As Chief Executive Officer Dr Andreas Pleßke stated, “it became clear from the third quarter in particular that we were able to make the right strategy adjustments very quickly in response to the changed market environment. In addition, we intensified our already successful P24x efficiency enhancement programme.”

The massive rise in some raw material and energy prices also led to higher material costs in 2022, which it was only possible to pass on in part and with a delayed effect by increasing prices.

In the fourth quarter of 2022 in particular, Koenig & Bauer achieved a significant increase over the same period in the previous year, with revenue coming to €380m (previous year: €328.4m) and EBIT to €25m (previous year: €11.8m).

### Segments: Digital & Webfed with substantially improved earnings

Digital & Webfed reduced its negative earnings contribution substantially in 2022, posting EBIT of €–19m on revenue of €140m (previous year: €121.4m). By comparison, EBIT had stood at €–38.5m in 2021, reflecting the negative impact of the adjustments of roughly €6m to the P24x restructuring provisions. With its promising business in industrial digital printing, the versatile corrugated board sector and the growing market for flexible packaging, the segment thus achieved a significant improvement in earnings. Revenue in the Sheetfed segment climbed from €642.4m to €672m, with segment EBIT coming to €19m (previous year: €24.0m), meaning that it is still on a profitable growth trajectory. In the previous year, EBIT had been boosted by around €9m due to the adjustments to restructuring provisions for P24x. The Special segment generated revenue of €417m in 2022 (previous year: €390.2m), achieving EBIT of €23m (previous year: €34.9m). In the previous year, EBIT in this segment had been boosted by around €18m due to the adjustments to the P24x restructuring provisions.

Explains CFO Dr Stephen M. Kimmich: “The successes, particularly in the last two quarters of 2022, confirm our strategic approach. Accordingly, we consider ourselves to be well and efficiently positioned for 2023 and beyond and are thus taking a major step forward in achieving our medium-term goals.”

Order intake amounted to €1.3bn at the end of 2022 (previous year: €1.29bn), thus meeting expectations. The book-to-bill ratio of 0.8 in the fourth quarter was in line with the company’s own forecast. The order backlog was valued at around €950m at the end of 2022, equivalent to an increase of roughly €807m compared to the previous year.

### Forecast for 2023: EBIT margin of roughly 3% on substantially higher revenue

For the current year 2023, the Management Board of Koenig & Bauer expects revenue of around €1.3bn, accompanied by an EBIT margin of roughly 3%. Koenig & Bauer will be publishing its audited financial statements and annual report for 2022 on 29 March 2023 and also adjusting the medium-term goals defined in 2020 to allow for inflation effects. On the same day, Koenig & Bauer will be holding a conference call (in English) for analysts and investors. The conference call will be subsequently available on the website.

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#### About Koenig & Bauer

Koenig & Bauer is a globally active printing press manufacturer with headquarters in Würzburg (Germany). It supplies machines and software solutions covering the entire printing, finishing and converting process, with a particular focus on packaging. Machines from Koenig & Bauer are capable of printing on practically all substrates – the portfolio ranges from banknotes to board, corrugated, film, metal and glass packaging, and includes book, display, coding, decor, magazine, advertising and newspaper printing. With a history extending back more than 200 years, Koenig & Bauer is the oldest printing press manufacturer in the world and is today at home in virtually all printing processes. Together, the group companies count a total of around 5,400 employees. Koenig & Bauer operates manufacturing plants at ten locations in Europe, alongside a global sales and service network. In the financial year 2021, annual sales amounted to €1.116 billion.

Further information can be found at [www.koenig-bauer.com](http://www.koenig-bauer.com)