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Oggetto : Results for first quarter 2025

Testo del comunicato

Vedi allegato



PRESS RELEASE

RESULTS FOR FIRST QUARTER 2025

Revenues: € 256.0 million
(-2.7% vs. first quarter 2024)

EBIT: € 15.1 million
(€ 14.6 million in first quarter 2024)

Net profit of operating activities: € 9.8 million
(€ 5.6 million in first quarter 2024)

Free Cash Flow: € 11.2 million

Debt excluding IFRS 16: € 0.8 million
(€ 9.5 million at the end of 2024)

AUTOMOTIVE SECTOR TARIFFS: NON-SIGNIFICANT DIRECT IMPACTS

Main results (in €m)*	First Quarter	
	2024	2025
REVENUE	263.2	256.0
EBITDA*	33.7	33.8
EBIT	14.6	15.1
Net income from continuing operations	5.6	9.8
Net debt at 31.03 before IFRS 16	170.7	0.8

* EBITDA was determined by adding 'Amortization and Depreciation' to 'EBIT' along with any write-downs of tangible and intangible assets recorded under 'Other Non-Operating Costs (Income)'. As of 31 March 2025, these write-downs amounted to € 0 compared to € +0.1 million during the same period last year.

Milan, 24 April 2025 - The **Board of Directors of Sogefi S.p.A.**, chaired by Monica Mondardini, convened today to approve the Group's **interim management report** as of 31 March 2025.

Sogefi, a member of the CIR Group, ranks among the world's leading manufacturers of automotive components, specializing in the Air and Cooling, and Suspension sectors.

MARKET PERFORMANCE

In the first quarter of 2025, global car production grew by 1.3% compared to the first quarter of 2024, mainly supported by China, where production rose by 11.5%; in Europe, production fell by 7.2% and in NAFTA by 5.3%, confirming the unfavourable trend already observed in 2024. Global Heavy Duty production fell by 3.8% compared to the first quarter of 2024 and European production by 10.9%.

Regarding the forecasts for 2025, the latest data published by S&P Global (IHS), in April 2025, incorporates the effect of tariffs and projects a drop in production in the NAFTA region of 9.3%; the global market would fall by 1.7%, -5.1% in Europe, +1.4% in China and approximately +5% in India and Mercosur.

However, these projections are particularly uncertain at this stage, given the difficulty of predicting what the US administration's final plan on tariffs will be, and of assessing, if the policies adopted are maintained, the impacts on the automotive market.

SUMMARY OF SOGEFI'S PERFORMANCE IN FIRST QUARTER 2025

In the first quarter of 2025, weakness in the European market led to a **revenue decline of 2.7%** compared to 2024; nevertheless, **operating results** are **in line with** those of the **first quarter 2024** and **net income from continuing operations** is **higher**:

- EBITDA, equal to € 33.8 million, is in line with that of the first quarter of 2024, with EBITDA margin up 13.2%;
- EBIT was stable at € 15.1 million, with the EBIT margin at 5.9% of revenues, compared to 5.6% in the same period of 2024;
- Net profit of operating activities amounted to € 9.8 million, compared to € 5.6 million in the first quarter of 2024, thanks in part to lower financial expenses;
- Free Cash Flow from ongoing operations was positive at € 13.7 million, lower than € 29.2 million in the first quarter of 2024, due to higher investments for new product development of approximately € 4 million and non-recurring positive cash flows recorded in the first part of 2024, resulting from the balance of intercompany items prior to the sale of Filtration.

Net Debt as at 31 March 2025 amounted to € 43.8 million (€ 0.8 million excluding liabilities for right-of-use assets according to IFRS16), compared to € 55.0 million as at 31 December 2024 and € 235.7 million as at 31 March 2024 (prior to the sale of Filtration and the distribution of ordinary and extraordinary dividends).

RESULTS FOR FIRST QUARTER 2025

Revenues

Revenues for the first quarter of 2025 amounted to € 256.0 million, -2.7% compared to the same period of 2024.

