Technology
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NINE MONTH REPORT
FISCAL YEAR 2014/2015
JUNE 1, 2014 – FEBRUARY 28, 2015

HELLA
KEY PERFORMANCE INDICATORS

	3rd quarter 2014/2015 (Dec 14 - Feb 15)	adjusted* 3rd quarter 2013/2014 (Dec 13 - Feb 14)	1st to 3rd quarter 2014/2015 (Jun 14 - Feb 15)	adjusted* 1st to 3rd quarter 2013/2014 (Jun 13 - Feb 14)
Sales (in EUR million)	**1,392**	1,280	4,218	3,944
Change compared with prior year	**9 %**		7 %	
Earnings before interest, taxes, depreciation and amortization (EBITDA; in EUR million)	**169**	177	550	500
Change compared with prior year	**-4 %**		10 %	
Operating result (EBIT; in EUR million)	**88**	100	309	271
Change compared with prior year	**-12 %**		14 %	
Earnings for the period (in EUR million)	**65**	64	216	174
Change compared with prior year	**2 %**		25 %	
Earnings per share (in EUR)	**0,56**	0,63	2,01	1,69
Change compared with prior year	**-10 %**		19 %	
Net cash from operating activities (in EUR million)	**93**	153	273	361
Change compared with prior year	**-39 %**		-24 %	
Net investments (in EUR million)	**62**	49	256	235
Change compared with prior year	**27 %**		9 %	
Research and development expenses (R&D in EUR million)	**137**	113	406	346
Change compared with prior year	**21 %**		17 %	

	Feb 28, 2015	Feb 28, 2014	Feb 28, 2015	Feb 28, 2014
Net financial debt (in EUR million)	**263**	470	263	470
Change compared with prior year	**-44 %**		-44 %	
Number of employees	**31,521**	30,151	31,521	30,151
Change compared with prior year	**5 %**		5 %	

	3rd quarter 2014/2015 (Dec 14 - Feb 15)	adjusted* 3rd quarter 2013/2014 (Dec 13 - Feb 14)	1st to 3rd quarter 2014/2015 (Jun 14 - Feb 15)	adjusted* 1st to 3rd quarter 2013/2014 (Jun 13 - Feb 14)
Return on equity	**21.3 %**	21.2 %	21.3 %	21.2 %
EBITDA margin	**12.2 %**	13.8 %	13.0 %	12.7 %
EBIT margin	**6.3 %**	7.8 %	7.3 %	6.9 %
Net financial debt/EBITDA (last 12 months)	**0.4x**	0.7x	0.4x	0.7x
Equity ratio	**37.9 %**	32.3 %	37.9 %	32.3 %
Research and development expenses in relation to sales	**9.8 %**	8.8 %	9.6 %	8.8 %

* Adjusted for reclassification of other financial result (see note 4)

We wish to point out that the use of rounded amounts and percentages in the report can result in differences on account of commercial rounding.

HELLA
NINE MONTH REPORT
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENT/INTERIM GROUP MANAGEMENT REPORT 3RD QUARTER OF FISCAL YEAR 2014/2015

CONTENT

HELLA ON THE CAPITAL MARKET

FAVORABLE CAPITAL MARKET ENVIRONMENT IN THE THIRD QUARTER

The German equity market has shown a very positive development since the beginning of the year. While equity prices on the German equity market consolidated for several weeks in December, extremely favorable economic conditions led the relevant German equity indices repeatedly to new record levels in the past two months. The ECB supported this trend through its bond purchase program of EUR 1.1 trillion which was resolved in January and markedly exceeded the expectations of market participants with respect to the amount of planned purchases. In addition, the decline in the Euro exchange rate improved export opportunities for German companies while the considerable fall in the oil price constituted a significant positive impulse for the domestic economic outlook in Germany and Europe. This led to a rise in European and German leading indicators, such as the Ifo business climate index in February, and to an improvement in expectations in respect of future economic prospects. Consequently, reallocations by global investors into European and, in particular, German equities were observed. Risks, from the ongoing conflict in Ukraine and the election in Greece, led to only short-term uncertainty among market participants and did not have a long-term negative impact on the bullish German equity market.

At around 11,400 points at the end of the reporting period, the DAX reached the highest level since the inception of the index. The SDAX and MDAX indices similarly closed February at new record levels.

POSITIVE PERFORMANCE OF HELLA SHARES

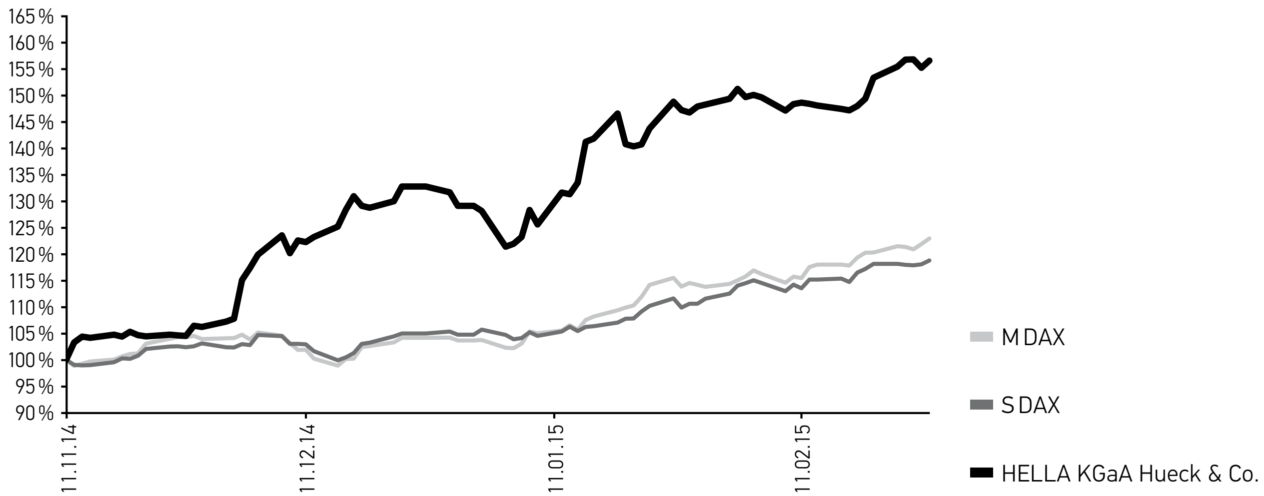
HELLA shares continued the good performance of the prior quarter in the reporting period. In addition to the favorable capital market environment, company-related news provided a positive impetus for the share price. The share price gained momentum in January from the announcement of the half-year results and the unscheduled admission of HELLA shares to the SDAX as of January 19, 2015. Furthermore, favorable assessments by research analysts regarding the further business development and a wider research coverage appear to have had a positive impact. The HELLA share price closed the reporting period at EUR 42.45 (Xetra closing price on February 27, 2015) with a price gain of approx. 46 % since the beginning of the reporting period (December 1, 2014) and thus significantly outperformed the relevant SDAX index, which gained approx. 16 %.

Data and key figures for HELLA share

First quoted on the stock exchange		November 11, 2014
Stock symbol		HLE
ISIN		DE000A13SX22
WKN		A13 SX2
Share class		Ordinary bearer shares without nominal value
Market segments		Prime Standard (Frankfurt Stock Exchange) Regulated market (Luxembourg Stock Exchange)
Index		SDAX
Share capital	Euro	222,222,224
Number of shares outstanding	Unit	111,111,112
High (3rd quarter)	Euro / share	42.52
Low (3rd quarter)	Euro / share	29.07
Average daily trading volume (3rd quarter)	Unit	75,046
Average daily trading volume (3rd quarter)	EUR millions	2.80
Closing price on February 27, 2015	Euro / share	42.45
Market capitalization on February 27, 2015	EUR millions	4,716.67

All market data refer to Xetra.

