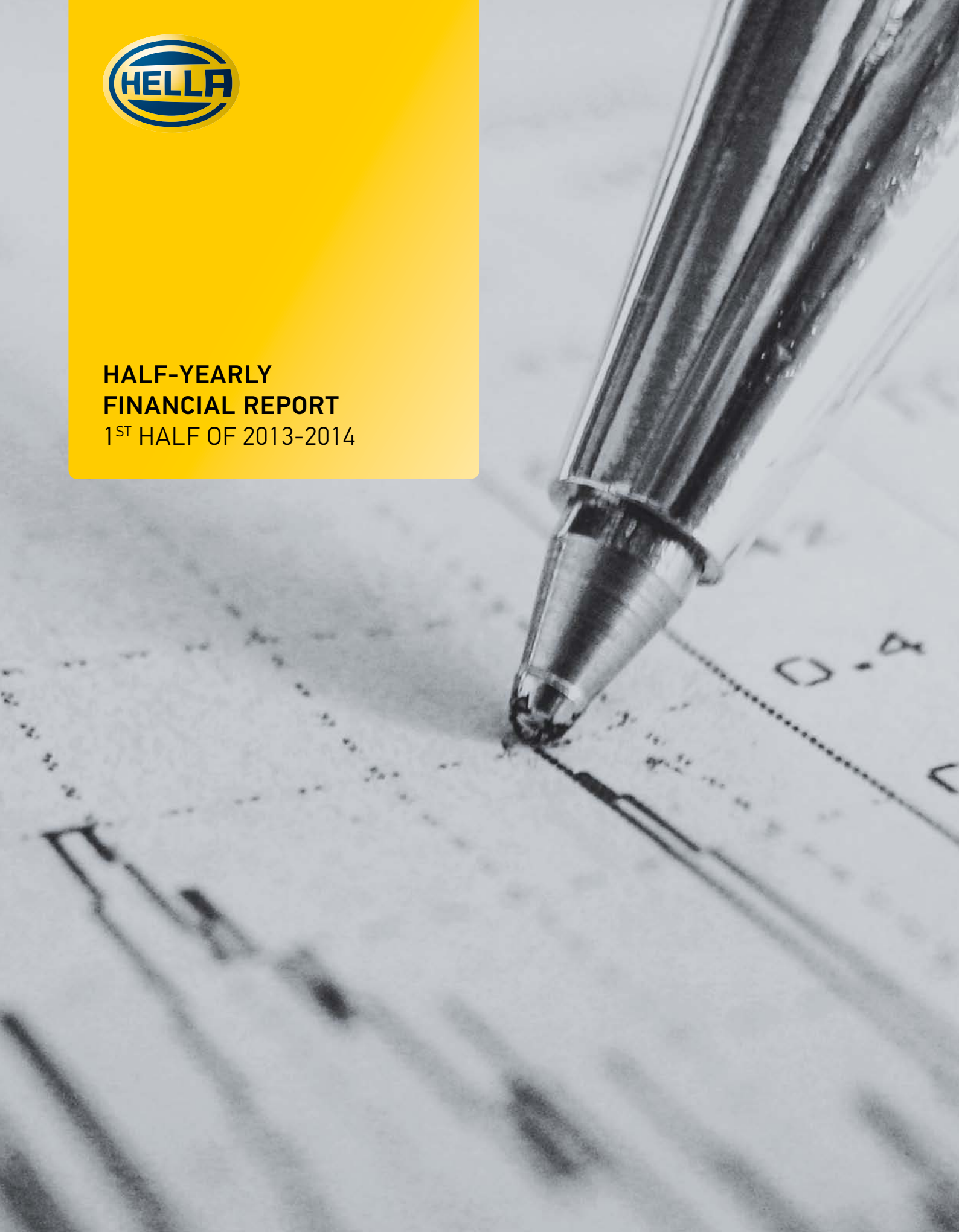




**HALF-YEARLY  
FINANCIAL REPORT**  
1<sup>ST</sup> HALF OF 2013-2014



# HELLA

## KEY PERFORMANCE INDICATORS

	<b>1<sup>st</sup> half-year 2013-2014</b>
Sales (in Mill. €)	<b>2,664</b>
Change compared to last year	11 %
Earnings before interest, income taxes and depreciation (EBITDA; in Mill. €)	<b>317</b>
Change compared to last year	9 %
Earnings before interest and income taxes (EBIT; in Mill. €)	<b>166</b>
Change compared to last year	4 %
Consolidated profit (in Mill. €)	<b>109</b>
Change compared to last year	1 %
Net Cash flow from operating activities (in Mill. €)	<b>208</b>
Change compared to last year	129 %
Capital expenditures (in Mill. €)	<b>270</b>
Change compared to last year	37 %
Expenditures for research and development (R&D; in Mill. €)	<b>233</b>
Change compared to last year	17 %

	<b>Nov 30, 2013</b>
Net debt (in Mill. €)	<b>521</b>
Change compared to last year	18 %
Employees	<b>29,690</b>
Change compared to last year	7 %

	<b>Nov 30, 2013</b>
Return on equity	<b>20.6 %</b>
EBITDA margin	<b>11.9 %</b>
EBIT margin	<b>6.2 %</b>
Net debt/EBITDA (last 12 months)	<b>0.9x</b>
Equity ratio	<b>31.7 %</b>
Reinvestment ratio	<b>178.4 %</b>
R&D expenses in relation to sales	<b>8.8 %</b>

\* See also Note 9 for further information on IFRS 11.

