



Technology with Vision

# HELLA GmbH & Co. KGaA

dbAcces IAA Cars

Frankfurt, September 2019



# Disclaimer

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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 Presentation dbAccess IAA Cars 2019

## Outline

- HELLA Financial Results FY 2018/19
- HELLA at a Glance
- HELLA Strategy
- HELLA Outlook

# Positive sales growth and EBIT increase in FY 2018/19

## Financial Results FY 2018/19

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### Sales

- **HELLA Group** currency and portfolio adjusted **sales grew by 5.0%** YoY to 7.0 bill. EUR

### Profitability

- **Adj. Gross Profit margin** at **25.9%** (-0.5%-points YoY)
- **Adj. EBIT** +32.5 mill. EUR (+5.9% YoY) at **585 mill. EUR**
- **Adjusted EBIT margin** +0.1pp to **8.4%**

### Liquidity

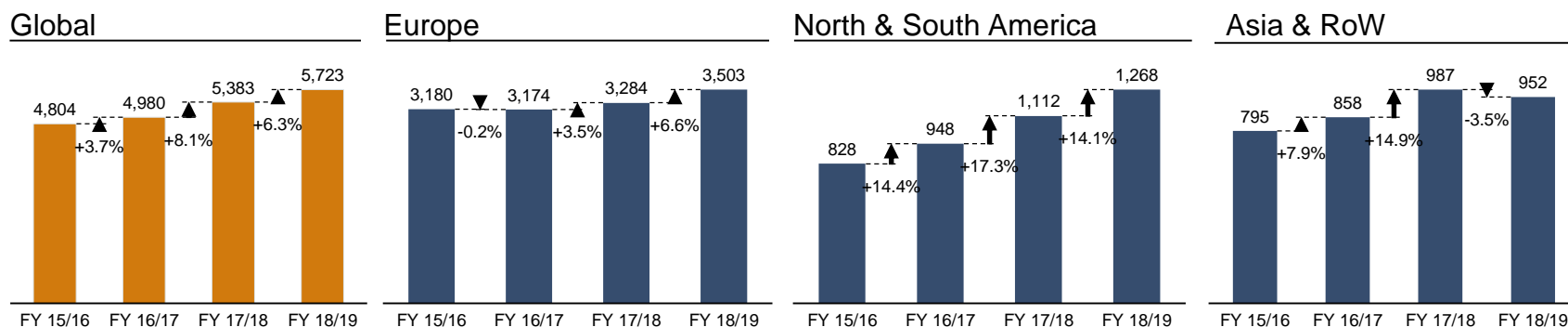
- **Adjusted Free Cash Flow from operating activities** increased by 61 mill. EUR (+27.3% YoY) to **284 mill. EUR**

Note: Adjusted P&L and Balance Sheet figures for FY 17/18 and FY 18/19 exclude items from the Wholesale distribution since closing of the transactions. Adjustments of profitability figures for all years include restructuring expenses. For details see financial report. Please note that where sums and percentages in the presentation have been rounded, differences may arise as a result of commercial rounding.

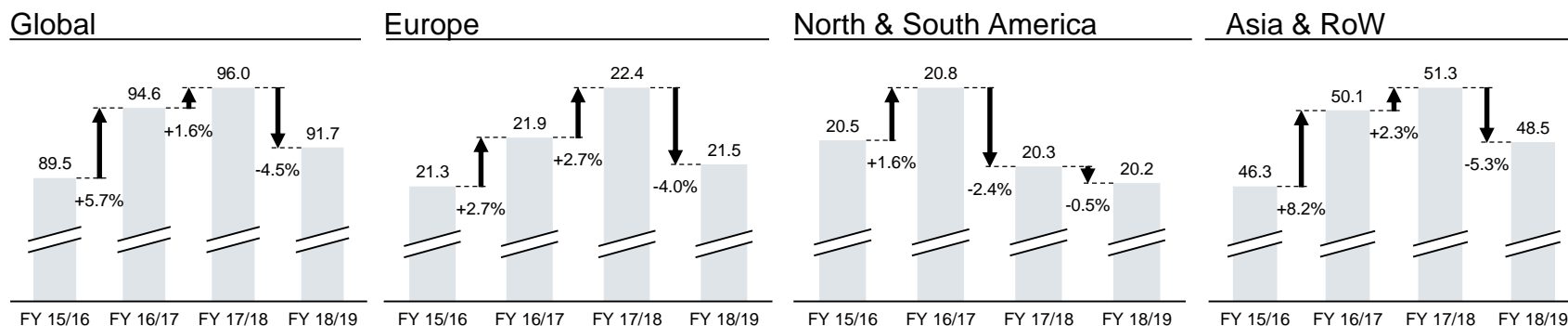
# Automotive outperforming LVP in all regions

## Financial Results FY 2018/19

### HELLA Automotive external sales by region (in EUR millions)



### Light vehicle production (in million units)



### HELLA Automotive growth vs. market (Light vehicle production growth):

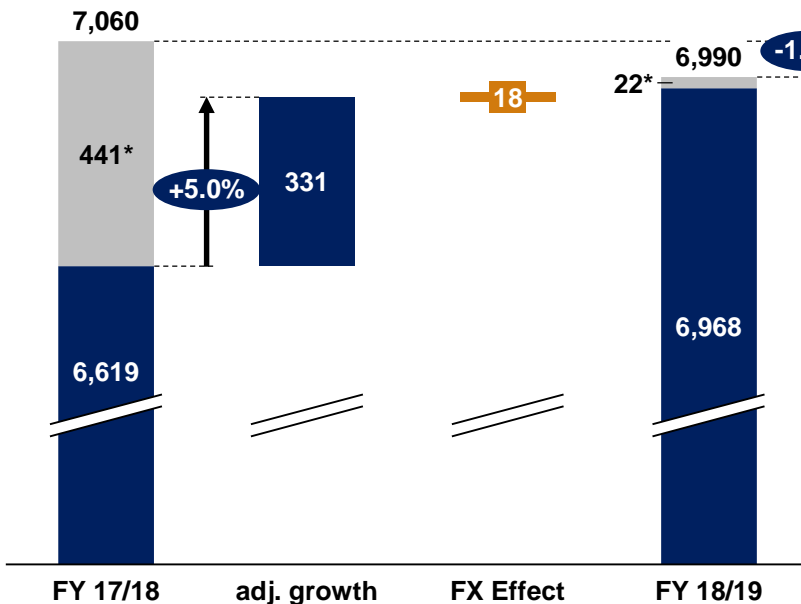
-2.0%    +6.5%    +10.8%    -2.9%    +0.8%    +10.6%    +12.8%    +19.7%    +14.6%    -0.3%    +12.6%    +1.8%

Source: HELLA; IHS (as of July 2019)

# HELLA top line growth with positive development in FY 18/19

## Financial Results FY 2018/19

### HELLA Group sales (in EUR millions)



### Comment

- **Currency** (+0.3pp) and portfolio (-6.3pp) **adjusted** growth of **HELLA** Group at **5.0%**
- **Reported** sales of **HELLA** Group declined by 1.0% (**decreased** by **70.0** mill. **EUR** to **6,990** mill. **EUR**)
  - **Automotive** +6.1% to **5,766** mill. **EUR**. Demand for energy management, radars and **advanced lighting systems** with **increasing ramp-ups** drive business
  - **Aftermarket\*** +2.7% to **665** mill. **EUR**, positively driven by Workshop product sales esp. in H1 FY 18/19
  - **Special Applications** -7.0% to **399** mill. **EUR** due to end of Australian production. Excl. this effect, growth at 2.2% with positive development in agricultural, construction and trailer business

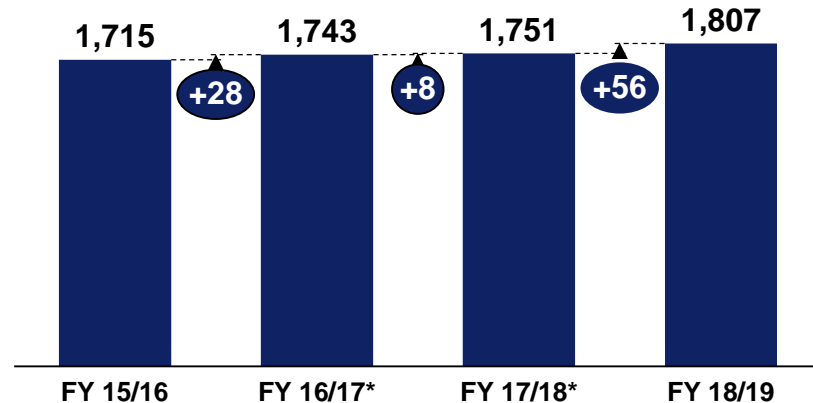
\*Wholesale sales excluded

# Adj. GPM decreased due to lower growth dynamics and increasing cost pressure

## Financial results FY 2018/19

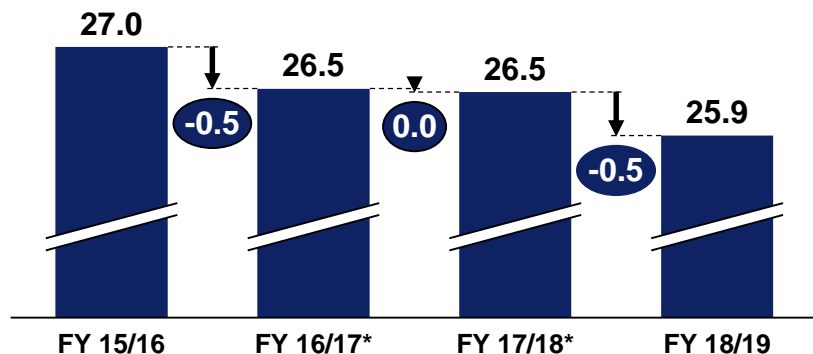
### Adj. Gross Profit

EUR millions



### Adj. Gross Profit margin

% sales



\*Restated for the reclassification of costs.

