



Porsche focuses battery activities on cell and system development

25/08/2025 Porsche continues to regard electromobility as an essential drive type of the future. Due to the slower ramp-up of electromobility and changed framework conditions in China and the USA, the sports car manufacturer is realigning its battery activities: In this context, the Cellforce Group GmbH is to focus on the research and development of battery cells in the future.

- Realignment of battery activities due to the slower ramp-up of electromobility and changed framework conditions in China and the USA
- Focus of Cellforce Group on cell and system development
- Socially responsible support for staff reductions at the Cellforce Group
- Porsche is sticking to its electric course: electrification rate in Europe at around 57 percent in the first half of 2025, above the target set for the IPO

The previous plans of the Porsche AG subsidiary to expand the production of high-performance

batteries will not be pursued. It is currently planned to continue development as an independent R&D unit. The associated staff reductions will be accompanied in a socially responsible manner. In addition, PowerCo, the Volkswagen Group's battery competence center, has offered to introduce suitable Cellforce Group employees to job opportunities at PowerCo sites.

Dr. Oliver Blume: "Porsche is one of the most successful traditional car manufacturers in the transformation to electric mobility. In the first half of 2025, 57 per cent of the vehicles delivered in Europe were electrified, compared to a global electric quota of 36 per cent. However, due to challenging conditions, particularly in our main markets of the USA and the not yet developed Chinese electric luxury segment, we are reorganising our battery activities and focusing on cell and system development. For volume reasons and a lack of economies of scale, Porsche is no longer pursuing its own production of battery cells. Electromobility will remain an essential drive technology for our sports cars in the future."

Electrification rate of Porsche in Europe at around 57 percent

Porsche will continue to invest in the research and development of battery cells in the future. The sports car manufacturer is thus supporting its electric course, which it already embarked on in 2019. Compared to other traditional manufacturers, Porsche now plays a leading role in electrification in the corresponding vehicle segments in many markets. In terms of performance and charging power, the all-electric Taycan and Macan models set standards. In addition, with the all-electric Cayenne and an all-electric sports car in the 718 segment, further models will follow in the short and medium term that will bring trend-setting technologies in electromobility into series production. Worldwide, however, there are strong regional differences in the ramp-up of e-mobility. For this reason, the company is moving away from the originally planned scaling of battery production by the Cellforce Group and will focus on cell and system development in the future.

While volumes in the USA and China are currently falling short of expectations for various reasons, Europe has seen disproportionate growth in this area in the first half of 2025. Around 57 percent of vehicles here were electrified, including hybrids. This exceeded the IPO's target for Europe. Worldwide, Porsche achieved an electrification rate of around 36 percent during this period. Regardless of this, the sports car manufacturer continues to rely on a flexible range of drive systems in order to position itself robustly in the transformation. Porsche's product strategy involves offering all three types of drive (combustion engine, hybrid, all-electric) in every segment until well into the 2030s – for two-door sports cars, sports sedans and sports SUVs.

Realignment of the Cellforce Group

"With the construction of the factory in Kirchentellinsfurt in 2022, we have set an exclamation mark in the industry and for Germany as a business location. Unfortunately, the market for electric vehicles worldwide has not developed as originally thought. The framework conditions have changed

fundamentally and we have to react to them," says Dr. Michael Steiner, Member of the Executive Board for Research and Development at Porsche. "It is with great reluctance that we take this step, and we are aware that the employees of the Cellforce Group have put their heart and soul into the development of high-performance batteries. My special thanks go to them. In the end, however, we have to conclude that the planned business model is not economically viable."

The original idea was to start the factory in Kirchentellinsfurt as a "start-up factory" with a production volume of about 1 GWh. Later, the volume was to be scaled at a second location. "From today's perspective, this is not realistic," says Dr Michael Steiner. "The Cellforce Group has successfully developed high-performance cells and set up pilot production, but due to a global lack of volumes, it is not possible to scale its own production to the planned cost position. Therefore, the Cellforce Group should concentrate on research and development work in the future."

Know-how of the R&D unit can be used in a variety of ways

Porsche wants to continue to use the knowledge acquired within the Cellforce Group in recent years. Dr. Michael Steiner: "We will continue to invest in all-electric models with high-performance batteries in the future. The new R&D unit can play an important role in this. Here we bundle our experience in the development of high-performance cells and also contribute this to the Group. As such, PowerCo will use the independent R&D unit and place development orders for high-performance cells there."

The know-how of the Cellforce Group can also benefit V4Smart GmbH & Co. KG. In March of this year, the sports car manufacturer took over the business area for ultra-high-performance lithium-ion round cells from the VARTA AG Group. The cells of the V4Smart are already being used as booster cells in the Porsche 911 GTS models. Further 911 derivatives with performance hybrid are about to be launched on the market.

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