PRESS RELEASE

FORVIA
Inspiring mobility

NANTERRE (FRANCE)
APRIL 17, 2025

FIRST-QUARTER 2025 SALES

Robust Q1 sales with organic growth of 2.1%
Driving structural performance in a volatile environment
Full-year guidance confirmed

- **SALES OUTPERFORMANCE OF 80BPS DESPITE A STRONG UNFAVORABLE GEOGRAPHIC MIX**
    - Growth driven by Electronics and Seating
    - Ongoing acceleration with Chinese OEMs, notably with BYD

- **2026 MATURITIES LARGELY REFINANCED. NEXT SIGNIFICANT MATURITIES IN 2027**

- **ACTIONING LEVERS TO SUPPORT PERFORMANCE**
    - Further progress of EU-FORWARD initiative to enhance Europe's competitiveness
    - Fast implementation of action plan to turn around underperforming platforms and to mitigate direct impacts of US enacted tariffs
    - Maximized flexibilization of production costs and additional fixed costs and capex reduction to anticipate volumes decrease

- **2025 FULL-YEAR GUIDANCE CONFIRMED**

Martin FISCHER, Chief Executive Officer of FORVIA, declared:

"FORVIA achieved a solid commercial performance in the first quarter. This is a testimony of the strength of our market positioning.

Restoring our financial structure through robust and structural net cash flow generation and significant asset disposals, is a key objective on my roadmap. Disposal processes are ongoing.

Amid an unprecedented context, our focus is also on accelerating our operational excellence plan. In Q1, we have deployed our EU-FORWARD program and launched dedicated task forces to turn around underperforming plants. These past few months, we have proactively addressed the potential impact of enacted tariffs with agility and determination: securing pass-throughs with our clients, optimizing our supply chain, and maximizing cost flexibility.

All the efficiency measures we are implementing, and the round-the-clock commitment of our teams will enable us to safeguard our performance in the market challenges ahead and achieve our full-year targets.

Looking ahead, my priorities are on achieving best in class performance, transforming our business and invigorating our culture. By focusing on these three areas, we will be able to drive strong results, ensure our business remains competitive and engage our teams in this period of change."

80 bps OUTPERFORMANCE IN Q1

	Q1 2024	*Organic growth*	*Currency impact**	**Q1 2025**
Group sales (€M) *Change*	6,531	*138* ***+2.1 %***	*33* ***+0.5 %***	**6,702** ***+2.6%***

** appreciation of the US dollar and the yuan more than offset the depreciation of the brazilian real and the turkish lira*

WW auto production** (in mio units)	21,436	+1.3%		21,721
Outperformance (bps)		***+80***		

*** Source : S&P April 2025*

In the first quarter of 2025, consolidated revenue amounts to €6.702 billion, an increase of 2.6% (2.1% at constant exchange rates), representing a 80-basis points outperformance compared to a 1.3% increase in automotive production, broken down as follows:

- **+490bps from volume, price and mix**
- **-410bps from unfavorable geographic mix,** China being the only country where automotive production is experiencing double digit growth (+11.5%), while Europe (-7.0%) and North America (-5.2%) are seeing significant declines.

OUTPERFORMANCE IN EUROPE, ONGOING ACCELERATION IN CHINA

	Q1 2024	**Q1 2025**	Change	Organic change	**Perf vs. auto prod**
EMEA *o/w Europe ex. Russia*	3,135 3,059	**3,240** 3,169	**+3.3%** +3.6%	**+3.6%** +3.9%	**+1,140 bps** +1,090 pbs
AMERICAS o/w North America	1,782 1,591	**1,733** 1,556	**-2.7%** -2.2%	**-3.8%** -5.1%	**-30 bps** +20 bps
ASIA o/w China o/w Rest of Asia	1,615 1,247 368	**1,729** 1,304 425	**+7.1%** +4.6% +15.5%	**+5.8%** +2.6% +16.4%	**-150 bps** -890 bps +1,390 bps
GROUP	**6,531**	**6,702**	**+2.6%**	**+2.1%**	**+80bps**

- **EUROPE: Growth and significant outperformance**

In Europe (excluding Russia), which represents 47% of revenue, the Group recorded organic growth of 3.9% in Q1 2025. The strong outperformance (1,090 basis points) is primarily attributed to Seating (VW MQB platform launched in Q1 2024 and BMW X1/X2) and Electronics (ramp-ups of projects for autonomous driving, mainly with VW).

- **NORTH AMERICA: In line performance against a high comparable base**

Q1 2025 activity saw an organic decline of 5.1%, primarily due to a challenging base of comparison, as tooling sales in Q1 2024 were exceptionally high, driven by numerous production starts.

Despite this base effect, sales were in line with the market, supported by Electronics (radar business ramp-up with GM).

