



## **HELLA confirms its company outlook for the current fiscal year after sales and earnings growth in the third quarter**

- **Currency- and portfolio-adjusted sales increase by 6.2% in the first nine months of the current fiscal year 2018/2019; reported consolidated sales increase to € 5.2 billion**
- **Adjusted earnings before interest and taxes improve by 5.6 percent to € 417 million; adjusted EBIT margin is at 8.1 percent**
- **Sales growth in the automotive segment drives group-wide growth; strong workshop equipment business in the aftermarket; Special Applications reports good business development for agricultural machinery, construction vehicles and trailers**
- **Prior company outlook for the current fiscal year 2018/2019 confirmed**

**Lippstadt, April 11, 2019.** HELLA, a global automotive supplier, has concluded the first nine months of the fiscal year 2018/2019 (1 June 2018 to 28 February 2019) with a growth in sales and earnings. The currency- and portfolio-adjusted sales rose by 6.2 percent in the reporting period. Taking into account exchange rate effects and the divestment of the wholesale distribution business, the reported sales increased by 0.8 percent to € 5.2 billion (prior year: € 5.1 billion).

The adjusted earnings before interest and taxes (adjusted EBIT) increased during the first nine months by 5.6 percent to € 417 million (prior year: € 395 million). The adjusted EBIT margin is 8.1 percent and is therefore approximately at the prior year's level (prior year: 8.2 percent). The reported earnings before interest and taxes (EBIT) increased significantly in light of the divestment of the wholesale distribution business to € 649 million (prior year: € 404 million). The reported EBIT margin therefore increases to 12.6 percent (prior year: 7.9 percent).

“As expected, the headwind from the market continued to strengthen against us in the third quarter. Nevertheless, we remain on course overall”, says HELLA CEO Dr. Rolf Breidenbach. “The market environment, however, will remain challenging. We are assuming that the industry development will continue to decline, and that material and



personnel costs will increase. Thanks to our stable, broad-based business model and consistent cost management, we have nonetheless been able to compensate for these challenges so far.”

## **Sales growth in the automotive segment drives group-wide growth**

The automotive segment in particular has contributed to group-wide sales growth in the first nine months of the current fiscal year. Sales in this segment have increased by 7.5 percent to € 4.2 billion (prior year: € 3.9 billion). The continued high demand for lighting systems and electronics solutions – mainly in the driver assistance systems and energy management areas – were pivotal to this. The adjusted earnings before interest and taxes of the segment increased in the reporting period by just 2.3 percent to € 336 million (prior year: € 328 million) due to increased expenses for research and development; the resulting adjusted EBIT margin is therefore 7.9 percent (prior year: 8.3 percent).

## **Strong workshop equipment business in the aftermarket**

In the Aftermarket segment, without taking in the divested wholesale distribution business activities into account, sales increased by 3.8 percent to € 492 million (prior year: € 474 million) in the nine-month period. The business with sophisticated workshop equipment such as emissions testing devices and beamsetters was a significant contributor to the sales growth. The adjusted EBIT of the segment increased to € 41 million (prior year: € 38 million) in the nine-month period as a result of product mix effects. The adjusted EBIT margin has thus increased to 8.4 percent (prior year: 8.0 percent).

## **Special Applications reports good business development for agricultural machinery, construction vehicles and trailers**

In the Special Applications segment, the business for agricultural machinery, construction vehicles and trailers has developed successfully in the first nine months.



However, the reported sales of the segment declined by a total of 5.4 percent to € 298 million (prior year: € 314 million) as a result of the closing of the production site in Australia. In contrast, the profitability of the segment has improved further. The reported EBIT increased by 15.5 percent to € 37 million (prior year: € 32 million) in the reporting period; the reported EBIT margin therefore increases to 12.4 percent (prior year: 10.2 percent).

### **Prior company outlook for the current fiscal year 2018/2019 confirmed**

From the current perspective, HELLA continues to anticipate a positive business development for the current fiscal year 2018/2019 (1 June 2018 to 31 May 2019) and confirms the prior company outlook. "Even though the fourth quarter will be very challenging for us, we are confirming our company outlook for the full fiscal year due to the good business performance in the first nine months," says Dr. Rolf Breidenbach. Despite the further weakening of the market environment in the second half of the fiscal year, HELLA continues to proceed on the assumption that the currency- and portfolio-adjusted sales growth will be at the lower end of the given forecast range of 5 to 10%, and that the increase in adjusted earnings before interest and taxes (adjusted EBIT), adjusted for restructuring measures and portfolio effects, will be in the lower half of this range. With regard to the EBIT margin adjusted for restructuring measures and portfolio effects, an adjusted EBIT margin approximately equivalent to the value of the prior year is still expected.



**Selected key financial figures in € millions or as a percentage of reported or portfolio-adjusted sales for the first nine months (1 June to 28 February):**

	<b>Fiscal year 2018/2019</b>	<b>Fiscal year 2017/2018</b>	<b>Change</b>
<b>Sales reported</b>	5,169	5,130	+0.8%
<b>Sales portfolio-adjusted</b>	5,148	4,843	+6.3%
<b>Adjusted earnings before interest and taxes (adjusted EBIT)</b>	417	395	+5.6%
<b>Earnings before interest and taxes (EBIT)</b>	649	404	+ 60.7%
<b>Adjusted EBIT margin</b>	8.1%	8.2%	-0.1 pp
<b>EBIT margin</b>	12.6%	7.9%	+4.7 pp

*Where sums and percentages have been rounded, differences may arise as a result of commercial rounding.*

The financial report on the third quarter of fiscal year 2018/2019 is now available for download from the HELLA GmbH & Co. KGaA [website](#).

# PRESS RELEASE



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**HELLA GmbH & Co. KGaA, Lippstadt:** HELLA is a global, family-owned company, listed on the stock exchange, with more than 40,000 employees at over 125 locations in some 35 countries. The HELLA Group develops and manufactures products for lighting technology and electronics for the automotive industry and also has one of the largest retail organizations for automotive parts, accessories, diagnostics, and services within Europe. With more than 7,000 people working in research and development, HELLA is one of the most important innovation drivers on the market. Furthermore, with sales of € 7.1 billion in the fiscal year of 2017/2018, the HELLA Group is one of the top 40 automotive parts suppliers in the world and one of the 100 largest German industrial companies.

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