

## **Sale of Gallus Group to benpac holding ag not completed**

- **Purchase price payment by benpac holding ag not made today**
- **Heidelberg will assert its rights**
- **Gallus Group continues realignment under Heidelberg umbrella**
- **Heidelberg continues to press ahead with transformation program**

The sale of the Gallus Group by Heidelberger Druckmaschinen AG (Heidelberg) to the Swiss company benpac holding ag has not been completed. benpac holding ag did not make the purchase price payment of EUR 120 million agreed at today's closing, although all the necessary conditions were met. Heidelberg had to assume until the very end that the transaction would be completed successfully. Heidelberg will assert its rights.

The five sites and around 430 employees of the Gallus Group will remain with Heidelberg. Nothing will change for Gallus customers. Heidelberg will continue to handle sales and service for the Gallus portfolio and their personal contacts will remain the same. Heidelberg will now be examining various options for the corporate future of Gallus. In any case, Gallus will continue on its path to boosting operating performance: With an independent setup and specific focus on its flexographic printing market, Gallus made good operational progress last year under the Heidelberg umbrella.

Irrespective of the Gallus transaction, which has not been completed, Heidelberg is already benefiting considerably from the transformation program launched in the current 2020/21 financial year to further stabilize the company financially in the challenging COVID-19 environment and to align it in a future-proof manner in its profitable core business. Since March 2020, net debt has been reduced by more than EUR 250 million from a peak of EUR 390 million, and liquidity has been improved by around EUR 450 million. As a result of the accelerated M&A program, Heidelberg will generate proceeds in the mid-double-digit million euro range from the transactions completed in December 2020 alone.

The market remains challenging due to the currently worsening Covid 19 situation. Heidelberg is therefore systematically continuing its transformation course with the measures initiated for this purpose in order to create further financial scope. In operational terms, the third quarter of the current financial year saw a continuation of the upward trend in sales and incoming orders that has been ongoing since May 2020. Heidelberg continues to expect to achieve its targets for financial year 2020/21 (ending March 31, 2021).

Image material and further information about the company are available in the Investor Relations and Press Lounge of Heidelberger Druckmaschinen AG at

[www.heidelberg.com](http://www.heidelberg.com).

**Heidelberg IR now on Twitter:**

Link to the IR Twitter channel: [https://twitter.com/Heidelberg\\_IR](https://twitter.com/Heidelberg_IR)

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