- ### CHINA: On-going acceleration with Chinese OEMs

FORVIA's sales with Chinese OEMs grew by 20% in Q1 2025, in line with their own production, notably reflecting a recovery in growth at BYD and the activity ramp-up with Chery in Seating

Despite nearly 50% exposure to Chinese automakers in China, the Group's performance is impacted by a 10% decline in its business with international OEMs.

As a result of the Group's customer mix, growth is limited to 2.6%, reflecting an overall underperformance of 890 basis points.

FORVIA expects to generate outperformance in China starting in H2 2025.

Sales grew by 16.4% in the Rest of Asia (outperformance of 1,390bps), driven by strong momentum with Japanese OEMs in the Electronics business, notably for surround view auto parking and in-vehicle infotainment technologies.

ROBUST MOMENTUM IN ELECTRONICS AND SEATING

	Q1 2024	**Q1 2025**	Change	Organic change	**Perf vs. auto prod**
SEATING	1,976	**2,153**	+9.0%	+8.2%	**+690 bps**
INTERIORS	1,196	**1,217**	+1.8%	+1.7%	**+40 bps**
ELECTRONICS	1,010	**1,144**	+13.3%	+12.2%	**+1,090 bps**
CLEAN MOBILITY	1,082	**1,002**	-7.4%	-7.4%	**-870 bps**
LIGHTING	994	**935**	-5.9%	-7.0%	**-830 bps**
LIFECYCLE SOLUTIONS	273	**251**	-8.2%	-6.8%	N.A.
GROUP	**6,531**	**6,702**	+2.6%	+2.1%	**+80bps**

Electronics outperformed in all three major regions. Orders represented more than 20% of the Group's total over the past two years and around 40% in Q1 2025, compared to a share of 16% in total revenue for 2024.

Driven by launches made in early 2024 and the rebound in activity with BYD, **Seating** also showed strong outperformance.

Interiors performed in line with the market in Q1 despite a difficult prior-year comparable related to tooling, which will intensify in Q2.

Clean Mobility recorded a limited sales decline, especially in the commercial vehicles segment in Europe.

Lighting sales were penalized by the end of a program with a major American automaker.

SUCCESSFUL EXTENSION OF AVERAGE DEBT MATURITY

During the first quarter, FORVIA placed the following two debt instruments on the bond markets for a cumulated total of c. €1.2 billion:

- a €750 million senior bond due 2030, at a rate of 5.625% (corresponding to a coupon of 5.47% given the pre-hedge agreement executed in December 2024)
- an inaugural American issue of $500 million senior bonds due 2030, bearing a coupon of 8.0%

The proceeds from these issues are primarily used to repay the bonds due 2026, thus extending debt maturity:

- the entire €750 million 3.125% senior notes due 2026 was repaid
- the Group will repay the balance of the 7.25% senior notes maturing in 2026, as well as certain high-coupon bank loans in the Americas

In total, these two issues, which demonstrate the debt market's confidence in FORVIA's signature, allow the Group to repay the vast majority of its 2026 maturities – the next significant maturity being postponed to 2027 – and to diversify its sources of financing.

FURTHER PROGRESS OF EU-FORWARD & TASK FORCE TO TURN AROUND UNDERPERFORMING PLANTS

During the first quarter, FORVIA carried on the implementation of its EU-FORWARD 2024-2028 initiative, designed to enhance the company's long-term competitiveness in the European market. New operations represented approximately 1,100 job cuts announced, adding to the c. 2,900 headcount reductions of 2024.

In addition, the Group has accelerated the deployment of efficiency measures to enhance competitiveness at some underperforming plants at Interiors North America, that were penalized by numerous complex starts of production in 2024. A dedicated task force is vigorously deploying the following measures to drive performance:

- Plant management reinforced with senior and experienced resources
- Strict implementation of FES (FORVIA Excellence System)
- Speed up scrap reduction
- Simplification of intercompany flows

ACTION PLAN TO MITIGATE DIRECT IMPACTS OF ENACTED TARIFFS

In North America, the Group utilizes local networks of industrial operations and suppliers within the region.

The increase in customs duties has potential impacts on the following flows:

Mexican sales to the USA: most of them are made under commercial terms and incoterms that impose customs duties on the customer.

USA purchases of components outside the USA: more than 80% of them are eligible for USMCA (United States-Mexico-Canada-Agreement) qualification or mandated by FORVIA's customers, thus with no exposure to US customs duties for the Group.

Regarding residual limited exposure, the Group is proactively mitigating the impact by securing pass-throughs with its clients, negotiating with its suppliers and adjusting its supply chain. Agreements have already been reached for almost 50% of exposure, with the aim of covering 100%.

Should new tariffs be enacted, the Group would deploy a similar approach to that of the first tariff wave with the same objectives.