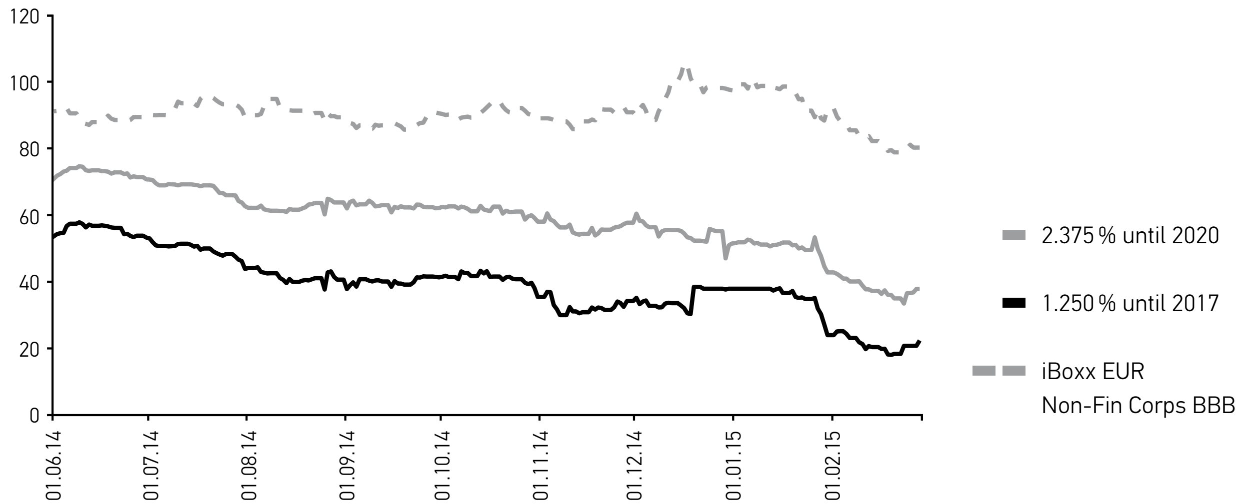
Development of the share price compared with selected indices
(indexed to November 11, 2014)



POSITIVE DEVELOPMENT OF HELLA BONDS

Following the positive course in the first six months of the fiscal year, the two HELLA Eurobonds recorded price gains in the third quarter of the fiscal year in line with the overall market development. These price gains are attributable to continuing declines in interest rates and the reduced risk premium on corporate bonds. The expansionary monetary policy of the ECB and the announcement of official quantitative easing (purchases of bonds by the central bank) in mid-January reinforced this development. The bonds traded at 108.1 % (2.375 % bond to 01/2020) and 102.2 % (1.250 % bond to 09/2017), respectively, at the end of the reporting period. This corresponds to a risk premium (Z spread, measured in basis points above the Euro mid-swap reference rate) of 38 basis points for the 2.375 % bond and 22 basis points for the 1.250 % bond, these spreads are considerably below the reference values of 71 and 54 basis points at the beginning of the fiscal year and the reference values of 60 and 35 basis points at the beginning of the third quarter.

Development of the Z-spreads
(since June 1, 2014)



INVESTOR RELATIONS

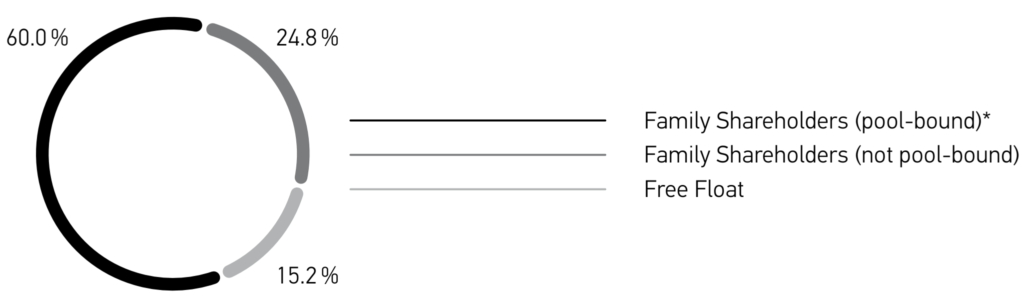
Since being quoted on the stock exchange, seven financial analysts (status as of March 20) have initiated research coverage of our company and subsequently publish commentary and recommendations. The institutions providing coverage are Bankhaus Lampe, Citi, Credit Suisse, Intermonte Sim, Macquarie, Metzler and Morgan Stanley. All analysts recommend buying HELLA shares. Until the end of February, various discussions with investors have taken place in the course of two conferences as well as roadshows in Denmark, Germany, France and the United Kingdom.

Around 20 analysts from national and international brokers accepted the invitation to the first Capital Markets Day on November 18.

An investor call was held on January 9 to present the figures for the first half of fiscal year 2014/2015. In addition to numerous individual discussions, investors and analysts continue to use the opportunity for an on-site visit in Lippstadt to hold discussions and also to visit Europe‘s largest light testing facility to experience live the fascination of light.

SHAREHOLDER STRUCTURE

The shareholder family holds approx. 85 % of HELLA shares and thus constitutes the largest group of shareholders. The remainder of shares are owned by institutional investors and private shareholders, none of whom possessed a shareholding that would be subject to reporting.



* 60 % of the share are subject to a pool agreement until 2024.

INTERIM GROUP MANAGEMENT REPORT
FOR NINE MONTHS OF FISCAL YEAR 2014/2015

GENERAL ECONOMIC ENVIRONMENT

The global economy received fresh impetus in the reporting period (December 2014 to February 2015) from the low level of crude oil prices that continued to prevail since September 2014; growth reached 3.3 % in the prior year according to the International Monetary Fund (IMF). The US economy, in particular, experienced a continuation of the growth which had begun in summer 2014 and achieved a growth of 2.4 %. Increased internal demand was a significant driver of this development, which continued at the beginning of this year. Domestic demand was, in turn, attributable to the improved asset situation among private households and corporations as well as a pick-up in the labor and real estate market. This situation contrasted with more moderate growth rates for China, the Eurozone, Japan and various oil-exporting countries. After China almost failed to meet the 2014 growth target of 7.5 % set by the government, further signs of economic slowdown were evident at the beginning of 2015; nevertheless in global terms, economic activity remains at a high level. The Eurozone grew slightly by 0.2 % at the end of 2014. This development continued at the beginning of this year; as a result, a stabilization and/or improvement in the economic climate in all Eurozone countries (with the exception of Greece and Finland) could be observed. Particularly in Germany, notably strong growth of 0.7 % was achieved in the final quarter of 2014. The economic impetus was also bolstered by the marked decline in oil prices. The weaker Euro also had a positive impact on the export development in the Euro area while the high level of employment and increases in real wages in Germany ensured both a stronger domestic economy and a favorable start into 2015.

INTERNATIONAL AUTOMOBILE SECTOR

Global sales of passenger cars rose by 2 % in the 2014 calendar year to approximately 74.7 million vehicles. This overall positive development in international automobile markets, strengthened by the low oil price, continued in HELLA's third financial quarter (December 2014 to February 2015) and was especially driven by the three major automobile markets, the USA, China and Western Europe. The Chinese and US markets once again grew markedly to year end and increased the number of new vehicle registrations in December by 19 % and 11 %, respectively. China achieved a new record with 18.3 million new registrations in 2014 and replaced the USA as the largest global market for vehicles. The US market for light vehicles also developed favorably and markedly exceeded the prior-year figures, particularly with regard to the number of new light truck registrations. This growth course was maintained in January and February.

HELLA GROUP SALES (IN EUR MILLION) – NINE MONTHS

* adjusted in accordance with IFRS 11

The US and Chinese markets thus registered growth rates of approximately 13 % in January; growth continued in February with the USA achieving 5 % and China 8 %. After four years of decline, the number of new vehicle registrations in Western Europe grew by around 5 % in 2014. This pace of growth continued positively in December and January. A further boost was reported in February, with growth of 8 %. The positive development was primarily down to the markets in Germany, the United Kingdom and Spain. New passenger vehicle registrations in Spain, for instance, rose by approx. 21 % in December. This strong growth momentum continued at the beginning of the year, with the first two months reporting marked increases of 27 % and 26 %, respectively. The Russian and the Brazilian markets, by contrast, continued to report significant negative double-digit declines in the reporting period.

HELLA GROWTH AFTER NINE MONTHS AT 6.9 %

Following the significant acceleration in growth from 4.5 % in the first quarter to 7.5 % in the second quarter, a further increase to 8.7 % was achieved in the third quarter. Of this, 3.1 percentage points are the result of exchange rate fluctuations. Sales reached EUR 1,392 billion after EUR 1,280 billion in the same quarter in the prior year.

In the nine months of the reporting period, sales rose by 6.9 % to EUR 4,218 billion. Of this, 1.1 % percentage points are attributable to exchange rate movements.

The growth of sales in the third quarter was driven by the global Automotive business, which, at 8.8 %, reported the strongest increase. In addition to continuously high demand, particularly in the USA and China markets, a significant contribution to the sales growth was also made by new products resulting from projects associated with the globalization initiative of recent years. In Western Europe, HELLA continues to benefit from the strong position among German premium manufacturers as well as from the general market recovery. Automotive megatrends such as the reduction of fuel consumption, energy efficiency (CO_2 reduction), safety, styling (LED) and comfort led to increased demand and to growth of the HELLA business which surpassed market growth. The Aftermarket segment grew in the third quarter due to the wholesale business and offset the declines in the first half of the year. The Special Applications segment continued to be negatively affected by weak demand in the agricultural sector and was below the level of the prior year.

