



Hella Finance International B.V.

(having its corporate seat in Nieuwegein, The Netherlands)

Euro-denominated Fixed Rate Notes due 2024

unconditionally and irrevocably guaranteed by

Hella KGaA Hueck & Co.

(having its corporate domicile in Lippstadt, Federal Republic of Germany)

Hella Finance International B.V., Nieuwegein, The Netherlands (the "**Issuer**") will issue on or about 17 May 2017 (which date may be postponed up to two weeks, the "**Issue Date**") Euro-denominated Fixed Rate Notes due 17 May 2024 (the "**Notes**"). The Notes will bear interest from and including 17 May 2017 to, but excluding, 17 May 2024 at a rate of [●] % *per annum*, payable annually in arrears on 17 May in each year, commencing on 17 May 2018.

The Notes will mature on 17 May 2024. The Issuer may redeem all (but not some only) of the Notes at its option at a specified redemption amount (make whole call) and at their principal amount together with interest accrued to the date of such redemption in the event of certain tax changes as described under "*CONDITIONS OF ISSUE – § 5 Redemption*". In addition, the Issuer may redeem all (but not some only) of the Notes at its option at their principal amount together with interest accrued to the date of such redemption at any time in the period starting three months prior to the Maturity Date (as defined below). Upon the occurrence of a change of control the holder of each Note (the "**Holder**") will have the right to require the Issuer to purchase such Note at its principal amount together with accrued interest as described below in "*CONDITIONS OF ISSUE – § 5 Redemption*".

The payments of all amounts due in respect of the Notes will be unconditionally and irrevocably guaranteed by Hella KGaA Hueck & Co., Lippstadt, Federal Republic of Germany (the "**Guarantor**" or "**Hella**"). This guarantee (the "**Guarantee**") constitutes direct, unconditional and unsubordinated obligations of the Guarantor the fulfilment of which is restricted to and may only be claimed out of the corporate assets of the Guarantor. The Guarantee does not constitute any claim against the general partners of the Guarantor, and the general partners of the Guarantor are not personally liable towards the Holders for the obligations under the Guarantee and the Notes.

This prospectus (the "**Prospectus**") constitutes a prospectus within the meaning of Article 5.3 of the Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading, as amended (the "**Prospectus Directive**"). This Prospectus together with all documents incorporated by reference will be published in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu). This Prospectus has been approved by the *Commission de Surveillance du Secteur Financier* of the Grand Duchy of Luxembourg (the "**CSSF**") in its capacity as competent authority under the Luxembourg law dated 10 July 2005 relating to prospectuses for securities (*Loi relative aux prospectus pour valeurs mobilières*), as amended (the "**Luxembourg Law**"), which implements the Prospectus Directive into Luxembourg law. Pursuant to Article 7(7) of the Luxembourg Law, by approving this Prospectus, the CSSF gives no undertaking as to the economic and financial soundness of the transaction and the quality or solvency of the Issuer. The Issuer has requested the CSSF to provide the competent authorities in the Federal Republic of Germany ("**Germany**") and the Republic of Austria ("**Austria**") with a certificate of approval attesting that the Prospectus has been drawn up in accordance with the Luxembourg Law (the "**Notification**").

Application has been made to list the Notes on the official list of the Luxembourg Stock Exchange and admit the Notes to trading on the regulated market "*Bourse de Luxembourg*" operated by the Luxembourg Stock Exchange which is a

regulated market appearing on the list of regulated markets issued by the European Securities and Markets Authority (ESMA) pursuant to Directive 2004/39/EC of 21 April 2004 on markets in financial instruments, as amended (a "**Regulated Market**").

The Notes are issued in bearer form with a denomination of € 1,000 each.

The Notes have been assigned the following securities codes: ISIN XS1611167856, Common Code 161116785, WKN A19HBR.

Moody's Deutschland GmbH has assigned the rating Baa2 to the Guarantor and to the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the relevant rating organisation.

The issue price, the aggregate principal amount, the number of notes, the interest rate, the issue proceeds, the yield of the issue and the premium which will be added to the benchmark yield will be included in the Pricing Notice (as defined in "*SUBSCRIPTION, SALE AND OFFER OF THE NOTES*" below) which will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) on or prior to the Issue Date of the Notes.

Joint Lead Managers

Deutsche Bank

Landesbank Baden-Württemberg

UniCredit Bank

RESPONSIBILITY STATEMENT

The Issuer with its registered office in The Netherlands (the "**Netherlands**") and the Guarantor with its registered office in Germany accept sole responsibility for the information contained in this Prospectus and hereby declare that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its importance.

The Issuer and the Guarantor further confirm that (i) this Prospectus contains all information with respect to the Issuer and the Guarantor as well as to Hella and its subsidiaries and affiliates taken as a whole (the "**Hella Group**" or the "**Group**") and to the Notes and the Guarantee which is material in the context of the issue and offering of the Notes and the Guarantee, including all information which, according to the particular nature of the Issuer and the Guarantor and of the Notes and the Guarantee, is necessary to enable investors and their investment advisers to make an informed assessment of the assets and liabilities, financial position, profits and losses, and prospects of the Issuer, the Guarantor and the Hella Group and of the rights attached to the Notes and the Guarantee; (ii) the statements contained in this Prospectus relating to the Issuer, the Guarantor, the Hella Group, the Notes and the Guarantee are in every material respect true and accurate and not misleading; (iii) there are no other facts in relation to the Issuer, the Guarantor, the Hella Group, the Notes or the Guarantee the omission of which would, in the context of the issue and offering of the Notes and the Guarantee, make any statement in the Prospectus misleading in any material respect; and (iv) reasonable enquiries have been made by the Issuer and the Guarantor to ascertain such facts and to verify the truthfulness and accuracy of all such information and statements contained herein.

NOTICE

To the extent not otherwise indicated, the information in this Prospectus on competition in the markets in which the Issuer and the Guarantor operate is taken from publicly available sources. The business and information from third-party sources that is cited here has been reproduced accurately. As far as the Issuer and the Guarantor are aware and are able to ascertain from information published by such third-party, no facts have been omitted which would render the reproduced information published inaccurate or misleading.

No person is authorised to give any information or to make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Issuer or the Managers (as defined in "*SUBSCRIPTION, SALE AND OFFER OF THE NOTES*"). Neither the delivery of this Prospectus nor any offering, sale or delivery of any Notes made hereunder shall, under any circumstances, create any implication (i) that the information in this Prospectus is correct as of any time subsequent to the date hereof or, as the case may be, subsequent to the date on which this Prospectus has been most recently amended, or supplemented, or (ii) that there has been no adverse change in the financial situation of the Issuer and the Guarantor which is material in the context of the issue and sale of the Notes since the date of this Prospectus or, as the case may be, the date on which this Prospectus has been most recently amended or supplemented, or the balance sheet date of the most recent financial statements which are deemed to be incorporated into this Prospectus by reference or (iii) that any other information supplied in connection with the issue of the Notes is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

Neither the Managers nor any other person mentioned in this Prospectus, except for the Issuer and the Guarantor, is responsible for the information contained in this Prospectus or any other document incorporated herein by reference, and accordingly, and to the extent permitted by the laws of any relevant jurisdiction, none of these persons accepts any responsibility for the accuracy and completeness of the information contained in any of these documents. The Managers have not independently verified any such information and accept no responsibility for the accuracy thereof.

Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness of the Issuer and the Guarantor. This Prospectus does not constitute an offer of Notes or an invitation by or on behalf of the

Issuer, the Guarantor or the Managers to purchase any Notes. Neither this Prospectus nor any other information supplied in connection with the Notes should be considered as a recommendation by the Issuer, the Guarantor or the Managers to a recipient hereof and thereof that such recipient should purchase any Notes.

This Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

The offer, sale and delivery of the Notes and the distribution of this Prospectus in certain jurisdictions is restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer, the Guarantor and the Managers to inform themselves about and to observe any such restrictions. In particular, the Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and are subject to U.S. tax law requirements. Subject to certain limited exceptions, the Notes may not be offered, sold or delivered within the United States or to U.S. persons.

For a further description of certain restrictions on offerings and sales of the Notes and distribution of this Prospectus (or of any part thereof) see "*SUBSCRIPTION, SALE AND OFFER OF THE NOTES - Selling restrictions*".

The legally binding language of this Prospectus is English. Any part of the Prospectus in German language constitutes a translation, except for the conditions of issue of the Notes (the "**Conditions of Issue**") and the Guarantee in respect of which German is the legally binding language.

IN CONNECTION WITH THE ISSUE OF THE NOTES, DEUTSCHE BANK AG, LONDON BRANCH (OR PERSONS ACTING ON ITS BEHALF) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT DEUTSCHE BANK AG, LONDON BRANCH (OR PERSONS ACTING ON ITS BEHALF) WILL UNDERTAKE STABILISATION ACTION. ANY STABILISATION ACTION MAY BEGIN AT ANY TIME AFTER THE ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 CALENDAR DAYS AFTER THE DATE OF THE RECEIPT OF THE PROCEEDS OF THE ISSUE BY THE ISSUER AND 60 CALENDAR DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. SUCH STABILISING SHALL BE IN COMPLIANCE WITH ALL LAWS, DIRECTIVES, REGULATIONS AND RULES OF ANY RELEVANT JURISDICTION.

FORWARD-LOOKING STATEMENTS

This Prospectus contains certain forward-looking statements. A forward-looking statement is a statement that does not relate to historical facts and events. They are based on analyses or forecasts of future results and estimates of amounts not yet determinable or foreseeable. These forward-looking statements are identified by the use of terms and phrases such as "*anticipate*", "*believe*", "*could*", "*estimate*", "*expect*", "*intend*", "*may*", "*plan*", "*predict*", "*project*", "*will*" and similar terms and phrases, including references and assumptions. This applies, in particular, to statements in this Prospectus containing information on future earning capacity, plans and expectations regarding the Hella Group's business and management, its growth and profitability, and general economic and regulatory conditions and other factors that affect it.

Forward-looking statements in this Prospectus are based on current estimates and assumptions that the Issuer makes to the best of its present knowledge. These forward-looking statements are subject to risks, uncertainties and other factors which could cause actual results, including the Hella Group's financial condition and results of operations, to differ materially from and be worse than results that have expressly or implicitly been assumed or described in these forward-looking statements. The Hella Group's business is also subject to a number of risks and uncertainties that could cause a forward-looking statement, estimate or prediction in this Prospectus to become inaccurate. Accordingly, investors are strongly advised to read the following sections of this Prospectus: "*RISK FACTORS*", "*GENERAL INFORMATION ABOUT THE ISSUER*", "*GENERAL INFORMATION ABOUT*

HELLA KGAA HUECK & CO. AS THE GUARANTOR". These sections include more detailed descriptions of factors that might have an impact on the Hella Group's business and the markets in which it operates.

In light of these risks, uncertainties and assumptions, future events described in this Prospectus may not occur. In addition, neither the Issuer nor the Guarantor or the Managers assume any obligation, except as required by law, to update any forward-looking statement or to conform these forward-looking statements to actual events or developments.

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SUMMARY

Summaries are made up of disclosure requirements known as "*Elements*". These elements are numbered in Sections A – E (A.1 – E.7).

This summary (the "**Summary**") contains all the Elements required to be included in a summary for this type of Notes and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the Summary because of the type of Notes and Issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the Summary with the mention of "*not applicable*".

Element	Section A – Introduction and warnings	
A.1	Warnings	<p>Warning that:</p> <ul style="list-style-type: none"> ▪ this Summary should be read as an introduction to the Prospectus; ▪ any decision to invest in the Notes should be based on consideration of the Prospectus as a whole by the investor; ▪ where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member State, have to bear the costs of translating the Prospectus, before the legal proceedings are initiated; and ▪ civil liability attaches only to the Issuer which has tabled the Summary including any translation thereof, but only if the Summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Notes.
A.2	Consent to the use of the Prospectus	<p>Each Manager (as defined below) and/or each further financial intermediary subsequently reselling or finally placing the Notes is entitled to use the Prospectus for the subsequent resale or final placement of the Notes during the period commencing on (and including) the date of the publication of the Pricing Notice (as defined below) and ending on (and including) 23 May 2017, provided however, that the Prospectus is still valid in accordance with Article 11(2) of the Luxembourg act relating to prospectuses for securities, as amended (<i>Loi relative aux prospectus pour valeurs mobilières</i>) which implements Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, as amended.</p> <p>The Prospectus may only be delivered to potential investors together with all supplements published before such delivery. Any supplement to the Prospectus will be available for viewing in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu).</p> <p>When using the Prospectus, each Manager and/or relevant further financial intermediary must ensure that it complies with all applicable laws and regulations in force in the respective jurisdictions.</p> <p>In the event of an offer being made by a Manager and/or a</p>

		further financial intermediary the Manager and/or the further financial intermediary shall provide information to investors on the terms and conditions of the Notes at the time of that offer.
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Element	Section B – The Issuer and the Guarantor	
B.1	Legal and commercial name	The legal and commercial name is Hella Finance International B.V. (the " Issuer ").
B.2	Domicile / Legal form / Legislation / Country of incorporation	Hella Finance International B.V. is incorporated and operating under the laws of The Netherlands as a private limited liability company (<i>besloten vennootschap met beperkte aansprakelijkheid</i>). The company has its corporate seat in Nieuwegein, The Netherlands. Its registered office is: Celsiusbaan 2, 3439NC Nieuwegein, The Netherlands.
B.4b	Known trends affecting the Issuer and the industries in which it operates	Not applicable. There are no known trends affecting Hella Finance International B.V. and the industries in which it operates.
B.5	Description of the Group and the Issuer's position within the Group	Hella Finance International B.V. is a wholly-owned subsidiary of Hella KGaA Hueck & Co. (" Hella ") and has no subsidiaries of its own. Hella is a partnership limited by shares incorporated and organized under the laws of Germany and the ultimate parent company of the group of companies consisting of Hella and its subsidiaries and affiliates taken as a whole (the " Hella Group ").
B.9	Profit forecast or estimate	Not applicable. No profit forecast or estimate are made.
B.10	Nature of any qualifications in the audit report on historical financial information	Not applicable. The audit report does not include any qualifications.
B.12	Selected historical key financial information	Hella Finance International B.V. is a newly founded entity. Its issued share capital amounts to € 3,000,000. At the time of this Prospectus, none of the issued shares have yet been paid up. The total assets of Hella Finance International B.V. amount to € 3,000,000 and consist of a claim of Hella Finance International B.V. vis-à-vis its shareholder, Hella KGaA Hueck & Co., for payment of the issued share capital.
	Material adverse change in the prospects of the Issuer	There has been no material adverse change in the prospects of Hella Finance International B.V. since the date of the last published audited interim financial statements as of 20 April 2017.
	Significant change in the financial and trading position	Not applicable. There has been no significant change in the financial or trading position of Hella Finance International B.V. since 20 April 2017.
B.13	Recent events	Not applicable. There are no recent events particular to Hella Finance International B.V. which are to a material extent relevant to Hella Finance International B.V.'s solvency.

