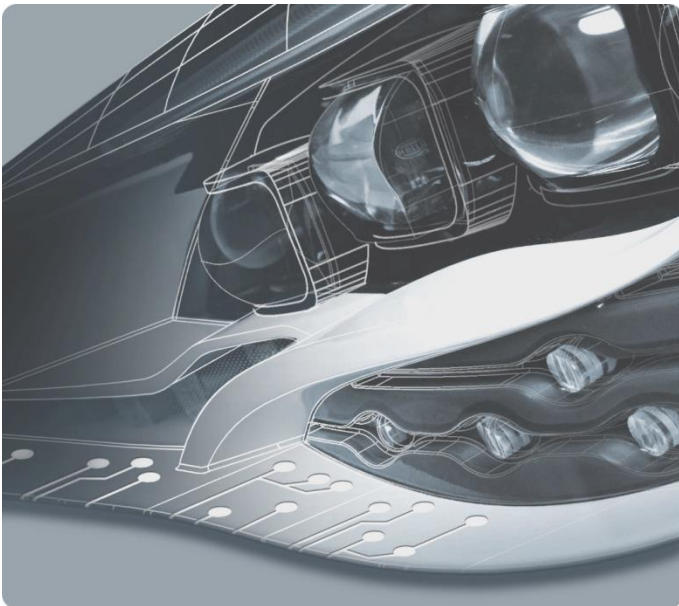




Technology with Vision

HELLA Investor Update

May 2017



Disclaimer

This document was prepared with reasonable care. However, no responsibility can be assumed for the correctness of the provided information. In addition, this document contains summary information only and does not purport to be comprehensive and is not intended to be (and should not be construed as) a basis of any analysis or other evaluation. No representation or warranty (express or implied) is made as to, and no reliance should be placed on, any information, including projections, targets, estimates and opinions contained herein.

This document may contain forward-looking statements and information on the markets in which the HELLA Group is active as well as on the business development of the HELLA Group. These statements are based on various assumptions relating, for example, to the development of the economies of individual countries, and in particular of the automotive industry. Various known and unknown risks, uncertainties and other factors (including those discussed in HELLA's public reports) could lead to material differences between the actual future results, financial situation, development or performance of the HELLA Group and/or relevant markets and the statements and estimates given here. We do not update forward-looking statements and estimates retrospectively. Such statements and estimates are valid on the date of publication and can be superseded.

This document contains an English translation of the accounts of the Company and its subsidiaries. In the event of a discrepancy between the English translation herein and the official German version of such accounts, the official German version is the legal valid and binding version of the accounts and shall prevail.

HELLA Investor Update

Agenda

- HELLA at a glance
- Financial Results 9M FY 2016/17
- Financial Structure
- Outlook
- Summary

Market and technology leadership as key strategic principles

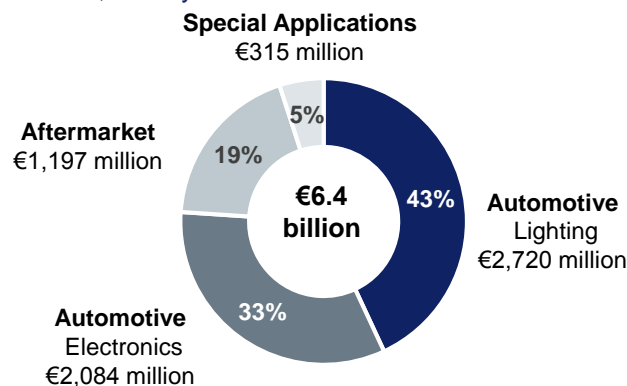
HELLA at a glance – Key Facts

KEY FACTS

- **Founded 1899** in Lippstadt (Germany)
- **Publicly listed since 11/2014** and included in the **MDAX** stock index in **09/2015** with a current **market cap* of 5 bn. EUR**
- **Family controlled**, 60% of shares pooled in an agreement until 2024
- Global footprint with around **34,000 employees** at more than 125 locations in about 35 countries**
- Integrated business portfolio in **Automotive, Aftermarket, and Special Applications**
- **Leading market positions in automotive Lighting and Electronics**
- One of the **top 40 automotive suppliers** in the world and **one of the 100 largest German industrial companies**

SALES BY BUSINESS SEGMENTS

external sales, fiscal year 2015/2016



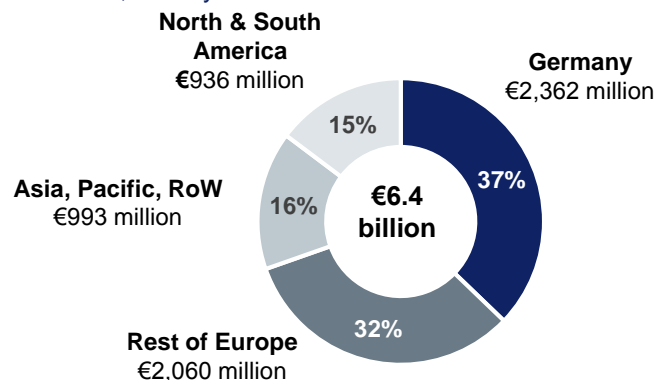
KEY FINANCIALS

in EUR millions and % of sales

	FY 2014/15	FY 2015/16	Change
Sales	5,835	6,352	+8.9%
Adjusted EBIT	445	476	+7.1%
Adjusted EBIT margin	7.6%	7.5%	-0.1% points
Adjusted Operative Cash Flow	120	134	+14

