

# HELLA H1 2025 RESULTS

January 1, 2025 – June 30, 2025

July 25, 2025

**FORVIA**





# AGENDA

01 Achievements

02 Financial Results

03 Outlook

04 Key Takeaway

# 01 ACHIEVEMENTS

HELLA H1 FY 2025 Results

# SOLID H1 DEVELOPMENT IN LINE WITH EXPECTATIONS

SALES	OPERATING INCOME MARGIN	NET CASH FLOW
<ul style="list-style-type: none"> <li>&gt; Organic sales of €4,015m largely at PY level (-0.4% YoY)</li> <li>&gt; Group reported sales -1.3% to €3,979m with FX headwind in Q2</li> <li>&gt; Lighting down with discontinuation of series projects; sales<sup>1</sup> down by 7.4% to €1,838m</li> <li>&gt; Electronics with continuous growth momentum in all regions; sales<sup>1</sup> up by 6.6% to €1,610m</li> <li>&gt; Lifecycle Solutions impacted by weak commercial vehicle business; sales<sup>1</sup> down by 6.6% to €496m</li> </ul>	<ul style="list-style-type: none"> <li>&gt; Development of operating income margin largely stable (-20bps to 6.0%)</li> <li>&gt; Lower Gross Profit with missing volumes and negative mix effects</li> <li>&gt; Overall strong cost discipline with consistent improvement of cost structures</li> <li>&gt; Competitiveness Program in Europe gradually taking effect                             <ul style="list-style-type: none"> <li>• Greater cost efficiency in R&amp;D</li> <li>• Reduction of fixed cost base</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>&gt; Net Cash Flow increased 33.6% to €114m</li> <li>&gt; NCF to sales at 2.9% (PY 2.1% of sales)</li> <li>&gt; Higher funds from operations</li> <li>&gt; CAPEX reduction vs. PY</li> <li>&gt; Factoring increase of €23m H1 FY 2025 vs. €40m H1 FY 2024)</li> </ul>
IN LINE WITH 2025 GUIDANCE		
Between around €7.6 to 8.0 billion	Between around 5.3% to 6.0%	At least €200m

1) External Sales

# GLOBAL ORDER INTAKE DRIVEN BY TECHNOLOGY AND INNOVATION – FURTHER MAJOR AWARDS IN ELECTRONICS

## LIGHTING WITH NOMINATIONS FOR CORE PRODUCTS FROM GLOBAL CUSTOMERS

- Headlamp and CBL packages for European premium OEM for (electric) car models, SOP 2028
- LED headlamp packages for different models of US OEM, SOP 2028
- Different headlamp and CBL packages for premium Chinese OEMs for several car models, SOP 2026