B.14	Please see Element B.5	
	Statement of dependency upon other entities within the group	Hella Finance International B.V. is a wholly-owned subsidiary of Hella and has no subsidiaries of its own. Hella Finance International B.V. acts solely to facilitate the financing of the Hella Group by taking loans from and issuing notes to the market and on-lending the funds to companies within the Hella Group. The business of Hella Finance International B.V. is directly related to the extent Hella utilizes Hella Finance International B.V. for future funding needs. The extent to which future funding needs arise depends on the development of the operating business and investment projects of Hella and its subsidiaries.
B.15	Principal activities	Hella Finance International B.V. acts solely to facilitate the financing of the Hella Group.
B.16	Controlling Persons	Hella Finance International B.V. is a wholly-owned subsidiary of Hella.
B.17	Credit ratings of the Issuer or its debt securities	The rating agency Moody's Deutschland GmbH (" Moody's ") has assigned the rating Baa2 to the Notes. Hella Finance International B.V. as such has no separate credit rating.
B.18	Nature and scope of the Guarantee	The Euro-denominated Fixed Rate Notes due 17 May 2024 (the " Notes ") will have the benefit of a guarantee (the " Guarantee ") given by Hella KGaA Hueck & Co. (the " Guarantor "). The Guarantee constitutes an unconditional, irrevocable, unsecured and unsubordinated obligation of the Guarantor the fulfilment of which is restricted to and may only be claimed out of the corporate assets of the Guarantor ranking <i>pari passu</i> with all other unsecured and unsubordinated obligations of the Guarantor. The terms of the Guarantee contain a negative pledge of the Guarantor. The Guarantee does not constitute any claim against the general partners of the Guarantor, and the general partners of the Guarantor are not personally liable towards the Holders for the obligations under the Guarantee and the Notes, including the negative pledge. The Guarantee will be governed by German law. The Guarantee constitutes a contract for the benefit of the Holders from time to time as third party beneficiaries pursuant to § 328 paragraph 1 German Civil Code (<i>Bürgerliches Gesetzbuch – BGB</i>).
B.19 – B.1	Guarantor – Legal and commercial name	The legal name is Hella KGaA Hueck & Co. The commercial name is "Hella".
B.19 – B.2	Guarantor – Domicile / Legal form / Legislation / Country of incorporation	Hella KGaA Hueck & Co. is a partnership limited by shares incorporated and organized under the laws of Germany. Hella's address and registered office is at Rixbecker Straße 75, 59552 Lippstadt, Germany.
B.19 – B.4b	Guarantor – Known trends affecting the Guarantor and the industries in which it operates	Hella is affected by the development of the global automotive industry, which shows a positive near-term trend and a stable outlook, however at a more moderate level than in recent years. The market development is driven by continuous growth in the largest market China, moderate growth dynamics in European markets and a stable development of demand in North and Southern America.
B.19 – B.5	Guarantor – Description of the Group and the	The Hella Group consists of more than 100 operationally active companies throughout the world and across all business

	Guarantor's position within the Group	<p>segments, including joint ventures. Hella KGaA Hueck & Co. is the ultimate parent company and at the same time the largest operating company of the Hella Group. Generally, all German subsidiaries are held via Hella KGaA Hueck & Co. whereas international subsidiaries are concentrated under an international holding company which is a 100 % subsidiary of Hella KGaA Hueck & Co.</p> <p>The Issuer is a wholly-owned subsidiary of Hella KGaA Hueck & Co.</p>																																																
B.19 – B.9	Guarantor – Profit forecast or estimate	Not applicable. No profit forecast or estimate is made.																																																
B.19 – B.10	Guarantor – Nature of any qualifications in the audit report on historical financial information	Not applicable. The audit report does not include any qualifications.																																																
B.19 – B.12	Guarantor – Selected historical key financial information	<p>The following table sets out selected financial information of the Hella Group:</p> <table border="0"> <thead> <tr> <th style="text-align: left;">€ million</th> <th style="text-align: center;"><u>As of and for the financial year ended 31 May 2016</u></th> <th style="text-align: center;"><u>As of and for the financial year ended 31 May 2015</u></th> </tr> </thead> <tbody> <tr> <td></td> <td colspan="2" style="text-align: center;"><i>(audited)</i></td> </tr> <tr> <td>Total consolidated sales</td> <td style="text-align: right;">6,352</td> <td style="text-align: right;">5,835</td> </tr> <tr> <td>Net operating profit/loss (EBIT)</td> <td style="text-align: right;">420</td> <td style="text-align: right;">430</td> </tr> <tr> <td>Adjusted EBIT</td> <td style="text-align: right;">476</td> <td style="text-align: right;">445</td> </tr> <tr> <td>Liabilities</td> <td style="text-align: right;">3,017</td> <td style="text-align: right;">3,007</td> </tr> <tr> <td>Total assets</td> <td style="text-align: right;">4,995</td> <td style="text-align: right;">4,917</td> </tr> <tr> <td>Shareholders' equity</td> <td style="text-align: right;">1,979</td> <td style="text-align: right;">1,910</td> </tr> </tbody> </table> <table border="0"> <thead> <tr> <th style="text-align: left;">€ million</th> <th style="text-align: center;"><u>As of and for the nine-month period ended 28 February 2017</u></th> <th style="text-align: center;"><u>As of and for the nine-month period ended 29 February 2016</u></th> </tr> </thead> <tbody> <tr> <td></td> <td colspan="2" style="text-align: center;"><i>(unaudited)</i></td> </tr> <tr> <td>Total consolidated sales</td> <td style="text-align: right;">4,776</td> <td style="text-align: right;">4,654</td> </tr> <tr> <td>Net operating profit/loss (EBIT)</td> <td style="text-align: right;">348</td> <td style="text-align: right;">290</td> </tr> <tr> <td>Adjusted EBIT</td> <td style="text-align: right;">373</td> <td style="text-align: right;">345</td> </tr> <tr> <td>Liabilities</td> <td style="text-align: right;">2,965</td> <td style="text-align: right;">2,940</td> </tr> <tr> <td>Total assets</td> <td style="text-align: right;">5,136</td> <td style="text-align: right;">4,832</td> </tr> <tr> <td>Shareholders' equity</td> <td style="text-align: right;">2,171</td> <td style="text-align: right;">1,891</td> </tr> </tbody> </table>	€ million	<u>As of and for the financial year ended 31 May 2016</u>	<u>As of and for the financial year ended 31 May 2015</u>		<i>(audited)</i>		Total consolidated sales	6,352	5,835	Net operating profit/loss (EBIT)	420	430	Adjusted EBIT	476	445	Liabilities	3,017	3,007	Total assets	4,995	4,917	Shareholders' equity	1,979	1,910	€ million	<u>As of and for the nine-month period ended 28 February 2017</u>	<u>As of and for the nine-month period ended 29 February 2016</u>		<i>(unaudited)</i>		Total consolidated sales	4,776	4,654	Net operating profit/loss (EBIT)	348	290	Adjusted EBIT	373	345	Liabilities	2,965	2,940	Total assets	5,136	4,832	Shareholders' equity	2,171	1,891
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	Guarantor – Material adverse change in the prospects of the Guarantor	There has been no material adverse change in the prospects of Hella KGaA Hueck & Co. since 31 May 2016.																																																
	Guarantor – Significant change in the financial	Not applicable. There has been no significant change in the financial or trading position of Hella KGaA Hueck & Co. since 28																																																

	and trading position	February 2017.
B.19 – B.13	Guarantor – Recent developments	Not applicable. There are no recent events particular to Hella KGaA Hueck & Co. which are to a material extent relevant to its solvency.
B.19 – B.14	See Element B19. – B.5	
	Guarantor – Statement of dependency upon other entities within the Group	Not applicable. Hella is not dependent upon other entities within the Hella Group.
B.19 – B.15	Guarantor – Principal activities	Hella KGaA Hueck & Co. is a family-owned, listed company operating on the international stage, and the Hella Group is currently employing approximately 36,000 members of staff at 125 locations in about 35 countries worldwide. The Hella Group develops and manufactures lighting technology and electronics for the automotive industry and also has one of the largest retail organisations for automotive parts, accessories, diagnostics, and services within Europe. Joint venture companies furthermore create entire vehicle modules, air-conditioning systems and vehicle wiring systems. With more than 6,000 people working in research and development, the Hella Group is one of the most important innovation drivers on the market.
B19. – B.16	Guarantor – Major shareholders	The majority of the shares in Hella KGaA Hueck & Co. is directly or indirectly owned by family shareholders, in particular members and decedents of the industrialist families Hueck and Röpke. The family shareholders have entered into a pool agreement pursuant to which 60 % of the shares of Hella KGaA Hueck & Co. held by the family shareholders are pooled and may generally not be sold to third parties by the family shareholders. The Pool Agreement may not be terminated other than for special causes before 31 May 2024. The pool members are not obligated to hold all their shares within the pool. Thus, they may have shares which are subject to the pool agreement and shares which are part of the free float. According to the notifications received by Hella as per the date of this Prospectus, no shareholder holds a majority interest in Hella KGaA Hueck & Co. and no family shareholder holds more than 10 % of the shares in Hella KGaA Hueck & Co.
B.19 – B.17	Guarantor – Credit ratings of the Guarantor or its debt securities	The rating agency Moody's has assigned the rating Baa2 (outlook stable) to the Guarantor.

Element	Section C – The Notes	
C.1	Class and type of the Notes / Security Identification Code	Class The Notes are unsecured (except for the Guarantee).
		Fixed rate notes The Notes bear interest at a fixed rate throughout the entire term of the Notes.
		Security Identification Code ISIN XS1611167856

		Common Code 161116785 WKN A19HBR
C.2	Currency	The Notes are issued in Euro.
C.5	Restrictions on free transferability	Not applicable. The Notes are freely transferable.
C.8	Rights attached to the Notes (including ranking of the Notes and limitations to those rights)	<p>Early redemption for taxation reasons</p> <p>Early redemption of the Notes for reasons of taxation will be permitted, if as a result of any change in, or amendment to, the laws or regulations (including any amendment to, or change in, an official interpretation or application of such laws or regulations) of The Netherlands or Germany or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, the Issuer will become obligated to pay additional amounts on the Notes, all as more fully set out in the Conditions of Issue.</p> <p>Early redemption for reasons of a change of control in respect of the Guarantor</p> <p>The Conditions of Issue contain a change of control clause which provides that under certain circumstances each holder of a note (a "Holder") will have the option to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note at its principal amount together with interest accrued to but excluding the date of redemption or purchase.</p> <p>Early redemption in an event of default (including the cross default)</p> <p>The Notes provide for events of default (including the cross default) entitling each Holder to demand immediate redemption of Notes at their principal amount together with accrued interest to the date of repayment.</p> <p>Early redemption at the option of the Issuer within three months before the maturity date</p> <p>The Notes can be redeemed in whole but not in part at the option of the Issuer, upon giving notice to the Holders, on a date within the period from, and including, 17 February 2024 to, but excluding, the maturity date as specified below under C.9 and at the principal amount of the respective Note together with accrued interest to, but excluding, the relevant redemption date.</p> <p>Early redemption at the option of the Issuer at the principal amount of the respective Note or, if higher, at the present value of the Note</p> <p>The Notes can be redeemed in whole but not in part at the option of the Issuer at any time upon giving not less than 30 days' and not more than 60 days' prior notice to Deutsche Bank Aktiengesellschaft being the Principal Paying Agent and the Holders at the principal amount of the respective Note or, if higher, at the present value of the Note together with accrued interest to, but excluding, the relevant redemption date.</p> <p>Status of the Notes</p> <p>The obligations under the Notes constitute unsecured and</p>

		<p>unsubordinated obligations of the Issuer ranking <i>pari passu</i> among themselves and <i>pari passu</i> with all other unsecured and unsubordinated obligations of the Issuer, unless such obligations are accorded priority under mandatory provisions of statutory law.</p>
		<p>Negative pledge</p> <p>The Conditions of Issue contain a negative pledge provision of the Issuer.</p>
		<p>Resolutions of Holders</p> <p>In accordance with the German Act on Debt Securities of 2009 (<i>Schuldverschreibungsgesetz</i> – "SchVG") the Notes contain provisions pursuant to which Holders may agree by resolution to amend the Conditions of Issue (with the consent of the Issuer) and to decide upon certain other matters regarding the Notes. Resolutions of Holders properly adopted, either in a meeting of Holders or by vote taken without a meeting in accordance with the Conditions of Issue, are binding upon all Holders. Resolutions providing for material amendments to the Conditions of Issue require a majority of not less than 75% of the votes cast. Resolutions regarding other amendments are passed by a simple majority of the votes cast.</p>
C.9	See Element C.8.	
	Interest rate	[●] per cent per annum
	Interest commencement date	<p>17 May 2017 (the "Issue Date")</p> <p>Subject to market conditions, the Issue Date may be postponed by up to two weeks. Prospective investors will be informed of such postponement.</p>
	Interest payment dates	17 May in each year commencing on 17 May 2018.
	Underlying on which interest rate is based	Not applicable. The interest rate is not based on an underlying.
	Maturity date including repayment procedures	<p>17 May 2024</p> <p>Payment of principal in respect of Notes shall be made to Clearstream Banking, société anonyme and Euroclear Bank SA/NV (each, the "Clearing System") or to their order for credit to the accounts of the relevant account holders of each Clearing System.</p>
	Indication of yield	[●] per cent per annum
	Name of representative of the Holders	In accordance with the SchVG the Conditions of Issue provide that the Holders may by majority resolution appoint a representative for all Holders (the " Holders' Representative "). The responsibilities and functions assigned to the Holders' Representative appointed by a resolution are determined by the SchVG and by majority resolutions of the Holders.
C.10	See Element C.9.	
	Explanation how the value of the investment is affected in the case	Not applicable. The interest payment has no derivative component.

	the Notes have a derivative component in the interest payment	
C.11	Admission to trading on a regulated market or equivalent market / Indication of the market where the Notes will be traded and for which the Prospectus has been published	Application has been made for admission to trading of the Notes on the " <i>Bourse de Luxembourg</i> ", the regulated market of the Luxembourg Stock Exchange.

Element	Section D – Risks	
	Risks specific to Hella Finance International B.V. as the Issuer	
D.2	Key information on the key risks that are specific to the Issuer	<p>Hella Finance International B.V. acts solely to facilitate the financing of the Hella Group. Its main assets are loans to other companies of the Hella Group. Hella Finance International B.V.'s continued operations depend on the ability of Hella KGaA Hueck & Co. and other members of the Hella Group to meet their payment obligations under these intragroup loans.</p> <p>All debt securities of Hella Finance International B.V. (such as the Notes) are wholly and unconditionally guaranteed by Hella KGaA Hueck & Co. in respect of principal and interest payments. This Guarantee is enforceable under the laws of Germany.</p> <p>For the risk factors regarding Hella KGaA Hueck & Co. as Guarantor and debtor to Hella Finance International B.V., please see the separate section below.</p>
	Risks specific to Hella KGaA Hueck & Co. as the Guarantor	
D.2	Key information on the key risks that are specific to the Guarantor	<p>Hella's and the Hella Group's business, and as a result, the value of the Guarantee and the Notes, are exposed to a number of risks. The following lists certain risks which may materially adversely affect Hella's and the Hella Group's financial position and results of operations:</p> <p>Unfavourable economic and political conditions</p> <p>The Hella Group's business is dependent on general global economic conditions, particularly within Europe, the USA, China and Mexico. A significant deterioration in these conditions, such as a continued economic slowdown, a recession or sustained loss of consumer confidence and consumer demand, could trigger a decline (including decreasing production and reduction of capacity) in industries in which the Hella Group operates and therefore have a material adverse effect on the Hella Group's result of operations.</p> <p>Market and economic fluctuations risks</p> <p>The Hella Group depends heavily on the market development in the automotive industry. The Hella Group's turnover can be attributed mainly to customers in the automotive industry, their suppliers and the independent aftermarket. A fall in demand on these markets and a heightened pressure on prices in all divisions</p>