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

adjusted acc. to IFRS11* 1 <sup>st</sup> half-year 2012-2013	as reported 1 <sup>st</sup> half-year 2012-2013	adjusted acc. to IFRS11* 2012-2013	as reported 2012-2013	as reported 2011-2012
2,409	2,495	4,835	4,999	4,810
			4 %	
290	299	553	576	615
			-6 %	
159	160	292	299	346
			-14 %	
108	108	207	207	231
			-10 %	
91	100	448	463	625
			-26 %	
197	211	512	541	422
			28 %	
200	213	444	468	388
			21 %	

adjusted acc. to IFRS11* Nov 30, 2012	as reported 1 <sup>st</sup> half-year Nov 30, 2012	adjusted acc. to IFRS11* May 31, 2013	as reported May 31, 2013	May 31, 2012
440	446	415	415	299
			39 %	
27,699	28,432	28,313	29,030	27,348
			6 %	

adjusted acc. to IFRS11* Nov 30, 2012	as reported 1 <sup>st</sup> half-year Nov 30, 2012	adjusted acc. to IFRS11* May 31, 2013	as reported May 31, 2013	May 31, 2012
19.9 %	20.3 %	19.4 %	19.4 %	25.1 %
12.0 %	12.0 %	11.4 %	11.5 %	12.8 %
6.6 %	6.4 %	6.0 %	6.0 %	7.2 %
0.8x	0.8x	0.7x	0.7x	0.5x
34.6 %	34.0 %	31.3 %	30.8 %	32.1 %
149.9 %	152.4 %	196.1 %	196.0 %	157.7 %
8.3 %	8.6 %	9.2 %	9.4 %	8.1 %

**HELLA**  
HALF-YEARLY FINANCIAL REPORT  
CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENT/INTERIM  
GROUP MANAGEMENT REPORT  
1<sup>ST</sup> HALF OF FISCAL YEAR 2013-2014

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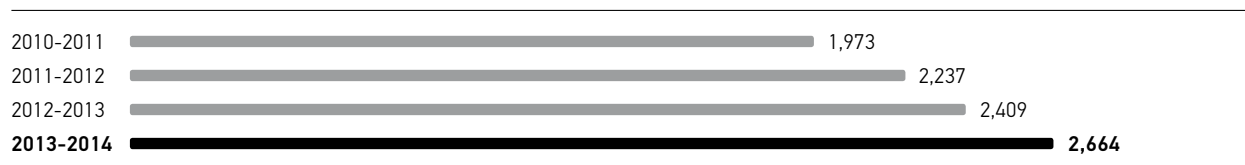
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## INTERIM MANAGEMENT REPORT FOR THE 1<sup>ST</sup> HALF OF FISCAL YEAR 2013-2014

### POSITIVE ECONOMIC TREND – STABLE GROWTH IN CHINA, STRONGER DYNAMICS IN THE USA AND SIGNS OF RECOVERY IN EUROPE

The stabilization of the world economy continued in the first half of the fiscal year for the HELLA Group (June to November) with regional variations. Despite reduced expectations, growth of approximately 2.5% is being forecast for 2013 as a whole. Positive driving forces came from established industrial nations such as the USA, Germany and the United Kingdom, where industrial production was a primary growth factor. Emerging markets continued to develop at a significantly higher level than the more advanced economies; however, growth slowed markedly compared to past years. This is particularly true for Brazil, Russia and India. The Chinese economy had positive growth rate development of approximately 7.6% despite dampening economic measures by the government and a skeptical view from many economic experts. This is allowing China to bolster global economic growth. The positive economic trend in the USA was, in turn, prompted by strong household spending in the first months

of the reporting period. The budget dispute and the subsequent closing of government agencies in October 2013 had a temporary adverse effect, but did not negatively affect consumer confidence over the long term. In the eurozone, the indicator for the economic climate improved in the reporting period and, at the end of the year, was above its long-term average for the first time since late 2011. Despite all of this, high unemployment, budget deficits in many countries and a lack of demand resulted in a difficult economic situation in the eurozone overall. Economic performance for all of 2013 is expected to see another slight decrease of 0.4% after declining by 0.6% in 2012. The economic disparities between Northern and Southern Europe also became more pronounced. Germany will have a positive economic trend with gross national product growth of 0.5% during 2013 despite the economic shortcomings of primary trade partners in the eurozone and in the EU. Continuing high exports and strong domestic demand, supported by a high employment rate, are giving the German economy a robust trend line. The positive economic outlook has also resulted in increased equipment investment by German companies.

HELLA GROUP SALES (IN € MILLIONS) FOR THE 1<sup>ST</sup> HALF OF FISCAL YEAR\*

\* Prior years adjusted for IFRS 11 adaption

### GLOBAL PASSENGER CAR SALES VOLUME GROWING STRONGER THAN FORECASTED – STABILIZATION OF DEMAND IN EUROPE

Global passenger car sales volume experienced more growth in the 2013 calendar year than expected back in August. Despite predictions by the German Association of the Automotive Industry that growth would rise by 2% to 70.5 million cars, global sales volume experienced substantially higher growth of 5% to approximately 72.2 million sold units. In addition to continued strong growth of the two largest vehicle markets, China and the USA, the Western European market also experienced an upward trend in the second half of 2013 and grew slightly by about 1% during the reporting period. In particular, countries hit especially hard by the euro debt crisis showed clear signs of recovery, such as Spain (+10%), Ireland (+20%), Portugal (+18%) and Greece (+7%). Pent-up demand for the replacement of old vehicles does not appear as though it can be put off any longer despite the ongoing challenging macro-economic situation and is leading to stabilization and recovery at low levels. Passenger car sales volume in Germany and France, the two largest vehicle markets in Europe, remained slightly below results from the previous year. However, this pointed to a gradual stabilization with a slight decline of just 2% respectively 3%. Increasingly strong domestic demand, specifically in Germany, also reinforced this trend starting in October. The large Chinese passenger car market and its critical importance for global automobile manufacturing continued its very dynamic growth, increasing by 23%. In contrast with China, about 5% fewer vehicles were sold in the significantly smaller Indian market in a difficult economic climate. In the USA, sales of passenger cars and light vehicles showed positive growth despite the closing of government agencies in October. From June to November, a total of approximately 7.9 million vehicles were sold, 11% more than in that time frame during the previous year.

### POSITIVE EFFECTS OF THE HELLA GROWTH PROGRAM – GLOBAL SALES GROW BY 11%

The long-term program which HELLA is following for a greater increase in competitiveness and market share, coupled with the positive market trend, led to an increase in sales of 10.6% for the first half of the 2013-2014 fiscal year on a like-for-like basis compared to the previous year. Sales grew by €255 million to €2.7 billion in the first half of the year. Due to the first application of the new accounting for joint ventures in accordance with IFRS 11 (change of the integration method) in the 2013-2014 fiscal year, about €85 million in sales from two previously proportionately consolidated companies was not taken into consideration. The values from the previous year were adjusted accordingly to facilitate comparisons. Additional explanations are included in the Notes under number 9.

After a successful first quarter, positive growth trends also strengthened in the seasonally stronger second quarter. HELLA's strategy is based on a strong presence in global growth markets in the form of an appealing, innovative product portfolio. Based on its global footprint, HELLA also continued to benefit heavily from regional market growth and was subsequently able to increase market share. Complex LED headlights with new, high-quality technologies and electronic components for energy management and driver assistance continued to see high customer demand.