### Highlights

- **Adj. Gross Profit increased by 56 mill. EUR (+3.2%) to 1,807 mill. EUR**
  - **Automotive** +3.0% to 1,367 mill. EUR
  - **Aftermarket** +8.0 % to 245 mill. EUR
  - **Special Applications** +1.5% to 151 mill. EUR

### Highlights

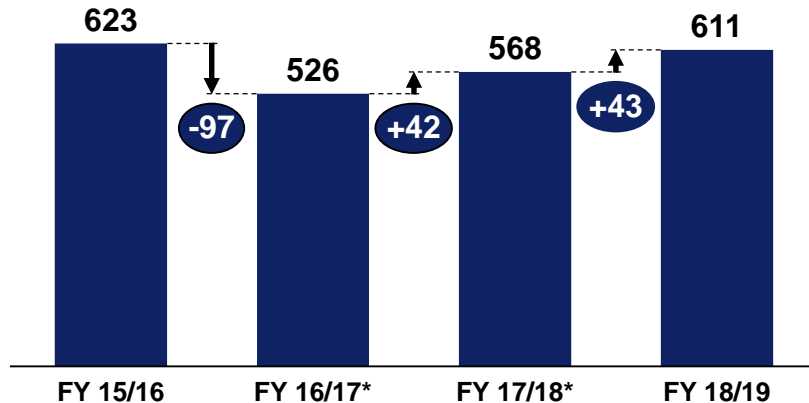
- **Adj. Gross Profit margin decreased by 0.5%-points to 25.9%**
  - decreased GPM Automotive, lower growth dynamic headwinds from raw material & personnel costs
  - increased GPM in Aftermarket (+1.8pp) due to mix effects
  - higher GPM in SA (+3.2pp) due to positive mix effects

# Continuous high R&D expenses to secure technology leadership in accelerating industry dynamics

Financial results FY 2018/19

## R&D expenses

EUR millions

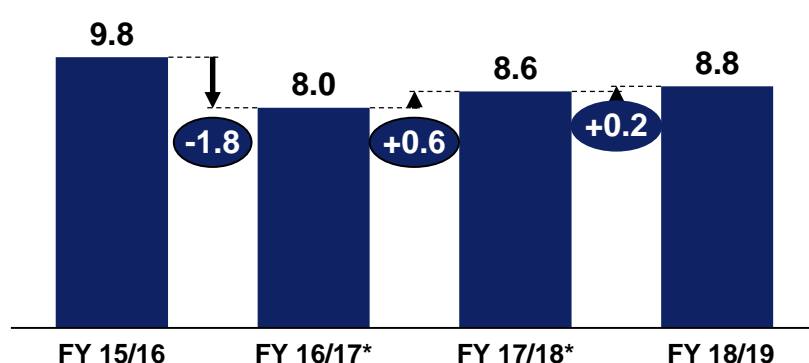


## Highlights

- **Absolute R&D expenses** increased by 43 mill. EUR (+7.5% YoY) to **611 mill. EUR**; main drivers:
  - intensification of spending due to further accelerating industry change
  - secure and strengthen technology leadership along the market trends
  - preparation and realization of production ramp-ups & continuous development of R&D capacities

## R&D expenses ratio

% sales



## Highlights

- **FY 18/19 ratio** +0.2pp to **8.8%** due to over-proportional increase in absolute R&D expenses

\*Restated for the reclassification of costs.

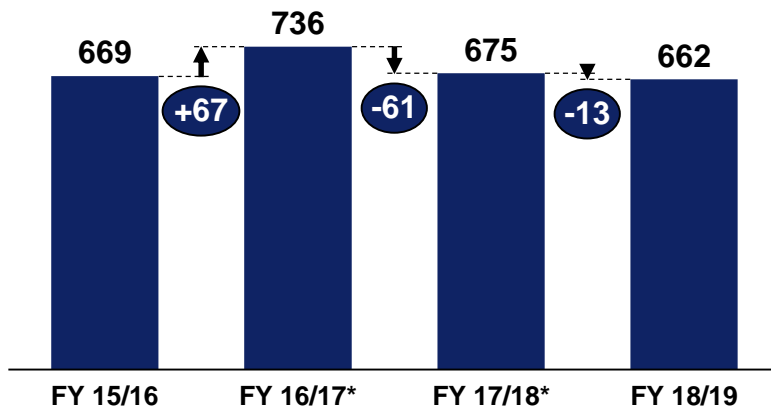


# SG&A costs declining due to continuous cost savings and extraordinary profit

Financial results FY 2018/19

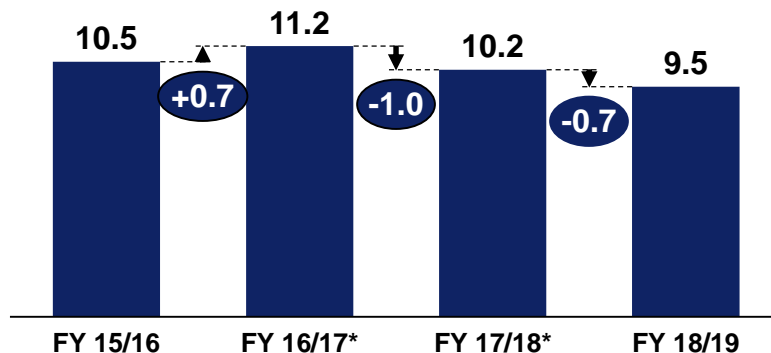
## Adj. SG&A expenses

EUR millions



## Adj. SG&A expenses ratio

% sales



\*Restated for the reclassification of costs.

## Highlights

- **Adj. SG&A costs** decreased (-13 mill. EUR, -2.0%) to **662 mill. EUR**
  - nearly constant logistic costs (-1 mill. EUR) with savings in Aftermarket
  - higher admin expenses (+7 mill. EUR) with continuous investments in processes, systems and functions
  - higher other adj. income and expenses (+19 mill. EUR) especially due to building sale in Australia

## Highlights

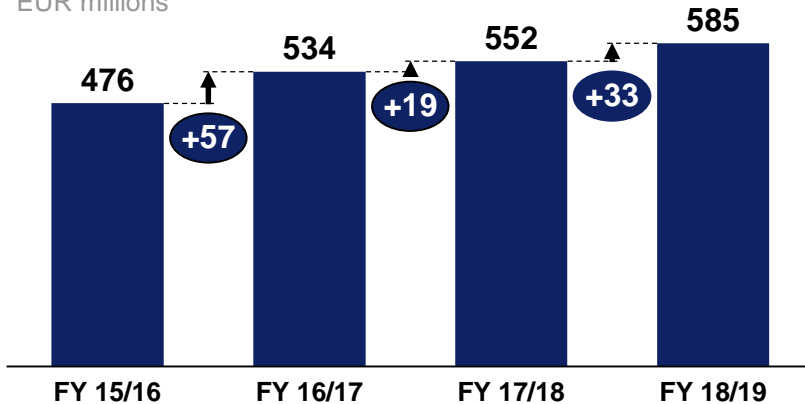
- **Adj. SG&A ratio** decreased (-0.7ppt) to **9.5%**
- Decrease in absolute SG&A expenses together with positive sales development

# Adjusted EBIT above prior-year's level, margin pressure from high R&D and increasing material and personnel cost

## Financial results FY 2018/19

### Adjusted EBIT

EUR millions

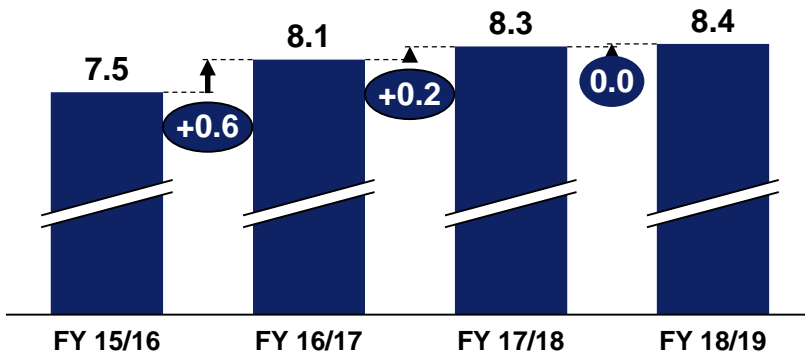


### Highlights

- **Adjusted EBIT** increased by 33 mill. EUR (+5.9%) to **585 mill. EUR**:
  - increase in adj. Gross Profit by 56 mill. EUR (+3.2%)
  - higher R&D (+43 mill. EUR, +7.5%)
  - decrease in adj. SG&A (mainly flat distribution and higher other income) by 13 mill. EUR (-2.0%)

### Adjusted EBIT margin

% sales



### Highlights

- **Adj. EBIT margin** increased by **0.1%-points** to **8.4%**:
  - decrease of adj. GPM by 0.5pp
  - higher R&D expenses ratio (+0.2pp)
  - lower SG&A ratio (-0.7pp)

# P&L including reconciliation

## Financial results FY 2018/19

### FY comparison

#### HELLA GROUP

in EUR mill.

