

Press release

Vaillant Group: heat pumps are causing a growth spurt

- **Sales revenue increased to €3.3 billion in 2021**
- **Further growth of more than 50 per cent in heat pumps**
- **€300 million expenditure on heat pumps, research & development and digitalisation in 2021**

Remscheid, 30 May 2022 – The Remscheid-based heating, ventilation and air-conditioning technology specialist Vaillant Group increased its sales by more than 20 per cent to €3.3 billion in the 2021 financial year. All regions worldwide contributed to the company's double-digit growth rate, which would have been even higher without currency effects. The electric heat pump business again recorded a high increase in revenue. With sales of over 2.5 million central heating units and nearly one million water heaters, the company further expanded its position as the global market leader. The number of employees rose by 800 to around 16,000 across the Group. The Vaillant Group is planning to invest significantly in the further expansion of its heat pump business and in digitalisation in the coming years.

“In view of the dramatic events in Ukraine, it is difficult for us to report with joy on the positive results of 2021,” says Vaillant Group CEO Dr.-Ing. Norbert Schiedeck. “Our thoughts are with our colleagues, their families and the people affected by the war in Ukraine. The overwhelming willingness to help within the Vaillant Group shows us that we cannot measure the success of the Vaillant team only in numbers.”

Major boost thanks to heat pumps

As in the previous year, electric heat pump sales increased by over 50 per cent in 2021. Heat pumps have long been the fastest-growing product segment of the Vaillant Group. The significant growth in sales, which was higher than the growth of the overall market, enabled the Vaillant Group to achieve yet another increase in its market share. This was supported by the trend that Vaillant heat pumps are not only in great demand for new builds, but are also

increasingly being used in the replacement of fossil-fuel heating systems and energy-efficient refurbishments in existing properties due to their technological properties.

Further developments in gas technologies

The growth was also significantly boosted by the gas appliance segment. Thus, the Vaillant Group increased its sales in this business segment by 19 per cent compared with the previous year, while strengthening its leading position in wall-hung gas-fired boilers. At the same time, the Vaillant Group received its first certification for a gas-fired condensing boiler that can run on pure hydrogen.

€300 million expenditure on heat pumps, research & development and digitalisation in 2021

In 2021, the Vaillant Group spent €300 million, primarily on heat pumps, research & development and digitalisation.

Substantial funds were invested in the expansion of production capacities for heat pumps. This included the development of heat pump production at the Belper plant in the UK, due to start later this year. In addition, the production capacities at the headquarters in Remscheid and at the French plant in Nantes as well as the sales and service structures were considerably expanded. Another investment focus was the modernisation of IT systems and the digitalisation of equipment and services. In 2021, standardised IT platforms were implemented in Purchasing, in Supply Chain Management and for payment transactions.

Over the next few years, extraordinarily high investments will be necessary. “Our goal is the transformation of the Vaillant Group into the market leader in both heat pumps and in all the essential technologies required for the use of renewable energies, such as hydrogen and biomethane. This is the major entrepreneurial challenge to the Group’s further business development,” emphasises Schiedeck.

Uncertain economic and political environment in 2022

“The growth trend of the previous years continued during the first quarter of 2022. The further development of the year is difficult to forecast with any precision,” says Vaillant Group CEO Schiedeck. The strained procurement markets as well as significantly rising energy and raw materials prices are just as imponderable as the further development of the coronavirus pandemic and the consequences of the war in Ukraine. Despite these influencing factors, the company is currently assuming that it will continue to achieve further growth in 2022.

The **Vaillant Group** is an internationally active company based in Remscheid, Germany, which operates in the fields of heating, ventilation and air-conditioning technology. As one of the global market and technology leaders, the Vaillant Group develops and manufactures customised products, systems and services to provide a comfortable living environment. Its product portfolio ranges from efficient heating devices based on conventional energy sources to system solutions for using renewable energy. In the financial year 2021, the company, which has been family-owned since its foundation in 1874, generated sales of around 3.3 billion euros with its workforce of 16,000.

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Caption: Heat pumps are the fastest-growing product segment of the Vaillant Group. As in the previous year, sales increased by over 50 per cent in 2021.

Image: Vaillant Group