Press Release

# Koenig & Bauer with a dynamic start to the new financial year and confirms forecast for 2023

* Growth across all segments led to a surge in revenue of around 18% to €281.0m (previous year: €238.4m) in the first quarter of 2023 and thus the highest Q1 revenue in the Company’s recent history
* EBIT improved by €5.3m to €-3.2m, equivalent to a gain of approx. 62% year-on-year
* Increase in the cost of materials, in personnel and energy costs was nearly offset by price rises
* At €301.2m, the order intake in the first quarter was in line with expectations
* Outlook for 2023 reaffirmed: revenue growth to €1.3bn along with an EBIT margin of around 3%

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Würzburg, 15 May 2023  
Koenig & Bauer AG, Würzburg (“Koenig & Bauer”, WKN: 719350 / ISIN: DE0007193500), a leading global technology supplier with a particular focus on special printing applications in the packaging sector, got off to a dynamic start in the 2023 financial year and recorded noticeable revenue growth in all segments. In a persistently difficult market setting, with high rates of inflation worldwide and a temporary lasting rise in the cost of materials, profitability improved in the first quarter of 2023 year-on-year, as expected.

“The developments in the first few months of this year clearly show that we are on a sustained growth trajectory. We achieved the highest Q1 revenue in the Company's recent history. At the same time, we were able to offset the higher cost of materials through price increases, at least in part. In particular, we have systematically pushed ahead with specialisation in sophisticated and high-margin target markets of the packaging printing sector, and this is now starting to pay off”, commented Chief Executive Officer Dr. Andreas Pleßke, adding: “Our strength lies in our ability to develop continuously and to adapt to changed underlying conditions with agility, speed and flexibility. Our strategic focus on innovative solutions for packaging printing is what makes us a modern technology group. Koenig & Bauer is a company in steady metamorphosis. During our corporate history of over 200 years we have continually renewed ourselves, and aim to keep on doing so in the future.”

### Growth in all segments led to an increase in Group revenue of 17.9% to €281m while EBIT improved by 62.4% to €-3.2m.

Group revenue in the first quarter of 2023 rose by 17.9% to €281.0m. A positive performance across all segments contributed to this growth. The two segments of Sheetfed and Digital & Webfed recorded a particularly dynamic performance. Gross profit improved by 23.6% to €76.9m with a gross margin of 27.4% (previous year: 26.1%). The implementation of the individual measures of the P24x efficiency programme had a correspondingly positive effect here. Earnings before interest and taxes (EBIT) showed a marked improvement of €5.3m to €-3.2m. The EBIT margin reached -1.1% (previous year: -3.6%). Koenig & Bauer thus improved its operating profitability substantially.

In particular, the more efficient handling of the challenges resulting from disruptions to global supply chains and an overall positive volume and mix effect (approx. €5.5m) were major factors in this positive performance. Specifically, the greater efficiency can be attributed to the fact that the rise in the cost of materials, in energy and personnel costs (around €6.5m) was almost offset by the price increases announced by the Company (approx. €6.0m). The P24x efficiency programme – which fulfilled its aim for 2023 with €92m in savings as at 31 December 2022 and had almost been completed – will also contribute to slight improvements in results in 2023.

Taking into account a net interest expense of €-3.3m, earnings before taxes (EBT) came to €-6.5m. After income taxes of €+0.8m, Group earnings in the first quarter of 2023 thus came to €-5.7m. This translates into earnings per share of €-0.34 (previous year: €-0.64).

At 31 March 2023, order intake amounted to €301.2m, meeting expectations. The book-to-bill ratio in the first quarter came to 1.1 and was thus above 1 despite the revenue growth achieved by the Company. The order backlog reached €970.6m, exceeding the previous year’s figure.

### Favourable performance in all three segments – Digital & Webfed and Sheetfed with substantial growth

Revenue in the Digital & Webfed segment rose by 26.8% to €35.5m in the first quarter of 2023, driven by strong demand for the RotaJET roll digital printing system. At the same time, EBIT improved by €3.0m to €-3.1m.

“Our RotaJET has met with a good response on all end markets. Customer demand is huge in both the beverage carton and book printing sectors. New business models are created in collaboration with our customers. Our customers in beverage carton printing are gaining additional flexibility through our technological solutions and are able to operate with greater success”, explained Dr. Andreas Pleßke. The Sheetfed segment generated revenue growth of 23.5% to €157.3m and benefited from the high level of new orders at the end of the year. At €-0.7m, the loss at the EBIT level was substantially down on the previous year’s figure of €-3.6m. In the Special segment, demand in the Banknote Solutions (banknote and security printing), MetalPrint (metal packaging) and Kammann (direct decoration of hollow bodies made of glass and plastic) showed a positive trend. Revenue in this segment improved by 6.4% to €97.1m. EBIT reached €0.9m following on from an EBIT figure of €-0.7m in the same quarter of the previous year.

### Positive development in the first quarter of 2023 underpins the outlook for 2023

The challenging macroeconomic environment with high rates of inflation which raise key rates, together with a persistently high cost of materials, energy costs and rising personnel costs continued in the first three months, as expected, and will lead to a weakening of the macroeconomic momentum in the further course of the year. “The results for the first quarter underpin our outlook for the 2023 financial year. Despite the economic headwinds, we were able to grow in promising product segments thanks to our strong position. We demonstrated our capacity to respond quickly to market upheavals. Our P24x efficiency programme will continue to bear fruit. Implementation of the individual measures has nearly been completed. For 2023 we expect slightly positive effects from P24x.” Thus the optimistic assessment of Chief Financial Officer Dr. Stephen Kimmich.

Specifically, Koenig & Bauer expects Group revenue of €1.3bn and an EBIT margin of around 3% for the 2023 financial year. The Digital & Webfed segment will likely make a disproportionate contribution to EBIT and revenue growth.

In the medium term, Koenig & Bauer thus expects revenue of around €1.8bn and an EBIT margin of 8-9% for the Group. Net working capital is due to be reduced to a maximum of 25% of annual revenue. Revenue of €1.5bn and an EBIT margin of 6-7% are to be achieved already in 2025.

[Figures at a glance](https://www.koenig-bauer.com/fileadmin/user_upload/04_Unternehmen/Investor_Relations/Berichte/Berichte_2023/Figures_at_a_glance_Q1_2023.pdf)

The quarterly statement 1/2023 is available as a PDF file [here](https://www.koenig-bauer.com/fileadmin/user_upload/04_Unternehmen/Investor_Relations/Berichte/Berichte_2023/Zwischenmitteilung.1.Q.2023_EN_Web.pdf).

#### Photo:

Metamor[e] phosis: this is not only the motto and the theme of the images in this year’s annual report summary of the Koenig & Bauer Group but also the corporate maxim, because it is in the Company’s DNA to constantly develop over a history spanning more than 200 years. The pursuit of “more” means thinking outside the box. It involves crossing boundaries and being open for new things. At the same time, it shows how important adaptability has always been for our Company, and how our Exceeding Print strategy enables us to master the necessary transformation.  
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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 5,500 employees. Koenig & Bauer operates manufacturing plants at eleven locations in Europe, alongside a global sales and service network. The annual revenue in the 2022 financial year was around €1.2bn.

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