Technology with Vision

FINANCIAL STATEMENT AUGUST 31, 2018

1ST QUARTER
FISCAL YEAR 2018/2019

Q1

Contents

Key performance indicators

	1st quarter 2018/2019	1st quarter 2017/2018
Currency-adjusted sales growth	10.3%	5.8%
Adjusted EBIT margin	7.8%	7.7%

In € million	**1st quarter 2018/2019**	1st quarter 2017/2018
Sales *Change compared to prior year*	1,787 10%	1,629 5%
Adjusted earnings before interest and taxes (adjusted EBIT) *Change compared to prior year*	140 12%	125 6%
Earnings before interest and taxes (EBIT) *Change compared to prior year*	139 12%	123 6%
Adjusted earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) *Change compared to prior year*	227 -1%	230 9%
Earnings before interest, taxes, depreciation and amortization (EBITDA) *Change compared to prior year*	226 -1%	229 9%
Earnings for the period *Change compared to prior year*	95 15%	83 -1%
Earnings per share (in €) *Change compared to prior year*	0.86 16%	0.74 -1%
Adjusted free cash flow from operating activities	59	50
Free cash flow from operating activities	56	46
Net capital expenditure *Change compared to prior year*	149 3%	145 37%
Research and development (R&D) expenses *Change compared to prior year*	168 14%	147 5%

	1st quarter 2018/2019	1st quarter 2017/2018
EBIT margin	7.8%	7.6%
Adjusted EBITDA margin	12.7%	14.1%
EBITDA margin	12.6%	14.0%
R&D expenses in relation to sales	9.4%	9.0%
Net capital expenditure in relation to sales	8.4%	8.9%

	August 31, 2018	May 31, 2018
Net financial debt (in € million)	321	187
Equity ratio	43.7%	41.9%
Return on equity (last 12 months)	17.6%	17.5%
Employees	41,258	40,263

The International Financial Reporting Standards (IFRS) 9, 15, and 16 were applied for the first time in the fiscal year 2018/2019. The figures from the prior year were not adjusted. As a result, there is only limited scope for comparing these key performance indicators. The HELLA Group's most important key performance indicators (currency and portfolio-adjusted sales growth and adjusted EBIT margin) are nonetheless largely unaffected. Please also note that where sums and percentages in the report have been rounded, differences may arise as a result of commercial rounding. Further information can be found in the selected financial information and in the further notes.

Highlights

- **Currency-adjusted consolidated sales** increase by 10.3% in the first quarter; reported sales increase by 9.7% to € 1,787 million
- **Adjusted earnings before interest and taxes** improve by 12.0% to € 140 million; adjusted EBIT margin increases to 7.8% (prior year: 7.7%)
- **Adjusted free cash flow** from operating activities rises by € 9 million to € 59 million
- **Reported sales in the Automotive segment** increase by 11.2% to € 1,383 million; adjusted EBIT margin rises to 7.6% (prior year: 7.3%)
- **Reported segment sales in Aftermarket** improve by 6.8% to € 174 million; adjusted EBIT margin increases to 8.4% (prior year: 8.2%)
- **Reported sales in the Special Applications segment** equivalent to the value of the prior year at € 100 million; the reported EBIT margin drops to 12.8% (prior year: 16.1%)

INDUSTRY DEVELOPMENT

- **Light vehicle production increases by 1.1% in the first quarter of 2018/2019**
- **Europe not including Germany as primary growth driver (+7.4%); positive industry development also in North, Central and South America (+3.2%)**
- **Asia/Pacific/RoW at the same level as the prior year**
- **Further declining industry development in Germany (-8.1%)**

During the first quarter of the new fiscal year 2018/2019 (June 1 to August 31, 2018), the international automotive sector continued to improve slightly overall. According to the IHS market research institute data updated in September 2018, the production of passenger cars and light commercial vehicles increased by 1.1% to 22.3 million units (prior year: 22.1 million units) during this period. As a result, the growth of the automotive industry was more or less on a par with the same quarter in the prior year (+1.3%). The primary growth driver in the first quarter was the region of Europe not including Germany. The number of new vehicles produced in this region increased by 7.4% to 3.8 million units (prior year: 3.5 million units). In contrast, the selective German market saw another decrease of 8.1% in new production down to 1.2 million units (prior year: 1.3 million units). The North, Central and South America region was the second growth driver during the reporting period with the number of new units produced increasing by 3.2% to 5.2 million units after downward industry development in the prior year (prior year: 5.0 million units). The selective US automotive market also saw signs of improvement. The number of new units produced in this market increased by 3.8% to 2.7 million units during the first quarter of the current fiscal year (prior year: 2.6 million units). In Asia/Pacific/RoW, the automotive sector developed at the same level as the prior year with 11.7 million units. Industry development was reduced in particular owing to a decrease in the selective Chinese market, with the number of new units produced dropping slightly by 0.7% to 6.0 million units in the first quarter (prior year: 6.0 million units).

BUSINESS DEVELOPMENT OF THE HELLA GROUP

- **Currency-adjusted consolidated sales increase by 10.3% in the first quarter**
- **Taking exchange rates into account, reported sales increase by 9.7% to € 1,787 million**
- **Adjusted earnings before interest and taxes improve by 12.0% to € 140 million; adjusted EBIT margin increases to 7.8% (prior year: 7.7%)**
- **Adjusted free cash flow from operating activities rises by € 9 million to € 59 million**

Results of operations

During the first quarter of the HELLA fiscal year 2018/2019 (June 1 to August 31, 2018), currency-adjusted sales of the HELLA Group rose by 10.3%. Taking negative exchange rate effects (-0.6 percentage points) into account, reported consolidated sales increased by 9.7% to € 1,787 million (prior year: € 1,629 million). There were no portfolio effects to be adjusted during the reporting period. The group-wide growth was supported in particular by the Automotive segment in the first quarter.

During the reporting period, all of the core markets relevant to HELLA also reported positive business development. During the first three months of the new fiscal year, sales in the region of Europe not including Germany increased by 12.4% to € 615 million (prior year: € 547 million), with an increase of 8.4% to € 581 million in the selective German market (prior year: € 536 million). Reported sales in the North, Central and South America region increased by 8.0% to € 315 million (prior year: € 292 million), and there was an increase of 8.5% to € 275 million (prior year: € 254 million) in the Asia/Pacific/RoW region.

