

LIPPSTADT (GERMANY)

24 July 2023

First half of 2023: HELLA accelerates sales growth and increases operating income by 76 percent

- Group sales rise by 17.3 percent to €4.0 billion, outperforming growth of global light vehicle production by 6 percentage points
- Operating income amounts to €245 million; operating income margin increases by two percentage points to 6.1 percent
- Net cash flow to sales ratio improves to 2.2 percent after negative prior-year figure
- Double-digit sales growth in all Business Groups; Lighting and Electronics develop significantly better than automotive production
- Company outlook for the fiscal year 2023 confirmed

HELLA, the automotive supplier operating under the FORVIA umbrella brand, accelerated its sales growth and significantly increased profitability in the first half of the fiscal year 2023 (1 January to 30 June 2023). Sales increased by 17.3 percent year-on-year to €4.0 billion (H1 calendar year 2022: €3.4 billion¹); after adjustments for currency effects, sales amounted to €4.1 billion outperforming the global light vehicle production by 6 percentage points, which grew by an estimated 11 percent over the same period.

Profitability also strongly improved: Operating income increased to €245 million in the first half of 2023 (H1 calendar year 2022: €139 million), an improvement of 76.2 percent in value. The operating income margin thus increased to 6.1 percent (H1 calendar year 2022: 4.1 percent). Net cash flow to sales ratio also increased to 2.2 percent (H1 calendar year 2022: -0.2 percent).

"We had a very successful first half of the year: Our sales strongly developed and again outperformed the automotive production. After a low prior-year figure due to inflation and the pandemic, we have significantly improved profitability. On the one hand, we were benefiting from higher business volumes and, on the other, we were able to successfully manage price increases and pass them to our customers," says HELLA CEO Michel Favre.

[FOR FURTHER INFORMATION PLEASE](#)

Daniel MORFELD
Press Officer / Media Relations
+49 (0) 2941 38 7566
daniel.morfeld@forvia.com

HELLA GmbH & Co. KGaA
Rixbecker Straße 75
59552 Lippstadt / Germany
www.hella.com

"With regard to our further business development, it is crucial that we continued to acquire significant high-volume customer projects with high technology content in the first half of the year. These included, for example, an extensive international headlamp business, as well as orders for 77 GHz radar sensors and battery electronics. Without the outstanding commitment of our employees these successes would not be possible. I would therefore like to thank the teams around the world for their excellent work."

Lighting business outperforms global automotive production by 12 percentage points

In the first half of the fiscal year 2023, the Business Group Lighting increased sales by 22.9 percent to €2.0 billion (H1 calendar year 2022: €1.6 billion); the Lighting business was thus growing twice as much as the global light vehicle production. The growth mainly results from higher production volumes of current series productions in all regions and ramp-ups for new vehicle models. In addition, the Business Group Lighting achieved a breakthrough in terms of profitability, with the operating income increasing to €64 million (H1 calendar year 2022: €-3 million), and an operating income margin of 3.3 percent (H1 calendar year 2022: -0.2 percent).

High demand for solutions for automated driving and electromobility

Sales of the Electronics Business Group increased by 13.8 percent year-on-year to €1.7 billion (H1 calendar year 2022: €1.5 billion). Main drivers were the high demand for products for automated driving and electromobility, for example radar sensors and high-voltage battery management systems. Operating income increased to €109 million (H1 calendar year 2022: €87 million). This corresponds to an operating income margin of 6.5 percent (H1 calendar year 2022: 5.9 percent).

Strong development in spare parts, workshop, and commercial vehicle business

Compared to the first half of the calendar year 2022, the Business Group Lifecycle Solutions improved sales by 10.0 percent to €551 million (H1 calendar year 2022: €501 million). Drivers were firstly a strong spare parts business, among others in Poland, Mexico, and Brazil; secondly, new product launches of Hella Gutmann Solutions in the workshop sector and, thirdly, a very solid development of the agricultural and construction machinery, trucks, and buses business. Operating income improved to €74 million (H1 calendar year 2022: €58 million), the operating income margin increased to 13.5 percent (H1 calendar year 2022: 11.6 percent).

[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 vehicles with its Lifecycle Solutions business group. HELLA has around 36,000 employees at more than 125 locations worldwide and generated sales of €4.4 billion in the seven-month short fiscal year 2022.

[ABOUT FORVIA](#)

FORVIA combines the technological and industrial strengths of Faurecia and HELLA, which complement each other perfectly. With over 300 industrial sites and 76 R&D centres, 157,000 employees, including more than 15,000 R&D engineers, in over 40 countries, FORVIA offers a unique and comprehensive approach to the automotive challenges of today and tomorrow. FORVIA consists of six business groups with 24 product lines and a strong portfolio with over 14,000 patents. FORVIA strives to become the preferred innovation and integration partner for OEMs worldwide. FORVIA has set itself the goal of recognising the change in mobility at an early stage and putting it into practice.

Company outlook for the fiscal year 2023 confirmed

"We are currently on track to achieve our annual targets and confirm our corporate outlook. In a persistently volatile market environment that continues to be characterised by inflationary pressure, we now have more visibility regarding the further market development and assume a global market volume of around 86 million vehicles in 2023," says HELLA CEO Michel Favre.

For the full fiscal year (1 January to 31 December 2023), HELLA still expects to generate currency and portfolio-adjusted Group sales of around €8.0 to 8.5 billion. The forecast for the operating income margin remains at around 5.5 to 7.0 percent. Both the adjusted sales and the operating income margin are expected to be around the midpoint of the respective forecast range. In relation to sales, the Company still forecasts a net cash flow of approximately 2 percent.

Selected key financial figures in € millions or percent of sales (each 1 January to 30 June):

	1st half-year 2023	1st half-year 2022¹ (pro forma)
Sales	3,995	3,406
Operating income	245	139
Operating income margin	6.1%	4.1%
Net cash flow	89	-8
Net cash flow to sales ratio	2.2%	-0.2%

¹ HELLA has changed its fiscal year to the calendar year as of 1 January 2023. For comparability with the first half of the calendar year 2022 (1 January to 30 June 2022), pro forma values are presented.

The financial report for the first half of the fiscal year 2023 is now available on the [website of HELLA GmbH & Co. KGaA](#).

Note: You can also find this text and suitable images 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 vehicles with its Lifecycle Solutions business group. HELLA has around 36,000 employees at more than 125 locations worldwide and generated sales of €4.4 billion in the seven-month short fiscal year 2022.

ABOUT FORVIA

FORVIA combines the technological and industrial strengths of Faurecia and HELLA, which complement each other perfectly. With over 300 industrial sites and 76 R&D centres, 157,000 employees, including more than 15,000 R&D engineers, in over 40 countries, FORVIA offers a unique and comprehensive approach to the automotive challenges of today and tomorrow. FORVIA consists of six business groups with 24 product lines and a strong portfolio with over 14,000 patents. FORVIA strives to become the preferred innovation and integration partner for OEMs worldwide. FORVIA has set itself the goal of recognising the change in mobility at an early stage and putting it into practice.