	<p>of the Hella Group might consequently negatively impact the financial and profit situation of the Hella Group.</p> <p>Dependency on certain regional markets</p> <p>The Hella Group generates a significant portion of its total sales in Europe and, in particular, in Germany, and therefore may be more affected by economic downturns and competitive pressures in this region than its competitors. Furthermore, changes in the geographical distribution of automotive demand such as an increasing shift in the demand for passenger cars from mature Western economies to emerging markets could adversely affect the Hella Group.</p> <p>Intense competition and overcapacity</p> <p>The Hella Group faces competition from several international companies as well as local and regional companies in the countries in which it operates. Increased competition and unanticipated actions by competitors or customers as well as overcapacity in certain industries could lead to downward pressure on prices and/or a decline in the Hella Group's market share, which would adversely affect its results and hinder its growth potential.</p> <p>Performance risks</p> <p>The Hella Group is subject to performance risks which are considered to be risks that have a negative impact on the course of business due to internal or external influences on the process or organisational procedures of the Hella Group. The main risk potential in the operative course of business lies in the calculation of complex projects mostly running for a period of several years and in the technical and economical handling thereof.</p> <p>Operational risks which may lead to production bottlenecks and production downtime</p> <p>The Hella Group's development, production and procurement processes involve many different, often interrelated phases and are complex to manage. Even when technical and safety standards for the construction, operation and maintenance of its facilities are observed, operational disruptions and delays cannot be ruled out which may lead to significant production downtimes and interruptions of services provided to customers.</p> <p>Risks related to restructuring activities</p> <p>Restructuring measures taken by the Hella Group could turn out to be insufficient to achieve the anticipated cost savings. This as well as market pressure might require further restructuring activities of the Hella Group, in particular in high-cost countries.</p> <p>Strategic Risks</p> <p>The success of the Hella Group depends to a large extent on its ability to provide customers with new, attractive products tailored to their needs. As such new products are brought to the market, The Hella Group faces risks related to a potential lack of market acceptance, delays in product development or launch schedule, a failure to meet customer specifications and the inability to manufacture in time for the start of customer production or agreed delivery dates. In such cases, customer relationships may be negatively impacted and the Hella Group may face cost overruns.</p>
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		<p>If the Hella Group is unable to retain its position as an innovation and technology leader, devotes resources to the development of technologies which do not prove successful, or is unable to react to market trends (e.g., because of a misjudgment or delayed recognition of such trends and customer requirements), this may result in a loss of its reputation, customers, market share and competitive position.</p> <p>The business strategy of the Hella Group also includes acquisitions and investments in its business activities and the development of strategic partnerships as well as the buildup of new sites. The success of the strategy depends on the Hella Group's ability to judge the market requirements correctly and to successfully implement the necessary steps, e.g., identify the right partners, acquire assets and/or shareholdings in companies on acceptable terms and find the most favourable future locations.</p> <p>Dependency on a number of major customers in the Automotive segment</p> <p>The Hella Group derives a major portion of its sales from a limited number of customers, primarily the major automobile manufacturers. In the case the Hella Group fails to retain these customers or fails to compensate for a significant decline in sales with other customers or fails to acquire new customers, the entire Hella Group would be negatively impacted by this in respect of its performance.</p> <p>Market risks related to Aftermarket business</p> <p>The Hella Group's independent aftermarket business is exposed to market disruptions and attempts by automotive manufacturers and other actual or potential competitors to increase their respective share of the market. As a result, there can be no assurance that the Hella Group will continue to be able to operate in this market as profitably as in the last financial years.</p> <p>Warranty, product liability and product recalls</p> <p>Product defects may lead to costly replacement measures, product liability claims, fines and other measures imposed by government and regulatory agencies as well as reputational damage. In addition, the Hella Group is also subject to the risk that its products may not fulfill customer requirements and specifications.</p> <p>Patent and other intellectual property rights infringement</p> <p>The Hella Group's competitiveness depends on its ability to protect its brand and technological expertise against infringements by third parties. Patent and other intellectual property rights infringements by third parties could have an adverse effect on the Hella Group's business and financial position. In addition, third parties could take action against the Hella Group for infringement of intellectual property rights.</p> <p>Supply chain risks</p> <p>The Hella Group depends on the functioning of its supply chain as well as a number of key suppliers, the loss of which could adversely affect the Hella Group's business.</p>
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	<p>Strongly fluctuating prices of raw material</p> <p>The Hella Group's production costs depend on the prices of raw materials, energy and purchased components, and the Hella Group may not be able to pass on increases in these prices to its customers. If the Hella Group or its suppliers are unable to find substitutes for such material, or pass the increased input prices on to customers at all or in a timely manner, or to safeguard the supply of scarce raw materials, this could have a material adverse effect on the Hella Group's business.</p> <p>Personnel risks</p> <p>Highly qualified employees are vital for the Hella Group as an innovative company and group. Fluctuation of personnel carries the risk of a loss of expertise, and the Hella Group could have difficulties in hiring and/or retaining highly-qualified managerial staff and skilled labor.</p> <p>Environmental, health and regulatory risks</p> <p>The Hella Group is subject to environmental, job safety and other regulatory requirements and risks as a result of which the Hella Group may have to incur significant costs, liabilities and obligations.</p> <p>IT risks</p> <p>Due to its dependency on complex information technology, the Hella Group is subject to a number of IT risks, such as the loss or theft of data, stoppages and interruptions to the business or system failures.</p> <p>Financial risks</p> <p>The Hella Group is exposed to a number of financial risks, in particular foreign exchange risks, interest rate risks and the risk of defaults on receivables and credit risks. The Group's obligations under its credit facilities restrict its business and financial flexibility. Financing may not be available in the required scope to fund or support the Hella Group's working capital or may only be available on less favorable terms in the future thereby limiting further growth. In addition, Hella has substantial pension obligations which may adversely affect its financial position.</p> <p>Tax risks</p> <p>The tax burden of the Hella Group could increase due to changes in tax law or their application or interpretation, or as a result of current or future tax audits.</p> <p>Compliance breaches, including cartel infringements</p> <p>The Hella Group encompasses numerous companies worldwide which compete for attractive orders by customers. This inherently bears the risk that applicable legislation and regulations may be breached. Compliance breaches, including competition law infringements, could result in investigations by the relevant authorities, fines, additional payments of tax, damage claims, payment claims, the termination of relationships with customers and reputational damage.</p> <p>The Hella Group is presently subject to investigations by the European Commission and the U.S. antitrust authorities for alleged price fixing and may be exposed to substantial fines or</p>
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		<p>civil liabilities if the investigations produce evidence for these allegations.</p> <p>Further legal risks</p> <p>The Hella Group's risk management system or compliance system could prove inadequate. The Hella Group might be unable to anticipate and adequately plan for future changes in laws and regulations and the Hella Group's compliance system may not be sufficient to adapt quickly enough to any such changes.</p>
	Risks specific to the Notes	
D.3	Key information on the key risks that are specific to the Notes	<p>An investment in the Notes involves certain risks associated with the characteristics of the Notes which could lead to substantial losses that Holders would have to bear in the case of selling their Notes or with regard to receiving interest payments and repayment of principal. Those risks include that:</p> <ul style="list-style-type: none"> - the Notes may not be a suitable investment for any investor; - prior to the issue, there has been no public market for the Notes and there can be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue; in an illiquid market, an investor might not be able to sell his Notes at any time at fair market prices; - the price of the Notes falls as a result of changes in market interest rates; - market value of the Notes could decrease if the creditworthiness of the Hella Group worsens or as a result of changes in accounting standards applicable to Hella Finance International B.V. or Hella KGaA Hueck & Co.; - the Notes may be subject to early redemption at the principal amount, if the Issuer becomes obligated to bear withholding taxes which are or will be leviable on payments of principal or interest in respect of the Notes; if the Issuer calls and redeems the Notes in such case, the Holders may only be able to reinvest the redemption proceeds in securities with a lower yield; - a Holder is subject to the risk to be outvoted and to lose rights towards the Issuer against his will in the case that noteholders agree pursuant to the Conditions of Issue to amendments of the Conditions of Issue by majority vote according to the SchVG. In the case of an appointment of a noteholders' representative for all Holders a particular Holder may lose, in whole or in part, the possibility to enforce and claim his rights against the Issuer regardless of other Holders; - the Euro denominated Notes could represent a currency risk for a Holder if the Euro represents a foreign currency to such Holder; in addition, governments and competent authorities could impose exchange controls in the future; and - there is no restriction on the amount of debt which the Issuer may incur in the future. <p>The realisation of any of the risks described above may affect the Issuer's ability to fulfil its payment obligations under the Notes</p>

		and/or lead to a decline in the market price of the Notes.
	Risks specific to the Guarantee	
D.3	Key information on the key risks that are specific to the Guarantee	<p>Certain risks are also associated with the Guarantee such as:</p> <ul style="list-style-type: none"> - the Guarantee constitutes direct, unconditional and unsubordinated obligations of the Guarantor the fulfilment of which is restricted to and may only be claimed out of the corporate assets of the Guarantor. The Guarantee does not constitute any claim against the general partners of the Guarantor, and the general partners of the Guarantor are not personally liable towards the Holders for the obligations under the Guarantee and the Notes; - the risk that liabilities of the Guarantor may exceed the Guarantor's assets; - claims under the Guarantee may be effectively subordinated to obligations of the Guarantor insofar as the Guarantor has pledged or will pledge its assets to third parties to secure its debts; and, in addition, - the Guarantee may be limited or unavailable by applicable laws or be subject to certain limitations of defences.

Element	Section E – Offer of the Notes	
E.2b	Reasons for the offer and use of proceeds when different from making profit and/or hedging certain risks	The Issuer intends to lend the net proceeds to the Guarantor who intends to use the net proceeds for general corporate purposes, including the refinancing of existing debt.
E.3	A description of the terms and conditions of the offer	<p>Joint Lead Managers: Deutsche Bank AG, London Branch Landesbank Baden-Württemberg UniCredit Bank AG (each, a "Joint Lead Manager" or a "Manager")</p> <p>Aggregate Principal Amount: EUR [●]</p> <p>Issue Price: [●] %</p> <p>Offer Period and determination of Pricing Details</p> <p>The Notes will be offered to investors by the Joint Lead Managers during an offer period which is expected to commence on or about 9 May 2017 and will be open until 17 May 2017 subject to shortening or extension. Subject to market conditions, the Issue Date may be postponed by up to two weeks. On the basis of the orders received by the Joint Lead Managers the Issue Price, the rate of interest, the number of notes to be issued, the aggregate principal amount, the issue proceeds, the premium to the benchmark yield to calculate the present value of the Notes and the yield of the issue will be determined on the pricing date which is expected to be on or about 9 May 2017 and will be communicated to investors. The results of the offer will be included in a notification which will be filed with the CSSF and published on the website of the Luxembourg Stock Exchange (www.bourse.lu) after the date of pricing and prior to the Issue</p>

		<p>Date (the "Pricing Notice"). Should the Issuer and the Joint Lead Managers determine any shortening or extension of the offer period, which could be the result of changing market conditions, such changes will be published in the same manner as the pricing details. The Pricing Notice and any other notice (if any) will be published for purposes of all jurisdictions in which an offer to the public is made in the same manner.</p> <p>Offer to the public</p> <p>The Notes will be sold to institutional investors and retail investors in compliance with restrictions on offers to the public in all countries in the European Union. An offer to the public will be made in Luxembourg, Germany and Austria.</p> <p>Conditions and technical details of the Offer</p> <p>There are no conditions to which the offer is subject. Any offer to purchase Notes to investors will be made through, and investors may submit their offers to buy Notes, using the information system Bloomberg or any other commonly used information systems. Following the determination and notification of the pricing details the Joint Lead Managers will offer the Notes upon request in Germany, Luxembourg and Austria. Subscription rights for the Notes will not be issued. Any investor who has submitted an order in relation to the Notes whose order is accepted will receive a confirmation relating to the respective allotment of Notes. Before an investor receives a confirmation from the Joint Lead Managers that its purchase order for the Notes has been accepted, the investor may reduce or withdraw its purchase order. There is no minimum or maximum amount of Notes to be purchased. Investors may place offers to purchase Notes in any amount subject to a minimum denomination of € 1,000.</p> <p>Confirmation in relation to an order and allotments as well as delivery of the Notes</p> <p>Following the pricing of the Notes and confirmation which orders have been accepted and which amounts have been allotted to particular investors delivery and payment of the Notes will be made within five business days after the date of pricing of the Notes and the confirmation of the allotment to investors. The Notes will be delivered via book-entry through the Clearing System and its accountholding banks against payment of the Issue Price.</p> <p>Method of determination of the Issue Price and the rate of interest</p> <p>The rate of interest and the Issue Price for the Notes will be determined at the time of pricing on the basis of a yield which is determined by adding a credit spread to the level of the Midswaps at the time of pricing. The pricing spread will be determined on the basis of the orders of the investors which are received by the Joint Lead Managers during the offer period.</p> <p>The Issue Price, the aggregate principal amount, the number of Notes, the interest rate, the issue proceeds, the premium to the benchmark yield to calculate the present value of the Notes and the yield of the issue will be included in the Pricing Notice which will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) on or prior to the Issue Date of the Notes.</p>
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E.4	Any interest that is material to the issue/offer including conflicting interests	Not applicable. There are no interests of natural and legal persons other than the Issuer or the Guarantor involved in the issue or offer of the Notes, including conflicting ones that are material to the issue or offer of the Notes.
E.7	Estimated expenses charged to the investor by the Issuer or the offeror	Not applicable. No expenses are charged to the investor by the Issuer or the offeror of the Notes.

GERMAN TRANSLATION OF THE SUMMARY

ZUSAMMENFASSUNG

Zusammenfassungen sind zusammengesetzt aus Offenlegungspflichten, die als "*Punkte*" bekannt sind. Diese Punkte sind in die Abschnitte A – E (A.1 – E.7) nummeriert.

Diese Zusammenfassung (die "**Zusammenfassung**") enthält alle Punkte, die in eine Zusammenfassung für diese Art von Schuldverschreibungen und die Emittenten aufzunehmen sind. Da einige Punkte nicht zu berücksichtigen sind, kann die Nummerierung Lücken aufweisen.

Auch wenn ein Punkt wegen der Art der Schuldverschreibungen und der Emittenten in die Zusammenfassung aufgenommen werden muss, ist es möglich, dass bezüglich dieses Punktes keine relevante Information gegeben werden kann. In einem solchen Fall ist in der Zusammenfassung eine kurze Beschreibung des Punktes unter Bezeichnung als "*nicht anwendbar*" enthalten.

Punkt	Abschnitt A – Einleitung und Warnhinweise	
A.1	Warnhinweise	<p>Warnhinweis, dass</p> <ul style="list-style-type: none"> ▪ die Zusammenfassung als Einleitung zum Prospekt verstanden werden sollte; ▪ sich der Anleger bei jeder Entscheidung in die Schuldverschreibungen zu investieren, auf den Prospekt als Ganzen stützen sollte; ▪ ein Anleger, der wegen der in dem Prospekt enthaltenen Angaben Klage einreichen will, nach den nationalen Rechtsvorschriften seines Mitgliedstaats möglicherweise für die Übersetzung des Prospekts aufkommen muss, bevor das Verfahren eingeleitet werden kann; und ▪ zivilrechtlich nur die Emittentin haftet, die die Zusammenfassung samt etwaiger Übersetzungen vorgelegt und übermittelt hat, und dies auch nur für den Fall, dass die Zusammenfassung verglichen mit den anderen Teilen des Prospekts irreführend, unrichtig oder inkohärent ist oder verglichen mit den anderen Teilen des Prospekts wesentliche Angaben, die in Bezug auf Anlagen in die Schuldverschreibungen für die Anleger eine Entscheidungshilfe darstellen, vermissen lassen.
A.2	Zustimmung zur Verwendung des Prospektes	<p>Jeder Platzeur (wie unten definiert) und/oder jeder weitere Finanzintermediär, der die emittierten Schuldverschreibungen nachfolgend weiter verkauft oder endgültig platziert, ist berechtigt, den Prospekt für den späteren Weiterverkauf oder die endgültige Platzierung der Schuldverschreibungen während des Zeitraums ab dem Tag der Veröffentlichung der Preismitteilung (einschließlich) bis zum 23. Mai 2017 (einschließlich) zu verwenden, vorausgesetzt jedoch, dass der Prospekt in Übereinstimmung mit Artikel 11(2) des Luxemburger Wertpapierprospektgesetzes in der jeweils gültigen Fassung (<i>Loi relative aux prospectus pour valeurs mobilières</i>), welches die Richtlinie 2003/71/EG des Europäischen Parlaments und des Rates vom 4. November 2003 in der jeweils gültigen Fassung umsetzt, noch gültig ist.</p> <p>Der Prospekt darf potentiellen Investoren nur zusammen mit sämtlichen bis zur Übergabe veröffentlichten Nachträgen übergeben werden. Jeder Nachtrag zum Prospekt kann in elektronischer Form auf der Internetseite der Wertpapierbörse</p>

		<p>Luxemburg (www.bourse.lu) eingesehen werden.</p> <p>Bei der Nutzung des Prospektes hat jeder Platzeur und/oder jeweilige weitere Finanzintermediär sicherzustellen, dass er alle anwendbaren, in den jeweiligen Jurisdiktionen geltenden Gesetze und Rechtsvorschriften beachtet.</p> <p>Für den Fall, dass ein Platzeur und/oder weiterer Finanzintermediär ein Angebot macht, informiert dieser Platzeur und/oder weiterer Finanzintermediär die Anleger zum Zeitpunkt der Angebotsvorlage über die Angebotsbedingungen der Schuldverschreibungen.</p>
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Punkt	Abschnitt B – Emittentin und Garantiegeber	
B.1	Gesetzliche und kommerzielle Bezeichnung	Die gesetzliche und kommerzielle Bezeichnung ist Hella Finance International B.V. (die " Emittentin ").
B.2	Sitz / Rechtsform / geltendes Recht/ Land der Gründung	Hella Finance International B.V. ist eine nach dem Recht der Niederlande gegründete und operierende Gesellschaft mit beschränkter Haftung (<i>besloten vennootschap met beperkte aansprakelijkheid</i>). Die Gesellschaft hat ihren Sitz in Nieuwegein, Niederlande. Ihr eingetragener Sitz ist Celsiusbaan 2, 3439NC Nieuwegein, Niederlande.
B.4b	Bereits bekannte Trends, die sich auf den Emittenten und die Branchen, in denen er tätig ist, auswirken	Nicht anwendbar. Es gibt keine bereits bekannten Trends, die sich auf Hella Finance International B.V. und die Branchen, in denen sie tätig ist, auswirken.
B.5	Beschreibung der Gruppe und der Stellung des Emittenten innerhalb dieser Gruppe	Hella Finance International B.V. ist eine unmittelbare 100%-ige Tochtergesellschaft der Hella KGaA Hueck & Co. (" Hella ") und hat selbst keine Tochtergesellschaften. Hella ist eine nach deutschem Recht gegründete Kommanditgesellschaft auf Aktien und die oberste Muttergesellschaft der aus Hella und ihren Tochterunternehmen und verbundenen Unternehmen bestehenden Unternehmensgruppe (die " Hella-Gruppe ").
B.9	Gewinnprognosen oder -schätzungen	Nicht anwendbar. Es liegen keine Gewinnprognosen oder -schätzungen vor
B.10	Art etwaiger Beschränkungen im Bestätigungsvermerk zu den historischen Finanzinformationen	Nicht anwendbar. Der Bestätigungsvermerk enthält keine Beschränkungen.
B.12	Ausgewählte wesentliche historische Finanzinformationen	Hella Finance International B.V. ist eine neu gegründete Gesellschaft. Ihr Gesellschaftskapital beträgt € 3.000.000. Zum Zeitpunkt dieses Prospekts sind die Gesellschaftsanteile noch nicht voll eingezahlt. Die Bilanzsumme der Hella Finance International B.V. beträgt € 3.000.000, und die Aktiva bestehen aus einem Anspruch der Hella Finance International B.V. gegen ihre Gesellschafterin, die Hella KGaA Hueck & Co., auf Einzahlung des Gesellschaftskapitals.
	Erklärung über keine	Der Geschäftsausblick der Hella Finance International B.V. hat

