

Webasto broadens footprint in Asia

Building of additional production capacities for roofs in India and Japan as well as for battery systems in South Korea

Stockdorf/Dangjin/Hiroshima/Pune – June 24, 2022 – To meet the growing demand for roof and battery systems for cars in Asia-Pacific, Webasto has expanded its capacities in the region in recent months. "South Korea, India and Japan are dynamic growth markets with great potential for both our core business and our electromobility solutions. As a basic principle we produce in the market for the market, so given the need for our products in these countries, it quickly became clear that we would strengthen our local presence. Broadening our footprint in Asia beyond China, our largest single market to date, is a strategically important decision for the future of Webasto," explains Dr. Holger Engelmann, Chairman of the Management Board of Webasto SE.

In total, the global systems partner to the automotive industry is investing more than 130 million euros at Asian locations. In Pune, southeast of the Indian metropolis of Mumbai, Webasto built a larger local production site for roof systems as the original buildings had become too small. On the ground of its plant in Hiroshima (Japan), where roofs have been manufactured for the Japanese market since the late 1970s, Webasto is expanding with a second factory building. In addition, within a year, a state-of-the-art new plant to produce batteries for fully electric passenger cars was constructed south of Seoul in Dangjin (South Korea). In May, Webasto employees, government representatives, vehicle manufacturers and suppliers from the respective economic areas jointly celebrated the openings of the two new sites in Pune and Dangjin, as well as the annex in Hiroshima. Series production at all three plants has already started successfully.

Driving with an openable roof is a trend in India

In recent years, the sunroof has become a very popular vehicle equipment feature in India, and demand is steadily growing. International car manufacturers with Indian subsidiaries as well as local OEMs are increasingly looking for partners to produce openable roof systems within the country. Webasto has been in the Indian market for around ten years and has so far supplied smaller volumes of roofs from its former site in Pune and from a plant in South Korea to India.

After receiving several large-volume orders, the company decided to build a new, significantly larger plant ten kilometers from its previous location. The groundbreaking ceremony for the 18,000-square-meter site in Phulgaon (Pune) took place in early January 2021. In addition to a production capacity for 400,000 roofs per year, the building also houses a validation area. Here, the quality and functionality of roof systems are tested under extreme climatic conditions, among other things.

Due to the high demand, a second plant for the production of roof systems for the Indian market is already being planned near the coast in the southwest of the country. In order to be able to adapt its products even better to the future market requirements in the region, Webasto has also set up a development team in Pune in recent months. In total, Webasto is investing around 40 million euros in India by 2025.

Further growth expected in Japan

Webasto has been active in the Japanese market since the late 1970s. In 1990, the company started manufacturing roof systems for almost all well-known Japanese car manufacturers in Hiroshima. Due to the good development of business in Japan, Webasto already expanded its plant to 12,500 square meters in 2016 at a cost of more than six million euros. For several years, Hiroshima was the location where Webasto produced the highest number of roof systems in the entire Group.

Just five years later, it became clear that the first expansion of the site would not be sufficient to meet future demand, especially for large panorama roofs. Webasto therefore again invested around seven million euros in an extension building on the same site. The new two-story building has a floor area of 3,700 square meters and supplements the production capacity for roof systems at the main plant to over 1.3 million annually. In addition, the expanded site offers sufficient space and technical infrastructure to equip vehicles for the Japanese market with electromobility solutions from Webasto in the future.

High-tech battery plant in South Korea

After Webasto received an order by Hyundai-Kia to supply battery systems for several full-electric high-volume passenger car models, a highly automated battery plant was built in Dangjin within a year. The new site is 22,000 square meters in size and was modeled on the blueprint of the battery production in Schierling (Germany), which started in 2019. In Dangjin up to 110,000 battery modules can be manufactured annually. An expansion to a capacity of 160,000 units is planned by 2025. In total, Webasto is investing around 88 million euros at this location.

The opening of Dangjin is a milestone for the development of the electromobility business of Webasto. The company has been producing and selling roof systems in South Korea since the late 1980s, initially together with a joint venture partner. With the acquisition of all shares in the joint venture in 2019, Webasto Korea became part of the Group's global development and production network. Since then, Webasto has been able to provide its South Korean customers with its holistic portfolio expanded to include solutions for electromobility.

Focusing on further markets in Southeast Asia

"With the new sites and the expanded plant, Webasto is now much more broadly positioned in Asia than before. In India, Japan and South Korea, we expect double-digit growth rates and a rapid payback on our investments in the coming years," says Chairman Engelmann, adding: "Furthermore, our roof systems are also available in Southeast Asia. We are currently looking into setting up an additional production site for this region in either Thailand or Indonesia."

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About Webasto:

The Webasto Group is a global innovative systems partner to the mobility sector and is among the top 100 suppliers to the automotive industry worldwide. The company's product portfolio comprises in-house developed roof systems, heating and cooling systems for various types of vehicle, batteries and charging solutions for hybrid and electric vehicles, as well as complementary services relating to thermo management and electromobility. Webasto's customers include manufacturers of passenger cars, commercial vehicles and boats as well as dealers and end customers. In 2021, the company generated sales of 3.7 billion euros and employed some 15,700 people at more than 50 locations. The headquarters of the company founded in 1901 is located in Stockdorf near Munich, Germany. For more information, go to www.webasto-group.com

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