The profitability of the company also continued to improve in the first quarter. As a result, the adjusted earnings before interest and taxes (adjusted EBIT) increased by 12.0% to

HELLA Group sales in € million (reported growth and currency and portfolio-adjusted year-on-year growth in %) for the first three months

€ 140 million (prior year: € 125 million). This equates to an increase in the adjusted EBIT margin of 7.8% (prior year: 7.7%). The improvement in profitability seen in this case can be explained in particular by a group-wide increase in the gross profit margin, while higher research and development expenses, among other factors, reduced the HELLA Group's earnings before interest and taxes.

Taking special effects into account, the reported earnings before interest and taxes (EBIT) in the reporting period increased by 12.5% to € 139 million (prior year: € 123 million), with the reported EBIT margin also increasing to 7.8% (prior year: 7.6%). In the reporting period, the HELLA Group's earnings before interest and taxes were adjusted for restructuring measures amounting to € 1 million (prior year: € 2 million).

In the first quarter of the current fiscal year, gross profit improved by 12.0% to € 501 million (prior year: € 447 million). The share of gross profit margin relative to sales is therefore 28.0% (prior year: 27.4%). The improved gross profit margin was supported in particular by the Automotive segment's increase in production volumes.

Research and development (R&D) expenses increased to € 168 million (prior year: € 147 million) in the first quarter. The ratio of these expenses relative to sales is therefore 9.4% (prior year: 9.0%). Expenses for research and development were incurred in particular from the expansion and the drive to bolster HELLA's leading technological position along automotive market trends. Particularly relevant trends here are autonomous driving, efficiency and electrification, connectivity and digitalization as well as individualization. Further expenses were incurred in relation to the preparation and implementation of production rollouts, and in further expanding international development capacities.

During the first three months of the fiscal year 2018/2019, the distribution and administrative expenses as well as the net of other income and expenses increased to a total of € 205 million (prior year: € 188 million). The share of these expenses relative to sales is therefore 11.5% (prior year: 11.6%).

The contributions to earnings from joint ventures were € 11 million during the first quarter of the current fiscal year (prior year: € 12 million). The contribution of joint ventures to the Group's earnings before interest and taxes (EBIT) was reduced to 7.6% (prior year: 9.4%) due to lower earnings of South Korean and Chinese joint ventures as a result of lower sales by South Korean original equipment manufacturers in China.

The net financial result during the reporting period is € -12 million (prior year: € -12 million). Expenses relating to income taxes amounted to € 31 million for this period (prior year: € 28 million).

This represents an increase in earnings for the period in the first quarter of 15.0% to € 95 million (prior year: € 83 million). Earnings per share improve to € 0.86 in the reporting period (prior year: € 0.74).

Financial status

The net cash flow generated from operating activities improved by € 4 million to € 205 million (prior year: € 201 million) compared to the same quarter in the prior year. This development was financed largely by higher earnings before income taxes (EBT).

Cash investing activities excluding payments for the acquisition of company shares or capital increases/repayments and securities fell by € 6 million to € 149 million (prior year: € 155 million). They included, firstly, capital expenditures in the long-term expansion of the worldwide development, administrative, and production network which HELLA continued to pursue further. Secondly, these capital expenditures predominantly included maintenance capital expenditures for buildings, machinery, systems, and other equipment. HELLA also invested considerable amounts in product-specific devices. HELLA's capital expenditures on customer-specific tools to date, which have been reported

Adjusted earnings before interest and taxes (adjusted EBIT; in € million and as a % of sales) for the first three months

with the Group's non-current assets, are to be recorded with the inventories until they are sold now that IFRS 15 applies.

In the first quarter of the fiscal year 2018/2019, the adjusted free cash flow from operating activities increased to € 59 million (prior year: € 50 million). In the reporting period, the free cash flow from operating activities was adjusted for payments for restructuring measures amounting to € 3 million (prior year: € 4 million). Taking these special effects into account, the reported free cash flow from operating activities increased accordingly to € 56 million (prior year: € 46 million) during the first quarter.

Total cash inflows from financing activities came to approximately € 1 million (prior year: outflows of € 10 million). Net new borrowing stood at € 5 million (prior year: € 8 million net drawn credit). As part of active management of the liquidity available to the Group, € 59 million was expended from securities during the reporting year (prior year: € 24 million). For liquidity management purposes, capital is usually invested in short-term securities or securities with a liquid market, so that these funds can be made available for potential operating requirements on short notice. In the prior year, the relevant payments were still reported within the financing activities but will now be included as part of the investing activities.

Compared to the end of the prior year, liquidity from cash and cash equivalents decreased by € 71 million to € 618 million (May 31, 2018: € 688 million). The reduction reported on the balance sheet can be largely attributed to the reclassification of FTZ and INTER-TEAM, which now appear as a combined total under the balance sheet item "Assets held for sale". Including current financial assets, which essentially comprise securities, of € 388 million (May 31, 2018: € 333 million), available funds decreased to € 1,005 million (May 31, 2018: € 1,021 million). On this basis, HELLA is able to satisfy its payment obligations.

Financial position

Total assets dropped by € 47 million to € 5,874 million (May 31, 2018: € 5,921 million). The equity ratio stood at 44% and was thus above the level from the balance sheet day of fiscal year 2017/2018 (May 31, 2018: 42%). The equity ratio in relation to total assets adjusted for liquidity comes to 53%.

In accordance with IFRS 16, the current and non-current financial liabilities increased by € 119 million to € 1,327 million (May 31, 2018: € 1,208 million) owing to the additional accounting of operating lease agreements amounting to some € 115 million.

Net financial debt as the balance of cash and current financial assets less current and non-current financial liabilities increased by € 134 million in total to € 321 million (May 31, 2018: € 187 million).

On September 6, 2018, the agency Moody's raised HELLA's rating to Baa1 with a stable outlook.

Further events in the first quarter

REALIGNMENT OF THE AFTERMARKET SEGMENT

- HELLA has paved the way toward the reorganization of the Aftermarket segment. In this context, as a first step, the sale ("closing") of the Danish and Polish wholesale distribution companies FTZ and INTER-TEAM were successfully completed in September 2018, with these companies being transferred to Swedish wholesaler Mekonomen. In a second step, HELLA has agreed with MAHLE to fully transfer the existing thermal management business for the Automotive Aftermarket under the roof of Behr Hella Service to joint venture partner MAHLE on December 31, 2019. Finally, as part of the plans to reorganize the Aftermarket segment, HELLA will focus activities within this segment more on its own expertise in original equipment in the future, linking it more closely to its exceptional workshop expertise.