		FY 17/18	FY 18/19
Gross Profit*	reported	1,901.1	1,814.2
	Adjustments	-149.7	-7.0
	adjusted	1,751.5	1,807.2
Other income and expenses	reported	20.5	285.9
	Adjustments	2.8	-243.5
	adjusted	23.3	42.5
Distribution*	reported	-581.7	475.4
	Adjustments	124.9	-20.0
	adjusted	-456.8	455.4
Admin	reported	-241.6	256.6
	Adjustments	0.0	-7.6
	adjusted	241.6	248.9
EBIT	reported	574.3	807.5
	Adjustments	-22.0	-222.7
	adjusted	552.3	584.8
Net financial result		-44.1	-41.3
Taxes		-140.1	-135.8
Earnings for the period		390.1	630.4
Earnings per share (EUR)		3.50	5.67

### Comments

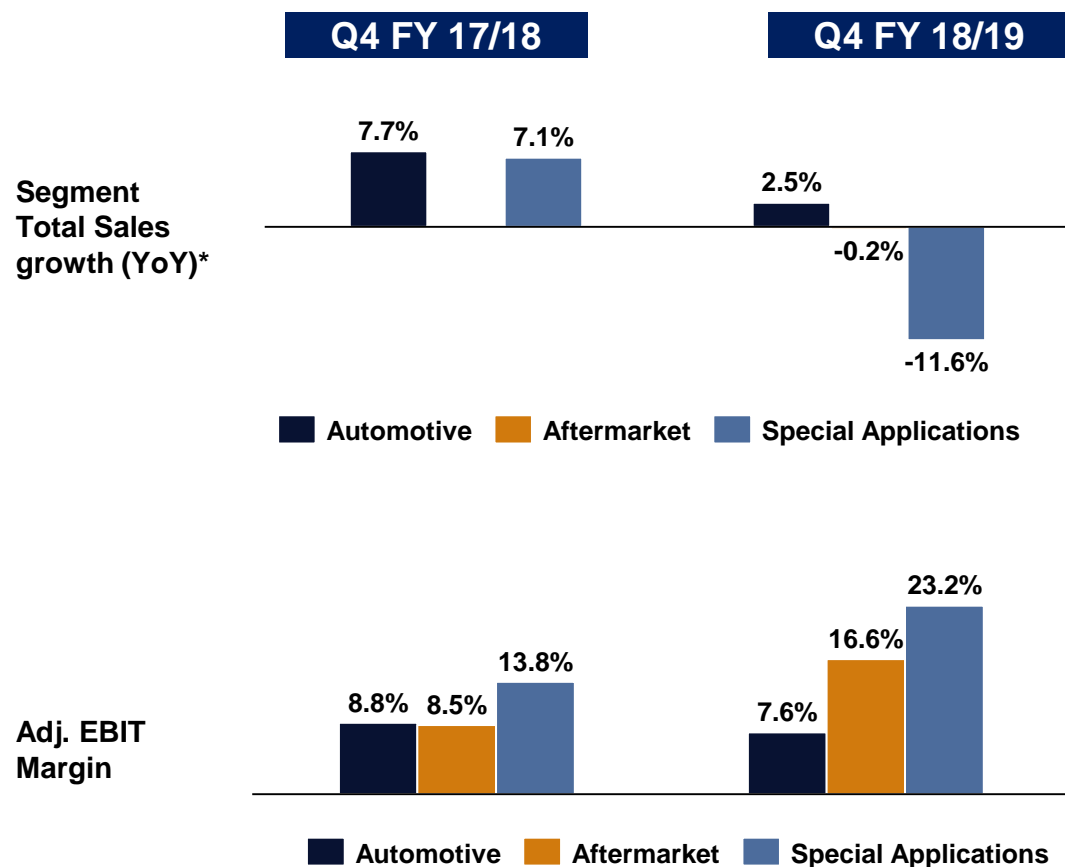
- Reported EBIT FY 18/19 increased by 233 mill. EUR including 255 mill. EUR profit from Wholesale (pre closing costs)
- Net financial result improved slightly after local financing in Mexico
- Earnings for the period increased driven by growth and profit from Wholesale
- EPS increased by 2.17 EUR (+62%) to 5.67 EUR

\*Reported FY 17/18 restated for the reclassification of R&D costs. For details see financial report

# Q4 FY 18/19 Automotive business with lower growth dynamics and margin pressure

## Financial results FY 2018/19

### Quarterly comparison



### Comments

- Lower Automotive growth dynamics in Q4 FY 18/19: NSA and Europe sales could not compensate weak market conditions in China
- Aftermarket with slight sales decrease due to Workshop products: high comparable basis PY due to emission tester sales
- Special Applications negative due to closure of Australian production. Excluding this effect sales decline by 2.1%, selective products group like agriculture and trailer with weaker demand
- Q4 FY 18/19 Automotive margin affected by increasing raw material and personnel expenses as well as increasing R&D
- Aftermarket adjusted EBIT margin strongly increased due to positive mix effects, optimized structures as well as special items like lower bonuses
- Q4 FY 18/19 adj. EBIT margin Special Applications increased with strong product mix and 12 mill. EUR building sale profit

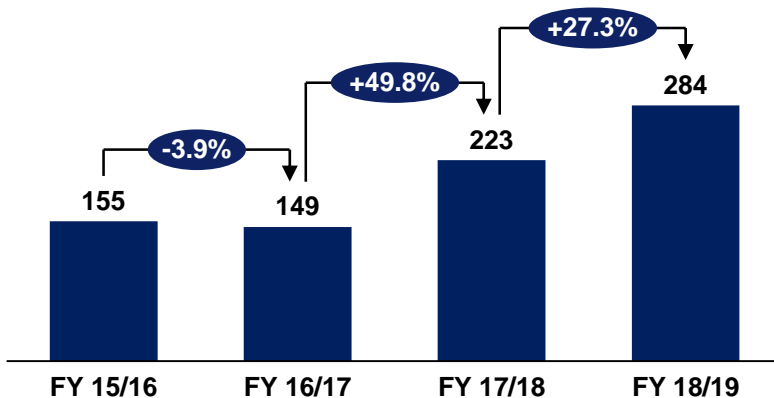
\* Q4 FY 16/17 Aftermarket not comparable due to disposal of Wholesale distribution

# Adj. Free Cash Flow from operating activities increased with improved Working Capital consumption

## Financial results FY 2018/19

### Adj.<sup>1</sup> FCF from operating activities

EUR millions



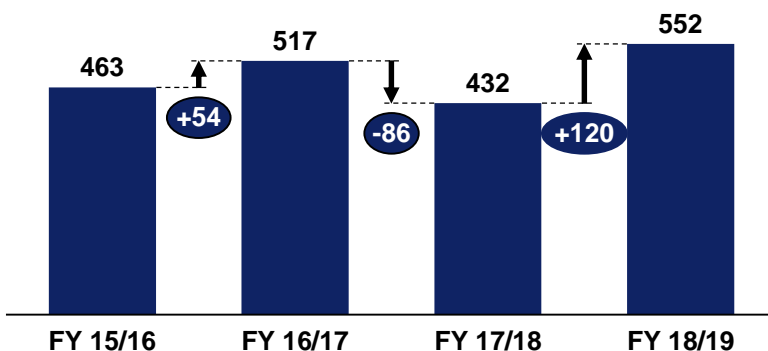
### Highlights

- **Adj. Free Cash Flow from operating activities** increased by 61 mill. EUR to **284 mill. EUR**, mainly due to a lower working capital consumption
- **Cash Conversion<sup>3</sup> ratio** increased by 8.2pp to **48.6%**

