

Press release: 2015 year-end report

The Irizar Group ends 2015 by exceeding EUR 550 million in turnover and 30% growth in its Spanish plant

Ormaiztegi, 4 April 2016

The Irizar Group has ended 2015 by exceeding EUR 550 million in turnover and 30% growth and job creation in its headquarters in Spain

Growth is forecast in all the Group's companies along with the addition of a new company dedicated to electromobility

Irizar continues the trend from 2014, a year which saw Irizar Ormaiztegi (Spain) grow more than the other group companies, a change from the growth parameters that had been seen in previous years when, as a result of the economic crisis and the lack of growth in Europe, the Brazilian and Mexican plants assumed responsibility for the group's growth.

Irizar in Spain grew by 30% in 2015, thanks both to its operations in Europe (integral coaches) and Spain (bodies on chassis). It has also begun to manufacture integral coaches for the US market.

In addition to growth in units, the trend of strengthening the brand in the Premium segment continues which also leads to an improvement in coach fit-out.

Irizar's market share in Spain is over 40% and the market has grown by 30% compared to 2014, a year which itself experienced around 20% growth compared to 2013.



With this growth, Irizar's headquarters once again leads the group and accounts for 46% of its total turnover.

The contribution of the overseas plants went down to 34% while the remaining companies account for 20% of the group's total turnover.

As a result of this growth trajectory, Irizar has taken on 142 people in the last two years, steadily increasing the workforce by 20%.

Of these new hires, 99 correspond to higher-level vocational training profiles and the remaining 43 people are Masters graduates hired, above all, to increase the company's technological capability and ability to carry out R&D projects.

Given the economic situation in Brazil, Irizar's strategy there continues to be based on increasing export opportunities by taking advantage of a heavily devalued currency while continuing to position itself in the Premium coach segment.

Although registrations in Mexico are down by 27% this year due to economic reasons, Irizar ended the year maintaining its production volume and with a market share of over 60%, mainly due to the anticipation surrounding the launch of the new high-end model, the Irizar i8.

In Morocco, a new record turnover has been achieved this year due to covering the country's luxury market and to assisting Irizar Ormaiztegui with the manufacture of units of the Century model for European markets.

Optimism for 2016

With regard to 2016, Irizar's headquarters and Irizar Mexico are expected to continue being the group's main driving forces this year. Growth is also forecast in integral coaches in Europe and the United States.



This year has seen the launch of integral coaches in Spain and the Irizar i3 and i4 range of hybrid coaches is due to be launched for metropolitan services.

The success of the Irizar i8 model in Mexico has been impressive and has led to around a thousand orders for this top-of-the-range model which substituted the Irizar PB in Mexico. All the country's large customers trust in Irizar and demonstrate this trust by investing in Irizar products to meet their high-end needs.

In addition, Irizar has begun to manufacture integral coaches in Mexico which will lead to strong growth in production in this plant.

The strategies of increasing the export of Brazilian production and manufacturing units of the Century model for Europe at the Moroccan plant will remain in place.

As for the rest of the Group, growth is expected in all existing companies and this year will see the addition of Irizar e-mobility, a new electromobility company whose plant and prototypes of all its new products and systems will be completed by the end of 2016.

Irizar e-mobility is the Group's new company with a focus on electromobility in cities, the great strategic commitment to future sustainability. The Irizar Group aims to promote the use of clean and accessible transport which is committed to the environment and the well-being and health of people, creating better urban environments. It is committed to reducing noise pollution, to achieving low fuel consumption which reduces costs and to zero-emission vehicles.

The Group has estimated an investment of EUR 75 million for the construction of a new modern plant in Aduna (Gipuzkoa). It will occupy a gross floor area of 18,000 m² within a 37,000 m² plot and is scheduled for completion by the end of 2016. It will not only produce electric buses, but also vehicles that complement the electromobility needs of cities as well as



their main components and systems. The aim is to offer integral and comprehensive solutions for cities.

The Irizar Group's 100% electric (zero-emissions) bus is the first result of this project. The bus is already operating in cities including London, Barcelona, Paris and Marseille and has been tested in cities such as Madrid, Pamplona, Zaragoza and Nice among others, providing satisfactory operating results.

For additional information, please contact:

Ana Eceiza

Email: aeceiza@irizar.com

Tel.: +34 667181833