NEW ELECTRONICS PLANT OPENED IN LITHUANIA

- Less than a year after construction began, series production has already started at HELLA's new electronics plant in the Kaunas region of Lithuania. Initially, components for lighting electronics will be the main focus of production efforts. The production portfolio will soon be expanded by further sensors, actuators, and control units for European automobile manufacturers shortly. At the first stage of development, the plant boasts a production space that spans 7,000 square meters and is home to up to 250 employees in this phase.

BUSINESS DEVELOPMENT OF THE SEGMENTS

Automotive

- **Reported sales in the Automotive segment increase by 11.2% to € 1,383 million**
- **The increase in sales is supported by the large number of production ramp-ups and increased demand for lighting systems and electronics components**
- **Adjusted earnings before interest and taxes improve by 16.1% to € 106 million; adjusted EBIT margin increases to 7.6% (prior year: 7.3%)**

The Automotive segment has started the new fiscal year 2018/2019 with a significant increase in sales, contributing considerably to the Group's overall growth. Consequently, reported segment sales increased by 11.2% to € 1,383 million in the first quarter (prior year: € 1,244 million). This increase in sales is attributable to the large number of production ramp-ups and higher production volumes. These are the result of increased demand for innovative lighting systems and electronics solutions in the areas of driver assistance systems, energy management, and more.

The profitability of the Automotive segment also improved in the first quarter of the current fiscal year. Accordingly, the segment's earnings before interest and taxes, adjusted for restructuring measures, rose by 16.1% to € 106 million (prior year: € 91 million) in line with an improved adjusted EBIT margin of 7.6% (prior year: 7.3%). Taking special items into account, the reported EBIT in the Automotive segment increased by 16.9% to € 106 million (prior year: € 90 million). The reported EBIT margin then also increased accordingly to 7.6% (prior year: 7.3%). The improved earnings within the segment were supported by higher sales and the associated higher production volumes, which generated positive economies of scale. In contrast, higher research and development expenses and higher costs for wages and raw materials, alongside other factors, reduced the earnings recorded by the Automotive segment.

In € million	**2018/2019**	+/-	2017/2018
Sales with external customers	1,372	+11.8%	1,227
Intersegment sales	11		17
Segment sales	**1,383**	**+11.2%**	**1,244**
Cost of sales	-1,030		-943
Gross profit	**353**	**+17.1%**	**301**
Gross profit in relation to sales	25.5%		24.2%
Research and development expenses	-160		-138
Distribution expenses	-53		-43
Administrative expenses	-47		-45
Other income and expenses	5		6
Earnings from investments accounted for using the equity method	8		9
Earnings before interest and taxes (EBIT)	**106**	**+16.9%**	**90**
Earnings before interest and taxes (EBIT) in relation to sales	7.6%		7.3%
Earnings before interest and taxes after adjustments in the segment result (adjusted EBIT)	**106**	**+16.1%**	**91**
Adjusted earnings before interest and taxes (adjusted EBIT) in relation to sales	7.6%		7.3%

Aftermarket

- **Reported sales in the Aftermarket segment increase by 6.8% to € 174 million**
- **Positive business development primarily in workshop equipment; sales growth also supported by independent aftermarket**
- **Adjusted EBIT increases by 9.3% to € 15 million; adjusted EBIT margin at 8.4% (prior year: 8.2%)**

During the first quarter of the current fiscal year, the reported segment sales for the Aftermarket segment increased by 6.8% to € 174 million (prior year: € 163 million), without taking business activities in wholesale distribution into account. The growth in sales was supported in part by significantly higher sales in workshop equipment business. A number of factors boosted these sales by some considerable margin, including above-average demand for emissions testing devices in the wake of the introduction of the 5.01 Guidelines for the Emissions Testing Directive in Germany on January 1, 2018. The independent aftermarket line of business also improved overall, contributing to the increase in sales within the Aftermarket segment. Taking business activities in wholesale distribution into account, segment sales increased by 3.0% in total to € 311 million (prior year: € 302 million). As a result of the sale of the wholesale distribution companies FTZ and INTER-TEAM, business activities in wholesale distribution will no longer fall within the scope of the Aftermarket segment in the future.

With regard to the segment's earnings, the adjusted EBIT increased by 9.3% compared to the prior year, taking it to € 15 million (prior year: € 13 million), without taking wholesale distribution activities into account. The adjusted EBIT margin increases to 8.4% accordingly (prior year: 8.2%). The increased earnings were supported by product mix effects. In the reporting period, the segment's earnings before interest and taxes were adjusted for restructuring measures amounting to € 1 million. The reported EBIT increases accordingly by 4.4% year-over-year, taking it to € 14 million (prior year: € 13 million) in line with a reported EBIT margin of 8.0% (prior year: 8.2%). Taking business activities in wholesale distribution into account, the segment's EBIT increased by 1.6% in total to € 20 million (prior year: € 19 million). The EBIT margin therefore is 6.3% (prior year: 6.4%).

In € million	**2018/2019***	+/-	2017/2018*
Sales with external customers	174	+7.0%	162
Intersegment sales	1		1
Segment sales	**174**	**+6.8%**	**163**
Cost of sales	-113		-107
Gross profit	**61**	**+8.6%**	**56**
Gross profit in relation to sales	35.1%		34.5%
Research and development expenses	-3		-4
Distribution expenses	-43		-39
Administrative expenses	-6		-5
Other income and expenses	2		3
Earnings from investments accounted for using the equity method	3		2
Earnings before interest and taxes (EBIT)	**14**	**+4.4%**	**13**
Earnings before interest and taxes (EBIT) in relation to sales	8.0%		8.2%
Earnings before interest and taxes after adjustments in the segment result (adjusted EBIT)	**15**	**+9.3%**	**13**
Adjusted earnings before interest and taxes (adjusted EBIT) in relation to sales	8.4%		8.2%

* excluding the wholesale business. Further information can be found in the selected financial information and in the other notes.

Special Applications

- **Sales in the Special Applications segment equivalent to the value of the prior year at € 100 million**
- **Positive development in business for agricultural and construction vehicles supports segment sales**
- **The segment's EBIT is reduced to € 13 million by one-time effects in the prior year; EBIT margin is at 12.8% (prior year: 16.1%)**

In the first quarter of the current fiscal year 2018/2019, the reported segment sales for the Special Applications segment were at the same level as the prior year at € 100 million. Positive growth, above all in business involving agricultural and construction vehicles, supported segment sales. Sales growth within the segment was reduced by the realignment of the Australia site, among other things, which is taking place in the current fiscal year in line with changes to customer and demand structures and which ultimately led to a disproportionate number of call-off orders at this site in the first quarter of the prior year. Production at the Australia site was stopped in the first quarter of the current fiscal year.