## ELECTRONICS WITH MAJOR AWARDS FOR INNOVATIONS AND KEY TECHNOLOGIES

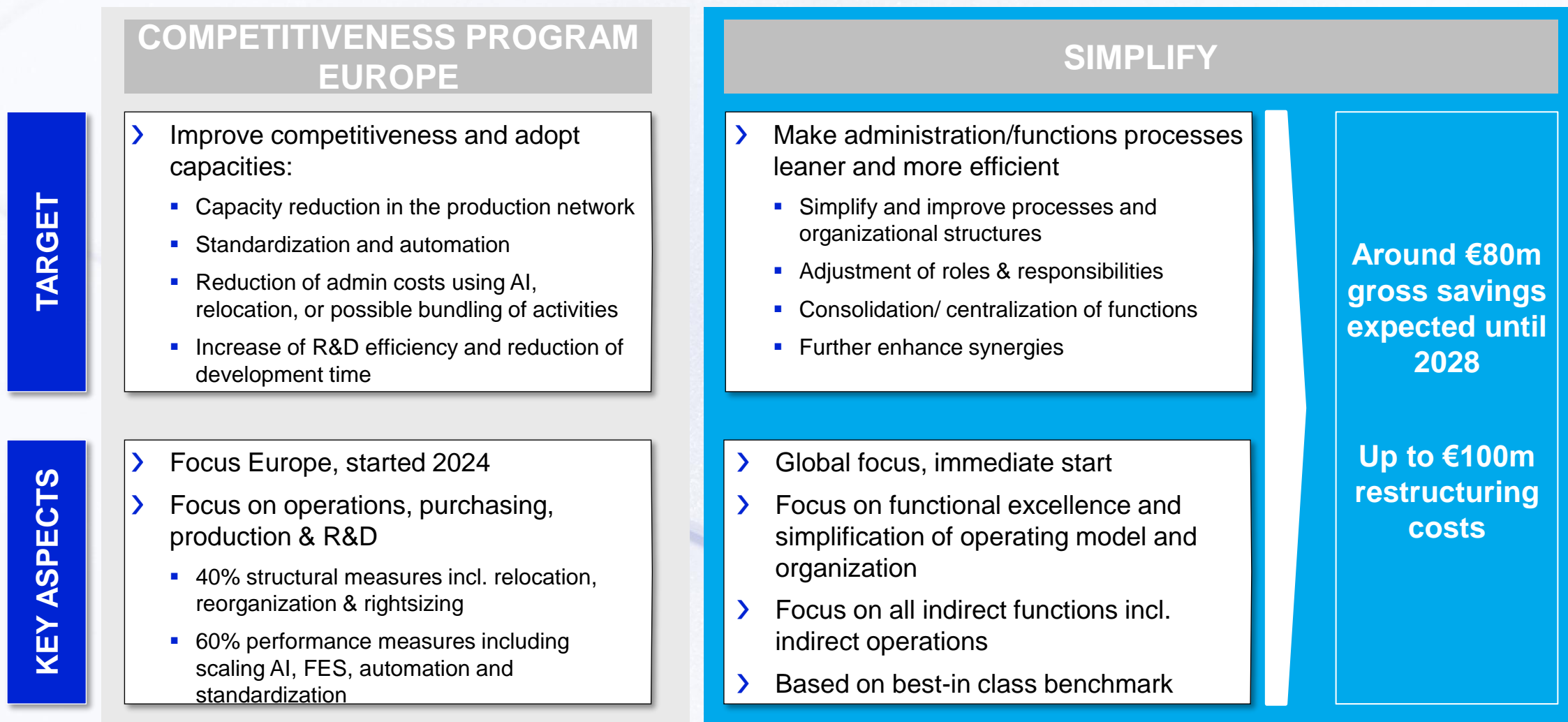
- Three-digit million order intake for iPDM and Smart Car access for several (electric) car models of European premium OEM, SOP 2026
- Three-digit million order intake for HV Energy Management for US OEM, SOP 2028
- Three-digit million order intake for European premium OEM Zonal Control Modules, SOP 2028

## LIFECYCLE SOLUTIONS WITH INCREASED CUSTOMER OUTREACH

- LED Front Lighting and Marker Lamps for E-Bus for Indian OEM, SOP 2026
- Front Lighting Modules for US series of an Asian truck manufacturer, SOP 2026
- Rear Combination lamps for international bus manufacturer, SOP 2028



# IN ADDITION TO THE COMPETITIVENESS PROGRAM IN EUROPE, HELLA STARTS PROJECT “SIMPLIFY” – AROUND €80M FURTHER GROSS SAVINGS UNTIL 2028