ADJUSTED EBIT MARGIN AFTER NINE MONTHS AT 7.5 %

In comparison to the prior year, the adjusted operating profit (EBIT) declined by approx. EUR 21 million to EUR 91 million in the third quarter. The strong prior-year quarter included income of approx. EUR 14 million from a warranty claim and the sale of fixed assets. The adjusted EBIT margin amounted to 6.5% in the quarter after 8.8 % in the prior year.

In the nine months of the reporting period, adjusted EBIT increased by EUR 18 million to EUR 318 million. This represents an adjusted EBIT margin of 7.5 %, compared to 7.6 % in the prior year. The EBIT adjustment for expenses relating to a voluntary partial retirement and redundancy program amounted to EUR 8 million in the current year, compared to EUR 29 million in the prior year. After restructuring expenses, the unadjusted EBIT margin rose by 0.4 percentage points from 6.9 % in the prior year to 7.3 % in the current fiscal year. To manage risks associated with transactions in foreign currencies, HELLA mainly hedges against currency fluctuations using forward exchange rate transactions. Des-

EBIT OF THE HELLA GROUP (IN EUR MILLION) – NINE MONTHS

* adjusted in accordance with IFRS 11 and for reclassification of other financial result
** adjusted for reclassification of other financial result

pite the strong appreciation of foreign currencies against the Euro and its pronounced effect on reported revenue, the effect of the currency developments on profit is limited due to offsetting hedging transactions.

Gross profit continued to develop positively along with the associated gross profit margin. This increased by 0.2 percentage points to 27.0 % despite an unfavorable segment mix with a lower proportion accounted for Aftermarket/Special Applications. In addition to the volume effects from increased sales, the favorable product mix and productivity improvements in the Automotive segment also had a positive impact on the gross profit margin.

Development expenses as a percentage of sales rose by 0.8 percentage points to 9.6% in the first nine months compared to the same period in the prior year. The development expenses ratio was thus at the level of the full prior fiscal year. This is also the result of the intensive expansion of the international development network in the past two fiscal years, especially in the growth regions of China and Mexico, and serves to secure and strengthen the continuous global growth of the Automotive business. Despite increased measures to strengthen the efficiency and effectiveness of the global development organization, which led to cost reductions, additional expenses were incurred for new software and functional safety platforms as well as further efforts in the area of energy management in the Automotive segment; these expenses had an offsetting effect. The disparity in growth between the Automotive business segment on the one hand and Aftermarket/Special Applications on the other continues to produce a negative mix effect.

Distribution expenses, mainly relevant in the Aftermarket and comprising of fixed and volume-related components, rose at a lower rate due to a weak Aftermarket business.

In relation to sales, distribution expenses declined by 0.3 percentage points to 7.9 % in the first nine months. General administrative expenses, with a share of 3.4 %, remained at the level of the prior year, albeit 0.3 percentage points below the full year figure for the 2013/14 fiscal year.

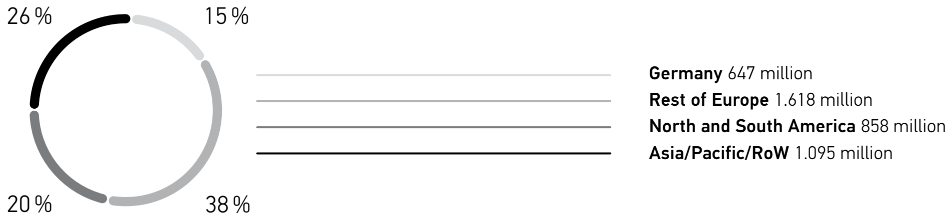
Business in strategic joint ventures and other associates also developed in a sustainably positive manner. Despite start-up costs in new plants, the total comprehensive income contribution rose by EUR 15 million to EUR 47 million and thus contributed approx. 15 % to adjusted EBIT in the reporting period. This illustrates the relevance of a risk-diversified and strategic expansion of the product portfolio and market access as part of the network strategy.

At EUR 30 million, net financing costs remained at the prior year‘s level. On the one hand, HELLA profited from the considerable reduction in market financing costs coupled with its own good creditworthiness, while on the other, earnings opportunities on investments were limited due to the very low interest rate environment. For the most part, net financing costs thus constitute opportunity costs. As part of continued optimization, redeemable borrowed funds of EUR 150 million were repaid early in the third quarter.

At EUR 63 million, the income tax burden fell by EUR 5 million in the first nine months. Corporate tax rates were below the current Group average of around 27%, particularly in the stronger growing regions of Eastern Europe and China.

Net income increased overall by EUR 43 million to EUR 216 million and thus amounted to 5.1 % of sales following 4.4 % in the prior-year period.

REGIONAL MARKET COVERAGE BY END CONSUMERS – NINE MONTHS 2014/2015



AUTOMOTIVE CONTINUES TO REMAIN THE GROWTH DRIVER WITH A 8.3 % INCREASE IN SALES

The Automotive business also benefited in the third quarter from sustained strong demand, the launch of new products and a shift towards products with higher value added. The appreciation of foreign currencies against the Euro also had a favorable influence on sales. Overall, sales in the Automotive segment rose by 8.8 % to EUR 1.1 billion in the third quarter. Sales in the first nine months amounted to EUR 3.4 billion and the growth in sales was 8.3 %. Disregarding intercompany sales with other segments, sales grew by 10 % in the third quarter as well as in the full nine-month period.

Regional positioning in the growth markets of NAFTA and China continued to have a positive influence in the reporting quarter. By contrast, the presence in India and Brazil is very limited; there are no local activities in Russia, so that weakness in these regions had no negative impact on business development. Operating income of the segment rose by EUR 33 million, or 15.1 %, to EUR 255 million. The EBIT margin increased by 0.4 percentage points from 7.1 % in the prior year to 7.5 %.

The sales development of the Aftermarket business segment rose in the third quarter and made up for the weak period in the first half of the year by growing 7 % compared to the same quarter in the prior year. In the nine-month period, sales stagnated at approximately the prior year's level. The slight increase by 0.6 % to EUR 861 million was largely derived from exchange rate effects.

The spare parts business in the independent parts market in Germany continued to remain weak. Above all, major customers used the mild winter and summer months, that are marked by weaker seasonal demand, to optimize inventories. Progressive consolidation among major customers continued to lead to reduced order intake for the independent parts business. The wholesale business in North and Eastern Europe developed positively, along with the workshop business. As a result of weaker business development, the operating margin fell from 7.0 % in the prior year to 5.8 %. The operative result fell by EUR 10 million to EUR 50 million.

The Special Applications segment, which combines business activities with manufacturers of special vehicles and indust-

RESEARCH AND DEVELOPMENT PERFORMANCE

	Nine months 2014/2015	+/-	Nine months 2013/2014
R&D employees	**5,957**	3 %	5,775
Expenses in EUR million			
Automotive	**381.2**	19 %	321.3
Aftermarket & Special Applications	**24.3**	-3 %	25,0
Total	**405.5**	**17 %**	**346.3**
as % of sales	**9.6 %**		8.8 %

HELLA GROUP EQUITY CAPITAL (IN € MILLION; AS AT FEBRUARY 28TH/29TH)

rial lighting, continued to be affected by poor demand in the agricultural sector. Major customers in this sector scaled back their production sharply, among other reasons due to the crisis in Ukraine. The segment's sales fell by 11 % in total to EUR 225 million. As a result, the segment's earnings declined by EUR 6 million to EUR 12 million.

CASH FLOW FROM OPERATING ACTIVITIES REDUCED BY GROWTH AND UP-FRONT EXPENDITURES

Cash flow from operating activities fell significantly in the nine-month period by EUR 88 million to EUR 273 million. This includes payments of EUR 31 million (PY: EUR 11 million) for the partial retirement and redundancy program in Germany. Working capital, consisting of stocks on hand, trade receivables and trade payables, rose further due to the growth in business volume and was a driver of this development. As a result of new launches and project relocations, it was also temporarily higher than the usual seasonal level after nine months.

Net investments, as the net cash flow from the purchase or sale of fixed assets (EUR 323 million; PY: EUR 349 million) and related customer reimbursements (EUR 67 million; PY: EUR 114 million), increased from EUR 235 million to EUR 256 million. The extraordinarily high customer grants of the prior year were again at a normal level in the nine-month period.

Cash flows from investing (excl. acquisitions) and operating activities accordingly amounted to EUR -50 million after EUR +12 million in the prior year. The operating cash flow before restructuring payments and the acquisition of shares and including inflows of funds from joint ventures amounted to EUR -3 million (PY: EUR +26 million). This includes up-front expenditures for the full fiscal year.

A total of EUR 31 million flowed out for the acquisition of shares, while the Group received EUR 21 million from sales of shares.

