

Sales increase in slightly declining agricultural machinery markets

## **CLAAS showing profitable growth in a year of crisis**

- Sales of more than 4 billion euros for the first time
- Pre-tax earnings improved
- Strong growth in Russia and North America
- Outlook for 2021: sales and earnings at previous year's level.

Harsewinkel, 16 December 2020. CLAAS, one of the leading international manufacturers of agricultural machinery, increased its sales in the 2020 financial year by 3.7 percent to 4.042 billion euros (previous year: 3.898 billion euros). Pre-tax earnings rose to 158 million euros (previous year: 136 million euros); the free cash flow achieved a substantial turnaround into the profit zone with 308 million euros (previous year: -138 million euros).

“CLAAS managed to achieve growth in sales and to improve profitability despite the pandemic and shutdowns in production. In the process, our widespread international presence has paid off,” said Thomas Böck, Chairman of the CLAAS Group Executive Board.

Whilst sales in Germany, France and the other Western European countries remained stable on the whole, they grew significantly in Eastern Europe and especially Russia. At around 20%, CLAAS achieved its strongest growth in sales outside of Europe, with North America proving to be the most important growth driver.

### **Implementation of major investment projects going according to plan**

Despite the adverse effects of Covid-19, CLAAS succeeded in implementing its important investment projects as planned. At the Le Mans tractor plant, state-of-the-art production technologies have greatly increased flexibility and efficiency. At Harsewinkel, the first phase of the major modernisation project in the sphere of combine harvester assembly was completed. The new sales centres in France and the UK were launched, offering additional options in terms of service and after-sales business. They receive optimum support from the new high-bay warehouse in Hamm. On top of increased capital investments in fixed assets totalling 131 million euros (previous year: 125 million euros), expenditure on research and development, totalling 237 million euros, once again remained at a very high level (previous year: 244 million euros).

### **Crisis-resistant production and sales processes**

At first, this positive business development was not to be expected. Due to its short decision-making processes, CLAAS quickly adapted to the new challenges in the initial phase of the corona crisis. During production shutdowns of several weeks at nearly all of the production sites, extensive

preparations were made to ensure that production could be restarted as soon as possible. Thanks to the high dedication of staff and a close-knit logistics network, the supply to customers was maintained as best it could be.

In the wake of Agritechnica and numerous hybrid events, it was still possible to effectively communicate the latest product innovations. At the world's largest agricultural engineering trade fair in November 2019, CLAAS received the "Machine of the Year 2020" award for the LEXION 8000/7000, the JAGUAR 900 and DataConnect, a cross-manufacturer cloud-to-cloud solution. The AXION TERRA TRAC, the first fully suspended semi-crawler tractor, also met with a very positive response from experts.

### Stable development in global number of staff

The number of staff remained stable on the whole throughout the year, standing at 11,395 worldwide at the end of the 2020 fiscal year (previous year: 11,448). In Germany, the number of staff rose by 1.7 percent to 5,596 (previous year: 5,503), whereas in France it declined by 1.0 percent to 2,279 (previous year: 2,301). Group-wide, the number of trainees was 714 (previous year: 735), of whom 430 were based in Germany (previous year: 414).

<b>CLAAS Group in numbers</b>			
(IFRS)	2020 in € m	2019 in € m	Change in %
Sales revenue	4,042.3	3,898.0	+3.7
EBITDA	333.4	280.3	+18.9
Profit before taxes	158.1	135.7	+16.5
Consolidated net income for the group	107.1	96.3	+11.2
Free cash flow	308.1	-138.2	+322.9
Equity	1,464.1	1,417.3	+3.3
Capital investments in fixed assets	131.4	125.4	+4.8
Research and development	237.4	243.6	-2.5
Balance sheet total	3,722.5	3,531.9	+5.4
Number of staff on reporting date (30 September)	11,395	11,448	-0.5

### Outlook

In view of the coronavirus pandemic and the international trade conflicts which are still smouldering, negative effects on sales and earnings cannot be ruled out.

Further risks could arise from volatile producer prices and changes in the political framework for farmers in core markets. Despite these uncertainties, CLAAS expects sales and earnings for the current 2021 fiscal year to remain at the previous year's level.

**Photo download:** <https://dam.claas.com/pinaccess/showpin.do?pinCode=MleNh4CXXPKy>

416647: Thomas Böck, CEO of the CLAAS Group

416645: Hans Lampert, member of the Executive Board of the CLAAS Group, responsible for Finance and Controlling

416644: Christian Radons, member of the Executive Board of the CLAAS Group, responsible for Sales and Service

416639, 416641, 416640, 416643, 416642: Assembly of combine harvesters at CLAAS in Harsewinkel  
383162, 388559, 382928, 383424: Tractors with crawler tracks – AXION 900 TERRA TRAC and XERION 5000

387710, 385591, 373815: LEXION combine harvester

**Annual Report:** You can find the complete CLAAS Annual Report 2020 on the Internet at [annualreport.claas.com](http://annualreport.claas.com)

### **About CLAAS**

CLAAS ([www.claas-group.com](http://www.claas-group.com)) is a family business founded in 1913 and one of the world's leading manufacturers of agricultural machinery. The company, with corporate headquarters in Harsewinkel, Germany, is the European market leader in combine harvesters. CLAAS is the world leader in another large product group, self-propelled forage harvesters. CLAAS is also a top performer in agricultural technology worldwide with its tractors, agricultural balers and green harvesting machinery. The CLAAS product portfolio also includes state-of-the-art agricultural information technology. CLAAS employs around 11,400 workers worldwide and reported a turnover of 4.0 billion euros in the 2020 financial year.

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