

BEHR

Press Release

Auto supplier Behr:

Successful first half of 2010 / sights set on turnaround

Stuttgart, July 23, 2010

In the first half of 2010, the Behr Group, a specialist in automotive air conditioning and engine cooling systems, posted a 45 percent growth in sales to 1.62 billion euros compared to the same period in the previous year, thus outpacing the global market. Around half of this growth stemmed from Europe and one quarter each from North America and the growth markets. Behr was able to profit from the positive trend in the premium segment as well as the upswing in the truck market. Additional market shares were mainly won in the compact vehicle sector.

At around 16,030, the number of employees worldwide remained at the same level as at the end of 2009, and was thus 2% down year on year (16,320). On June 30, 2010, 5,760 people were employed in Germany (excluding Mahle Behr Industry) which corresponds to the previous year's level.

EBIT before restructuring in the first half of 2010 was again positive, amounting to 50 million euros as compared to -100 million euros in the previous year. Group earnings before taxes in the same period stood at 12 million euros (2009: -137 million euros); this figure includes 15 million euros in restructuring costs (2009: 23 million euros).

The financial situation of the Behr Group has thus become significantly more stable, which is also reflected in a slightly reduced debt level.

“The recovery of light vehicle and truck production is stronger than expected. For 2010 as a whole, we expect sales to increase by more than 20 percent to over 3 billion euros, which will chiefly stem from new production launches and our strong position in the growth markets”, said Markus Flik, Behr Group CEO.

He added: “The market trend is accelerating our path toward the turnaround. Moreover, the consistent implementation of our restructuring measures and our profit-improving projects has also paid off. If the positive market trend continues, we will be able to achieve the turnaround by the end of this year rather than next year as planned. Nevertheless, the absolute earnings level is still inadequate. For this reason we essentially aim to continue with the implementation of our restructuring program in order to secure the turnaround on a long-term basis.”

About the company:

Behr GmbH & Co. KG, based in Stuttgart, Germany, is a systems partner for the international automobile industry. A specialist in automotive air conditioning and engine cooling systems, the Behr Group is one of the world's leading manufacturers and suppliers of original equipment for light vehicles and trucks. Group sales in the 2009 business year came to around 2.5 billion euros. Currently, Behr employs some 16,000 staff at 17 development locations, 28 production sites and 12 joint ventures worldwide.

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