The earnings before interest and taxes (EBIT) of the Special Applications segment dropped by 19.4% to € 13 million during the first quarter of the fiscal year 2018/2019 (prior year: € 16 million). Consequently, the EBIT margin for this segment during the reporting period is 12.8% (prior year: 16.1%). This decrease can be attributed to positive effects during the prior year, with a disproportionate number of call-off orders at the Australia production site (€ 1 million) on the one hand and further positive one-time effects (€ 3 million) on the other hand.

In € million	**2018/2019**	+/-	2017/2018
Sales with external customers	98	+2.1%	96
Intersegment sales	2		4
Segment sales	**100**	**+0.8%**	**100**
Cost of sales	-61		-58
Gross profit	**40**	**-3.8%**	**41**
Gross profit in relation to sales	39.5%		41.4%
Research and development expenses	-5		-5
Distribution expenses	-15		-15
Administrative expenses	-8		-6
Other income and expenses	1		1
Earnings from investments accounted for using the equity method	0		0
Earnings before interest and taxes (EBIT)	**13**	**-19.4%**	**16**
Earnings before interest and taxes (EBIT) in relation to sales	12.8%		16.1%

OPPORTUNITY AND RISK REPORT

There were no significant changes in the opportunities and risks during the reporting period. Details of the significant opportunities and risks may be found in the annual report 2017/2018.

FORECAST REPORT

- **Global light vehicle production set to increase by 1.5% in fiscal year 2018/2019**
- **Positive company outlook confirmed after three months**

Industry outlook

During the period of the HELLA fiscal year 2018/2019 (June 1, 2018 to May 31, 2019), the IHS Light Vehicle Production Forecast, which was last updated in September 2018, expects global light vehicle production to increase by 1.5% to 97.4 million units (prior year: 96.0 million units). For Europe not including Germany, a total increase of 1.5% to 16.9 million newly produced units is projected after an initial strong start to the fiscal year (prior year: 16.7 million units). For the selective German market, however, it is expected that light vehicle production will see a decrease of 4.7% to 5.5 million units (prior year: 5.7 million units). In contrast, IHS predictions suggest that the North, Central and South America and Asia/Pacific/RoW regions will develop positively. Gains of 3.2% to 21.0 million newly produced units is expected for North, Central and South America (prior year: 20.3 million units). This growth will be supported in particular by an improvement in the selective US market, which IHS predictions suggest will equate to 2.3%, taking the number of newly produced units to 11.1 million (prior year: 10.9 million units). Growth of 2.0% to 52.3 million newly produced units is predicted for the Asia/Pacific/RoW region (prior year: 51.3 million units). Within this region, it is expected that the selective Chinese market will see an increase of 1.7% to 28.6 million newly produced units (prior year: 28.1 million units).

Company outlook

The current company outlook for the fiscal year 2018/2019 currently in progress (June 1, 2018 to May 31, 2019) is still in line with the forecast published in the annual report 2017/2018. HELLA is therefore still expecting currency and portfolio-adjusted sales growth and an increase in earnings before interest and taxes adjusted by restructuring measures and portfolio effects (adjusted EBIT) of 5% to 10% each compared to the past fiscal year. In terms of the EBIT margin adjusted by restructuring measures and portfolio effects, a value approximately equivalent to the value of the prior year is still expected.

SELECTED FINANCIAL INFORMATION

Consolidated income statement

of HELLA GmbH & Co. KGaA

€ thousand	1st quarter June 1 to August 31, 2018	1st quarter June 1 to August 31, 2017*
Sales	**1,786,682**	**1,629,243**
Cost of sales	-1,285,911	-1,182,159
Gross profit	**500,770**	**447,084**
Research and development expenses	-167,947	-146,966
Distribution expenses	-152,315	-139,586
Administrative expenses	-59,791	-53,960
Other income and expenses	6,889	5,067
Earnings from investments accounted for using the equity method	10,581	11,541
Other income from investments	359	0
Earnings before interest and taxes (EBIT)	**138,546**	**123,180**
Financial income	8,411	16,567
Financial expenses	-20,097	-28,466
Net financial result	**-11,686**	**-11,899**
Earnings before income taxes (EBT)	**126,860**	**111,281**
Income taxes	-31,490	-28,377
Earnings for the period	**95,370**	**82,904**
of which attributable:		
to the owners of the parent company	95,476	82,608
to non-controlling interests	-106	296
Basic earnings per share in €	**0.86**	**0.74**
Diluted earnings per share in €	**0.86**	**0.74**

* The prior-year figures from the consolidated income statement have been adjusted. Please refer to Section 03 for further information.

Segment reporting

The segment information for the first three months (June 1 to August 31) of the fiscal years 2018/2019 and 2017/2018 is as follows:

	Automotive		Aftermarket		Special Applications	
€ thousand	**2018/2019**	2017/2018*	**2018/2019**	2017/2018*	**2018/2019**	2017/2018
Sales with external customers	1,371,652	1,226,718	173,679	162,309	97,958	95,953
Intersegment sales	11,376	17,294	566	783	2,412	3,576
Segment sales	**1,383,028**	**1,244,012**	**174,246**	**163,092**	**100,370**	**99,529**
Cost of sales	-1,030,478	-943,073	-113,163	-106,868	-60,689	-58,298
Gross profit	**352,550**	**300,939**	**61,083**	**56,224**	**39,680**	**41,230**
Research and development expenses	-159,845	-138,017	-3,435	-3,922	-4,761	-4,963
Distribution expenses	-52,789	-42,688	-42,802	-38,925	-15,085	-14,776
Administrative expenses	-46,954	-45,052	-5,737	-5,206	-7,842	-6,422
Other income and expenses	5,003	6,000	1,997	2,916	897	925
Earnings from investments accounted for using the equity method	7,717	9,251	2,863	2,289	0	0
Other income from investments	0	0	0	0	0	0
Earnings before interest and taxes (EBIT)	**105,683**	**90,432**	**13,970**	**13,377**	**12,889**	**15,994**
Additions to intangible assets and property, plant and equipment	87,996	95,100	5,459	4,472	7,240	5,117

Sales reconciliation:

€ thousand	**2018/2019**	2017/2018*
Total sales of the reporting segments	**1,657,644**	**1,506,632**
Sales in other divisions	21,699	16,737
Wholesale sales	136,685	138,758
Elimination of intersegment sales	-29,346	-32,884
Consolidated sales	**1,786,682**	**1,629,243**

Reconciliation of the segment results with consolidated net profit:

€ thousand	**2018/2019**	2017/2018*
EBIT of the reporting segments	**132,542**	**119,803**
EBIT of other divisions	1,082	-1,402
EBIT wholesale	5,662	5,945
Unallocated income	-740	-1,166
Consolidated EBIT	**138,546**	**123,180**
Net financial result	-11,686	-11,899
Consolidated EBT	**126,860**	**111,281**

* The prior-year figures for the Automotive and Aftermarket segments have been adjusted. Please refer to Section 03 for further information.

