More than 200 million euros invested

In the 2015/16 fiscal year, which closed on February 29, 2016, the Plansee Group achieved consolidated sales of 1.18 billion euros. Significant investments were made in expanding existing sites and acquiring new ones.

“Despite a dramatic fall of up to 42 percent in raw materials prices, we were generally able to maintain sales volumes and sales at a stable level”, said Plansee Group Chairman of the Executive Board, Dr. Michael Schwarzkopf at the press conference held in Reutte to present the company's financial results. The lower sales prices resulting from the raw materials situation were largely balanced out by favorable exchange rates.

Market share increased against the trend
Despite considerably reduced rates of growth worldwide, the Plansee Group extended its business activities in many different markets and boosted its market share. "This is due to a large extent to our innovations and new products," explained Dr. Schwarzkopf. Across the group, 60 million euros, the equivalent of five percent of sales, were invested in innovation projects. Thus, for example, Plansee supplies molybdenum components for exposure equipment in semiconductor production. These devices are used to fabricate the next generation of even higher performance computer chips. Ceratizit has developed a completely new cutting tool for shoulder milling. Using the new milling system, high-precision 90-degree angles can be cut significantly more economically than in the past.

Strong demand in Europe

Demand in Europe was relatively strong and was driven by exporters such as the mechanical engineering and automotive industries. The aviation industry remained robust throughout the year. Even though China was unable to achieve its growth rates of the preceding years, the Plansee Group continued to increase its sales in the country and in Southeast Asia. These developments were driven primarily by the joint venture company CB Ceratizit, which was founded five years ago, and by the new production site in Shanghai. Schwarzkopf: "We were able to profit in particular from the growth in local demand for consumer electronics."

Dynamic Asian market

The region is the Plansee Group's most dynamic market. In Greater China, the Group has 8 production sites and more than 2,000 employees and the Plansee Group is also represented by three sites and 700 employees in India. The construction of a new production site was recently launched in Korea.

The market environment in North America proved to be more difficult, primarily due to the continued weakness of the oil, gas and mining industries. Sufficient production capacity to meet global molybdenum demand enabled a very positive development of molybdenum ore processor Molymet in Chile.

At the global level, more than half of the Plansee Group's sales come from the mechanical engineering, automotive and consumer electronics sectors. Broken down into the Group's three main sales regions, 53 percent of sales were achieved in Europe, 23 percent in America and 24 percent in Asia.

Global market position continues to strengthen
During the last fiscal year, the Plansee Group made investments of almost 220 million euros. These included the construction of a new production site in India, expansions to production in Austria and Luxembourg, together with innovations at the levels of products and processes. In addition, the Plansee Group also acquired three companies.

The carbide specialist Ceratizit took over the German special toolmaker Klenk GmbH & Co. KG. The company employs 120 people in Balzheim. Moreover, Ceratizit signed a purchase agreement for a majority holding in the Indian tool manufacturer Cobra Carbide Pvt. Ltd. Cobra Carbide employs 45 people in Bangalore. The tungsten powder producer GTP acquired the Finnish company Tikomet Oy, which has a workforce of 40 employees, and thus boosted its tungsten recycling capabilities.

According to Schwarzkopf: "All these expansions and acquisitions underpin the Plansee Group's strategy in which the high-tech materials molybdenum and tungsten play a leading role, from the processing of the ore through to the custom-built component."

Ready for new acquisitions

With equity capital of more than 1.1 billion euros and no net debt, the Plansee Group is ready for further expansion projects. "We are not just exceptionally well prepared for times of sluggish growth but are ready to make large-scale acquisitions anytime," explained Schwarzkopf.

Industrial portfolio doubled within ten years

The Plansee Group has greatly expanded its industrial portfolio in the last ten years. While ten years ago, all the Group's holdings taken together achieved total sales of 1.1 billion euros, the corresponding figure in the last financial year was 2.2 billion euros.

Worldwide, the Group's affiliated companies had a total workforce of some 11,900 employees, 150 more than in the previous year.

Outlook

The Plansee Group does not expect the economic environment to improve over the current fiscal. The Group's focus is therefore increasingly being placed on improving competitiveness and ensuring the long-term optimization of its business processes.
Business models emerging from the continuing digitization of all business processes (Industry 4.0/Internet of Things) will become increasingly important.

About the Plansee Group.

With Plansee High Performance Materials and Global Tungsten & Powders (both 100 percent), Ceratizit (50 percent) and its holding in Molymet (20 percent), the Plansee Group is one of the world's leading industrial corporations in the field of powder metallurgy and covers the entire value-added chain in molybdenum and tungsten, from the ore right through to custom-built components. In fiscal year 2015/16, the Plansee Group, with its 6,371 employees, achieved consolidated sales of 1.18 billion euros. The fiscal year closes on the last day of February.