

## The HEGAN Aeronautics and Space Cluster member companies increased their turnover by 8% and employment by 6% in 2017

- Second European region in Clean Sky2 with 9 Core Partners

**Vitoria-Gasteiz, June 4, 2018.** The member companies of the Basque Country Aeronautics and Space Cluster (HEGAN) recorded a turnover of **€2.425 billion in 2017**, 7.9% more than the previous financial year, and increased employment by 6.2%, bringing the total to **14,457 jobs**. The figures were presented today at the press conference given at the Alava Technology Park, following the General Meeting of the Cluster Association, which celebrated its twentieth anniversary. By sub-sectors, **aerostructures** accounted for 55.5% of the turnover for this period, **motors** 38.5%, **systems and equipment** 3.5% and **space** 2.5%.

This year, we are able to highlight that 3,145 female employees work at all the facilities operated by the Member Companies worldwide. Over half of these female jobs (54%) correspond to graduates, engineers and managers.

In turn, **exports rose by 18.2%** compared to 2016, to €1.614 billion. **The United Kingdom** was the top destination for Basque aerospace exports, worth €423 million, followed by **Germany** (€316 million), **France** (€281 million), **The United States** (€198 million) and **Brazil** (€97 million).

In the last 20 years, the HEGAN Cluster, which was founded with 14 member companies that recorded a turnover of €325 million in its first year of activity, and has increased the number of members to 64 companies, **has multiplied its turnover by more than 7 and its number of employees by almost 6**, expanding to gain a major international presence, while adding new members from the Basque Science and Technology Network, such as universities and technology centers, to create a leading ecosystem that covers virtually the entire aeronautics sector. Consequently, **during these 20 years, the Basque Country has witnessed the rise and consolidation of this booming industrial sector.**

Last year, investment in **R+D+i** reached **€201 million**, a rise of 34% compared to the previous year. During this period without new aeronautics programs, the principal driving force behind this increase are development programs in the motors segment, the efforts in all areas to deal with the expected increases in delivery cycles and customer demands for competitiveness. Adapting our companies to the “Industry 4.0” is key. A milestone worth highlighting was the opening of the Aeronautics Advanced Manufacturing Center (CFAA). The center is consolidating its position as the driving force behind many of the Cluster’s group R+D+i initiatives in the motors segment.

In total, in 2017 HEGAN member companies participated in **181 R+D+i projects**. Of particular note is the participation of 9 HEGAN member companies as Core Partners in Clean Sky 2. They are Aciturri, Aernnova, Altran, CTA, Danobat, DMP, IK4, ITP Aero and Tecnalía, which are among the 94 European companies acting as Core Partners. Other companies participating in Clean Sky 2 include Ayesa Air Control, Batz Aerospace and SENER, as well as the UPV/EHU and the Cidetec technology center. In fact, the Basque Country is **the second European region**, behind Campania, with regard to the number of accepted proposals in this initiative during 2017.

The **forecasts for 2018** of HEGAN members are optimistic. The outlook remains positive in the medium- and long-term and the sector is undergoing a period of strong production growth, therefore **we are estimating a 4% increase in turnover** and a 2% increase in employment **for 2018**. The Basque aerospace industry is well-placed but **still needs to plan for the future in order to remain competitive and ensure the long-term market position of its companies**. Perhaps the key challenge for this year and the coming years, in addition to retaining and attracting talent, is to improve efficiency in order to increase capacity and become more competitive. In addition, the sector needs to count on **specific institutional support measures** in order to launch the **new programs** that are now being planned for the coming years.

#### - HEGAN

The HEGAN Cluster Association comprises 64 entities: Aernnova, ITP Aero and SENER as founding members; the companies and business groups Aciturri, Aeromec, Aerospace Engineering Group, Aibe, Alestis, Alfa Precision Casting, Altran, Aratz, Astorkia, Ayesa Air Control, Ayzar, Bahco, Batz Aerospace, Bost, Burdinberri, Danobat Group, DMP, Doilan, DTK, DYFA, Ekin, Electrohilo, EYHER, Grupo TTT, Hauck Heat Treatment, Imedusa, Industrias Galindo, Khegal Aeronáutica, Kimua, Korta, LTK Grupo, Matrici, Mesima, Metalúrgica Marina, Met-Meka, Metraltec, Microlan, Mizar, Nivac, Nuter, Ona Electroerosión, Orbital Critical Systems, Renishaw Ibérica, Sariki, Satlantís, Sikulan, Sisteplant, TAES, Tecnasa, TM Tellería, WEC, Wolco, and Xubi; the technology organizations Cidetec, CTA, IK4 and Tecnalía; and the universities of Deusto, Mondragón, Basque Country and Tecnun.

#### Financial year 2017 and 2017/16 variation

FIGURES	2017	2016	Growth 17/16
TOTAL TURNOVER (€B)	2.425	2.247	+ 8%
EXPORTS (€B)	1.614	1.366	+ 18%
R&D INVESTMENT (€M)	201	150	+ 34%
TOTAL EMPLOYMENT	14,457	13,612	+ 6%