

Press release

Stuttgart/Germany, September 24, 2020

MAHLE announces details of structural adjustment measures in Europe

- Planned closure of the German plants in Gaildorf and Freiberg
- Staffing level adjustments required at other German and European locations
- Consultations commence with employee representatives with the aim of implementing the measures in the most socially responsible way possible

As part of its strategic restructuring process, MAHLE has now defined the locations in Europe at which structural adjustments are necessary and thus where there is a particular need to take action. The group sees no prospect of the two German locations in Gaildorf (Baden-Württemberg) and Freiberg (Saxony) establishing an economically viable and sustainable position in the competitive environment, and their closure is therefore unavoidable. In addition, there will be adjustments to staffing levels at other locations in Germany and elsewhere in Europe. MAHLE has today informed the Economic Committee of its Central Works Council as well as the European Works Council and will soon enter into consultations with the relevant local employee representatives to discuss the details of the measures.

In addition to the group headquarters in Stuttgart, the planned adjustments will affect the German production locations in Mühlacker/Vaihingen, Neustadt, and Rottweil as well as St. Michael in Austria, among others. With these measures, MAHLE is expanding its cost reduction and restructuring programs, which have now become even more urgent due to the economic pressures brought about by the coronavirus crisis. In view of the industry's sustainable transformation and the weaker development of the global markets anticipated for the coming years, the measures are aimed at repositioning MAHLE structurally and technologically to secure the group's long-term competitiveness.

Contacts in MAHLE Corporate Communications:

Manuela Höhne

Director MAHLE Communications

Phone: +49 711 501-12506

E-mail: manuela.hoehne@mahle.com

Ruben Danisch

Head of Corporate and Product Communications

Phone: +49 711 501-12199

E-mail: ruben.danisch@mahle.com

About MAHLE

MAHLE is a leading international development partner and supplier to the automotive industry. The technology group is committed to playing an active role in transforming the mobility of the future by further optimizing the combustion engine, driving forward the use of alternative fuels, and laying the foundation for the worldwide introduction of e-mobility and other alternative drives, such as fuel cells. The group's product portfolio addresses all the crucial aspects of the powertrain and air conditioning technology.

In 2019, MAHLE generated sales of approximately EUR 12.0 billion and is represented in over 30 countries with more than 77,000 employees in 160 production locations and 16 major research and development centers. (Last revised: 2019-12-31)