	wesentliche Verschlechterung der Aussichten	sich seit dem letzten veröffentlichen und geprüften Zwischenabschluss vom 20. April 2017 nicht wesentlich negativ verändert.
	Signifikante Veränderungen in der Finanz- bzw. Handelsposition	Nicht anwendbar. Seit dem 20. April 2017 hat es keine signifikanten Änderungen der Finanz- bzw. Handelsposition der Hella Finance International B.V. gegeben.
B.13	Jüngste Entwicklungen	Nicht anwendbar. Es gibt keine Ereignisse aus jüngster Zeit in Bezug auf Hella Finance International B.V., die in erheblichem Maße für die Bewertung der Zahlungsfähigkeit der Hella Finance International B.V. relevant sind.
B.14	Siehe Element B.5.	
	Angabe zur Abhängigkeit von anderen Unternehmen innerhalb der Gruppe	Hella Finance International B.V. ist eine unmittelbare 100%-ige Tochtergesellschaft der Hella und hat selbst keine Tochtergesellschaften. Hella Finance International B.V. hat ausschließlich die Aufgabe, die Finanzierung der Hella-Gruppe zu unterstützen, indem sie Darlehen aufnimmt oder Anleihen am Markt platziert und diese Gelder an Gesellschaften innerhalb der Hella-Gruppe weiterleitet. Das Geschäft von Hella Finance International B.V. steht in direktem Bezug zu dem Umfang, in dem Hella die Hella Finance International B.V. für zukünftigen Finanzierungsbedarf einsetzt. Der Umfang, in dem zukünftiger Finanzierungsbedarf entsteht, hängt von der Entwicklung des operativen Geschäfts und den Investitionen der Hella und ihrer Tochterunternehmen ab.
B.15	Haupttätigkeiten	Hella Finance International B.V. hat ausschließlich die Aufgabe, die Finanzierung der Hella-Gruppe zu unterstützen.
B.16	Beherrschungsverhältnis	Hella Finance International B.V. ist eine unmittelbare 100%-ige Tochtergesellschaft der Hella.
B.17	Kreditratings der Emittentin oder ihrer Schuldtitel	Die Ratingagentur Moody's Deutschland GmbH (" Moody's ") hat den Schuldverschreibungen das Rating Baa2 erteilt. Hella Finance International B.V. als solche hat kein Einzelkreditrating.
B.18	Art und Umfang der Garantie	Die auf Euro lautenden festverzinslichen Schuldverschreibungen (<i>Euro-denominated Fixed Rate Notes</i>) (die " Schuldverschreibungen ") profitieren von einer Garantie (die " Garantie ") der Hella KGaA Hueck & Co. (der " Garantiegeber "). Die Garantie begründet eine unbedingte, unwiderrufliche, nicht besicherte und nicht nachrangige, jedoch ausschließlich aus dem Gesellschaftsvermögen des Garantiegebers zu begleichende und auf das Gesellschaftsvermögen des Garantiegebers beschränkte Verpflichtung des Garantiegebers, die mit allen sonstigen unbesicherten und nicht nachrangigen Verpflichtungen des Garantiegebers wenigstens im gleichen Rang steht. Die Bedingungen der Garantie enthalten eine Negativverpflichtung des Garantiegebers. Durch die Garantie wird kein Anspruch gegen die Komplementäre des Garantiegebers begründet, und die Komplementäre des Garantiegebers haften den Gläubigern der Schuldverschreibungen nicht persönlich für die Verbindlichkeiten aus der Garantie oder den Schuldverschreibungen, einschließlich der Negativverpflichtung. Die Garantie unterliegt deutschem Recht. Die Garantie ist ein Vertrag zu Gunsten der Gläubiger der Schuldverschreibungen als begünstigte Dritte gemäß § 328 Absatz 1 BGB.

B.19 – B.1	Garantiegeber – Gesetzliche und kommerzielle Bezeichnung	Die gesetzliche Bezeichnung ist Hella KGaA Hueck & Co. Die kommerzielle Bezeichnung ist "Hella".																		
B.19 – B.2	Garantiegeber – Sitz / Rechtsform / geltendes Recht/ Land der Gründung	Hella KGaA Hueck & Co. ist eine Kommanditgesellschaft auf Aktien nach deutschem Recht und ist unter deutschem Recht tätig. Die Adresse und der eingetragene Sitz von Hella ist Rixbecker Straße 75, 59552 Lippstadt, Deutschland.																		
B.19 – B.4b	Garantiegeber – Bereits bekannte Trends, die sich auf den Garantiegeber und die Branchen, in denen er tätig ist, auswirken	Hella ist von der Entwicklung der globalen Automobilindustrie beeinflusst, welche einen positiven kurzfristigen Trend und stabilen Ausblick zeigt, wenn auch auf einem eher moderaten Level verglichen mit den letzten Jahren. Die Marktentwicklung wird getrieben von kontinuierlichem Wachstum im größten Fahrzeugmarkt China, einer moderaten Wachstumsdynamik in den europäischen Märkten und einer stabilen Nachfrageentwicklung in Nord- und Südamerika.																		
B.19 – B.5	Garantiegeber – Beschreibung der Gruppe und der Stellung des Garantiegebers innerhalb dieser Gruppe	Die Hella-Gruppe besteht aus mehr als 100 weltweit und in allen Geschäftsbereichen operativ tätigen Gesellschaften, einschließlich Joint Ventures. Hella KGaA Hueck & Co. ist die Muttergesellschaft und gleichzeitig die größte operativ tätige Gesellschaft der Hella-Gruppe. Grundsätzlich werden alle deutschen Tochtergesellschaften von der Hella KGaA Hueck & Co. gehalten, während die internationalen Tochtergesellschaften unter einer internationalen Holdinggesellschaft konzentriert sind, die eine 100%ige Tochtergesellschaft der Hella KGaA Hueck & Co. ist. Die Emittentin ist eine unmittelbar 100%-ige Tochtergesellschaft der Hella KGaA Hueck & Co.																		
B.19 – B.9	Garantiegeber – Gewinnprognosen oder -schätzungen	Nicht anwendbar. Es liegen keine Gewinnprognosen oder -schätzungen vor.																		
B.19 – B.10	Garantiegeber – Art etwaiger Beschränkungen im Bestätigungsvermerk zu den historischen Finanzinformationen	Nicht anwendbar. Der Bestätigungsvermerk enthält keine Beschränkungen.																		
B.19 – B.12	Garantiegeber – Ausgewählte wesentliche historische Finanzinformationen	Die nachstehende Tabelle zeigt ausgewählte Finanzinformationen der Hella-Gruppe: <table data-bbox="659 1603 1401 2000"> <thead> <tr> <th data-bbox="659 1603 954 1637">€ in Millionen</th> <th data-bbox="962 1603 1201 1727"><u>Für das Geschäftsjahr endend am 31. Mai 2016</u></th> <th data-bbox="1209 1603 1449 1727"><u>Für das Geschäftsjahr endend am 31. Mai 2015</u></th> </tr> </thead> <tbody> <tr> <td></td> <td colspan="2" data-bbox="1114 1738 1217 1771"><i>(geprüft)</i></td> </tr> <tr> <td data-bbox="659 1783 954 1839">Konsolidierte Gesamteinnahmen</td> <td data-bbox="1058 1783 1137 1816">6.352</td> <td data-bbox="1305 1783 1385 1816">5.835</td> </tr> <tr> <td data-bbox="659 1850 954 1906">Operatives Ergebnis (EBIT)</td> <td data-bbox="1082 1850 1129 1883">420</td> <td data-bbox="1329 1850 1377 1883">430</td> </tr> <tr> <td data-bbox="659 1917 954 1951">Adjusted EBIT</td> <td data-bbox="1082 1917 1129 1951">476</td> <td data-bbox="1329 1917 1377 1951">445</td> </tr> <tr> <td data-bbox="659 1962 954 1995">Verbindlichkeiten</td> <td data-bbox="1058 1962 1137 1995">3.017</td> <td data-bbox="1305 1962 1385 1995">3.007</td> </tr> </tbody> </table>	€ in Millionen	<u>Für das Geschäftsjahr endend am 31. Mai 2016</u>	<u>Für das Geschäftsjahr endend am 31. Mai 2015</u>		<i>(geprüft)</i>		Konsolidierte Gesamteinnahmen	6.352	5.835	Operatives Ergebnis (EBIT)	420	430	Adjusted EBIT	476	445	Verbindlichkeiten	3.017	3.007
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Eigenkapital	2.171	1.891																														
	Garantiegeber – Erklärung über keine wesentliche Verschlechterung der Aussichten	Der Geschäftsausblick der Hella KGaA Hueck & Co. hat sich seit dem letzten veröffentlichen und geprüften Abschluss vom 31. Mai 2016 nicht wesentlich negativ verändert.																														
	Garantiegeber – Signifikante Veränderungen in der Finanz- bzw. Handelsposition	Nicht anwendbar. Seit dem 28. Februar 2017 hat es keine signifikanten Änderungen der Finanz- bzw. Handelsposition der Hella KGaA Hueck & Co. gegeben.																														
B.19 – B.13	Garantiegeber – Jüngste Entwicklungen	Nicht anwendbar. Es gibt keine Ereignisse aus jüngster Zeit in Bezug auf Hella KGaA Hueck & Co., die in erheblichem Maße für die Bewertung der Zahlungsfähigkeit der Hella KGaA Hueck & Co. relevant sind.																														
B.19 – B.14	Siehe Element B.19 – B.5.																															
	Garantiegeber – Angabe zur Abhängigkeit von anderen Unternehmen innerhalb der Gruppe	Nicht anwendbar. Hella ist nicht abhängig von anderen Gesellschaften innerhalb der Hella-Gruppe.																														
B.19 – B.15	Garantiegeber – Haupttätigkeiten	Hella KGaA Hueck & Co. ist ein global aufgestelltes, börsennotiertes Familienunternehmen. Die Hella-Gruppe hat derzeit rund 36.000 Beschäftigte an mehr als 125 Standorten in rund 35 Ländern weltweit. Die Hella-Gruppe entwickelt und fertigt für die Automobilindustrie Produkte für Lichttechnik und Elektronik und verfügt weiterhin über eine der größten Handelsorganisationen für Kfz-Teile, Zubehör, Diagnose und Serviceleistungen in Europa. In Joint-Venture-Unternehmen entstehen zudem komplette Fahrzeugmodule, Klimasysteme und Bordnetze. Mit über 6.000 Beschäftigten in Forschung und Entwicklung zählt die Hella-Gruppe zu den wesentlichen Innovationstreibern im Markt.																														
B.19 – B.16	Garantiegeber – Beherrschungsver-	Die Mehrheit der Aktien der Hella KGaA Hueck & Co. wird direkt oder indirekt von Familienaktionären, insbesondere Mitglieder und																														

	hältnis	Nachfahren der Industriellenfamilien Hueck und Röpke gehalten. Die Familienaktionäre haben eine Pool-Vereinbarung geschlossen, nach der 60 % der Aktien der Hella KGaA Hueck & Co. in die Pool-Vereinbarung einbezogen sind und von den Familienaktionären grundsätzlich nicht an Dritte veräußert werden dürfen. Die Pool-Vereinbarung kann außer im Falle eines wichtigen Grundes nicht vor dem 31. Mai 2024 gekündigt werden. Die Pool-Mitglieder sind nicht verpflichtet, sämtliche ihrer Aktien im Pool zu halten. Daher können sie Aktien haben, die dem Pool unterfallen, sowie Aktien, die frei veräußerbar sind. Ausweislich der Anzeigen, welche Hella zum Zeitpunkt dieses Prospekts erhalten hat, hält kein Aktionär einen Mehrheitsanteil an Hella KGaA Hueck & Co. und kein Familienaktionär hält mehr als 10% an Hella KGaA Hueck & Co.
B.19 – B.17	Garantiegeber – Kreditratings des Garantiegebers oder seiner Schuldtitel	Die Ratingagentur Moody's hat dem Garantiegeber das Rating Baa2 (outlook stable) erteilt.

Punkt	Abschnitt C – Die Schuldverschreibungen	
C.1	Gattung und Art der Schuldverschreibungen / Wertpapierkennnummer	Gattung Die Schuldverschreibungen sind nicht besichert (mit Ausnahme der Garantie).
		Fest verzinsliche Schuldverschreibungen Die Schuldverschreibungen verbriefen einen Zinsertrag zu einem festen Zinssatz über die gesamte Laufzeit der Schuldverschreibungen.
		Wertpapierkennnummer ISIN XS1611167856 Common Code 161116785 WKN A19HBR
C.2	Währung	Die Schuldverschreibungen sind in Euro begeben.
C.5	Beschränkungen der freien Übertragbarkeit	Nicht anwendbar. Die Schuldverschreibungen sind frei übertragbar.
C.8	Rechte, die mit den Schuldverschreibungen verbunden sind (einschließlich Rang der Schuldverschreibungen und Beschränkungen dieser Rechte)	Vorzeitige Rückzahlung aus Steuergründen Die vorzeitige Rückzahlung der Schuldverschreibungen aus steuerlichen Gründen ist zulässig, falls als Folge einer Änderung oder Ergänzung der Steuer- oder Abgabengesetze oder Vorschriften (einschließlich jeder Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze oder Vorschriften) in den Niederlanden oder der Bundesrepublik Deutschland oder deren politischen Untergliederungen oder Steuerbehörden, die Emittentin zur Zahlung zusätzlicher Beträge auf die Schuldverschreibungen verpflichtet ist, wie im Einzelnen in den Anleihebedingungen beschrieben.

		<p>Vorzeitige Rückzahlung bei Eintritt eines Kontrollwechsels beim Garantiegeber</p> <p>Die Anleihebedingungen enthalten eine Kontrollwechsel-Klausel wonach jeder Gläubiger einer Schuldverschreibung (ein "Gläubiger") unter bestimmten Umständen das Recht hat, von der Emittentin die Rückzahlung oder, nach Wahl der Emittentin, den Ankauf seiner Schuldverschreibungen durch die Emittentin (oder auf ihre Veranlassung durch einen Dritten) zum Nennbetrag zuzüglich bis zum Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zu verlangen.</p>
		<p>Vorzeitige Rückzahlung bei Eintritt eines Kündigungsereignisses (einschließlich Drittverzug)</p> <p>Die Schuldverschreibungen sehen Kündigungsgründe (einschließlich einer Kündigung im Fall eines Drittverzugs (<i>Cross Default</i>)) vor, die die Gläubiger berechtigen, die unverzügliche Rückzahlung ihrer Schuldverschreibungen zum Nennbetrag nebst etwaigen bis zum jeweiligen Tage der Rückzahlung aufgelaufener Zinsen zu verlangen.</p>
		<p>Vorzeitige Rückzahlung nach Wahl der Emittentin innerhalb von drei Monaten vor dem Fälligkeitstag</p> <p>Die Schuldverschreibungen sind nach Wahl der Emittentin insgesamt, aber nicht teilweise, durch Kündigung gegenüber den Gläubigern rückzahlbar, und zwar zu einem Zeitpunkt innerhalb eines Zeitraums ab dem 17. Februar 2024 (einschließlich) bis zum Fälligkeitstag wie unten unter C.9 angegeben (ausschließlich) und zum Nennbetrag der jeweiligen Schuldverschreibung nebst etwaigen bis zum jeweiligen Rückzahlungstag (ausschließlich) aufgelaufener Zinsen.</p>
		<p>Vorzeitige Rückzahlung nach Wahl der Emittentin zum Nennbetrag der jeweiligen Schuldverschreibung oder, falls höher, zum abgezinsten Marktwert der Schuldverschreibung</p> <p>Die Schuldverschreibungen sind nach Wahl der Emittentin insgesamt, aber nicht teilweise jederzeit unter Einhaltung einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen durch Kündigung gegenüber der Deutsche Bank Aktiengesellschaft als Hauptzahlstelle und den Gläubigern zum Nennbetrag der jeweiligen Schuldverschreibung oder, falls höher, zum abgezinsten Marktwert der jeweiligen Schuldverschreibung, nebst etwaigen bis zum jeweiligen Rückzahlungstag (ausschließlich) aufgelaufener Zinsen rückzahlbar.</p>
		<p>Status der Schuldverschreibungen</p> <p>Die Schuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind, soweit diesen Verbindlichkeiten nicht durch zwingende gesetzliche Bestimmungen ein Vorrang eingeräumt wird.</p>
		<p>Negativklärung</p> <p>Die Anleihebedingungen enthalten Bestimmungen hinsichtlich einer Negativverpflichtung der Emittentin.</p>

		<p>Gläubigerbeschlüsse</p> <p>In Übereinstimmung mit dem Schuldverschreibungsgesetz ("SchVG") sehen die Schuldverschreibungen vor, dass die Gläubiger durch Beschluss (mit Zustimmung der Emittentin) Änderungen der Anleihebedingungen zustimmen und gewisse sonstige Maßnahmen in Bezug auf die Schuldverschreibungen beschließen können. Beschlüsse der Gläubiger können nach Maßgabe der Anleihebedingungen entweder in einer Gläubigerversammlung oder im Wege der Abstimmung ohne Versammlung gefasst werden und sind für alle Gläubiger verbindlich. Beschlüsse der Gläubiger, durch welche der wesentliche Inhalt der Anleihebedingungen geändert wird, bedürfen einer Mehrheit von mindestens 75% der an der Abstimmung teilnehmenden Stimmrechte. Sonstige Beschlüsse bedürfen der einfachen Mehrheit der teilnehmenden Stimmrechte.</p>
C.9	Siehe Element C.8.	
	Zinssatz	[●]% per annum
	Verzinsungsbeginn	17. Mai 2017 (der " Begebungstag ") Vorbehaltlich der Marktbedingungen kann der Begebungstag bis zu zwei Wochen verschoben werden. Potentielle Investoren werden über eine solche Verschiebung informiert.
	Zinszahlungstage	17. Mai in jedem Jahr, erstmals am 17. Mai 2018.
	Basiswert auf dem der Zinssatz basiert	Nicht anwendbar. Der Zinssatz basiert nicht auf einem Basiswert.
	Fälligkeitstag einschließlich Rückzahlungsverfahren	17. Mai 2024
		Zahlungen auf Kapital in Bezug auf die Schuldverschreibungen erfolgen an Clearstream Banking, société anonyme und Euroclear Bank SA/NV (jeweils das " Clearing System ") oder deren Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.
	Rendite	[●]% per annum
Name des Vertreters der Inhaber der Schuldverschreibungen	In Übereinstimmung mit dem SchVG sehen die Anleihebedingungen vor, dass die Gläubiger durch Mehrheitsbeschluss einen gemeinsamen Vertreter bestellen (der " Gemeinsame Vertreter ") können. Die Aufgaben und Befugnisse des durch Beschluss bestellten Gemeinsamen Vertreters bestimmen sich nach dem SchVG sowie den Mehrheitsbeschlüssen der Gläubiger.	
C.10	Siehe Element C.9.	
	Erläuterung wie der Wert der Anlage beeinflusst wird, falls die Schuldverschreibungen eine derivative Komponente bei der Zinszahlung aufweisen	Nicht anwendbar. Die Zinszahlung weist keine derivative Komponente auf.

