

PRESS RELEASE

ElringKlinger pools forces within Shielding Technology unit

The automotive industry is undergoing profound changes as part of the process of transformation in the field of mobility. Committed to successfully meeting the challenges of change in the future, too, the Group aims to pool forces within the Shielding Technology unit as part of strategic efforts and optimize its site structure in this area. To this end, the plan is to gradually discontinue production activities at the Langenzenn site and to cover the plant's ongoing projects via other entities operating in this business unit.

Dettingen/Erms (Germany), October 28, 2021 +++ The automotive industry is currently undergoing a process of far-reaching transformation. In order to reduce CO₂ emissions in the field of mobility and to meet increasingly strict regulatory requirements, car makers are launching more and more hybrid and all-electric vehicles. This trend affects ElringKlinger in the area of near-engine shielding parts and heat shields fitted around the exhaust tract. At the same time, production figures for battery and fuel cell vehicles are expected to be higher in the coming years than estimated in the past. This process of transition has been further accelerated as a result of the coronavirus pandemic, and the overall volume of demand relating to classic drive technologies has dipped to a greater extent than originally expected. This, too, explains the more pronounced levels of competition now seen in the field of shielding technology.

Against this background, forces within the Shielding Technology unit are to be pooled and capacities consolidated. This includes optimizing the site structure of this business unit and implementing continuous improvement measures in order to avoid inefficiencies associated with changing conditions and to utilize capacities more effectively. The Group's goal is to further improve the competitiveness of its Shielding Technology unit and to be in a position in which it can offer its customers high-end solutions tailored to their needs well into the future.

In the context of these comprehensive plans, ElringKlinger intends to gradually discontinue significant parts of its operations at the Langenzenn site. This applies in particular to the various production areas and supporting units. In addition, research and development activities are to be continued in close proximity to this site. Based on current considerations, the measures planned for this site can commence in the third quarter of 2022.

The Langenzenn site currently employs about 200 people, around 20% of whom work in research and development.



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About ElringKlinger AG

As an automotive supplier, ElringKlinger has become a trusted partner to its customers – with a firm commitment to shaping the future of mobility. Whether optimized combustion engines, high-performance hybrids, or environmentally-friendly battery and fuel cell technology, ElringKlinger provides innovative solutions for all types of drive system. ElringKlinger's lightweighting concepts help to reduce the overall weight of vehicles. As a result, vehicles powered by combustion engines consume less fuel and emit less CO₂, while those equipped with alternative propulsion systems benefit from an extended range. In response to increasingly complex combustion engine technology, the Group also continues to refine and evolve its offering within the area of seals and gaskets in order to meet the highest possible standards. This is complemented by solutions centered around thermal and acoustic shielding technology. Additionally, the Group's portfolio includes products made of the high-performance plastic PTFE, which is also marketed to industries beyond the automotive sector. These efforts are supported by a dedicated workforce of around 10,000 people at 45 ElringKlinger Group locations around the globe.