Consolidated statement of financial position

of HELLA GmbH & Co. KGaA

€ thousand	August 31, 2018	May 31, 2018	August 31, 2017
Cash and cash equivalents	617,533	688,187	789,327
Financial assets	387,932	332,934	339,847
Trade receivables	995,076	1,166,571	986,579
Other receivables and non-financial assets	219,535	148,972	162,131
Inventories	969,693	761,488	753,067
Current tax assets	16,279	25,800	16,789
Assets held for sale	282,489	2,030	0
Current assets	**3,488,537**	**3,125,981**	**3,047,741**
Intangible assets	315,155	311,481	256,533
Property, plant and equipment	1,597,662	1,994,276	1,894,252
Financial assets	38,216	37,212	30,700
Investments accounted for using the equity method	272,542	292,008	262,591
Deferred tax assets	113,129	110,748	116,394
Other non-current assets	49,250	49,518	43,286
Non-current assets	**2,385,955**	**2,795,243**	**2,603,756**
Assets	**5,874,491**	**5,921,224**	**5,651,497**
Financial liabilities	32,228	41,990	322,746
Trade payables	692,848	711,775	715,776
Current tax liabilities	44,728	70,194	43,472
Other liabilities	557,426	714,334	565,975
Provisions	94,080	132,689	94,991
Liabilities held for sale	96,599	0	0
Current liabilities	**1,517,909**	**1,670,982**	**1,742,960**
Financial liabilities	1,294,338	1,165,910	1,039,833
Deferred tax liabilities	48,248	39,978	37,045
Other liabilities	88,735	223,422	196,642
Provisions	360,691	342,668	352,343
Non-current liabilities	**1,792,012**	**1,771,977**	**1,625,863**
Subscribed capital	222,222	222,222	222,222
Reserves and unappropriated surplus	2,339,905	2,252,155	2,056,061
Equity before non-controlling interests	**2,562,127**	**2,474,377**	**2,278,283**
Non-controlling interests	2,443	3,888	4,391
Equity	**2,564,570**	**2,478,265**	**2,282,674**
Equity and liabilities	**5,874,491**	**5,921,224**	**5,651,497**

Consolidated cash flow statement

of HELLA GmbH & Co. KGaA; for the period from June 1 to August 31

€ thousand		**2018/2019**	2017/2018*
	Earnings before income taxes (EBT)	**126,860**	**111,281**
+	Depreciation and amortization	87,222	105,351
+/-	Change in provisions	-23,835	-6,741
+	Cash receipts for series production	0	10,693
-	Non-cash sales transacted in previous periods	0	-25,621
+/-	Other non-cash income / expenses	-34,280	-6,795
+/-	Losses / profits from the sale of intangible assets and property, plant and equipment	183	-338
+	Net financial result	11,686	11,899
+/-	Change in trade receivables and other assets not attributable to investing or financing activities	48,206	79,547
+/-	Change in inventories	-83,981	-96,942
+/-	Change in trade payables and other liabilities not attributable to investing or financing activities	88,003	21,003
+/-	Net tax payments	-39,847	-27,541
+	Dividends received	25,058	25,687
=	**Net cash flow from operating activities**	**205,277**	**201,484**
+	Cash receipts from the sale of intangible assets and property, plant and equipment	2,474	3,974
-	Payments for the purchase of intangible assets and property, plant and equipment	-151,793	-159,181
+/-	Net payments from loans granted to investments	175	-3,806
+/-	Net payments for the purchase and sale of securities	-59,079	-23,935
=	**Net cash flow from investing activities**	**-208,223**	**-182,948**
+/-	Net payments from the borrowing/repayment of financial liabilities	5,158	-7,598
+/-	Net interest payments	-3,380	-1,499
-	Dividends paid	-667	-780
=	**Net cash flow from financing activities**	**1,112**	**-9,877**
=	**Net change in cash and cash equivalents**	**-1,834**	**8,658**
+	Cash and cash equivalents as at 1 June	688,187	783,875
-	Cash and cash equivalents of a disposal group	-63,878	0
+/-	Effect of exchange rate fluctuations on cash and cash equivalents	-4,942	-3,206
=	**Cash and cash equivalents as at 31 August**	**617,533**	**789,327**

* The previous year's figures of the consolidated cash flow statement were adjusted. See Chapter 06 for further information.

FURTHER NOTES

01 Basic information

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

The company is a listed stock corporation, which was founded and is based in Lippstadt, Germany. The address of the company's registered office is Rixbecker Strasse 75, 59552 Lippstadt. HELLA GmbH & Co. KGaA is registered in the Commercial Register B of Paderborn District Court under number HRB 6857 and prepares the consolidated financial statements for the smallest and largest group of companies.

The information in the financial report as at August 31, 2018 is stated in thousands of euros (€ thousand). The financial report is prepared using accounting and measurement methods that are applied consistently within the Group on the basis of amortized historical cost. This does not apply to assets that are available for sale and derivative financial instruments, which are measured at fair value. The consolidated income statement is prepared using the cost-of-sales method. The current/non-current distinction is observed in the consolidated statement of financial position. The amounts stated under current assets and liabilities are for the most part due for settlement within twelve months. Accordingly, non-current items are mainly due for settlement in more than twelve months. In order to enhance the clarity of the presentation, items of the consolidated statement of financial position and consolidated income statement have been grouped together where this is appropriate and possible. Please note that where sums and percentages in the report have been rounded, differences may arise as a result of commercial rounding.