SALES BY REGIONS

external sales, fiscal year 2015/2016



* As of April 27, 2017 ** As of balance sheet date (May 31, 2016)

Resilient business model with three business segments










HELLA at a glance – Business Segments

Business Segments					
Automotive		Aftermarket			Special Applications
Lighting	Electronics	Independent Aftermarket	Wholesale	Garage Equipment	Special Original Equipment
<ul style="list-style-type: none"> • Headlamps • Rear Combination Lamps • Small Lamps • Interior Lighting • Lighting Electronics 	<ul style="list-style-type: none"> • Body Electronics • Energy Management • Driver Assistance Systems • Sensors • Actuators • Electric Power Steering 	<ul style="list-style-type: none"> • Parts - Wear Parts - Spare Parts - Accessories • Tools • Services - Technical Service - Sales Support 	<ul style="list-style-type: none"> • Full Range - Parts - Tools • Workshop Concepts - Services - Information • Local Branch Network • Logistics • E-Commerce 	<ul style="list-style-type: none"> • Vehicle Diagnostic & Vehicle Data • Air Conditioning Service • Lighting Service • Battery Service • Tools 	<ul style="list-style-type: none"> • Original equipment for commercial vehicles with lighting and electronics e.g. - Buses - Caravans - Agricultural vehicles - Construction equipment

- HELLA is organized in three business segments
- The **Automotive** segment comprises the Group's activities in the business divisions Lighting and Electronics. HELLA is also active in the fields of vehicle front ends, air-conditioning systems and vehicle electrical systems which are manufactured at Joint Venture companies
- The **Aftermarket** includes commercial and service activities for independent wholesalers, garages and wholesale activities
- Within **Special Applications**, HELLA provides original equipment for special vehicles

Strong position in upcoming market trends

HELLA at a glance – Selected products

MARKET TRENDS	LIGHTING selected HELLA products	ELECTRONICS selected HELLA products
<p>Efficiency & Electrification</p>  <ul style="list-style-type: none"> ▶ Fuel System and Energy Management technologies for combustion engines, hybrids and electric vehicles ▶ Efficient lighting technologies like LED 	 <p>Matrix-LED Headlight</p>  <p>LED Rear lamp</p>	 <p>48V DC/DC Converter</p>  <p>Cooling Valve Actuator</p>  <p>Battery Management System</p>
<p>Autonomous Driving</p>  <ul style="list-style-type: none"> ▶ Light based assistance systems and optimal illumination ▶ Sensors for detection of the driving environment 	 <p>HD headlamps systems (Advanced Front-Lighting)</p> 	 <p>24 GHz Rear radar</p>  <p>77 GHz Front radar</p>
<p>Connectivity & Digitalization</p>   <ul style="list-style-type: none"> ▶ Optical elements for individual styling with LED or OLED lighting technology ▶ Enhanced personalization and interactions (vehicle to environment) ▶ Individualized and designed parts 	 <p>OLED Rear lamp</p>  <p>LED Styling Headlight</p>  <p>Ambient Interior Lighting</p>	 <p>Design-driven Remote keys</p>  <p>Body Control Modules</p>

Professional Corporate Governance and Leadership

HELLA at a glance – Legal Structure and Governance

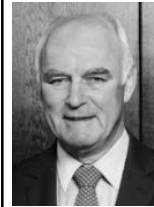
Leadership and Corporate Governance



Dr. Jürgen Behrend, 67
Managing General
Partner
Joined HELLA in 1987



Dr. Rolf Breidenbach, 54
President and CEO
Joined HELLA in 2004



Prof. Dr. Hoffmann Becking, 74
Chairman
Supervisory Board



Manfred Wennemer, 69
Chairman
Shareholders' committee



Bernard Schäferbarthold, 46
CFO
Joined HELLA in 2016



Markus Bannert, 43
Automotive Lighting
Joined HELLA in 1994



Dr. Werner Benade, 53
Aftermarket & Special Applications
Joined HELLA in 2017



Stefan Osterhage, 57
Personnel, IT, Logistics
Joined HELLA in 1989

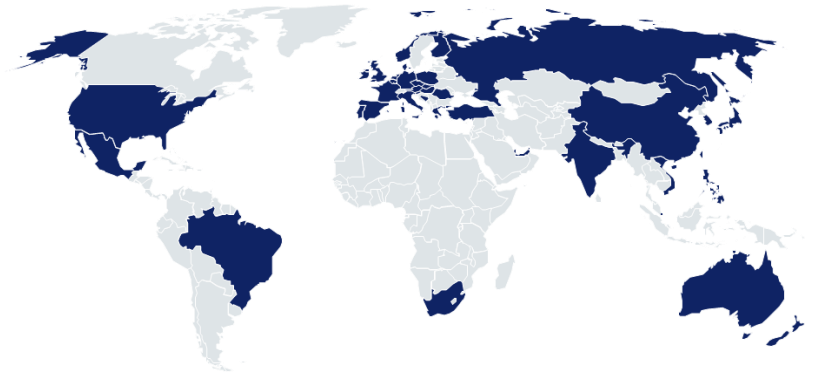


Dr. Matthias Schöllmann, 47
Sales Automotive
Joined HELLA in 2001

Powerful global network to ensure customer proximity as well as cost competitiveness

