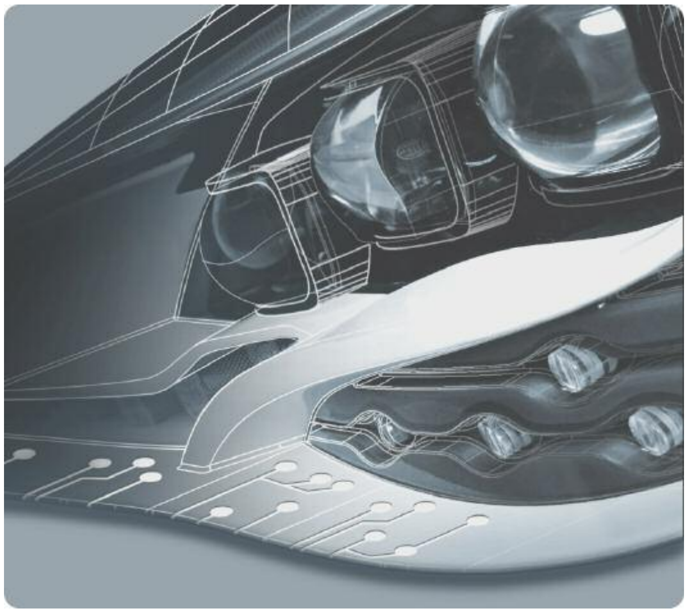

HELLA Investor Update
9 months FY 2014/15

Conference Call on March 27th, 2015

Dr. Wolfgang Ollig, Chief Financial Officer
Carl Pohlschmidt, Finance Director

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This document may contain forward-looking statements and information on the markets in which the HELLA Group is active as well as on the business development of the HELLA Group. These statements are based on various assumptions relating, for example, to the development of the economies of individual countries, and in particular of the automotive industry. Various known and unknown risks, uncertainties and other factors (including those discussed in HELLA's public reports) could lead to material differences between the actual future results, financial situation, development or performance of the HELLA Group and/or relevant markets and the statements and estimates given here. We do not update forward-looking statements and estimates retrospectively. Such statements and estimates are valid on the date of publication and can be superseded.

This document contains an English translation of the accounts of the Company and its subsidiaries. In the event of a discrepancy between the English translation herein and the official German version of such accounts, the official German version is the legal valid and binding version of the accounts and shall prevail.

HELLA Investor Update 9 months FY 2014/15
Outline

- → **Management Overview, Key Achievements in the first 9 months FY 2014/15 (June – February)**
- → **Financial Report**
- → **Outlook**
- → **Questions & Answers**

Basically positive economic environment in HELLA's 9 months FY 2014/15

Global economic environment – HELLA 9 months FY 2014/15

Moderate global development in first nine months with growth around 3%

- **Germany: Reduced growth** in H2 of 2014 but stronger start in 2015
- **Europe: Positive development** but **low rate of expansion** despite weak euro due to continuous political tensions
- **U.S.: Positive development** in H2 of 2014 **continues** with GDP growth above **3%** in **2015** expected
- **China:** Economic growth gradually slowing with **GDP growth around 7%**

Modest macro-economic development in **Europe** – **reinforced U.S.** growth and **sustainable China** growth

Automotive industry – HELLA 9 months FY 2014/15

Global vehicle sales growth in 2014 at ~ 2% with first continuous positive trend in 2015:

- **Key markets** are **USA China** and **Western Europe**
- US market due to **strong second half (+6%) 2014** with **accelerating development in Q1 2015**
- **China** still with **substantial growth** around **10%**
- **Overall Western European market growth** at 5% in 2014, single countries like Germany, Great Britain and Spain as driver
- **German** market with **positive start** in **2015**

China and **U.S. remain growth drivers**
European market modest but **stable growth**

