Media Release

Mikron reacts to the persistently low demand from the automotive industry and makes further capacity adjustments at the machine manufacturing site in Agno

Biel, April 17, 2020, 7:00 a.m. – Within the Mikron Machining division at the Agno site in Ticino, the Mikron Group is initiating discussions with employee representatives and social partners with the aim of adjusting capacity to the reduced demand from the automotive industry and to the new market conditions. Demand from the automotive industry is not expected to recover in the medium term. The Mikron Tool division and the Mikron Automation segment are not affected by this measure.

In November 2019, the Mikron Group announced plans to introduce short-time working and implement initial personnel adjustments at the machine manufacturing site in Agno. The market environment was already proving highly challenging at the end of 2019. Machine orders declined further in the wake of the corona crisis. It is currently not possible to judge when demand for machines will recover. Mikron is assuming that the automotive industry will remain very hesitant about investing over the longer term too. Demand from other market segments is likely to pick up again in the medium term.

The Mikron Group management is very regrettably obliged to react to the new market conditions and to the long-term fall-off in demand from the automotive industry and, together with employee representatives and social partners, to initiate the envisaged process of staff cutbacks at the machine manufacturing site in Agno. Management is currently working on the assumption that up to 110 jobs are affected by this measure. A solution that is as socially compatible as possible is being sought in cooperation with the social partners.

Mikron took extensive steps early on to protect employees against the coronavirus and also follows the cantonal requirements. These actions will remain in place as far as necessary and are constantly being adapted. Near-term surplus capacity owing to the coronavirus is still being offset by short-time working.

The Mikron Group continues to stand by its machine manufacturing site in Agno. Further headway is being made with the successful market launch of the new Mikron MultiX machine generation. Thanks to efforts to expand this platform, the product portfolio is to be successively renewed over the next few years.

The other Mikron Group companies in Switzerland (Mikron Tool Agno and Mikron Automation Boudry) are not affected by the capacity adjustments. However, it is also impossible to predict the impact of the coronavirus on these companies.
In parallel to capacity adjustments at the machine manufacturing site in Agno, Mikron has also made initial capacity adjustments at the machine manufacturing and automation sites in Germany and in some cases introduced short-time working. There too Mikron has been significantly impacted by changes in the automotive industry and is continuously examining all options.

Brief profile of the Mikron Group
The Mikron Group develops, produces and markets highly precise, productive and adaptable automation solutions, machining systems and cutting tools. Rooted in the Swiss culture of innovation, Mikron is a global partner to companies in the automotive, pharmaceutical, medtech, consumer goods, writing instruments and watchmaking industries. The Mikron Group enables its customers to increase quality and industrial productivity. The Group has over 100 years of experience, state-of-the-art technologies, and a global service. The two business segments Mikron Automation and Mikron Machining Solutions (with the Mikron Machining and Mikron Tool divisions) are based in Switzerland (Boudry and Agno). Additional production sites are located in the USA, in Germany, Singapore, China and Lithuania. Mikron Holding AG shares are traded on SIX Swiss Exchange (MIKN). The Mikron Group employs a total workforce of around 1,500.

Contact
Mikron Management AG, Javier Perez Freije, CFO Mikron Group
Phone +41 91 610 62 09, ir.mma@mikron.com

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