Press release

# P24x efficiency programme substantially less expensive due to the progress made in achieving personnel targets thanks to constructive cooperation with employee representatives, resulting in extraordinary income of around €20m

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Würzburg, 23.06.2021
At its meeting held today, the Management Board of Koenig & Bauer AG, Würzburg (“Koenig & Bauer”, WKN: 719 350 / ISIN: DE0007193500) decided not to implement any compulsory redundancies at the Company’s German facilities in 2021 and 2022 due to the progress made in achieving the personnel targets defined under the P24x efficiency programme. The progress made in achieving the personnel targets in tandem with a reduction of around €20m in the expense required for this was made possible only through the constructive and cooperative collaboration with the employee representatives, with whom modern and socially acceptable measures were found to reduce job numbers.

### Socially acceptable measures are an element in securing the future of Koenig & Bauer – apprentices to be offered permanent employment contracts

The painful, yet necessary staff reductions were achieved through socially acceptable measures such as natural fluctuation and by leaving vacant positions unfilled as well as through the use of phased retirement arrangements, transfers and ring exchanges, pension bridge agreements and the adoption of a volunteer programme. Depending on the order situation and macroeconomic conditions as well as the pandemic situation, further measures are to be taken by the end of 2022 without any compulsory redundancies, particularly in the form of working time adjustments and individual arrangements.

“Koenig & Bauer has thus demonstrated that it can peacefully implement major staff reduction programmes necessitated by global economic changes, adverse conditions and the ongoing transformation of customer needs. I would therefore like to express my gratitude to all those involved and affected, because it is only in a spirit of partnership that such a difficult step can be taken. It was not easy for any of us, but was absolutely necessary to secure the future of our innovative company which can look back on such a long tradition. This will also be aided by plans to offer apprentices permanent contracts,” says Dr Andreas Pleßke, Chief Executive Officer.

### Payments for the P24x efficiency programme reduced by around €20m, providing a corresponding boost for consolidated earnings and free cash flow

In the third quarter of 2020, provisions of €57.6m were set aside for the short- and medium-term one-off costs expected for the personnel measures under the P24x efficiency programme. These were recognised in the consolidated earnings for 2020. Thanks to the constructive cooperation with the employee representatives in a spirit of partnership, it was possible to reduce the previously planned one-off costs and thus also the payouts to around €37m. This has resulted in extraordinary income of around €20m that will boost consolidated earnings and free cash flow and was not included in the forecast for 2021. As Dr Stephen Kimmich, CFO of Koenig & Bauer AG stated, “Excluding this extraordinary income of €20m, we confirm our operating forecast and continue to project a slight organic increase in revenue of around 4% to €1,070m uin 2021 and expect to break even at the operating EBIT level. The progress made in achieving the personnel targets in tandem with a reduction in the costs necessary for this provides further proof that we are still on the road to recovery.”

Koenig & Bauer will be publishing its figures for the first half of 2021 on 29 July 2021.

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#### About Koenig & Bauer

Koenig & Bauer is the world’s oldest printing press manufacturer with the widest product range in the sector. For over 200 years, the company has been supporting printers by offering innovative technology, custom-fit processes and a wide range of services. The range encompasses printing solutions for banknotes and cardboard, foil, tin and glass packaging, books, displays, labelling, decors, magazines, advertising and newspaper. With sheetfed and web offset and flexo printing, waterless offset, steel engraving, simultaneous and screen printing or digital inkjet printing, Koenig & Bauer is at home and often a leader in almost all printing processes. In 2020, the 5,593 highly qualified employees worldwide generated annual revenue of €1.029bn.

Further information can be found at [www.koenig-bauer.com](http://www.koenig-bauer.com)