

Press release

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Schüco annual report 2018**Long-term expansion continues**

Bielefeld. The Schüco Group generated a turnover of **€1.670 billion** in the 2018 financial year. Compared to 2017 (€1.575 billion), this represents a significant increase of around 6%. The increase in turnover is 7.3% when adjusted for currency fluctuations. In 2018 an annual average of **5400 staff** worked for the Schüco Group – 500 more than the previous year. The company employed 3750 people in Germany, 2300 of which were in East Westphalia-Lippe. Around **€60 million** was invested in 2018. More than **€17.5 million** of this went into the extensive construction work to expand the site, which began in 2016. The economic capital of the Schüco Group remains unchanged at around 70%.

Acquisitions, partnerships and new companies

By acquiring companies and forming partnerships, Schüco is not just focusing on the growth of its own resources. The aim is to enhance the product portfolio in a meaningful way and continue to expand new and existing sales channels. By purchasing Soreg AG from Wädenswil in Switzerland, Schüco has expanded its range of sliding units to include profiles made from composite materials (glass and carbon fibre-reinforced materials), in order to push ahead with the marketing of high-end sliding systems. Soreg has been a wholly-owned Schüco subsidiary since May 2018. In order to unlock even more growth potential in the Middle East and African markets, the former long-standing shareholding, Schüco Middle East in Dubai, became a wholly-owned subsidiary in October 2018. EPS Systems KG, based in Siegen and one of Europe's leading

system providers of tensioned fabric technology (FACID textile façade), likewise became a wholly-owned subsidiary of the Schüco Group in October 2018.

In May 2018, Schüco announced its shareholding in Sälzer GmbH, based in Marburg. With this step, both companies see an opportunity to significantly expand business activities in the field of high security.

The Japanese construction industry also offers great opportunities for growth. In particular, companies and products that are “made in Germany” enjoy a good reputation here. For Schüco this is good reason to further expand the business in this area. At the end of November 2018, the company founded Schüco Japan K.K as a wholly-owned subsidiary.

PlanToBuild GmbH was also founded in 2018 as a start-up company of Schüco. With its efficient project management software, the wholly-owned subsidiary is aimed at everyone involved in a construction project: fabricators, installers, architects, sub-contractors and investors.

Metal division

The Metal division accounted for turnover of €1.410 billion, which is an increase of 6.8% compared to the previous year (€1.320 billion). This division has achieved double-digit growth on the Iberian Peninsula as well as in Luxembourg, Italy, Eastern Europe, Kazakhstan, India and Southeast Asia. Following strong growth in the previous year, the business in China has achieved an increase in turnover of 5.4%. At €497 million, the share of turnover for Germany is 1.5% above the previous year.

PVC-U

The PVC-U division also had a successful year in 2018. With turnover of €268 million, the subsidiary Schüco Polymer Technologies KG in Weißenfels reported growth of 3.1% compared to the previous year (€260 million). The main drivers of growth in the PVC-U business were Eastern Europe, Italy and Spain. In Germany, turnover of €108 million was achieved.

Digital roadmap

With the aim of networking all the processes from the design and planning of a building project through to fabrication, installation, use and maintenance as well as recycling, Schüco is continuing to drive forward the digitalisation of the value chain in the construction industry. Founded as a start-up in 2017, Plan.One GmbH established itself in 2018 as the digital source for information relevant to building planning with its search machine and comparison portal. As an interactive business intelligence tool, Plan.One enables the digitalisation of work processes and optimises the interaction between architects, developers, manufacturers and contracted companies in the construction industry. Furthermore, Schüco supports BIM (Building Information Modelling) users with digital planning and construction using BIM planning modules. The Schüco Virtual Showroom also enables Schüco products and system solutions to be experienced digitally in a unique way all over the world.

Site and reference project expansion

The largest Schüco newbuild and renovation project is the expansion of the Bielefeld site, in which around €95 million is being invested. In 2018, for example, the Schüco Cube was completed. It allows visitors and employees to find out about the latest construction progress for the Schüco One newbuild. The new car park with over 700 spaces was opened to employees in November 2018. Furthermore, the Digital Hub One on Kammerratsheide has enhanced the Schüco campus as a sustainably renovated office building which follows the principles of New Work. The interior changes are more than just construction work. They will enable a completely different way

of working together. The “New Work” environment has been tested here since November 2018 and will gradually be transferred to the rest of the buildings which are to be constructed at the Schüco site.

