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PRESS RELEASE

Profoto announces preliminary figures for the third quarter of 2025 – Quarter characterized by weak demand in the US and EMEA

Profoto today presents preliminary figures for the third quarter of 2025. Demand remains weak in the company's largest markets, which has had a negative impact on sales. As previously communicated, the company has taken clear measures to adapt costs to the current market situation. Despite the weaker development during the quarter, the company continues to invest in the next technology shift to meet the rapid transition that the market is undergoing.

Net sales amounted to SEK 119m (164), a decrease of 27.5 percent. Organic growth amounted to -22.6 percent and the currency effect to -4.9 percent.

Demand in the US was subdued during the quarter, partly due to previous dealer inventory build-up ahead of tariff changes, and strong sales of new products in the second quarter. In EMEA, sales effects from the previous quarter also had an impact, combined with continued macroeconomic uncertainty that contributed to caution among retailers and end customers. APAC, on the other hand, showed positive development, driven by a number of major customer deliveries.

Preliminary organic growth by region was as follows:

| Region | Q3 2025 | YTD 2025 |
|----------|---------|----------|
| Americas | -40.6% | -18.7% |
| EMEA | -15.1% | -5.1% |
| APAC | 10.8% | -2.3% |

Adjusted EBIT was preliminarily SEK -10m (30) and the adjusted EBIT margin was -8.4 percent (18.4). Adjustments for the quarter amounted to SEK 47m (-9) and related to impairment of intangible assets of SEK 41m and restructuring costs of SEK 6m linked to efficiency measures implemented. EBIT amounted to SEK -57m (39).

The results for the quarter were affected by the negative sales trend, increased costs of goods sold due to tariffs, and a change in the relationship between capitalization and depreciation compared with previous quarters. This is a result of a change in the capitalization rate within R&D and the initiation of depreciation on products launched during the year.

Measures to meet new conditions

Previously announced cost savings are being implemented according to plan. In total, the company will reduce its cost base by SEK 80m to approximately SEK 320m, corresponding to a 20 percent reduction. The full effect will be visible at the end of the current year, representing a structural adjustment to prevailing market conditions. Profoto continues to prioritize cost control to strengthen its long term margin profile, while focusing on product development, customers, and delivery to drive value in its core business.

In addition, a restructuring has been carried out in the Dutch subsidiary StyleShoots, which was acquired in 2022. In connection with this, restructuring costs of SEK 6m and an impairment of SEK 11m, mainly relating to customer relationships, are reported.

Revaluation of product portfolio – continued strong financial position

As part of the review of resources and assets, the company has carried out an impairment of intangible assets of SEK 30m linked to a limited number of products. This, together with the impairment in the Netherlands, results in an annual reduction in depreciation of approximately SEK 10m.

Despite this, Profoto maintains a strong balance sheet, with a net debt to EBITDA ratio of 1.4x at the end of the quarter.

Focus on LED portfolio – deliveries to begin in the fourth quarter

The shift towards LED-based solutions continues. Profoto is well positioned for this change, and the company's new LED portfolio will begin to be invoiced during the fourth quarter, in line with previous communications. This marks a strategic step in meeting changing customer demands in order to create long-term growth.

"We operate in a market where customer needs are changing rapidly. By combining discipline in our cost structure with a strong focus on innovation, we are creating the conditions for profitable growth. Our new LED portfolio is key to the ongoing transition, and the launches in the fourth quarter are an important step forward. Profoto has led technological development for over 60 years and will continue to do so through this technological shift," says Anders Hedebark, CEO of Profoto.

The full report will be presented at the regular reporting date on October 23, 2025.

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About Profoto

Profoto was founded more than 50 years ago and has since then been a world leader in lighting equipment for professional photographers, driving innovation and awareness of how to create better images through light. We know that light is the indispensable source in all image creation – regardless of camera or situation. Creating great images is about mastering and shaping light. The end users are professional photographers and commercial customers, including major consumer brands and e-commerce companies. The company currently has sales in 51 countries worldwide. Net sales in 2024 totaled SEK 731m, with an EBIT margin of 23 percent. Profoto has ~120 employees at its headquarters in Stockholm and in subsidiaries in the USA, Japan, China, Germany, France, England and the Netherlands.

For more information about Profoto, please visit <https://investors.profoto.com>

This information is information that Profoto Holding is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2025-10-14 08:00 CEST.

Attachments

[Profoto announces preliminary figures for the third quarter of 2025 – Quarter characterized by weak demand in the US and EMEA](#)