Source: IMF; VDA, own analysis

HELLA Group
Financial Highlights 9 Months FY 2014/15

HELLA Group

Financial Highlights

- **HELLA Group sales up 6.9% YoY to 4.2 bill. EUR,** including **1.1%-points** favorable exchange rate effects (mainly USD and CNY)
- **Sales development per segment compared to previous year:**
  - **Automotive: +8%** driven by international presence in growth markets and innovative LED- and electronic products geared to industry megatrends (+**10%** third party sales)
  - **Aftermarket: +1%** driven **by weak independent aftermarket in Germany** counterbalanced **by positive trends** in the **wholesale** and **workshop equipment** business
  - **Special Applications: -11%** driven by continued **market slow-down** in the **agricultural sector**
- **Gross Profit margin increased** to 27.0% (+0.2%-point YoY)
- **EBIT margin at 7.3%** (+0.4%-points YoY)
Adjusted EBIT margin at 7.5% (-0.1%-points YoY)
- **EBITDA margin at 13.0%** (+0.4%-points YoY)

HELLA Group

Financial Highlights 9 Months FY 2014/15

HELLA Group

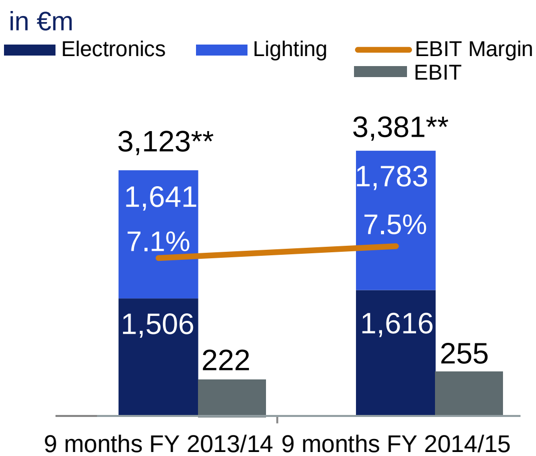
Financial Highlights

- Continued high **R&D expenses** (rising 0.8% to **9.6%**) due to **expansion of international development network** and continued expenditures in **new functional safety- and software platforms**
- **Strong Q3 FY 2013/14** including **additional positive non-recurring effects** of around **14 mill. EUR**
- **Operative Free Cash Flow at -3 mill. EUR** compared to +26 mill. EUR mainly driven by continuous growth and shift of customer reimbursements
- **Decreased net debt by 163 mill. EUR**; **Net debt / EBITDA (LTM) at 0.4x vs. 0.7x** in previous year
- **Capital increase with net inflow of 272 mill. EUR** in November 2014
- **46% share price increase** until February 28 compared to beginning of Q3
- **Significantly lower z-spreads for HELLA bonds** with 38 basis points for the 2.357%-bond and 22 basis points for the 1.250%-bond compared to 71 and 54 basis points respectively at the beginning of the financial year

Growth is mainly driven by Automotive segment

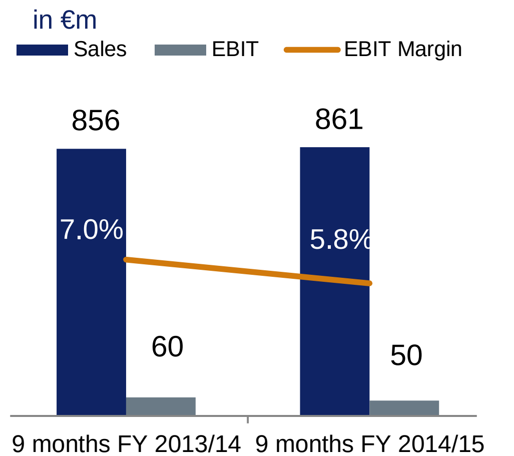
Segment Results – 9 months FY 2013/14 to 9 months FY 2014/15

Automotive*



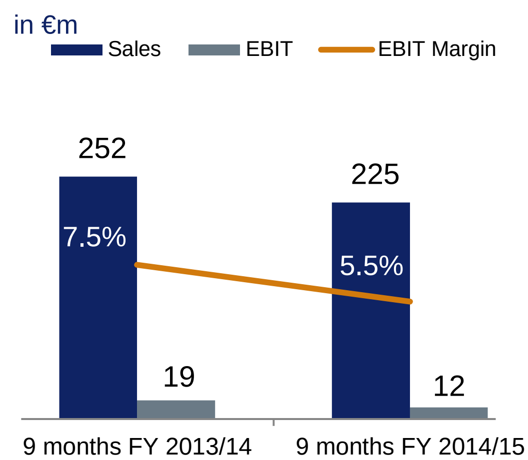
- Strong demand for innovative electronics and LED products geared to megatrends
- Strong position in premium customer segment
- Global presence in growth markets