STRONG FINANCIAL BASIS FOR CONTINUED GROWTH

The liquidity position, comprising cash and cash equivalents and short-term financial assets, declined compared to the beginning of the fiscal year by EUR 149 million to EUR 843 million. Inflows from the capital increase of EUR 272 million offset dividend payments of EUR 59 million and the repayment of a bond amounting to EUR 200 million, issued in 2009 and due in October, along with the early repayment of redeemable borrowed funds amounting to EUR 150 million. Current and non-current loans and borrowings declined by a total of EUR 312 million.

Net financial debt, as the net balance between cash and cash equivalents and short-term financial assets, and current and non-current loans and borrowings, declined in the first nine months by a total of EUR 163 million to EUR 263 million. The ratio of net financial debt to EBITDA for the last twelve months amounted to 0.4 as of the reporting date.

The company rating issued by Moody's remained unchanged, with an investment grade of Baa2 and a stable outlook. The credit opinion was most recently updated by Moody's in February 2015.

NUMBER OF EMPLOYEES IN THE HELLA GROUP (AS AT FEBRUARY 28TH/29TH)

As before, the high liquidity position of almost EUR 850 million continues to lead to a significant increase in total assets; these rose in the third quarter by EUR 247 million to EUR 4.7 billion. The equity ratio amounted to 38 % at the end of the nine-month period. The increase of 8 percentage points compared to the beginning of the fiscal year results from the capital increase. The increase in total assets resulting from the high liquidity position had a considerable effect on the equity ratio. The equity ratio in relation to total assets excluding liquidity amounted to 46 %.

HUMAN RESOURCES

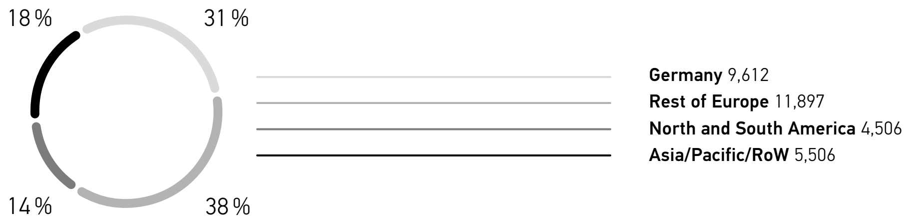
HELLA had 31,521 employees worldwide as of the reporting date of February 28, 2015. The number of employees increased by 4.5 % over the prior year.

Growth was strongest in the region of North and South America (+24.6 %) due to the continued increase in the Automotive business. The number of employees in Germany fell by 3 % owing to staff leaving in conjunction with the voluntary partial retirement and redundancy program that was imposed in 2013.

OVERALL ECONOMIC AND INDUSTRY-SPECIFIC OUTLOOK

The global economy is anticipated to develop positively; growth will nevertheless be restrained in the coming quarters. The International Monetary Fund (IMF) lowered its forecasts for the global economy in January by 0.3 percentage points compared to its expectations in October. The main reason for this was a re-evaluation of growth prospects for China, Russia, the Eurozone and Japan. The upturn in the USA should continue in 2015, with GDP growing by more than 3 %; this is especially supported by robust domestic demand based on low oil prices combined with the declining level of indebtedness of private households. Despite lower growth rates, it is assumed that economic growth in China will be approx. 6.8 %. The rate of expansion of the Eurozone will remain low despite low oil prices and the depreciation of the Euro. The IMF expects GDP to grow by 1.2 %; growth is held back by a continued lack of investment, which companies are postponing due to expectations of weaker exports to emerging markets and weakness in the domestic economies of the EU. The German economy is anticipated to grow by 1.3 % in 2015. The outlook for emerging market commodity exporters has

NUMBER OR EMPLOYEES IN THE HELLA GROUP BY REGIONS (AS AT FEBRUARY 28TH/29TH)



worsened as prices for commodities, in particular for oil, have fallen markedly. Slower growth of the Chinese economy, together with the considerably weakened outlook for Russia, could also have negative effects on other emerging markets in the Asia/Pacific region. Global macro-economic development is also negatively affected by major geopolitical risks, such as Ukraine, Russia or Syria. This results in high levels of uncertainty for all market participants.

According to information from the German Automotive Industry Association [VDA], international automobile markets are anticipated to grow in 2015 by around 2 % to 76.4 million units. China and the USA will continue to remain the drivers of growth. China is anticipated to report approximately 19 million new vehicle registrations, while sales of light vehicles on the US market should grow by 2 % to 16.7 million in 2015, supported by low commodity prices. This means that the forecast made at the beginning of December will be exceeded once again. German vehicle manufacturers, with a market share of 12.4 % on the US automobile market, should also benefit from this. In Germany, new car registrations are expected to rise by approx. 1 % to 3 million new vehicle registrations in 2015. Slight growth of some 2 % to 12.2 million new registrations is also expected for Western Europe; nevertheless the heterogeneous development of individual markets is expected to continue.

COMPANY-SPECIFIC OUTLOOK

Based on the described business environment and forecasts, we assume that the business activities of the HELLA Group will continue to develop positively in fiscal year 2014/2015, provided serious economic setbacks due, for instance, to a renewed slide into recession in the Eurozone or a Euro crisis, as well as economic effects arising from political crises, for instance in Eastern Europe, the Middle East or East Asia do not materialize.

Subject to these conditions, we are aiming for corresponding growth in sales and adjusted EBIT (based on operating profit prior to restructuring expenses) in the middle-to-high single-digit percentage range for the current fiscal year 2014/2015. Foreign currency changes result in an increase in sales growth, nevertheless the impact on profit is limited due to active risk management and corresponding currency hedging. The intended increase in sales and profit is based on the positive development of the Automotive business. Aftermarket sales will probably stagnate due to a weak market environment, particularly in the Independent Aftermarket (IAM) in Germany. Special Applications sales will decline due to persisting weakness in demand in the agricultural market. Profit for the Aftermarket and Special Applications segments is thus anticipated to be below the prior year‘s level.

OTHER EVENTS DURING THE FISCAL YEAR

Changes in HELLA's Supervisory Board

A new Supervisory Board was constituted and took up its work on October 27, 2014. Prof. Dr. Michael Hoffmann-Becking was once more elected Chairman of the Supervisory Board. Six women and ten men belong to this decision-making body. HELLA thus already meets the 30 % quota for women recently targeted by the German federal government in a draft law that is to due to enter into force in 2016. Prior to this, the annual general meeting of HELLA KGaA Hueck & Co. elected the eight shareholder representatives. The eight employee representatives were elected on September 9, 2014. The period of office of the previous Supervisory Board expired at the end of the annual general meeting on September 26, 2014. The new period of office will expire at the end of the annual general meeting in 2019.

Changes in HELLA's Executive Board

On January 1, 2015, Markus Bannert, a member of the Executive Board of HELLA KGaA Hueck & Co, succeeded Dr. Rolf Breidenbach, the Chairman of the Executive Board, as head of the Lighting business division in the Automotive segment.

Acquisition of the remaining 6.25 % interest in the diagnostics specialist, Hella Gutmann

In June 2014, the 6.25 % interest in the diagnostics specialist, Hella Gutmann, held until then by the founding shareholder, was taken over. Following its integration, which is already successfully completed, the group now belongs wholly to the HELLA Group.

Start of the joint venture with BAIC Automotive Group

Following the responsible authorities' approval for the joint venture, Beijing Hella BHAP Automotive Lighting Co., Ltd., agreed with the BAIC Automotive Group already in March 2014, the new company took up business activities in November 2014 in Peking. The joint venture further strengthens the lighting business in China.

Sale of 24.5 % of shares in the Chinese lighting joint venture Beijing Samlip Automotive Lighting Ltd. to the strategic partner, BAIC Automotive Group

As part of the expansion of the strategic partnership, 24.5 % of shares in the lighting joint venture Beijing Samlip Automotive Lighting Ltd., which HELLA had previously managed jointly with its Korean partner, SL Corp., were sold to BAIC Automotive Group in January 2015. HELLA retained 24.5 % of the shares.

Acquisition of a further 7.94 % of shares in the leading Danish automotive parts wholesaler, FTZ

In January, a further 7.94 % of shares in the leading Danish automotive parts wholesaler, FTZ, were acquired. HELLA's holding thus increased to 78.99 %.

Ongoing investigation

As already reported in the 2013/2014 year-end financial statements, the European and US cartel authorities simultaneously instituted anti-trust investigations into HELLA and other companies in the motor vehicle lighting sector in July 2012. There were no new findings during the reporting period. The outcome of the investigations is therefore still not foreseeable. Provisions have thus not been made for this matter.