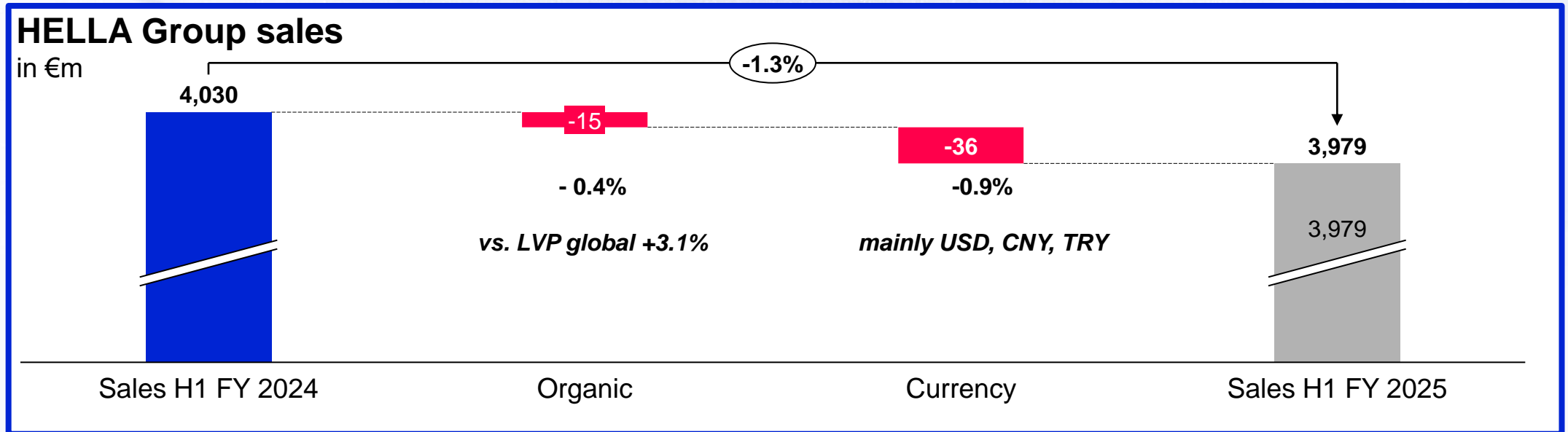


# 02 FINANCIAL RESULTS

HELLA H1 FY 2025 Results

# HELLA SALES ALMOST AT PY LEVEL– OUTPERFORMANCE IN EUROPE AND NSA

- Organic sales H1 FY 2025 largely at PY level, small decline by 0.4% mainly due to Lighting
  - Growth in Americas with ramp-up of programs in Lighting and Electronics
  - Growth in Europe driven mainly by radar business
  - Sales in Asia negatively impacted by EOPs in Lighting
- FX headwind starting in Q2, in the first 6 months overall -0.9% (-€36m)
- Reported sales H1 FY 2025 -1.3%YoY





# LIGHTING WITH DECLINING SALES – PROFITABILITY SUPPORTED BY FIXED COST REDUCTION

## LIGHTING

In €m	H1 FY 2024	H1 FY 2025	
<b>External Sales</b>	<b>1,984</b>	<b>1,838</b>	
YoY organic		-6.8%	<b>vs. LVP growth of +3.1%</b>
YoY FX*		-0.6%	
Intersegment Sales	28	26	
<b>Total Sales</b>	<b>2,012</b>	<b>1,864</b>	
<b>Operating Income</b>	<b>66</b>	<b>63</b>	
% of Total Sales	3.3%	3.4%	

\*approximation based on internal analyses

### Sales development harmed by the end of series projects

- > Ramp-up of existing series production for headlamps and rear combination lamps in Europa could only partly compensate overall market weakness, negative development especially in Q2
- > Significant negative impact from the discontinuation of various large-volume series projects; particularly in the Chinese and American markets

### Operating Income -€3m (-4.6%) to €63m; OI Margin +10bps to 3.4%

- > Stable GP margin due to lower operational costs and material costs savings which compensated negative volume & mix effects
- > Lower R&D expense due to less external spendings and structural adjustments in the R&D network
- > Reduced fixed costs and savings in administration and distribution expenses

