

Freinberg, 26 February 2020

Impacted by the industry downturn

- Decline in turnover caused by collapse in long-distance transport
- Construction vehicles largest product segment for the first time
- Acquisition in Germany opens up new perspectives

The Schwarz Müller Group has recorded a fall in turnover from 378 to 364 million euros in the past business year. This was primarily the result of a collapse in the long-distance haulage vehicle segment. In the industry as a whole, international vehicle registrations fell by 8.5 per cent. With a decline of 5.8 per cent, Schwarz Müller performed well in comparison. This was the statement given by Schwarz Müller Group CEO Roland Hartwig today, Wednesday, 26 February, at company headquarters in Freinberg, near Schärding, on announcing the preliminary results for 2019.

Volatile year with slump at the close

Weakness in several German industries had a major impact on the transport sector in 2019. Logistics enterprises throughout Europe reacted by massively reducing new vehicle orders during the second half of the year, Hartwig explained. According to him the course of the business year 2019 had been completely atypical. Following excellent progress through to March, with performance significantly exceeding that in 2018, the period after August heralded a downturn which developed into a crash in long-distance transport towards the year's end.

Higher production levels and more vehicles for construction and infrastructure

While turnover at the Upper Austrian premium manufacturer fell, production figures rose. Across the three plants, 9,441 units rolled off the production lines (2018: 9,306; +1.5 per cent). For the first time in the company's history, significantly more vehicles were manufactured for the construction industry and infrastructure companies than for long-distance transport, traditionally the most important sector. Construction and infrastructure accounted for 49 per cent of total production (4,626 vehicles) and the long-distance transport sector for 43 per cent (4,060 vehicles). The remainder were special purpose vehicles and tank vehicles. "By quickly adapting our vehicle portfolio we prevented a more significant slump in turnover," said Hartwig. He noted that those manufacturers with turnover losses greater than the industry average were primarily those producing for the long-distance transport sector. "Our new Group subsidiary Hüffermann performed best during this difficult year, recording growth of 11.6 per cent," Hartwig was pleased to point out.

Positives and negatives also in the individual markets

Equally pleasing for the CEO was the company's success in maintaining sales volumes in Germany, the source of its highest turnover, and even expanding its market share in a shrinking market. The company's performance in Hungary was also extremely positive, with Schwarz Müller becoming the market leader for the first time in 2018. The number of registered vehicles in Hungary increased by 15.4 per cent in 2019; the company's current market share is 29.9 per cent. Performance was similarly good in the Czech Republic where Schwarz Müller was also able to grow its market share. In Austria, where a large proportion of production consists of long-distance haulage vehicles, weakness in the logistics sector led to a 16.8 per cent decline in the number of registered vehicles. Despite this, Schwarz Müller remains the uncontested leader with a 29.9 per cent market share, a position now held by the company for almost 30 years.




Outlook for 2020: cautiously optimistic

The business year 2020 has so far been within the long-term average, and is no longer at the low level of late 2019. Incoming orders have recovered over the first two months, also for long-distance transport, Hartwig explained. However, falling productivity levels in China caused by the coronavirus could also affect the supply chains in Europe, with a concomitant impact on the logistics industry, Hartwig believes. On the other hand, there has been infrastructure growth across Europe, the need for which had been clearly recognized. This is also the case for the housing construction sector. Here Hartwig is expecting business activity to remain strong. At the same time, personnel shortages in this sector are particularly acute, and could have a negative impact on value creation.

Together with the Hüffermann subsidiary, Hartwig intends to create new momentum in 2020 and return to growth. The two-brand strategy opens up additional opportunities for the product portfolio which has been enhanced once again. Schwarz Müller itself will launch several newly developed vehicles onto the market, primarily special purpose vehicles for both core segments. There will be a greater focus on smart niche products for specialist fields in future, also in the long-distance transport sector, Hartwig stressed. If there is no significant deterioration in the current framework conditions, the CEO expects an overall turnover of more than 420 million euros for the current business year.

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	<p>CEO Hartwig sees positives and negatives in the 2019 business year just closed.</p>
	<p>The newly developed walking-floor trailer is part of the 2020 product campaign.</p>
	<p>The large volume of construction vehicle sales averted a greater decline in turnover.</p>

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The Schwarzmüller Group is one of Europe's largest full-service providers for towed commercial vehicles. With its focus on the premium sector, the company sets industry benchmarks, and with more than 140 years of experience is the specialist for individual transport solutions in demanding industries. With vehicles sold under the two Schwarzmüller and Hüffermann brands, the company supplies the construction industry, infrastructure enterprises, the raw materials and recycling industries as well as transport companies in the long-distance transport sector.