CONDENSED INTERIM FINANCIAL STATEMENTS
CONSOLIDATED INCOME STATEMENT

of HELLA KGaA Hueck & Co.; June 1 to February 28 in each case
(unaudited)

KEUR	**2014/2015**	2013/2014
Sales	**4,218,235**	3,944,402
Cost of sales	**-3,078,624**	-2,887,769
Gross profit	**1,139,611**	**1,056,633**
Research and development expenses	**-405,526**	-346,291
Distribution expenses	**-334,258**	-323,883
Administrative expenses	**-141,720**	-133,573
Other income and expenses	**3,879**	-12,674
Share of profit of equity-accounted investees	**47,145**	31,859
Other income from investments	**207**	-620
Operating result (EBIT)	**309,338**	**271,453**
Financial income	**12,093**	12,729
Financial expenses	**-42,469**	-43,120
Net financial result	**-30,376**	**-30,391**
Earnings before taxes (EBT)	**278,962**	**241,062**
Income tax expense	**-62,591**	-67,497
Earnings for the period	**216,371**	**173,564**
Of which attributable to:		
Owners of the Parent Company	**210,764**	169,070
Non-controlling interests	**5,607**	4,494
Undiluted earnings per ordinary share in EUR	**2.01**	1.69
Diluted earnings per ordinary share in EUR	**2.01**	1.69

Please refer for further information to Notes 4, 5 and 6.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (AFTER TAX)

of HELLA KGaA Hueck & Co.; June 1 to February 28 in each case
(unaudited)

KEUR	**2014/2015**	2013/2014
Earnings for the period	**216,371**	**173,564**
Foreign currency translation differences	**99,706**	-57,579
Financial instruments on cash flow hedges	**-28,391**	8,251
Changes recognized in equity	**-28,403**	139
Gains/losses transferred to the income statement	**31**	8,113
Changes in the fair value of financial instruments held for sale	**9,344**	1,250
Changes recognized in equity	**9,313**	617
Gains/losses transferred to the income statement	**32**	633
Share of other comprehensive income attributable to associates and joint ventures	**13,736**	-4,050
Items transferred to or that can be transferred to profit or loss	**80,659**	**-48,077**
Actuarial Gains and Losses	**-53,174**	-546
Share of other comprehensive income attributable to associates and joint ventures	**16**	29
Items that can never be transferred to profit or loss	**-53,174**	**-546**
Other comprehensive income for the period	**27,485**	**-48,623**
Total income for the period	**243,856**	**124,941**
Of which attributable to:		
Owners of the Parent Company	**238,009**	120,637
Non-controlling interests	**5,847**	4,304

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

of HELLA KGaA Hueck & Co.
(unaudited)

KEUR	**Feb 28, 2015**	May 31, 2014	Feb 28, 2014
Cash and cash equivalents	**448,002**	637,226	404,910
Financial assets	**395,234**	354,982	210,026
Trade receivables	**818,228**	692,097	697,437
Other receivables and non-financial assets	**131,269**	117,630	119,306
Inventories	**665,501**	577,923	597,034
Current tax assets	**38,485**	26,537	24,470
Non-current assets held for sale	**5,917**	5,942	5,899
Current assets	**2,502,636**	**2,412,337**	**2,059,082**
Intangible assets	**208,171**	189,928	178,342
Property, plant and equipment	**1,503,474**	1,429,608	1,298,532
Financial assets	**16,403**	19,677	24,231
Equity-accounted investees	**268,456**	239,516	234,544
Deferred tax assets	**166,620**	126,523	120,472
Other non-current assets	**39,439**	40,948	37,049
Non-current assets	**2,202,563**	**2,046,200**	**1,893,170**
Assets	**4,705,199**	**4,458,537**	**3,952,252**
Financial liabilities	**72,977**	296,412	263,949
Trade payables	**646,856**	573,533	459,075
Current tax liabilities	**42,193**	45,943	41,597
Other liabilities	**364,845**	420,940	479,952
Provisions	**71,892**	108,733	85,349
Current liabilities	**1,198,763**	**1,445,561**	**1,329,923**
Financial liabilities	**1,033,149**	1,121,252	821,378
Deferred tax liabilities	**69,801**	69,006	70,707
Other liabilities	**265,823**	219,091	188,244
Provisions	**353,136**	261,566	265,024
Non-current liabilities	**1,721,909**	**1,670,915**	**1,345,352**
Issued capital	**222,222**	200,000	200,000
Reserves and retained earnings	**1,535,993**	1,112,182	1,049,078
Equity attributable to owners of the company	**1,758,215**	1,312,182	1,249,078
Non-controlling interests	**26,312**	29,879	27,899
Equity	**1,784,527**	**1,342,061**	**1,276,977**
Equity and liabilities	**4,705,199**	**4,458,537**	**3,952,252**

CONSOLIDATED STATEMENT OF CASH FLOWS

of HELLA KGaA Hueck & Co.; June 1 to February 28 in each case
(unaudited)

	KEUR	2014/2015	2013/2014
	Earnings before taxes	**278,962**	**241,062**
+	Amortization and depreciation	**240,705**	228,168
+/-	Change in provisions	**-29,610**	15,223
+	Payments received for serial production	**66,564**	114,196
-	Non-cash sales received in prior periods	**-65,214**	-58,511
+/-	Other non-cash income/expenses	**-23,303**	-92,062
+/-	Losses/Gains on disposal of fixed assets	**344**	1,452
+/-	Net financial result	**30,376**	30,391
+/-	Change in trade receivables and other assets not attributable to investing or financing activities	**-90,658**	-51,465
+/-	Decrease/increase in inventories	**-62,490**	-42,946
+/-	Change in trade payables and other liabilities not attributable to investing or financing activities	**20,745**	18,540
+	Interest received	**9,618**	7,743
-	Interest paid	**-48,722**	-35,736
+	Tax refunds received	**1,803**	13,570
-	Taxes paid	**-79,444**	-50,341
+	Dividends received	**23,649**	21,795
=	**Net cash flow from operating activities**	**273,325**	**361,079**
+	Proceeds from sales of property, plant and equipment and intangible assets	**24,800**	10,717
-	Payments made for the purchase of property, plant and equipment and intangible assets	**-347,765**	-359,937
-	Payments made for the acquisition of shares in affiliated companies	**-14,786**	-3,218
-	Payments made for the purchase of remaining shares in companies that were previously associates	**-405**	0
-	Payments made for capital injection into associates	**-16,364**	-640
-	Payments for loans granted	**0**	-5,002
+	payments received from selling shares of associated companies	**21,456**	0
+	Proceeds from capital reduction in equity-accounted investees	**13,200**	0
=	**Net cash flow from investing activities**	**-319,865**	**-358,080**
-	Payments made for the repayment of loans and borrowings	**-251,975**	-4,301
+	Proceeds from taking up loans and borrowings	**117,356**	11,824
-	Payments made for the purchase of securities	**-31,803**	0
-	Dividends paid	**-59,060**	-54,979
-	Payments for the repayment of a bond	**-200,002**	0
+	Proceeds from the issuance of shares	**272,456**	0
=	**Net cash flow from financing activities**	**-153,028**	**-47,456**
=	**Net change in cash and cash equivalents**	**-199,567**	**-44,457**
+	Cash and cash equivalents at June 1	**637,226**	456,098
+/-	Impact of changes in exchange rates on cash and cash equivalents	**10,343**	-6,731
=	**Cash and cash equivalents as of February 28**	**448,002**	**404,910**

Please refer for further information to Notes 4 and 8.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

of HELLA KGaA Hueck & Co.; June 1 to February 28 in each case
(unaudited)

KEUR	Share capital	Additional paid-in capital	Translation reserve	Reserve for financial instruments for hedges of cash flows
Balance as of May 31, 2013	**200,000**	**0**	**10,106**	**-68,747**
Earnings for the period	0	0	0	0
Other comprehensive income for the period	0	0	-57,388	8,251
Total earnings for the period	**0**	**0**	**-57,388**	**8,251**
Dividends paid to owners	0	0	0	0
Transactions with owners	**0**	**0**	**0**	**0**
Balance as of February 28, 2014	**200,000**	**0**	**-47,282**	**-60,496**
Balance as of May 31, 2014	**200,000**	**0**	**-33,397**	**-63,838**
Earnings for the period	0	0	0	0
Other comprehensive income for the period	0	0	99,375	-28,300
Total earnings for the period	**0**	**0**	**99,375**	**-28,300**
Capital increase for contributions in cash	22,222	255,556	0	0
Issuance costs	0	-5,322	0	0
Dividends paid to owners	0	0	0	0
Changes to ownership interests in subsidiaries	0	0	5	0
Transactions with owners	**22,222**	**250,234**	**5**	**0**
Balance as of February 28, 2015	**222,222**	**250,234**	**65,983**	**-92,138**

Please refer for further information to Note 10.

