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Media release

Komax expects rise in revenues and EBIT in second half of 2020

The market situation for Komax has improved every month since mid-year. Komax therefore expects to achieve a better result in the second half of 2020 than in the first six months of the year. Komax believes it will at least break even in terms of EBIT in the second half of 2020 (first half of 2020: CHF –4.7 million) and achieve revenues of at least CHF 300 million for the 2020 financial year as a whole (first half of 2020: CHF 145.2 million). As it is apparent that volume business in 2021 will not yet return to the level before the crisis, Komax plans to continue reducing costs and will cut additional positions.

At tomorrow's virtual Investors Day, Komax will highlight a number of trends in the automotive industry, take a look at the latest solutions to emerge from the SMART FACTORY by KOMAX and report on the current market environment. The market situation has brightened somewhat since many automotive plants closed for several weeks in the spring, and has been gradually improving since the middle of the year. The Asian market in particular has developed positively over the past few months. "We therefore assume that we will achieve higher revenues and better EBIT in the second half of 2020 than in the first six months of the year", explains Matijas Meyer, CEO of the Komax Group. Komax has implemented extensive cost-cutting measures in all companies throughout the year, which will help it to at least break even in terms of EBIT in the second half of 2020 (first half of 2020: CHF -4.7 million). It also expects a rise in revenues, which should come to at least CHF 300 million for the 2020 financial year as a whole (first half of 2020: CHF 145.2 million). This is all assuming that the coronavirus pandemic does not affect delivery capacity in the next few weeks.

Further cost reductions

As long as the coronavirus pandemic does not result in the automotive plants having to close again, Komax is confident that the market situation will continue to improve in 2021. However, it is unlikely to return to pre-crisis levels. As Komax does not expect its volume business in particular to recover yet, it will continue to reduce costs. Komax plans to cut the headcount for the whole Komax Group further in the coming months, which will ultimately be around 10% lower than at the end of 2019 (2211 employees). Komax has been adjusting its structures at various Group companies since the start of the year, reducing headcount at the Komax Group by around 150 employees. At the same time, some companies that currently have great potential for growth have slightly increased their headcount.

The remaining reductions will mainly affect the two sites in Switzerland. Komax plans to cut around 10% of the current workforce (660 employees) in Switzerland. This will not affect apprentices. The consultation process will start tomorrow. "If this reduction is implemented, Komax expects that it will have no or very little need for short-time working in Switzerland in 2021", says Matijas Meyer.

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Komax is a globally active technology company that focuses on markets in the automation sector. As a leading manufacturer of innovative and high-quality solutions for the wire processing industry, the Komax Group helps its customers implement economical and safe manufacturing processes, especially in the automotive supply sector. The Komax Group employs more than 2000 people worldwide and provides sales and service support via subsidiaries and independent agents in more than 60 countries.

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