HELLA at a glance – Global footprint

- ▶ HELLA with more than 125 locations in about 35 countries worldwide



GLOBAL PRODUCTION AND DEVELOPMENT FOOTPRINT

NUMBER OF SITES	NORTH / SOUTH AMERICA	EUROPE	ASIA / PACIFIC / ROW	Σ
PRODUCTION	7	12	9	28
DEVELOPMENT	6	20	15	41
Σ	13	32	24	69
Employees*	4,690	23,094	5,905	33,689
	14%	69%	18%	

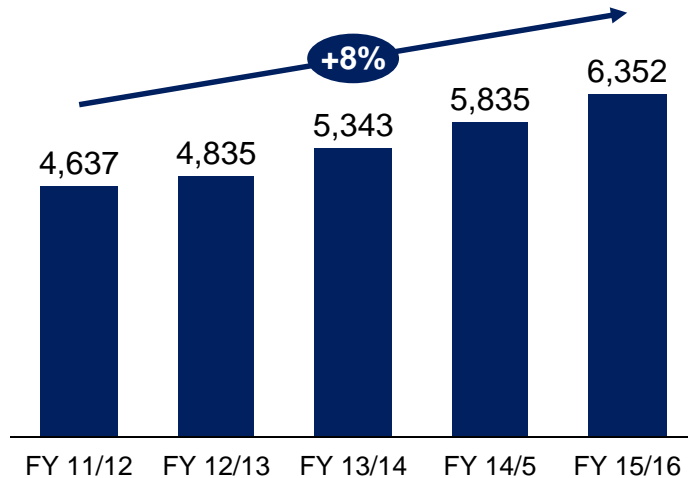
* As of balance sheet date (May 31, 2016)

Track record of steady profitable growth

HELLA at a glance – Sales and EBIT development

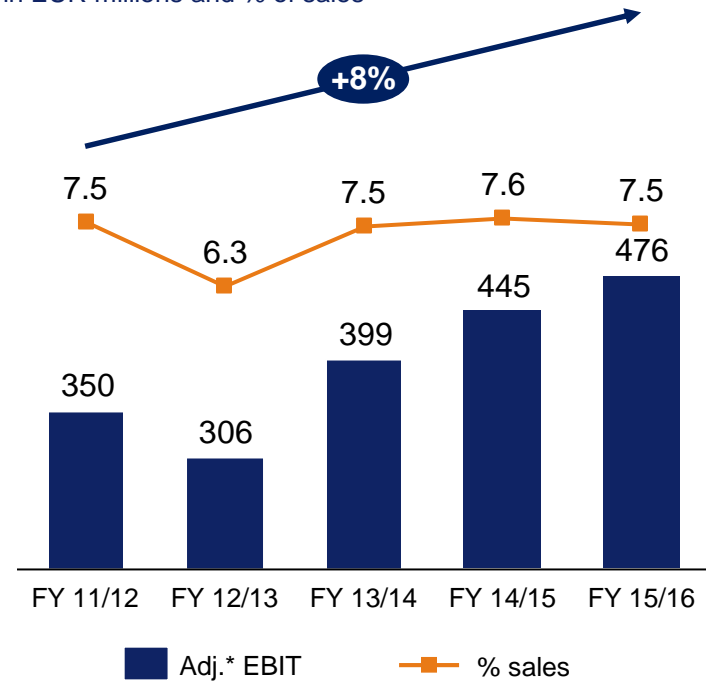
SALES

in EUR millions and % of sales



ADJUSTED EBIT*

in EUR millions and % of sales



- **Sustainable growth** during the last years with a clear **focus on organic growth**

- Overall **stable profitability**
- **Scale effects** and **increased efficiency** on structural costs drive margin

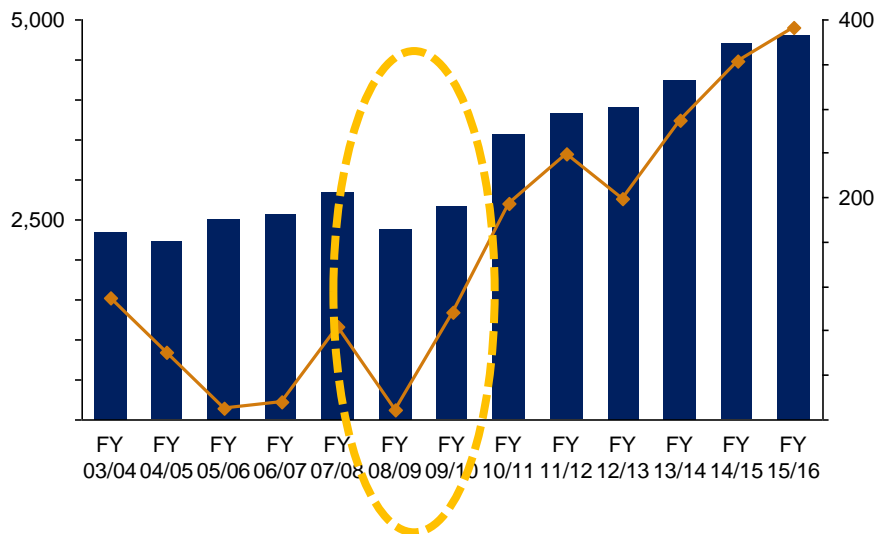
*) adjusted for restructuring expenses and the effects of the supplier default in FY 15/16