Sales growth was achieved in every region during the reporting period. This also applies to markets in Europe that have tended to perform poorly in recent years. While growth was at 8% for Germany compared to the previous year, the rest of Europe was even able to achieve positive growth of 10%. Sales increased by 5% in North and South America. The most pronounced growth was the increase in the Asia/Pacific/RoW region with a 17% increase in sales, further bolstered by high

REGIONAL MARKET COVERAGE BY END CONSUMERS FOR THE 1<sup>ST</sup> HALF OF FISCAL YEAR 2013-2014

growth rates in China. The variation in growth rates has also resulted in a further shift in sales shares in the Group. The share of sales generated outside of Europe increased slightly by 0.4 percent to 48%. In the Automotive business segment, this value was 57%.

**POSITIVE SCALE EFFECTS COMPENSATE FOR STRUCTURAL COSTS NECESSARY FOR EXPANDING STRATEGIC COMPETITIVENESS – EBIT MARGIN AT 6.2%**

For the most part, the high level of sales in the first half of the year was able to offset the additional expenses for structural development of the global network. The growth and competitiveness program pursued in the 2012-2013 fiscal year was continued and intensified in the first half of the 2013-2014 fiscal year. In addition to increasing production capacities in the Chinese and Mexican growth markets, additional investments went towards expanding the global network for product and technology development in lighting technology and in electronics as well as for important Group functions.

A new development center for electronics capable of employing 700 people was inaugurated in Lippstadt in the past six months. The role of central development and predevelopment areas in innovation and controlling global product development increased significantly as part of the „Technology Location 2020“ concept. In addition, a new development site was founded in Vietnam. Moreover, construction work finished for a production site in Jiaying, China. The production of headlamps and taillights is expected to start in March 2014.

In June, a voluntary severance and retirement program was started at the Lippstadt location with the involvement of the workers' representatives. The program is intended as a response to the long-term changes in the global value creation chain for the automotive industry and to address the resulting structural changes early on. The provisions required for this reduced earnings by €17 million in the first half of the fiscal year.

Earnings before interest and taxes on income (EBIT) were €166 million during the first half of the year. This corresponds to an EBIT margin of 6.2%. Compared to the timeframe in the

previous year, the margin decreased slightly by 0.4 percent. Adjusted for the effects of the severance and retirement program, the operational EBIT margin is at 6.8%. Operational earnings before interest, taxes, depreciation, and amortization (EBITDA) were €317 million, or 11.9%. This corresponds to an increase of €27 million compared to the previous year. The adjusted operating EBITDA margin is 12.5%.

High sales, particularly in the second business quarter, made it possible to further increase the gross profit margin compared to the previous year. The margin was at 26.3%, which corresponds to a gross profit of €701 million. It was possible to reduce the additional expenses for launching new, technically complex series production products in the second quarter. At the same time, increasing volume had positive effects.

In addition to the required productivity progress, continuing to strengthen the leadership in innovation and technology is a critical factor for increasing company competitiveness. Innovative developments for LED lighting solutions and

electronic products are an essential foundation for the current and future sales growth being pursued. Compared to the previous year, expenditure for research and development increased by €33 million to €233 million in the first half of the year. In relation to sales, the portion of research and development expenses at 8.8% remained on target above the already high level from the previous years. Alongside bundling central key areas of expertise at the Lippstadt location, the importance of regional development centers in particular continues to increase. Within the network they have an important supporting function for fundamental innovations in Germany. At the same time, they also continue to expand their expertise with standalone development of products for local markets.

Distribution costs have decreased further in relation to sales. The absolute value of their increase is €10 million, which can be traced back to the further expansion of wholesale trade in Northern and Eastern Europe in addition to cost components in proportion with sales. The portion of consolidated sales was 8.2% during the reporting period. The operational

#### RESEARCH AND DEVELOPMENT SERVICES\*

	1 <sup>st</sup> half of fiscal year 2013-2014	+/-	1 <sup>st</sup> half of fiscal year 2012-2013
R+D employees	5,707	+11.8 %	5,105
Expenditure in € Millions			
Automotive	216.4	+13.4 %	190.8
Aftermarket & Special Applications	17.0	+77.8 %	9.6
<b>Total</b>	<b>233.4</b>	<b>+16.5 %</b>	<b>200.3</b>
% of sales	8.8 %		8.3 %

\* Prior years adjusted for IFRS 11 adaption



HELLA GROUP EBIT (IN € MILLIONS) FOR THE 1<sup>ST</sup> HALF OF FISCAL YEAR\*

\* Prior years adjusted for IFRS 11 adaption

administrative cost ratio also decreased compared to the previous year. The administrative costs also include the non-operational expenses for the severance and retirement program. Other income and expenses, including insurance recoveries and government grants, were below the level of the previous year.

The profit shares from investments could be increased further. These were at €22 million during the reporting period, increasing more than 10% compared to the previous year. The joint ventures in the scope of consolidation fill out the HELLA product portfolio as part of the network strategy in every business segment and allow wider market access as well, particularly in Asia. In addition to the joint ventures in South Korea, cooperation involving climate control devices and front-end modules also showed very positive development. The profit from these investments is integrated into the Group statement of income according to the equity method.

The contribution to income from securities and other financial results totalled €-6 million. In the previous year, the account balance was €-1 million, primarily due to the sale of an investment listed under other financial results. Net interest expenditures decreased by €1 million compared to the previous year due to the favorable financial market environment.

### SUCCESSFUL DEVELOPMENT IN ALL BUSINESS SEGMENTS – STRONGEST GROWTH IN THE AUTOMOTIVE SEGMENT

The consistent implementation of the business segment strategies proved itself once again in the first half of the 2013-2014 fiscal year. All of the business segments were able to maintain their positions successfully in the respective market environment and exhibit profitable growth.

The Automotive business segment achieved the most substantial growth during the reporting period. Compared to the time frame in the previous year, sales of lighting technology and electronics products for new vehicles increased by 13% in the automotive sector. Global development and production and an attractive product portfolio continued to be critical success factors for HELLA. As a result, headlights with complex LED technology as well as components and products for energy management and driver assistance were the essential growth drivers. The importance of these products continues to increase steadily. Operational earnings (EBIT) increased by €30 million to €134 million despite expenses for launching new products and expanding global networks compared to the previous year. This corresponds to an EBIT margin of 6.9%.

