**2017 Financial Report:**

**Nagold-based furniture and hardware fittings specialist increases
revenue by 4.9 percent**

**Häfele is growing, particularly at international level**

The international Nagold-based Häfele Group for hardware technology and electronic access control systems ended 2017 with a satisfyingly positive revenue result. In the past year it generated a total revenue of 1.375 billion Euro (2016: 1.311 billion Euro). This corresponds to a growth of 4.9%. Adjusted for currency effects, the revenue increase is even 6.5%, which the company management sees as a wonderful success.

This revenue increase was achieved by the 37 foreign subsidiaries with a plus of 6.3%, and the parent company and six production companies in Germany with growth of 1.7%. Apart from a few exceptions, all markets in which the Häfele Group is active have developed positively and have been able to increase their revenue accordingly. Last year, the “main growth drivers” among the foreign sales companies were Vietnam, India and - once again - the USA, therefore making considerable contribution to the group revenue. As in the previous year, the markets in Asia recorded above-average growth rates.

**Number of employees increases**

This wonderful overall development is also reflected in the number of employees, which increased worldwide by 200 to 7,600. In Germany, the number of employees remained unchanged at 1,600 – currently including 85 apprentices/students. As far as training is concerned, the Häfele parent company once has again set standards: After the company created the Warehouse clerk training scheme in 2016, providing young refugees with a two-year training course, Häfele then established the new International technical trade study programme in 2017. With these measures, Häfele is not just making an important contribution to the integration of young refugees, but is also putting itself in a good position to tackle the challenges of a globalised economy with its range of education and training opportunities.

With 37 international subsidiaries and numerous other sales organisations worldwide, Häfele operates in over 150 countries.
Today, the company generates 80 percent of its revenue outside of Germany. With 25 sales subsidiaries operating for 15 years or more, the philosophy of staying in close contact with customers, which Häfele has lived by for many decades, enables the company to produce a range of products and services which are all tailored to their customers’ needs. In this way, the company group supplies the world’s leading furniture manufacturers, architects and planners as well as its joiner/cabinet maker partners and dealers with its products and services. This backdrop of superlative product and market expertise has been the setting in which global and local product ranges have been developed to meet the various requirements down through the years. These products are then manufactured in one of the company’s five production facilities or in line with the “Häfele German Quality standards” at one of the locations of their 1,500 partners spread around the globe.

**Global networking for an international clientele**

Our global network has a crucial role in the future viability of the business. Last year, Häfele increased its investments in markets, logistics and production again to now 45 million Euros, with the goal of networking the different markets so that an increasingly international clientele all over the world can not only expect the best products, but also the best expertise and services. Investors, planners and fabricators alike are impressed by the global methods of cooperation that have been developed by Häfele.

**International project business: Focus on Hospitality**

In previous years, Häfele has tapped into new target groups in the international project business with considerable success. The company concentrated on the growth sectors of hotels, apartments and clinics when doing this. The Häfele motto, “Thinking Ahead”, requires the continuous examination of current global trends with new technologies and the acquisition of comprehensive competencies in an increasing number of new business fields. Within the project business, the Häfele Group is therefore a respected partner with its 360° comprehensive project solutions and comprehensive advice for everyone involved, from investors to operators, and architects to joiners/cabinet makers.

Suitable products are required here, such as the new international hotel assortment with its 200 products from a single cast, created under the motto “One Room, one Face – one Style.” This includes clever room solutions which fulfil the growing demand for less space consumption and better use of rooms. Häfele offers more life per square metre in this area with its modular room concept of the “MicroApart 20/30” micro-apartment, among other things. In addition to new ideas for sophisticated hardware fittings in multi-functional furniture, this includes inspiring examples for convenient use of rooms. In this way, the company makes attractive living in small spaces something which its partners can experience time and time again in both the private and commercial sectors.

**Experience smart furniture with Häfele Connect**

The hardware technology specialist has also become a pioneer in the new, international growth market for Smart Home concepts. Häfele Connect, an app for smartphones and tablets, networks and controls light and sound as well as electrical drives in furniture. The components of the Loox LED lightning system and the Häfele BLE box serve as the basis here. This “know-all” paves the way for the smart world of furniture and rooms, also for future user generations. This has once again shown the impressive innovative strength of the tradition-rich company, which already added Dialock, the electronic access control system which has been developed in house, to its original terrain of classical hardware fittings for doors and interior design some time ago. Dialock is the comprehensive system for the state-of-the-art access control, including the smartphone key for the hospitality industry.

**Outlook for 2018**

The company group has made an optimistic start to the new financial year, and sees good opportunities for again achieving international growth throughout 2018. “We are anticipating a mid-single digit increase in revenue for the whole year,” says Managing Director Sibylle Thierer. The planned investments of 55 million Euros in markets, products, production facilities, logistics and services will also make a contribution to this. The company continues to see risks in the volatile foreign exchange and commodity markets as well as the many areas of political unrest and global trouble spots, to which a flexible and careful approach will be applied - just as in 2017.

Further information is available from

Peter Courtin, Häfele GmbH & Co KG,

Postfach 12 37, D-72192 Nagold,

Tel.: +49 7452 95-391, Fax: +49 7452 95-283,

E-Mail: peter.courtin@haefele.de

Internet: www.hafele.com

Captions:

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The Häfele headquarters in Nagold

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Managing Director Sibylle Thierer

070318\_fig3\_Smart\_Bilanz.jpg

Häfele Connect, a self-developed app for smartphones and tablets, networks and controls light and sound as well as electrical drives in furniture. Häfele is also a pioneer in the Smart Home area.

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A big show at the interzum world trade fair in Cologne. Häfele created a stir with its Smart Home set-up.

070318\_fig5\_OneRoom\_Bilanz.jpg

One Room, one Face – one Style. Häfele creates the optimal conditions for target group-oriented furnishing of hotel rooms with its comprehensive, internationally available hotel assortment, which contains more than 200 products.

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Order today, delivery tomorrow – Häfele has made a good name for itself as a modern logistics provider with its business partners worldwide.
Pictured: Packing line with employees at the Nagold dispatch centre.

Photos: Häfele

**Häfele** is an internationally organized family owned and operated business with headquarters in Nagold, Germany. It was founded in 1923 and today serves the furniture industry, architects, planners, cabinet makers/joiners as well as dealers in over 150 countries around the world with furniture fittings and architectural hardware as well as electronic access control systems. Häfele develops and manufactures hardware fittings and electronic access control systems in five factories in Germany and Hungary. In the 2017 financial year the Häfele Group achieved exports of 80% with over 7,600 employees in 37 subsidiaries and numerous additional dealerships around the world and revenue of over 1.38 billion Euros.