

Liebherr: The Liebherr Group increases turnover to over eleven billion Euros

Bulle (Switzerland), April 6, 2020 – In 2019, the Liebherr Group completed another very successful business year with turnover of € 11,750 million. This represents an increase of € 1,199 million or 11.4 % compared with the previous year.

Despite the slowdown in global economic growth, 2019 was once again a record year for the Liebherr Group. Both the construction machinery and mining equipment divisions recorded overall increases in sales revenues, as did the other product areas overall. Revenues from construction machinery and mining equipment rose by 11.8 % to € 7,640 million, with contributions from the Earthmoving, Mobile Cranes, Tower Cranes, as well as Concrete Technology and Mining divisions. In the other product areas, which include Maritime Cranes, Aerospace and Transportation Systems, Gear Technology and Automation Systems, Domestic Appliances, Components, and Hotels, turnover rose by a total of 10.5 % to € 4,110 million.

The success of the 2019 business year can be attributed to the very positive sales performance in almost all sales regions of the Liebherr Group. Sales continued to increase within the European Union, which is Liebherr's most important sales region. One reason for this is the favorable market development, especially in Germany and France, but also, for example, in Spain and Denmark. Positive growth impulses also came from Russia and Norway. The Liebherr Group recorded its most significant increase in sales in North America. In Asia and Oceania this positive trend was driven in particular by the markets in Australia, China, Singapore and Japan. Slight increases in turnover were also achieved in Africa and in the Near and Middle East. There were only slight declines in Central and South America.

The Liebherr Group achieved a net profit of € 429 million in 2019, an increase compared with the previous year, whereas the operating result has fallen slightly compared to the previous year. The financial result showed a very positive development.

The 2019 business year saw a significant increase in the workforce. At the end of the year, the Liebherr Group had a total of 48,049 employees worldwide, representing an increase of 1,880 compared to the previous year.

Traditionally high investments in research and development

As a high-tech company, the Liebherr Group pursues the goal of making a decisive contribution to shaping the technological progress in sectors relevant to the Group. Liebherr invested € 592 million in research and development last year. The bulk of this was used in the development of new products. A large number of research projects with universities, other higher education institutions, and research institutes were initiated and continued. A special area of focus for these research projects is the topic of electrification. As part of the EU Technology Initiative “Clean Sky 2 / Horizon 2020”, Liebherr researched the electric variants of flight control systems, landing gear and air management systems in order to make flying more efficient and environmentally friendly in the future. Intensive work on alternative drive technologies was also carried out in the area of construction machines.

Important issues across the wide range of products and services include digitisation, safety, and the automation of machines. For example assistance systems have been developed, which support the safe operation of construction machines. An important project in digital transformation is Condition Monitoring, which makes possible the monitoring of components in complex machines and systems.

Investments in production, sales, and service exceed industry average

€ 756 million was invested in the production sites and the global sales and service network. This means the Liebherr Group reduced its investment activities by € 73 million compared to the previous year, however, with an investment rate of approximately 6%, the Liebherr Group is still above the average of the mechanical engineering sector. Offset against this was depreciation of € 541 million. A new production site for the Concrete Technology division was built in Bulgaria. The Aerospace and Transportation Systems division invested in buildings in

Friedrichshafen (Germany), Toulouse (France), Singapore, and Bulgaria. Major investments were also made in Germany, for example, in a new sales and service center at Hamburg port. A new customer center for the Domestic Appliances division was set up at the Ochsenhausen location in Germany.

In the Gear Technology and Automation Systems product segment, the Kempten location (Germany) has been modernized. Moreover, in the Maritime Cranes division, the TCC 78000, one of the most powerful rail-mounted heavy-duty cranes in the world, was successfully installed in Rostock port.

Outside Europe, Liebherr invested in projects such as the set-up of Liebherr-Transportation Systems (China) Co., Ltd., the production site of Liebherr-Verzahntechnik in Yongchuan (China), as well as the cooperative venture between the Components division and Shanghai Diesel Engine Co. Ltd.

No reliable forecasts for revenue development in 2020

The Group's order situation at the end of 2019 as well as far into the first quarter of 2020 can be described as very good. The due to the impact of the Corona virus significantly restricted business activities in many markets will obviously influence the turnover in 2020. The extent to which our business will be impacted cannot be forecasted reliably at the time this annual report is compiled. However, the Liebherr Group will ensure that all organizational units have implemented the necessary measures to guarantee that customer demands are met with the usual reliability, also in 2020 and beyond. The financial strength of the Liebherr Group enables a rapid resumption of reduced activities in production, sales and service units.

On Monday, April 6, 2020, the Liebherr Group publishes its current annual report. In addition to detailed figures, it contains a magazine section reviewing the past financial year. In an interview, Dr. h.c. Dipl.-Kfm. Isolde Liebherr, Dr. h.c. Dipl.-Ing. (ETH) Willi Liebherr, Stéfanie Wohlfahrt and Jan Liebherr give their summary for 2019.

The annual report of the Liebherr Group can be found online at www.liebherr.com/annual-report.

Captions

liebherr-cranes-rotterdam.jpg

Great crane job in Rotterdam: Two Liebherr LR 11350 cranes erect the prototype of the most powerful offshore wind turbine in the world. In a tandem hoist, the two cranes managed a gross load of 780 tonnes and placed the massive component onto the 150 meter tower.

liebherr-slewing-bearing.jpg

Particularly suitable for weight-critical applications: Slewing bearings with a diameter of up to 9.5 meters further extend Liebherr's comprehensive product portfolio.

liebherr-innovations-earthmoving-2019.jpg

Celebrating a world premiere: At Bauma 2019 the Liebherr Earthmoving division presented the adaptive operating concept INTUSI and intelligent assistance systems for the large XPower wheel loaders, as well as product innovations like the pipelayer RL 66, the wheeled excavator A 913 Compact, and the Generation 8 crawler excavators.

liebherr-truck-mounted-concrete-pump-2019.jpg

Robust, flexible, and easy to maintain: The truck-mounted concrete pump 50 M5 XXT and two Liebherr truck mixers are in operation at the construction site of the "Kirchbichl" power plant extension in Austria.

Liebherr-towercranes-telaviv-lyfe.jpg

Powerful crane fleet in Tel Aviv: Liebherr tower cranes are being used to build the three-tower LYFE business complex in the Bnei Brak industrial zone in Israel.

liebherr-well-connected-2019.jpg

Well connected: Driverless transport systems open up new possibilities for networking machines and systems.

liebherr-more-electric-aircraft.jpg

Towards the next generation of aviation with the More Electric Aircraft: Liebherr developers are working hard to find out how hydraulic systems can be replaced by

electromechanical or electrohydrostatic systems in the future.

liebherr-domestic-appliances-customer-center.jpg

Opened after around 23 months of construction: At the customer center of Liebherr-Hausgeräte in Ochsenhausen, visitors can experience 'live' the current appliance generations, trends, and innovations and receive competent and individual advice.

liebherr-offshore-crane.jpg

Liebherr's most powerful crane comes from the offshore sector: The HLC 295000 is mounted on the offshore installation vessel Orion. The Liebherr TCC 78000 gantry crane helps with the installation of individual large components.

liebherr-mining-T264-R9400.jpg

Operating with high performance: A Liebherr R 9400 mining excavator loading a T 264 Liebherr mining truck in Russia.

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