Resilient business model through business segments

HELLA at a glance – Resilience of business model

AUTOMOTIVE*

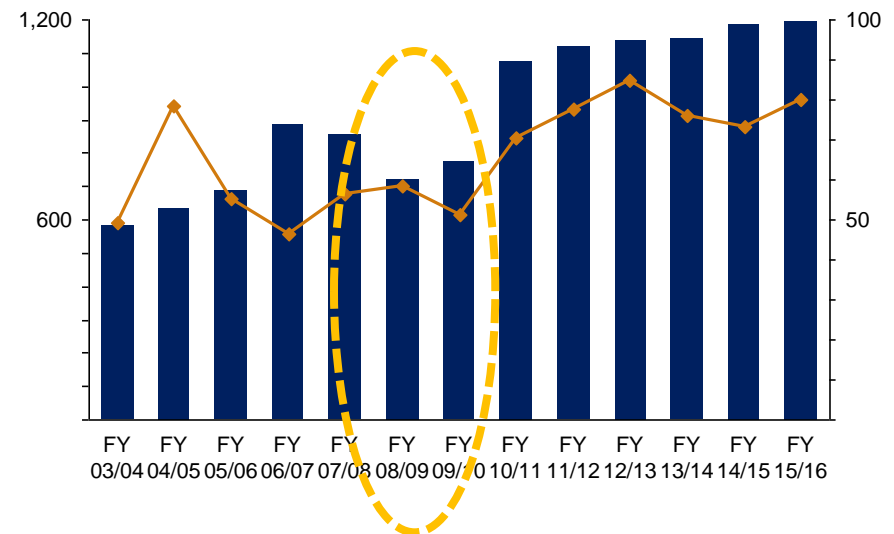
■ SALES in million EUR (left axis)
 ◆ EBIT in million EUR (right axis)



- ▶ Automotive clearly **growth driver**
- ▶ **Volatility** depending on cycle

AFTERMARKET**

■ SALES in million EUR (left axis)
 ◆ EBIT in million EUR (right axis)



- ▶ **Stable** Cash Flow and profit generation through
 - ▶ **Steady sales growth**
 - ▶ Innovative business models and unique value chain positioning

*) Sales as reported w/o adjustments for consolidation or accounting changes, **) incl. sale of Danish subsidiary Holger Christianses A/S

HELLA Investor Update

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Positive sales growth and strong EBIT increase in 9M FY 2016/17

Financial Highlights 9M FY 2016/17

Sales

- **HELLA Group** currency and portfolio adjusted **9M sales grew by 3.5% YoY** to 4.8 bill. EUR
- Acceleration of adjusted **sales growth to 5.7% in Q3**

Profitability

- **9M adjusted Gross Profit margin at 27.5%** (+0.3%-points YoY), **Q3 unchanged at 27.0%** due to higher Automotive margin despite several project ramp-ups
- **Adjusted 9M EBIT +28 mill. EUR (+8.1% YoY) at 373 mill. EUR, Q3 +17 mill. EUR (+17.1% YoY) at 105 mill. EUR**
- **Adjusted 9M EBIT margin at 7.8%** (+0.4%-points YoY), **Q3 adj. EBIT margin +0.7%-points at 6.5%** due to lower R&D ratio

Liquidity

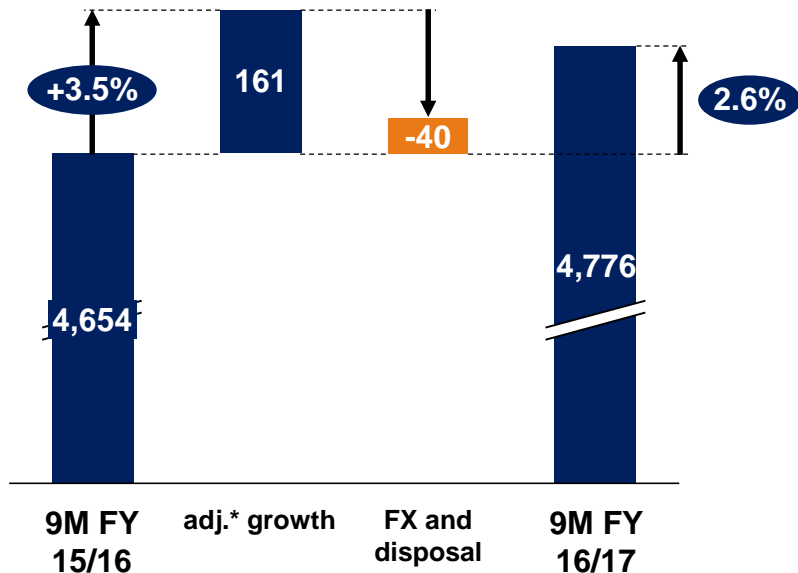
- **9M adjusted Free Cash Flow increased by 30 mill. EUR (+55% YoY) to 86 mill. EUR** mainly due to **higher results, Q3 +59 mill. EUR to 19 mill. EUR**
- **Continuously strong basis for future growth with cash and short term financial assets of 775 mill. EUR**

Note: Adjustments including restructuring expenses and supplier default in FY 15/16 and restructuring expenses in FY 16/17. Please note that where sums and percentages in the presentation have been rounded, differences may arise as a result of commercial rounding.