## HELLA GROUP EQUITY CAPITAL (IN € MILLIONS; NOVEMBER 30, EACH)



The Aftermarket business segment, which includes the Aftermarket and Service business divisions as well as wholesaling activities in Northern and Southern Europe, was also able to increase sales to third parties by 6% to €558 million. While aftermarket business stabilized in a weak European market environment, wholesaling achieved significant growth, particularly in Poland and Denmark. In this context, sales and program management, as well as the global logistics network, were the critical success factors for being able to detect market trends early on, implement them into the product selection and meet specific regional customer demands. The further expansion of the sales structures also required additional expenses during the reporting period; these caused a decline of the EBIT margin to 7.1%.

The Special Applications business segment manages initial outfitting of special vehicles as well as vehicle-independent applications. Developments from the area of LED technology and electronics that can also be used outside the automotive industry, such as street lights and industrial lighting – as well as applications from the Automotive business segment for buses, campers, construction machinery and agricultural machinery – enrich HELLA's product portfolio. Sales to third parties increased by 6% to €167 million compared to the previous year. The EBIT margin increased to 8.6% due to operational improvements.

#### LONG-TERM SECURED FINANCING CREATES STABLE BASIC CONDITIONS FOR THE ADOPTED GROWTH COURSE

Based on earnings before interest and tax on income amounting to €151 million, the cash flow from operational activities amounted to €208 million after six months.

The non-cash expenses of the earnings increased markedly. In addition to a €20 million increase in depreciation that can be traced back to the above-average capital expenditures in the previous year as part of the growth program, non-cash additions to provisions increased as well. This can basically be traced back to the voluntary severance and retirement program. The other non-cash earnings and expenses specifically include reimbursements for tools, which are initially recorded as deferred income and resolved in relation to sales spread over the service life. The working capital increased in relation to the previous year, since receivables increased significantly by €128 million, in particular due to sales. In addition, seasonal inventories amounting to €64 million were stockpiled. The €37 million increase in commercial liabilities partially offset this.

## HELLA GROUP EMPLOYEES (NOVEMBER 30, EACH)\*



\* Prior years adjusted for IFRS 11 adaption

The settlements for capital expenditures totaled €270 million in the first six months, corresponding to the launched growth program. This also contains payment of capital expenditures made at the end of the last fiscal year. This includes settlement of a loan to an associated company in the amount of €5 million. A net cash flow from investment activities equal to €268 million results, offset against the proceeds from the sale of tangible assets. The cash flow from financing activities basically includes €55 million in dividends to shareholders as well as cash inflows from taking out loans from subsidiaries. In the first half of the fiscal year, the free cash flow was negatively affected by both seasonal conditions and due to investments and expenditures for the competitiveness and growth program.

Liquid assets, including short-term financial assets, decreased by €105 million to €558 million, while short-term and non-current financial liabilities have remained nearly constant since May 31st, 2013. Net financial debt as a balance figure increased by €106 million from €415 million to €521 million. The net debt amounted to 0.9 times the EBITDA for the last twelve months and 0.4 times the equity.

Equity in the Group increased by €28 million during the reporting period. The equity ratio was 31.7%, or 37% when adjusted for liquidity. According to the most recent credit

rating estimate from rating agency Moody's published on October 17th, 2013, the rating remains unchanged at Baa2, an investment grade category. The Moody's outlook for the rating remains stable. On October 2nd, 2013, Moody's raised the outlook for the European automotive supplier industry as a whole from negative to stable due to the increasing sales in Europe.

#### INCREASE IN PERSONNEL IN GROWTH REGIONS

On the day of reporting on November 30th, 2013, HELLA had 29,690 employees throughout the world. This represents an increase of 7% in the number of employees compared to the previous year. The Asia/Pacific/RoW region saw the strongest growth (+20%), particularly due to the continuous expansion of capacity in plants in China. The expansion of capacity in Eastern Europe, particularly in Romania, led to a 12% increase in employees in Europe. In Germany, the number of employees dropped by 3% due to the altered integration of two joint ventures.

In order to safeguard and strengthen in-house innovation for the long-term, HELLA hired approximately 600 new employees in the past twelve months for research and development departments. This corresponds to an increase of 12%.

NUMBER OF HELLA EMPLOYEES BY REGIONS (NOVEMBER 30, 2013)



## OUTLOOK

Based on forecasts from economic research institutions and banks, the world economy is expected to pick up steam over the course of 2014, with growth predicted at around 3%. The driving forces behind this are the increasing strength of the American economy supported by the ongoing expansionist monetary policy of the Fed anticipated by capital markets as well as the decreasing uncertainty in the eurozone and a stronger economic recovery in Europe. After the USA, other advanced economies should also add to the growth dynamics. Thus, Germany should also benefit to an increasing extent from the slow recovery of neighboring countries as well as from stable domestic economic activity. Slower growth than was predicted in mid-2013 is expected in emerging markets, particularly India, Russia and Mexico. China's growth will also likely slow, but remain at a high level of about 7%. According to estimates from the German Association of the Automotive Industry, the global market for passenger cars is expected to grow by 3% in 2014 with 74.7 million units sold. The two largest vehicle markets, China and the USA, which make up 40% of global passenger car sales, will continue to make a significant contribution to this growth. In addition, the Western European car market's recovery, which began in Fall 2013, is expected to continue.

The first half of the fiscal year showed positive trends for the HELLA Group, for reasons including revitalized demand in Europe. We assume that this trend will also continue into the second half of the fiscal year, barring any shocks that seriously affect the economy. We are predicting sales growth in the mid to high single-digit range for the entire 2013-2014 fiscal year. In light of structural improvements and additional capital expenditures in the expansion of global capacity in the HELLA network, we are striving for operational earnings slightly above the level from the previous year for all of the 2013-2014 fiscal year.

As reported previously in last year's annual financial statements, the European and American antitrust authorities have initiated simultaneous antitrust investigations relating to HELLA and a few other companies in the passenger car lighting sector. The outcome of these investigations still cannot be predicted at present. Provisions have not yet been formulated for this reason.

# CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT INCOME STATEMENT

for the period from June 1, 2013 to November 30, 2013  
(unaudited)

T€	2013-2014	adjusted acc. to IFRS11* 2012-2013	as reported 2012-2013
Sales	2,664,103	2,409,416	2,494,914
Cost of sales	-1,962,954	-1,791,232	-1,841,108
<b>Gross profit</b>	<b>701,149</b>	<b>618,184</b>	<b>653,806</b>
Research and development costs	-233,435	-200,347	-213,355
Distribution costs	-217,966	-207,944	-213,074
Administrative costs	-105,920	-86,992	-93,121
Other income and expenses	5,026	14,471	15,659
Share of profit and loss of associates	22,452	20,406	9,204
Other income from investments	25	2,059	2,059
Income from securities and other loans	2,725	2,091	2,092
Other financial result	-8,371	-3,033	-3,052
<b>Earnings before interest and tax on income (EBIT)</b>	<b>165,685</b>	<b>158,895</b>	<b>160,218</b>
Interest income	5,509	3,093	3,178
Interest expenses	-20,533	-19,022	-19,295
<b>Interest result</b>	<b>-15,024</b>	<b>-15,929</b>	<b>-16,117</b>
<b>Earnings before tax on income (EBT)</b>	<b>150,661</b>	<b>142,966</b>	<b>144,101</b>
Income tax expenses	-41,176	-34,890	-36,025
<b>Earnings for the period</b>	<b>109,485</b>	<b>108,076</b>	<b>108,076</b>
of which attributable ...			
to the owners of the company	106,099	105,763	105,763
to the minority interests	3,386	2,313	2,313

\* See also Note 9 for further information on IFRS 11.

For further explanatory comments see also Notes 4, 5 and 6.

## STATEMENT OF RECOGNIZED INCOME AND EXPENSES

for the period from June 1, 2013 to November 30, 2013  
(unaudited)

T€	2013-2014	adjusted acc. to IFRS11* 2012-2013	as reported 2012-2013
<b>Earnings for the period</b>	<b>109,485</b>	<b>108,076</b>	<b>108,076</b>
Foreign currency translation differences for foreign operations	-30,381	2,785	2,785
of which equity accounted investments	-2,239	-211	895
Financial instruments on cash flow hedges	4,414	3,090	3,090
Realized changes in equity	-982	3,090	3,090
Losses recognized in profit and loss	5,396	0	0
Change in fair value of financial instruments held for sale	434	717	717
Realized changes in equity	322	1,041	1,041
Losses recognized in profit and loss	112	-324	-324
Defined benefit plan actuarials gains and losses	-579	3,059	3,059
of which equity accounted investments	-5	-1	0
<b>Other comprehensive income for the period</b>	<b>-26,112</b>	<b>9,651</b>	<b>9,651</b>
<b>Total income for the period</b>	<b>83,373</b>	<b>117,727</b>	<b>117,727</b>
of which attributable ...			
to the owners of the company	80,205	115,487	115,487
to the minority interests	3,168	2,240	2,240

\* See also Note 9 for further information on IFRS 11.

## STATEMENT OF FINANCIAL POSITION

(unaudited)

T€	Nov 30, 2013	adjusted acc. to IFRS11* May 31, 2013	as reported May 31, 2013	adjusted acc. to IFRS11* Nov 30, 2012	as reported Nov 30, 2012
Cash and cash equivalents	348,095	456,098	476,603	216,687	230,407
Financial assets	210,129	207,030	207,998	46,717	45,414
Trade receivables	734,777	645,972	657,063	629,808	658,518
Other receivables and non-financial assets	101,541	99,988	102,348	114,757	117,238
Inventories	600,464	554,088	580,178	591,868	616,032
Tax assets	26,045	23,031	23,290	13,351	14,044
Non-current assets held for sale	5,904	11,232	11,232	0	0
<b>Current assets</b>	<b>2,026,955</b>	<b>1,997,439</b>	<b>2,058,712</b>	<b>1,613,188</b>	<b>1,681,653</b>
Intangible assets	176,862	175,386	241,731	148,343	235,639
Tangible assets	1,284,242	1,289,226	1,323,612	1,132,979	1,157,475
Financial assets	29,632	19,759	20,141	27,577	28,207
Equity accounted investments	227,087	210,799	115,993	219,606	95,782
Deferred tax assets	117,633	123,019	123,912	81,870	82,769
Other non-current assets	36,433	37,175	37,435	23,283	23,462
<b>Non-current assets</b>	<b>1,871,889</b>	<b>1,855,364</b>	<b>1,862,824</b>	<b>1,633,658</b>	<b>1,623,334</b>
<b>Assets</b>	<b>3,898,844</b>	<b>3,852,803</b>	<b>3,921,536</b>	<b>3,246,846</b>	<b>3,304,987</b>
Financial liabilities	254,343	39,961	41,966	28,465	46,524
Trade payables	480,510	552,197	562,425	432,972	440,234
Tax liabilities	34,650	31,587	33,135	55,591	57,737
Other liabilities	478,461	405,181	429,105	493,873	512,074
Provisions	85,932	82,473	84,347	110,896	114,386
<b>Current liabilities</b>	<b>1,333,896</b>	<b>1,111,399</b>	<b>1,150,978</b>	<b>1,121,797</b>	<b>1,170,955</b>
Financial liabilities	824,979	1,037,843	1,057,914	674,798	675,691
Deferred tax liabilities	60,200	62,085	63,314	23,649	26,131
Other liabilities	185,945	179,593	184,701	62,967	65,401
Provisions	258,213	254,649	257,395	241,040	244,214
<b>Non-current liabilities</b>	<b>1,329,337</b>	<b>1,534,170</b>	<b>1,563,324</b>	<b>1,002,454</b>	<b>1,011,437</b>
Subscribed capital	200,000	200,000	200,000	200,000	200,000
Reserves and balance sheet results	1,008,689	978,984	978,984	894,161	894,161
Equity before minorities	1,208,689	1,178,984	1,178,984	1,094,161	1,094,161
Minority interests	26,922	28,250	28,250	28,434	28,434
<b>Equity</b>	<b>1,235,611</b>	<b>1,207,234</b>	<b>1,207,234</b>	<b>1,122,595</b>	<b>1,122,595</b>
<b>Equity and liabilities</b>	<b>3,898,844</b>	<b>3,852,803</b>	<b>3,921,536</b>	<b>3,246,846</b>	<b>3,304,987</b>

\* See also Note 9 for further information on IFRS 11.

