Webasto Well Equipped for the Future

- Exceeded sales of 3 billion euros in 2016
- Increased earnings by 23 percent
- Dual strategy is paying off

Stockdorf/Munich – May 30 2017 – “The Webasto Group can look back on 2016 as a successful year and the company is well-equipped for the future”, explained Dr. Holger Engelmann, Chairman of the Management Board, Webasto SE, at the automotive supplier’s annual press conference in Munich. Webasto generated sales of over 3 billion euros in 2016 for the first time in the company’s history. This marks an eight percent increase in sales compared to the previous year – from 2.9 billion to approximately 3.2 billion euros. After adjusting for the exchange rate, growth actually amounted to 10 percent. With an EBIT of 206 million euros (2015: 167 million euros) Webasto also saw a significant improvement in earnings – by some 23 percent. The profit margin for 2016 amounted to 6.5 percent compared with 5.7 percent for the previous year.

The largest share of sales was again generated by the sunroofs and panorama roof business unit: Sunroofs & Components accounted for 74 percent of total group sales, turning over 2.4 billion euros. The Convertibles business unit (convertible roofs) contributed around 300 million euros, or 10 percent, of total sales. The Thermo & Comfort business unit achieved sales of 500 million euros with heating, cooling and ventilation systems, amounting to 16 percent of total sales. The number of employees at the Webasto Group increased by three percent and the worldwide workforce count was more than 12,000 at the end of 2016.

“In our core business we are very well positioned worldwide”, said Engelmann as he looked at the individual regions. The Americas region, which includes the USA, Central and South America, is developing at a steady pace and has good future prospects. A significant proportion of global sales are still generated in Europe. The most dynamic individual market is China. There, the demand for sliding roofs – and large-scale panorama roofs in particular – is continuously increasing. As a result, Webasto will further expand its China production network in the coming years. Most recently, a new site in Baoding (Hebei Province) was inaugurated at the beginning of May.

With China being Webasto’s key area of investment in 2016 alongside Europe, the automotive supplier invested a total of 150 million euros worldwide in the expansion of buildings and plants. Additional 220 million euros were invested in research and development. Engelmann comments: “Our sharp focus on standardization and efficiency enables us to offer our customers a very wide product range with a high degree of customization, while simultaneously improving our productivity.”
The dual strategy is paying off
“Our dual strategy, which comprises the pillars ‘strengthening’ and ‘participating’, is paying off, emphasized Engelmann, and he went on to explain: “On one hand, we are consistently strengthening our core fields of business. On the other, we are developing new fields of business, which match our competence profile, and are offering solutions for megatrends in the mobility sector.”

Webasto is strengthening its core business areas with new technologies and products among others. For instance, the company is continuously expanding its high voltage heater (HVH) product range. Engelmann foresees great potential for the coming years, with a particular eye on the electro-mobility sector, because a heating system is not simply ‘nice to have’ in a battery-powered vehicle, it is a ‘must have’. Furthermore, the targeted partial expanding vertical integration is important for all business units and product groups. Engelmann explains: “For us, electronic know-how is strategic know-how. The acquisition of an electronic components manufacturer of at the beginning of this year was a logical strategic step for us.” In the sense of ‘participating’, Webasto is concentrating on the development and production of battery systems and charging solutions for private car and company vehicle fleets with its E-Solutions & Services business unit. “As an innovative global systems partner to the automotive industry, it is important for us to invest in the future mobility market on the basis of our own expertise. This is where the future business lies for us all”, emphasized Engelmann.

Corporate culture: another pillar for long-term success
Another pillar for Webasto’s successful development is its corporate culture. The ONE Webasto corporate program defines amongst others the cooperation across all business units and sites. “Whereby it is not sufficient to write down and present a corporate culture” Engelmann commented. The most important thing is to integrate the values into daily life. That is something you can’t order, it requires support, setting examples, enthusiasm and time as well."

As the latest worldwide employee survey shows, there is a high level of identification with the company among the workforce and the integration of the corporate culture is on a good track. “To ensure this remains the case, we are working continuously on integrating our corporate culture, and in the end therefore we improve our position when it comes to competing for workers and customers,” explained Engelmann.

Optimistic vision of the future
Webasto has had a good start to financial year 2017 in terms of sales and earnings. Furthermore, the volume of orders at the end of the first quarter amounted to 13.6 billion euros. This was 2.7 billion euros more than on the same date in 2016. The company can therefore look to the future positively, despite the volatility of the automotive industry and geopolitical uncertainties. Engelmann continues: “We are on course to achieve our self-defined sales target of 5 billion euros by 2020 and have a solid financial foundation for further strategic investments and acquisitions.”

* * *
About Webasto:
The Webasto Group is a global innovative systems partner to almost all automobile manufacturers and among the 100 largest suppliers in this industry sector. In its core business areas the company develops and produces sunroofs, panorama roofs and convertible roofs as well as thermo systems. In addition, the business unit E-Solutions & Services, which makes battery systems and charging solutions, is currently being established. In 2016 the Webasto Group generated sales of 3.2 billion euros and has more than 12,000 employees at more than 50 locations (with over 30 of these being manufacturing plants). The headquarters of the company, founded in 1901, is located in Stockdorf, close to Munich (Germany). For further information please visit www.webasto-group.com

Media contact:
Webasto Group
Petra Diederichs
Vice President Corporate Communications
Telephone: +49 89 8 57 94-670
E-mail: petra.diederichs@webasto.com

Antje Zientek
Group Manager Corporate Communications
Telephone: +49 89 8 57 94-55 832
E-mail: antje.zientek@webasto.com