C.11	Zulassung Einführung in einen regulierten Markt oder einem gleichwertigen Markt / Angabe des Markts, an dem die Schuldverschreibungen künftig gehandelt werden und für den ein Prospekt veröffentlicht wurde	Für die Schuldverschreibungen wurde die Zulassung zum Handel im regulierten Markt der Luxemburger Wertpapierbörse beantragt.
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Punkt	Abschnitt D – Risiken	
	Risiken, die der Hella Finance International B.V. als Emittentin eigen sind	
D.2	Zentrale Angaben zu den zentralen Risiken, die der Emittentin eigen sind	<p>Hella Finance International B.V. hat ausschließlich die Aufgabe, die Finanzierung der Hella-Gruppe zu unterstützen. Ihr Vermögen besteht hauptsächlich aus Darlehen an andere Gesellschaften der Hella-Gruppe. Das Geschäft der Hella Finance International B.V. hängt von der Fähigkeit der Hella KGaA Hueck & Co. und den anderen Unternehmen der Hella-Gruppe ab, ihren Verpflichtungen aus diesen gruppeninternen Darlehen nachzukommen.</p> <p>Alle Schuldtitel der Hella Finance International B.V. (wie die Schuldverschreibungen) werden hinsichtlich Kapital- und Zinszahlungen uneingeschränkt von der Hella KGaA Hueck & Co. garantiert. Diese Garantie ist gemäß den Gesetzen der Bundesrepublik Deutschland einklagbar.</p> <p>Hinsichtlich der Risikofaktoren in Bezug auf die Hella KGaA Hueck & Co. als Garantiegeber und Schuldnerin der Hella Finance International B.V. bitte nachstehenden Absatz beachten.</p>
	Risiken, die der Hella KGaA Hueck & Co. als Garantiegeber eigen sind	
D.2	Zentrale Angaben zu den zentralen Risiken, die dem Garantiegeber eigen sind	<p>Das Geschäft von Hella und der Hella-Gruppe und daher auch der Wert der Garantie und der Schuldverschreibungen sind verschiedenen Risiken ausgesetzt. Im Folgenden sind bestimmte Risiken aufgelistet, die die Finanzlage von Hella und der Hella-Gruppe und ihre Geschäftsergebnisse wesentlich negativ beeinflussen können:</p> <p>Widrige wirtschaftliche und politische Umstände</p> <p>Das Geschäft der Hella-Gruppe ist abhängig von den weltweiten wirtschaftlichen Bedingungen, insbesondere in Europa, den Vereinigten Staaten von Amerika, China und Mexiko. Eine wesentliche Verschlechterung dieser Bedingungen, wie anhaltende Konjunkturlaute, Rezession oder anhaltender Verlust des Verbrauchervertrauens und der Konsumnachfrage könnten einen Rückgang (einschließlich Produktionsrückgang und Kapazitätsabbau) in Branchen, in denen die Hella-Gruppe aktiv ist, auslösen und demzufolge eine wesentliche negative Auswirkung auf die Finanz- und Ertragslage der Hella-Gruppe haben.</p> <p>Risiken in Bezug auf den Absatzmarkt und wirtschaftliche Schwankungen</p> <p>Die Hella-Gruppe ist stark von den Marktentwicklungen der</p>

	<p>Automobilindustrie abhängig. Der Umsatz der Gruppe kann hauptsächlich den Kunden der Automobilindustrie, deren Lieferanten sowie dem unabhängigen Zubehörmarkt zugeschrieben werden. Ein Nachfragerückgang auf diesen Märkten und ein erhöhter Preisdruck in allen Geschäftsbereichen der Gruppe könnte demzufolge negativ die Finanz- und Ertragslage der Hella-Gruppe beeinflussen.</p> <p>Abhängigkeit von bestimmten regionalen Märkten</p> <p>Die Hella-Gruppe erwirtschaftet einen erheblichen Anteil ihres Gesamtumsatzes in Europa und insbesondere in Deutschland und könnte deswegen stärker als ihre Wettbewerber von wirtschaftlichem Abschwung und Wettbewerbsdruck in dieser Region betroffen sein. Darüber hinaus könnten Veränderungen in der geographischen Verteilung der Automobilmachfrage wie etwa eine wachsende Verlagerung der Nachfrage nach Pkw von reifen, westlichen Märkten in aufstrebende Märkte (<i>emerging markets</i>) könnten die Hella-Gruppe negativ beeinflussen.</p> <p>Intensiver Wettbewerb und Überkapazität</p> <p>In den Ländern, in denen die Hella-Gruppe aktiv ist, steht sie im Wettbewerb mit einigen internationalen Gesellschaften sowie örtlichen und regionalen Unternehmen. Zunehmender Wettbewerb und unvorhergesehene Handlungen der Wettbewerber oder Kunden sowie Überkapazitäten in bestimmten Branchen können zu starkem Druck auf die Preise und/oder einem Rückgang des Marktanteils der Hella-Gruppe führen, was ihre Ergebnisse nachteilig beeinflussen und das Wachstumspotential mindern würde.</p> <p>Leistungsrisiken</p> <p>Die Hella-Gruppe ist Leistungsrisiken ausgesetzt, die Risiken darstellen, die einen negativen Einfluss auf den Geschäftsablauf – aufgrund von Defiziten im, oder externen Einflüssen auf den Prozessablauf – oder die organisatorischen Prozesse der Gruppe haben. Das Hauptrisikopotential in der operativen Geschäftstätigkeit liegt in der Kalkulation komplexer Projekte, die mehrere Jahre andauern und deren technischer und wirtschaftlicher Handhabung.</p> <p>Operative Risiken, die zu Produktionsengpässen oder -ausfällen führen können</p> <p>Die Entwicklungs-, Produktions- und Beschaffungsprozesse der Gruppe beinhalten viele unterschiedliche, oftmals zusammenhängende Phasen, und ihr Management ist komplex. Auch wenn technische und Sicherheitsstandards für den Aufbau, den Betrieb und die Unterhaltung ihrer Produktionsstätten eingehalten werden, können betriebliche Störungen und Verzögerungen nicht ausgeschlossen werden, die wiederum zu signifikanten Produktionsausfällen und Unterbrechungen bei der Dienstleistungserbringung gegenüber Kunden führen können.</p> <p>Risiken, die mit Restrukturierungen verbunden sind</p> <p>Restrukturierungsmaßnahmen, die von der Hella-Gruppe durchgeführt werden, können sich als unzureichend erweisen, die angestrebten Kostenersparnisse zu erreichen. Dieses ebenso wie der Druck des Marktes können zusätzliche Restrukturierungsaktivitäten der Hella-Gruppe erforderlich</p>
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		<p>machen, insbesondere in Ländern mit hohen Produktionskosten.</p> <p>Strategische Risiken</p> <p>Der Erfolg der Hella-Gruppe beruht zu einem großen Teil auf ihrer Fähigkeit, Kunden mit neuen attraktiven Produkten zu versorgen, die auf ihre Bedürfnisse abgestimmt sind. Da diese Produkte auf den Markt kommen, ist die Hella-Gruppe dem Risiko einer möglicherweise mangelnden Marktakzeptanz, von Verzögerungen in der Produktentwicklung oder bei der Markteinführung, der Nichteinhaltung von Kundenspezifikationen sowie dem Risiko ausgesetzt, dass sie nicht in der Lage ist, pünktlich vor dem Start der Kundenproduktion oder zu vereinbarten Lieferterminen zu produzieren.</p> <p>Sollte die Hella-Gruppe ihre Position als Innovations- und Technologieführer nicht behaupten können, oder Ressourcen auf die Entwicklung von Technologien verwenden, die sich nicht als erfolgreich erweisen, oder nicht in der Lage sein, auf Markttrends zu reagieren (z.B. aufgrund einer Fehleinschätzung oder einem verspäteten Erkennen von Trends und Kundenwünschen), könnte dies zu einem Verlust ihrer Reputation, Kunden, ihres Marktanteils und ihrer Wettbewerbsposition führen</p> <p>Die Geschäftsstrategie der Hella-Gruppe beinhaltet auch den Erwerb und die Investition in ihre Geschäftsaktivitäten und die Entwicklung strategischer Partnerschaften sowie den Aufbau neuer Standorte. Der Erfolg der Strategie hängt davon ab, Markterfordernisse richtig zu beurteilen und erfolgreich die notwendigen Schritte einleiten zu können, beispielsweise die richtigen Partner auszuwählen, Vermögenswerte und/oder Anteile an Gesellschaften zu vertretbaren Bedingungen zu erwerben, sowie die vorteilhaftesten zukünftigen Standorte auszumachen.</p> <p>Abhängigkeit von Großkunden im Automobilsegment</p> <p>Die Hella-Gruppe erzielt einen großen Teil ihres Umsatzes mit bestimmten einzelnen Kunden, insbesondere den bedeutenden Automobilherstellern. Sollte die Hella-Gruppe diese Kunden verlieren oder einen wesentlichen Absatzrückgang nicht mit anderen Kunden ausgleichen oder neue Kunden gewinnen können, wäre die gesamte Hella-Gruppe im Hinblick auf ihre Leistung negativ beeinträchtigt.</p> <p>Absatzrisiken im Kraftfahrzeugzubehörhandel (<i>Aftermarket</i>)</p> <p>Das Aftermarket-Geschäft der Hella-Gruppe ist Marktstörungen und Versuchen von Automobilherstellern und anderen aktuellen oder potentiellen Wettbewerbern, ihren jeweiligen Marktanteil auszubauen, ausgesetzt. Daher gibt es keine Sicherheit, dass es der Hella-Gruppe weiterhin möglich sein wird, in diesem Markt ebenso profitabel wie in den letzten Geschäftsjahren tätig zu sein.</p> <p>Gewährleistungen, Produkthaftung und Produktrückrufe</p> <p>Produktfehler könnten zu kostspieligen Rückrufmaßnahmen, Produkthaftungsansprüchen, Bußgeldern und anderen, von staatlichen oder regulatorischen Stellen auferlegten Maßnahmen sowie zu Reputationsschäden führen. Außerdem ist die Gruppe dem Risiko ausgesetzt, dass ihre Produkte Kundenanforderungen und -spezifikationen verfehlen könnten.</p>
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		<p>Verletzungen von Patenten und anderen geistigen Eigentumsrechten</p> <p>Die Wettbewerbsfähigkeit der Hella-Gruppe hängt von ihrer Fähigkeit ab, ihre Marke sowie ihre technologische Expertise gegen Angriffe von Dritten zu schützen. Verletzungen von Patenten und anderen Immaterialgüterrechten durch Dritte könnten einen negativen Effekt auf das Geschäft und die Finanzlage der Hella-Gruppe haben. Zudem könnten Dritte aufgrund von Verletzungen von Immaterialgüterrechten Maßnahmen gegen Hella ergreifen.</p> <p>Risiken, die mit der Lieferkette verbunden sind</p> <p>Die Hella-Gruppe hängt vom Funktionieren ihrer Lieferkette sowie von einer Reihe von wesentlichen Lieferanten ab, deren Verlust das Geschäft der Hella-Gruppe beeinträchtigen könnte.</p> <p>Stark schwankende Rohstoffpreise</p> <p>Die Produktionskosten der Hella-Gruppe hängen von den Preisen von Rohstoffen, Energie und zugekauften Komponenten ab, und die Hella-Gruppe könnte außerstande sein, Steigerungen bei diesen Preisen an ihre Kunden weiterzureichen. Wenn die Hella-Gruppe nicht in der Lage ist, Ersatzmaterialien zu finden oder die Kostensteigerungen in voller Höhe und zeitnah an ihre Kunden weiterzugeben oder den Einkauf seltener Rohstoffe sicherzustellen, könnte dies das Geschäft der Hella-Gruppe wesentlich beeinträchtigen.</p> <p>Personalrisiken</p> <p>Hochqualifizierte Arbeitnehmer sind für die Hella-Gruppe als innovatives Unternehmen und Gruppe entscheidend. Personalwechsel bergen das Risiko der Einbuße an Fachwissen, und die Hella-Gruppe könnte Schwierigkeiten haben, hochqualifizierte Manager und fähige Arbeitnehmer anzustellen und zu halten.</p> <p>Umwelt, Gesundheits- und regulatorische Risiken</p> <p>Die Hella-Gruppe unterliegt Umwelt-, Arbeitsschutz- und anderen regulatorischen Anforderungen und Risiken, die zu hohen Kosten, Verbindlichkeiten und Verpflichtungen führen können.</p> <p>IT-Risiken</p> <p>Aufgrund ihrer Abhängigkeit von komplexer Informationstechnologie (IT) unterliegt die Hella-Gruppe einer Reihe von IT-Risiken, zum Beispiel dem Verlust oder Diebstahl von Daten, Betriebsausfällen oder -unterbrechungen oder Systemabstürzen.</p> <p>Finanzrisiken</p> <p>Die Hella-Gruppe ist zahlreichen Finanzrisiken ausgesetzt, insbesondere Währungs- und Zinsrisiken sowie dem Risiko von Forderungsausfällen bei Kunden und Kreditrisiken. Die Verpflichtungen der Hella-Gruppe unter ihren Kreditlinien beschränken ihre geschäftliche und finanzielle Flexibilität. Fremdkapital könnte künftig nicht in dem zur Finanzierung oder Unterstützung des Umlaufvermögens erforderlichen Umfang oder nur zu verschlechterten Bedingungen verfügbar sein, was zukünftiges Wachstum begrenzen kann. Die Hella-Gruppe hat</p>
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		<p>zudem erhebliche Pensionsverbindlichkeiten, die ihre Finanzlage beeinträchtigen können.</p> <p>Stuerrisiken</p> <p>Die Steuerlast der Hella-Gruppe könnte sich aufgrund von Änderungen der Steuergesetze oder ihrer Anwendung oder Auslegung oder infolge von gegenwärtigen oder künftigen Betriebsprüfungen erhöhen.</p> <p>Compliance-Verstöße, einschließlich Kartellverstößen</p> <p>Die Hella-Gruppe umfasst zahlreiche Unternehmen weltweit, welche bei Kunden um attraktive Aufträge konkurrieren. Dies birgt die Gefahr, dass geltende Gesetze und Vorschriften missachtet werden. Compliance-Verstöße, einschließlich Verstößen gegen Kartellrecht, könnten zu Untersuchungen der zuständigen Behörden, zu Bußgeldern, Steuernachzahlungen, Schadensersatzansprüchen, Zahlungsansprüchen, Beendigung von Kundenbeziehungen und zu Reputationsschäden führen</p> <p>Wegen angeblicher Preisabsprachen ist die Hella-Gruppe derzeit Gegenstand von Untersuchungen durch die Europäische Kommission und die US-amerikanischen Kartellbehörden und könnte erheblichen Bußgeldern oder zivilrechtlicher Haftung ausgesetzt werden, wenn bei dieser Untersuchung Beweise für den Vorwurf gefunden werden.</p> <p>Weitere Rechtsrisiken</p> <p>Das Risikomanagement- oder Compliance-System der Hella-Gruppe könnte sich als unzureichend erweisen. Die Hella-Gruppe könnte zudem nicht der in der Lage sein, zukünftige Änderungen der Rechts- und Regulierungslage zu erkennen und sich darauf vorzubereiten, und das Compliance-System der Hella-Gruppe könnte sich als nicht ausreichend erweisen, die rechtzeitigen Anpassungen an diese Änderungen vorzunehmen.</p>
	Risiken, die den Schuldverschreibungen eigen sind	
D.3	Zentrale Angaben zu den zentralen Risiken, die den Schuldverschreibungen eigen sind	<p>Eine Anlage in die Schuldverschreibungen ist mit bestimmten Risiken im Zusammenhang mit den Merkmalen der Schuldverschreibungen verbunden. Diese Risiken könnten zu erheblichen Verlusten führen, die die Gläubiger zu tragen hätten, wenn sie ihre Schuldverschreibungen verkaufen oder wenn Verluste im Zusammenhang mit der Zahlung von Zinsen oder der Rückzahlung entstehen. Zu diesen Risiken gehört, dass:</p> <ul style="list-style-type: none"> - die Schuldverschreibungen nicht für jeden Anleger geeignet sind; - vor der Begebung der Schuldverschreibungen für diese kein Markt existierte und keine Gewissheit besteht, dass ein liquider Sekundärmarkt für die Schuldverschreibungen entstehen wird, oder, sofern er entsteht, fortbestehen wird; in einem illiquiden Markt könnte es sein, dass ein Anleger seine Schuldverschreibungen nicht jederzeit zu angemessenen Marktpreisen veräußern kann; - der Wert der Schuldverschreibungen auf Grund von Veränderungen des Zinsniveaus fällt; - der Marktwert der Schuldverschreibungen fallen kann, wenn sich die Kreditwürdigkeit der Hella-Gruppe ändert oder als Folge von Änderungen der auf Hella Finance

