



## Moody's confirms Baa1 rating for HELLA

- **Retention of rating reflects effective cost control approach and strong liquidity position of the company**
- **Outlook remains negative due to high uncertainties in the industry environment**

**Lippstadt, 15 June 2020.** The internationally operating rating agency Moody's Investors Services (Moody's) has confirmed the company rating of HELLA GmbH & Co. KGaA at the level of Baa1 with a negative outlook. In view of the manifold market challenges, Moody's announced in March that it was reviewing the corporate rating of 14 European automotive supplier companies for downgrading.

Moody's justifies the confirmation of the HELLA rating, among other things, with the cost reduction and flexibilisation measures introduced in the course of the global Covid-19 pandemic and the strong liquidity position of the company. Among other things, they also emphasised HELLA's leading position in the automotive lighting technology and electronics sector, the diversified business model with the additional segments Aftermarket and Special Applications, the broad customer portfolio and the international positioning of the company, as well as the above-average business development in recent years. In view of the continuing high level of uncertainty regarding the effects of the Covid-19 pandemic and the ongoing industry change in the automotive industry, Moody's has left the outlook at negative.

"The confirmation of Moody's rating shows once again that our business model is highly stable even in economically challenging times", says HELLA CFO Bernard Schäferbarthold. "Above all, thanks to our solid financial policy and strong liquidity position, we are now also well equipped to successfully tackle current and future market challenges."

With a new syndicated credit facility of over € 500 million, HELLA had further strengthened its liquidity at the end of May 2020 and now has a financial cushion of

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around € 2 billion. In view of the negative market expectations, the management has also decided to propose to the Annual General Meeting on 25 September 2020 to suspend the dividend payment for the fiscal year 2019/2020.

**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 € 7.0 billion in the fiscal year 2018/2019 and 39,000 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.

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