Reserve for financial instruments held for sale	Actuarial gains and losses	Other retained earnings/profit carried forward	**Total**	Non-controlling interests	**Total equity**
4,026	**-47,302**	**1,080,858**	**1,178,941**	**28,250**	**1,207,191**
0	0	169,070	**169,070**	4,494	**173,564**
1,250	-546	0	**-48,433**	-190	**-48,623**
1,250	**-546**	**169,070**	**120,637**	**4,304**	**124,941**
0	0	-50,500	**-50,500**	-4,655	**-55,155**
0	**0**	**-50,500**	**-50,500**	**-4,655**	**-55,155**
5,276	**-47,848**	**1,199,428**	**1,249,078**	**27,899**	**1,276,977**
4,447	**-48,276**	**1,253,246**	**1,312,182**	**29,879**	**1,342,061**
0	0	210,764	**210,764**	5,607	**216,371**
9,344	-53,174	0	**27,245**	240	**27,485**
9,344	**-53,174**	**210,764**	**238,009**	**5,847**	**243,856**
0	0	0	**277,778**	0	**277,778**
0	0	0	**-5,322**	0	**-5,322**
0	0	-55,500	**-55,500**	-3,560	**-59,060**
0	0	-8,937	**-8,932**	-5,854	**-14,786**
0	**0**	**-64,437**	**208,024**	**-9,414**	**198,610**
13,791	**-101,450**	**1,399,573**	**1,758,215**	**26,312**	**1,784,527**

NOTES

1. BASIC INFORMATION

HELLA KGaA Hueck & Co. („HELLA KGaA") and its subsidiaries (referred to collectively as "the Group") develop and manufacture lighting technology and electronic components and systems for the automotive industry. The key financial indicators for the Automotive, Aftermarket and Special Applications segments are determined and presented in the HELLA Group. The Group's production and manufacturing sites are located across the globe; the main sales markets are Europe, North America and Asia, and there primarily in Korea and China. In addition, HELLA sells a broad portfolio of spare parts and vehicle accessories to wholesalers and retailers via its own international distribution network.

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

This interim financial report has been prepared in accordance with the International Financial Reporting Standards (IFRS) applicable and adopted by the European Union as of February 28, 2015, as a condensed interim financial report. The interim financial report has been prepared in accordance with IAS 34, Interim Financial Reporting. In addition, the interim financial report has been supplemented by an interim management report. The comparative figures for the prior year were determined in accordance with the same principles.

The interim financial statements have been prepared in euros (EUR). Amounts are presented in thousands of EUR (KEUR). The income statement is drawn up in accordance with the cost of sales format. The statement of financial position is classified in accordance with the maturities.

Amounts presented under the current assets and current liabilities are generally due within twelve months. Accordingly, non-current items generally have a maturity of more than twelve months. In order to improve the clarity of the presentation, items in the statement of financial position and the income statement have been combined, as far as this is appropriate and possible. We wish to point out that the use of rounded amounts and percentages in the report can result in differences due to commercial rounding.

2. SCOPE OF CONSOLIDATION

In addition to HELLA KGaA Hueck & Co., the group of consolidated companies includes all significant domestic and foreign subsidiaries that are indirectly or directly controlled by HELLA. Significant associates are included in the consolidated financial statements in accordance with the equity method.

Number	Feb 28, 2015	May 31, 2014	Feb 28, 2014
Fully-consolidated entities	**102**	102	102
Entities accounted for at equity	**49**	48	48

3. ACQUISITION OF SUBSIDIARIES

On October 7, 2014, the Group acquired an additional 50 % share in Hella Nussbaum Solutions GmbH, which had previously been included as an associate, and therefore took over control of the company. The share was increased from 50 % to 100 % for a purchase price of KEUR 650.

The determination of the fair values is provisional on account of the non-completeness of the information.

The fair values of the acquired identifiable assets and the liabilities assumed at the time of the business combination are as follows:

KEUR	**Fair value**
Intangible assets	1,844
Property, plant & equipment	58
Inventories	449
Trade receivables	400
Cash and cash equivalents	245
Other assets	38
Loans and borrowings	-2,871
Trade payables	-584
Provisions	-311
Net debt as of acquisition date	**-732**

The acquisition resulted in the following goodwill:

KEUR	**Fair value**
Transferred consideration	650
Fair value of the net debt	732
Goodwill	**1,382**

The goodwill that has arisen has to be allocated in the amount of KEUR 1,382 to the Aftermarket segment and the unrecognized assets.

Trade receivables include write-downs on account of specific allowances of KEUR 25 for non-recoverable receivables. The share of the acquired subsidiary in consolidated sales amounts to KEUR 157 and its share of EBT after consolidation to KEUR -277.

If the acquisition had taken place at the beginning of the financial year, Hella Nussbaum Solutions would be reporting sales of KEUR 1,397 and EBIT of KEUR -697 as of November 30, 2014.

4. ACCOUNTING POLICIES

As a rule, the accounting policies applied in the interim financial report are identical to those applied in the consolidated financial statements as of May 31, 2014. These policies are explained in detail in the consolidated financial statements as of May 31, 2014.

The presentation of the financial income and financial expenses has been adjusted in the accompanying half-yearly report. As a result, additional explanatory note disclosures can be waived in the future without losing relevant information.

The interest income that was reported separately in the prior year is reported together with the other financial income and the interest expense that was reported separately in the previous year is reported together with the other financial expenses. There is no change in the earnings before taxes, while EBIT no longer includes any financing expenses or income following this adjustment.

The quantitative impacts are presented in the following tables.

Furthermore, the Group is reporting the expense for the voluntary partial retirement and redundancy program that was initiated in June 2013 in the accompanying half-yearly financial statements as in the consolidated financial statements as of May 31, 2014, under other operating expenses outside the function areas and without allocating them to a reporting segment. In the quarterly report as of February 28, 2014, these expenses were reported in the administrative expenses for the segments. The following tables summarize the impact on the comparative period:

KEUR	as reported 2013/2014	Reclassification financial items	Reclassification redundancy program	restated 2013/2014
Sales	3,944,402	0	0	3,944,402
Cost of sales	-2,887,769	0	0	-2,887,769
Gross profit	**1,056,633**	**0**	**0**	**1,056,633**
Research and development costs	-346,291	0	0	-346,291
Distribution expenses	-323,883	0	0	-323,883
Administrative expenses	-162,073	0	28,500	-133,573
Other income and expenses	15,826	0	-28,500	-12,674
Share of profit of equity-accounted investees	31,859	0	0	31,859
Other income from investments	-620	0	0	-620
Proceeds from issue of securities, and from loans and borrowings	4,868	-4,868	0	0
Other financial result	-12,193	12,193	0	0
Operating result (EBIT)	**264,128**	**7,325**	**0**	**271,453**
Interest income	7,861	-7,861	0	0
Interest expenses	-30,927	30,927	0	0
Interest income (loss)	**-23,066**	**23,066**	**0**	**0**
Financial income		12,729	0	12,729
Financial expenses		-43,120	0	-43,120
Net financial result		**-30,391**	**0**	**-30,391**
Earnings before taxes (EBT)	**241,062**	**0**	**0**	**241,062**
Income tax expense	-67,497	0	0	-67,497
Earnings for the period	**173,564**	**0**	**0**	**173,564**
Of which attributable to:				
Owners of the Parent Company	169,070	0	0	169,070
Non-controlling interests	4,494	0	0	4,494

	KEUR	as reported 2013/2014	Reclassification financial items	Reclassification redundancy program	restated 2013/2014
	Earnings before taxes	**241,062**	**0**	**0**	**241,062**
+	Amortization and depreciation	228,168	0	0	228,168
+/-	Change in provisions	15,223	0	0	15,223
+	Payments received for serial production	114,196	0	0	114,196
-	Non-cash sales received in prior periods	-58,511	0	0	-58,511
+/-	Other non-cash income/expenses	-84,738	-7,325	0	-92,062
+/-	Losses/Gains on disposal of fixed assets	1,452	0	0	1,452
+/-	Interest income (loss)	23,066	-23,066	0	0
+/-	Net financial result	0	30,391	0	30,391
+/-	Change in trade receivables and other assets not attributable to investing or financing activities	-51,465	0	0	-51,465
+/-	Decrease/increase in inventories	-42,946	0	0	-42,946
+/-	Change in trade payables and other liabilities not attributable to investing or financing activities	18,540	0	0	18,540
+	Interest received	7,743	0	0	7,743
-	Interest paid	-35,736	0	0	-35,736
+	Tax refunds received	13,570	0	0	13,570
-	Taxes paid	-50,341	0	0	-50,341
+	Dividends received	21,795	0	0	21,795
=	**Net cash flow from operating activities**	**361,080**	**0**	**0**	**361,080**
+	Proceeds from sale of property, plant and equipment and intangible assets	10,717	0	0	10,717
-	Payments made for the purchase of property, plant and equipment and intangible assets	-359,937	0	0	-359,937
-	Payments made for the acquisition of shares in affiliated companies	-3,218	0	0	-3,218
-	Payments for the purchase of remaining shares in companies that were previously associates	0	0	0	0
-	Payments made for capital injection into associates	-640	0	0	-640
+	Payments for loans granted	-5,002	0	0	-5,002
+	Proceeds from capital reduction in equity-accounted investees	0	0	0	0
=	**Net cash flow from investing activities**	**-358,080**	**0**	**0**	**-358,080**
-	Payments made for the repayment of loans and borrowings	-4,301	0	0	-4,301
+	Proceeds from taking up loans and borrowings	11,824	0	0	11,824
-	Payments made for the purchase of securities	0	0	0	0
-	Dividends paid	-54,979	0	0	-54,979
-	Payments for the repayment of a bond	0	0	0	0
+	Proceeds from the issuance of shares	0	0	0	0
=	**Net cash flow from financing activities**	**-47,456**	**0**	**0**	**-47,456**
=	**Net change in cash and cash equivalents**	**-44,457**	**0**	**0**	**-44,457**
+	Cash and cash equivalents at June 1	456,098	0	0	456,098
+/-	Impact of changes in exchange rates on cash and cash equivalents	-6,731	0	0	-6,731
=	**Cash and cash equivalents at February 28**	**404,910**	**0**	**0**	**404,910**

