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HELLA significantly outperforms the market in the fiscal year 2021/2022 and achieves record order intake

- Automotive segment outperforms global light vehicle production by 6.5 percentage points; Aftermarket sales grow by 15.6 percent, mainly due to independent aftermarket business; Special Applications increases sales by 8.3 percent due to strong business for agricultural and construction machinery
- Consolidated sales of € 6.3 billion only slightly down on the prior-year level; currency and portfolio-adjusted sales at € 6.2 billion
- Adjusted EBIT amounts to € 279 million due to high R&D capital expenditure and rising cost burdens; adjusted EBIT margin at 4.4 percent
- Order intake at record level of around € 10 billion; among other things due to numerous orders for forward-looking technologies such as Digital Light SSL | HD, 77 GHz radar sensors and battery management systems
- Dividend payment of € 0.49 per share proposed for the fiscal year 2021/2022
- Significant increase in sales and earnings forecast for the next twelve months; nevertheless, market risks remain

HELLA, the automotive supplier operating under the FORVIA umbrella brand, today presented its full financial results for the fiscal year 2021/2022 (1 June 2021 to 31 May 2022), confirming the preliminary key figures published on 20 July 2022. Thus, despite the significant reduction in worldwide light vehicle production, consolidated sales of the HELLA Group declined only slightly by 0.8 percent to € 6.3 billion in the reporting period (prior year: € 6.4 billion); adjusted for currency and portfolio effects, sales fell by 2.4 percent to € 6.2 billion.

The adjusted earnings before interest and taxes (adjusted EBIT) amounted to € 279 million in the past fiscal year (prior year: € 510 million). The adjusted EBIT margin stood at 4.4 percent (prior year: 8.0 percent). Reported EBIT fell to € 278 million (prior year: € 454 million). The reported EBIT margin therefore likewise stood at 4.4 percent (prior year: 7.1 percent). HELLA's profitability in the past fiscal year was primarily impacted by component shortages, price increases for energy and raw materials, and significant

capital expenditure on research and development as a result of the high order backlog. Based on these results, the Company management has decided, in accordance with the established dividend policy, to propose to the HELLA Annual General Meeting on 30 September 2022 the payment of a dividend of € 0.49 per share for the fiscal year 2021/2022.

“In the past fiscal year, we were confronted with a variety of challenges on the market side: from bottlenecks in the global supply chains, the effects of the coronavirus lockdowns in China and the war in Ukraine to further increases in energy and raw material prices”, says HELLA CEO Michel Favre. “In view of these adverse framework conditions, we are satisfied overall with our business development. Firstly, we have once again clearly outperformed the general market development, and secondly, we have been able to book a record order intake on the basis of numerous large-volume customer projects. Both speak for the stability and future orientation of the HELLA business model.”

Order intake at record level of around € 10 billion

In the past fiscal year 2021/2022, HELLA acquired orders with a total volume of around € 10 billion in the automotive business alone, more than ever before in the company's history. These customer projects, with which HELLA addresses future automotive topics such as electromobility, automated driving and digital light, include nominations for radar sensors based on 77 GHz, for battery management systems, an all-electric brake pedal and for the digital headlamp system SSL | HD. HELLA has also started the current fiscal year with numerous successful project acquisitions, for example, for high-voltage converters, highly integrated, multifunctional front panels or the Smart Car Access system. The company has thus once again sustainably demonstrated its position as a technology leader.

Automotive segment outperforms global light vehicle production by 6.5 percentage points

The sales development of the Automotive segment in the past fiscal year was influenced by the global decline in light vehicle production, which was down almost nine percent. Despite this massive decrease, the Automotive segment's sales only fell by 2.1 percent to € 5.4 billion (prior year: € 5.5 billion). The fact that the segment again significantly outperformed global light vehicle production by 6.5 percentage points is mainly due to large-volume production launches in China as well as an overall high demand for lighting

and electronics products. The Automotive segment's EBIT decreased to € 160 million (prior year: € 393 million); the EBIT margin is thus 3.0 percent (prior year: 7.1 percent). Above all, the massive shortages of electronic components, which resulted in lower capacity utilisation, production inefficiencies and higher logistics and material costs, weighed on profitability. In addition, higher R&D capital expenditure and further increases in energy and raw material prices had a negative impact on earnings.

