



HELLA significantly improves earnings in a challenging industry environment

- **Coronavirus pandemic and bottlenecks in global supply and logistics chains hamper industry development**
- **Currency and portfolio-adjusted consolidated sales decrease slightly by 0.3 percent to € 4.7 billion in the first nine months of the current fiscal year**
- **Thanks to consistent cost management, adjusted earnings before interest and taxes increase by 10.1 percent to € 373 million; adjusted EBIT margin rises to 8.0 percent**
- **At € 312 million, reported EBIT stands at the prior-year level; reported EBIT margin comes to 6.7 percent**
- **Automotive segment achieves slight growth in the third quarter; Aftermarket sees significant rise in profitability; Special Applications returns to sales growth due to strong agricultural machinery business**
- **Company outlook substantiated to the upper half of the forecast ranges raised in December despite increasing market uncertainties**

Lippstadt, 14 April 2021. International automotive supplier HELLA has developed well in a challenging industry environment that is still suffering from the consequences of the coronavirus pandemic and bottlenecks in the global supply and logistics chains. In the first nine months of fiscal year 2020/2021 (1 June 2020 to 28 February 2021), the HELLA Group's currency and portfolio-adjusted sales fell only slightly by 0.3 percent to € 4.7 billion (prior year: € 4.8 billion). Despite the challenging market environment, adjusted earnings before interest and taxes (adjusted EBIT) improved significantly by 10.1 percent to € 373 million thanks to ongoing consistent cost management (prior year: € 339 million). The adjusted EBIT margin therefore increased to 8.0 percent (prior year: 7.1 percent).

At € 312 million, the reported EBIT stands at the prior-year level; the reported EBIT margin comes to 6.7 percent (prior year: 6.4 percent). This figure firstly takes into account additional income of € 121 million from the sale of the business activities with front camera software completed in the third quarter and provisions of € 169 million for



the ongoing programme in Germany aimed at increasing competitiveness over the long term.

"The entire automotive industry is currently facing massive challenges. The coronavirus pandemic continues to spread and the entire sector is being impacted by the consequences of the huge shortage of components especially on the semiconductor market. In light of these specific circumstances, our business development in the first nine months gives us reason to be very satisfied overall," says HELLA CEO Dr. Rolf Breidenbach. "All segments developed well in this demanding environment. One of the most pleasing aspects is that our consistent cost management continues to prove effective and is allowing us to further improve our competitive position over the medium and long term."

Automotive segment achieves slight growth in the third quarter

On account of the negative industry environment, sales in the Automotive segment declined by 2.7 percent to € 4.0 billion in the first nine months of the current fiscal year (prior year: € 4.2 billion). A slight increase in sales was seen again in the third quarter in the wake of a certain market recovery after the segment had already grown in the second quarter. Positive business development in China and Europe made the biggest contribution to this rise. As a result of the ongoing stringent cost management activities, the segment's EBIT increased to € 295 million (prior year: € 279 million). The EBIT margin consequently improved to 7.3 percent (prior year: 6.7 percent).

Aftermarket sees significant rise in profitability

Sales in the Aftermarket segment declined only slightly by 1.3 percent to € 369 million in the nine-month period (prior year: € 374 million). Due to a fall in investing activities on the part of workshops, the workshop business in particular weakened somewhat. In contrast, the independent aftermarket business recovered again in important national markets. In addition, the business development in the segment was bolstered by the



increasing momentum of the e-commerce business in Germany. The profitability of the segment improved appreciably with earnings before interest and taxes (EBIT) rising to € 48 million (prior year: € 35 million). The EBIT margin therefore comes to 13.0 percent (prior year: 9.5 percent). This development was mainly due to improved efficiency in the areas of administration and logistics and the increased share of business involving software licences.

Special Applications returns to sales growth due to strong agricultural machinery business

The Special Applications segment increased its sales by 3.3 percent to € 258 million over the nine-month period (prior year: € 250 million). The key factor behind this development was the strong business for agricultural machinery and small-volume manufacturers. Thanks to higher business volumes and stringent cost management, the segment's EBIT improved to € 28 million (prior year: € 27 million), equating to an EBIT margin of 10.8 percent (prior year: 10.7 percent).

Company outlook substantiated to the upper half of the forecast ranges raised in December despite increasing market uncertainties

The company outlook for the current fiscal year 2020/2021 (1 June 2020 to 31 May 2021) remains in line with the forecast raised on 7 December 2020. In light of the business development to date and taking the present market environment into account, HELLA is assuming that currency and portfolio-adjusted consolidated sales will be in the upper half of the given forecast range of € 6.1 billion to € 6.6 billion. With regard to the EBIT margin adjusted for restructuring measures and portfolio effects, HELLA is also anticipating a value in the upper half of the forecast range of 6.0 percent to 8.0 percent.

The company outlook is based on the assumption that no significant interruptions to production will occur in the fourth quarter at HELLA as a result of the coronavirus pandemic or due to interruptions within the global supply and logistics chains. "The coronavirus pandemic is far from over. The same also applies to the lack of market



availability of semiconductors and other components. We are assuming that this situation will continue to intensify even further over the next few months," says HELLA CEO Dr. Rolf Breidenbach. "For HELLA, this will involve considerable negative implications and also additional expenditure. Nevertheless, we remain on course overall and are confident that we will bring the fiscal year to a successful close."

Selected key financial figures in € millions or as a percentage of sales for the first nine months (1 June 2020 to 28 February 2021):

	Fiscal year 2020/2021	Fiscal year 2019/2020	Change
Sales currency and portfolio-adjusted	4,743	4,758	-0.3%
Sales reported	4,646	4,848	-4.2%
Adjusted earnings before interest and taxes (adjusted EBIT)	373	339	+10.1%
Earnings before interest and taxes (EBIT)	312	312	0.0%
Adjusted EBIT margin	8.0%	7.1%	+0.9pp
EBIT margin	6.7%	6.4%	+0.3pp

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

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

Please note: This text and corresponding photo material can also be found in our press database at www.hella.com/press

PRESS RELEASE



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.

For more information, please contact:

Dr. Markus Richter
Company spokesman
HELLA GmbH & Co. KGaA
Rixbecker Strasse 75
59552 Lippstadt
Germany
Phone: +49 (0)2941 38-7545
Fax: +49 (0)2941 38-477545
Markus.Richter@hella.com
www.hella.com