# ELECTRONICS WITH STRONG SALES MOMENTUM – PROFITABILITY IMPACTED BY GPM DEVELOPMENT

## ELECTRONICS

In €m	H1 FY 2024	H1 FY 2025	
<b>External Sales</b>	<b>1,511</b>	<b>1,610</b>	
YoY organic		+7.2%	<b>vs. LVP growth of +3.1%</b>
YoY FX*		-0.6%	
Intersegment Sales	152	120	
<b>Total Sales</b>	<b>1,663</b>	<b>1,731</b>	
<b>Operating Income</b>	<b>127</b>	<b>121</b>	
% of Total Sales	7.6%	7.0%	

\*approximation based on internal analyses

## Positive sales growth with start- and ramp-ups of several series projects

- > Successful business with radar and EPS drives growth in Americas
- > Growth in Europe with ramp-ups of series projects especially radar and EPS that over-compensated negative impact of slower electrification
- > Growth in APAC with ramp up of LV-BMS business as well as car access systems

## Operating Income -€5m (-4.3%) to €121m; OI margin -60bps to 7.0%

- > Gross Profit impacted by write-down of assets for energy management programs due to generally slower electrification
- > Lower R&D expenses with reduced use of external service providers could only partly compensate GPM decline

EPS= Electronic Power Steering; LV BMS = Low Voltage Battery Management Systems



# LS AFFECTED BY WEAKNESS OF COMMERCIAL VEHICLE BUSINESS – NEGATIVE IMPACT DECREASED IN Q2

## LIFECYCLE SOLUTIONS

In €m	H1 FY 2024	H1 FY 2025
<b>External Sales</b>	<b>531</b>	<b>496</b>
YoY organic		-4.0%
YoY FX*		-2.6%
Intersegment Sales	5	5
<b>Total Sales</b>	<b>537</b>	<b>501</b>
<b>Operating Income</b>	<b>63</b>	<b>53</b>
% of Total Sales	11.7%	10.6%

\*approximation based on internal analyses

### Negative sales development with decline in commercial vehicle business

- > Low demand of customers in the commercial vehicle business esp. Agriculture, Trailer & Construction due to reduced investment activity – momentum improved in Q2
- > Lower willingness to invest in workshop products
- > Stable development of the spare parts business with an expanded range of products in the Asian region, FX impact led to negative sales development in Q2

### Operating Income -€6m (-15.6%) to €53m; OI margin down by 210bps to 10.6%

- > Lower Gross Profit Margin with negative volume and product mix effects despite cost savings
- > Clear decrease of R&D expenses with optimization of business processes
- > Savings in SG&A expenses with cost measures, increased ratio due to missing volume