Revenues by geographical area

Revenues by geographical area	2025 (in €m)	2024 (in €m)	Var. %	Var. % at constant exchange rates	Market (var.%)
Europe	138.4	152.1	(9.0)	(9.0)	(7.2)
North America	56.3	56.1	0.4	1.1	(5.3)
South America	26.5	25.1	5.6	0.6	8.1
China	30.9	25.8	19.6	17.3	11.5
Other	3.9	4.1			
TOTAL	256.0	263.2	(2.7)	(3.3)	1.3

In Europe (where the Group generated 54% of revenues in the first quarter of 2025), sales fell by 9.0%, impacted by the unfavourable trend in the passenger cars and Heavy Duty segments; in NAFTA, the Group's second largest market (22% of revenues), sales increased slightly (+0.4%), despite the downturn in the market; in China, the performance was decidedly positive, with growth of 19.6%, higher than the market, thanks to the development of business with local customers as well; the development in Mercosur was also positive (+5.6%).

Revenues by business sector

Revenue trends by business sector	2025 (in €m)	2024 (in €m)	Var. %	Var.% at constant exchange rates
Suspension	138.5	146.5	(5.5)	(6.5)
Air and Cooling	117.3	117.1	0.2	0.3
Intercompany elimination	0.2	(0.4)		
TOTAL	256.0	263.2	(2.7)	(3.3)

The performance of the Group's two business segments shows significant differences that depend on the geographical areas of operation and the composition of the customer portfolio.

Suspension recorded a drop in revenues of 5.5%; in China and South America, sales grew significantly, while revenues in Europe (68% of the total) were affected by the unfavourable market trend, especially for the Heavy Duty segment.

Air and Cooling reported stable revenues, +0.2%, with a decline in Europe (-5.9%), a region that accounts for 38% of revenues, offset by vigorous growth in China and good resilience in North America.

EBITDA amounted to € 33.8 million, stable compared to the same period in 2024 (€ 33.7 million).

EBITDA margin was 13.2%, compared to 12.8% in the first quarter of 2024, thanks to the increase in the contribution margin, which accounted for 29.6% of sales compared to 28.4% in the same period of 2024, reflecting the slight decline in raw material costs, which more than offset the increase in energy costs.

The ratio of fixed costs to revenues stood at 15.6%, essentially stable compared to the first quarter of 2024 (15.4%).

Other charges made a negative contribution of € 1.1 million to EBITDA, compared to a positive contribution of € 0.1 million in the first quarter of 2024, mainly due to exchange rate differences.

EBIT stood at € 15.1 million, compared to € 14.6 million in the first quarter of 2024, and the ratio to revenue rose from 5.6% in 2024 to 5.9% in 2025.

Financial expenses amounted to € 2.7 million, which was significantly lower than in 2024 (€ 5.1 million) thanks to the reduction in debt.

Tax charges amounted to € 2.6 million, down from € 3.9 million in 2024, mainly thanks to non-recurring charges recorded in 2024.

Net profit of operating activities was positive by € 9.8 million compared to € 5.6 million in the previous year.

In 2024, the Group recorded a net profit from 'discontinued operations' of € 10.4 million, resulting from Filtration, which was sold on 31 May 2024.

Including net income attributable to non-controlling interests and discontinued operations, the Group recorded a **total net profit** of € 9.0 million compared to € 15.0 million in the first quarter of 2024.

Free Cash Flow of operating activities was positive by € 13.7 million compared to € 29.2 million in the first quarter of 2024. It should be noted that during the first quarter of 2024, prior to its sale, Filtration had settled intercompany debts of approximately € 13 million. Furthermore, in the first quarter of 2025, higher investments in new product development of approximately € 4 million were incurred compared to the corresponding period of the previous year. The overall Free Cash Flow, including discontinued operations, was positive by € 11.2 million compared to € 30.4 million in the first quarter of 2024, taking into account the Free Cash Flow from discontinued operations negative by € 2.5 million as at 31 March 2025 (pertaining to Suspensions in Mexico sold in 2023), and positive by € 1.5 million as at 31 March 2024 (arising from Filtration).

