

Press Releases

PREH WITH ESPECIALLY STRONG GROWTH IN 2014 - CONTINUED ROBUST INCREASE IN THE CURRENT FINANCIAL YEAR

The location Bad Neustadt is being extended: New buildings project of over Eur 11 million has been launched

Bad Neustadt a.d. Saale. Preh GmbH grew especially strongly in the past financial year. Sales of the automotive supplier grew by 17.5 % to EUR 611 million in 2014 (2013: EUR 520 million). With this result Preh is clearly above the industry average of 6.6 % (study by Berylls Strategy Advisors, April 2015). Earnings power also improved markedly: Preh achieved an operative result before interest and taxes (EBIT) of EUR 54.5 million in 2014 which is equal to an increase of 31 % over the prior year.

The fact that the specialist for automotive electronics and automation solutions invested strongly in the further development of business fields and locations paid off again here. In addition, Preh's high equity quota (more than 40 %) with correspondingly low interest costs had a positive impact. Due to its very strong business development, the company created many new jobs in all locations. At the end of 2014, Preh employed roughly 4,200 employees in all locations. Including the takeover of IMA Automation in Amberg, this corresponds to an increase of roughly 22 % (2013: 3,430 employees). The Preh head office in Bad Neustadt profited markedly from the dynamic growth of the company: 100 new jobs were created here in the last financial year. The number of employees in Bad Neustadt thereby increased by 7 % and reached 1,534 at the end of 2014 (end 2013: 1,434). The start into the year 2015 also proceeded successfully: During the first quarter of 2015 Preh sales grew by 22 % over the prior year period. For the year as a whole, Preh management plans to continue this growth course with a further increase of profit earning capacity.

Dr. Michael Roesnick, president and CEO of Preh, says: "During the years 2010 to 2014, we achieved average annual sales growth of 15 %. At the same time, the number of our employees worldwide increased by more than 70 %. We currently employ some 4,570 staff. This confirms once again that our growth story has fully been realized with our Chinese partner Joyson. The partnership under the roof of the Joyson Group has evolved into a classical win-win situation for both sides."

Massive investments in the location Bad Neustadt - Ground-breaking ceremony already in the 2nd quarter of 2015

To continue the growth course in the future, Preh already began a new building investment program last year which is now taking very concrete form. Until summer 2016, Preh GmbH will invest EUR 11 million in its primary location in Bad Neustadt in the extension of its development and logistics capacities. The core is the new research and development center which is being created on a base surface of 2,300m² and will have a gross floor area of around 7,600m². A new logistics entrance with a dispatch and customs office was already

taken into operation on the Preh works site in February of this year. In addition, 170 new parking spaces are currently being built for employees. The preparatory measures for the extension of the Preh plant will be completed by the end of May 2015. The first ground-breaking is due in the second quarter of 2015. The work on the deep foundation (app. 15 m) will be the first step. Completion of the project by autumn 2016 is planned.

On the current situation, the president and CEO of Preh GmbH, Dr. Michael Roesnick, said: "Our investment program is as planned. We are hereby creating the necessary preconditions to support the dynamic growth of the Preh Group. At the same time, we are reinforcing the position of Bad Neustadt as the decisive innovation site for the division Automotive Electronics in the Joyson Group by our new Research and Development Centre.