# OUTPERFORMANCE IN EUROPE AND AMERICAS – SALES IN APAC DOWN WITH EXPIRING PROJECTS

## EUROPE



59 %  
of group sales

## AMERICAS



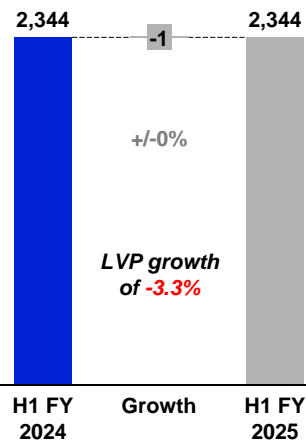
21 %  
of group sales

## ASIA/ PACIFIC INCL. ROW

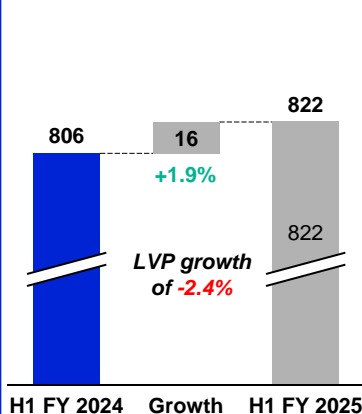


20 %  
of group sales

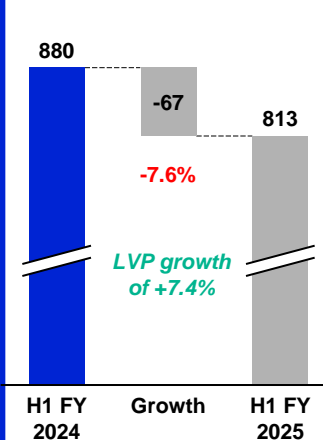
Reported sales  
in €m



Reported sales  
in €m



Reported sales  
in €m



- > Global LVP up 3.1%, growth driven by China (+11.9%)
- > HELLA Group organic sales growth at -0.4%, underperforming by approx. 345bps
- > Europe outperformance of ~330bps
  - New series launches and ramp-ups of existing series production in Electronics
  - Lighting affected by the discontinuation of series projects, partially counterbalanced by ramp-ups
- > Americas outperformance of ~430bps
  - Electronics ramping up radar and EPS business
  - Lighting with ramp-ups of HL and RCL projects, but growth penalized by end of series projects
- > Asia/Pacific underperformance of ~1,500bps
  - Lighting suffers from the end of series productions
  - Electronics growing with LV BMS as well as car access systems

HL= HeadLamp; RCL: Rear Combination Lamp

# SALES AND PROFITABILITY LARGELY AT PRIOR YEAR LEVELS – COST SAVING MEASURES TAKEN EFFECT

In €m <sup>1</sup>	H1 FY 2024	H1 FY 2025	YoY Change
<b>Sales</b>	<b>4,030</b>	<b>3,972</b>	<b>- 1.4%</b>
COGS	(3,057)	(3,053)	- 0.1%
% of sales	-75.9%	-76.9%	+101bps
<b>Gross Profit</b>	<b>973</b>	<b>919</b>	<b>- 5.6%</b>
<b>% of Sales</b>	<b>24.1%</b>	<b>23.1%</b>	<b>- 101bps</b>
R&D	(420)	(381)	- 9.2%
% of sales	-10.4%	-9.6%	-82bps
SG&A	(305)	(300)	- 1.5%
% of sales	-7.6%	-7.6%	- 6bps
(thereof distribution)	(160)	(165)	+ 3.3%
% of sales	-4.0%	-4.2%	+ 18bps
(thereof admin)	(156)	(146)	- 6.3%
% of sales	-3.9%	-3.7%	- 19bps
<b>Operating Income</b>	<b>248.1</b>	<b>237.0</b>	<b>-4.5%</b>
<b>% of sales</b>	<b>6.2%</b>	<b>6.0%</b>	<b>- 19bps</b>
JV & other investment income	(3.6)	(3.4)	-5.1%
% of sales	0.1%	0.1%	+1bps
Non-recurring OI& OE	72.5	(-95.7)	nm
<b>EBIT</b>	<b>317.0</b>	<b>137.9</b>	<b>-56.5%</b>
<b>% of sales</b>	<b>7.9%</b>	<b>3.5%</b>	<b>-439bps</b>
<b>Cons. Net Income</b>	<b>241.8</b>	<b>70.3</b>	<b>-64.0%</b>
<b>% of sales</b>	<b>6.0%</b>	<b>1.8%</b>	<b>-424bps</b>

## Gross Profit Margin down by ~100bps

- > Lower GPM in Electronics weighs on group margin, Lighting and Lifecycle Solutions showed improvements

## R&D ratio down by ~80bps

- > Savings with structural adjustments in the European development network and less use of external services especially in Electronics

## SG&A expenses decreased by 1.5%, ratio to sales nearly stable at 7.6%

- > Acceleration of cost reduction measures offset higher distributions expenses

## Non-recurring operating income and expenses at -€95.7m<sup>2</sup>

- > Mainly restructuring costs for the competitiveness program in Europe
- > PY included capital gain from the sale of BHTC share