		<p>International B.V. oder Hella KGaA Hueck & Co. anwendbaren Rechnungslegungsvorschriften;</p> <ul style="list-style-type: none"> - die Schuldverschreibungen vorzeitig zum Nennbetrag zurückgezahlt werden können, falls die Emittentin zur Zahlung von Quellensteuern auf die Zahlung von Kapital oder Zinsen der Schuldverschreibungen verpflichtet ist; wenn die Emittentin die Schuldverschreibungen kündigt und zurückzahlt, kann es sein, dass die Gläubiger den aus der Rückzahlung vereinnahmten Betrag lediglich in Wertpapiere mit niedrigerer Rendite reinvestieren können; - ein Anleihegläubiger dem Risiko ausgesetzt ist, überstimmt zu werden und gegen seinen Willen Rechte gegenüber der Emittentin zu verlieren, falls die Anleihegläubiger nach den Anleihebedingungen durch Mehrheitsbeschluss nach Maßgabe des SchVG Änderungen der Anleihebedingungen zustimmen. Im Falle der Bestellung eines Gemeinsamen Vertreters kann ein einzelner Anleihegläubiger ganz oder teilweise die Möglichkeit verlieren, seine Rechte gegenüber der Emittentin unabhängig von anderen Anleihegläubigern geltend zu machen und durchzusetzen; - die auf Euro lautenden Schuldverschreibungen für solche Anleger ein Währungsrisiko bedeuten können, für die der Euro eine Fremdwährung darstellt; ferner könnten Regierungen und zuständige Behörden künftig Devisenkontrollen einführen; und - die Höhe der Schulden, die die Emittentin in Zukunft eingehen kann, nicht begrenzt ist. <p>Der Eintritt eines der vorgenannten Risiken kann die Fähigkeit der Emittentin beeinträchtigen, ihren aus den Schuldverschreibungen resultierenden Zahlungsverpflichtungen nachzukommen und/oder zu einem Wertverlust der Schuldverschreibungen führen.</p>
	Risiken, die der Garantie eigen sind	
D.3	Zentrale Angaben zu den zentralen Risiken, die der Garantie eigen sind	<p>Mit der Garantie sind ebenfalls bestimmte Risiken verbunden:</p> <ul style="list-style-type: none"> - die Garantie begründet direkte, unbedingte und nicht nachrangige, jedoch ausschließlich aus dem Gesellschaftsvermögen des Garantiegebers zu begleichende und auf das Gesellschaftsvermögen des Garantiegebers beschränkte Verpflichtungen des Garantiegebers. Durch die Garantie wird kein Anspruch gegen die Komplementäre des Garantiegebers begründet, und die Komplementäre des Garantiegebers haften den Gläubigern der Schuldverschreibungen nicht persönlich für die Verbindlichkeiten aus der Garantie oder den Schuldverschreibungen; - das Risiko, dass die Verbindlichkeiten des Garantiegebers das Vermögen des Garantiegebers übersteigen; - Ansprüche aus der Garantie können tatsächlich nachrangig zu den Verpflichtungen des Garantiegebers sein, soweit der Garantiegeber Sicherheiten an seinem Vermögen zugunsten der Gläubiger jener Verpflichtungen bestellt hat; sowie - darüber hinaus kann die Garantie nach geltendem Recht beschränkt oder nicht verfügbar sein oder bestimmten

	Einschränkungen oder Einreden unterliegen.
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Punkt	Abschnitt E – Angebot von Schuldverschreibungen	
E.2b	<p>Gründe für das Angebot und Zweckbestimmung der Erlöse, sofern diese nicht in der Gewinnerzielung und/oder der Absicherung bestimmter Risiken liegen.</p>	<p>Die Emittentin beabsichtigt, die Nettoerlöse an den Garantiegeber weiterzuleiten, welcher seinerseits beabsichtigt, die Nettoerlöse für seine allgemeinen Unternehmenszwecke zu verwenden, einschließlich der Refinanzierung bestehender Finanzverbindlichkeiten.</p>
E.3	<p>Beschreibung der Angebotskonditionen</p>	<p>Platzeur(e): Deutsche Bank AG, London Branch Landesbank Baden-Württemberg UniCredit Bank AG (jeweils ein "Platzeur")</p> <p>Gesamtnennbetrag: EUR [●]</p> <p>Ausgabepreis: [●] %</p> <p>Angebotszeitraum und Preisfestsetzung</p> <p>Die Schuldverschreibungen werden den Investoren von den Platzeuren während einer Angebotsperiode, die voraussichtlich am oder um den 9. Mai 2017 beginnt und bis zum 17. Mai 2017 offen ist (vorbehaltlich einer Verkürzung oder Verlängerung), angeboten. Vorbehaltlich der Marktbedingungen kann der Begebungstag um bis zu zwei Wochen verschoben werden. Auf der Grundlage dieser Angebote, die die Platzeure erhalten, wird der Ausgabepreis, der Zinssatz, die Anzahl der zu begebenden Schuldverschreibungen, der Gesamtnennbetrag, die Emissionserlöse, der Aufschlag zur Benchmark-Rendite zur Berechnung des abgezinsten Marktwerts der Schuldverschreibungen sowie die Rendite der Emission am Preisfindungstag, der voraussichtlich am oder um den 9. Mai 2017 sein wird und den Investoren mitgeteilt wird, festgesetzt. Die Ergebnisse des Angebots sind in einer Mitteilung, die bei der CSSF einzureichen und nach dem Preisfindungstag, jedoch vor dem Begebungstag (die "Preismitteilung"), auf der Internetseite der Luxemburger Börse (www.bourse.lu) zu veröffentlichen. Sollten die Emittentin und die Platzeure eine Verkürzung oder Verlängerung des Angebotszeitraumes festlegen, die das Ergebnis veränderter Marktbedingungen sein könnte, müssen solche Veränderungen in gleicher Weise wie die Preisdetails veröffentlicht werden. Die Preismitteilung und andere Mitteilungen (sofern anwendbar) werden für Zwecke aller Länder, in denen ein öffentliches Angebot gemacht wird in derselben Weise veröffentlicht.</p> <p>Öffentliches Angebot</p> <p>Die Schuldverschreibungen werden institutionellen und privaten Anlegern in allen Mitgliedstaaten der Europäischen Union, in Übereinstimmung mit den Beschränkungen des öffentlichen</p>

		<p>Angebots, verkauft. Ein öffentliches Angebot erfolgt in Luxemburg, Deutschland und Österreich.</p> <p>Bedingungen und Einzelheiten des Angebots</p> <p>Es gibt keine Bedingungen denen das Angebot unterliegt. Jegliche Angebote an Investoren zum Erwerb von Schuldverschreibungen erfolgen durch – und Investoren mögen ihr Angebot zum Erwerb von Schuldverschreibungen dort einreichen – das Informationssystem Bloomberg, oder andere übliche Informationssysteme. Nach der Festsetzung und Bekanntmachung der Preisdetails werden die Platzeure die Schuldverschreibungen auf Anfrage in Deutschland und Österreich anbieten. Bezugsrechte für die Schuldverschreibungen werden nicht ausgegeben. Jeder Investor, der einen Auftrag bezüglich Schuldverschreibungen erteilt hat und dessen Auftrag angenommen wurde, erhält eine Bestätigung, hinsichtlich der jeweiligen Zuteilung der Schuldverschreibungen. Bevor ein Investor eine Bestätigung der Platzeure dahingehend erhält, dass seine Anfrage für Schuldverschreibungen angenommen wurde, hat der Investor die Möglichkeit, seine Bestellung zu reduzieren oder zu widerrufen. Es gibt keinen Mindest- oder Höchstbetrag beim Kauf von Schuldverschreibungen. Investoren können Kaufangebote für Schuldverschreibungen in jeglicher Höhe abgeben, vorbehaltlich einer Mindeststückelung von € 1.000.</p> <p>Angebotsbestätigung und Zuweisung sowie Übertragung der Schuldverschreibungen</p> <p>Nach Preisfestsetzung der Schuldverschreibungen und Bestätigung, welche Angebote und welche Beträge einzelner Investoren akzeptiert und bewilligt wurden, erfolgt die Übertragung und Zahlung der Schuldverschreibungen innerhalb von fünf Geschäftstagen nach dem Tag der Preisfestsetzung der Schuldverschreibungen und Bestätigung der Zuteilung an die Investoren. Die Schuldverschreibungen werden durch Buchungseintrag durch das Clearing System und dessen kontoführenden Kreditinstitute gegen Zahlung des Ausgabepreises übertragen.</p> <p>Feststellungsmethode/Ermittlung des Ausgabepreises und des Zinssatzes</p> <p>Der Zinssatz und der Ausgabepreis der Schuldverschreibungen werden bei Preisfestsetzung auf der Basis einer Rendite, die durch Aufschlag eines Credit-Spread auf das Niveau eines Mid-Swaps zur Zeit der Preisfestsetzung, errechnet. Die Preisspanne wird durch Zugrundelegung der von den Platzeuren erhaltenen Angebote der Investoren während der Angebotsperiode bestimmt.</p> <p>Der Ausgabepreis und Gesamtnennbetrag, die Anzahl der Schuldverschreibungen, der Zinssatz, der Emissionserlös, der Aufschlag zur Benchmark-Rendite zur Berechnung des abgezinsten Marktwertes der Schuldverschreibungen und die Rendite der Emission werden in der Preismitteilung enthalten sein, die auf der Internetseite der Luxemburger Wertpapierbörse (www.bourse.lu) am oder vor dem Tag der Begebung der Schuldverschreibungen veröffentlicht wird.</p>
E.4	<p>Beschreibung aller für die Emission/das Angebot wesentlichen, auch kollidierenden</p>	<p>Nicht anwendbar. Es gibt keine wesentlichen Interessen von natürlichen oder juristischen Personen außer der Emittentin oder dem Garantiegeber, einschließlich kollidierender Interessen, hinsichtlich der Emission oder des Angebots der</p>

	Interessen.	Schuldverschreibungen.
E.7	Schätzung der Ausgaben, die dem Anleger vom Emittenten oder Anbieter in Rechnung gestellt werden.	Nicht anwendbar. Dem Anleger werden von der Emittentin oder dem Anbieter der Schuldverschreibungen keine Ausgaben in Rechnung gestellt.

RISK FACTORS

Potential investors should carefully read and consider the risk factors described below and the other information contained in this Prospectus and consult with their own professional advisers (including their financial, accounting, legal and tax advisers) if they consider it necessary before they make a decision about acquiring the Notes. The realisation of one or more of these risks could individually or together with other circumstances adversely affect the business activities and have material adverse effects on the financial condition and results of operations of Hella Finance International B.V., Hella KGaA Hueck & Co. or the Hella Group. The market price of the Notes could decline as the result of any of these risks, and investors could lose all or part of their investments. The risks described below may not be the only risks to which Hella Finance International B.V., Hella KGaA Hueck & Co. or the Hella Group is exposed. Additional risks which are presently not known to Hella Finance International B.V., Hella KGaA Hueck & Co. or the Hella Group or which currently are considered immaterial could also adversely affect the business operations of Hella Finance International B.V., Hella KGaA Hueck & Co. or the Hella Group and have material adverse effects on Hella Finance International B.V.'s, Hella KGaA Hueck & Co.'s or the Hella Group's business activities, financial condition and results of operations. The sequence in which the risk factors are presented below is not indicative of their likelihood of occurrence, the scope of their financial consequences or the importance of the risk factors mentioned below. In addition, investors should be aware that the risks described might combine and thus intensify one another.

Risks relating to the Issuer

Hella Finance International B.V. acts solely to facilitate the financing of the Hella Group. Its main assets are loans to other companies of the Hella Group. Hella Finance International B.V.'s continued operations depend on the ability of Hella KGaA Hueck & Co. and other members of the Hella Group to meet their payment obligations under these intragroup loans. In the event that a member of the Hella Group fails to make a payment under an intragroup loan, Hella Finance International B.V. may not be able to meet its payment obligations under the Notes issued by it.

All debt securities of Hella Finance International B.V. (such as the Notes) are wholly and unconditionally guaranteed by Hella KGaA Hueck & Co. in respect of principal and interest payments. This Guarantee is enforceable under the laws of Germany.

For the risk factors regarding Hella KGaA Hueck & Co. as the Guarantor and debtor to Hella Finance International B.V., please see the separate section below.

Risks relating to the Guarantor and the Hella Group

The risk factors or developments that might have a material adverse effect on the business, financial position and results of operations of Hella KGaA Hueck & Co. as the Guarantor and of the Hella Group include the following:

Unfavourable economic and political conditions

The Hella Group's business is dependent in several respects, directly and indirectly, on global macroeconomic and political conditions, particularly in Europe, the USA, China and Mexico. A significant deterioration in these conditions, such as an economic slowdown, a recession, a serious political dispute (e.g., regarding Ukraine, North Africa, Near and Middle East or East Asia) or a sustained loss of consumer confidence and consumer demand, could trigger a decline in the industries in which the Hella Group operates, in particular in the automotive industry.

Macroeconomic developments, particularly the effects of the sovereign debt crisis, volatile financial markets and a persistently unstable political situation in certain geographic regions of the world, continue to contribute to uncertainty on international markets and may have a negative effect on the development of the global economy generally, and the industries in which the Hella Group operates specifically. In particular, the global economic environment may be negatively influenced by factors such as scarcity of financing, tensions in the capital markets, weak consumer confidence and decline in consumption and consumer's net purchasing power, changes in consumer credit availability and the

cost of borrowing, inflationary pressure resulting, for example, from rising energy and raw material prices, rising unemployment figures, rising interest rates, increased levels of public debt, plans and measures to cut countries' budget deficits by imposing higher taxes and cutting salaries and pensions, as well as general factors such as political instability, terrorism, natural disasters or other forms of force majeure.

Also, the Hella Group may be adversely affected by political and economic developments in any of the countries in which the Hella Group operates. The Hella Group's operations are subject to a variety of other risks and uncertainties related to trading in numerous foreign countries, including political or economic upheaval and the imposition of any import, investment or currency restrictions, including tariffs and import quotas or any restrictions on the repatriation of earnings and capital. For example, a tightening of political and economic relations between the US and its trade partners, in particular Mexico and China, as well as the introduction of tariffs and import duties on the sale of goods from Mexico or other jurisdictions to US markets, as currently proclaimed by the US government, might have an adverse effect on the Hella Group's business activities in these regions, including the loss of sales and earnings as well as a limited amortization of investments made in such markets.

Market and economic fluctuations risks

The Hella Group depends heavily on the market development in the automotive industry. The Group's turnover can be attributed mainly to customers in the automotive industry, their suppliers and the independent aftermarket. A fall in demand on these markets and a heightened pressure on prices in all divisions of the Group might consequently negatively impact the financial and profit situation of the Group.

Global production of vehicles and sales to original equipment manufacturer ("**OEM**") customers from whom the Hella Group derives the major portion of its sales are highly cyclical. Among other things, they depend on general economic conditions, consumer spending and preferences, the availability of consumer financing or changes in consumer borrowing costs, fuel costs as well as government initiatives, especially vehicle purchase incentives, trade agreements and new regulations. A similar, cyclical development can also be observed in the Hella Group's Special OE division of the Hella Group's Special Applications segment which develops and produces parts and equipment for specialist vehicles such as buses, caravans and agricultural as well as construction machinery. As the volume of vehicle production fluctuates, the demand for the Hella Group's products aimed at the OEM market and Special OE customers varies. Decreases in vehicle production, in particular in light vehicle production, can therefore significantly reduce demand for the Hella Group's products.

Also, due to the cyclicity of the automotive industry, it is difficult to predict future developments in the markets the Hella Group serves, which may – in addition to the risk of a rapid decline in sales of products of the Hella Group – create problems in accurately estimating the requirements for the Hella Group's production capacities. Such risks particularly arise because most automotive manufacturers do not commit to minimum purchase quantities from their suppliers or long-term production schedules even when a supplier is nominated for a certain vehicle. The Hella Group thus faces, on the one hand, the risk of potential underutilization of its facilities if the markets in which the Hella Group is active decline, resulting, *e.g.*, in idle capacity costs or write-offs of inventory. On the other hand, if the markets in which the Hella Group is active grow faster than the Group has anticipated, the Hella Group may have insufficient capacity to meet customer demand and, therefore, may lose customers and part of its market share.

Discussions concerning restrictions and limitations of car traffic are continuing globally, especially with respect to measures to reduce CO₂ emissions (often discussed under the topic "climate change"). Measures adopted in this regard could result in a material decrease of the production and demand for vehicles, especially in the premium and luxury car segment, which is an important driver of demand for the Hella Group's technologically sophisticated lighting and electronics products, and could therefore also result in a material decrease of the demand for original equipment products produced and/or distributed by the Hella Group. Costs related to meeting stricter CO₂ emission standards could reduce margins for automotive manufacturers and, thus, lead to increased pricing pressure for automotive suppliers such as the Hella Group.

