

## **Weidmüller generates similar revenue in 2016 as in previous year – excellent start to 2017 substantiates strategy and growth targets**

- **Weidmüller generated revenue of EUR 680.4 million in 2016**
- **Currency effects, a lack of stimuli in growth markets and postponed project business all had an effect on the company's revenue performance in 2016**
- **An excellent first quarter 2017 substantiates the strategy and growth targets**
- **Growth achieved due to focus on digitalisation, automation and core competences**

**Detmold/Hannover, 25 April 2017.** After a slower financial year 2016, the electrical engineering company Weidmüller started with record earnings in the first quarter of the year. The Detmold-based company released this information at its annual press conference at the Hannover Messe. "After a slow start, we generated EUR 680.4 million in revenue in 2016, remaining at a similar level to the previous year after adjustments for foreign currencies", explains Spokesman of the Board and Chief Financial Officer Jörg Timmermann. "We experienced a considerable upturn in business in the last few months of 2016, which further intensified in the first quarter 2017." After the project business in Asia in particular brought about declining sales at the start of 2016, the correct measures were implemented at Weidmüller. This is reflected in the excellent business performance since the fourth quarter 2016.

### **International markets successful despite slight decline**

The key success factor for the Detmold-based company continues to be its global presence, despite the decline in Asia. China, in particular, has been one of the most important growth markets for Weidmüller in recent years. "In this region, we strongly felt the effects of the 'China slowdown' and the postponement of major projects in photovoltaics, wind energy and traffic engineering in 2016", illustrates Chief Marketing and Sales Officer José Carlos Álvarez Tobar. The other regions delivered relatively stable performances in

2016. “In order to invigorate the business, we reorganised our sales regions in the middle of 2016, which quickly led to positive results. In parallel to this, we increased our efforts in South America and South-East Asia, and adapted our business in China to the changing underlying conditions”, says Álvarez Tobar. The share of revenue generated abroad in 2016 amounted to 78.4%, thus remaining on par with the previous year.

### **Focus on digitalisation, automation and the core business**

In 2017, Weidmüller is placing greater focus on Industry 4.0, digitalisation and automation, and will press ahead with its Corporate Strategy 2020 with even greater determination. “Data is the gold of the 21st century – its importance and the demand for components and solutions that record, evaluate and establish connections in this data will grow unabated in the next few years”, explains Timmermann. In this area, Weidmüller is developing numerous communication-capable components. In addition, a new business area was set up at the start of the year that specialises in the recording of machine and systems data, the evaluation of such data using intelligent processes and thus the reliable detection of anomalies and inefficiencies. “As a result, we are able to offer our customers new opportunities – manufacturers of machines and systems benefit from additional selling points and our range of new service-based business models, while machine and systems operators benefit from increased efficiency and system availability”, states Álvarez Tobar. At the same time, the company is investing in measures to boost its core business and is expanding its product portfolio for panel building and device connectivity. “We want to offer our customers a complete range of services, and are intensifying our efforts to grow our market share in this area,” explains Elke Eckstein, Chief Operating Officer at Weidmüller and responsible for the panels components business.

### **Investment in research, the global production network and CTC ensure future viability**

In 2016, Weidmüller invested nearly EUR 44 million in research and development worldwide, EUR 12.8 million of which was invested in technical equipment as well as machines and systems. In December, the Detmold-

based company began the construction of a new Customer & Technology Centre (CTC) at its headquarters in East Westphalia, measuring 12,000 square metres and intended to house 400 members of staff. Weidmüller celebrated the ground-breaking ceremony in February, with construction due to be completed by the end of the third quarter 2018. The building will promote the networking of the global locations and employees, and consolidate technological skills in one location. “We are strengthening the location’s capacity as a technology centre in the long term and are continuing to develop Detmold as a centre of excellence for metal and surface finishing”, explains Eckstein. “We are simultaneously investing in our global presence, with production expansions in Romania, the Czech Republic and China being good examples of customer-oriented, local value creation.”

### **Workforce continues to remain stable on a global level**

The number of employees around the world remained unchanged from the previous year. The company headquartered in Detmold employs just under 4,500 men and women around the world, with almost half of them working in Germany. “We have been continuously adding to the number of permanent staff within our company since 2009, and also strengthened growth regions in 2016 by recruiting new permanent employees who will keep us on track for future growth”, explains Timmermann. This includes the addition of just under 30 employees at a location in Dresden as result of the takeover of Bosch Rexroth Monitoring System in November 2016. In addition, Weidmüller employs over 134 trainees at locations around the world, who are being given an introduction to working life in one commercial and seven industrial professions.

### **Excellent start to 2017 substantiates the strategy and growth targets**

The Detmold-based company is optimistic that it will achieve the targets it has set itself as well as growth in the moderate single-figure range in 2017. “The German Electrical and Electronic Manufacturers’ Association anticipates that Germany will achieve a growth rate of 1.5% in 2017,” explains Timmermann. “We are very confident for 2017 and are making plans based on an anticipated revenue growth of around 5%, as corroborated by the excellent first quarter,”

states Timmermann, who also points to the numerous innovations and developments in digitisation, automation and the core business: “We have opted for the right strategy and will implement this in 2017 in an even more focused and consistent manner.”



Capture: The Executive Board of the Weidmüller Group (f.l.t.r.): Elke Eckstein (Chief Operating Officer), Jörg Timmermann (Spokesman of the Executive Board and Chief Financial Officer) and José Carlos Álvarez Tobar (Chief Marketing and Sales Officer)

## **Weidmüller – Your Partner in Industrial Connectivity**

As experienced experts, we support our customers and partners around the world with products, solutions and services in the industrial environment of power, signal and data. We are at home in their industries and markets and know the technological challenges of tomorrow. We are therefore continuously developing innovative, sustainable and useful solutions for their individual needs. Together we set standards in Industrial Connectivity.

The Weidmüller Group owns manufacturing plants, sales companies and representatives in more than 80 countries.

In its fiscal year 2016 Weidmüller reached sales of EUR 680 million with 4,500 employees.

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