



Press Release

ebm-papst Fortifies Leading Position

Technology leader for fans and motors grows by 13.2% to €1.9 billion and creates over 1,800 new jobs; finds think tanks in Osnabrück and Dortmund

Mulfingen, Stuttgart

ebm-papst Group, the technology leader for fans and motors, is remaining on course for global growth. At the close of the fiscal year on March 31, 2017, the family-owned company based in Mulfingen, Baden-Württemberg posted revenues amounting to **€1.901 billion**. Compared to the previous year (**€1.680 billion**), ebm-papst's growth of **13.2%** was considerably higher than the industry average, fortifying its leading market position.

The company's growth is also reflected in personnel development and expansion. On March 31, 2017, the world market leader had **14,398** employees (previous year **12,545** /+1,853).

As Stefan Brandl, Chairman of the Board of Directors of ebm-papst Group, explains: "During the last fiscal year, we managed to strengthen our leading position, create plenty of new jobs and post the highest revenues in the history of ebm-papst. With record investments in Germany and abroad, we are generating the capacity that will allow the Group to remain on its course of healthy growth."

In the current fiscal year (April 1, 2017 to March 31, 2018), ebm-papst invests **€164.2 million** worldwide; in Germany alone, in a new development center at the Mulfingen site, in the expansion of the automotive production facilities in Herbolzheim and new facilities at the transmission plant in Lauf.

By implementing the group-wide 'one ebm-papst' strategy, the technology leader has paved the way for maintaining its leading position in the market for fans and motors in the long term. "We are successful now, and we have implemented the 'one ebm-papst' strategy to keep our corporation fit for the future. We want to become faster and more agile, and develop into a more flexible organization," said Brandl. "Growing together as a group is key, but we still want to retain the level of decentralization supporting our success."

For the current fiscal year, the ebm-papst Group plans a moderate growth in revenue of **3.1% to €1.960 billion**. The technology leader will allocate around **€112 million (+6.5%)** to research and development in order to expand its aerodynamics/acoustics, digitalization and drive technology competence. In the course of this, ebm-papst is also pushing the establishment and expansion of startups, e.g. in Osnabrück and Dortmund.

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Overview of Figures (FY April 1 - March 31)

worldwide	FY 15/16	FY 16/17	FY 17/18	Difference FY 15/16 – 16/17	Difference FY 16/17 – 17/18
Consolidated group turnover in million €	1,680	1,901	1,960	+ 13.2%	+ 3.1%
Export share	75 %	77 %	76 %	+ 2 Pp.	- 1 Pp.
Employees	12,545	14,398	14,365	+ 14.8%	- 0.2%
Expenditure on R&D in million €	103.6	105.5	112.4	+ 1.8%	+ 6.5%
Investments in million €	137.0	166.0	164.2	+ 21.2%	- 1.1%
Production sites	25	26	27		
Sales offices	49	49	49		
of which subsidiaries	43	43	43		

Background information on FY 16/17 and current FY 17/18

Regions and business divisions: ebm-papst shows stable growth in all markets

In all four regions, and despite exchange rate effects – e.g. in China and England – the ebm-papst Group achieved positive growth and significantly expanded its market share.

The German operations of ebm-papst experienced positive growth of **7.3%** to **€440 million** (€410 million the previous year) and those of Europe (excluding Germany) also grew by **13.6%** to **€859 million** (€756 million the previous year). In the US market, the industry leader grew by **16.7%** to **€249 million** (€213 million the previous year). ebm-papst achieved its highest growth in the Asian region, increasing its revenues by **17.6%** to **€354 million** (€301million the previous year).

The industrial air technology segment, operated from Mulfingen, grew by **16.0%** to **€1,277 million** (€1,101 million the previous year). The household appliance/heating technology segment at the Landshut site experienced growth of **4.3%** to **€372 million** (€357 million the previous year). The automotive/drive engineering division located in St. Georgen grew by **13.2%** to **€252 million** (€223 million the previous year).

R&D – Technology leader invests in think tanks

ebm-papst expanded its position as a technology leader, in the fiscal year 2016/17. The Group's research and development activities focused on digitalization, aerodynamics, aeroacoustics, energy-efficient product design, and the expansion of its electronics and systems capabilities.

Investment in R&D grew by **1.8%** to **€105.5 million** (€103.6 million the previous year).