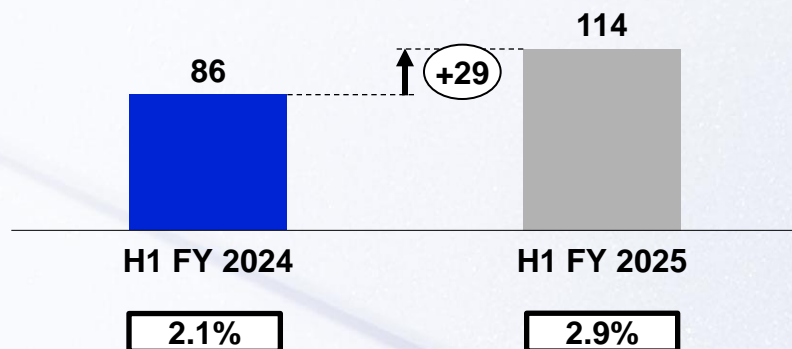
1) All items up to and including operating income are presented in an adjusted form. For the reported P&L and the reconciliation statement please refer to the financial statement.

2) Please refer to Note 10 in the financial statement for further details

# NET CASH FLOW INCREASED DUE TO OPERATIONAL IMPROVEMENTS

## NET CASH FLOW

in €m and % of sales

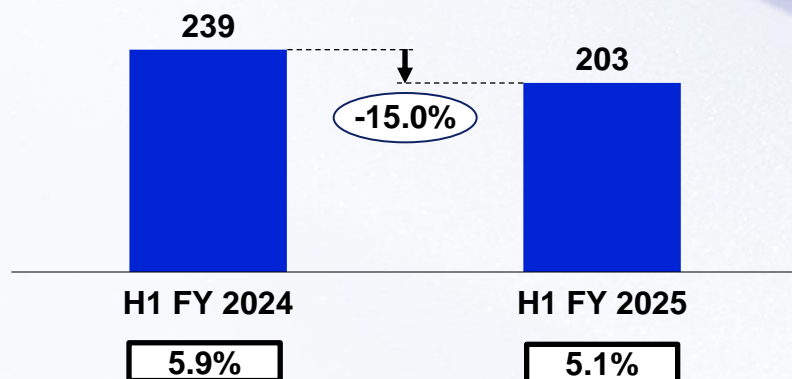


**Net Cash Flow up, increase of €29m (+33.6%) to €114m**

- > Higher Operating Cash Flow
  - Higher funds from operations
  - Positive Working Capital contribution; increase in payables with more favorable payment terms
  - Lower factoring contribution (€23m vs. €40m in H1 FY 2024)

## TANGIBLE CAPEX

in €m and % of sales



**Tangible CAPEX down by 15.0% to €203m**

- > Investments in series projects after successful order intake in prior years
- > Thorough capital allocation
- > Increased standardization & automatization of production processes

