

Press Information

www.heidelberg.com

Heidelberger Druckmaschinen AG

Postfach 10 29 40
69019 Heidelberg
Germany

Kurfürsten-Anlage 52–60
69115 Heidelberg

Thomas Fichtl

Phone +49 6222 82-67123
Fax +49 6222 82-67129

Thomas.Fichtl@heidelberg.com
www.heidelberg.com

December 13, 2018

World's most advanced printing industry research center opens – Heidelberg a pioneer of digitization in mechanical engineering

Heidelberger Druckmaschinen AG (Heidelberg) is setting new competitive standards in the global printing industry. By opening its new Innovation Center (IVC) at the Wiesloch-Walldorf headquarters in Baden-Württemberg, the company is stepping up its efforts to maintain its technology leadership and shape the digital transformation process in the printing sector.

In addition to securing numerous jobs, the new Innovation Center also substantiates a recent analysis published in October by the World Economic Forum (WEF) in Geneva, which concluded that the innovative capability of Germany is superior to any other country in the world, including the United States. Only by investing over 100 million euros in research and development every year has Heidelberg succeeded in emerging stronger from years of structural change in the industry in these times of digital transformation.

“With its Innovation Center, Heidelberger Druckmaschinen AG is demonstrating how a company can use the signs of the times to shape its future. Throughout its history, the company has always combined a traditional engineering culture with innovative technologies. This dovetailing is a vital factor in today's opening of the printing industry's most advanced research facility,” said Minister President Winfried Kretschmann, who went on to call the newly opened Innovation Center a leading light of mechanical engineering in Baden-Württemberg.

Press Information

Over 1,000 staff will immediately start working on the digital future of Heidelberg and the printing industry at the new center. Newspaper and magazine printing is in decline due to structural factors, but that is not the core business of Heidelberg. Due primarily to packaging and label printing, the industry as a whole is growing and generates annual sales exceeding 400 billion euros. Heidelberg is also increasingly unlocking new market segments outside the graphic arts industry, such as electric mobility.

“Germany’s mechanical engineering prowess is highly rated worldwide and we are still the number one in this field. The purpose of our new think tank is to ensure we continue to build on our technology leadership in the future – and that includes the digitization of the print media industry,” said Heidelberg CEO Rainer Hundsdörfer.

By investing some 50 million euros in the new Innovation Center, Heidelberg is aiming to gain a clear edge over its competitors around the globe in the future. It has also helped Germany overtake Switzerland as Europe’s most competitive national economy and become the third most competitive country in the world.

“Digitization in particular requires totally new forms of collaboration. With its Innovation Center, Heidelberger Druckmaschinen AG is responding to the challenges posed by a transformation process that is currently sweeping through every sector. Here in Baden-Württemberg, where cutting-edge technology, precision, and absolute reliability are an integral part of our history and culture, the Heidelberg IVC is a shining example of how digital transformation can succeed. By systematically networking various working levels, the center is setting new standards in communication and agility,” emphasized Kretschmann.

Innovation Center offers staff a new working environment – entire development process under one roof

The new Innovation Center also marks the beginning of a new era for staff in terms of their working environment. It uses ultra-modern, innovative practices, with teamwork, communication, work at different locations, and a combination of personal workstations and communication zones ensuring a pleasant, creative atmosphere. “The IVC is now ‘Open for Innovation’ and marks the start of a new approach to work at Heidelberg,” explains Head of Research & Development Frank Kropp. From developing an idea, securing a patent, and creating a digital twin all the way through to approving individual

Press Information

components and the product as a whole, the entire development process takes place within the same four walls.

The building concept aims to make communication/teamwork between employees as easy as possible. In addition to personal workstations, for example, there are also office environments without any fixed assignment, relaxed seating areas, and even options for working outdoors to encourage teamwork. What's more, digital reviews are possible thanks to interactive monitors. A bistro, various break areas, and kitchens for making coffee are available to employees and guests alike. There are also numerous zones where people can take themselves off to work in peace and quiet.

Globally unique development environment

The project to convert a former production hall where around 500 staff worked into an Innovation Center for over 1,000 employees is a world first. A total gross area of around 40,000 square meters at the Wiesloch-Walldorf site now includes a state-of-the-art office area totaling some 26,000 square meters and approximately 14,000 square meters for laboratories and testing. The office area comprises 13 sections, each accommodating 80 staff, and a space of around 3,700 square meters has been set aside for the 43 laboratories alone. "The new center is an innovation platform geared to communication and transparency, which makes it the key to a change in culture at Heidelberg and also a symbol of this change," concludes Stephan Plenz, member of the Heidelberg Management Board responsible for Technology.

Figure 1: "Open for Innovation" – some 200 guests watch Baden-Württemberg's Minister President Winfried Kretschmann and Heidelberg CEO Rainer Hundsdörfer officially open the world market leader's new Innovation Center at the Wiesloch-Walldorf site.

Figure 2: Minister President Winfried Kretschmann shows a great deal of interest in the numerous development initiatives during his tour of the new Heidelberg Innovation Center.

For additional details about the company and image material, please visit the Press Lounge of Heidelberger Druckmaschinen AG at www.heidelberg.com.

Press Information

Heidelberg IR now on Twitter:

Link to the IR Twitter channel: https://twitter.com/Heidelberg_IR

On Twitter under the name: @Heidelberg_IR

Further information:

Heidelberger Druckmaschinen AG

Corporate Communications

Thomas Fichtl

Phone: +49 6 222 82-67123

Fax: +49 6 222 82-67129

E-mail: Thomas.Fichtl@heidelberg.com

Investor Relations

Robin Karpp

Phone: +49 6 222 82-67120

Fax: +49 6 222 82-99 67120

E-mail: robin.karpp@heidelberg.com

Important note:

This press release contains forward-looking statements based on assumptions and estimations by the Management Board of Heidelberger Druckmaschinen Aktiengesellschaft. Even though the Management Board is of the opinion that those assumptions and estimations are realistic, the actual future development and results may deviate substantially from these forward-looking statements due to various factors, such as changes in the macro-economic situation, in the exchange rates, in the interest rates, and in the print media industry. Heidelberger Druckmaschinen Aktiengesellschaft gives no warranty and does not assume liability for any damages in case the future development and the projected results do not correspond with the forward-looking statements contained in this press release.