Since the accompanying interim financial statements do not include all of the information presented in the consolidated financial statements, these financial statements shall be considered in the context of the previous consolidated financial statements. In the company's opinion, the financial statements include all the adjustments necessary for a fair presentation of the financial position and financial performance for the interim period.

5. SALES

Sales in the first nine months of the 2014/2015 financial year amounted to KEUR 4,218,235 (PY: KEUR 3,944,402). Sales result entirely from the sale of goods and services.

Sales break down as follows:

KEUR	**2014/2015**	2013/2014
Sales of goods	**4,111,092**	3,841,720
Sales of services	**107,143**	102,682
Total sales	**4,218,235**	**3,944,402**

Further information on sales can be found in Note 7 segment reporting.

6. EARNINGS PER SHARE

The undiluted earnings per share are determined by dividing the share of profit attributable to the owners of HELLA KGaA Hueck & Co. by the weighted average number of issued shares.

The number of shares in circulation in the prior year was increased by means of a share split carried out in October 2014 from the 50 million no-par value shares previously reported to 100 million no-par value shares. Equity did not change.

During the reporting period from June 1 to February 28, 2015, the number of shares in circulation went up due to a capital increase on November 7, 2014, by 11,111,112 shares to 111,111,112 shares.

Accordingly, the period from June 1 to November 6, 2014, with 100,000,000 no-par value shares, and the period since November 7, 2014, with 111,111,112 shares (calculation based on the exact number of days), are included in the weighting for 2014/2015.

The undiluted earnings per share amount to EUR 2.01 and correspond with diluted earnings.

Number	**2014/2015**	2013/2014
Weighted average number of shares in circulation during the period		
Undiluted ordinary shares	**104,639,805**	100,000,000
Diluted ordinary shares	**104,639,805**	100,000,000

KEUR	**2014/2015**	2013/2014
Earnings attributable to owners of the company	**210,764**	169,070

EUR	**2014/2015**	2013/2014
Undiluted earnings per ordinary share in EUR	**2.01**	1.69
Diluted earnings per share	**2.01**	1.69

7. SEGMENT REPORTING

The Lighting and Electronics business divisions are reported combined in the Automotive segment. Both business divisions serve worldwide a homogeneous customer spectrum. As a consequence, both divisions are largely subject to the same economic cycles and market developments, and the life cycles of individual products are also comparable. The original equipment provides automobile manufacturers and tier-1 suppliers worldwide with lighting and electronic components via a uniform distribution structure. The product portfolio of the Lighting business division comprises headlamps, signal lamps, interior lamps and lighting electronics. The Electronics business division concentrates on the body electronics, energy management, driver assistance systems and components (e.g. sensors and actuators) product areas. The Automotive segment not only develops, produces and distributes vehicle-specific solutions but also develops technological innovations and brings them to market maturity.

The Aftermarket business segment is engaged in trading with automotive parts and accessories, the wholesale business and trading with workshop equipment. The trading product portfolio comprises service parts in the lighting, electric, electronics and thermal management segments. In addition, the automotive parts and accessories business and the garages receive sales support from a modern and rapid information and ordering system and competent technical service.

The Special Applications segment comprises the Special OE and Industries divisions. This includes both original equipment for special vehicles such as buses, caravans, agricultural and construction machines, municipal vehicles and trailers, as well as applications entirely independent of motor vehicles such as lighting technology in public sector or industrial infrastructure.

The segment information for the first nine months of the 2014/2015 and 2013/2014 financial years is as follows:

	Automotive	
KEUR	**2014/2015**	2013/2014
Sales	**3,177,364**	2,888,657
Intersegment sales	**203,748**	234,275
Cost of sales	**-2,606,088**	-2,443,691
Gross profit	**775,024**	**679,240**
Research and development expenses	**-381,218**	-321,263
Distribution expenses	**-73,109**	-64,962
Administrative expenses	**-111,773**	-104,118
Other income and expenses	**3,066**	4,217
Share of profit of equity-accounted investees	**42,958**	28,481
Operating result (EBIT)	**254,947**	**221,595**
Additions to non-current assets	**250,776**	241,236

Reconciliation of sales:

KEUR	**2014/2015**	2013/2014
Total sales of the reporting segments	**4,467,026**	**4,230,790**
Elimination of intra-group sales	**-248,791**	-286,388
Group sales	**4,218,235**	**3,944,402**

Aftermarket		Special Applications	
2014/2015	2013/2014	**2014/2015**	2013/2014
817,464	806,438	**223,407**	249,304
43,326	49,624	**1,717**	2,492
-575,810	-567,965	**-145,518**	-162,485
284,981	**288,097**	**79,607**	**89,311**
-11,899	-11,155	**-12,409**	-13,873
-215,472	-211,559	**-45,677**	-47,362
-18,931	-19,000	**-11,015**	-10,470
7,238	10,355	**1,945**	1,254
4,187	3,379	**0**	0
50,104	**60,117**	**12,450**	**18,860**
24,100	26,723	**284**	661

Reconciliation of the segment earnings to the consolidated earning of the period:

KEUR	**2014/2015**	2013/2014
EBIT of the reporting segments	**317,501**	**300,572**
EBIT of other areas	**208**	-619
Unallocated earnings	**-8,371**	-28,500
Net financial result	**-30,376**	-30,391
Group EBT	**278,962**	**241,062**

The non-allocated earnings comprise the expenses for the voluntary redundancy and partial retirement program.

8. NOTES TO THE STATEMENT OF CASH FLOWS

As was the case as of May 31, 2014, the cash funds comprise entirely cash and cash equivalents.

9. REPORTING ON FINANCIAL INSTRUMENTS

General information on financial instruments
The carrying amounts and fair values by classes of financial instruments and the carrying amounts by IAS 39 measurement categories as of February 28, 2015, and May 31, 2014, are as follows.

KEUR

	Category under IAS 39	**Carrying amount Feb 28, 2015**	**Fair value Feb 28, 2015**	Carrying amount May 31, 2014	Fair value May 31, 2014
Cash and cash equivalents	LaR	**448,002**	**448,002**	637,226	637,226
Trade receivables	LaR	**818,228**	**818,228**	692,097	692,097
Loans	LaR	**5,860**	**5,860**	5,867	5,867
Other financial assets					
Derivatives used for hedging	n.a.	**8,356**	**8,356**	3,028	3,028
Derivatives not used for hedging	HfT	**4,859**	**4,859**	1,761	1,761
Available-for-sale financial assets	AfS	**388,484**	**388,484**	287,445	287,445
Other receivables with a financing character	LaR	**13,384**	**13,384**	87,620	87,620
Financial assets (current)		**1,687,173**	**1,687,173**	**1,715,044**	**1,715,044**
Trade receivables	LaR	**33,972**	**33,972**	34,200	35,173
Loans	LaR	**4,529**	**4,808**	8,115	8,387
Other financial assets					
Available-for-sale financial assets	AfS	**11,244**	**11,244**	11,067	11,067
Other receivables with a financing character	LaR	**20**	20	16	16
Financial assets (non-current)		**49,765**	**50,044**	**53,398**	**54,643**
Financial assets		**1,736,938**	**1,737,217**	**1,768,442**	**1,769,686**
Loans and borrowings	FLAC	**69,414**	**69,414**	296,004	296,004
Trade payables	FLAC	**646,856**	**646,856**	573,533	573,533
Other financial liabilities					
Derivatives used for hedging	n.a.	**4,510**	**4,510**	3,199	3,199
Derivatives not used for hedging	HfT	**1,252**	**1,252**	888	888
Finance lease liabilities	n.a.	**3,563**	**3,563**	408	408
Other loans and borrowings	FLAC	**67,788**	**67,788**	118,741	118,741
Financial liabilities (current)		**793,383**	**793,383**	**992,772**	**992,772**
Loans and borrowings	FLAC	**1,031,968**	**1,037,230**	1,113,528	1,136,581
Other financial liabilities					
Derivatives used for hedging	n.a.	**128,566**	**128,566**	91,190	91,190
Derivatives not used for hedging	HfT	**25,166**	**25,166**	17,850	17,850
Finance lease liabilities	n.a.	**1,181**	**1,181**	7,724	7,724
Other loans and borrowings	FLAC	**320**	**320**	316	316
Financial liabilities (non-current)		**1,187,201**	**1,192,463**	**1,230,608**	**1,253,661**
Financial liabilities		**1,980,584**	**1,985,846**	**2,223,380**	**2,246,433**
of which aggregated under IAS 39 measurement catagories					
Financial assets HfT		**4,859**	**4,859**	1,761	1,761
LaR		**1,323,995**	**1,324,273**	1,465,141	1,466,386
AfS		**399,728**	**399,728**	298,512	298,512
Financial liabilities HfT		**26,418**	**26,418**	18,738	18,738
FLAC		**1,816,346**	**1,821,608**	2,102,122	2,125,175
Financial assets – derivatives used for hedging		**8,356**	**8,356**	3,028	3,028
Financial liabilities – derivatives used for hedging		**133,076**	**133,076**	94,389	94,389

