

PRESS RELEASE

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Stable through 2020

Witzenmann weathered the challenging year of 2020 and the first quarter of 2021 well overall and continues to pursue the strategic realignment. Vaccinations for employees are to be offered starting in June of 2021.

Transformation gains momentum

Digitalisation, climate change and the energy and mobility transformation are the major challenges of the future. Sustainability is becoming more and more important for entrepreneurial activities in this context. Political tensions and the resulting trade sanctions are also changing the basic conditions for companies that operate internationally.

The Witzenmann Group is facing these challenges and realigning itself for the future with the new company strategy and the Witzenmann 2025 plan. Many strategic measures are already being implemented. They helped Witzenmann weather the difficult year of 2020 well.

Important spheres of activity

As an expert for safely transporting energy and media for mobility and industry, the group is refining its market image in all business segments:

The Witzenmann Group will revitalise the European business in the **industry markets**. Major growth markets for industrial products are being served with the establishment and expansion of production in China and India.

In the **mobility markets** (passenger and commercial vehicles), Witzenmann is continuing the components for the classic combustion engine with stable quantities. The group expects this technology to be discontinued for passenger vehicles starting in 2025; by 2035 in Europe, by 2040 in Asia and by 2045 in the USA.

Witzenmann is successful in the **new mobility** field with products for the future. These include battery gas venting and cooling lines as well as undercarriage accumulators. They are already in series or pre-series production. Development projects are ongoing in the area of cooling for electric motors and the hydrogen field.

The **Aerospace** business division is pursuing the development of complex new components for more environment-friendly aircraft. However, the market recovery in this sector is expected to take until 2025.

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Aside from operating successfully in the market, implementing the **digital strategy** is essential for the future success of Witzenmann. The digital strategy encompasses the digital customer experience, the digitalisation and automation of internal processes and work flows, and of course also a major cultural component, including the development of digital expertise for all employees.

Economic development

The group's sales fell considerably by 13.1 per cent to €559 million in 2020 compared to 2019. The Witzenmann Group companies in North and South America (-23.5 per cent) and Germany (-15.2 per cent) were affected the most. Asia had the lowest decrease (-1.8 per cent).

The number of employees decreased in parallel with the decline in sales. The number of persons employed by Witzenmann GmbH fell by 73 to 1552 employees, in the group by 245 to 4,362. In Germany, the decrease resulted from the end of fixed-term contracts and normal turnover.

Current situation

The Witzenmann Group has made a good start to the new year. All markets except Aerospace are stable and have largely recovered from the effects of the pandemic. Current pandemic developments in India and the comparatively weak dynamics of the economy in Europe are worrisome.

Protecting the health of employees is a major concern during the pandemic. Thanks to extensive hygiene measures and a purposeful testing strategy, Witzenmann has been able to identify coronavirus infections early on and avoid negative effects on the employees and production to date. Witzenmann plans to offer vaccinations for its employees beginning in June.

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The Witzenmann Group

We are the experts in the safe transmission of media and energy for mobility and industry.

4,300 employees in 23 companies in 18 countries develop and produce custom-tailored solutions for our customers from all branches of industry. Service and consulting based on our competencies and technologies complement our extensive product range.