PRESS RELEASE

SCHWARZMÜLLER
INTELLIGENTE FAHRZEUGE

Freinberg, 15 February 2017

Germany on its way to becoming the largest sales market

- **Total sales increased to 342 million euros**
- **Forecast for 2017: 380 million euros**
- **Record 9 million euros in investments planned**

In the past fiscal year of 2016, the Schwarzmüller Group fulfilled its growth plan for the third year in a row. At 342 million euros, turnover was slightly above plan and 10 per cent higher than in 2015 (311 million euros). The CEO of the Schwarzmüller Group, Roland Hartwig, announced today, on Wednesday 15 February at the company's headquarters in Freinberg (Austria), that the number of commercial vehicles manufactured increased by 13.7 per cent from 7,799 to 8,866. In 2017, the company will once again experience double-digit growth, reaching 380 million euros and 9,500 manufactured vehicles, without appreciably expanding its workforce, Hartwig announced.

The Austrian premium manufacturer was successful in every major market in the past year. In Austria, its market leadership was strengthened with a slight increase in market share; 2,300 vehicles were produced in 2016 for the domestic market. However, Germany is quickly catching up: 1,920 vehicles were manufactured for this market, which is a 20 per cent increase compared to 2015. The percentage increase in Poland was similar, while sales in Italy even increased 50 per cent. The market shares in the Czech Republic and Hungary were maintained. Performance in the Swiss market was somewhat weaker; however, Schwarzmüller remains the market leader with its premium products.

The long-haul sector drove growth

An increase in the long-haul sector drove growth in 2016. Schwarzmüller, as Europe's only international full-service supplier of commercial vehicles, benefits from the strong growth in long-distance platform vehicles, whereby the company scores points for its lightweight design, wide variety of fittings and high robustness. "We made good use of the high international demand in the past year," said CEO Hartwig.

At the same time, more vehicles were produced in 2016 for the construction industry, mainly tippers, but also low-loaders. Germany was the focus market in which mainly construction vehicles were delivered in 2016 – including the box-body tipper semitrailer that was developed especially for this market. "We are the specialist for custom-configured vehicles that do not appear in our price list. This ability is particularly beneficial for our customers in the construction industry," explained Hartwig.

The CEO, who has completed his first fiscal year in the Schwarzmüller Group in 2016, also pointed to the first successes in reorganising production at the three main production sites in Austria, Hungary and the Czech Republic. The expansion of the competency centres is progressing well and the first successes in reducing throughput times have been achieved. "We were able to build 1,000 more vehicles with almost the same number of employees. This was made possible by optimising the use of available resources."

Sequencing is the new production model

This was only the first step, emphasised Hartwig. The decisive phase will come in 2017. "We are switching to a very modern but very complex production method that will allow us to produce customised vehicles in considerably shorter throughput times." This requires massive changes to the manufacturing and assembly processes. The so-called sequencing of the entire process chain is rare in the industry and only used by premium manufacturers. The central issue is the quality of the employees. It is increasingly difficult to find experts; therefore, the company's in-house training has received a massive push. Hartwig aims to complete the change in production by the end of the year.

2017: forecast turnover of 380 million

A record 9 million euros is to be invested during the 2017 fiscal year. In the current 2014-2020 planning phase, the Schwarzmüller Group will invest a total of 30 million euros in the existing structures, with nearly a third of that in this current year. Hartwig will use this money to further automate the manufacturing process and implement smart production flexibility at the three production sites. Furthermore, a sales centre for spare parts will be built in Wels.

Hartwig announced that the number of manufactured vehicles will increase by 7 per cent from 8,866 to 9,500 in 2017. In line with this goal, Schwarzmüller has started the year with a record number of orders on the books. In 2017, the CEO plans to achieve a turnover of 380 million euros, which is an 11 per cent increase.

Hartwig has a cautiously positive view of the economic environment, but international political risks cannot be overlooked. For the commercial vehicle industry, Hartwig sees 2016 as a provisional economic peak. Growth, albeit to a lesser extent, is expected in 2017.

Captions

Image 1: Roland Hartwig, CEO of the Schwarzmüller Group, continues to invest in automating production and intelligent production flexibility.

Image 2: With sequencing, Schwarzmüller is introducing a state-of-the-art method of production in 2017, in order to speed-up processing time.

For more information:
Mag. Michael Prock, Prock+Prock Marktkommunikation GmbH, Press Officer.
Rochusgasse 4, 5020 Salzburg, Austria
E-mail: mp@prock-prock.at, Tel.: +43.662.821155.0

The Schwarzmüller Group is one of the largest one-stop suppliers of commercial vehicles in Europe and operates in 19 countries, mostly in Central, Southeastern and Eastern Europe. As a leader in the field of innovation and technology, the company sets the standards for the industry, and is the specialist for individual transport solutions thanks to its more than 140 years of expertise. The most important sectors to use Schwarzmüller commercial vehicles are long-distance transport, the construction and oil industries, as well as the food and timber industries. Schwarzmüller manufactures more than 8,800 commercial vehicles a year, currently employs 2,240 staff, and generated revenue of 342 million euros in 2016. As well as its production facilities in Austria (Hanzing), the Czech Republic (Žebrák) and Hungary (Budapest), the company also supports a network of almost 350 service centres across Europe.