

# Press release

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Stuttgart, April 15, 2026

## MAHLE Improves Operating Result in 2025

- Positive group result despite challenging conditions and significant restructuring expenses
- Sales decline to €11.3 billion due to exchange rates and divestments
- Productivity, adjusted EBIT and equity ratio increase, net debt decreases, liquidity ensured
- CEO Arnd Franz: “MAHLE is on the way to profitable growth.”
- Synergies through new group structure become tangible; regional strengthening accelerates processes. Thermal management fully acquired.
- Strategy MAHLE 2030+ works: Focus on electrification, thermal management, and strength in internal combustion engines
- Innovation strength remains unbroken with around 860 patents and invention reports; research and development ratio stable at 5.4 percent
- Environment remains volatile and unpredictable - MAHLE will continue to adapt with a focus on reliability and competitiveness

**The technology group MAHLE closed the 2025 financial year with improved operational profitability in an environment characterized by uncertainty, new US tariffs, supply chain disruptions, and ongoing regulatory discussions. Revenue was at €11.3 billion. Excluding exchange rate and deconsolidation effects, its organic growth was 0.6 percent. Earnings before interest and taxes (EBIT), adjusted for one-off and special effects, rose to €442 million, while the adjusted EBIT margin improved to 3.9 percent. At the same time, MAHLE further reduced its net debt and increased its equity ratio. Overall, the group achieved a net income for the year and was thus able to secure for 2025 the operational turnaround achieved in 2023 and confirmed in 2024 – despite challenging conditions and significant restructuring provisions. Synergies through the new group structure become tangible; strengthening the regions accelerates processes. The MAHLE 2030+ strategy with a focus on electrification, thermal management, and leadership in internal combustion engines is working. With an unchanged research and development (R&D) quote of 5.4 percent and around 860 patents and invention reports, the innovation strength of the group remains unbroken. “MAHLE is on the way to profitable growth,” said Arnd Franz, Chairman of the Group Management**

**Board and CEO, at this year's annual press conference in Stuttgart. "The work has paid off. The achievements are measurable." In view of the ongoing volatile and unpredictable conditions, MAHLE continues to adapt with a focus on reliability and competitiveness. "We are rigorously pursuing our efficiency program 'Back on Track'," said Franz.**

### **Market developments and challenges**

Geopolitical uncertainties, increased energy costs, strong exchange rate fluctuations, declining or stagnating markets in numerous regions, as well as intense competition, especially from China, made 2025 another challenging business year. MAHLE has intensified its efficiency program and accelerated earnings and liquidity measures. The group has streamlined its organization in record time, has consistently worked on portfolio optimization as well as on the consolidation of its production network, and has adapted its capacities to the reduced demand particularly in Europe and North America.

### **Declining markets and exchange rate effects impact development of sales**

Sales development was curbed by declining customer demand and the resulting weaker vehicle production in the key markets of Europe and North America. The sluggish development of the truck business in the USA and the electrification in Europe, which continues to fall well short of expectations, had a major influence on this. The largest impact on sales was caused by the depreciation of various trading currencies against the euro. In addition, changes in the consolidation following the sale of joint venture shares and product divisions further reduced sales.

The "Powertrain and Charging" business unit, which includes the former Engine Systems and Components as well as Mechatronics and Electronics business units, recorded sales of €3.9 billion in the year under review and thus increased by 1.9 percent adjusted for exchange rate effects. The development was affected, among other things, by the sluggish ramp-up of electric mobility in Europe.

The "Thermal and Fluid Systems" business unit, which comprises the former business units Thermal Management as well as Filtration and Engine Peripherals, achieved sales of €6.1 billion and was able to maintain the previous year's level adjusted for exchange rate effects and consolidation effects.

The spare parts and service business, which is now called "Lifecycle and Mobility", generated sales of €1.2 billion in 2025. After adjustment for exchange rate effects, this business unit achieved sales growth of 1.7 percent.

## **Regions: Growth markets are gaining importance**

Adjusted for exchange rate and consolidation effects, in the year under review, sales in Europe and China declined, while growth was recorded in North America, South America and East Asia. India was the fastest-growing region, with a currency-adjusted increase of more than 20 percent. All regions improved their or stabilized their profitability at a high level.

## **Improved operating profit, reduced net debt, secured liquidity**

MAHLE has significantly improved its operating result. Productivity increases in the plants, material cost optimization, cost reductions in purchasing, as well as adjustments to selling prices were able to more than offset burdens from customs duties, tariff- and inflation-driven personnel cost increases, rising raw material prices, exchange rate effects, and volume declines.

EBIT in 2025 was mainly influenced by the elimination of the one-time effect from the sale of shares in the joint venture Behr-Hella Thermocontrol (BHTC) amounting to €164 million compared to the previous year. In addition, EBIT was also impacted by special items including restructuring expenses.

The positive development in net debt was continued by MAHLE with a reduction of €136 million Euro to €1.03 billion – despite the acquisition of the remaining shares in MAHLE Behr. The equity ratio improved to 21.9 percent.

MAHLE has a stable financing perspective and can rely on a diverse and balanced financing portfolio. The capital market has confidence in the MAHLE strategy. This was confirmed by the consensual extension of a syndicated loan with a total amount of €1.2 billion to February 2029 by all the banks concerned. “This is a strong signal of the banks’ trust in our strategic orientation and the solid financial position of the group. The credit line gives us financial flexibility and the security we need for planning”, said Markus Kapaun, Member of the MAHLE Management Board and CFO. “With our strategy MAHLE 2030+, we are on the right track and will pursue our approach consistently.”