The following financial reporting standards were used for the first time during this reporting period: IFRS 9 "Financial Instruments", IFRS 15 "Revenue from Contracts with Customers", and IFRS 16 "Leases". These newly applied standards were described in detail in the consolidated financial statements for the fiscal year 2017/2018. The relevant rights to vote have been exercised as outlined in the annual report 2017/2018. Prior-year figures do not need to be adjusted as a result. The anticipated effects of the interpretation of the standards on the business models in place within the Group have materialized correspondingly. The impact on the main key performance indicators - sales growth and EBIT margin (both adjusted) - has been marginal. However, individual items within the financial reporting, such as property, plant and equipment, inventories, and financial liabilities, have seen an impact when compared to the data from the prior year as a result of the standards being applied for the first time.

02 Currency translation

Currency translation differences arising from the translation of earnings and balance sheet items of all Group companies which have a functional currency deviating from the euro are reported within the currency translation differences reserves.

The exchange rates used to translate the main currencies for HELLA were as follows:

	Average 1st quarter		Reporting date		
	2018/2019	2017/2018	**August 31, 2018**	May 31, 2018	August 31, 2017
€ 1 = US dollar	**1.1630**	1.1514	**1.1651**	1.1699	1.1825
€ 1 = Czech koruna	**25.7747**	26.1480	**25.7350**	25.7970	26.1010
€ 1 = Japanese yen	**128.9221**	127.8582	**129.0500**	127.3300	130.8100
€ 1 = Mexican peso	**22.5558**	20.6469	**22.3628**	23.2461	21.0843
€ 1 = Chinese renminbi	**7.7686**	7.7729	**7.9664**	7.4951	7.8059
€ 1 = South Korean won	**1,294.8803**	1,303.9560	**1,301.9100**	1,261.2500	1,331.2200
€ 1 = Romanian leu	**4.6522**	4.5733	**4.6437**	4.6508	4.5924
€ 1 = Danish krone	**7.4525**	7.4373	**7.4558**	7.4436	7.4384

03 Prior-year figures

The figures for the Aftermarket segment in the fiscal year 2017/2018 have been adjusted. The items from wholesale distribution are no longer part of this segment. Wholesale distribution was largely influenced by the companies FTZ and INTER-TEAM, which were classified as being held for sale as of July 6, 2018. The sale was completed on September 3, 2018.

Reporting for the Aftermarket segment was adjusted in line with the new structure and was restated as follows for the first three months of fiscal year 2017/2018:

€ thousand	2017/2018 as reported	Adjustments	2017/2018 adjusted
Sales	301,067	-138,758	162,309
Intersegment sales	783	0	783
Segment sales	**301,850**	**-138,758**	**163,092**
Cost of sales	-196,663	89,795	-106,868
Gross profit	**105,187**	**-48,963**	**56,224**
Research and development expenses	-3,922	0	-3,922
Distribution expenses	-82,092	43,167	-38,925
Administrative expenses	-5,206	0	-5,206
Other income and expenses	3,065	-149	2,916
Earnings from investments accounted for using the equity method	2,289	0	2,289
Other income from investments	0	0	0
Earnings before interest and taxes (EBIT)	**19,322**	**-5,945**	**13,377**

As IFRS 15 was being introduced, the statement of sample costs incurred during development projects and bid and proposal costs before order placement was reassessed. This has resulted in the costs for producing samples and prototypes being assigned to cost of sales, with bid and proposal costs assigned to distribution expenses. The prior year has been adjusted accordingly.

Reporting for the Automotive segment was adjusted in line with the new attribution and was restated as follows for the first three months of fiscal year 2017/2018:

€ thousand	2017/2018 as reported	Adjustments	2017/2018 adjusted
Sales	1,226,718	0	1,226,718
Intersegment sales	17,294	0	17,294
Segment sales	**1,244,012**	**0**	**1,244,012**
Cost of sales	-939,077	-3,996	-943,073
Gross profit	**304,935**	**-3,996**	**300,939**
Research and development expenses	-153,477	15,460	-138,017
Distribution expenses	-31,224	-11,464	-42,688
Administrative expenses	-45,052	0	-45,052
Other income and expenses	6,000	0	6,000
Earnings from investments accounted for using the equity method	9,251	0	9,251
Other income from investments	0	0	0
Earnings before interest and taxes (EBIT)	**90,432**	**0**	**90,432**

Based on the adjusted segment information of the previous year, the restatement of sales is as follows:

€ thousand	2017/2018 as reported	Adjustments	2017/2018 adjusted
Total sales of the reporting segments	**1,645,390**	**-138,758**	**1,506,632**
Sales in other divisions	16,737	0	16,737
Wholesale sales	0	138,758	138,758
Elimination of intersegment sales	-32,884	0	-32,884
Consolidated sales	**1,629,243**	**0**	**1,629,243**

The segment results are restated after the adjustments of the segment information to the consolidated net profit as follows:

€ thousand	2017/2018 as reported	Adjustments	2017/2018 adjusted
EBIT of the reporting segments	**125,748**	**-5,945**	**119,803**
EBIT of other divisions	-1,402	0	-1,402
EBIT wholesale	0	5,945	5,945
Unallocated income	-1,166	0	-1,166
Consolidated EBIT	**123,180**	**0**	**123,180**
Net financial result	-11,899	0	-11,899
Consolidated EBT	**111,281**	**0**	**111,281**

Compared to the adjusted segment data for the prior year, the following reclassifications apply to the consolidated income statement for the first three months of the fiscal year 2017/2018:

€ thousand	1st quarter June 1 to August 31, 2017 reported	Changes in classification	1st quarter Jun 1 to August 31, 2017 adjusted
Sales	**1,629,243**	**0**	**1,629,243**
Cost of sales	-1,178,163	-3,996	-1,182,159
Gross profit	**451,080**	**-3,996**	**447,084**
Research and development expenses	-162,426	15,460	-146,966
Distribution expenses	-128,122	-11,464	-139,586
Administrative expenses	-53,960	0	-53,960
Other income and expenses	5,067	0	5,067
Earnings from investments accounted for using the equity method	11,541	0	11,541
Other income from investments	0	0	0
Earnings before interest and taxes (EBIT)	**123,180**	**0**	**123,180**
Financial income	16,567	0	16,567
Financial expenses	-28,466	0	-28,466
Net financial result	**-11,899**	**0**	**-11,899**
Earnings before income taxes (EBT)	**111,281**	**0**	**111,281**
Income taxes	-28,377		-28,377
Earnings for the period	**82,904**	**0**	**82,904**
of which attributable:			
to the owners of the parent company	82,608	0	82,608
to non-controlling interests	296	0	296
Basic earnings per share in €	**0.74**	**0**	**0.74**
Diluted earnings per share in €	**0.74**	**0**	**0.74**

04 Adjustment of special effects in earnings before interest and taxes

The HELLA Group is managed by the Management Board through financial key performance indicators. The key performance indicators of adjusted sales growth and adjusted operating result margin (adjusted EBIT margin) take on prominent importance compared to the other financial key performance indicators in the management of the HELLA Group. A major guideline in assessing the suitability of management indicators is that they have to provide a transparent picture of operational performance. In this process, effects of a non-recurring or exceptional nature in type or size, referred to as special effects, can lead to distortions with regard to the EBIT margin, for example, and thus adversely affect the ability to assess the company's performance.