HELLA top line growth with expected development in 9M FY 16/17

Financial Highlights 9M FY 2016/17

HELLA group revenues (EUR millions)



Comment

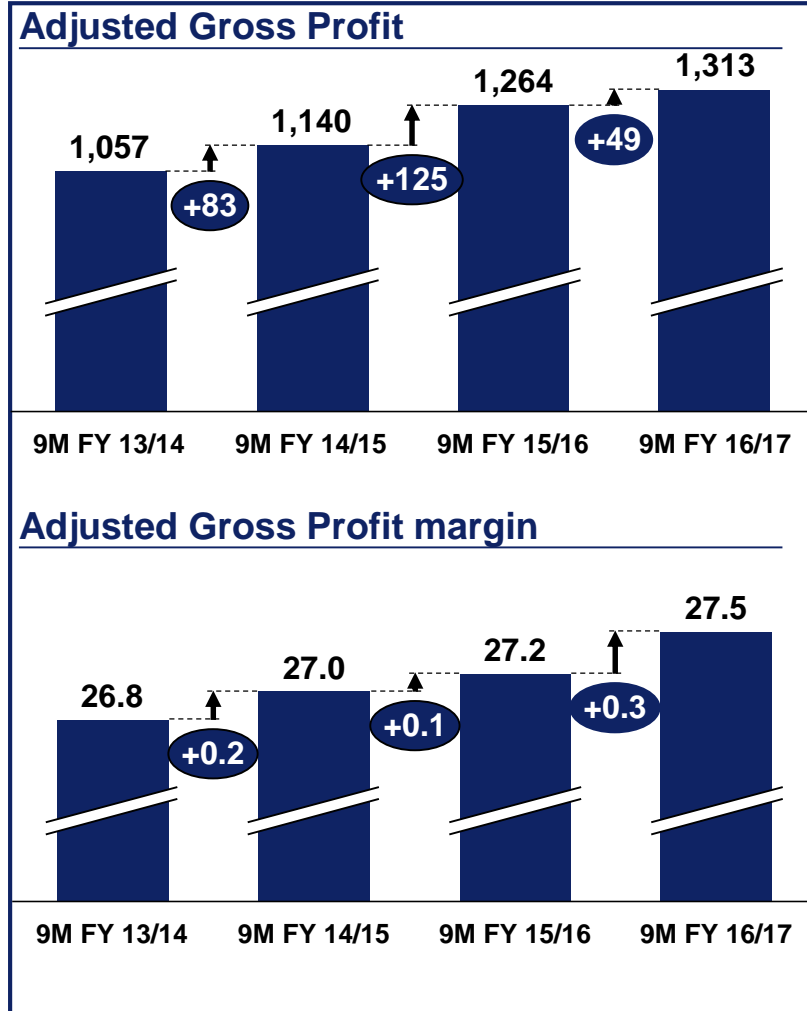
- **Currency and portfolio adjusted growth HELLA Group at 3.5%**
- **HELLA reported Group sales increased by 121 mill. EUR (+2.6%) to 4,776 mill. EUR:**
 - **Automotive + 2.4% to 3,610 mill. EUR. Demand for energy management products drives electronic business. Growth in electronics and lighting impacted by the preparation for ramp-ups. Increase in growth dynamics visible in Q3**
 - **Aftermarket +5.5% to 923 mill. EUR with positive development in all segments**
 - **Special Applications +0.2% to 209 mill. EUR excluding disposal of Industries and Airport Lighting activities**

