

Press release

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MAHLE accelerates restructuring of Group

- Challenging market environment and technological transformation: expansion of MAHLE's ongoing cost-saving and restructuring programs
- Coronavirus crisis intensifies urgency to act—no return to precrisis levels expected for several years
- Further capacity and structural adjustments required: excess global capacities of 7,600 jobs
- Despite economic pressures, focus remains on technological transformation and strategic goals

MAHLE is accelerating the restructuring of the Group. Last year, MAHLE had already initiated comprehensive cost-saving and restructuring programs against the background of technological change in the automotive industry and a challenging market environment. The major slowdown in the international markets and persistently low customer demand because of the coronavirus pandemic have yet again significantly increased the urgency to take action. MAHLE does not expect the vehicle markets to return to precrisis levels for several years. At the same time, it remains essential to drive forward the technological transformation. MAHLE has therefore thoroughly evaluated its business units, regions, and locations and identified global excess capacities of 7,600 jobs. The Group will now be discussing with the relevant employee representatives which adjustment measures can be implemented.

“We’re currently facing a crisis, the like of which we’ve never experienced before,” says Dr. Jörg Stratmann, Chairman of the MAHLE Management Board and CEO. “Despite the economic challenges that this entails, we must continue to drive forward and invest in our future topics as part of the transformation so that we remain competitive with the right know-how and product range. So it’s now particularly important that we maintain our efforts to reduce costs consistently and focus even further on our strategic goals. The capacity adjustments already implemented are not sufficient.”

Of the globally identified excess capacities, Europe accounts for around 3,700 jobs, of which roughly 2,000 are in Germany.

“Such measures are extremely difficult for us. But they are part of our global responsibility for the sustainable positioning of MAHLE. We will shortly start talks with the relevant employee representatives to discuss the measures in detail and plan their socially responsible implementation,” says Anke Felder, Corporate Executive Vice President Human Resources and member of the Management Board of the MAHLE Group.

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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)