Aftermarket*



- Weak independent aftermarket, esp. Germany
- Progressive consolidation of customer
- Positive sales development in Q3 due to wholesale and workshop equipment business
- Negative volume effect on profitability

Special Applications*



- Reduced sales due to weak demand in Agriculture sector
- Other client groups' business on track
- Stabilization on low level

* Total sales including intersegment sales,
** Sales figures for Lighting & Electronics do not add up to Automotive sales due to sales between those two business divisions

Growth accelerated in Q3

Comparison of Key Financials – Q1 FY 2014/15 to Q3 FY 2014/15

	Q1 FY 2014/15	Q2 FY 2014/15	Q3 FY 2014/15
Sales growth (YoY)	4.5%	7.5%	8.7%
Segment sales Growth* (YoY) – Automotive	+6%	+10%	+9%
Segment sales Growth* (YoY) – Aftermarket	-5%	0%	+9%
Segment sales Growth* (YoY) – Special Applications	-10%	-11%	-12%
Gross Profit margin	26.6%	28.0%	26.3%
EBIT margin	7.2%	8.4%	6.3%

Strongly improved EBIT compared to previous year

Key Financials – 9 months FY 2013/14 vs. 9 months FY 2014/15

Figures in mill. EUR

	9 months FY 2013/14	Change	9 months FY 2014/15
Total Net Sales	3,944	+6.9%	4,218
Gross Profit	1,057	+7.9%	1,140
R&D	346	+17.1%	406
EBIT	271	+14.0%	309
EBIT margin	6.9%		7.3%
Adjusted EBIT*	300	+5.9%	318
Adjusted EBIT margin	7.6%		7.5%

- **Further sales growth (+6.9%) YoY, + 274 mill. EUR**
- **Increased gross profit** as result of **operational excellence** efforts as well as **scale** and **mix effects**
- **High R&D activities** based on globalization efforts and innovation strategy
- **Adjusted EBIT margin** at **7.5%** after 7.6% in previous year

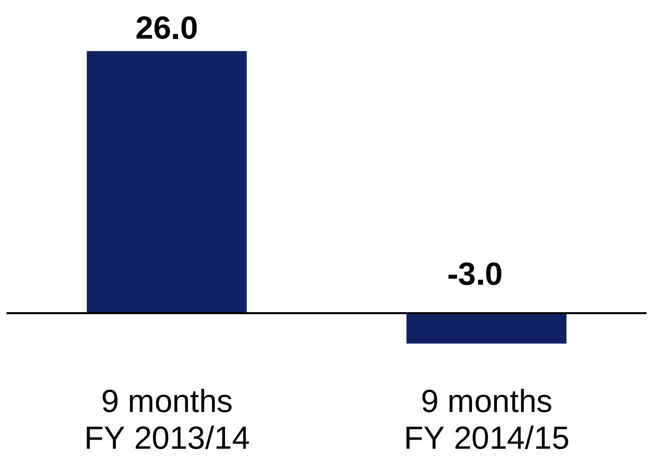
* Adjusted for one-off effects related to the voluntary severance and partial retirement program of EUR 8.4 mill. (9 months FY 2014/15) and of EUR 28.5 mill. (9 months FY 2013/14)

Financial position strengthened in the 9 months FY 2014/15

Volatile FCF generation over the year

Seasonal Operative FCF development

In EUR mill.



