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Viessmann Achieves New Record for Third Consecutive Year: Strong Growth in 2019 despite Challenging Market Environment

- Successful start into the second century of the company's history
- Continuous implementation of strategic alignment leads to a 6.4 percent sales increase to a total of EUR 2.65 billion
- Successful transformation from a heating system manufacturer to a solutions provider for living spaces opens up new growth possibilities
- The Integrated Viessmann Solutions Offering for climate and cooling systems as platform for further growth
- New corporate structure ensures long-term independence and active involvement of the founding family, also laying the foundation for even more social responsibility activities
- Outlook 2020: Viessmann harnesses digitalization, energy and building transition as once-in-a-century-opportunity

Allendorf (Eder), Germany, March 10, 2020 – Viessmann Group grows with the power of two generations under the leadership of Prof. Dr. Martin Viessmann as Chairman and Max Viessmann as Co-CEO of the company. The family business successfully continued its strategic transformation from a traditional heating manufacturer to a provider of integrated solutions for living spaces. The company develops seamless climate solutions to provide living spaces with the optimal temperature, with warm water, energy and air quality.

In 2019, two years after the start into a new century of the company's history, Viessmann continued its consistent growth for the third consecutive year. Following a strong business development in 2017 with a five-percent sales increase and another plus of five percent in 2018, sales in 2019 fiscal year grew even more: by 6.4 percent to a total of EUR 2.65 billion (2017: EUR 2.37 billion / 2018: EUR 2.49 billion).

"Despite a challenging market environment, we were still able to grow significantly in 2019. This is, above all, the result of a clear company purpose and the consistent implementation of a clear strategy," says Prof. Dr. Martin Viessmann, Chairman of the Viessmann Group.

"More than 12,000 family members and several thousand partners worldwide contribute every day to a common purpose: the creation of living spaces for generations to come," states Max Viessmann, Co-CEO of the Viessmann Group.

"Based on our ability to act quickly, to make unbureaucratic decisions and to apply a long-term investment philosophy, we successfully continued our growth journey that we embarked upon four years ago. The foundation of our strategy is and remains profitable growth," says Dr. Ulrich Hüllmann, Chief Financial Officer of the Viessmann Group.

Global double digit growth

In 2019, the family business gained additional market share particularly in strategic growth markets internationally. The Viessmann Group achieved double-digit percentage growth most notably in China, Eastern and Southeastern Europe and North America, but also in Finland, Sweden, the Netherlands and Austria.

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With its Integrated Viessmann's Solution Offering, the company seamlessly integrates products and systems through platforms and digital services using the right energy sources.

In terms of products, the trend toward high-efficiency heat pumps continued in 2019 with a sales increase of approximately 24 percent. At the same time, fuel cell heating systems delivered positive performance with a plus of 25 percent. The simultaneous generation of heat and electricity combined with the reduction of CO2 emissions has further established itself in the market as a highly innovative technology.

Regarding services, growth accelerated particularly as a result of the innovative "heating as a service" offering (renting instead of purchasing a heating system) with a dynamic growth rate of more than 100 percent. Of the three business areas of Climate Solutions, Industrial Solutions and Refrigeration Solutions, the latter recorded the highest growth increase of 15 percent in 2019.

New structure: Family Holding secures long-term independence

In the 103rd year of the company's history, Viessmann laid the structural foundation for generations to come by establishing a Family Holding. The new structure serves to ensure long-term independence as well as the active involvement of the founder family.

The Viessmann Family Holding creates the framework for a balanced future portfolio consisting of the four key business areas; Climate Solutions, Refrigeration Solutions, Industrial Solutions and Viessmann Investment. These are completed by two diversification sectors – VC/O and Viessmann Real Estate – as well as by bundling the company's extensive social responsibility activities under the auspices of the Viessmann foundations.

In 2019, Viessmann Investment successfully completed important, strategic acquisitions and investments for the Integrated Solutions Offering:

- Etherma Elektrowärme GmbH, a supplier of the emission free home through electric panel heating systems, based in Henndorf am Wallersee, Austria,
- Pewo Energietechnik GmbH, a leading solutions provider for local and district heating networks with headquarters in Elsterheide (Saxony), Germany,
- LämpöYkkönen Oy, a full-service provider of heat pumps with headquarters in Jyväskylä, Finland,
- Kospel S.A., a provider of power-based heating and hot water solutions with headquarters in Koszalin, Poland, as well as
- Digital Energy Solutions GmbH & Co KG, a provider of holistic solutions for cross-sector energy management in the areas of electricity, heating and mobility with headquarters in Munich, Germany.

Social responsibility has long been part of Viessmann's DNA; the activities in this are underline the company's purpose. In the future, the family business will be even more committed to supporting future generations and protecting living spaces.

With the Family Holding structure established in 2019, Viessmann created ideal conditions to offer development opportunities for even more members of the larger Viessmann Family. The

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number of Viessmann employees as of 31 December 2019 was 12,300 (previous year: 12,000) – including 410 dual-study students and apprentices.

Outlook 2020: the energy transition and digitalization once-in-a-century-opportunity

With a positive start into the current 2020 fiscal year, Viessmann has laid the foundations for continued dynamic growth. Growth will continue to be achieved organically, particularly by providing innovative climate solutions and digital services in selected growth markets, as well as through targeted acquisitions.

“The combination of energy and building transition and digitalization present our biggest opportunities in the company’s history. In view of climate change, we must all ask ourselves the question how much we want to do today for the generations of tomorrow. How do we create and maintain living spaces for our children and grandchildren? Climate protection is not a question of technological possibilities, but of sheer will, and for this we need courage – in society, in industry and in politics. With responsibility and courage we will continue to shape the future of our family business,” says Max Viessmann.

About Viessmann

Viessmann is continuously evolving from a heating manufacturer into a solutions provider for the complete living space. The company develops seamless climate solutions that fill people’s surroundings with the optimal room temperature, warm water, energy and good air quality. In its Integrated Solution Offering, Viessmann seamlessly unites products and systems through platforms and digital services on the foundation of the right energy source. On top of that, it also offers a variety of additional services. The focus here is on finding the right balance between renewable energy sources and obtaining the maximum energy efficiency from fossil fuel sources. The family-run company has acted sustainably and has been guided by values since its founding in 1917. This is reflected in the company’s philosophy and main guiding principle: “We create living spaces for generations to come.” Creating living spaces for the generations to come is the responsibility of the 12,300 members of the Viessmann family around the world.

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