

Hyundai review 2015 and outlook 2016

28 April 2016 by HD Hyundai Construction Equipment Europe

2015 has been the most successful year ever for Hyundai Heavy Industries Europe. Sales numbers and turn-over reached an all-time high with more than 5,000 units sold and 8% growth in turn-over for construction equipment and forklifts. Despite the unstable economic situation and the unfavourable exchange rate for the Euro, European Hyundai dealers managed an excellent performance in key markets including the UK and France.

Review 2015

When we take a closer look at the results, Hyundai's market share of mini excavators has grown in Scandinavia, UK, Eastern Europe and France. The company made it a priority to increase its market share in the mini excavator market. Furthermore, the sales of battery trucks (forklifts) in the UK, Spain, Sweden and the Netherlands have doubled. Another priority was to increase Parts sales and 2015 showed an increase of 9% in this area. Hyundai's strategy of having more than 70,000 line items in stock, creating 96% availability, clearly has paid off!

Another major step forwards was the decision to begin the construction of a brand new European headquarters. On 81,000 square metres of land, a new HQ office (5,400 sqm), a new warehouse (13,000 sqm), a training facility, an event hall and a showroom are now under construction.

Mr S.G. Rhee, COO HHI Construction Equipment Division added "We're very happy to begin the construction work of our € 30 million investment project for our new headquarters in Belgium. Our solid investment in Europe will enable Hyundai to increase our success in Europe. The new facility is an excellent step forward for our European division. Our commitment to growth proves that HHIE is a dynamic and forward thinking company."

Outlook 2016

In the short term the economic growth around the world is not expected to improve significantly. And even if growth returns, some markets are a long way from their previous levels. As a result of this, the Hyundai Heavy Industries group has identified three-worldwide priorities for the current year. All summarized by the company mantra "Change Together":

1. The HHI Group sets the full-year sales target for 2016 at \$ 22,000 million;
2. Total responsibility management at division level;
3. HR is a key investment; without good people it is difficult to build a sustainable business.

For Hyundai Heavy Industries Europe the year has already started favourably. Thanks to construction works - which began early this year in Germany due to a mild winter - sales are already 50% up compared to the same period in the previous year. And there is even more room for growth with the German dealers "HBN" and "Wienäber" opening new outlets and "Engelhard" building new premises.

In 2016 Hyundai Heavy Industries Europe will once again focus on the mini excavator market, the heavy diesel forklift market and parts sales. In order to gain success in these focus areas, HHIE will further expand the dealer network, widen the product range and focus more on key customers.

In conclusion

Despite the global economic climate showing some clouds in the East and the Far East, Hyundai Heavy Industries Europe has shown that success is a choice - despite there being unfavourable conditions in 2015. Hyundai's loyalty and support for their European dealers, customers and business partners has paid off in dividends.

Hyundai is one of the top 20 exhibitors at this year's Bauma and with 16 construction equipment machines and forklift trucks making their world premiere, it confirms the company's commitment to continued growth. Hyundai's long term objective is to gain 10% market share for construction equipment and 5% for forklifts.

Mister J.C. Jung, CEO of HHIE adds, "Market conditions continue to be harsh in our industry. Our business slogan for this year is "Change Together", which means we implement changes and innovations. That is why we are proud to present our latest new generation machines at Bauma to our customers and to our dealers."

Source: Wienäber GmbH & Co. Baumaschinen KG