As at 31 March 2025, excluding non-controlling interests, **consolidated shareholder's equity** reached € 300.5 million, compared to € 294.6 million as at 31 December 2024.

Net debt at the end of March 2025 was € 43.8 million compared to a net debt of € 235.7 million as at 31 March 2024 and € 55.0 million at the end of December 2024.

Net debt excluding liabilities for right-of-use assets as at 31 March 2025 amounted to € 0.8 million, compared to € 170.7 million as at 31 March 2024 and € 9.5 million as at 31 December 2024.

IMPACTS OF TARIFFS

In relation to the tariffs introduced by the US administration, it is reasonable to expect that these tariffs, if maintained or actually applied, will produce a significant increase in the cost of cars in the US, either i) imported, due to the 25% tariffs, or ii) manufactured locally, due to the tariffs on imported components and materials.

Rising costs will inevitably lead to i) an increase in car sales prices in the US and ii) consequently, a decline in new car sales, given the significant price elasticity of demand, also demonstrated recently.

Declining demand from the North American market would have a negative impact on production in the USMCA regions (US, Mexico, Canada) and imports into the US. In this regard, it should be noted that in 2024 about 750,000 cars were exported from Europe (EU27) to the US, about 6% of total EU production.

As per the direct impact on the Group, Air Cooling achieved sales of € 214 million in 2024 in the USMCA regions, selling components manufactured in Canada and Mexico mainly to General Motor, Ford and Stellantis, of which 55% were destined for customers' production plants in Canada and Mexico and 45% imported by customers in the United States. It is estimated that about 70% of the revenues from components exported to the US are related to USMCA compliant products and thus, based on current forecasts, not subject to tariffs.

Since Sogefi does not directly export to the United States, as its customers do, and does not manufacture in the United States, and is therefore not subject to import tariffs on materials and components there, no significant direct impact from the new tariffs is foreseeable in the short term.

However, the Group is exposed to the indirect risks affecting the automotive market in connection with tariffs: should they remain in place, we can expect weaker volumes and increased pressure on production costs especially in the USMCA regions in the coming months.

SIGNIFICANT EVENTS AFTER 31 MARCH 2025

There are no significant events occurring after 31 March 2025 that could have an impact on financial reporting as at 31 March 2025.

BUSINESS OUTLOOK

The visibility on the performance of the automotive market in the coming months is strongly affected by the ongoing trade war following the introduction of tariffs by the new US administration.

According to the latest S&P Global (IHS) estimate, global car production is likely to decline again (-1.7%), after the drop recorded in 2024 (-1.1%); in terms of geography, further production declines are expected in Europe and NAFTA, by 5.1% and 9.3% respectively, along with a moderate growth in China and a growth of around 5% in India and South America.

With regard to raw material and energy prices, after some stability in 2024, there is a risk of increased volatility for 2025, depending on the impact of US tariffs on the supply chain.

At present, Sogefi confirms its forecast for 2025, of a mid-single digit revenues decline and EBIT margin to grow slightly compared to that recorded in 2024, excluding any non-recurring charges and new events/circumstances that negatively impact the automotive market. These forecasts do not incorporate the possible effects of the ongoing trade war on the world economy and car production, as lower volumes cannot be ruled out starting in the coming months.

The executive responsible for preparing the company's financial reports, Maria Beatrice De Minicis, declares, pursuant to Article 154-bis(2) of the Finance Consolidation Act (TUF), that the accounting figures contained in this press release correspond to the results documented in the Company's accounts and general ledger.

Contacts:

Press Office

Dini Romiti Consulting

Angelo Lupoli

alupoli@dr-cons.it

tel.: + 39 349 5314521

Sogefi Investor Relations

tel.: +39 02 467501

e-mail: ir@sogefigroup.com

www.sogefigroup.com

The press release can be found at <http://www.sogefigroup.com/it/area-stampa/index.html>

Below are the main results of the Sogefi Group's income statement and statement of financial position at 31 March 2025. It should be noted that these figures have not been audited by the auditors.

