

Solid business development at Brose



Coburg (16. December 2016) The Brose Group further strengthened its market position in 2016. The company expects 6.1 billion euros in turnover, slightly above last year's level. It has been a year of transition for the automotive supplier, which has paved the way for growth in the coming years. Jürgen Otto, CEO of the Brose Group, reported this during the shareholder and advisory board meeting in Coburg.

"We are closing a good fiscal year. Despite some negative extraordinary items, we will reach the target return critical for self-financing," explained Otto. The door systems business division in Bamberg has maintained its strong position in the group and generated another 3.1 billion euros (+1.7 percent) in turnover. At 2.0 billion euros (+1.1 percent), the seat systems business division managed in Coburg recorded a small increase in turnover. The drives business division in Würzburg, which reported a slight decline due to changes in the portfolio and consolidation measures, contributed around 1.0 billion euros (-3.4 percent) to group turnover.

500 new employees were hired worldwide, also in anticipation of further growth. The increases the total workforce to nearly 25,000. The automotive supplier is one of the top 10 employers among family-owned companies in Germany according to a survey by the review platform kununu. Employees especially appreciate the sense of solidarity among staff at Brose. For the first time the company was also recognized as a top employer in China.

The corporate group invested over 380 million euros in 2016 on projects including the new administration buildings in Bamberg and Shanghai/China, a fourth plant in Querétaro/Mexico, a location in Prievidza/Slovakia and the expansion of the production facility in Coventry/England to prepare for future growth.

Brose has grown for the seventh consecutive year – an increase of nearly 140 percent – since the economic crisis in 2009. "We can thank three factors for this: the global success of German carmakers, China becoming the largest automotive market and the growing demand again in North America. In addition, our company has benefited from the global trends for greater comfort and safety as well as the increasing electrification of vehicles," said the CEO of the Brose Group. More than 200 patent applications per year contribute to the automotive supplier's innovative power.

New business prospects

The global rise in e-mobility, autonomous driving, connectivity and car sharing will dramatically change the automotive industry in the next few years. Brose sees further business potential in these trends and will invest around 100 million euros in future projects over the next three years. These include the development of power side door drives, new use concepts for interiors in autonomous vehicles or power auxiliary systems such as air conditioning compressors. The family-owned company is creating over 200 additional jobs for this purpose – also in Germany.

In the next few years, Brose plans to grow on average five percent faster per year than the automotive market. The family-owned company will invest around one billion euros from 2017 to 2019 in technical equipment and systems and in the expansion of additional locations.

One specific objective is to strengthen business through acquisitions in coming years. "We will expand our expertise and market position through targeted acquisitions. Business volume is expected to approach ten billion euros by 2025," said Jürgen Otto.