

Press Release Advance of the 2014 report

The Irizar Group closes a great year 2014, the year of its 125th anniversary, once again exceeding 500 million Euros of sales, strengthening its brand in all the markets and with strong employment creation at Ormaiztegi.

Ormaiztegi, 23 January 2015

The Irizar Group closes the year with a total aggregate sales figure of 535 million Euros, of which 82% corresponds to the export market.

2014 has been a great year in which the growth parameters of the previous years were reduced mainly due to the scarce economic growth of emerging countries.

Although during the crisis the foreign plants, above all Brazil and Mexico were the ones that fuelled the growth of the group, this year the tendency has become inverted and it was Irizar Ormaiztegi that has grown the most and compensated the deterioration situation of these emerging countries.

Of all, in 2014 the foreign plants have represented 42% of all the sales of the group compared to 47% of the previous year and those of Ormaiztegi were 38% compared to 33% of the previous year. The remaining companies of the Group have reported the 20% remaining sales.

That way, this year we will once again talk of growth in production of buses at Irizar Ormaiztegi with a 15% increase regarding the previous year, a year which also had a 15% increase over the year 2012. Giving us a 47% market share in Spain, the highest ever in the history of Irizar. The main reasons for this respond to on one hand, the increase of production units in both our own buses and the conventional ones and on the other hand, to the better fitting of these to attend to demand of European markets.

In addition, and coinciding with the 125th anniversary of Irizar the new production and service installations of our Gipuzkoa headquarters were inaugurated, the design centre, corporate area, R&D centre and coach delivery building, which together with the great effort made at the level of external communications, has meant the tremendous growth of the Group image with the intention of positioning ourselves among the best.

This image improvement, together with the improvements of quality and service, is making it possible to reinforce our brand and once again seeing the coming year with optimism thinking about duplicating the manufacturing of complete coaches and starting to deliver the first units for the United States.



Because of this consolidation of growth in the Ormaiztegi headquarters, we have created stable employment, incorporating 63 persons, of which 46 correspond to higher degree education cycles and 17 to university degrees.

The sales figure for foreign plants has reduced by 15%.

In Brazil, where the local market has dropped by 40% in units, the Irizar strategy has been to maintain its position in the Premium segment and promote exports to its main markets.

In Mexico, the market has contracted by about 20%, mainly because of the reformatations carried out by the new government.

In Morocco, the year has been very good where we have continued manufacturing coaches to cover the luxury market of the country and the Century bodyworks for Europe.

On the other hand, it is worth mentioning that this year we saw the definite exit of the Group from India where it was present through a joint venture with two local partners. The reason behind this decision attends to the total lack of alignment of the business with the current strategy of strengthening the brand that is being carried out by the group.

The rest of the Group companies have had positive behaviours.

We can highlight Datik that confirms its possibilities of growth in intelligent computer systems and safety in transport with the signing of the first important contracts with large sized Mexican operators.

It is specially worth highlighting the first deliveries of electric buses with Irizar Group technology, as well as the acquisition in Aduna, Gipuzkoa of the land where the future electro-mobility activity will be located.

We face 2015 with optimism

We face this year with optimism because our previsions point towards new growth in sales by Irizar Ormaiztegi, which will once again create employment in our area.

We expect to duplicate the manufacturing of complete Irizar brand buses until reaching 200 units and reaching 20% of all the units produced.

Likewise, we foresee improvement of the economy in Mexico and a situation similar to that of Brazil this year.

We will continue with the strategy of manufacturing units of the Century model for Europe in the Morocco plant.

Regarding the rest of the Group, we foresee a strong growth of Jema in solar inverters for photovoltaic energy plants and that Datik continues growing with strength.



We have also started the construction of the electro-mobility plant of the Group in Aduna with the aim of starting the manufacturing of products, components and systems in 2016.