*currency and portfolio adjusted

Improved productivity in Automotive results in GPM increase

Financial results 9M FY 2016/17

EUR millions and % sales



Adj.
Gross
Profit

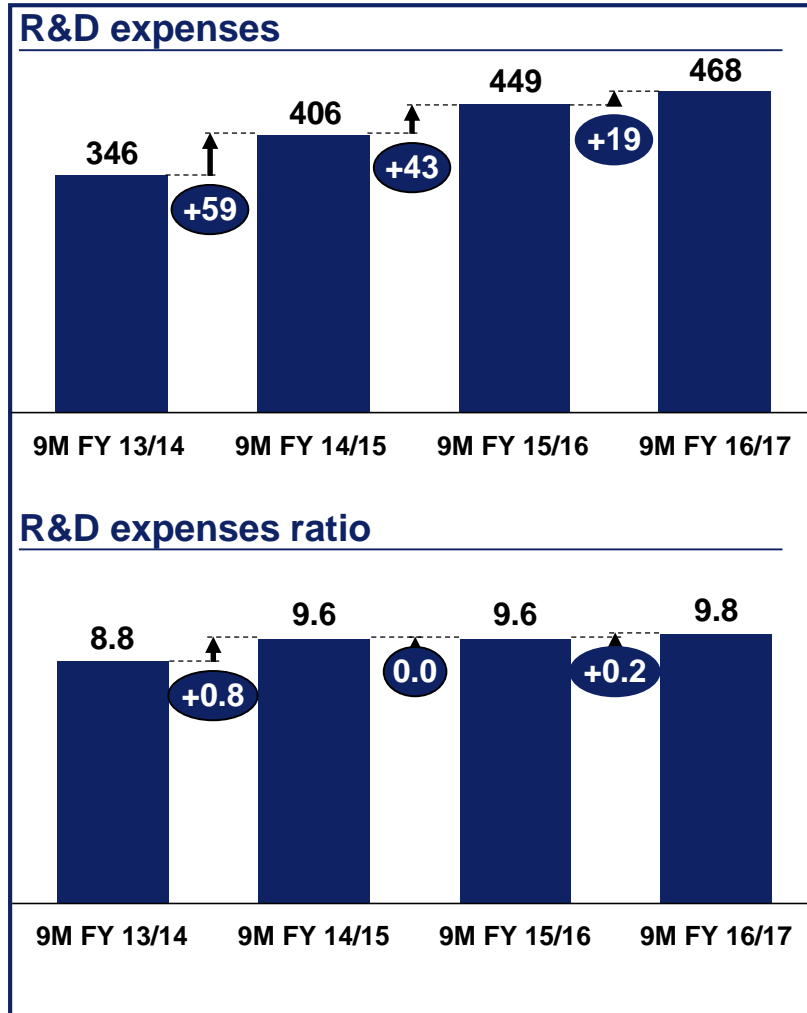
Adj.
Gross
Profit
Margin

- **Adjusted Gross Profit** increased by 49 mill. EUR (+4%) to 1,313 mill. EUR
- **Adjusted Gross Profit margin** improved by 0.3%-points to **27.5%** driven by positive product mix effects and operational improvements in Eastern Europe

High R&D expenses to secure future growth

Financial results 9M FY 2016/17

EUR millions and % sales



R&D

- **Absolute R&D** expenses increased by 19 mill. EUR (+4% YoY) to **468 mill. EUR** mainly for **preparation of forthcoming projects** as well as for **securing technology leadership**
- Focus on advanced **lighting** and **driver assistance systems & energy management** products

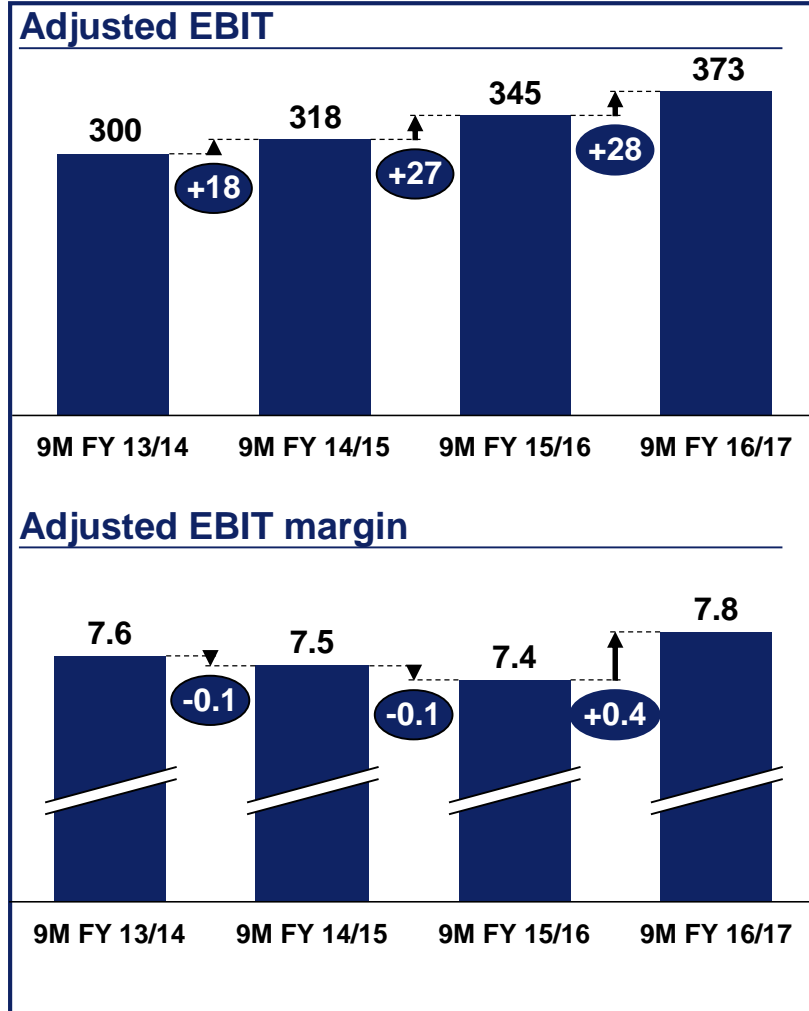
R&D ratio

- **9M FY16/17** ratio increased by **0.2%-points** to **9.8%** due to over-proportional increase in absolute R&D expenses after project wins
- Ratio development in line after step-up in Q3 FY 15/16

Adjusted EBIT and EBIT margin above prior-year's level

Financial results 9M FY 2016/17

EUR millions and % sales



Adj.
EBIT

- **Adjusted EBIT** increased by 28 mill. EUR (+8.1% to **373 mill. EUR**)
- **Excluding** negative effects from **Industries and Airport Lighting** activities adj. EBIT increased by 30 mill. EUR to **384 mill. EUR**

Adj.
EBIT
margin

- **Adj. EBIT margin** increased by **0.4%-points** to **7.8%** mainly due to **increased GPM** (+0.3%-points) and **higher JV income** +0.2%-points, over-compensating higher (+0.2%-points) R&D expenses
- **Adj. EBIT margin** excluding Industries and Airport Lighting activities +0.4%-points to **8.1%**

P&L including reconciliation

Financial results 9M FY 2016/17

HELLA GROUP

In EUR mill.	9M FY 15/16				9M FY 16/17			
	Reported	Restructuring	Supplier	Adjusted	Reported	Restructuring	Legal	Adjusted
Gross profit	1,237.3	-	27.1	1,264.4	1,313.4	-	-	1,313.4
(Admin)	-153.5	-	0.3	-153.2	-161.3	-	-	-
Other income and expenses	-13.6	8.1	19.8	14.4	-1.2	8.7	16.0	23.5
EBIT	289.7	8.1	47.2	345.0	348.2	8.7	16.0	372.8
Net financial result	-31.5				-29.0			
Taxes	-74.2				-71.5			
Earnings for the period	184.0				247.7			
Earnings per share (EUR)	1.63				2.21			