## CASH FLOW STATEMENT

for the period from June 1, 2013 to November 30, 2013  
(unaudited)

T€	2013-2014	adjusted acc. to IFRS11* 2012-2013	as reported 2012-2013
Earnings before income tax	150,661	142,966	144,101
+ Depreciation	151,586	131,301	138,333
+/- Change in provisions	7,418	-12,181	-12,070
+/- Other non-cash income/expenses	67,234	-58,073	-46,170
+/- Profit/Loss on sale of fixed assets	1,380	228	269
+/- Change in financial assets/liabilities	0	506	285
+/- Interest income	15,024	15,929	16,117
+/- Change in trade receivables and other assets not attributable to investment or financing activities	-128,283	-22,622	-22,615
+/- Decrease/Increase in inventories	-64,136	-75,488	-74,139
+/- Change in trade payables and other liabilities not attributable to investment or financing activities	36,861	13,465	11,561
+ Interest received	5,788	542	543
- Interest paid	-19,639	-29,716	-29,927
- Taxes paid	-48,835	-32,506	-34,475
+ Tax refunds	11,047	6,052	6,250
+ Dividends received	21,795	10,566	2,007
<b>= Net cash flow from operating activities</b>	<b>207,901</b>	<b>90,969</b>	<b>100,070</b>
+ Payments received from sales of tangible and intangible assets	7,483	736	696
- Payments made for the purchase of tangible and intangible assets	-269,841	-196,628	-210,761
- Payments made for the loans granted	-4,929	-750	-856
- Increase of majority interest	-300	-5,494	-5,494
<b>= Net cash flow from investing activities</b>	<b>-267,587</b>	<b>-202,136</b>	<b>-216,415</b>
- Payments made for the repayment of financial liabilities	-5,611	-22,260	-26,981
+ Payments received from borrowing	16,716	1,917	8,935
- Payments made for repayment of participation certificates	0	-705	-705
- Dividends paid	-54,996	-61,219	-61,219
<b>= Cash flow from financing activities</b>	<b>-43,891</b>	<b>-82,267</b>	<b>-79,970</b>
<b>= Net change in cash</b>	<b>-103,577</b>	<b>-193,434</b>	<b>-196,315</b>
+ Cash and cash equivalents as at June 1	456,098	413,163	429,338
+/- Effects of changes to the exchange rate on cash	-4,426	-3,042	-2,616
<b>= Cash and cash equivalents as at November 31</b>	<b>348,095</b>	<b>216,687</b>	<b>230,407</b>

\* See also Note 9 for further information on IFRS 11.

For further explanatory comments see also Note 7.



## CHANGES IN EQUITY

for the period from June 1, 2013 to November 30, 2013  
(unaudited)

T€	Subscribed capital	Subscribed capital	Currency translation reserve	Reserve for financial instruments on cash flow hedges
<b>As at June 1, 2012</b>	<b>200,000</b>	<b>0</b>	<b>8,925</b>	<b>-73,000</b>
Earnings for the period	0	0	0	0
Other comprehensive income	0	0	2,858	3,090
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>2,858</b>	<b>3,090</b>
Allocation and distribution to shareholders	0	0	0	0
increase in majority holdings				
Changes to ownership interest in subsidiaries from the change of control	0	0	0	0
<b>Transactions with shareholders</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>As at November 30, 2012</b>	<b>200,000</b>	<b>0</b>	<b>11,783</b>	<b>-69,910</b>
<b>As at June 1, 2013</b>	<b>200,000</b>	<b>0</b>	<b>10,106</b>	<b>-68,747</b>
Earnings for the period	0	0	0	0
Other comprehensive income	0	0	-30,162	4,414
<b>Total comprehensive income for the period</b>	<b>0</b>	<b>0</b>	<b>-30,162</b>	<b>4,414</b>
Allocation and distribution to shareholders	0	0	0	0
Increase of majority interest	0	0	0	0
Capital increase	0	0	0	0
<b>Transactions with shareholders</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>As at November 30, 2013</b>	<b>200,000</b>	<b>0</b>	<b>-20,056</b>	<b>-64,333</b>

\* See also Note 9 for further information on IFRS 11.

For further explanatory comments see also Note 8.

Reserve for financial instruments held for sale	Defined benefit plan actuarial gains/losses	Other retained earnings/profit carried forward	Total	Minority interest	Total equity
<b>846</b>	<b>-41,059</b>	<b>931,103</b>	<b>1,026,815</b>	<b>38,422</b>	<b>1,065,237</b>
0	0	105,763	<b>105,763</b>	2,313	<b>108,076</b>
717	3,059	0	<b>9,724</b>	-73	<b>9,651</b>
<b>717</b>	<b>3,059</b>	<b>105,763</b>	<b>115,487</b>	<b>2,240</b>	<b>117,727</b>
0	0	-55,500	<b>-55,500</b>	-5,719	<b>-61,219</b>
		7,359	<b>7,359</b>	-7,359	<b>0</b>
0	0	0	<b>0</b>	850	<b>850</b>
<b>0</b>	<b>0</b>	<b>-48,141</b>	<b>-48,141</b>	<b>-12,228</b>	<b>-60,369</b>
<b>1,563</b>	<b>-38,000</b>	<b>988,725</b>	<b>1,094,161</b>	<b>28,434</b>	<b>1,122,595</b>
<b>4,026</b>	<b>-48,298</b>	<b>1,081,897</b>	<b>1,178,984</b>	<b>28,250</b>	<b>1,207,234</b>
0	0	106,099	<b>106,099</b>	3,386	<b>109,485</b>
434	-579	0	<b>-25,894</b>	-218	<b>-26,112</b>
<b>434</b>	<b>-579</b>	<b>106,099</b>	<b>80,205</b>	<b>3,168</b>	<b>83,373</b>
0	0	-50,500	<b>-50,500</b>	-4,496	<b>-54,996</b>
0	0	0	<b>0</b>	0	<b>0</b>
0	0	0	<b>0</b>	0	<b>0</b>
<b>0</b>	<b>0</b>	<b>-50,500</b>	<b>-50,500</b>	<b>-4,496</b>	<b>-54,996</b>
<b>4,460</b>	<b>-48,877</b>	<b>1,137,496</b>	<b>1,208,689</b>	<b>26,922</b>	<b>1,235,611</b>

## NOTES

### 1. BASIC INFORMATION

HELLA KGaA Hueck & Co. ("HELLA KGaA") and its subsidiaries (collectively referred to as the "group") develop and manufacture lighting technology and electronics components and systems for the automotive industry. The group also produces complete vehicle modules and air conditioning systems in joint venture undertakings. The group's production and manufacturing sites are located across the globe; its most significant markets are in Europe, North America, and Asia, particularly Korea and China. In addition, HELLA has its own international sales network for vehicle accessories of all kinds.

