

## Media Release

# Mikron aligns capacity and structures to changed market circumstances

**Biel, May 20, 2020, 7:00 am. – Mikron is now specifying the capacity adjustments announced in its media release of April 17, 2020. Following the huge slump in demand for capital goods in the automotive industry, a trend that has been further worsened by the COVID-19 pandemic, Mikron is reducing capacity and simplifying Group structures.**

The core measures of the program adopted by the Group involve streamlining machine manufacturing by concentrating on rotary transfer machines and consolidating activities at one production site as well as intensifying Mikron Automation's focus on assembly automation systems for the pharmaceutical and medtech industries.

Following intensive discussions with employee representatives and the conclusion of the associated consultation process, agreement was reached to reduce machine manufacturing in Agno from the current 340 FTE to around 280 FTE. This adjustment will involve 47 redundancies and reducing the working hours of a further 57 employees. Once restructuring measures have been completed, Mikron's workforce at its both sites in Agno will still total approximately 420.

At the Rottweil site in Germany, machine tool assembly will be discontinued, and FTE count will be reduced from 150 to 100.

These measures will not affect Mikron Tool's two production sites in Agno and Rottweil.

Furthermore, Mikron will be disposing of its Berlin site. This site, which employs 70 people, belongs to Mikron Automation and only handles orders for the automotive industry.

By implementing these far-reaching measures, Mikron is responding to the medium-term downturn in demand for capital goods in the automotive industry. At the same time, it is safeguarding machine manufacturing at Agno and intensifying Mikron Automation's focus on the pharmaceutical and medtech industries.

The measures adopted will incur restructuring costs and valuation adjustments in the order of CHF 15 million. These one-time costs will impact the first half of 2020 and the Mikron Group's operating profit during the rest of the year, and will lead to a significant negative result for the full financial year.

**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.

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**Investor Relations Calendar**

July 23, 2020, 07.00 a.m. – Media release: Semi-annual results 2020

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