Strong sales growth in the first half year

- Group revenue increased significantly about 12 percent in the first six months of the current fiscal year to 3.2 billion euros
- Operating Group earnings (adj. EBIT) adjusted for one-time effects increase by about 13 percent to 256 million euros
- Revenue and income forecast confirmed for current fiscal year

Lippstadt, January 11, 2016. HELLA KGaA Hueck & Co. - a leading global auto parts supplier for lighting and electronics - was able to maintain its growth trajectory into the 2015/2016 fiscal year. Revenue in the first six months of the current fiscal year grew by 11.8 percent over the same period in the previous year to 3.159 billion euros (previous year: 2.826 billion euros). Thereof, about 3.1 percent stems from positive foreign exchange effects.

The key driver of growth in H1 lay in the automotive sector, with successful launches of complex LED technology products and innovative electronic components. Growth occurred across all regions: In Europe, HELLA increased revenue by about eight percent. And with growth at 20 percent in Asia and twelve percent in North and South America, HELLA was able to post growth rates significantly higher than those demonstrated by relevant international markets. The Aftermarket and Special Applications segments also successfully increased revenue, thereby contributing to Group-wide growth.

"We are continuing to outpace the market," says CEO Dr. Rolf Breidenbach. "Our innovative lighting and electronics products are the reason. HELLA’s clear objective remains to continue the profitable expansion of volumes across a broad range of products."
On the earnings side, HELLA’s EBIT adjusted for one-time effects increased from 227 million euros to 256 million euros during H1 of the current fiscal year. This is an increase of 13 percent. The adjusted EBIT margin was 8.1 percent and thus slightly higher than the previous year (8.0 percent).

Taking into consideration the one-time effects, mainly resulting from the extraordinary supplier default (about 47 million euros), Group-wide operational earnings (EBIT) fell during the initial six month period by 18 million euros to 203 million euros (previous year: 221 million euros), producing an EBIT margin of 6.4 percent. The exceptional charges resulting from the supplier default have thus essentially been assimilated and closed out over the course of the fiscal year.

**Automotive segment remains primary driver of growth**

The 12.4 percent increase in revenue means that the automotive segment remained the primary driver of growth within the Group. External revenue in this segment increased to about 2.4 billion euros (previous year: 2.1 billion euros). An important factor here remains the consistent policy of innovation, with a strong focus on automotive megatrends such as energy efficiency (CO2 reduction), safety and styling (LED technologies). In addition, the unit’s favorable regional presence also contributed to the positive trend. HELLA generated an adjusted EBIT of 205 million euros with an adjusted EBIT margin of 8.6 percent. Considering the exceptional charges resulting from the supplier default, the EBIT stood at 157 million euros (previous year: 185 million euros) and the EBIT margin at 6.6 percent (previous year: 8.7 percent).

**Aftermarket makes strong gains**

The Aftermarket segment performed well during H1, leaving behind the weak demand from the same period last year. External revenue in the first six months of the current
fiscal year grew by 9.0 percent to 597 million euros (previous year: 547 million euros). Operating income thus increased by 4 million euros to 37 million euros. The EBIT margin increased to 6.3 percent (previous year: 6.0 percent).

**Special Applications turns the corner**

The business development of the Special Applications segment was stabilized due to the expansion of the focused product market strategy. Both revenue and earnings in this sector increased slightly. The external segment revenue increased in H1 of the current fiscal year by 2.2 percent to 154 million euros (previous year: 151 million euros). In the same period, EBIT improved to 10 million euros (previous year: 9 million euros), with an EBIT margin of 6.3 percent (previous year: 5.7 percent).

**Strong financial basis for future growth**

At the end of the initial six months of the current fiscal year, HELLA was able to further strengthen its equity ratio, which now stands at 38.4 percent (previous year: 36.0 percent). The operating cash flow, before payouts on restructurings and the one-off expense in connection with the supplier default and the acquisition of investments, increased significantly, to 85 million euros (previous year: negative 44 million euros). HELLA thus has a strong financial basis for future growth.

**Confirmation of revenue and income forecast for current fiscal year**

HELLA continues to assume Group revenue for the entire fiscal year will grow in the medium to high single digit range. According to the income forecast, the one-time exceptional charges resulting from the extraordinary supplier default in China in H1 mean that the EBIT for the year as a whole will be less than the amount for the previous year.
Remarks: The above listed EBIT margins of the business segments are related to the external revenue in the respective segment. Further details about the company strategy and the activities in the individual business segments can be found in the report for the first half year of the fiscal year 2015/2016. The report is available now for download at the HELLA KGaA & Hueck Co. website.

### Selected key financial figures from the financial report on H1 2015/2016

(In million euros)

<table>
<thead>
<tr>
<th></th>
<th>First Half Year FY 2015/2016</th>
<th>First Half Year FY 2014/2015</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue</td>
<td>3,159</td>
<td>2,826</td>
<td>+12%</td>
</tr>
<tr>
<td>Adjusted group earnings</td>
<td>256</td>
<td>227</td>
<td>+13%</td>
</tr>
<tr>
<td>(adj. EBIT)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Earnings Before Interest</td>
<td>203</td>
<td>221</td>
<td>-8%</td>
</tr>
<tr>
<td>and Taxes (EBIT)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Adjusted EBIT margin</td>
<td>8.1%</td>
<td>8.0%</td>
<td>+0.1pp</td>
</tr>
<tr>
<td>EBIT margin</td>
<td>6.4%</td>
<td>7.8%</td>
<td>-1.4pp</td>
</tr>
<tr>
<td>Equity ratio</td>
<td>38.4%</td>
<td>36.0%</td>
<td>+2.4pp</td>
</tr>
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</table>
Note:
This text along with corresponding visual material is also available in our press database at: www.hella-press.com

HELLA KGaA Hueck & Co., Lippstadt: HELLA is a global, family-owned company, listed on the stock exchange, with approx. 32,000 employees at 100 locations in more than 35 countries. The HELLA Group develops and manufactures lighting technology and electronic components and systems for the automotive industry and also has one of the largest retail organizations for automotive parts, accessories, diagnostics, and services within Europe. Complete vehicle modules, air-conditioning systems, and vehicle electrical systems are also produced in joint venture companies. With more than 6,000 people working in research and development, HELLA is one of the most important innovation drivers on the market. In addition, with sales of €5.8 billion in fiscal year 2014/2015, the HELLA Group is one of the top 40 automotive suppliers in the world and one of the 100 largest German industrial companies.

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