## **Innovative strength maintained: Focus on electrification and thermal management**

MAHLE spent €607 million on research and development in the year under review. Around 4,500 engineers worked on products for climate-friendly, efficient and user-friendly mobility. The group filed 361 new patents and 497 invention reports; around 70 percent of patent applications were again related to electrification.

The innovations presented in 2025 include a new range extender system with a high-voltage generator, a thermal management module with an integrated heat pump, and a bionic radial blower for electric vehicles. In addition, MAHLE is

transferring its thermal management expertise to applications outside the automotive industry, for example with a cooling module for stationary battery storage and solutions for megawatt charging in fast-charging stations for commercial vehicles. For the spare parts and service business, MAHLE expanded its new portfolio of high-voltage electronics for workshops and introduced new diagnostic tools for electric vehicles.

## **Order intake remains stable – Electrification remains below expectations**

MAHLE acquired new orders from OEMs in 2025 representing average annual sales of €1.9 billion, and therefore continued its stable development. High-power electronics and electric drive systems for electric vehicles, air conditioning systems with integrated electric heaters, cooling modules, exhaust gas heat exchangers and e-compressors as well as air intake modules and piston systems for internal combustion engines made the largest contributions.

While the share of combustion engine products increased in order intake, the development of acquisitions in the electrification sector fell short of expectations due to a lack of sales figures for battery-powered electric vehicles, especially in Europe, fierce competition, and new political decisions in the USA.

## **Growth through diversification and expansion of new business fields**

MAHLE is addressing the pressure that grew still further last year with continued diversification and risk distribution: in technologies, markets, customers, and its business fields. The group is increasingly positioning itself outside the automobile sector: in solutions for stationary infrastructure, leisure and logistics applications as well as heavy-duty applications for maritime, mining, rail and defense segments.

To offer customers the entire product portfolio in a more targeted way and develop new products faster in line with demand, MAHLE has reorganized its non-automotive business and established the “Industrial and Special Solutions” unit within group sales. In the future existing capacities and plants can be used specifically for this purpose in a targeted way, which will allow more efficient control and more profitable production for smaller, more individual customer projects. Currently, the focus is mainly on high-power and megawatt charging, on computer center cooling, power electronics and chip cooling, hydraulic systems and applications in defense and security technology.

## **Consolidation pressure remains high – Adjustment remains a priority**

In view of declining or stagnating markets, MAHLE is continuously adjusting its international production network. Last year, especially in Europe and North America, locations were shut down or sold, closure processes at further locations initiated and headcount at several locations significantly reduced. At the end of

2025, MAHLE had 64,242 employees worldwide, which is 3,466 people or 5.1 percent less than in the previous year.

Currently, MAHLE is reducing indirect costs in administration and development, especially in Europe and North America, and continues the transformation dialog for the German plants.

The consolidation pressure, especially in Europe, will continue over the next years, especially if the EU does not develop a more open attitude to CO<sub>2</sub> regulation. “The decisions in Brussels determine the consolidation pressure – with corresponding effects for us, too,” said Arnd Franz. “MAHLE will consistently continue to adapt and fight for innovations, orders, and jobs in Europe - this requires enough business here.” The CEO appealed to political decision-makers in Stuttgart, Berlin, and Brussels to enable growth and to allow technological diversity in CO<sub>2</sub> regulation. Otherwise, there was a threat of investment, and with it, industrial sites and jobs leaving Europe and Germany.

#### Key figures 2025

	2024	<b>2025</b>
<b>Sales</b> (€ billion)	11.681	<b>11.257</b>
<b>EBIT</b> (€ million)	423	<b>228</b>
<b>Adjusted EBIT</b> (€ million)	347	<b>442</b>
<b>EBIT margin</b> (percent)	3.6	<b>2.0</b>
<b>Adjusted EBIT margin</b> (percent)	3.0	<b>3.9</b>
<b>Consolidated net profit</b> (€ million)	22	<b>20</b>
<b>Equity</b> (€ million)	1,548	<b>1,640</b>
<b>Equity ratio</b>	20.1	<b>21.9</b>
<b>Headcount</b> (number of people, as of Dec 31)	67,708	<b>64,242</b>

The 2025 annual report is available on the MAHLE website at <https://annualreport.mahle.com/en>.

Note for editors: This press release and the accompanying photo material can be found at <https://newsroom.mahle.com/press/en/>.

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The Annual Report 2025 "Gaining Traction >> Accelerate", for the first time, includes the MAHLE Sustainability Report.



Arnd Franz, Chairman of the MAHLE Group Management Board and CEO



Markus Kapaun, Member of the MAHLE Group Management Board and CFO



The MAHLE range extender system with high-voltage generator enables ranges of up to 1,300 km in battery-electric vehicles.



The MAHLE thermal management module with integrated heat pump enables 20 percent more range in electric vehicles.



Penguin fins served as the inspiration for the aerodynamic shape of the fan blades of the bionic radial blower for vehicle air conditioning systems.



Slim parking space design: MAHLE chargeBIG smallBOX – the world's smallest wallbox.



Inductive charging with a user-friendly positioning system from MAHLE.



Vehicle diagnostics more intuitive and efficient than ever before: the workshop tablet MAHLE TechPRO®.

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## About MAHLE

MAHLE is a leading international development partner and supplier to the automotive industry with customers in both passenger car and commercial vehicle sectors. Founded in 1920, the technology group is working on the climate-neutral mobility of tomorrow, with a focus on the strategic areas of electrification and thermal management as well as further technologies to reduce carbon emissions, such as fuel cells or highly efficient, clean combustion engines that also run on synthetic fuels, renewable fuels or hydrogen.

MAHLE generated sales of €11.3 billion in 2025. Employing some 64,000 people at 127 production locations and 11 technology centers, the company is represented in 28 countries. (as at: 12/31/2025)

#weshapefuturemobility