Growth and up-front expenditures main driver

- **CF from operating activity include 31 mill. EUR restructuring payments** compared to 11 mill. EUR in FY 2013/14
- **Working capital increased** due to new product launches along HELLA growth path
- Extraordinary **high customer reimbursements** in previous year **back to normal level**
- Postponed **customer reimbursements and** reimbursements for **advanced development services** should **cash-in** in **Q4**
- Solid financial structure with **Net Debt / EBITDA at 0.4x**

HELLA Investor Update 9 months FY 2014/15
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Financial Report
Key figures

Figures in mill. EUR if not otherwise stated	Key Financial Metrics	
	February 28, 2015 Actual	February 28, 2014 Actual
Sales	4,218	3,944
EBITDA	550	500
EBIT	309	271
Gross CAPEX	348 (8.2 % of Sales)	360 (9.1 % of Sales)
EPS (EUR)	2.01	1.69
Operating FCF	-3.0	26.0
Net Debt	263	470
Equity	1,785	1,277
Equity Ratio	37.9%	32.3%
Net Debt / EBITDA (LTM)*	0.4x	0.7x
Gearing (max. 1.3x)**	0.1x	0.4x

*EBITDA (LTM) / Net Interest; **Net Debt / Equity; Interest coverage and Gearing are covenants for Syn Loan

Financial Report

Income statement – 9 months FY 2014/15

in mill. EUR	9 months FY 2014/15		9 months FY 2013/14	
Sales	4,218	100.0%	3,944	100.0%
Cost of sales	(3,079)	-73.0%	(2,888)	-73.2%
Gross Profit	**1,140**	**27.0%**	**1,057**	**26.8%**
Research and development costs	(406)	-9.6%	(346)	-8.8%
Distribution costs	(334)	-7.9%	(324)	-8.2%
Administrative costs	(142)	-3.4%	(134)	-3.4%
Other income and expenses	4	0.1%	(13)	-0.3%
Income from associates	47	1.1%	32	0.8%
Other income from investments	0	0.0%	(1)	0.0%
EBIT	**309**	**7.3%**	**271**	**6.9%**
Financial income	12	0.3%	13	0.3%
Financial expenses	(42)	-1.0%	(43)	-1.1%
Earnings before taxes	**279**	**6.6%**	**241**	**6.1%**
Taxes on income	(63)	-1.5%	(67)	-1.7%
Earnings for the period	**216**	**5.1%**	**174**	**4.4%**

Financial Report
Balance sheet – Assets: February 28, 2015

in mill. EUR	February 28, 2015		February 28, 2014	
Cash, cash equivalents and financial assets	843	17.9%	615	15.6%
Trade receivables	818	17.4%	697	17.6%
Other receivables and non-financial assets	176	3.7%	150	3.8%
Inventories	666	14.1%	597	15.1%
Current assets	2,503	53.2%	2,059	52.1%
Property, plant and equipment and intangible assets	1,712	36.4%	1,477	37.4%
Shares in associated companies and joint ventures and other investments	268	5.7%	235	5.9%
Other non-current assets	222	4.7%	182	4.6%
Non-current assets	2,203	46.8%	1,893	47.9%
Total assets	**4,705**	**100.0%**	**3,952**	**100.0%**

Financial Report

Balance sheet – Equity and liabilities: February 28, 2015

in mill. EUR	February 28, 2015		February 28, 2014	
Financial liabilities	73	1.6%	264	6.7%
Trade payables	647	13.7%	459	11.6%
Other liabilities	407	8.7%	522	13.2%
Provisions (current)	72	1.5%	85	2.2%
Current liabilities	1,199	25.5%	1,330	33.6%
Non-current financial liabilities	1,033	22.0%	821	20.8%
Deferred tax liabilities	70	1.5%	71	1.8%
Other non-current liabilities	266	5.6%	188	4.8%
Other provisions	353	7.5%	265	6.7%
Non-current liabilities	1,722	36.6%	1,345	34.0%
Total equity	1,785	37.9%	1,277	32.3%
Total equity & liabilities	**4,705**	**100.0%**	**3,952**	**100.0%**

Financial Report
Cash Flow – 9 months FY 2014/15

in mill. EUR	9 months FY 2014/15	9 months FY 2013/14
EBIT	309	271
Gross depreciation	241	228
Working capital changes	(132)	(76)
Payments received for serial production	67	114
Tax payments	(79)	(50)
Other operating activities (e.g. change in provisions)	(84)	(112)
Gross Capital Expenditures	(348)	(360)
Revenue from sale of assets	25	11
Operative Free Cash Flow	**(3)**	**26**
Dividends paid	(59)	(55)
Acquisitions	(14)	(4)
Capital increase	272	0
Restructuring payments, Consolidation group changes, FX effects & other evaluation effects	(38)	(28)
Pension, Factoring, Operating Lease	4	5
Change in financial net debts	**163**	**(56)**

