

CIE AUTOMOTIVE RESUMES A LARGE PART OF ITS PRODUCTION AND OBTAINS IMPORTANT BENEFITS

The company generates 64 million euros of operating cash in the semester

Despite the complex situation of the world economy due to the Covid19 pandemic, CIE Automotive has once again demonstrated the strength and resilience of its business model, which has allowed the company to close this first half of 2020 with all the lines of the P&L in positive figures.

Thus, CIE has reported that in the first semester its turnover reached 1,208.2 million euros, with an EBITDA of 153.5 million euros and a net result of 58.3 million.

The company has highlighted that it has suffered two critical months in April and May due to the general stoppage of productive activity caused by the confinements, but that it has already recovered production levels of 60% in June, the month in which CIE has resumed benefit and cash generation.

According to Jesús María Herrera, CEO of CIE Automotive, “we have generated positive EBITDA in the second quarter with a market that has fallen by 60% and we have achieved an EBITDA margin of 13% in the first six months with a market that has fallen 40% so far this year. And we must insist on the merit of this level of profitability, common in many suppliers in the sector in a normal situation, but not in an exceptional situation of falling volumes such as the current one”.

For Herrera, the worst is over and the company is in a very favourable competitive position to benefit from this crisis, reinforcing its strategy as an integrating company that will continue to grow and increase its market share.

Finally, he adds, “if the current market forecasts for the rest of the year are met, the Group's second half will be better than the first in sales and margins, in addition to the fact that we will continue deleveraging the balance sheet and compensating the shareholder”.