Special effects are non-recurring or exceptional effects in their type and size which are clearly differentiated from the usual operational business. They are tracked uniformly and consistently in the Group and the method used to calculate adjusted earnings figures must not vary over the course of time in order to facilitate periodic comparison.

For this reason, the adjusted EBIT margin has been defined as one of the most important key performance indicators for the steering of the Group's activities. The adjusted EBIT margin as a key performance indicator is not defined in the International Financial Reporting Standards. Rather it is reported by the HELLA Group as additional information in its financial reporting because it is also used for internal management and because, from the company's perspective, it presents the results of operations - adjusted for special effects - in a more transparent form and facilitates a comparison over time.

In the current reporting period 2018/2019, the costs for the restructuring measures (€ 1,426 thousand) have been adjusted in EBIT. In the first three months of the fiscal year 2017/2018, the costs for the restructuring measures (€ 1,753 thousand) were adjusted in EBIT.

The corresponding reconciliation statement for the first three months of fiscal year 2018/2019 is as follows:

€ thousand	**2018/2019 as reported**	Restructuring	**2018/2019 adjusted**
Sales	1,786,682	0	1,786,682
Cost of sales	-1,285,911	32	-1,285,880
Gross profit	**500,770**	**32**	**500,802**
Research and development expenses	-167,947	0	-167,947
Distribution expenses	-152,315	654	-151,660
Administrative expenses	-59,791	0	-59,791
Other income and expenses	6,889	740	7,629
Earnings from investments accounted for using the equity method	10,581	0	10,581
Other income from investments	359	0	359
Earnings before interest and taxes (EBIT)	**138,546**	**1,426**	**139,972**

The corresponding reconciliation statement for the first three months of fiscal year 2017/2018 is as follows:

€ thousand	2017/2018 adjusted	Restructuring	2017/2018 adjusted
Sales	1,629,243	0	1,629,243
Cost of sales	-1,182,159	587	-1,181,573
Gross profit	**447,084**	**587**	**447,671**
Research and development expenses	-146,966	0	-146,966
Distribution expenses	-139,586	0	-139,586
Administrative expenses	-53,960	0	-53,960
Other income and expenses	5,067	1,166	6,233
Earnings from investments accounted for using the equity method	11,541	0	11,541
Other income from investments	0	0	0
Earnings before interest and taxes (EBIT)	**123,180**	**1,753**	**124,933**

05 Adjustment of special effects in the segment results

In the current reporting period 2018/2019, the costs of € 32 thousand (prior year: € 587 thousand) for the restructuring measures are adjusted in earnings before interest and taxes for the Automotive segment, as in the prior year.

The adjusted income statement for the first three months of fiscal year 2018/2019 for the Automotive segment is as follows:

€ thousand	**2018/2019 as reported**	Restructuring	**2018/2019 adjusted**
Sales	1,371,652	0	1,371,652
Intersegment sales	11,376	0	11,376
Segment sales	**1,383,028**	**0**	**1,383,028**
Cost of sales	-1,030,478	32	-1,030,447
Gross profit	**352,550**	**32**	**352,582**
Research and development expenses	-159,845	0	-159,845
Distribution expenses	-52,789	0	-52,789
Administrative expenses	-46,954	0	-46,954
Other income and expenses	5,003	0	5,003
Earnings from investments accounted for using the equity method	7,717	0	7,717
Other income from investments	0	0	0
Earnings before interest and taxes (EBIT)	**105,683**	**32**	**105,715**

The adjusted income statement for the Automotive segment for the first three months of fiscal year 2017/2018 is as follows:

€ thousand	2017/2018 adjusted	Restructuring	2017/2018 adjusted
Sales	1,226,718	0	1,226,718
Intersegment sales	17,294	0	17,294
Segment sales	**1,244,012**	**0**	**1,244,012**
Cost of sales	-943,073	587	-942,486
Gross profit	**300,939**	**587**	**301,526**
Research and development expenses	-138,017	0	-138,017
Distribution expenses	-42,688	0	-42,688
Administrative expenses	-45,052	0	-45,052
Other income and expenses	6,000	0	6,000
Earnings from investments accounted for using the equity method	9,251	0	9,251
Other income from investments	0	0	0
Earnings before interest and taxes (EBIT)	**90,432**	**587**	**91,019**

In the current reporting period 2018/2019, the costs of € 654 thousand (prior year: € 0 thousand) for the restructuring measures are adjusted in earnings before interest and taxes for the Aftermarket segment.

The adjusted income statement for the Aftermarket segment for the first three months of fiscal year 2018/2019 is as follows:

€ thousand	**2018/2019 as reported**	Restructuring	**2018/2019 adjusted**
Sales	173,679	0	173,679
Intersegment sales	566	0	566
Segment sales	**174,246**	**0**	**174,246**
Cost of sales	-113,163	0	-113,163
Gross profit	**61,083**	**0**	**61,083**
Research and development expenses	-3,435	0	-3,435
Distribution expenses	-42,802	654	-42,148
Administrative expenses	-5,737	0	-5,737
Other income and expenses	1,997	0	1,997
Earnings from investments accounted for using the equity method	2,863	0	2,863
Other income from investments	0	0	0
Earnings before interest and taxes (EBIT)	**13,970**	**654**	**14,624**

06 Amendment to the consolidated cash flow statement

In these consolidated financial statements, the presentation of incoming and outgoing payments from sales and purchases of securities has been adjusted. The payments so far had been reported within the net cash flow from financing activities but will be reported within the net cash flow from investing activities in the future. The cash and cash equivalents are not affected by the reclassification. There is no impact on any other items within the reporting. The quantitative impacts for the reporting period in the prior year are shown in the following table.