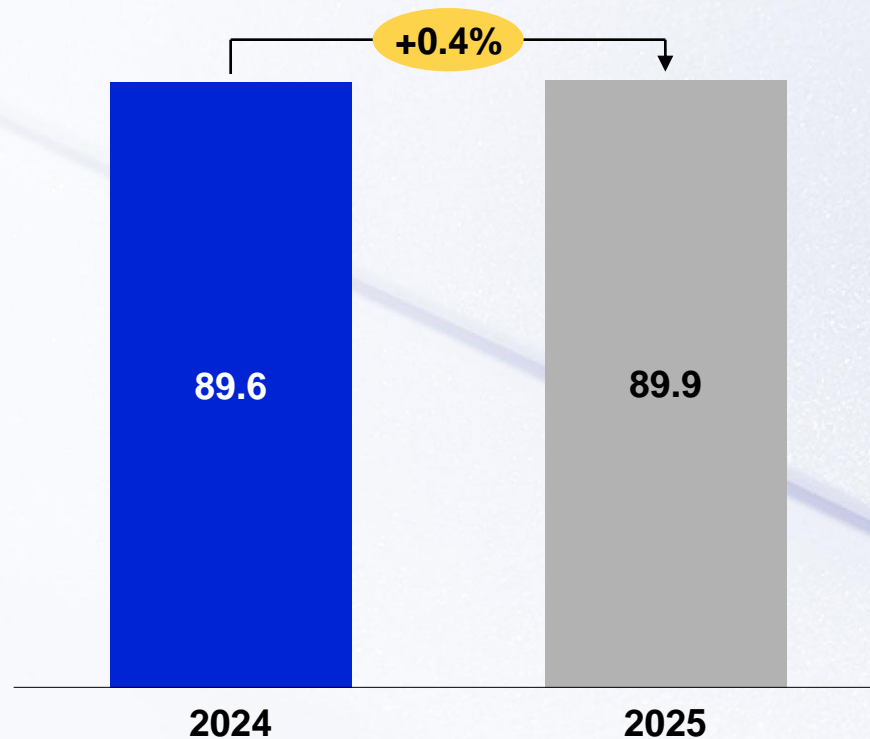


# 03 OUTLOOK

HELLA H1 FY 2025 Results

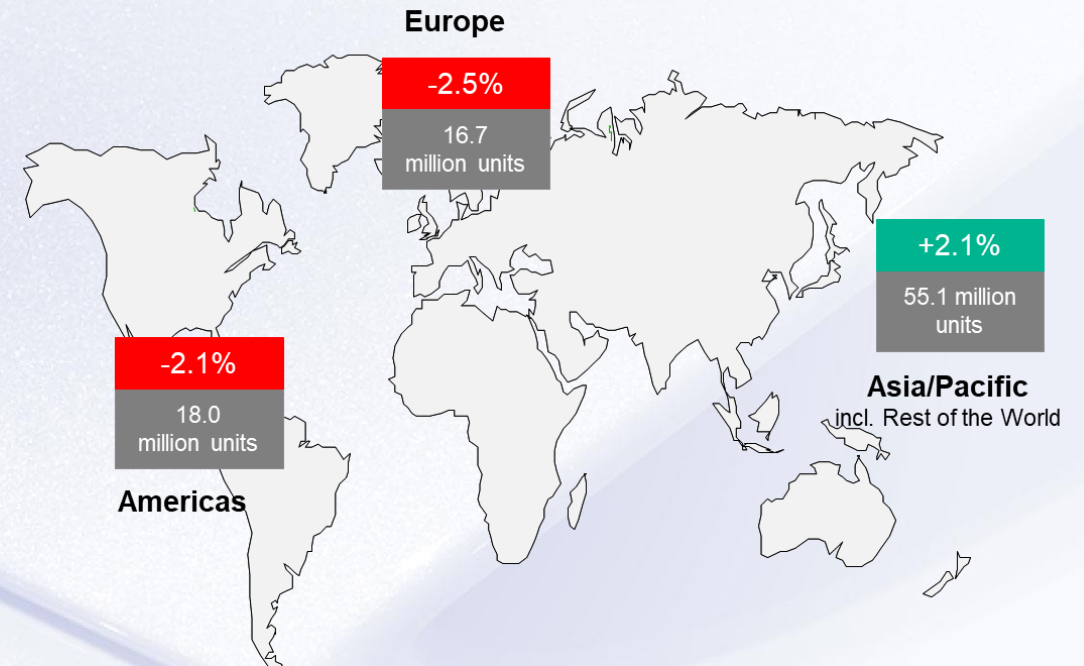
# GLOBAL MARKET OVERALL STABLE 2025 BUT AMERICAS AND EUROPE EXPECTED TO DECLINE FURTHER

**Expected global light vehicle production**  
in million units, S&P Global Mobility per July 2025



Source: S&P Global Mobility (formerly IHS Markit | Automotive)

**Expected light vehicle production per region,**  
S&P Global Mobility per July 2025



# HELLA FY 2025 OUTLOOK CONFIRMED

## Company Outlook Jan 1, 2025, to Dec 31, 2025

Taking into consideration the latest S&P forecast of around 89.9 million light vehicles to be produced in 2025

