



HELLA begins new fiscal year better than expected

- **Covid-19 pandemic continues to hamper industry development; consolidated sales after currency and portfolio adjustments decrease in the first three months by 10.6 percent to € 1.4 billion**
- **Adjusted earnings before interest and taxes fall to € 56 million; adjusted EBIT margin is 4.2 percent**
- **The first quarter closes with a reported EBIT of minus € 115 million due to provisions for restructuring measures in Germany (€ 169 million)**
- **Automotive segment affected by drop in light vehicle production; Aftermarket with strong workshop business; Special Applications benefits from increased sales in the agricultural machinery business**
- **Outlook for the current fiscal year 2020/2021 confirmed**

Lippstadt, 24 September 2020. Despite the continuing highly negative effects of the Covid-19 pandemic on the global automotive industry, global automotive supplier HELLA reported better than originally expected results for the first three months of fiscal year 2020/2021. The currency and portfolio-adjusted consolidated sales in the first quarter (1 June to 31 August 2020) dropped by 10.6 percent to € 1.4 billion (prior year: € 1.5 billion). The adjusted earnings before interest and taxes (adjusted EBIT) dropped to € 56 million (prior year: € 111 million). Correspondingly, the adjusted EBIT margin amounted to 4.2 percent (prior year: 7.3 percent). Due to provisions amounting to € 169 million taken into account in the first quarter for the long-term programme to increase competitiveness in Germany, the reported EBIT for this period is minus € 115 million (prior year: € 111 million). Correspondingly, the reported EBIT margin stands at minus 8.6 percent (prior year: 7.1 percent).

“As before, the environment for the entire automotive industry remains very challenging. Global light vehicle production continued to fall in the first three months of the new fiscal year, although not as significantly as first assumed,” said HELLA CEO Dr. Rolf Breidenbach. “This is also reflected in our financial figures. In fact, we have performed better than we expected we would back at the beginning of the fiscal year. It is particularly encouraging that we remained operationally profitable in the first quarter



despite the challenging market environment. This is not least due to our consistent cost management.”

Automotive segment affected by drop in light vehicle production

Due to the lower passenger vehicle and light commercial vehicle production figures, sales in the Automotive segment fell by 12.6 percent to € 1.2 billion (prior year: € 1.3 billion). Nevertheless, the business has held up better than the market itself, particularly in Europe and America, and has also recovered considerably compared with the fourth quarter of the prior fiscal year. The EBIT of this segment has dropped to € 41 million (prior year: € 92 million), which equates to an EBIT margin of 3.5 percent (prior year: 6.9 percent). The main reason for this is the continued reduction in capacity utilisation.

Aftermarket with strong workshop business

In the first quarter of fiscal year 2020/2021, sales in the Aftermarket segment decreased by 6.7 percent to € 110 million (prior year: € 117 million). The key factor behind the drop in sales within the segment was, in particular, the lower demand in the independent aftermarket business caused by the Covid-19 pandemic. In contrast to this, business involving advanced workshop equipment has developed positively as workshops have recently begun to increase their investments again. The EBIT of this segment, at € 11 million, is at the same level as the prior year. The EBIT margin, due to the increased proportion of workshop products, has increased to 9.6 percent (prior year: 9.4 percent).

Special Applications benefits from increased sales in the agricultural machinery business

Sales in the Special Applications segment only saw a small drop in the first three months of the current fiscal year of 2.8 percent to € 75 million (prior year: € 77 million). While the market weakness continued to have a negative impact due to the Covid-19 pandemic, particularly in the bus and construction machinery business, increasing demand has been seen in the field of agricultural machinery equipment in particular. Due to an overall lower utilisation, product mix effects and higher development costs,



the EBIT of this segment has reduced to € 7 million (prior year: € 9 million). Correspondingly, the EBIT margin is 9.0 percent (prior year: 11.4 percent).

Outlook for the current fiscal year 2020/2021 confirmed

After the performance of first three months, HELLA has confirmed the Company outlook for the current fiscal year (1 June 2020 to 31 May 2021). For this time period, HELLA expects currency and portfolio-adjusted sales to be in the range of € 5.6 billion to € 6.1 billion, and an adjusted EBIT margin in the range of 4.0 percent to 6.0 percent.

“The outlook for the coming months is relatively positive for us. The signs indicating a slight recovery in the market during the current fiscal year have intensified again recently,” said Dr. Rolf Breidenbach. “Taking the continuing unforeseeable consequences of the global Covid-19 pandemic into consideration, there are still high levels of market uncertainty that could have an impact on the development of our business. We are, therefore, remaining with the previously stated outlook for the time being.”



Selected key financial figures in € millions or as a percentage of sales for the first three months (1 June to 31 August):

	Fiscal year 2020/2021	Fiscal year 2019/2020	Change
Sales currency and portfolio-adjusted	1,367	1,528	-10.6%
Sales reported	1,344	1,570	-14.4%
Adjusted earnings before interest and taxes (adjusted EBIT)	56	111	-49.2%
Earnings before interest and taxes (EBIT)	-115	111	-203.8%
Adjusted EBIT margin	4.2%	7.3%	-3.1 percentage points
EBIT margin	-8.6%	7.1%	-15.7 percentage points

Where sums and percentages have been rounded, differences may arise as a result of commercial rounding.

The financial statement on the first quarter of fiscal year 2020/2021 can now be downloaded from the [website](#) of HELLA GmbH & Co. KGaA.

Please note:

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HELLA GmbH & Co. KGaA, Lippstadt: HELLA is a global, family-owned company, listed on the stock exchange, with over 125 locations in some 35 countries. With sales of € 5.8 billion in the fiscal year 2019/2020 and 36,000 employees, HELLA is one of the leading automotive suppliers. HELLA specialises in innovative lighting systems and vehicle electronics and has been an important partner to the automotive industry and aftermarket for more than a century. Furthermore, in its Special Applications segment, HELLA develops, manufactures and sells lighting and electronic products for specialist vehicles.

PRESS RELEASE



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