3) Adj. Free Cash Flow from operating activities / adj. EBIT

### Adj. Net CAPEX<sup>2</sup>

EUR millions



### Highlights

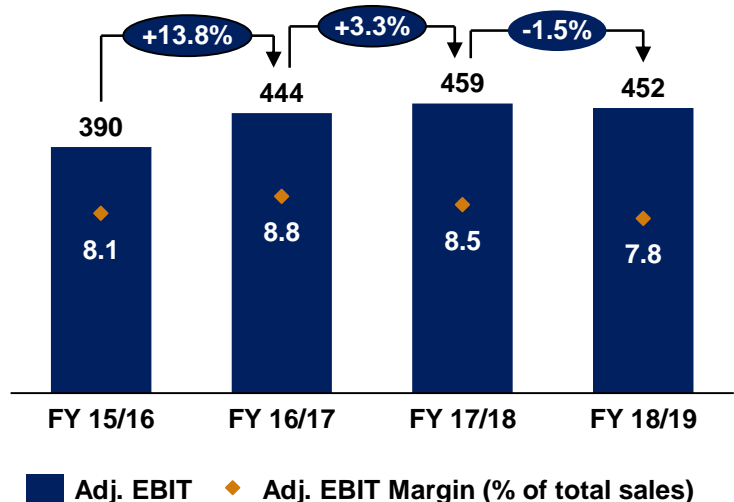
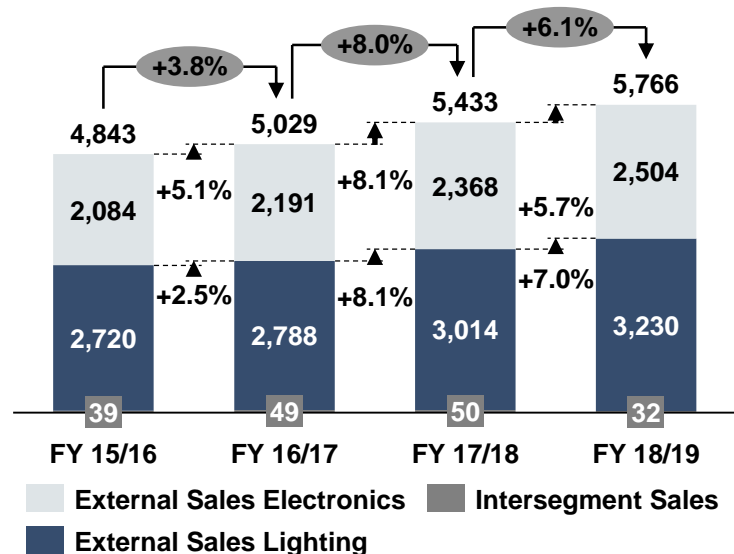
- **Continuous investments** in customer-specific **equipment** and **capacity extensions**

1) Adjustments of FCF include restructuring expenses, factoring, payments in connection with the EU cartel proceeding, payments in connection of the supplier default and payments received/made in connection with the sale of shares in FTZ, INTER-TEAM and HELLANOR

2) In accordance with IFRS 15 reimbursements are not deducted from CAPEX in FY 18/19, prior years have not been adjusted.

# Automotive segment with positive growth, profitability under pressure

## Financial results FY 2018/19



### Automotive Sales

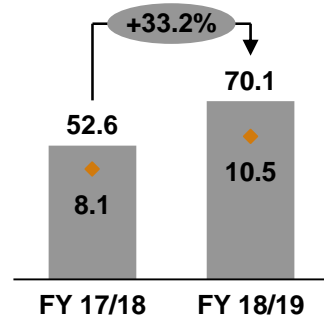
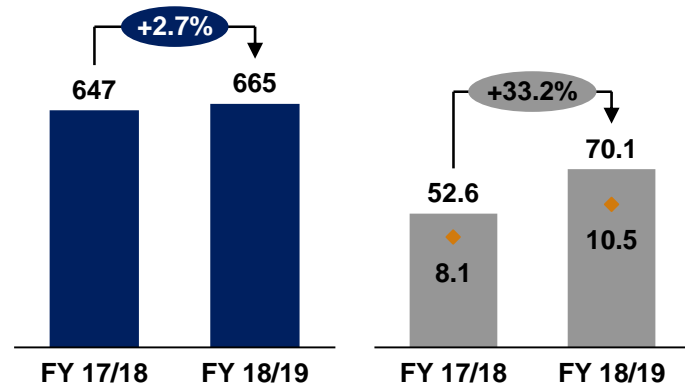
- **Growth of 6.1%** with production **ramp-ups** and **high production volumes**:
  - Demand for **energy management** and **driver assistance products**
  - Demand for **innovative lighting products**
  - Demand driven by **NSA** and **Europe**

### Automotive Profitability

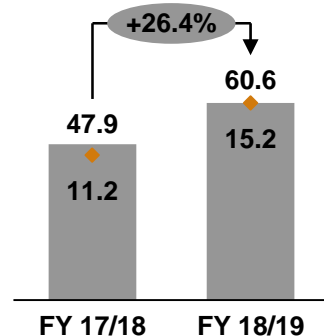
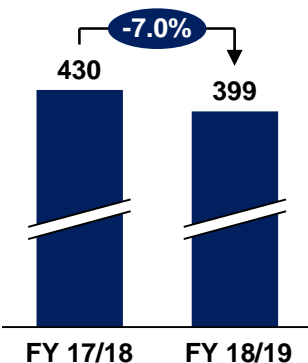
- **Decrease of adj. EBIT by -1.5%** to **452 mill. EUR**, (margin **-0.6pp**) mainly:
  - **increase in Gross Profit (+3.0%)**, but higher raw material and personnel expenses could not be compensated due to slowing growth (GPM decreased by 0.7pp to 23.7%)
  - **increase in R&D (+6.9%)** with accelerating industry change investments in the megatrends and booked business

# Non Automotive segments with positive margin developments

## Financial results FY 2018/19



■ adj. EBIT  
◆ adj. EBIT Margin



■ Total Sales

■ EBIT

◆ EBIT Margin

\*The figures for Aftermarket exclude the items from wholesale distribution.

### Aftermarket\*

- **Total sales growth (+2.7%)** due to **workshop business, positive IAM** demand dampened by weakness in EE
- **Strong increase in adj. EBIT margin by 2.4pp to 10.5%**
  - Growth in GPM by 1.8pp due to positive mix
  - Lower distribution ratio due to cost control and lower customer bonuses

### Special Applications

- **Negative top-line development (-7.0%):**
  - increasing demand in **Construction, Agricultural** and other, but lower growth dynamics in H2 FY 18/19
  - **End of production in Australia** with negative impact especially on growth
- **Profitability up by 26.4%** (excluding Australia closing +7.3%), margin + 4.0pp to 15.2% (excl. Australia +0.6pp to 12.5%)
  - Underlying business with positive development

# HELLA Presentation dbAccess IAA Cars 2019

## Outline

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- HELLA Financial Results FY 2018/19

- HELLA at a Glance

- HELLA Strategy

- HELLA Outlook



# As one of the top 40 automotive suppliers worldwide HELLA specializes in innovative lighting systems and vehicle electronics

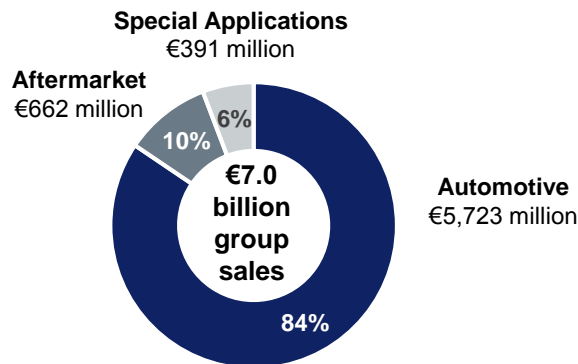
## HELLA at a Glance – Overview

### KEY FACTS

- **Founded 1899** in Lippstadt (Germany)
- Global footprint with around **39,000 employees in some 35 countries**
  - Thereof almost **8,000 working on research and development worldwide**
- Integrated business portfolio in **Automotive, Aftermarket, and Special Applications**
- **Leading market positions in automotive Lighting and Electronics**
- One of the **top 40 automotive suppliers** in the world and **one of the 100 largest German industrial companies**

### SALES BY BUSINESS SEGMENT

external sales, fiscal year 2018/19



### KEY FINANCIALS

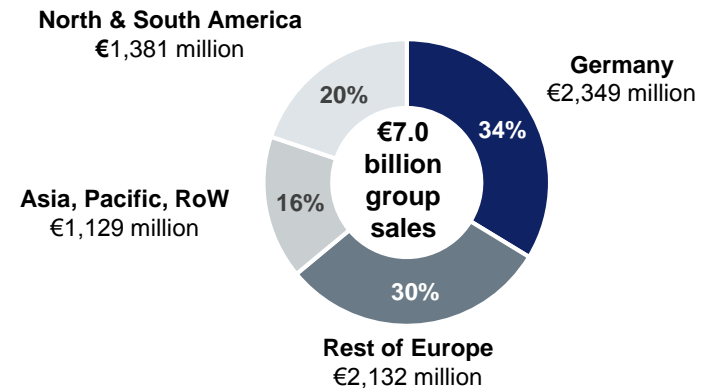
in EUR millions and % of sales

	FY 2017/18	FY 2018/19	Change
Reported Sales	7,060	6,990	-1.0%
Adjusted Sales*	6,619	6,968	+5.0%
Adjusted EBIT	552	585	+5.9%
Adjusted EBIT margin	8.3%	8.4%	+0.1% points
Adjusted Free Cash Flow	223	284	+27.3%