Financial assets and liabilities that are measured at fair values are classified in the following measurement hierarchies:

Classification as of February 28, 2015

KEUR	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Available-for-sale financial assets	388,484	0	0	388,484
Derivatives used for hedging	0	8,356	0	8,356
Derivatives not used for hedging	0	4,859	0	4,859
Total	**388,484**	**13,215**	**0**	**401,699**
Financial liabilities measured at fair value				
Derivatives used for hedging	0	133,075	0	133,075
Derivatives not used for hedging	0	26,417	0	26,417
Total	**0**	**159,492**	**0**	**159,492**

Classification as of May 31, 2014

KEUR	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Available-for-sale financial assets	287,445	0	0	287,445
Derivatives used for hedging	0	3,028	0	3,028
Derivatives not used for hedging	0	1,761	0	1,761
Total	**287,445**	**4,789**	**0**	**292,234**
Financial liabilities measured at fair value				
Derivatives used for hedging	0	94,389	0	94,389
Derivatives not used for hedging	0	18,738	0	18,738
Total	**0**	**113,127**	**0**	**113,127**

Level 1: Market value calculated on the basis of quoted, unadjusted prices in active markets

Level 2: Market value calculated on the basis of criteria for assets and financial liabilities that can be derived either directly or indirectly from prices in active markets.

Level 3: Market value calculated on the basis of criteria not derived from active markets.

There were no reclassifications between the levels.

Because of the short residual terms and their recognition at market values, the carrying amounts of the current financial instruments correspond with their market values as of the reporting date.

On account of the mainly variable interest rates, the carrying amounts of the non-current financial liabilities also very largely correspond with the market values. Non-current financial instruments on the assets side primarily comprise other investments and loans. No fair values could be determined for these equity interests measured at cost because stock market or market values were not available.

10. EQUITY

On the liabilities side, the share capital is reported at its nominal value under “share capital”. The share capital amounts to KEUR 222,222. The no-par value shares are bearer shares. All issued shares are fully paid up.

The shareholders’ meeting held on October 10, 2014 resolved a share split. Thereby, one no-par value bearer share was replaced by two no-par value bearer shares. The share capital remained unchanged at KEUR 200,000.

The general meeting of shareholders held on October 31, 2014, resolved to increase the share capital by EUR 22,222,224 in return for contributions in cash by issuing 11,111,112 new shares each with a nominal value of EUR 2. The company’s share capital was increased when the capital increase was entered in the Commercial Register of the Paderborn Municipal Court on November 7, 2014, and now amounts to EUR 222,222,224 and comprises 111,111,112 shares.

A subscription price of EUR 25.00 per no-par value share was agreed. The new shares have been entitled to participate in profits since June 1, 2014.

During the fiscal year 2014/2015, the additional paid-in capital increased by KEUR 250,234 as a result of the capital increase in return for contributions in cash. The increase resulted from the premiums paid by the shareholders; this was compensated by emission costs of KEUR 5,322 incurred directly in connection with the capital increase, for instance for banks, lawyers and auditors.

As of January 15, 2015 7.94 % of the shares in the Danish automobile parts wholesaler FTZ were acquired. The purchase price was EUR 100 million. DKK did not lead to a change in the method of inclusion as FTZ had already been fully consolidated. Following the acquisition, the investment in FTZ is now 78.99 %.

The “other retained earnings/profit carried forward” item includes the other retained earnings of the parent company and the historical earnings of the entities that are included in consolidation, to the extent not distributed. This item also includes the legal reserve of the parent company which is subject to the restrictions on distribution as set forth by the German Stock Corporation Act.

This item furthermore includes the offset of the goodwill and negative goodwill on the capital consolidation of subsidiaries that were consolidated prior to June 1, 2006, and the adjustment recognized directly in equity in the course of the first-time adoption of IFRS. Actuarial gains and losses recognized directly in equity, differences resulting from the translation of the financial statements of foreign subsidiaries not recognized in profit or loss, the impact not recognized in profit or loss of the measurement of derivative financial instruments acquired for hedging purposes and available for sale financial assets are also reported here. A detailed summary of the composition of and changes in the results recognized directly equity is presented in the statement of changes in equity.

The Group’s aim is to maintain a strong equity basis. The Group strives to achieve a balance between a higher return on equity, which would be possible through greater leverage, and the advantages and the security offered by a solid equity position. In the long term, the Group’s intention is not to exceed a ratio of net financial debt to EBITDA of 1.0. The ratio as of February 28, 2015 was 0.4.

11. EVENTS AFTER THE REPORTING DATE

There have been no events or developments since the end of February 2015 that might have resulted in material changes in the presentation or carrying amounts of individual assets or liabilities as of February 28, 2015, or which would have had to be reported.

Lippstadt, March 20, 2015

The Managing Partners of
HELLA KGaA Hueck & Co.

Dr. Jürgen Behrend

HELLA Geschäftsführungsgesellschaft mbH

Dr. Rolf Breidenbach (Chairman)

Carsten Albrecht

Markus Bannert

Jörg Buchheim

Dr. Wolfgang Ollig

Stefan Osterhage

Dr. Matthias Schöllmann

GLOSSARY

Associates	Entities over which the Group exercises a significant influence but does not control.
At equity	Inclusion in the consolidated financial statements in accordance with the equity capital method with the proportional equity capital.
EBIT	Earnings before interest and taxes
EBIT margin	Ratio of EBIT to sales
EBITDA	Earnings before interest, taxes, depreciation and amortization
EBITDA margin	Ratio of EBITDA to sales
EBT	Earnings before tax
Return on equity	The return on equity is calculated as the ratio of net income to capital employed.
R&D	Research and development
Joint Ventures	Joint arrangements under which HELLA, together with other partners, exercises joint control of the joint operation, together with rights to the net assets of the arrangement.
IFRS (International Financial Reporting Standards)	International Financial Reporting Standards for the preparation of financial statements for entities in order to ensure the international comparability of separate and consolidated financial statements
Intersegment sales	Sales realized by one segment with another segment and which are eliminated on consolidation at Group level. KGaA (Kommanditgesellschaft auf Aktien): A KGaA (partnership limited by shares) combines elements of a joint stock corporation with those of a limited partnership.
IMF (International Monetary Fund)	The International Monetary Fund is a special organization of the United Nations to promote international cooperation in currency policy, expand world trade, stabilize exchange rates, approve credit, monitor monetary policy and also to provide technical assistance.

Net financial debt	The net amount of cash and cash equivalents and short-term financial assets on the one hand and current and non-current loans and borrowings on the other.
Net investments	Payments made for the purchase of property, plant and equipment and intangible assets less receipts from the sale of property, plant and equipment, tangible assets and payments received for series production.
Cash flows from operating activities	Cash flows from operating activities after investments, without corporate acquisitions and restructuring measures.
Segment sales	Sales to third parties and other business segments.
SOE, Special OE (Special Original Equipment)	Special Original Equipment at HELLA. In this segment, HELLA systematically taps customer target groups outside original equipment for automobiles, such as manufacturers of caravans, agriculture and construction machinery, and municipalities.
Tier 1 supplier	Supplier of first stage in the value chain to the vehicle manufacturer
VDA (German Automotive Industry Association)	The joint association representing the interests of German automobile manufacturers and component suppliers

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