Sustainability

Sustainability is part of the business model at Schüco. It is especially important in the construction sector that resources are used in managed material cycles that do not harm people or the environment. Cradle to Cradle is the concept behind this. A product with C2C certification stands for independently tested reliability in the material selection – and now comes as standard at Schüco at no extra cost. C2C products receive additional points in the German Sustainable Building Council (DGNB) and LEED building certification systems. Furthermore, buildings which follow the C2C design principle are constructed to be flexible and easy to convert, as potential subsequent adjustments are taken into account even in the early planning stages. Properties already meet the standards of the future today and thereby retain their value more than standard buildings.

Taking responsibility in the supply chain is another aspect of the Schüco sustainability strategy. In the Metal division, Schüco is committed as an active founding member of the ASI (Aluminium Stewardship Initiative) to a sustainable aluminium industry and designing sustainable standards, and also takes responsibility itself as a an important factor in the supply chain.

Schüco Polymer Technologies KG (PVC-U division) was certified with the VinylPlus label at the start of 2018 and is therefore one of the first companies in the industry to be recognised for its active contribution to the sustainable development of PVC-U applications.

For Schüco, acting sustainably also means taking responsibility for social issues. For this reason, climate protection has been an important topic for many years. At the end of 2018, WWF and Schüco signed a partnership agreement. The focus of the agreement is climate protection and the responsible alignment

of raw material supply chains. Schüco is also prepared on many internal levels to reduce energy consumption and hence its carbon footprint too.

2019 – outlook

Construction work at the Schüco site is well underway. After the foundation stone for the Schüco One newbuild was laid on 6 May 2019, NRW Minister President Armin Laschet took part in the symbolic ground-breaking ceremony for the Schüco Welcome Forum on 1 July 2019. In future, it will be known as the "heart of Schüco" and will be the first point of contact and central meeting place for visitors, who will be able to see the latest product range, machinery for efficient fabrication as well as all solutions in the "digital roadmap".

Schüco sees a positive market environment once again for Germany in 2019. The continuing low interest rate level and the booming residential construction situation in Germany are expected to keep investment in property attractive. With its comprehensive solutions for residential and commercial buildings and its 360° sustainability approach, the company is well equipped to meet the climate protection goals and targets defined in the planned climate protection law. It encompasses the whole lifecycle of a product from the planning, manufacture, installation and use through to the possibility of dismantling the products and feeding them back into the closed recycling process.

In January 2019 at the world's leading exhibition for architecture, materials and systems – BAU in Munich – the Metal business division showcased comprehensive solutions for residential and commercial buildings. These solutions tackle important developments such as digitalisation, urbanisation and globalisation, and provide answers to the demands of markets in and outside Germany. The development of the international markets is very difficult to assess. The consequences of Brexit remain to be seen, and developments in Russia, Turkey and the USA do not allow a reliable prognosis.

The shortage of skilled workers in the construction sector is also leading to some delays on large projects. The education and training of young people in a future-oriented and interesting profession is therefore one of the key tasks of this industry.

Schüco – System solutions for windows, doors and façades

Based in Bielefeld, the Schüco Group develops and sells system solutions for windows, doors and façades. With 5400 employees worldwide, the company strives to be the industry leader in terms of technology and service today and in the future. In addition to innovative products for residential and commercial buildings, the building envelope specialist offers consultation and digital solutions for all phases of a building project – from the initial idea through to design, fabrication and installation. 12,000 fabricators, developers, architects and investors around the world work together with Schüco. The company is active in more than 80 countries and achieved a turnover of 1.670 billion euros in 2018. For more information, visit www.schueco.com

High-resolution pictures are available to download in the Schüco Newsroom at www.schueco.com/press.

Picture credits: Schüco International KG



Andreas Engelhardt, Managing Partner of Schüco International KG

Picture credits: Schüco International KG



The Schüco Campus is constantly changing and the building work for the Schüco One newbuild is well underway.

Picture credits: 3XN Architects



Designed by the acclaimed 3XN architectural practice based in Copenhagen, the Schüco One newbuild is scheduled for completion at the end of 2020.

Picture credits: one fine day / Studio Dragusha



The Schüco Welcome Forum will be the first point of contact for visitors and is scheduled for completion in the first half of 2021.

Picture credits: Schüco International KG



At BAU 2019 in Munich, Schüco presented new solutions which can reduce noise levels indoors and outdoors. One example of this is an aluminium sliding unit which is fitted with an ANC (Active Noise Cancelling) ventilation module in pocket door design. When the sliding unit is closed, the ANC ventilation module is concealed in the wall. For ventilation, the handle position on the sliding vent is used to pull the ANC ventilation module out of the wall.

Picture credits: Schüco International KG



New Schüco UDC 80 unitised façade:

When combined with balconies as a project solution, project-specific well-sealed sliding doors also facilitate a function-oriented design for high-rise residential buildings.