*\*Currency and portfolio-adjusted*

### SALES BY REGION

by registered office of the HELLA customer, fiscal year 2018/19



# In the Automotive segment, HELLA develops and produces innovative solutions for automobile manufacturers worldwide

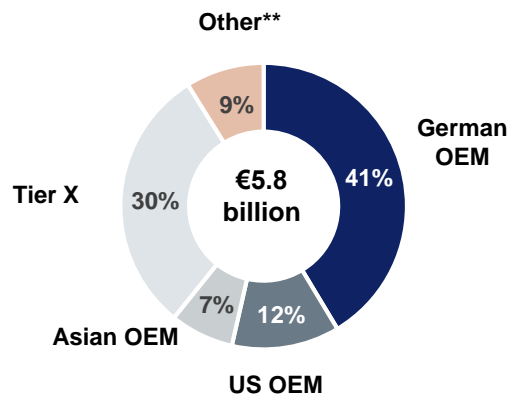
## HELLA at a Glance – Business Segment Automotive

### BUSINESS OVERVIEW\*

<b>Lighting</b> <ul style="list-style-type: none"> <li>▪ Headlamps</li> <li>▪ Rear Combination Lamps</li> <li>▪ Small Lamps</li> <li>▪ Interior Lighting</li> <li>▪ Lighting Electronics</li> </ul>	<ul style="list-style-type: none"> <li>▶ <b>#1</b> market position in <b>LED headlamps Europe</b></li> <li>▶ <b>#3-4</b> global and <b>#1-2</b> European market position in <b>OE passenger car lighting</b></li> </ul>
<b>Electronics</b> <ul style="list-style-type: none"> <li>▪ Components</li> <li>▪ Energy Management</li> <li>▪ Driver Assistance Systems</li> <li>▪ Body Electronics</li> <li>▪ Steering</li> </ul>	<ul style="list-style-type: none"> <li>▶ <b>#2-3</b> global and <b>#1-2</b> European market position in defined automotive <b>electronic segments</b></li> </ul>

### AUTOMOTIVE EXTERNAL SALES BY CUSTOMERS

fiscal year 2018/19



\*) All figures related to the selected markets and product categories based on HELLA's portfolio, as covered in an external market study commissioned by HELLA (2014)

\*\*) Including European OEM (ex Germany) and trucks.

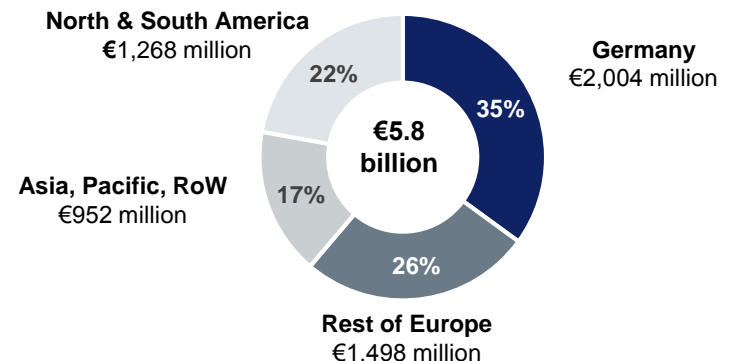
### KEY FINANCIALS

in EUR millions and % of sales

	FY 2017/18	FY 2018/19	Change
External Sales	5,383	5,723	+6.3%
Adjusted EBIT	459	452	-1.5%
Adjusted EBIT margin	8.5%	7.8%	-0.6% points
Ext. Sales Lighting	3,014	3,230	+8.1%
Ext. Sales Electronics	2,368	2,504	+8.1%

### AUTOMOTIVE EXTERNAL SALES BY REGIONS

fiscal year 2018/19



# HELLA with a comprehensive offering of automotive parts, diagnostics, and services within Europe

## HELLA at a Glance – Business Segment Aftermarket

### BUSINESS OVERVIEW



#### Independent Aftermarket (IAM)

- Sale of **own and third-party spare parts** to IAM wholesalers
- **Own sales presence** in >25 countries
- **Strong position** of sales network and brand presence in **European market (#1-3)**



#### Workshop Equipment

- Premium provider of **workshop solutions, diagnostic tools** and advanced **equipment** to garages
- Offering of **professional services**, e.g. technical data/hotline, trainings & financial services
- **market position: #1**    **#3** 

### KEY FINANCIALS

in EUR millions and % of sales

	FY 2017/18*	FY 2018/19	Change
<b>Sales</b>	<b>647</b>	<b>665</b>	+2.7%
<b>Adj. EBIT</b>	<b>52.6</b>	<b>70.1</b>	+33.2%
<b>Adj. EBIT margin</b>	<b>8.1%</b>	<b>10.5%</b>	+2.4% points
Sales IAM	568	572	+0.6%
Sales Garage Equipment	67	81	+20.5%

### STRATEGIC FOCUS

- **Further strengthen IAM product portfolio**  
e.g. enhance offering of Electronics/ Electrics and universal lighting products, expand partner network, push roll-out of 3rd party products to additional markets
- **Further enhance workshop products and services**  
e.g. set-up new digital offers and software driven business models (remote fleet manager, workshop broker platform), develop calibration solutions for complex cars

\*excludes Wholesale business (9 months). Closing September 3, 2018 for FTZ and INTERTEAM

# In Special Applications HELLA incorporates the extensive technological expertise in lighting and electronics

## HELLA at a Glance – Business Segment Special Applications

### BUSINESS OVERVIEW

- Development, production and sale of **lighting and electronics products for special vehicle manufacturers**
- “**Fast follower**” of technological innovations in automotive segment along megatrends LED, energy efficiency and safety
- Application of know-how through **own research and development resources** and **dedicated production footprint**
- Strong market position in lighting product** areas based on long-standing experience, in particular in Europe
- Focusing on a **variety of attractive target groups**

### TARGET GROUPS



### KEY FINANCIALS

in EUR millions and % of sales

	FY 2017/18	FY 2018/19	Change
Sales	430	399	-7.0%
Adj. EBIT	47.9	60.6	+26.4%
Adj. EBIT margin	11.2%	15.2%	+4.0% points

### STRATEGIC FOCUS

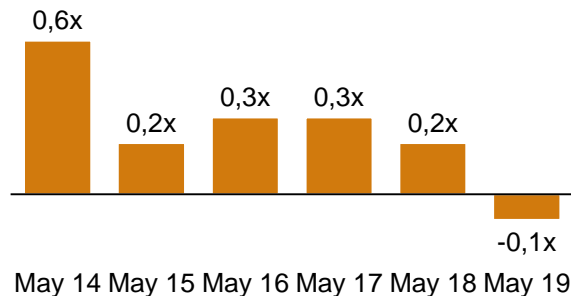
- Drive further LEDfication**  
e.g. build-up competences in intelligent lighting solutions, push Visiotech technology, broaden innovative roadmap (LED matrix beam, Shapeline), increase number of vehicle specific lighting projects
- Boost growth of Electrics / Electronics business**  
e.g. extend electronics scope (focus on sensors and actuators), foster cooperation and M&A opportunities
- Penetrate growing customer segments**  
e.g. drive growth in segments mining, power sports, and marine, push solutions for e-cars and small cars, explore further growth potential of truck business

# High financial stability ensures long-term growth perspective and provides freedom for entrepreneurship

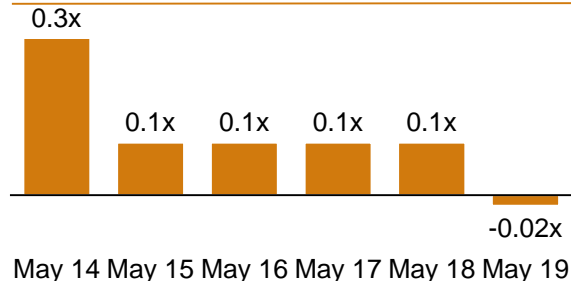
## HELLA at a Glance – Financial Stability