Decreases in automotive sales may also result from other factors such as general changes in the use of modes of transportation. For example, it cannot be ruled out that, in the future, private and commercial users of transportation will make increased use of modes of transportation other than automobiles, *e.g.*, due to rising costs for automotive transport and increasing traffic density in major cities. Moreover, the number of vehicles sold could decline due to changes in customers' long-term behavior, such as increased use of collective transportation (buses, carpooling, car sharing concepts, rail transport, *etc.*) and cars losing their function as status symbols.

Dependency on certain regional markets and changes in geographical distribution of automotive demand

In the financial year 2015/2016, the Hella Group generated more than half of its consolidated sales in Europe (including both Western and Eastern Europe), based on the location of the end-customers, with 16 % in Germany. Hella may, therefore, be more affected by deteriorating economic conditions and lower automotive sales in Europe, and especially in Germany, than other competitors, in particular non-European competitors, and no assurance can be given that the Hella Group will be able to offset a significant decline in demand in Europe by a rise in demand in other markets. The Hella Group's business in Europe could be further impacted if business conditions deteriorate due to the structural weakness of some European economies. In addition, consumer demand may be further affected by the economic uncertainty, particularly in several southern European countries, caused by plans and measures to cut such countries' budget deficits by imposing higher taxes and cutting salaries and pensions.

Also, it cannot be ruled out that the Hella Group's competitors, in particular new producers from Asia, could increasingly attempt to serve the European market, for example by building upon customer relationships with European OEM customers established in Asian markets. Some of those competitors have, or may obtain access to comparable and competitive technologies due to acquisitions of, or partnerships with, established suppliers of the automotive industry. Other competitors pursue or may pursue in the future a low cost / "no name" approach, *i.e.*, competing for market shares primarily by price instead of quality or brand reputation. As a result, competitive pressures in the European market could increase further with the risk of falling prices and decreased demand for the Group's products.

Furthermore, in the current global economic situation, the Hella Group experiences risks related to the increasing shift in the demand for passenger cars and automotive parts from mature Western economies to emerging markets in Asia, especially China, Nafta, especially Mexico, and Eastern Europe. In order to participate in the growth potential of markets in China, Mexico and other emerging economies, suppliers of the automotive industry like the Hella Group may have to ensure that certain parts of the value creation chain, for example production (including sub-component production) and development, are moved to such emerging economies in order to avoid high import duties and transport route delays. This geographical shift presents a number of economic and operational challenges for the Hella Group. For instance, building a competent local supplier base that provides components and raw materials according to industry quality standards may be particularly difficult in light of local qualification levels. Also, even if the Hella Group continues to succeed in expanding its business in the automotive markets in China, Mexico and other emerging economies, the economic conditions there may prove to be volatile. The consequences of an economic crisis could be particularly severe in China and Mexico, where the Hella Group has made significant investments in new facilities which it needs to amortize through future business.

Intense competition and overcapacity

The Hella Group faces competition from several international companies as well as local and regional companies in the countries in which it operates. Increased competition and unanticipated actions by competitors or customers as well as overcapacity in certain industries could lead to downward pressure on prices and/or a decline in the Hella Group's market share, which would adversely affect its results and hinder its growth potential.

The automotive supply industry in which the Hella Group operates with both its original equipment and aftermarket businesses is highly competitive and is characterized by constant technological change, high capital expenditures, intense pricing pressure from major customers and periods of oversupply,

as well as continuous advancements in process technologies and manufacturing facilities. Intense competition exists in particular with regard to prices, product quality as well as the development and launch periods of newly-developed products carrying a higher profit risk due to the high expenses required for the product launch. Further competitive factors include global presence, technology, service (including customer service), product performance, design and engineering capabilities and timely delivery. The Hella Group cannot assure that it will be able to compete favorably with respect to any of these factors. This could, in particular, lead to the Hella Group not being awarded supply contracts for future generations of car models that it currently supplies.

Moreover, the Hella Group faces the risk of losing ground to competitors with regard to significant new product developments and expertise. Some competitors may also have greater financial, technical and marketing resources than the Hella Group, which could enhance their ability to finance acquisitions, fund internal growth and respond more quickly to professional or technological changes. Furthermore, competitors might have or develop cost structures that enable them to produce equivalent products cheaper than the Hella Group, thereby reducing demand for the Group's products. If competitors were able to outperform the Group, for example in technological development, the Group might lose its current market position and could thus suffer significant losses in sales. Furthermore, competitors – in particular competitors from Asia – may pursue aggressive pricing policies and offer conditions to customers that are more favorable than the Group's.

The Group's OEM customers are active in highly competitive markets and are affected by constant cost-cutting pressure and other competitive factors such as innovation and shorter product development cycles. Due to the intense competition and the high bargaining power of OEMs, OEM customers are passing competitive pressures on to their suppliers. In particular, automotive manufacturers may expect lower prices from suppliers such as the Hella Group for the same, in some cases even enhanced, functionality, as well as consistently high product quality. Additional pricing pressure may be exercised when OEM customers pursue restructuring measures. Thus, the Hella Group faces the risk of having to adjust its prices downwards. No assurance can be given that such price reductions can be fully offset by reductions in the Group's operating costs or improved operating efficiencies in order to maintain current margins. To the extent that the Hella Group's competitors are in a better position to react to such price reductions, this could also affect the Hella Group's market position and market share. Should the Hella Group fail to meet the price demands of the manufacturers, these may, for example, refrain from placing new orders or follow-up orders with the Hella Group for models or model ranges already supplied by the Hella Group. The loss of these orders would result in a decrease in sales and could significantly affect the Group's results of operations.

Furthermore, the markets in which the Hella Group is active are characterized by a trend towards consolidation. The consolidation of competitors, vertical integration of customers and the entry of new competitors could result in increasing price pressure, a loss of market share and considerable reductions of the Hella Group's profit margins. Furthermore, if competitors gain control over, or influence on, suppliers or customers of the Hella Group by acquiring a sizeable participation in such companies, this could adversely affect the Hella Group's relationships with such suppliers or customers. Moreover, an inability to develop or maintain sufficient or appropriate engineering, development and manufacturing capabilities could impact the Hella Group's ability to maintain an important competitive advantage.

Performance risks

The Hella Group is subject to performance risks, *i.e.*, deficiencies in, or external negative influences on, the processes or organisational procedures of the Group. Such risks are particularly prevalent in the planning and calculation of complex projects which are often running for a period of several years, and in the various challenges that may arise regarding the technical and economical handling thereof. Therefore, the realization of future sales and profits is subject to a number of risks and uncertainties. This includes, in particular, unexpected technical problems, unpredictable developments at the Hella Group's project sites and problems with business partners.

The Hella Group also faces performance risks when it moves the production of high-technology products such as LED lighting solutions from high-cost countries to the Hella Group's (volume) production sites in "best-cost" countries, for example in Eastern Europe or China.

Operational risks which may lead to production bottlenecks and production downtime

The Group's development, production and procurement processes involve many different, often interrelated phases and are complex to manage. Even when technical and safety standards for the construction, operation and maintenance of its facilities are observed, operational disruptions and delays cannot be ruled out. They can occur for reasons beyond the Hella Group's control (such as aircraft crashes, terrorism, sabotage, epidemics, political unrest, natural disasters or other forms of force majeure) or for other reasons (such as electricity cuts, fire, explosions, releases of substances harmful to the environment or health, strikes or IT disruptions). Operational disruptions and interruptions and process weaknesses may lead to significant production downtimes and interruptions to services provided to OEM customers, which can in turn trigger high consequential losses on the customer's side.

In addition, certain key tasks in connection with development and production processes may be concentrated on one or a small number of persons and there may be certain cases in which back-up procedures are not in place or are not feasible. In these cases, there is a risk that the (temporary) unavailability of such key staff will lead to delays in the completion of the relevant projects.

The Hella Group has taken out coverage for significant insurable risks with respect to business interruptions. However, there is no guarantee that this insurance coverage will apply to each of the aforementioned scenarios or that such coverage is sufficient.

Risks related to restructuring activities

In the past, the Hella Group has taken actions to improve its competitive cost structures by restructuring measures which caused restructuring costs. Assumptions and estimates that formed the basis of these and other measures could turn out to be inadequate or incomplete and the measures themselves could turn out to be insufficient to achieve the anticipated cost savings that might be required in order to secure cost competitiveness, in which case the Hella Group might be required to further re-structure its operations, in particular in high-cost countries. This might require, also already in the short or medium term, the lay-off of employees, the transfer of operational functions to other regions, or the complete shutdown of locations. Additional significant costs might be incurred for such restructuring activities, in particular with respect to severance payments to employees. Moreover, the Hella Group might not be sufficiently able to manage the transfer and/or adaptation of all processes to new structures, potentially causing inefficiencies and additional costs. Any failure in sufficiently adjusting its cost base and implementing the structural changes on a timely basis could have a material adverse effect on the business, financial conditions and results of operations of the Hella Group.

Strategic risks

The success of the Hella Group depends to a large extent on its ability to provide customers with new, attractive products tailored to their needs. As such new products are brought to the market, the Hella Group faces risks related to a potential lack of market acceptance, delays in product development or launch schedule, a failure to meet customer specifications and the inability to manufacture in time for the start of customer production or agreed delivery dates. In such cases, customer relationships may be negatively impacted and the Hella Group may face cost overruns.

The Hella Group sees itself as one of the innovation and technology leaders within the automotive supply industry. The Hella Group's future success depends on its ability to anticipate technological trends and to respond to customer needs by developing high quality innovative solutions in a timely and cost-effective manner. The automotive market is characterized by constant technological changes and new developments, such as the current focus on fuel efficiency and electrification, driver assistance and autonomous driving, as well as digitalization, coupled with the progressive development towards higher performance, plus an increasing number of value-creation steps. Misjudgement or delayed recognition of such trends and customer requirements in individual markets, or other changes in demand could lead to a decline in product sales and, over the long-term – should fundamental or repeated misjudgement be made – to a loss of reputation, customers and market

share. Loss of reputation and customers may also arise if the Hella Group were not able to develop, produce and deliver products at the high quality standards that its customers expect. Additionally, Hella cannot assure that the Group will be able to develop sufficient new revenue streams to replace revenue streams that will diminish, as competitors catch up with the technological advantages that the Hella Group possesses. Furthermore, the Hella Group spends significant resources on research and development ("**R&D**"), especially for lighting technology in headlamps and rear-lamps, and for electronic components for energy management and reduction of fuel consumption as well as driver assistance systems. In the financial year 2015/2016, the Group's R&D expenses in relation to total sales amounted to 9.8 %; in addition, the Group continued to expand its R&D workforce. If the Hella Group devotes resources to the pursuit of new technologies and products that fail to be accepted in the marketplace or that fail to be commercially viable, all or part of these significant R&D investments may be lost and the Group's business may be negatively affected. Overall, there is a risk that the Hella Group may fail to develop products that meet the complex demands of the market and may not be able to further develop and bring to the market innovative products in a timely manner.

Part of the Hella Group's strategy consists in achieving further growth in new geographical markets and ramping up the Group's business in certain regions in which it is already present. These regions include emerging markets, such as Eastern Europe, China and Mexico. Accordingly, the Hella Group has made significant investments in these regions and expects to continue to do so in the future. However, there can be no assurance that such business expansion into new markets or the step-up of business in existing markets, in particular China and Mexico, will be successful and that the Group will be able to amortize its significant investments. Various factors may negatively influence the planned growth and result in higher-than-expected costs for the expansion. These factors include underdeveloped or unstable political, legal and regulatory regimes, limited or insufficient infrastructure, difficulties in deepening existing and developing additional customer relationships, difficulties in finding reliable local suppliers and partners, difficulties in recruiting and then retaining a sufficient number of new skilled staff, difficulties with labour relations or compliance issues, as well as the imposition of any import, investment or currency restrictions, such as tariffs and import quotas on the repatriation of earnings and capital. Due to these and other factors, the Hella Group may experience operative performance and quality deficiencies in its production and may fail customer audits, as has happened in the past. This could, in turn, result in higher costs or in diversion of employees', including management's, time and attention or could damage the Group's reputation or lead to new business holds by OEM customers in the respective market or throughout the business division, business segment or the Group. In the event that the Hella Group fails to achieve a successful ramp-up of business operations in these new markets, investments may not be amortized as planned, the Hella Group may be unable to redeploy the invested capital in a timely manner to take advantage of opportunities in other markets, and significant losses may occur. Moreover, the continued growth and increasing globalization of the Hella Group may become increasingly difficult to manage successfully, for example because of increasing decentralization in management functions. Furthermore, the Hella Group may face reputational risks vis-à-vis its customers and, thus, may lose business and profitability should the Hella Group not be able to offer its customers the same high quality and sophisticated products from its production sites in emerging markets as those from the Hella Group's production sites in developed countries.

The business strategy of the Hella Group also includes acquisitions and investments in its business activities and the development of strategic partnerships as well as the build-up of new locations. The success of the strategy depends on its ability to judge the market requirements correctly and to successfully implement the necessary steps, *e.g.*, identify the right partners, acquire assets and/or shareholdings in companies on acceptable terms and find the most favourable future locations. Concerning its existing joint ventures and strategic partnerships, the Hella Group's ability to fully exploit the strategic potential in markets in which it operates through joint ventures could be impaired if it were unable to agree with its partner on a strategy, the funding and the implementation thereof. Additionally, the Hella Group may be prevented or impeded by its fiduciary obligations towards the joint venture or partner from expanding unilaterally in a business area in which these operate. Although the joint venture contracts are in general designed for a long-term duration, there are contractual as well as statutory termination rights available to the partners which may allow, under certain conditions, the termination of the joint venture by either partner. In case the Hella Group fails to fulfil its obligations under the respective joint venture and partnership agreements, either in whole or in part, this may lead to claims for damages, contractual penalties or termination of the joint venture by

the partner or by the joint venture. Furthermore, a competitor of the Hella Group may gain control over a joint venture, *i.e.*, by acquiring a majority interest in a strategic partner, which may lead to the termination of the collaboration with said joint venture or partner, if legally possible. Even if the Hella Group decides not to terminate the collaboration or is unable to do so due to the lack of a respective change-of-control clause, there is no assurance that the Hella Group will continue to successfully and constructively collaborate with the new controlling shareholder of the joint venture. It also cannot be ruled out that, in joint ventures, technologies will be revealed or required to be revealed to the joint venture and/or the strategic partners and that these may use the technologies outside of the project in question exclusively for their own purposes. In particular, there is no guarantee that the know-how and trade secrets acquired by the strategic partner during the partnership will not be used or disclosed to third parties after the termination of the joint venture, thereby adversely affecting the Group's competitive position. In the event that the Hella Group decides on the divestment of or withdrawal from a joint venture, there is also a risk that no buyer will be found for the shares or that there will be no other way to sell the shares for other reasons, or that the partner will claim damages. There is also a risk that, in the event of the loss of a strategic partner or the termination of a joint venture, considerable resources will need to be invested in a new partnership, to the extent that there will be another suitable partner at all.

Related to the integration of acquired companies, there can be no assurance that the integration process for any newly acquired businesses will be successful. It is possible that the Hella Group may not be in a position to realize planned savings, synergies, growth opportunities and/or other benefits. Thus, the Hella Group risks losing any investments made, when acquiring companies or entering into a joint venture or strategic partnership. Future acquisitions could also involve the risk of control issues in relation to acquisitions through joint ventures as part of the Group's network strategy where Hella does not exercise sole control. Furthermore, future joint ventures might not be approved by the competent authorities and could therefore fail to be realized. In addition, Hella cannot guarantee that any future acquisition or partnership will yield the benefits the Hella Group intends to achieve therefrom.

Dependency on a number of major customers in Automotive segment

The Hella Group derives a major portion of its sales from a limited number of customers, primarily the major automotive manufacturers. These customers are therefore vital for the business development of the Hella Group. In the financial year 2015/2016, The Hella Group's top five customers accounted for a significant share of the Group's total consolidated sales in the Automotive segment. On a manufacturer group basis, the largest OEM customer group accounted for about one fifth of the Group's total consolidated sale.

The Hella Group's relationship with these customers is characterized by their significant purchasing power, which is based on their economic size, financial strength and commercial sophistication as well as the general dependency of automotive suppliers on the supply contracts awarded by automotive manufacturers. Furthermore, manufacturers often know about a supplier's need for sufficient capacity utilization and may try to achieve better commercial terms and lower prices for themselves by threatening to shift a significant part of their business to alternative suppliers. Similarly, manufacturers may choose to bundle attractive high-volume supplier contracts together with commercially unappealing low-volume contracts. In addition, the individual agreements that the Hella Group typically enters into with automotive manufacturers offer limited or no protection against alterations, reductions or cancellations of purchase orders at short notice or no notice at all, which could lead to significant losses for the Hella Group.

In the past, from time to time, the Hella Group has also experienced payment defaults by certain customers who were unable or unwilling to pay for delivered goods and services due to financial difficulties. It cannot be ruled out that, in the future, customers may experience financial difficulties that may cause them to delay or stop payments owed to the Hella Group.

In the case the Hella Group fails to keep its established customers or fails to compensate for a significant decline in sales with other customers or fails to acquire new customers, the entire Hella Group would be negatively impacted by this in respect of its performance.

