

maxon motor increases revenues in a demanding year

Revenues back on the rise after two years of stagnation – stable cash flow – record number of innovations – difficult market environment in 2015

After two years of stagnation, the maxon motor group increased its revenues by more than 5% to CHF 378.6 million in 2014 (up from CHF 360.2 million in 2013). At CHF 36.9 million, the cash flow was similar to that of the previous year (CHF 36.2 million). The number of employees at the company sites in Sachseln (Switzerland), Sexau (Germany), Veszprém (Hungary), and Sejong (Korea) increased to 2,173, compared with 2,091 in the previous year. After acquiring the Lyon-based distributor mdp France, the maxon group is now active with subsidiary sales companies in virtually all key European industrialized countries. maxon also introduced a record number of innovations last year. Among other things, the drive specialist is taking part in the European Space Agency's ExoMars mission, which is planned to touch down on Mars in 2019. For the current financial year, maxon expects revenues to remain constant despite a strong Swiss franc and difficult market environment.

The maxon motor group looks back on a successful financial year of 2014. maxon has been able to increase its revenues in a difficult business climate. "Our products are becoming more complex and demanding. We are contributing to the success of our customers all over the world and help them to overcome their technological challenges," said majority shareholder Karl-Walter Braun at the press conference. "maxon stands out in the market for its holistic approach to developing drive systems consisting of DC motor, gearhead, electronics, and mechatronical components, as well as for its excellent global sales network." The company plans to expand its technology and market leadership further in the coming years. According to Braun, "there is ample liquidity to continue expanding the maxon group."

Europe and Asia on the upswing

Europe remains the most important sales market for maxon, and the company's European sales are up by 20%. The Southern European countries, which had been suffering under the economic crisis, contributed significantly

to the growth. Revenues in Spain (+30%) and Italy (+28%) set new records. France (+24%), the UK (+14%), as well as Germany and Scandinavia (+10%) also grew considerably. A similar positive development can be seen for sales in Asia, where China, Japan, Korea, as well as smaller markets like Singapore and India remain on a healthy course. In North America, sales decreased after years of steady growth. This was caused mainly by the delay in an FDA approval process for a large medical technology customer. maxon expects a return to growth for North America in 2015.

At a revenue share of 40%, the medical industry remains the most important customer base for the maxon group, followed by industrial automation and test and measurement technology (34% combined), and aerospace (5%), which has been rising sharply.

Record number of innovations

In 2014, maxon invested a total of CHF 33.4 million in its two large R&D sites at Sachseln and Sexau, as well as the newly established R&D facility in Korea. Around 220 highly qualified specialists are working on new drives and controllers. A complete revision of the entire brushed DC and brushless DC motor portfolio will be completed by 2016. The goal is to strengthen the market position especially in medical technology and aerospace. "maxon is involved in various space programs, such as the ExoMars project by the European Space Agency, which is scheduled to touch down on Mars in 2019," says CEO Eugen Elmiger. Most recently, the expertise of the Swiss drive specialist has found application in a new e-bike project: "The maxon BIKEDRIVE is going to create a stir in the e-bike market," predicts Elmiger.

Difficult market environment in 2015

The two-time rise of the franc versus the euro has led to a situation where Swiss companies make one third less for the same products and services as five years ago, said Karl-Walter Braun. This is compounded by uncertainty about the future development of the exchange rate. The result is a weakening of Switzerland as a location for production. It is therefore important, according to Mr. Braun, that Swiss policy-makers turn their attention to the problem of creeping job loss and work to prevent a de-industrialization of the country. Due to the strong Swiss franc and the difficult overall economic conditions, maxon expects revenues to remain at roughly the same level in 2015.

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Brief profile of the maxon motor group

The maxon motor group, with headquarters in Sachseln (Obwalden, Switzerland), specializes in the development, manufacturing and sale of high-quality DC motors, drive components and systems. The company is present in all key markets and has 2,173 employees. It has production facilities in Sachseln (Switzerland), Sexau (Germany), Veszprém (Hungary) and Sejong (Korea). In the 2014 financial year, the group achieved a consolidated revenue of CHF 378.6 million. maxon motor produces the smallest positioning drive in the world, with a diameter of 4 mm. The development of special brushed and brushless DC motors for low and high temperatures has had far-reaching consequences: maxon products can today be found from deep inside the Earth to distant Mars.

More information can be found at www.maxonmotor.com



From the left to the right: Dr. Karl-Walter Braun (Majority Shareholder of maxon motor ag), Eugen Elmiger (CEO)