### Solid capital structure

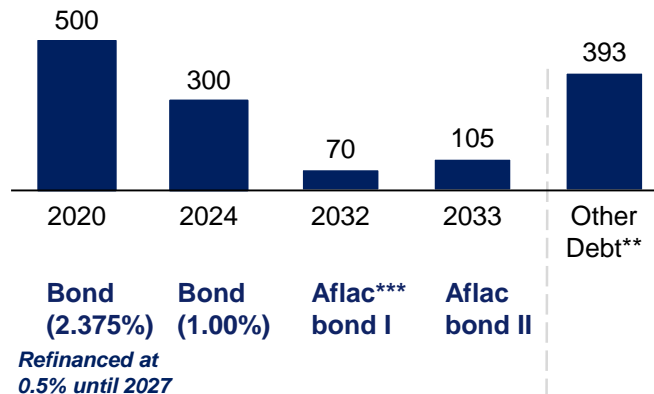
#### Leverage (Net debt / EBITDA)



#### Gearing (Net debt / Equity)



#### Debt and maturity profile\*, in millions EUR



**Additional Revolving Credit (2022) of EUR 450m with 10 core banks as back-up facility**

- Capital-market-oriented capital structure with investment grade rating
- **Good liquidity profile** and consistent liquidity management
- **EUR 117m dividends** (1.05 EUR/share) paid October 2018; **EUR 372m** (1.05 EUR/share regular dividend, 2.30 EUR/share special dividend) suggested for FY 18/19
- **Equity ratio at 46.3% and cash & assets at 1,434 mill. EUR**

### Strategic flexibility

**HELLA has a stable and solid financial fundament which forms the basis for its future strategic plans**

- Prudent financial policy throughout the cycle with leverage < 1.0x
- Financing of long-term growth strategy secured
- Well balanced debt portfolio
- New issuing (senior, unsecured / bearer debt) for attractive conditions
- Mid term target: Leverage < 1.0x

\* As of May, 2019; Euro Bond I: 2,375%, Euro Bond II: 1,00%; Aflac bonds hedged values \*\* Mostly long term debt; Leasing liabilities and USD bank credit of Mexican subsidiary  
 \*\*\* Abbreviation for "American Family Life Insurance Company"

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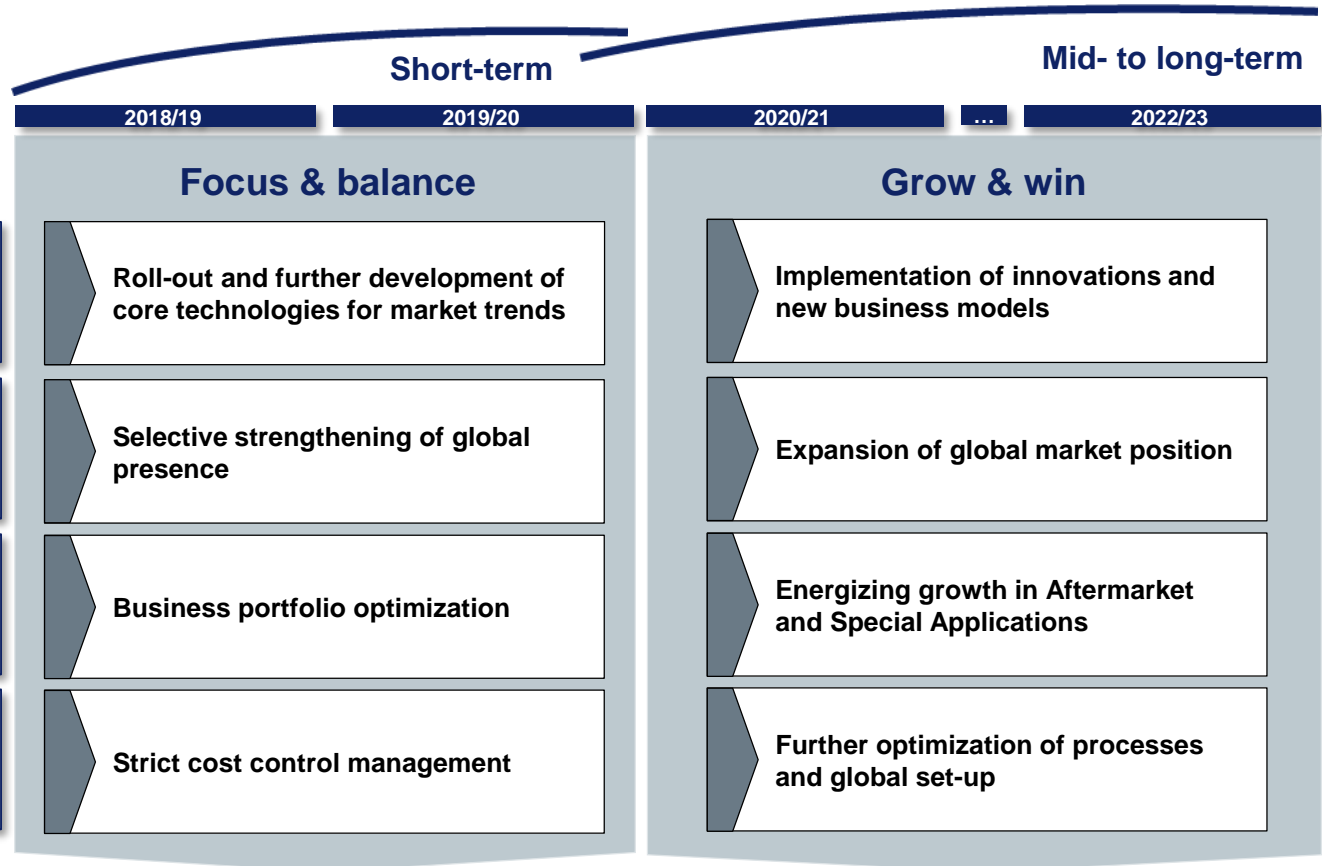
# HELLA's strategic pillars are valid, but to cope with current market challenges HELLA has to adapt its behavior

## HELLA Strategic Perspective



### STRATEGIC FOUNDATION PILLARS

<b>A</b>	<b>Technology Leadership</b>
<b>B</b>	<b>Market Leadership</b>
<b>C</b>	<b>Resilient Portfolio</b>
<b>D</b>	<b>Operational Excellence</b>



# HELLA continues to invest in major market trends to expand innovation leadership and benefit from industry transformation