### Sales

Currency and portfolio adjusted

**Between around €7.6 to 8.0 billion**

### Operating Income Margin

**Between around 5.3% to 6.0% of sales**

### Net Cash Flow

**At least €200m**



# 04 KEY TAKEAWAYS

HELLA H1 FY 2025 Results

# KEY TAKEAWAYS

## Solid performance during H1 FY 2025

- H1/2025 in line with expectations
- Solid performance in a demanding market environment
  - Sales and profitability largely stable
  - Significant improvement of net cash flow
- H1 development in line with outlook
- Structural and performance related measures gradually taking effect
- Order intake driven by awards in Electronics

## Outlook FY 2025 confirmed

- HELLA outlook FY 2025 confirmed
  - Sales between around €7.6bn and €8.0bn
  - OI margin of between around 5.3% and 6.0%
  - NCF at least €200m
- Outlook is based on 89.9m LV produced
- Volatile H2/2025 ahead, measures have been taken to compensate for tariff impact as of today

## Acceleration of measures, further global project initiated

- Competitiveness Program in Europe accelerated
- Project SIMPLIFY initiated to improve processes and organizational structures for further cost savings:
  - Ambition to generate gross savings of ~€80m until 2028
  - Restructuring costs of up to €100m

# APPENDICES



# LVP PRODUCTION AND GROUP SALES PER REGION

		H1 FY 2024	H1 FY 2025
<b>HELLA Group sales</b> in €m	Worldwide	4,030	3,979
	Europe	2,344	2,344
			+0.0%
	Americas	806	822
			+1.9%
	Asia/Pacific & Rest of World	879	813
			-7.6%
<b>Light vehicle production</b> in 1.000 units	Worldwide	43,541	44,874
	Europe	9,100	8,799
			-3.3%
	Americas	9,380	9,155
			-2.4%
	Asia/Pacific & Rest of World	25,060	26,920
			+7.4%

*Note: Light Vehicle Production (LVP) based on S&P Global Mobility per July 17, 2025*

# UPCOMING EVENTS

October 17, 2025

- Prelim Q3 FY 2025

November 6, 2025

- Q3 FY 2025

November 24-26, 2025

- Deutsches Eigenkapitalforum - Analysts' Meeting

# DISCLAIMER

- This document was prepared with reasonable care. Certain numerical data, financial information and market data in this presentation have been rounded in accordance with commercial rounding. However, no responsibility can be assumed for the correctness of the provided information. In addition, this document contains summary information only and does not purport to be comprehensive and is not intended to be (and should not be construed as) a basis of any analysis or other evaluation. Any information relating to past performance contained herein is not a guarantee of future performance. Nothing herein should be construed as an investment recommendation or as legal, tax, investment, or accounting advice. No representation or warranty (express or implied) is made as to, and no reliance should be placed on, any information, including projections, targets, estimates and opinions contained herein.
- This document may contain forward-looking statements and information on the markets in which the HELLA Group is active as well as on the business development of the HELLA Group. In some cases, you can identify these forward-looking statements by forward-looking words, such as "estimate," "expect," "anticipate," "project," "plan," "intend," "objective", "believe," "forecast," "foresee," "likely," "may," "should," "goal," "target," "might," "would," "will", "could," "predict," "continue," "convinced," and "confident," the negative or plural of these words and other comparable terminology. These statements are based on various assumptions relating, for example, to the development of the economies of individual countries, including but not limited to the ongoing global impact of the global Russia/Ukraine conflict, and in particular of the automotive industry. Various known and unknown risks, uncertainties and other factors (including those discussed in HELLA's public reports) could lead to material differences between the actual future results, financial situation, development or performance of the HELLA Group and/or relevant markets and the statements and estimates given here. We do not update forward-looking statements and estimates retrospectively. Such statements and estimates are valid on the date of publication and can be superseded.
- This document contains an English translation of the accounts of the Company and its subsidiaries. In the event of a discrepancy between the English translation herein and the official German version of such accounts, the official German version is the legal valid and binding version of the accounts and shall prevail.



**FORVIA**

