

Press Information

www.heidelberg.com

Heidelberger Druckmaschinen AG

P.O. Box 10 29 40
69019 Heidelberg
Germany

Kurfürsten-Anlage 52-60
69115 Heidelberg

Florian Pitzinger

Phone +49 (6222) 82 2553

Florian.Pitzinger@heidelberg.com
www.heidelberg.com

December 9, 2024

Future plan for the Wiesloch-Walldorf site to strengthen competitiveness as part of the growth strategy

- **Employer, Works Council and trade union agree on a future plan for the Wiesloch-Walldorf site that strengthens competitiveness and enables investment**
- **Personnel cost savings of over € 100 million over the next three years by compensating for the upcoming wage increases and socially responsible reduction of around 450 jobs**
- **Future technologies come from Wiesloch-Walldorf – minimum workforce size guaranteed until the end of 2028**
- **Growth strategy focusing on digital, automation, packaging, service and industrial business has medium-term sales potential of more than € 300 million**
- **Forecast for financial year 2024/2025 confirmed**

Heidelberger Druckmaschinen AG (HEIDELBERG), together with the Works Council and IG Metall, has adopted a plan for the future to strengthen the competitiveness of the Wiesloch-Walldorf site. This plan will reduce personnel costs by more than € 100 million over the next three financial years through various measures and thus not only increase cost efficiency, but also make investments possible. The agreement applies with immediate effect until December 31, 2028 and also includes a site guarantee for 3,500 employees as well as investments in the site.

"The future plan for the Wiesloch-Walldorf site is an important step for HEIDELBERG in laying the foundations for future growth within the Group. The agreement will enable us to reduce costs at the largest site in Germany and create space for important investments," says Jürgen Otto, CEO of Heidelberger Druckmaschinen AG. "We are convinced that we will be able to manufacture further industrial and highly complex products at the Wiesloch-Walldorf site, including for other industries."

Chairman of the Supervisory Board: Dr. Martin Sonnenschein

Management Board: Jürgen Otto, Chairman - Dr. David Schmedding - Tania von der Goltz

Registered office of the company: Heidelberg - Local Court Mannheim - Register Court - HRB 330004 - VAT ID No. DE 143455661

Commerzbank AG Heidelberg IBAN: DE32 6724 0039 0192 2640 01 BIC: COBADEFF672 - Deutsche Bank AG Heidelberg IBAN: DE22 6727 0003 0029 8000 01 BIC: DEUTDE33HAN

Press Information

As part of the plan for the future, special items of around € 30 million will be recognized in the current financial year 2024/2025. At the same time, the company confirms its forecast for the adjusted EBITDA margin, which is expected to remain at the previous year's level of 7.2%. Sales are also forecast to remain at the previous year's level (€ 2,395 million).

Future plan as part of the growth strategy

The plan for the future is an important building block in the strategic positioning of HEIDELBERG, because the company is aiming to expand its international business, particularly through **growth in markets such as China and Asia**. With an outstanding market position worldwide, particularly in China thanks to local production and the partnership with MK Masterwork, the company is ideally placed to achieve this.

Thanks to the cooperation between **HEIDELBERG and Canon**, the company will participate even more strongly in **the growing digital printing business** in future. Incoming orders already confirm this from the next financial year.

In the **packaging** sector, HEIDELBERG will benefit from the growing global demand for replacements for plastic packaging. In addition, the company sees further global earnings opportunities in the **expansion of its service, software and automation business**.

Today, over **85% of business** is already conducted **outside of Germany**. In total, HEIDELBERG sees growth potential of more than € 300 million in sales for all strategic initiatives by the 2028/2029 financial year.

At the same time, future investments are also secured, such as the modern data center at the Wiesloch-Walldorf site, the modernization of infrastructure and production facilities, training and further education, qualification and projects for software and AI.

Jürgen Otto: "HEIDELBERG has enormous expertise and potential. We are a driver of innovation beyond the printing industry."

To date, HEIDELBERG's personnel costs amount to around € 800 million per year, which corresponds to around one third of turnover. Over 50 percent of personnel costs are incurred in Germany, the majority of which are incurred at the Wiesloch-Walldorf site. In order to reduce personnel costs, the employer and employee representatives have agreed on a package of measures that will offset the future increase in salaries in the IG Metall collective agreement by offsetting it against performance-related pay. The measures also include the socially

Press Information

responsible reduction of around 450 jobs at the Wiesloch-Walldorf site. The site currently has around 4,000 employees. HEIDELBERG is relying on a demographic lever and employee retirements. On the other hand, the company is selectively finding solutions that meet the wishes of some employees who wanted to leave earlier. In addition to jobs in production, the measure also includes targeted reductions in administration and management.

Future technologies come from Wiesloch-Walldorf

At the same time, the parties have agreed on measures to secure the future of the site. For example, the agreement also includes a continued strong training quota for young employees and the understanding that future technologies should be located in Wiesloch. "HEIDELBERG has enormous expertise and potential. We are also demonstrating this with the future plan. We remain an attractive employer, also for young people, and a driver of innovation beyond the printing industry," says Jürgen Otto.

The agreement on the future plan applies to the Wiesloch-Walldorf site, but is intended to serve as a pilot for other HEIDELBERG sites in Germany. These include Brandenburg, Amstetten and Ludwigsburg, for example.

Image 1: HEIDELBERG agrees on a future plan for the Wiesloch-Walldorf site to strengthen competitiveness as part of the growth strategy.

Images and further information about the company are available on the [Investor Relations](#) and [Press Portal](#) of Heidelberger Druckmaschinen AG at www.heidelberg.com.

For further information:

Corporate Communications

Florian Pitzinger

Phone: +49 (0)151 67968774

E-Mail: Florian.Pitzinger@heidelberg.com

Thomas Fichtl

Phone: +49 6222 82- 67123

E-Mail: Thomas.Fichtl@heidelberg.com

Press Information

Investor Relations

Maximilian Beyer

Tel: +49 (0)6222 82-67120

E-Mail: Maximilian.Beyer@heidelberg.com

Important note:

This press release contains forward-looking statements based on assumptions and estimates made by the management of Heidelberger Druckmaschinen Aktiengesellschaft. Even if the company management is of the opinion that these assumptions and estimates are accurate, actual future developments and future actual results may deviate considerably from these assumptions and estimates due to a variety of factors. These factors may include, for example, changes in the overall economic situation, exchange rates and interest rates as well as changes within the graphic arts industry. Heidelberger Druckmaschinen Aktiengesellschaft provides no guarantee and assumes no liability that future developments and the actual results achieved in the future will correspond to the assumptions and estimates made in this press release.