## A Technology Leadership

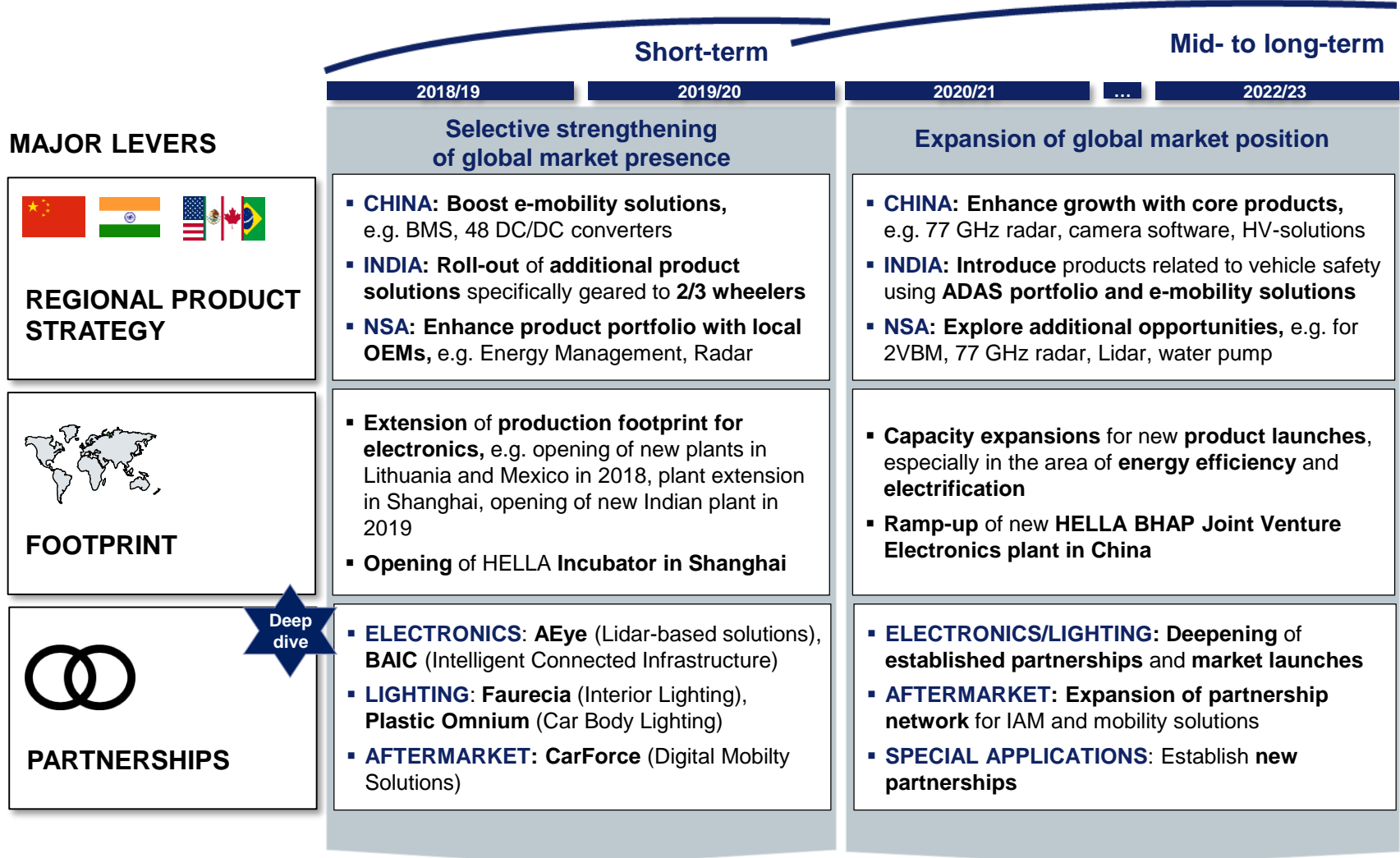
### MAJOR MARKET TRENDS

	Short-term		Mid- to long-term	
	2018/19	2019/20	2020/21	2022/23
<b>AUTONOMOUS DRIVING</b> 	<b>Roll-out and further development of core technologies</b> <ul style="list-style-type: none"> <li>Strengthen position as component supplier with a complete portfolio in the area of sensing</li> <li>Roll-out of 24 GHz and 77 GHz radar components</li> <li>Realize camera software potential (focus on Levels 1-3)</li> <li>Complete product portfolio, e.g. SHAKE, LiDAR</li> </ul>		<b>Implementation of innovations and new business models</b> <ul style="list-style-type: none"> <li>Expand component strategy with system approach</li> <li>Become subsystem supplier for specific AD functions linking camera software and radar</li> <li>Offer specific functions as software product “on demand”</li> <li>Develop new lighting functionalities for AD scenarios</li> </ul>	
<b>EFFICIENCY &amp; ELECTRIFICATION</b> 	<b>Focus and strengthen business with components for different powertrain concepts</b> <ul style="list-style-type: none"> <li>Drive global product roll-out for ICE and hybrids, e.g. DC/DC converters, Intelligent Battery Sensors</li> <li>Roll out specific solutions for fully electrified vehicles, e.g. battery management systems</li> </ul>		<b>Enlarge product portfolio with new solutions addressing all stages of electrification</b> <ul style="list-style-type: none"> <li>Push subsystems for Mild Hybrids, e.g. Dual Voltage Battery Management, PowerPack 48V, On Board Charger</li> <li>Extend business model for Electrical Power Steering, e.g. shift to fail operational ECUs</li> </ul>	
<b>CONNECTIVITY &amp; DIGITALIZATION</b> 	<b>Roll-out digital product solutions</b> <ul style="list-style-type: none"> <li>Push market penetration of HD Matrix LED headlamp technologies</li> <li>Introduce new digital diagnostic services for workshops, e.g. digital multifunctional glasses</li> </ul>		<b>Offer new digital business models</b> <ul style="list-style-type: none"> <li>Further leverage digital innovations from HELLA incubator network and ventures ecosystem</li> <li>Introduce new mobility solutions for the Aftermarket, e.g. business models for fleet management and insurances</li> </ul>	
<b>INDIVIDUALIZATION</b> 	<b>Push market penetration of lighting-based styling features</b> <ul style="list-style-type: none"> <li>Introduce customizable interior lighting concepts with RGB LED modules of the second generation</li> <li>Further roll-out of multi-lense-array solutions for light projections, e.g. welcome scenarios</li> </ul>		<b>Advance business with comprehensive interior and car body lighting solutions</b> <ul style="list-style-type: none"> <li>Accelerate interior lighting solutions for a personalized cockpit environment</li> <li>Drive holistic integration of lighting technologies into the vehicle exterior</li> </ul>	












# HELLA strengthens its leading position by tailored market strategies and expansion of its global network

## B Market Leadership



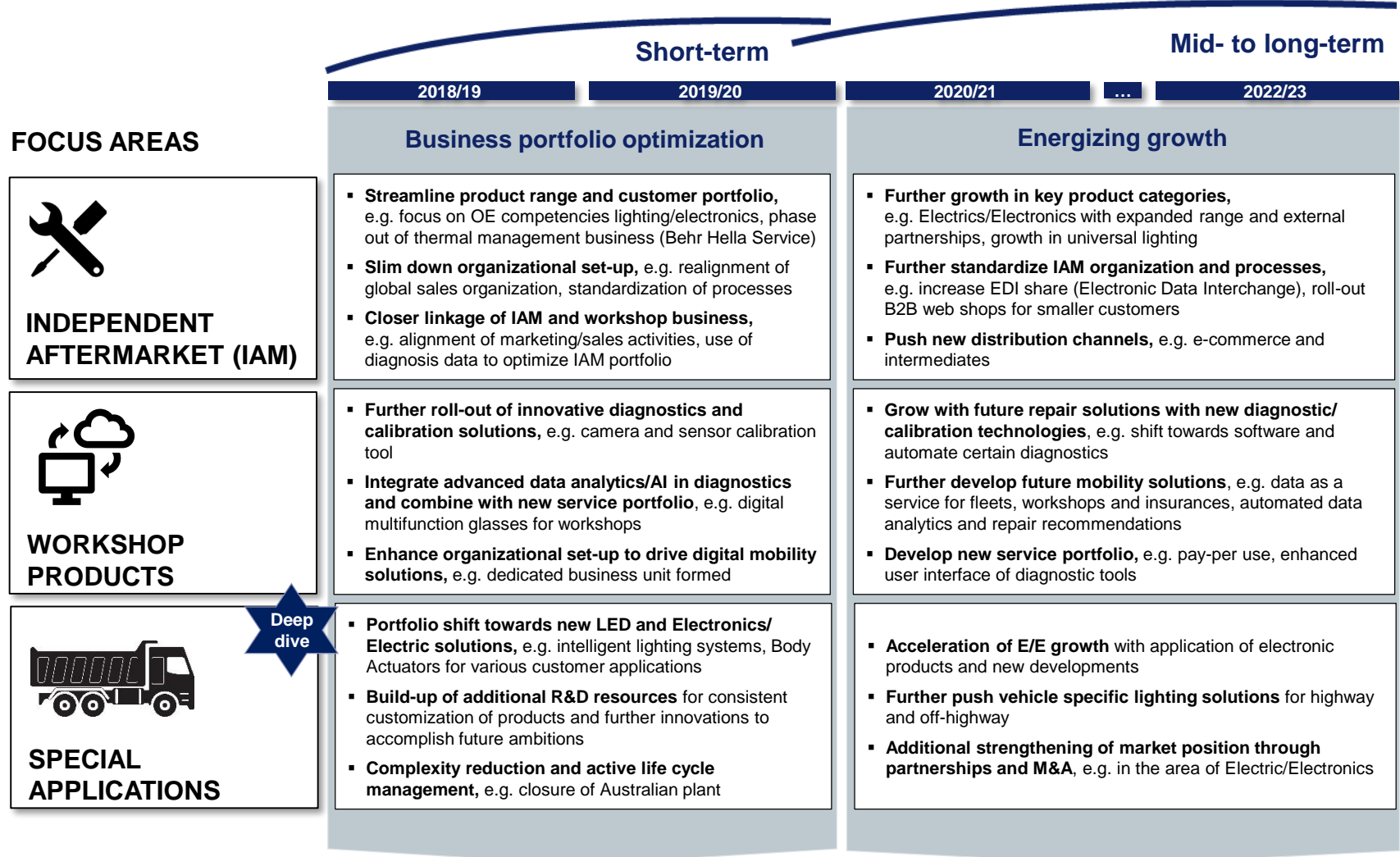
# HELLA is establishing additional open partnerships to further enhance innovation speed and efficiency and capture growth chances

## B Market Leadership – Latest partnerships

FIELD OF COOPERATION	HELLA CONTRIBUTION	PARTNER CONTRIBUTION	SCOPE OF PARTNERSHIP
INTERIOR LIGHTING	 <ul style="list-style-type: none"> <li>Innovative products and proven expertise in the field of <b>interior lighting</b>, e.g. (dynamic) interior lighting solutions to support drivers safety and comfort</li> </ul>	 <ul style="list-style-type: none"> <li>Innovative solutions for the cars interiors</li> <li>Expertise as a <b>complete system integrator</b> for vehicles</li> </ul>	 <ul style="list-style-type: none"> <li><b>Interior lighting solutions</b> for a comprehensive personalized cockpit environment (“cockpit of the future”)</li> <li><b>Joint development</b> with special focus on surface-lighting and dynamic-lighting</li> <li><b>First results demonstrated</b> at Paris Motor Show 2018</li> </ul>
CAR BODY LIGHTING	 <ul style="list-style-type: none"> <li>Advanced <b>know-how</b> with respect to <b>light-based styling features</b> and functionalities for the car body exterior</li> </ul>	 <ul style="list-style-type: none"> <li><b>Competence</b> regarding design, development, and assembly of front and rear exterior body systems</li> <li>Special know-how in plastics processing</li> </ul>	 <ul style="list-style-type: none"> <li>Holistic, innovative <b>integration of lighting technologies into the vehicle exterior</b>, especially for the front and rear areas</li> <li><b>Bundling of dedicated development resources at one site</b> planned</li> </ul>
LIDAR	 <ul style="list-style-type: none"> <li><b>Automotive experience</b></li> <li>Know-how in <b>embedded software</b></li> <li><b>Image processing</b> expertise</li> <li><b>Industrialization</b> capabilities</li> </ul>	 <ul style="list-style-type: none"> <li><b>iDAR™ technology</b>, new form of intelligent data collection that fuses LIDAR with a low-light HD camera and embedded AI to intelligently capture data at the sensor level</li> </ul>	 <ul style="list-style-type: none"> <li><b>Customized sensing and perception solutions</b> for ADAS and Automated Driving based on LIDAR sensor and iDAR™ system development</li> <li><b>First results demonstrated</b> at CES 2019</li> </ul>