ADDITIONAL IMMEDIATE MEASURES TO NAVIGATE MARKET VOLATILITY

Increased tariffs and rising trade conflicts present important challenges to the global economy and are likely to lead to increased volatility in automotive volumes.
Firmly committed to anticipate the risks and overcome the potential consequences, the Group has set up task forces, at Group, region and businesses levels, and is taking immediate and decisive measures:

- Maximized flexibilization of production costs in sites where volumes are already hit by tariffs impact
- Additional fixed costs reduction, notably hiring freeze and immediate reduction of non-permanent contracts, travel restrictions and marketing expenses cut (IAA and CES attendance canceled…)
- Reduced investments, prioritizing capex efficiency, with a targeted reduction of Capex and development costs of more than €100 million in 2025 vs. 2024.

2025 FULL-YEAR GUIDANCE CONFIRMED

Based on:

- S&P's latest downward revision of 2025 production from 89.5 to 87.9 million LVs
- The tariffs already enacted
- And all mitigation and cost reduction measures being deployed

the Group confirms its 2025 full-year guidance*:

- **Sales** between €26.3bn and €27.5bn
- **Operating margin** between 5.2% and 6.0% of sales
- **Net Cash-flow** ≥2024 level (*i.e. 655M€)*
- **Net debt/Adjusted EBITDA** ratio ≤1.8x at December 31, 2025 before disposals

Beyond this organic deleveraging target, the Group is committed to restore a solid balance sheet with the objective to reduce Net debt/Adjusted EBITDA ratio below 1.5x in 2026, supported by disposals.

**The guidance is based on constant exchange rates to 2024 for sales and assumes no other major disruption materially impacting production or retail sales in any major automotive region during the year.*

- ***The Board of Directors, under the chairmanship of Michel de ROSEN, met on April 16 and reviewed the present press release.***
- ***All financial terms used in this press release are explained at the end of this document, under the section "Definitions of terms used in this document".***
- ***All figures related to worldwide or regional automotive production refer to the S&P Global Mobility forecast dated April 2025.***

2025 AGENDA

- **May 28:** General Assembly in Nanterre (France)
- **July 28:** 2025 H1 Results (before market open)
- **October 20:** Q3 Sales (before market open)

A webcast will be held today, Thursday April 17, 2025, at 8:00am (Paris time).

FORVIA's Q1 2025 sales presentation will be available before the webcast on FORVIA's website: www.forvia.com

If you wish to follow the presentation using the webcast, please access the following link:
https://edge.media-server.com/mmc/p/aviw23v4

A replay will be available as soon as possible.

You may also follow the presentation via conference call:
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DEFINITIONS OF TERMS USED IN THIS DOCUMENT

Sales growth

FORVIA's year-on-year sales evolution is made of three components:

- A "Currency effect", calculated by applying average currency rates for the period to the sales of the prior year,
- A "Scope effect" (acquisition/divestment),
- And "Growth at constant currencies".

As "Scope effect", FORVIA presents all acquisitions/divestments, whose sales on an annual basis amount to more than €250 million.

Other acquisitions below this threshold are considered as "bolt-on acquisitions" and are included in "Growth at constant currencies".

In 2021, there was no effect from "bolt-on acquisitions"; as a result, "Growth at constant currencies" is equivalent to sales growth at constant scope and currencies also presented as organic growth.

Operating income

Operating income is the FORVIA group's principal performance indicator. It corresponds to net income of fully consolidated companies before:

- Amortization of intangible assets acquired in business combinations.
- Other non-recurring operating income and expense, corresponding to material, unusual and non-recurring items including reorganization expenses and early retirement costs, the impact of exceptional events such as the discontinuation of a business, the closure or sale of an industrial site, disposals of non-operating buildings, impairment losses recorded for property, plant and equipment or intangible assets, as well as other material and unusual losses.
- Income on loans, cash investments and marketable securities; Finance costs.
- Other financial income and expense, which include the impact of discounting the pension benefit obligation and the return on related plan assets, the ineffective portion of interest rate and currency hedges, changes in value of interest rate and currency instruments for which the hedging relationship does not satisfy the criteria set forth in relationship cannot be demonstrated under IFRS 9, and gains and losses on sales of shares in subsidiaries.
- Taxes.

Adjusted EBITDA

Adjusted EBITDA is Operating income as defined above + depreciation and amortization of assets; to be fully compliant with the ESMA (European Securities and Markets Authority) regulation, this term of "Adjusted EBITDA" will be used by the Group as of January 1, 2022 instead of the term "EBITDA" that was previously used (this means that "EBITDA" aggregates until 2021 are comparable with 'Adjusted EBITDA" aggregates as from 2022).

Net cash flow

Net cash flow is defined as follow: Net cash from (used in) operating and investing activities less (acquisitions)/disposal of equity interests and businesses (net of cash and cash equivalents), other changes and proceeds from disposal of financial assets. Repayment of IFRS 16 debt is not included.

Net financial debt

Net financial debt is defined as follow: Gross financial debt less cash and cash equivalents and derivatives classified under non-current and current assets. It includes the lease liabilities (IFRS 16 debt).