The company is a Kapitalgesellschaft (stock corporation), which was founded and is based in Lippstadt, Germany. The address of the firm's registered office is Rixbecker Str. 75, Lippstadt.

This condensed interim report has been prepared in accordance with the requirements of the International Financial Reporting Standards (IFRS) applicable as of November 30, 2013 and as adopted by the European Union. The interim report was created in accordance with IAS 34, Interim Financial Reporting. The interim consolidated financial statements are accompanied by an interim group management report. The comparative values of the previous year were determined according to the same principles.

The interim consolidated financial statements are presented in euros (€). Entries are presented in thousands of euros (T€) or millions of euros (€ million). The income statement was prepared according to the cost of sales method. The statement of financial position is broken down into current and non-current items. The amounts stated under current assets and liabilities mainly have a maturity of up to twelve months. Accordingly, non-current items mainly have a maturity of more than twelve months. In order to improve presentation clarity, items of the statement of financial position and income statement have been grouped together as far as appropriate and possible. Please note that where sums and percentages in the report have been rounded, differences may arise as a result of commercial rounding.

## 2. SCOPE OF CONSOLIDATION

The scope of consolidation comprises, apart from HELLA KGaA Hueck & Co., all major German and foreign subsidiaries controlled directly or indirectly by HELLA. Major associated companies are accounted for at equity in the consolidated financial statements.

The fully consolidated company HELLA Vietnam Co., Ltd. was founded in Vietnam and the HELLA Lighting Corporation company in the USA was disbanded.

Furthermore, a company within the Behr Hella Service subgroup was closed.

Numbers	<b>Nov 30, 2013</b>	May 31, 2013	Nov 30, 2012
Fully consolidated companies	<b>102</b>	102	105
Proportionately consolidated companies	<b>0</b>	12*	11*
Equity accounted companies	<b>47</b>	36	34

\*Previously proportionately consolidated companies are included into the Consolidated Financial Statement according to the equity method since the beginning of fiscal year 2013-2014.

### 3. ACCOUNTING AND MEASUREMENT METHODS

The accounting and measurement methods used in the interim report are the same as those used in the consolidated financial statements of May 31, 2013. These methods are explained in detail in the Consolidated Financial Statement of May 31, 2013. Refer to Notes 9 in regard to modified inclusion of the joint venture companies.

Since the interim financial statements do not include all of the information contained in the annual financial statements, this report should be examined in conjunction with the previous annual financial statements. In the opinion of the company, the interim financial statements include all adjustments of a normal and recurring nature considered necessary for a fair presentation of results for interim periods.

### 4. OTHER INCOME AND EXPENSES

Other income in the first half of fiscal year 2013-2014 amounted to T€12,933 (previous year: T€ 18,815).  
The other expenses in this period amounted to T€7,907 (previous year: T€ 4,344).

### 5. FINANCIAL RESULT

The other financial result comprises income of T€10,956 (previous year: T€6,565) and expenses of T€19,328 (previous year: T€9,598).

## 6. SEGMENT REPORTING

The Lighting and Electronics business divisions are still being reported together in the reportable Automotive segment. The product portfolio of the Lighting business division includes headlamps, signal lights, internal lights, and lighting electronics. The Electronics business division focuses on the segments body electronics, energy management, and driver assistance systems and components (e. g. sensors and actuators). The Automotive segment develops, produces and sells vehicle solutions, and develops and brings to market technological innovations.

The Aftermarket business segment is responsible for the trade in automotive parts and accessories, and the wholesa-

le business. The trade product portfolio includes service parts for the lighting, electrics, electronics, and thermal management segments. In addition, the automotive parts and accessories businesses and workshops receive sales support through a modern, rapid information and ordering system, as well as the highly skilled technical department.

The Special Applications segment comprises the divisions Special OE and Industries. This includes original equipment for special vehicles such as buses, caravans, agricultural and construction machinery, municipal vehicles, and trailers, as well as completely vehicle-independent applications such as lighting technology in public and commercial infrastructure.

The segment information for the first half of fiscal years 2013-2014 and 2012-2013 is as follows:

T€	Automotive		
	2013-2014	adjusted acc. to IFRS11* 2012-2013	as reported 2012-2013
Gross sales	<b>1,938,208</b>	1,722,717	1,804,012
Inter-segment sales	<b>161,309</b>	130,793	172,954
Cost of sales	<b>-1,657,517</b>	-1,472,601	-1,572,403
<b>Gross profit</b>	<b>442,000</b>	<b>380,909</b>	<b>404,563</b>
Research and development costs	<b>-216,421</b>	-190,779	-203,796
Distribution costs	<b>-43,175</b>	-41,206	-42,893
Administrative costs	<b>-68,906</b>	-66,247	-72,686
Other income and expenses	<b>183</b>	3,889	7,692
Result from equity-accounted investments	<b>19,934</b>	16,651	9,914
<b>Earnings before interest and taxes</b>	<b>133,615</b>	<b>103,217</b>	<b>102,794</b>
Additions to non-current assets	<b>145,349</b>	177,207	191,286

\* See also Note 9 for further information on IFRS 11.

Aftermarket			Special Applications	
2013-2014	adjusted acc. to IFRS11* 2012-2013	as reported 2012-2013	2013-2014	as reported 2012-2013
<b>558,482</b>	529,363	533,565	<b>167,413</b>	157,336
<b>34,210</b>	28,540	50,119	<b>2,493</b>	1,712
<b>-395,470</b>	-368,194	-381,880	<b>-107,977</b>	-111,609
<b>197,222</b>	<b>189,710</b>	<b>201,804</b>	<b>61,929</b>	<b>47,439</b>
<b>-7,429</b>	-3,927	-3,918	<b>-9,584</b>	-5,641
<b>-143,379</b>	-138,235	-141,689	<b>-31,411</b>	-28,492
<b>-13,047</b>	-14,516	-14,207	<b>-7,468</b>	-6,228
<b>3,960</b>	7,540	4,924	<b>882</b>	3,043
<b>2,519</b>	3,755	-710	<b>0</b>	0
<b>39,846</b>	<b>44,327</b>	<b>46,204</b>	<b>14,348</b>	<b>10,121</b>
<b>17,356</b>	15,472	15,531	<b>399</b>	889



Reconciliation of the segment results and the consolidated result:

T€	2013-2014	adjusted acc. to IFRS11* 2012-2013	as reported 2012-2013
<b>EBIT of the reporting segments</b>	<b>187,809</b>	<b>157,664</b>	<b>159,119</b>
EBIT other divisions	-22,124	1,231	1,099
Net interest income	-15,024	-15,929	-16,117
<b>Consolidated EBT</b>	<b>150,661</b>	<b>142,966</b>	<b>144,101</b>

\* See also Note 9 for further information on IFRS 11.

