



Half-yearly financial report for 2014/2015: HELLA increases sales and returns

- **In comparison to the same period of the previous year, sales grow by 6 percent to roughly 2.83 billion Euros**
- **Profit before interest and taxes (EBIT) rises by 29 percent to 221 million Euros**
- **Equity ratio improved to reach 36 percent**
- **Forecast for increase in sales and returns confirmed**

Lippstadt, January 9, 2015. The HELLA KGaA Hueck & Co., one of the world's leading automotive suppliers for lighting and electronics, successfully carried forward its growth course in the second quarter of the current fiscal year of 2014/2015 and, in comparison to the first quarter, has indeed accelerated it even further. During the first six months of the current fiscal year, the company generated sales of roughly 2.83 billion Euros across the Group and has thus gained approximately six percent over the same period of the previous year (2.66 billion Euros), a definite indication that HELLA's growth clearly outstrips that of the international automotive market. Furthermore, in the first six months, the company succeeded in ramping up the operating earnings (EBIT) immensely by about 29 percent to 221 million Euros (same period of the previous year: 171 million Euros). Such figures correspond to an EBIT margin of 7.8 percent (same period of the previous year: 6.4 percent). Adjusted for expenses for a voluntary partial retirement and redundancy program, the EBIT increased by around 21 percent to 227 million Euros, corresponding to an EBIT margin of 8.0 percent (same period of the previous year: 7.1 percent). This positive margin trend was therefore also successfully sustained throughout the second quarter.



The prime driver of all this growth was the Automotive segment. This is where HELLA could really prosper, especially because of its technologically leading products such as headlamps boasting complex LED technology and its electronic solutions for energy management, driver assistance and electrical steering. At the same time the company was able to profit from its impressive international presence and its strong position in the premium segment. This growth in the Automotive division more than compensated right across the Group for the weak market developments in the business divisions of Aftermarket and Special Applications.

"The Automotive segment has developed in an extremely positive way during the first six months," reports Dr. Rolf Breidenbach, Chairman of the Management Board. "Our innovational products and our global network are in tune with global megatrends and they allow us to advance on attractive markets. The continued improvement to our profit margin attests to the high-powered performance of our international organization."

The improvement experienced with the profit margin can be traced back to economies of scale, to a favorable product mix and also to a further intensification of the operating performance in the international network that focused on the Automotive segment.

Automotive business segment on strong growth path

The Automotive segment developed extremely well in the first six months and recorded additional sales of eight percent, climbing up to 2.3 billion Euros (same period of the previous year: 2.1 billion Euros). The segment's external growth (without internal segment sales) amounted to 10 percent. And it was particularly the regional setups in the growth markets of North America (NAFTA) and China that had a positive effect. Other key success drivers were new product launches such as headlamps with complex LED technology and electronic systems and electronic components designed for energy management, driver assistance and electrical steering. The segment



earnings rose by 52 million to 185 million Euros, resulting in an EBIT margin of 8.2 percent.

Challenging market environment for the Aftermarket and Special Applications segments

In the first six months the Aftermarket division saw its sales drop by three percent to 578 million Euros (same period in previous year: 593 million Euros). The operating income plummeted to 33 million Euros (same period in previous year: 40 million Euros). The reasons for such decline were weak seasonal demand and the progressing consolidation of wholesale clients in Europe, particularly in Germany. In the Special Applications segment, it was the weak demand in the agricultural sector, brought about by the Ukraine conflict, that significantly led to a slump in sales of eleven percent down to 152 million Euros (same period in previous year: 170 million Euros). As a result, the segment's income was reduced to 9 million Euros (same period in previous year: 14 million Euros).

Reinforcement of sound financial structures as a result of successfully going public

With a net revenue of 272 million Euros resulting from going public in November 2014, HELLA has strengthened its financial structure in order to continue expanding its international growth. In the first six months of the fiscal year, the company's financial liabilities could be further reduced by 168 million Euros. With net financial debt to EBITDA at a ratio of 0.4, HELLA enjoys very sound financing and continues to hold an unchanged investment grade status. On November 30, 2014, the closing date of the reporting period, the equity ratio, including the large amount of liquid assets, was 36 percent.



Successful close of the first half-year shores up growth perspectives

HELLA confirms its forecast for the current fiscal year of 2014/2015 and will continue seeking to increase sales and adjusted earnings, at Group level, somewhere in the middle single-digit percentage range.

To find out more details about the corporate strategy and the activities in the individual business segments, please refer to the half-yearly financial report of 2014/2015. This is available for download on the website of HELLA KGaA & Hueck Co. as of now (published under Investor Relations).

Selected financial figures from the first half-yearly financial report for 2014/2015

(Figures stated in millions of Euros)

	2014/2015	2013/2014	Change
Sales revenues	2,826	2,664	+6%
Profit before interest and taxes (EBIT)	221	171	+29%
Equity ratio	36.0%	31.7%	+4.3pp

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PRESS RELEASE



HELLA KGaA Hueck & Co., Lippstadt: HELLA is a global, family-owned company, listed on the stock exchange, with more than 30,000 employees at 100 locations in more than 35 countries. The HELLA Group develops and manufactures light technology and electronic components and systems for the automotive industry and manages one of Europe's largest dealer organizations for automotive parts, accessories, diagnostics, and services. Entire vehicle modules, air-conditioning systems, and on-board electrical systems are also realized in joint venture companies. With over 5,800 employees working in Research and Development, HELLA is a key innovation driver in the market. In addition, with sales of approximately 5.3 billion Euros in the fiscal year of 2013/2014, the HELLA Group is one of the top 50 automotive parts suppliers in the world and one of the 100 largest German industrial companies.

For additional information please contact:

Dr Markus Richter
Company spokesman
HELLA KGaA Hueck & Co.
Rixbecker Strasse 75
59552 Lippstadt / Germany
Germany
Phone: +49 (0)2941 38-7545
Fax: +49 (0)2941 38-477545
Markus.Richter@hella.com
www.hella.com