SOGEFI GROUP

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(in millions of Euro)

ASSETS	03.31.2025	12.31.2024
CURRENT ASSETS		
Cash and cash equivalents	58.3	57.3
Other financial assets	9.5	6.9
Inventories	83.4	85.1
Trade receivables	108.6	88.8
Other receivables	10.1	14.9
Tax receivables	27.1	29.5
Other assets	5.7	2.8
ASSETS HELD FOR SALE	-	-
TOTAL CURRENT ASSETS	302.7	285.3
NON-CURRENT ASSETS		
Land	3.7	3.7
Property, plant and equipment	276.3	277.2
Other tangible fixed assets	4.0	4.0
Rights of Use	39.6	41.8
Intangible assets	104.7	106.5
Other financial assets	4.1	4.4
Financial receivables	-	-
Other receivables	4.9	5.1
Deferred tax assets	23.1	23.6
TOTAL NON-CURRENT ASSETS	460.4	466.3
TOTAL ASSETS	763.1	751.6

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

LIABILITIES	03.31.2025	12.31.2024
CURRENT LIABILITIES		
Bank overdrafts and short-term loans	1.3	0.3
Current portion of medium/long-term financial debts and other loans	8.4	13.3
Short-term financial debts for rights of use	9.3	9.9
Other short-term liabilities for derivative financial instruments	-	-
Trade and other payables	221.6	200.2
Tax payables	5.8	4.5
Other current liabilities	22.0	24.2
Current provisions	10.1	17.4
LIABILITIES RELATED TO ASSETS HELD FOR SALE	-	-
TOTAL CURRENT LIABILITIES	278.5	269.8
NON-CURRENT LIABILITIES		
Financial debts to bank	62.6	64.0
Non current portion of medium/long-term financial debts and other loans	0.4	0.4
Medium/long-term financial debts for right of use	33.7	35.6
Other medium/long-term financial liabilities for derivative financial instruments	-	-
Non-current provisions	15.7	15.7
Other payables	39.9	39.8
Deferred tax liabilities	18.4	19.0
TOTAL NON-CURRENT LIABILITIES	170.7	174.5
SHAREHOLDERS' EQUITY		
Share capital	62.5	62.5
Reserves and retained earnings (accumulated losses)	229.0	90.8
Group net result for the period	9.0	141.3
TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO THE HOLDING COMPANY	300.5	294.6
Non-controlling interests	13.4	12.7
TOTAL SHAREHOLDERS' EQUITY	313.9	307.3
TOTAL LIABILITIES AND EQUITY	763.1	751.6

SHAREHOLDERS' EQUITY

(in millions of Euro)	Consolidated shareholders' equity - Group	Capital and reserves pertaining to non-controlling	Total Group and non-controlling shareholders' equity
Balance at December 31, 2024	294.6	12.7	307.3
Dividends	0.0	0.0	0.0
Currency translation differences	(4.7)	0.0	(4.7)
Other changes	1.6	(0.1)	1.5
Net result for the period	9.0	0.8	9.8
Balance at March 31, 2025	300.5	13.4	313.9