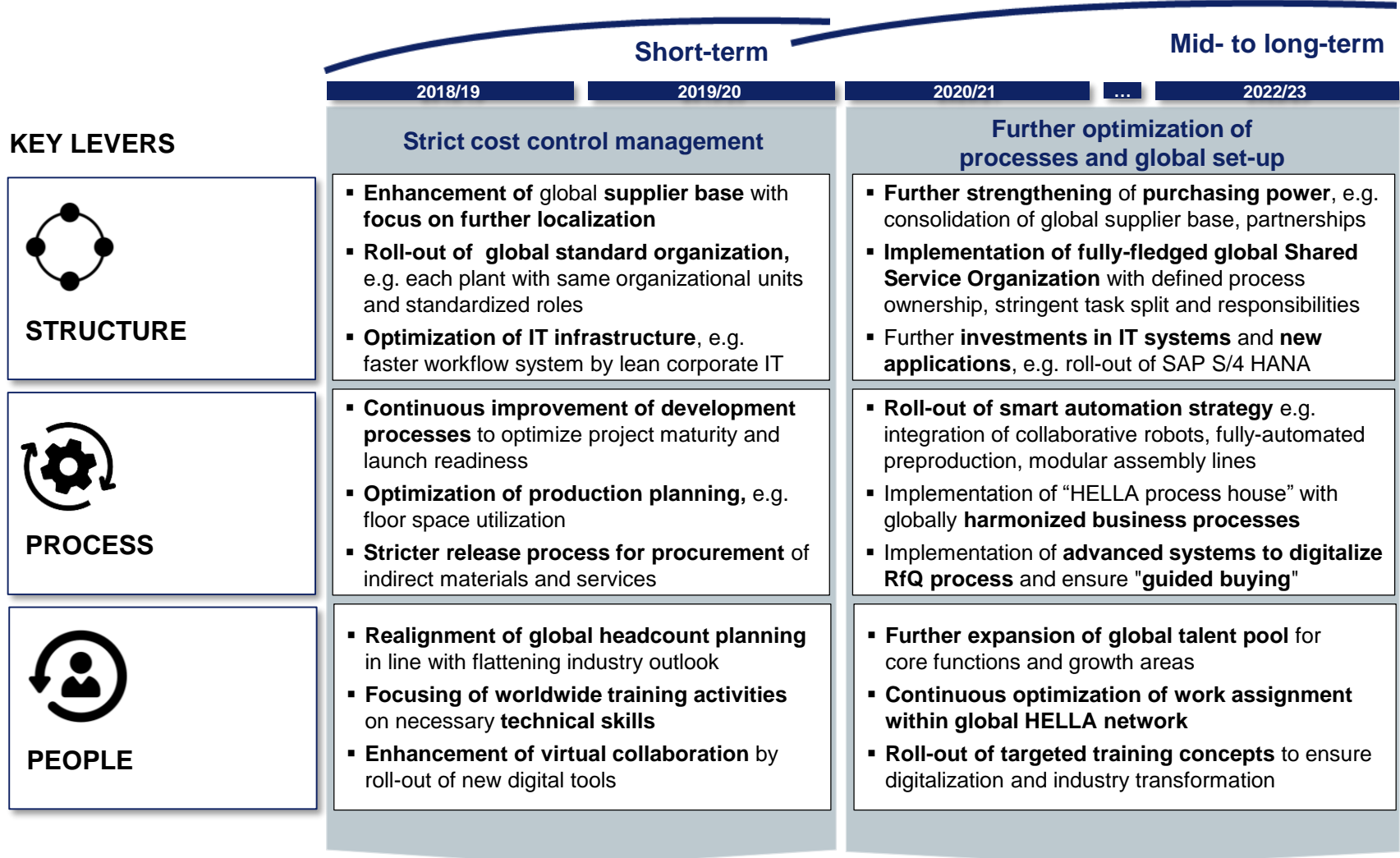
# HELLA shapes its Aftermarket and Special Applications business to ensure further growth

## C Resilient Portfolio



# HELLA strengthens its global competitiveness by continuously advancing its corporate set-up and processes

## D Operational Excellence



# HELLA Presentation dbAccess IAA Cars 2019

## Outline

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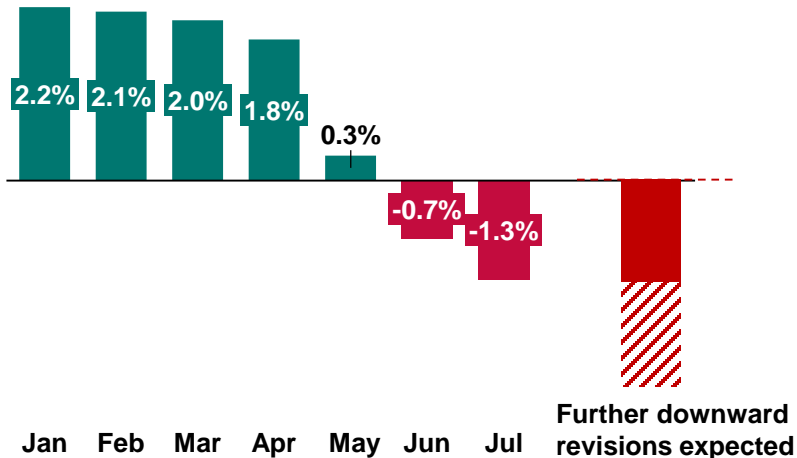
- HELLA Financial Results FY 2017/18
- HELLA at a Glance
- HELLA Strategy
- HELLA Outlook

# Market outlook characterized by uncertainties and a continuous downward trend in predictions, HELLA assumes further revisions

## Market Outlook

### Unstable market environment

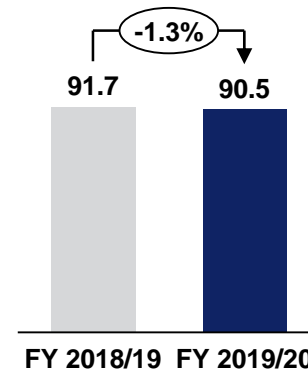
**Global Light Vehicle Production**  
Comparison of IHS LVP estimates  
Forecast for Fiscal Year 2019/20



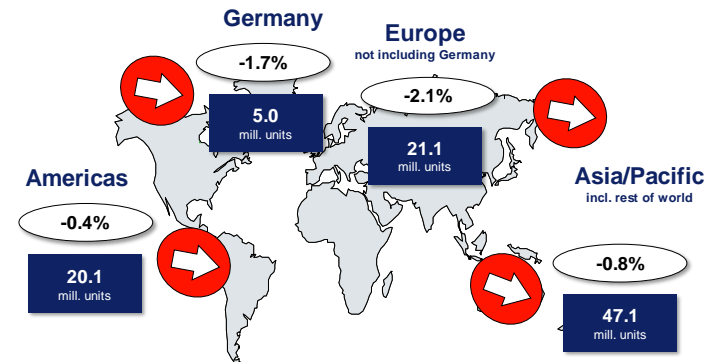
- **High uncertainties** in market environment
- Global **declining economic expectations**, especially **further demand decline in China**, no recovery in H2
- **Further high volatility**

### IHS AS OF JULY:

**Development of Global Light Vehicle Production FY 2019/20**, in mill. units



- **Decrease by 1.3%** to **90.5 mill. units** expected
- **Decline in production** especially in **Europe** and **Asia/Pacific**



# Despite declining industry trend and further high uncertainties, HELLA still expects to outperform the market

## Company Guidance

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Against the backdrop of declining sector-specific framework and high insecurities HELLA is currently expecting the following for FY 2019/20:

### Currency and portfolio adjusted sales

- In the range from 6.5 billion to 7.0 billion EUR

### Adjusted EBIT margin excluding restructuring and portfolio effects

- In the range from 6.5% to 7.5%



Technology with Vision

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