Aftermarket sales grow by 15.6 percent, mainly due to the independent aftermarket business

In the Aftermarket segment, sales rose by 15.6 percent to € 583 million in (prior year: € 504 million). The segment benefited in particular from the positive development of the independent aftermarket business in numerous country markets. The business with sophisticated workshop equipment also contributed to the increase in sales, among other things on the back of high demand for the mega macs X diagnostic device, which was launched on the market in May 2021. As a result of product mix effects and significant cost increases for materials and logistics, the segment's EBIT decreased to € 60 million (prior year: € 68 million); the EBIT margin is thus 10.2 percent (prior year: 13.4 percent).

Special Applications increases sales by 8.3 percent, in particular due to strong business for agricultural and construction machinery

In the Special Applications segment, sales rose by 8.3 percent to € 389 million (prior year: € 359 million). Above all, growth was mostly driven by the continuing successful business with manufacturers of agricultural and construction machinery. At the same time, business with other customer groups has also recovered. The segment's EBIT rose to € 60 million (prior year: € 46 million), which corresponds to an EBIT margin of 15.5 percent (prior year: 12.8 percent). The improvement was mainly due to positive volume and mix effects. This more than compensated for rising material prices.

Significant increase in sales and earnings forecast for the next twelve months; nevertheless, market risks remain

For the period from 1 June 2022 to 31 May 2023, HELLA expects to generate currency and portfolio-adjusted consolidated sales of around € 7.1 to 7.6 billion. The EBIT margin adjusted for structural measures and portfolio effects is forecast to be in the range of around 5.5 to 7.0 percent. "Even though we expect a significant increase in sales and earnings going forward, the market environment remains volatile, not least due to potentially intensifying geopolitical conflicts, rising inflation and further effects of the

coronavirus pandemic”, says CEO Michel Favre. “However, in view of our high order backlog and our good positioning along automotive topics of the future such as electromobility and automated driving, we have the best prerequisites to continue to develop better than the market in the future. For the coming twelve months, we expect global automotive production to reach 80 to 84 million vehicles. Based on this expected increase in volume as well as further cost optimisations, we will at the same time increase our profitability step by step. Significant synergies that HELLA will realise with Faurecia under the FORVIA umbrella brand will also contribute to this.”

Selected key financial figures in € millions or as a percentage of sales (1 June to 31 May):

	Fiscal year 2021/2022	Fiscal year 2020/2021	Change
Sales reported	6,326	6,380	-0.8%
Sales adjusted for currency and portfolio effects	6,229	6,380	-2.4%
Adjusted earnings before interest and taxes (adjusted EBIT)	279	510	-45.4%
Earnings before interest and taxes (EBIT)	278	454	-38.6%
Adjusted EBIT margin	4.4%	8.0%	-3.6pp
EBIT margin	4.4%	7.1%	-2.7pp

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

The annual report on the fiscal year 2021/2022 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

About HELLA

HELLA is a listed, internationally positioned automotive supplier operating under the umbrella brand FORVIA. Within this de facto group, HELLA stands for high-performance lighting technology and automotive electronics. At the same time, the Company covers a broad service and product portfolio for the spare parts and workshop business as well as for manufacturers of special-purpose vehicles with its Lifecycle Solutions business group. HELLA has around 36,000 employees at more than 125 locations worldwide and generated currency and portfolio-adjusted sales of € 6.2 billion in the fiscal year 2021/2022.

About FORVIA

FORVIA brings together the technological and industrial strengths of Faurecia and HELLA, which optimally complement each other. With more than 300 industrial locations and 77 R&D centres, 150,000 employees, including more than 35,000 engineers, in more than 40 countries, FORVIA offers a unique and comprehensive approach to the challenges of the automotive sector both today and tomorrow. FORVIA is composed of six business groups with 24 product lines and a strong portfolio with more than 14,000 patents. FORVIA is focused on becoming the preferred innovation and integration partner for OEMs worldwide. FORVIA is committed to identifying mobility change at an early stage and translating it into practice. www.forvia.com

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