By establishing and expanding think tanks, ebm-papst plans to significantly increase its research activity, for instance in the field of digitalization.

After opening a startup for intelligent solutions in heating technology in Osnabrück in April 2017, ebm-papst is about to launch another think tank for ventilation technology in Dortmund soon.



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“With the establishment of our think tanks, we want to create distance to our development centers so we can apply a spirit of inventiveness and creativity to new business models outside the universe of fans,” said the ebm-papst chairman.

Investment: ebm-papst pours money into future growth

After the strong growth of the past few years, expanding capacities became a vital necessity. As a result, ebm-papst created an investment plan for a record total amount of **€166.0 million** last year.

The new distribution center in Mulfingen-Hollenbach, which opened in May 2017, was the company’s largest single investment: over **€40 million**. The complex was completed in only 15 months, allowing the high-tech company a modern and efficient logistics facility. Another investment was the **€15 million** factory expansion at ebm-papst St. Georgen.

For the current fiscal year, ebm-papst expects to invest **€164.2 million**. At the company headquarters in Mulfingen, planning for a new building to house R&D and administrative departments has already begun. The budget amounts to around **€32 million**. At the Lauf site (transmission development and production), **€13 million** will be spent on a modern, new building. In Romania, ebm-papst is currently building production facilities for its automotive segment and in China, the world market leader is looking for a new site for fan production.

Acquisitions to boost system capability

ebm-papst also acquired new companies during the last fiscal year. On January 1, 2017, ebm-papst acquired the Italian company Lae S.r.l., a specialist for guard grills for fans with revenues of €10 million and 100 employees.

The acquisition enabled the world market leader for fans and motors to increase the vertical range of manufacture for safety-relevant components used in ventilation, refrigeration and air-conditioning applications.

Employees: Over 1,800 new jobs created

A significant increase in employees also demonstrates ebm-papst’s positive business trend. At the end of the fiscal year, the fan specialist had **14,398** employees worldwide: an increase of **1,849** over the previous year. In Germany, the number of employees rose from 6,260 to **6,519 (+259)**. The number of employees abroad rose from 6,285 to **7,879 (+1.594)**. In 2016/17, ebm-papst employed a total of **1,569** temporary workers (603 the previous year), of whom **1,197** were abroad and **372** in Germany (322 and 281 respectively the previous year).



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Training opportunities intensified once more:

ebm-papst recruits the majority of its technicians and specialists through company training and continuing education programs. At the end of the fiscal year on March 31, 2017, **331** (+5.4%; 314 the previous year) trainees and students enrolled with the dual university were employed at ebm-papst. Breaking the number down to the individual sites, 191 people were in Mulfingen (185 the previous year), 53 in Landshut (52 the previous year), 37 in St. Georgen (36 the previous year), 26 in Herbolzheim (21 the previous year), and 24 at Zeitlauf (19 the previous year).

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Background information about ebm-papst locations in Germany

ebm-papst **Mulfingen**, the company headquarters, generated revenues of **€950 million** (€ 875 million the previous year/+7.7%). The number of employees rose to **3,489** (3,338 the previous year/+4.5%).

The revenue trend of ebm-papst **St. Georgen**, specialist for drive engineering and automotive technology, was also positive. The subsidiary located in the Black Forest with sites in Herbolzheim (automotive) and Lauf (transmission) generated revenues of **€397 million** (€366 million the previous year/+8.5%). And at the end of the fiscal year, it had **1,818** employees (1,741 the previous year/+4.4%).

ebm-papst **Landshut** recorded revenues of **€304 million** (€298 million the previous year/+2.0%).

The Bavarian subsidiary, which focuses on the household appliance and heating segments, increased its workforce to **1,212** employees (1,181 the previous year/+2.6%).

About ebm-papst

The ebm-papst Group is the world's leading manufacturer of fans and motors. Since it was founded, the technology company has continuously set global industry standards. Its developments range from electronically controlled EC fans and aerodynamic improvements for fan blades to the use of resource-conserving materials, including renewable materials.

In fiscal year 2016/17, the company achieved sales of almost €1.9 billion. ebm-papst employs over 14,000 people at 26 production sites (in Germany, China, the US and elsewhere) and in 49 sales offices worldwide. Fans and motors from the world market leader are used in many industries, including ventilation, air conditioning and refrigeration, household appliances, heating, automotive and drive engineering.