

PRESS RELEASE

DEUTZ makes ‘pact for the future’ to strengthen competitiveness

- Development of a volunteer program for up to 350 employees in Germany
- Detailed planning of the interim employment company and the social compensation plan

Cologne, August 18, 2020 – DEUTZ has reached agreement on a key issues paper, representing an important milestone in the implementation of its global ‘Transform for Growth’ efficiency program, which will see a reduction of up to 1,000 positions in the company’s global headcount. This will be achieved in a socially responsible manner.

Central aspects of the key issues paper are:

- Headcount reduction of up to 350 in a socially responsible manner by way of a volunteer program running from September 1, 2020 to March 31, 2021.
- An interim employment company to operate in conjunction with the volunteer program.
- Agreement of a social compensation plan.

The aim of the agreed measures is to further strengthen the Company’s competitiveness at a global level whilst protecting the viability of Germany as a company base. From 2022 onward, the ‘Transform for Growth’ efficiency program is scheduled to realize annual cost savings of around €100 million. Against the backdrop of the planned measures, the Company is going to set aside provisions for restructuring costs – predominantly in connection with personnel measures – of €35–40 million in the current quarter.

The engine company.



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About DEUTZ AG

DEUTZ AG, a publicly traded company headquartered in Cologne, Germany, is one of the world's leading manufacturers of innovative drive systems. Its core competencies are the development, production, distribution, and servicing of diesel, gas, and electric drive systems for professional applications. It offers a broad range of engines delivering up to 620 kW that are used in construction equipment, agricultural machinery, material handling equipment, stationary equipment, commercial vehicles, rail vehicles, and other applications. DEUTZ has around 4,900 employees worldwide and over 800 sales and service partners in more than 130 countries. It generated revenue of €1,840.8 million in 2019.

Further information is available at www.deutz.com.