- **Lower operative Free Cash Flow** mainly due to continuous growth and seasonal effects driving increase of working capital
- **Increase in net capex*** from 235 mill. EUR to 256 mill. EUR mainly due to extraordinary high customer payments in previous year now at normal level
- **Net inflow from capital increase** of 272 mill. EUR

*Includes gross capital expenditures, less revenue from sale of assets, and less payments received for serial production

Improved Net Debt/EBITDA ratio from 0.7x to 0.4x

Financial Debt Structure – February 28, 2014 vs. February 28, 2015

Figures in mill. EUR

Financial Debt Structure February 2014 vs. February 2015

in mill. EUR	Maturity	Feb. 28, 2014	Deviation	Feb. 28, 2015
AFLAC Notes and Loan*	2032/33	175	0	175
7.25% Notes 2009/2014**	2014	200	-200	0
2.375% Notes 2013/2020**	2020	500	0	500
1.25% Notes 2014/2017**	2017	0	300	300
Loan European Investment Bank	2015	150	-150	0
Other Financial Debt, Accruals and Revaluation		60	71	131
Gross Financial Debt		**1,085**	**21**	**1,106**
Cash and cash equivalents		405	43	448
Financial Assets		210	185	395
Net Debt		**470**	**-207**	**263**
Revolving credit facility (2011-2016) of 550 mill. EUR				
Net Debt / EBITDA (LTM)		**0.7x**		**0.4x**

Changes

- **New issue of bond with a volume of 300 mill. EUR in March 2014**
- **Increase of other financial debt, accruals and revaluation (+71 mill. EUR)**
- **Capital increase in November 2014 benefits cash position with net inflow of 272 mill. EUR**
- **EIB Loan repayment (150 mill. EUR) in January 2015**

* hedged value ** nominal amount

HELLA Investor Update 9 months FY 2014/15
Outline

HELLA Group – Market Outlook

Major markets expected to grow slightly in 2015 - global growth at 2%

Region	Outlook Automotive Sales (in m pieces) 2014	Outlook Automotive Sales (in m pieces) 2015	Comment
Germany	3.0 (+2%)	3.0 (+1%)	• Modest expected economic growth and positive development of car registrations in the first months of 2015 lead to slight growth expectation for 2015
Western Europe incl. Germany	12.1 (+5%)	12.2 (+2%)	• Slight economic growth in the Eurozone 2014 with stabilization of improvement in nearly all countries; falling oil prices as economic stimulus • Slight increase of GDP in the Eurozone expected due to weakness of single countries
USA	16.4 (+6%)	16.7 (+2%)	• Accelerating growth at the end of 2014 (November +5%, December +11%). Positive trend 2015 exceeding expectations in 2014 • Favorable environment driven by improving situations for private households with recovery of labor and real estate markets
China	18.3 (+13%)	19.2 (+6%)	• Despite decline in economic growth to around 7%, China is still remains the largest and fastest growing car market
TOTAL	74.7 (+2%)	76.4 (+2%)	• Overall growing expectations with significant regional differences

Source: VDA, own analysis

HELLA Group – Company specific Outlook
FY 2014/15

HELLA Group

Outlook

- Presuming no serious economic turmoil, we assume further positive development of the HELLA business in the FY 2014/15:
- Sales and adjusted EBIT to grow correspondingly in the medium to high one-digit percentage range
  - ➢ Sales growth mainly attributable to a positive development of the Automotive segment
  - ➢ Aftermarket sales likely to stagnate due to a weak market environment, particularly in the IAM segment in Germany
  - ➢ Special Applications sales to fall due to the persisting weakness in the agricultural market
  - ➢ Results for the Aftermarket and Special Applications segments probably lower on YoY comparison
- Changes in foreign currencies lead to increase in sales growth with only limited impact on the profitability due to active risk management and currency hedging

HELLA Investor Update 9 months FY 2014/15
Outline

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