

Viessmann increases turnover by almost 10 percent and strengthens market position

In spite of an ongoing difficult business environment, the Viessmann Group has continued to grow in 2013. The international heating manufacturer increased turnover by almost 10 percent to 2.1 billion Euros. The increase in foreign markets reached a positive 10 percent and was rather stronger than in Germany, where turnover increased by nine percent. In 2013, 55 percent of turnover was generated abroad (54 percent in 2012).

Investment: Sustainability, new jobs and research

The number of employees increased by around seven percent to 11,400 at the end of last year. Research and development costs amounted to four percent of the turnover. The investment in fixed assets came to more than 100 million Euros.

Core investment areas were

- the establishment of a production site for wall-mounted gas boilers in Manisa, Turkey
- the building of a biogas plant at the company's headquarters in Allendorf, Germany, and
- the extension of the headquarters' distribution infrastructure with carbon-neutral sales offices.

30 percent increase in turnover for combined heat and power generation

Sales of combined heat and power generation systems developed very successfully in 2013 with turnover growing by 30 percent. Viessmann offers these systems with an electrical output of between 1 kW and 530 kW.

The share of renewable energy systems in the company's overall turnover was 25 percent (28 percent in 2012). The decrease reflects persistently challenging market conditions which have affected biogas plants, solar heating and photovoltaic systems in particular. However, renewable energy sales achieved considerable growth with biomass boilers and heat pumps, where there was an increase of more than 10 percent in each case.

Markets develop unevenly:

China, USA, Austria and Switzerland show strong growth

Markets have developed unevenly worldwide. Business has been especially positive in Germany as well as in China, the USA, Austria and Switzerland. Furthermore, Viessmann was able to increase turnover in the high-volume markets of France – the second largest market for Viessmann after Germany – and Italy. On the other hand, market development in east and south-east Europe was less dynamic than in the previous year.

Market volume in Germany increases by 2.5 percent

The German heating market has grown by 2.5 percent to an overall volume of 13 billion Euros. This indicates weaker growth than in the previous year (3.5 percent in 2012). However, the German heating market consists of 20 million heat generators, 75 percent of which are

in need of modernisation. This enormous potential must be exploited if the sustainable energy era desired by politicians is to succeed. This requires an appropriate political framework.

Setup of a comprehensive programme for cooling technology

Viessmann Kältetechnik GmbH, an important manufacturer of cold rooms, was brought into the group of companies in 2012, signalling the Group's entry into the cooling technology market. Last year through the acquisition of the Finnish Norpe Group, the leading Scandinavian manufacturer of innovative commercial cooling systems, Viessmann extended its product portfolio to include refrigeration cabinets and power packs for the food retail industry. This represents another important step towards becoming a full-service provider for cooling technology.

As with heating technology, Viessmann is aiming to continually increase energy efficiency. Customers will be the first to benefit from the merging of different areas of expertise. In future, a single source will provide heating, cooling and air conditioning systems, individually adapted energy management as well as extensive support and consulting services.

Further milestone in the sustainability strategy

By building a second biogas plant at its company headquarters, Viessmann has set a further milestone within its sustainability strategy. Seven million Euros was invested in a wet fermentation plant that went into operation in September. The biogas produced there is processed by means of a gas processing plant belonging to the Group company, Carbotech. It is turned into natural gas and is fed into the public gas grid. This process helps to balance out the

fluctuations of wind and solar power supply, because it is not dependent on time or place of production, or on consumption.

"Power to gas"

This year, the plant will be extended to include an electrolyser, which will be used to produce hydrogen from surplus wind and solar power. This hydrogen will be fed into the fermenter, which uses a microbiological procedure to make synthetic methane from the CO₂ already available and the added hydrogen. This will then also be fed into the natural gas grid.

German sustainability prize for highest resource efficiency

Viessmann's commitment to sustainability was acknowledged for the third time in November 2013 with the German Sustainability Award, this time for the highest resource efficiency. In 2011, Viessmann received the German Sustainability Award for the most sustainable brand and in 2009 for the most sustainable production.

This award was achieved by further measures to increase energy efficiency and to use renewable energy at the company headquarters in Allendorf, Germany. The use of fossil fuels was reduced by two thirds in 2012 and CO₂ emissions lowered by 80 percent. This means that Viessmann is already meeting the energy and climate policy targets set by the Federal Government for 2050.

Optimistic forecast for 2014

In spite of the continuing financial crisis in the Eurozone and the generally modest forecasts for the global growth engines of China,

Brazil, India, and Russia, Viessmann is expecting good turnover growth for 2014. This optimistic forecast is based on the certain knowledge that with its comprehensive programme for all fuel sources and all applications, Viessmann is in a good position to supply the right answers to all future demands.