The EBIT for other areas includes expenses for the severance and retirement program in the amount of €16.5 million.

## 7. NOTES TO THE CASH FLOW STATEMENT

As of May 31, the cash funds consist solely of cash and cash equivalents.

In the first half of the year, significant spending was made on the construction of additional and extension of existing

production locations and dividends totaling €55 million were paid out, of which €50.5 million went to shareholders of the parent company.

## 8. NOTES TO THE CHANGES IN EQUITY

On the liabilities side, share capital is recognized at its nominal value under the "Subscribed capital" item. The share capital is €200 million (in 50 million shares without a par value). The limited partner shares are registered. All issued shares are fully paid up.

Under „Other retained earnings/profit carried forward“, other retained earnings of the parent company and past earnings of consolidated companies are also included, unless they have been distributed. This item also includes the statutory reserve of the parent company. The statutory reserve is subject to the distribution restrictions specified in the German Stock Corporation Act (Aktiengesetz).

Goodwill and negative goodwill arising from the capital consolidation of subsidiaries consolidated before June 1, 2006, and the adjustments recognized directly in equity for the first-time adoption of IFRS are also included in this item. Actuarial gains and losses recognized directly in equity, the differences arising from the currency translation of the

annual financial statements of foreign subsidiaries not recognized in profit or loss, the impact arising from the measurement of available-for-sale derivative financial instruments and financial assets not recognized in profit or loss, as well as from cash flow hedging, are also recognized in this item. A detailed overview of the components and changes in the results recognized directly in equity is presented in the statement of changes in equity.

Dividends amounting to T€50,500 were distributed to group shareholders in September 2013. This represents a dividend of €1.01 per share, over the total volume of 50 million shares.

The group aims to maintain a strong capital base. The group strives to achieve a balance between the higher return on equity which it is possible to achieve through greater leverage, and the advantages and security offered by a solid equity position. The group aims to maintain a ratio of financial liabilities to EBITDA of below 1.3.

## 9. NEW ACCOUNTING STANDARDS

The new „IFRS 11 – Joint Arrangements“ standard replaces the previously valid IAS 28. IFRS 11 contains new principles for classifying and accounting for joint arrangements. The new standard stipulates that a distinction must be made between joint operations and joint ventures. The central criterion is the question of whether the partners have immediate rights and obligations with respect to the assets and liabilities (joint operations) or only with respect to equity (joint ventures). If these companies are run as a separate legal entity, they should in future as a rule be classified as joint ventures, provided there are no contractual agreements which result in a different assignment of rights and obligations to assets and liabilities. One substantial effect of the new standard is the elimination of the right to choose proportionate consolidation for joint ventures. Proportionate consolidation only remains acceptable for what are called

„joint operations“. In the EU, IFRS 11 has to be applied for fiscal years starting on or after January 1, 2014. HELLA is, however, applying IFRS 11 before this date as permitted by regulations.

This means the previously proportionately consolidated joint ventures (Behr-Hella Thermocontrol GmbH and Behr-Hella-Service GmbH with their subsidiaries) are being included based on the equity method for the first time. This is a substantial change to the structure of the Consolidated Income Statement. Sales previously recorded proportionately and all other expenses and income are now reported as a total sum under „Share of profit and loss of associates“. The comparison information for previous periods has been adjusted accordingly and is also being provided.

## 10. EVENTS AFTER THE BALANCE SHEET DATE

There were no events or developments after the end of the first half of the fiscal year under review that might have led to material changes in the presentation or measurement of

the individual assets or liabilities as at November 30, 2013, or that would be required to be disclosed.

Lippstadt, December 20, 2013

The General Partners of  
HELLA KGaA Hueck & Co.



Dr. Jürgen Behrend

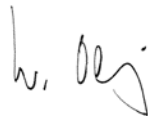
HELLA Geschäftsführungsgesellschaft mbH



Dr. Rolf Breidenbach  
(President and CEO)



Carsten Albrecht



Dr. Wolfgang Ollig



Stefan Osterhage



Dr. Matthias Schöllmann

HELLA Beteiligungs GmbH & Co. KG  
HELLA Beteiligungs-Verwaltung GmbH



Dr. Jürgen Behrend


## DECLARATION

on the condensed interim consolidated financial statement and interim consolidated status report of HELLA KGaA Hueck & Co. as of November 30, 2013.

To the best of our knowledge, we hereby affirm that, pursuant to the generally accepted accounting principles for interim reporting, the condensed interim consolidated financial statement gives a true and fair view of the assets, financial

position and earnings of the Group, and that the interim consolidated status report gives a true and fair reflection of the development of the Group's business, including its performance and situation, as well as accurately describing the material risks and opportunities inherent in the development of the Group.

Lippstadt, December 20, 2013



**Dr. Jürgen Behrend**

Managing General Partner of HELLA KGaA Hueck & Co. and  
Managing Director of HELLA Beteiligungs GmbH & Co. KG



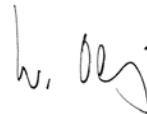
**Dr. Rolf Breidenbach**

Chief Executive Officer of  
HELLA Geschäftsführungsgesellschaft mbH



**Carsten Albrecht**

Managing Director of  
HELLA Geschäftsführungsgesellschaft mbH



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Managing Director of  
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**Stefan Osterhage**

Managing Director of  
HELLA Geschäftsführungsgesellschaft mbH



**Dr. Matthias Schöllmann**

Managing Director of  
HELLA Geschäftsführungsgesellschaft mbH

## GLOSSARY

At equity	According to proportionate equity
EBIT	Earnings before interest and taxes
EBIT margin	Return on sales (Ratio of EBIT to sales)
EBITDA	Earnings before interest, taxes, depreciation, and amortization
EBITDA margin	Ratio of EBITDA to sales
EBT	Earnings before taxes
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
Light Vehicles	Passenger cars and light trucks
R&D	Research and development
RoW	Rest of world
Special OE	Special Original Equipment



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