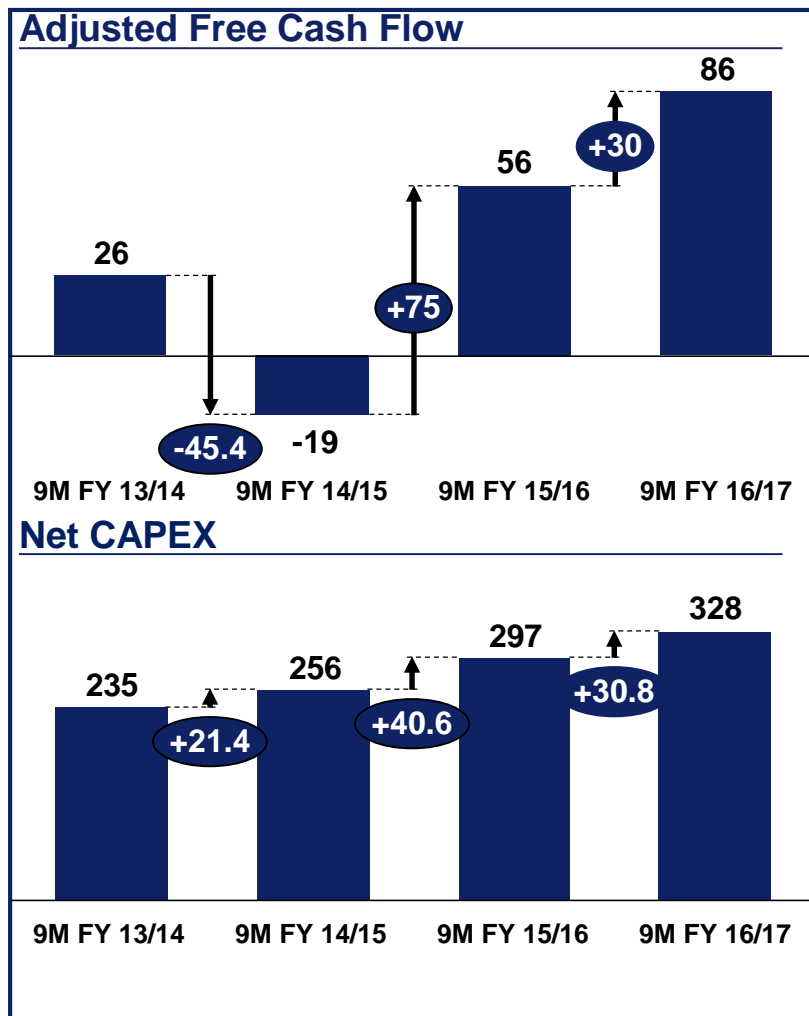
Comment

- Reported EBIT margin 9M FY 15/16 negatively impacted by effects of supplier default and restructuring expenses in Germany
- Reported EBIT margin 9M FY 16/17 adversely impacted by effects from provisions in connection with the proceedings initiated by the European cartel authorities and restructuring expenses in Germany
- Net financial result improved as prior year was impacted more by negative market environment
- Earnings for the period increased with higher EBIT compared to previous year
- EPS increased to 2.21 EUR vs. 1.63 EUR last year

Cash Flow impacted by project investments

Financial results 9M FY 2016/17

EUR millions



Adj.
Free
Cash
Flow

- **Adj. Free Cash Flow** increased by 30 mill. EUR to **86 mill. EUR** mainly due to **higher results and Working Capital improvements**

Net
CAPEX

- **Net CAPEX** increased by 31 mill. EUR to **328 mill. EUR**
- Continuous **investments** in customer-specific **equipment**
- **Reimbursements** increased by 19 mill. EUR to **91 mill. EUR** depending on project launches

Note: Adj. FCF 9M FY 16/17 excludes cash restructuring payments (7 mill. EUR.) and termination of factoring program (70 mill. EUR). Adj. FCF 9M FY 15/16 excludes cash restructuring payments (9 mill. EUR) reduction of factoring (20 mill EUR), and cash payments for Chinese supplier issue (34 mill. EUR)

HELLA Investor Update

Agenda

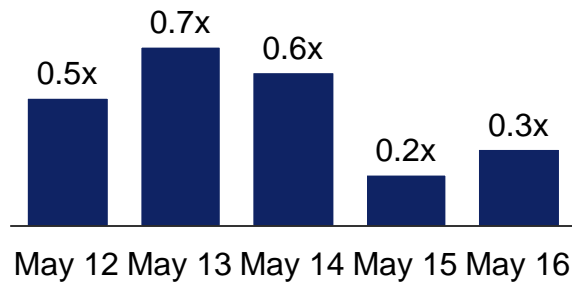
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High financial stability ensuring long-term growth perspective

