



HELLA starts into new fiscal year with a rise in sales and profitability

- **Sales in the first three months of fiscal year 2016/2017 increase by 5.2 percent on a currency and portfolio adjusted basis**
- **Adjusted EBIT margin improves from 6.8 percent to 7.6 percent**
- **Broad product portfolio contributes significantly to sales growth**

Lippstadt, 28 September 2016. HELLA KGaA Hueck & Co., a globally leading supplier of lighting technology and electronic products for the automotive industry, increased sales by 3.8 percent to about EUR 1.6 billion over the first three months (1 June to 31 August 2016) of fiscal year 2016/2017. Adjusted for negative exchange rate effects of 1.2 percent and portfolio optimization in the Special Applications segment, sales grew by 5.2 percent.

“We had a good start into the new fiscal year and were able to significantly increase profitability,” says CEO Dr Rolf Breidenbach. “This increase in sales was driven in large parts by our broad product portfolio.”

HELLA significantly grew net operating profit (EBIT) over the first quarter, which was up EUR 48 million year-on-year to EUR 117 million. This equates to an EBIT margin of 7.5 percent (previous year: 4.6 percent). Results in the previous year had been affected by the failure of a Chinese supplier in the Automotive segment that had caused high one-time expenses. Adjusted for one-time effects, EBIT grew by 17 million to 118 million over the first quarter. The adjusted EBIT margin increased to 7.6 percent (previous year: 6.8 percent). The increase was largely a result of a higher gross profit margin and an improved earnings contribution by the joint ventures.



Automotive and Aftermarket segments drive corporate growth

Sales with external parties in the Automotive segment rose by 3.2 percent in the first three months of the current fiscal year to EUR 1.2 billion (previous year: EUR 1.1 billion). This growth was driven particularly by innovative LED solutions and energy management products. Mitigating effects came from project ramp-downs, negative exchange rate developments and weaker business development of Chinese customers. Adjusted for one-time effects, net operating profit in the segment earnings (adjusted EBIT) grew by 25.8 percent year on year to EUR 98 million. This brought the adjusted EBIT margin to 8.4 percent (previous year: 6.9 percent) based on sales with third parties.

The Aftermarket segment continued on its growth path in the first quarter of this fiscal year, with a 7.3 percent increase in sales with external parties to EUR 0.3 billion. The key drivers behind this growth were a strong wholesale business and positive performance in the business with workshop equipment. Net operating profit in the segment grew to EUR 20 million in the first quarter. The EBIT margin improved to 6.3 percent (previous year: 5.8 percent) as a result of a favourable product mix and higher sales.

Due to the disposal of the Industries and Airport Lighting business areas, external sales in the Special Applications segment in the first quarter declined slightly by 2.4 percent year-on-year to about EUR 70 million. Portfolio adjusted sales grew by 2.6 percent. Subsequent costs arising from the disposal pushed net operating profit down to EUR 2 million (previous year: EUR 5 million); the segment's EBIT margin declined accordingly from 7.6 percent in the previous year to 2.6 percent in the first quarter of this fiscal year.

PRESS RELEASE



HELLA business outlook remains positive

HELLA Group generally confirms the guidance for this fiscal year 2016/2017 and its positive business outlook. For fiscal year 2016/2017, the Company expects sales and adjusted EBIT to grow in the middle single-digit percentage range and the adjusted EBIT margin to be in line with the previous year. In the event that the first quarter exchange rate trend continues, the sales growth for the year as a whole might diminish. Even so, this should not have any negative implications for adjusted EBIT.



Selected financials (in EUR million or percent of sales respectively):

	Q1 2016/2017	Q1 2015/2016	Change
Sales	1,553	1,496	+4%
Adjusted net operating profit (adj. EBIT)	118**	101*	+17%
Net operating profit (EBIT)	117	69	+69%
Adjusted EBIT margin	7.6%**	6.8%*	+0.9pp
EBIT margin	7.5%	4.6%	+2.9pp

Please note that where sums and percentages have been rounded, differences may arise as a result of commercial rounding.

* Adjusted for restructuring expenses and one-time expenses incurred in connection with the unexpected loss of a supplier in China in the prior-year quarter

** Adjusted for restructuring measures in the reporting period

The quarterly statement for the first three months of fiscal year 2016/2017 is available immediately for downloading from the website of HELLA KGaA Hueck & Co.

Please note:

This text and corresponding pictures are also available from our press database on:

www.hella.com/press

PRESS RELEASE



HELLA KGaA Hueck & Co., Lippstadt: HELLA is a global, family-owned company, listed on the stock exchange, with approx. 34,000 employees at over 125 locations in roughly 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 EUR 6.4 billion in fiscal year 2015/2016, the HELLA Group is one of the top 40 automotive suppliers in the world and one of the 100 largest German industrial companies.

For more information:

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