



HELLA grows by about 14 percent in the first quarter

- **Automotive and Aftermarket business driving sales development**
- **Earnings (EBIT) pulled down strongly by failure of supplier**
- **Full year: sales forecast confirmed, earnings expected to be down on last year**

Lippstadt, 25 September 2015. Spurred by new rollouts and a favourable market environment in Europe and America, HELLA KGaA Hueck & Co., one of the world's leading car suppliers, continued on its growth path in the first three months of the 2015/2016 financial year (FY from June 1, 2015 to May 31, 2016) – although earnings were strongly pulled down by the failure of a supplier. HELLA boosted its Group-wide sales in the first quarter, which ended on 31 August 2015, to EUR 1.50 billion (previous year: EUR 1.32 billion). This corresponds to growth of 14 percent. Some 4 percentage points are down to positive exchange rate effects. Thereby, HELLA managed to continue to grow more strongly than the global car market.

"We are very happy with the sales growth in the first quarter. The strong performance shows that our long-term-driven growth strategy is intact," says CEO Dr Rolf Breidenbach. "Our success was strongly overshadowed by the failure of a Chinese supplier though. But we are continuing our pursued strategic development."

The extraordinary failure of a supplier in China lead to significant additional expenses to safeguard the supply chain as well as to consecutive write-offs. This special impact resulted in the EBIT falling by EUR 26 million EUR 69 million year-on-year. The operative earnings margin (EBIT margin) dropped accordingly to 4.6 percent. Without the extraordinary impact, the EBIT would have risen by about 4 percent to EUR 98 million, the EBIT margin would stand at 6.6 percent.



Automotive

The automotive segment again posted strong sales growth in the first quarter thanks to strong demand in Europe and America as well as further new rollouts. External sales increased by 15 percent to about EUR 1.1 billion. Operating earnings (EBIT) dropped to EUR 48 million due to the special impacts relating to the failure of the Chinese supplier (previous year: EUR 76 million). The EBIT margin decreased to 4.3 percent after 7.8 percent in the same quarter last year. Otherwise, EBIT would have increased by EUR 1 million with a corresponding EBIT margin of 6.9 percent.

Aftermarket

In the first quarter, the aftermarket segment performed extremely positively compared to the previous year. The weak demand in the first quarter of the previous financial year was offset. External sales rose by 10 percent to EUR 292 million. Operating earnings (EBIT) increased to EUR 17 million (previous year: EUR 15 million). The corresponding EBIT margin stood at 5.8 percent as in the same quarter last year.

Special Applications

The continued weak demand in the agricultural sector also influenced the Special Applications segment in the first quarter of this year. Sales dipped slightly to EUR 72 million (previous year: EUR 73.2 million). Operating earnings (EBIT) increased by EUR 1 million to EUR 5 million, whereby the EBIT margin rose from 6.2 percent to 7.6 percent.

HELLA continues to have a very solid financing profile. The equity ratio of the company was 40 percent. Net financial debt amounted to 0.1 times the EBITDA of the last 12 months.



Business outlook: sales growth confirmed – earnings reduced by one-time loss of supplier

For the overall 2015/2016 financial year, the HELLA Group is confirming its forecast as regards sales growth in the medium to high single-digit percentage range. The EBIT will likely come in below the previous-year value due to the loss of a supplier.

Select financial key indicators from the Q1 report 2015/2016

(details in EUR million)

	Q1 2015/2016	Q1 2014/2015	Change
Sales	1,496	1,318	+14%
Earnings before interest and taxes (EBIT)*	69	95	-27%
Earnings before loss of supplier	98	95	+4%
EBIT margin	4.6%	7.2%	-2.6pp
Equity ratio	39.7%	30.9%	+8.8pp

*Previous year adjusted due to reclassification of the other financial result.

The current Q1 report 2015/2016 provides further details on the company strategy and activities in the individual business segments. It is now available as a download from the website of HELLA KGaA & Hueck Co.

PRESS RELEASE



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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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