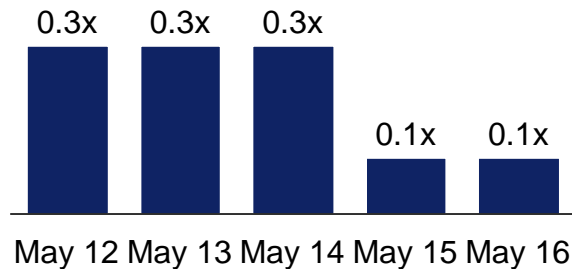
Financial Debt Structure

Solid capital structure

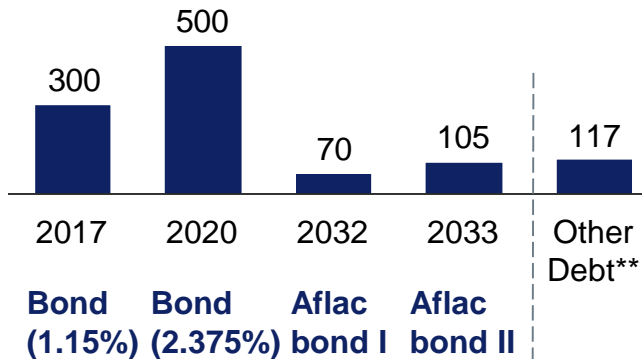
Leverage (Net debt / EBITDA)



Gearing (Net debt / Equity)



Debt and maturity profile*, in mill. EUR



Additional Revolving Credit (2022) of EUR 450m with 10 core banks as back-up facility

Strategic flexibility

HELLA has a stable and solid financial fundament which forms the basis for its future strategic plans

- Prudent financial policy throughout the cycle
- Financing of long-term growth strategy

- **Capital-market-oriented** capital structure
- **Solid liquidity profile** and consistent liquidity management
- **EUR 86m dividends** (0.77EUR/share) paid September 2016
- **Equity ratio at 42.3%** and **Cash & assets at 775 mill. EUR** as of February, 2017

*) As of April, 2017; Aflac bonds hedged values; **) Mostly short-term loans and evaluation impact

With Baa2, HELLA has a solid investment grade rating

Moody's rating rationale as per April 2017

**Baa2
rating
with
stable
outlook**

Main rating considerations:

- «...HELLA's Baa2 rating reflects as positives the group's **leading position in the lighting technology and original equipment electronics markets**, its **meaningfully sized Aftermarket business** as well as its **diversification through its Special Application segment...**»
- «...HELLA's rating further reflects as positives the group's **track record in reducing operational costs and improving operational efficiency...**»
- «...We also view positively HELLA's **increase in customer and geographical diversification...**»
- «...Moreover, HELLA's rating positioning is supported by a **conservative financial policy which includes limited shareholder distribution and the maintenance of a large cash (& equivalents) balance...**»
- «...Furthermore, HELLA's rating benefits from the group's **strong credit metrics rendering the rating well positioned within the current category...**»

Indicative Terms and conditions

Transaction Highlights

Terms	Issuer	HELLA Finance International B.V.
	Guarantor	HELLA KGaA Hueck & Co. (unconditional but limited to the corporate assets, i.e., no personal liability of the Guarantors's general partners)
	Status / Form	Senior, unsecured / Bearer, New Global Note
	Issuer Rating	Baa2 with a stable outlook from Moody's
	Currency / Size	EUR / Sub-Benchmark
	Tenor	7 years
	Denomination	€1k x €1k
	Coupon	fix
	Optional Redemption	<ul style="list-style-type: none"> - Make-whole Call - 3 month Par Call
	Governing Law	German law
	Use of Proceeds	General Corporate Purposes
	Listing	Regulated Market of the Luxembourg Stock Exchange
	Selling Restrictions	US RegS / TEFRA D, EEA, UK, Canada (as per the prospectus)

Note: This document does not constitute an offer to sell or the solicitation of an offer to buy any security. These terms are provided for discussion purposes and are subject to the agreement of mutually satisfactory documentation.

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Overall market expected to grow by 1.9% according to IHS Outlook

Region	Expected Light Vehicle Production (in m units)	Comment
Europe	<p>21.8 CY 2017</p>	<ul style="list-style-type: none"> Continuing moderate growth in 2017 expected
NSA	<p>20.6 CY 2017</p>	<ul style="list-style-type: none"> After peak of US market in 2015 the LVP is expected to stay flat in 2017
China	<p>27.7 CY 2017</p>	<ul style="list-style-type: none"> Growth forecasted to slow down in 2017
Global	<p>+94.8 CY 2017</p>	<ul style="list-style-type: none"> Overall market expected to grow by 1.9%

Source: IHS Light Vehicle Production (LVP) (as of March 2017)

Company specific development for FY 2016/17 confirmed

Outlook

Current outlook is fundamentally in line with the forecasts given in the Annual Report FY 2015/16

Guidance

Sales Growth

Growth in a mid-single digit percentage range*

Adj. EBIT Growth

Growth in a mid-single digit percentage range

Adj. EBIT margin

At the prior year's level

Mid-term growth prospects

Order intake in the last two years expected to result in acceleration of growth dynamics beyond FY 16/17

* Excluding FX and portfolio effects

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Strong position in upcoming market trends

Summary

Summary

- **Over-proportional growth** driven by **global footprint** and **technological leadership**
- **Strong product portfolio in upcoming market trends** (Efficiency & Electrification, Autonomous Driving, and Digitalization & Connectivity)
- **Resilient business model with three business segments**
- **Solid German family controlled, listed** company (MDAX) with **stable investment grade rating**
- **Conservative financial policy** with **well balanced debt portfolio**
- **Proceeds** to be used for **general corporate purposes and debt refinancing**



Technology with Vision

Thanks for your attention

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Head of Investor Relations

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