

## METAL FORMING DIVISION

### QUARTERLY DEVELOPMENT OF THE METAL FORMING DIVISION

In millions of euros	Q 1		Q 2		H 1		Change in %
	2023/24 <sup>1</sup> 04/01- 06/30/2023 restated	2024/25 04/01- 06/30/2024	2023/24 <sup>1</sup> 07/01- 09/30/2023 restated	2024/25 07/01- 09/30/2024	2023/24 <sup>1</sup> 04/01- 09/30/2023 restated	2024/25 04/01- 09/30/2024	
Revenue	884.0	837.2	816.1	782.0	1,700.1	1,619.2	-4.8
EBITDA	76.2	67.0	73.9	50.5	150.1	117.5	-21.7
EBITDA margin	8.6%	8.0%	9.1%	6.5%	8.8%	7.3%	
EBIT	40.5	30.9	36.6	14.9	77.1	45.8	-40.6
EBIT margin	4.6%	3.7%	4.5%	1.9%	4.5%	2.8%	
Employees (full-time equivalent), end of period	11,782	11,379	11,668	11,317	11,668	11,317	-3.0

<sup>1</sup> Q1 to H 1 2023/24 retroactively restated. For further details see General Information / Accounting Policies and, Annual Report 2023/24 B. Summary of Accounting Policies.

### MARKET ENVIRONMENT AND BUSINESS DEVELOPMENT

The performance of the business segments of the Metal Forming Division continued to vary in the first half of 2024/25. In a challenging economic environment, Automotive Components continued to face low call-off volumes in Europe. With the exception of China, demand for Precision Strip remained subdued worldwide, while Tubes & Sections saw solid development overall. The Warehouse & Rack Solutions business segment once again provided positive impetus with a clear growth trend.

The **Automotive Components** business segment was confronted with difficult market conditions in Europe in the first half of 2024/25. After a subdued start to the business year and relatively pronounced seasonality, there was no upturn after the Northern summer. On the contrary, renowned European car manufacturers issued profit warnings in the Northern fall of 2024, which means that a turnaround is not to be expected any time soon. The Metal Forming Division responded to this development with the future-oriented reorganization of its Automotive Components sites in Germany. In addition to the communicated closure of one plant, other sites are being combined into a production network in order to leverage synergy and cost potential on the one hand, and to enable even more targeted further development of core technologies on the other. With these measures, the Metal Forming Division is creating viable prospects for its German sites in a market characterized by structural changes. Capacity utilization at the international Automotive Components sites remained good in the reporting period. China in particular performed very well for much of the first half of 2024/25 and was only affected by plant shutdowns on the customer side towards the end of the reporting period.

The market environment for **Precision Strip** was challenging in both Europe and North America in the first half of 2024/25. The low demand for band saw steel from the construction industry was additionally impacted by persistently high inventories on the customer side. By contrast, business development in China was very encouraging. There was good demand for precision steel strip for shock absorbers and special valve steels.

In the **Tubes & Sections** business segment, the slowdown in the European construction and automotive sectors was offset by a solid performance in the areas of photovoltaics, components for agricultural machinery, and storage technology. The market environment in North America developed positively in almost all industry segments. Following the successful conclusion of long-term contracts, a decision was made to expand production capacity for the manufacture of high-quality side members for trucks in Jeffersonville, Indiana, USA. In South America, the Brazilian Metal Forming sites were able to withstand the market weakness well by actively developing the market. In China, the first half of the year was solid overall, with the Chinese automotive industry showing strong demand for precision tube components.

The **Warehouse & Rack Solutions** business segment continued to perform extremely well in the first half of 2024/25. The project landscape for automated warehouses showed no sign of slowing down over the Northern summer months. Torri S.R.L., Italy, which was acquired in the 2023/24 business year, performed according to plan. At the plant in Louisville, Kentucky, USA, further expansion of production and sales capacities for storage systems is being planned.

### **FINANCIAL KEY PERFORMANCE INDICATORS**

The Metal Forming Division's sales revenue fell by 4.8% year-on-year from EUR 1,700.1 million in the first half of 2023/24 to EUR 1,619.2 million in the first half of 2024/25. While the Warehouse & Rack Solutions business segment was able to increase its revenue level, revenue in the other three business segments fell slightly. In terms of EBITDA, the division reported a decrease of 21.7% from EUR 150.1 million (margin of 8.8%) in the previous year to EUR 117.5 million (margin of 7.3%) in the current reporting period. Warehouse & Rack Solutions was able to strengthen its earnings power, while the other three segments reported a decline in earnings. The Metal Forming Division's EBIT fell by 40.6% to EUR 45.8 million (margin of 2.8%) in the first half of 2024/25. The previous year's figure was EUR 77.1 million (margin of 4.5%).

A comparison of the first and second quarters of 2024/25 shows a similar picture to the year-on-year comparison. Sales revenue decreased by 6.6% from EUR 837.2 million to EUR 782.0 million. At EUR 50.5 million (margin of 6.5%), EBITDA in the second quarter was 24.6% lower than in the previous quarter (EUR 67.0 million, margin of 8.0%). EBIT fell by around half from EUR 30.9 million (margin of 3.7%) in the first quarter to EUR 14.9 million (margin of 1.9%). A more detailed analysis at division level shows that Warehouse & Rack Solutions was able to increase both sales and earnings in a direct quarter-on-quarter comparison. The other three segments show a downward trend in financial performance indicators, partly due to seasonal factors.

The number of employees (FTE) in the Metal Forming Division was 11,317 as of September 30, 2024, which is a decrease of 3.0% compared to September 30, 2023.