	€ thousand	2017/2018 as reported	Reclassification	2017/2018 adjusted
	Earnings before income taxes (EBT)	**111,281**	**0**	**111,281**
+	Depreciation and amortization	105,351	0	105,351
+/-	Change in provisions	-6,741	0	-6,741
+	Cash receipts for series production	10,693	0	10,693
-	Non-cash sales transacted in previous periods	-25,621	0	-25,621
+/-	Other non-cash income / expenses	-6,795	0	-6,795
+/-	Losses / profits from the sale of intangible assets and property, plant and equipment	-338	0	-338
+	Net financial result	11,899	0	11,899
+/-	Change in trade receivables and other assets not attributable to investing or financing activities	79,547	0	79,547
+/-	Change in inventories	-96,942	0	-96,942
+/-	Change in trade payables and other liabilities not attributable to investing or financing activities	21,003	0	21,003
+/-	Net tax payments	-27,541	0	-27,541
+	Dividends received	25,687	0	25,687
=	**Net cash flow from operating activities**	**201,484**	**0**	**201,484**
+	Cash receipts from the sale of intangible assets and property, plant and equipment	3,974	0	3,974
-	Payments for the purchase of intangible assets and property, plant and equipment	-159,181	0	-159,181
+/-	Net payments from loans granted to investments	-3,806	0	-3,806
+/-	Net payments for the purchase and sale of securities	0	-23,935	-23,935
=	**Net cash flow from investing activities**	**-159,014**	**-23,935**	**-182,948**
+/-	Net payments from the borrowing/repayment of financial liabilities	-7,598	0	-7,598
+/-	Net payments for the purchase and sale of securities	-23,935	+23,935	0
+/-	Net interest payments	-1,499	0	-1,499
-	Dividends paid	-780	0	-780
=	**Net cash flow from financing activities**	**-33,813**	**23,935**	**-9,877**
=	**Net change in cash and cash equivalents**	**8,658**	**0**	**8,658**
+	Cash and cash equivalents as at 1 June	783,875	0	783,875
-	Cash and cash equivalents of a disposal group	0	0	0
+/-	Effect of exchange rate fluctuations on cash and cash equivalents	-3,206	0	-3,206
=	**Cash and cash equivalents as at 31 August**	**789,327**	**0**	**789,327**

07 Adjustment of special effects in cash flow

Adjusted free cash flow from operating activities was used as a performance indicator for internal HELLA Group management. Adjusted free cash flow from operating activities is a key performance indicator which is not defined in the International Financial Reporting Standards. Rather it is reported by the HELLA Group as additional information in its financial reporting because it is used for internal management and because, from the company's perspective, it presents the cash flows from the operating activities - adjusted for special effects - in a more transparent form and facilitates a better comparison over time.

Cash flow from operating activities after capital expenditure and cash inflows from the sale or liquidation of investments are used for this purpose and adjusted for non-recurring cash flows.

In the current reporting period 2018/2019, as in the prior year, the free cash flow from operating activities is adjusted for the payments made in connection with the restructuring measures amounting to € 3,424 thousand (prior year: € 3,833 thousand).

The performance of the adjusted free cash flow from operating activities for the first three months of fiscal years 2018/2019 and 2017/2018 is shown in the following tables:

	€ thousand	2018/2019 as reported	Restructuring	2018/2019 adjusted
	Earnings before income taxes (EBT)	**126,860**	**1,426**	**128,286**
+	Depreciation and amortization	87,222	0	87,222
+/-	Change in provisions	-23,835	3,175	-20,660
+	Cash receipts for series production	0	0	0
-	Non-cash sales transacted in previous periods	0	0	0
+/-	Other non-cash income / expenses	-34,280	0	-34,280
+/-	Losses / profits from the sale of intangible assets and property, plant and equipment	183	0	183
+	Net financial result	11,686	0	11,686
+/-	Change in trade receivables and other assets not attributable to investing or financing activities	48,206	0	48,206
+/-	Change in inventories	-83,981	0	-83,981
+/-	Change in trade payables and other liabilities not attributable to investing or financing activities	88,003	-982	87,021
+/-	Net tax payments	-39,847	-195	-40,042
+	Dividends received	25,058	0	25,058
=	**Net cash flow from operating activities**	**205,277**	**3,424**	**208,701**
+	Cash receipts from the sale of intangible assets and property, plant and equipment	2,474	0	2,474
-	Payments for the purchase of intangible assets and property, plant and equipment	-151,793	0	-151,793
+	Cash receipts from the sale of subsidiaries and liquidation of other investments, less cash and cash equivalents	0	0	0
=	**Free cash flow from operating activities**	**55,958**	**3,424**	**59,382**

€ thousand		2017/2018 adjusted	Restructuring	2017/2018 adjusted
	Earnings before income taxes (EBT)	**111,281**	**1,753**	**113,034**
+	Depreciation and amortization	105,351	0	105,351
+/-	Change in provisions	-6,741	0	-6,741
+	Cash receipts for series production	10,693	0	10,693
-	Non-cash sales transacted in previous periods	-25,621	0	-25,621
+/-	Other non-cash income / expenses	-6,795	0	-6,795
+/-	Losses / profits from the sale of intangible assets and property, plant and equipment	-338	0	-338
+	Net financial result	11,899	0	11,899
+/-	Change in trade receivables and other assets not attributable to investing or financing activities	79,547	0	79,547
+/-	Change in inventories	-96,942	0	-96,942
+/-	Change in trade payables and other liabilities not attributable to investing or financing activities	21,003	2,081	23,084
+/-	Net tax payments	-27,541		-27,541
+	Dividends received	25,687	0	25,687
=	**Net cash flow from operating activities**	**201,484**	**3,833**	**205,317**
+	Cash receipts from the sale of intangible assets and property, plant and equipment	3,974	0	3,974
-	Payments for the purchase of intangible assets and property, plant and equipment	-159,181	0	-159,181
+	Cash receipts from the sale of subsidiaries and liquidation of other investments, less cash and cash equivalents	0	0	0
=	**Free cash flow from operating activities**	**46,277**	**3,833**	**50,110**

Lippstadt, September 17, 2018

The Managing General Partner of HELLA GmbH & Co. KGaA

Hella Geschäftsführungsgesellschaft mbH

Dr. Rolf Breidenbach
(Chairman)

Dr. Werner Benade

Dr. Frank Huber

Stefan Osterhage

Bernard Schäferbarthold

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