CONSOLIDATED INCOME STATEMENT

(in millions of Euro)	Period		Period		Change	
	01.01 – 03.31.2025		01.01 – 03.31.2024			
	Amount	%	Amount	%	Amount	%
Sales revenues	256.0	100.0	263.2	100.0	(7.2)	(2.7)
Variable cost of sales	180.3	70.4	188.5	71.6	(8.2)	(4.3)
CONTRIBUTION MARGIN	75.7	29.6	74.7	28.4	1.0	1.3
Manufacturing and R&D overheads	22.7	8.9	23.6	9.0	(0.9)	(4.0)
Depreciation and amortization	18.7	7.3	19.2	7.3	(0.5)	(2.4)
Distribution and sales fixed expenses	4.1	1.6	3.7	1.4	0.4	8.5
Administrative and general expenses	13.1	5.1	13.1	5.0	(0.0)	(0.1)
Restructuring costs	1.0	0.4	0.7	0.2	0.3	55.3
Losses (gains) on disposal	-	-	-	-	-	-
Exchange (gains) losses	0.7	0.3	(0.7)	(0.3)	1.5	209.1
Other non-operating expenses (income)	0.3	0.1	0.5	0.2	(0.2)	(41.8)
EBIT	15.1	5.9	14.6	5.6	0.5	3.4
Financial expenses	3.8	1.5	7.1	2.8	(3.3)	(46.4)
Financial (income)	(1.1)	(0.4)	(2.0)	(0.8)	1.0	(47.6)
Losses (gains) from equity investments	-	-	-	-	-	-
RESULT BEFORE TAXES	12.4	4.8	9.5	3.6	2.8	30.5
Income taxes	2.6	1.0	3.9	1.5	(1.3)	(33.2)
NET INCOME (LOSS) OF OPERATING ACTIVITIES	9.8	3.8	5.6	2.1	4.2	75.2
Net income (loss) from discontinued operations, net of tax effects	-	-	10.4	3.9	(10.4)	(100.0)
NET RESULT INCLUDING THIRD PARTY	9.8	3.8	16.0	6.0	(6.2)	(38.8)
Loss (Income) attributable to non-controlling interests	(0.8)	(0.3)	(1.0)	(0.3)	0.2	26.9
GROUP NET RESULT	9.0	3.5	15.0	5.7	(6.0)	(39.6)

CONSOLIDATED NET FINANCIAL POSITION

(in millions of Euro)	03.31.2025	12.31.2024
A. Cash	58.3	57.3
B. Cash equivalents	-	-
C. Other current financial assets	9.5	6.9
D. Liquidity (A) + (B) + (C)	67.8	64.2
E. Current Financial Debt (including debt instruments, but excluding current portion of non-current financial debt)	1.3	0.3
F. Current portion of non-current financial debt	17.7	23.2
G. Current financial indebtedness (E) + (F)	19.0	23.5
H. Net current financial indebtedness (G) - (D)	(48.8)	(40.7)
I. Non-current financial debt (excluding the current portion and debt instruments)	96.7	100.1
J. Debt instruments	-	-
K. Non-current trade and other payables	-	-
L. Non-current financial indebtedness (I) + (J) + (K)	96.7	100.1
M. Total financial indebtedness (H) + (L)	47.9	59.4
Other non current financial assets	4.1	4.4
Financial indebtedness net, including other non current financial assets (as Net Financial Position reported in Consolidated Cash Flow Statement)	43.8	55.0

CONSOLIDATED CASH FLOW STATEMENT

(in millions of Euro)	03.31.2025	03.31.2024
SELF-FINANCING	28.7	27.1
Change in net working capital	0.3	15.2
Other medium/long-term assets/liabilities	2.0	1.6
CASH FLOW GENERATED BY OPERATIONS	31.0	43.9
Net decrease from sale of fixed assets	0.1	0.4
TOTAL SOURCES	31.1	44.3
TOTAL APPLICATION OF FUNDS	17.4	13.4
Exchange differences on assets/liabilities and equity	-	(1.7)
FREE CASH FLOW of operating activities	13.7	29.2
FREE CASH FLOW from discontinued operations	(2.5)	1.5
FREE CASH FLOW	11.2	30.7
Dividends paid by subsidiaries to non-controlling interests	-	-
Change in fair value derivative instruments	-	(0.3)
CHANGES IN SHAREHOLDERS' EQUITY	-	(0.3)
Change in net financial position	11.2	30.4
Opening net financial position	(55.0)	(266.1)
CLOSING NET FINANCIAL POSITION	(43.8)	(235.7)

