

Webasto Annual Press Conference: Shaping Change Sustainably and Innovatively

- **2020: Outperformed the market, core business profitable**
- **Investments in electromobility exceed the 500 million euro mark**
- **Positive start to the 2021 financial year**

Stockdorf/Munich – May 19, 2021 – In the past financial year, Webasto, global systems partner to the mobility industry, once again demonstrated its resilience in a very weak market environment. “2020 was a difficult year for Webasto. We had to deal with setbacks in sales and earnings. But thanks to our consistent management of the coronavirus issue, a rapid recovery in the Chinese market and our broad and sustainable product range, we managed to end the crisis year better than we had expected at the beginning of the year,” explained Dr. Holger Engelmann, Chairman of the Management Board of Webasto SE. At the same time, the company continued to forge ahead with its transformation during 2020, in order to help shape the mobility of tomorrow with innovative solutions. “Overall, since we entered the electromobility market, we have invested more than half a billion euros in this new business field, and it is now paying off,” underlined Engelmann.

In 2020, Webasto Group **sales** fell by 10.4 percent to 3.3 billion euros compared to the previous year, after adjusting for currency effects. This is primarily attributable to the massive downturn in demand for roofs and fuel-operated heating systems as a result of the pandemic. The core business remained profitable, mainly thanks to consistent cost savings. The fact that the company nevertheless closed the year with a negative result was mainly due to high investments in the future, particularly in electromobility, project ramp-ups and optimization of the global footprint, as well as volume effects and currency fluctuations. The **profit margin** for 2020 was -2.1 percent (2019: +2.9 percent).

In 2020, Webasto generated sales amounting to 2.8 billion euros from **sunroofs, panorama and convertible roofs**. This was some 11 percent less than in the previous year (2019: 3.1 billion euros). At 84 percent, this business unit again accounted for the largest sales share of the Webasto Group. Turnover generated from **fuel-operated heating and cooling solutions** fell, too. With 440 million euros (previous year: 543 million euros) they were attributable for 14 percent of total sales. Sales of **electromobility solutions** remained stable compared with last year. Webasto generated 76 million euros, or two percent of group turnover, from its electric heating systems, charging solutions and batteries field of business (2019: 76 million euros).

The Chinese market recovered surprisingly quickly in 2020, which meant the share of sales here rose by four percentage points to 39 percent. In 2020, business in **Asia** contributed a 48 percent share of Webasto’s overall sales (previous year: 46 percent). As a result of the pandemic, **Europe** accounted for 34 percent of sales, two percentage points lower than in 2019, while the **Americas** region contributed 18 percent to group sales, as in the previous year.

Increase in employee numbers and investments in transformation

Webasto was able to prevent coronavirus-related job losses in 2020 by implementing a range of measures. Despite the global crisis, the number of **employees** working at the group increased slightly and now stands at more than 14,100. Webasto was largely able to fill vacant positions

internally. However, to build up expertise in electromobility and because of the strong demand in the fourth quarter 2020, the company also hired additional specialists.

Furthermore, Webasto again invested massively in its sustainable further development in 2020. The expenditures for **research and development** of 268 million euros were about 16 percent lower than in 2019. At around 8 percent, though it remained at the level of previous years in relation to sales. While expenses in the core business declined, Webasto saw an increase in its new fields of business with batteries, charging solutions and electric heating. The focus here lay on innovative technologies and applications for electric passenger cars and commercial vehicles.

Following intensive years of building up the business with electromobility solutions and making the largest acquisition in the company's history in 2019, Webasto's **investments** declined significantly last year, as expected. Overall investments amounted to 193 million euros in 2020 (2019: 405 million euros). A large proportion of the investments flowed into two new sites in the USA, capacity expansion in Asia, and several large-volume project launches in Europe.

Forecast for 2021: Increase in Sales and Positive Return on Sales Again

Webasto had made a very good start to the new year. "The first quarter of 2021 was the strongest in the last five years in terms of sales, and our Ebit is also clearly in positive range again," Engelmann is pleased to report. However, he also sees risks: "Demand remains highly volatile and securing our global supply chains during the pandemic – especially for complex project ramp-ups – continues to be a challenge. But I am optimistic that this will be a good year for Webasto."

On the road to the mobility of the future, Webasto is hastening the pace in 2021. **Innovative strength, sustainability and growth markets** play a key role here. "Webasto's entry into the battery and charging market has now been rolled-out successfully worldwide and demand is growing healthily despite these challenging times. We are also making very good progress in expanding our mechatronics expertise and are planning to hire a further 250 employees in the field of software and electronics development in 2021. This strengthens our competitive position as an innovative technology company both in our core as well as in our new business," explained Engelmann. Over the coming years, Webasto is planning to invest triple-digit million sums in electromobility annually. The company's goal is to generate sales of one billion euros in 2025 with solutions for climate-friendly mobility.

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About Webasto:

The Webasto Group is a global innovative systems partner to the mobility industry and one of the 100 largest suppliers to the automotive sector worldwide. The company's offering includes in-house developed roof, heating and cooling systems for various types of vehicles, batteries and charging solutions for hybrid and electric vehicles, and additional services related to thermal management and electromobility. Among the customers of Webasto are manufacturers of passenger cars, commercial vehicles and boats, as well as dealers and end customers. In 2020, the Group generated sales of around 3.3 billion euros and employed more than 14,000 people at over 50 locations. The headquarters of the company, which was founded in 1901, is located in Stockdorf near Munich (Germany). For more information please visit www.webasto-group.com

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