Market risks related to Aftermarket business

The Hella Group's independent aftermarket business is exposed to market disruptions and attempts by automotive manufacturers and other actual or potential competitors to increase their respective share of the market. In particular, automotive OEMs have taken measures to promote their networks of authorised repair garages and to channel original spare parts through their own or authorised distribution chains. Furthermore, automotive manufacturers have challenged the legality of the automotive suppliers' deliveries to the independent aftermarket in various ways, for example by claiming ownership of the production assets (tools) of the automotive supplier and/or trying to enforce contractual provisions according to which the supplier may only use the tools for the production of parts which are delivered to the automotive manufacturer (and thus not at all for the production of parts intended for the independent aftermarket, or only against payment of royalties), or by claiming design rights, trade marks or similar intellectual property rights. While the European Commission has prohibited some of these measures and has promoted free competition in the independent aftermarket, there can be no assurance that the Hella Group will continue to be able to operate in this market as profitably as in the last financial years.

In addition, competing automotive suppliers and other potential competitors may increase margin pressure in the independent aftermarket. Low-cost producers from China or other emerging markets may be able to replicate spare parts and gain market share by undercutting prices. Also, the Hella Group may find itself at a competitive disadvantage in relation to larger automotive suppliers regarding other important factors of success in the independent aftermarket, such as the size and quality of the product portfolio and the geographical reach and depth of the distribution network. The growing importance of e-commerce may also trigger the market entry of new or existing large e-commerce companies which may be able to gain competitive advantages through superior e-commerce know-how and/or a superior distribution network. Furthermore, consolidation activities at all distribution levels of the may lead to the emergence of very large wholesalers, or the strengthening and continued formation of wholesaler purchasing groups, with professional procurement and parts logistics which do not require traditional distribution services of parts suppliers and are able to exert significant market power and drive down the profit margins which the Hella Group can generate. If the Hella Group fails to adjust its aftermarket business model to meet the changes in the market environment, the Group may experience a loss of resilience in its aftermarket business and potential negative effects on its financial performance.

Warranty, product liability and product recalls

As a manufacturer, the Hella Group is constantly exposed to the risk of selling and delivering products which are defective or do not meet applicable requirements or specifications, thereby causing damage to its customers and/or the end-customers of products in which Hella parts and components are used. The consequences of such product defects can be severe. Liability claims and lawsuits, such as claims for damages by the Hella Group's customers (in particular the automotive manufacturers) or product liability claims by end-customers (e.g., car owners), as well as any replacement measures, could result in increased costs for the Hella Group, for example for product or component replacements, additional performance tests, correction of defects and re-development, punitive damages, legal costs and other expenses, in diversion of management time and attention and in a loss of customers or market acceptance and reputation, even if the Hella Group were successful in defending such claims. Furthermore, the Hella Group may face fines and/or other measures imposed by government and regulatory agencies. Insurance coverage against the aforementioned risks, provisions for specific cases, and other precautionary measures (such as quality management, monitoring and traceability strategies that are applied at all levels of the supply-chain), may prove insufficient in individual cases. In particular with respect to the USA, due to the uncertainties relating to its legal system, where first-instance court decisions are generally determined by lay-person juries, there is no assurance that individual product liability claims will not exceed the related insurance coverage and provisions and indemnification received from third-party manufacturers.

The causes of product defects are manifold and sometimes beyond the Hella Group's control. Besides errors in the design, development, production or handling of the Hella Group's products, defects may also be caused by defective components or materials delivered by the Hella Group's suppliers and integrated in the Group's products. As the Hella Group does not have direct control over the quality of

the materials and intermediate products manufactured or supplied by third parties, it is exposed to a risk related to the quality of such materials and intermediate products.

Furthermore, the Hella Group manufactures many products pursuant to specifications and quality requirements set by its customers, in particular the automotive manufacturers. If the products manufactured and delivered by the Hella Group do not meet the requirements stipulated by its customers at the agreed date of delivery, production of the relevant products may be discontinued until the cause of the product defect has been identified and remedied. Alternatively, if the defect is not critical to product safety, the automotive manufacturer may decide to start production and replace defective parts later (at the Hella Group's cost). In addition, the Hella Group's customers could potentially claim damages on the basis of breach of contract, even if the cause of the defect is remedied at a later point in time. In addition, failure to perform quality requirements and a shrinking product quality could severely damage the Group's reputation and thereby negatively affect the market acceptance of the Hella Group's other products and its market reputation in various market segments. In such a case, the Group's future sales and, as a consequence, its future operating results could be negatively affected.

Patent and other intellectual property rights infringement

The Hella Group's competitiveness depends on its ability to protect its brand and technological expertise against infringements by third parties. The Hella trademark is registered in order to ensure such protection. The Hella Group patents its own innovations where permitted by law and is making every effort to protect its know-how. However, the possibility cannot be excluded that the Hella Group will be unable to obtain patent protection, the protection afforded to the intellectual property of the Hella Group is inadequate or that third parties infringe existing intellectual property rights. Third parties may seek to revoke the Hella Group's intellectual property rights, take legal action to have its intellectual property rights declared null and void, or demand an assignment of intellectual property rights. Accordingly, the Hella Group could be implicated in lengthy and costly litigation to protect its intellectual property, the outcome of which cannot be guaranteed. In addition, the Hella Group might be affected by inadequate intellectual property rights of its suppliers or related legal proceedings.

Moreover, should the Hella Group's intellectual property rights expire or be subject to geographical restrictions, this could allow new or existing competitors to use the Hella Group's intellectual property rights in order to facilitate entry into the market or strengthen their position. In addition, a major part of the Group's know-how and industrial secrets are not patented or cannot be protected through intellectual property rights. There is no guarantee that the Hella Group will succeed in protecting itself against the deprivation of unprotected know-how and trade secrets to competitors or joint venture partners, customers and/or suppliers thus jeopardizing the Hella Group's technological leadership.

The extent of patent or trademark protection varies from country to country. In some of the countries in which the Issuer operates, patent or trademark protection may be significantly weaker than in the USA or the European Union. Piracy of patent- or trademark-protected intellectual property has often occurred in recent years, particularly in some Asian and Eastern European countries. In particular, these countries could facilitate competition within their markets from counterfeit manufacturers who would otherwise be unable to introduce competing products for a number of years. There can be no guarantee that the Hella Group will be able to take measures in the future to protect its intellectual property effectively, preventing others from developing and designing products or technologies which are similar to those of the Hella Group or could be in competition with them. If the trademark, patents or technological developments of the Hella Group cannot be adequately protected, this could hinder the Hella Group's technological advancement and thus significantly impair its competitiveness. Although the Group currently does not expect proposed patent or trademark law amendments to affect the Hella Group's business materially, if a country in which the Group sells a substantial volume of an important product were to effectively invalidate the Hella Group's patent or trademark rights in that product, the Group's sales could suffer.

In addition, it is possible that third party intellectual property rights exist in certain countries in respect of some of the technologies and processes used by the Hella Group and that are unknown to the Hella Group. There is therefore a risk that the Hella Group might inadvertently infringe the rights of other parties, since competitors, suppliers and customers also apply for a large number of intellectual

property rights in many jurisdictions. The existence of effective intellectual property rights cannot always be determined unambiguously in relation to certain processes, methods and applications. Therefore, the possibility that third parties may take legal action (either in or out of court) against Hella or other companies of the Group for infringement of intellectual property rights cannot be ruled out. Any claims for infringement could delay or prevent the delivery of products by the Hella Group. There is also the risk that – in the event of a finding against the Hella Group – the Hella Group may be obliged to pay damages, enter into costly usage or license agreements or be prohibited from producing, importing or using relevant technologies involving intellectual property rights belonging to a third party (without being able to find a suitable replacement) in certain countries.

The Hella Group's technological know-how and intellectual property is often discovered by its employees during the course of their employment. Present or former employees who made inventions could continue to hold rights to the inventions which they created and may demand the registration of intellectual property rights in their name (vindication) and, under certain circumstances, may also claim damages. The use of the relevant invention by the Hella Group in such cases is not secure because the inventor could be able to obtain an injunction prohibiting use.

Supply chain risks

The Hella Group obtains components and raw materials, as well as products for its aftermarket business, from a large number of third-party suppliers and, therefore, depends on the thorough management of its supply chain. Any delay in receiving supplies could impair the Hella Group's ability to deliver products to its customers.

Although it is the Hella Group's general policy to source from a number of different suppliers, the larger part of the Group's suppliers are the single or main source for a particular supply item. The Hella Group is, therefore, dependent on a number of suppliers for certain key purchasing items, especially tools, LEDs, application specific integrated circuits (ASIC), electro-mechanical components and certain plastics or metal parts that are customized for individual Hella products. If one of the Group's suppliers fails to meet its delivery obligations, or delivers poor-quality products, the Hella Group may be forced to purchase products from other suppliers at higher prices and/or may face potential delays and significant additional costs for necessary adjustments and re-engineering. In the event that the Hella Group is unable to switch to other suppliers in time, the Hella Group may be forced to suspend its own production and face liability risks and loss of reputation vis-a-vis its customers who may in turn be forced to suspend their production. Financial difficulties of major suppliers of the Hella Group may lead to delays in delivery of products to the Hella Group. Moreover, if the Hella Group cannot easily switch to another supplier, it may even be forced to grant financial support. In such a case, the Hella Group may experience significant cost increases, loss of quality standards and loss of recourse claims in the case of warranty breaches. In addition, there is a risk that the Hella Group may have to claim its right to separation with regard to customized tools in case of supplier insolvencies.

Furthermore, suppliers may try to exploit the Hella Group's dependency on them by raising prices or requiring other commercial advantages such as more favourable payment terms, exposing the Group to additional costs and risks of interruptions in the supply chain.

In relation with the globalization of its production footprint and market presence, the Hella Group may have difficulties in finding reliable, cost-efficient and qualified suppliers in these regions for the production of its technologically advanced products. If reliable suppliers are not available, the Hella Group may face considerable quality risks towards its customers, or may be forced to source from established markets at higher costs; also, it may need to invest considerable resources into the development of new local suppliers.

General disruptions in the automotive supply chain could have an adverse effect on the Hella Group's business, even when the Group itself does not experience any shortages in its supplier base. For example, if a parts supplier were to cease operations e.g. due to financial problems, it could force the automotive manufacturers to whom the supplier provides parts to temporarily shut down their operations. This, in turn, could force other suppliers, including the Hella Group, to temporarily shut down production at plants that are producing products for such automotive manufacturers.

Strongly fluctuating raw-material prices

A substantial share of the Hella Group's production costs is attributable to inputs such as raw materials, components (e.g., electronic components) and energy. The prices and availability of raw these inputs vary with market conditions and may be highly volatile. Price increases would result in higher manufacturing costs for end products, parts and components. In addition, a shortage of raw materials and energy sources could arise from decreases in mining and production due to natural disasters or political instability or unrest. Such events could also lead to the shortage of specific pre-products if they are primarily produced in certain countries or regions. Moreover, the Hella Group may face increasing prices, less favourable payment terms, and procurement risks for raw materials offered by a limited number of suppliers, and for rare and frequently sought raw materials for which demand is high. Furthermore, a number of raw materials, in particular crude-oil based products and copper, are usually purchased in U.S. dollars, which means that a stronger U.S. dollar could represent a further price risk for contracts whose underlying currency is not tied to the U.S. dollar and increase the Group's cost of sales.

There have been in the past, and may be in the future, periods during which the Hella Group may not be able to pass price increases for raw materials, energy or components on to customers, particularly to domestic OEMs. If the Hella Group or its suppliers are unable to find substitutes for such inputs, or pass the increased input prices on to customers at all or in a timely manner, or to safeguard the supply of scarce raw materials, this could have a material adverse effect on the Hella Group's business. Even in periods during which prices for raw materials or components decrease, the Group may face decreasing operating profit margins if the prices of raw materials and/or components decrease more slowly than the selling prices of the Hella Group's products. In addition, supply interruptions of production materials, resulting from shortages, labour strikes, supplier insolvencies or other factors could have a negative effect.

In some cases, the Hella Group hedged itself against price increases for certain raw materials through the use of financial derivatives and may also enter into such transactions in the future. If prices fall below the level hedged by the derivative financial instruments, the Hella Group may be required to pay more than the prevailing market price for raw materials under these hedging transactions and/or may have incurred the expenses of the hedging transaction in vain. Furthermore, the default of a counterparty to the hedges or the early termination of hedging transactions may lead to increased costs or the loss of the planned protective mechanism. In other cases, there might even be no possibility to hedge raw materials.

Personnel risks

Highly qualified employees are vital for the Hella Group as an innovative company and group. The company's and the group's success and future development is largely dependent on the performance of its managerial staff and other skilled employees in key positions such as engineers with experience in product development in the areas of electronics, mechatronic, optics or software. Fluctuation carries the risk of a loss of expertise. A shortage of skilled personnel can also lead to difficulties regarding the fulfilment of current orders as well as future planned projects. The Hella Group may not succeed in retaining its key employees on terms acceptable to the Hella Group, attracting or training new employees with the requisite skills, or adequately replacing departures.

Changes in legal and regulatory conditions could lead to rising labour costs and/or significantly restrict use of labour leasing. Should such restrictions enter into force, the Hella Group might need to reduce the scale of its operations or to hire additional own staff, with the risk of generally increasing labour costs as well as reduced cost flexibility in the case of declining demand.

Moreover, the Hella Group operates production, administration and development sites in Eastern European countries (most notably in the Czech Republic, Romania and Slovakia) and in China. The fact that Eastern European countries have joined the European Union on the one hand and, on the other hand, the continuing shift of workplaces of other companies to the vicinity of Hella Group's sites, in particular in Eastern European countries and in China, might lead to a sharp increase in wage levels, whereas work efficiency and productivity might not increase proportionally. If this wage

increase is not successfully limited or a higher fluctuation of employees corresponding thereto is not counteracted and this cost increase cannot be passed on to the Hella Group's customers, this might have significant negative effects on the financial position and results of operation of the Group. Further, as the globalization of its business and its strategy to increase its international production footprint and market presence entails a cross-border assignment of personnel, the Hella Group is also subject to the risk that additional taxes and social insurance contributions may be assessed or challenged by relevant authorities, leading to additional costs for the Group.

In addition, part of the Hella Group's workforce is unionized. Although the Hella Group believes that it has established good relationships with its employees and their unions and has, in the recent past, only been subject to smaller work stoppages and strikes (in particular in connection with the Group's past restructuring initiatives), such relationships could deteriorate in the future and the Hella Group could experience demand for significant wage increases, strikes or other types of conflicts with labour unions or its employees. Furthermore, agreements with labour unions could reduce the cost flexibility of the Hella Group's business. Labour costs could also rise due to a future increase in the portion of the unionized workforce. In addition, many of the Hella Group's customers and suppliers also have unionized workforces. Refusals to work or work downtime experienced by the Group's customers or suppliers could result in decreased productivity of the Hella Group's plants.

Environmental, health and regulatory risks

The Hella Group is subject to domestic and foreign environmental and employee health and safety laws and other regulatory requirements. The Hella Group is also required to obtain permits from governmental authorities for certain operations. Under certain environmental laws, the Hella Group could be held solely or jointly and severally responsible, regardless of fault, for the remediation of any hazardous substance contamination at its past and present facilities and could also be held liable for damages to natural resources and any consequences arising out of human exposure to such substances or other environmental damage. If the Hella Group violates or fails to comply with environmental laws, regulations and permits, the Hella Group could be subject to penalties, fines, restrictions on operations or other sanctions, the Hella Group's operations could be interrupted, and its reputation could be harmed. Moreover, a variety of laws and regulations are in place or being considered that restrict or, if enacted would restrict the emission of carbon dioxide and other greenhouse gases. These legislative and regulatory developments may cause the Group to incur material costs if it is required to reduce or offset greenhouse gas emissions and may result in a material increase in energy costs.

In addition, the Hella Group is exposed to the risk of inadequate protection of employee health and safety, which can lead to serious accidents or work-related illnesses, which could result in substantial remedial obligations and damages to the Hella Group's reputation.

The cost of complying with current and future environmental, health, safety and other laws applicable to the Hella Group's operations, or the liabilities arising from the past release of, or exposure to, hazardous substances, may result in significant future expenditures. Further risks include the complexity and inconstancy of laws and regulations applicable to the Hella Group and its business, the lack of clarity of certain laws and regulations (which in certain cases leave room for different interpretations (and thus could lead to an unintentional lack of compliance on the part of the Hella Group)), and the uncertain, often lengthy, period of time that is necessary to obtain the required authorisations and licenses. In addition, obtained necessary permits or licenses could be revoked or could otherwise become invalid.

Furthermore, the Group is exposed to risks related to the need to provide customers with sufficient verification that the Hella Group's products are free from conflict minerals within the meaning of the U.S. American Dodd-Frank Act of 2010 (these are minerals such as tungsten, tantalum, tin and gold, determined by the U.S. government to be financing conflict in the Democratic Republic of Congo or an adjoining country). Similar EU rules are currently under discussion (with a potentially wider geographical scope). The reporting rules regarding conflict minerals apply to a wide range of manufacturers, including automobile manufacturers, and indirectly affect their suppliers (such as Hella), even if such suppliers do not report to the SEC, since they are subject to conflict minerals requests from any customers along the supply chain that do report to the SEC. The rules have an

impact on both vehicle production and aftermarket parts and require additional, costly processes (e.g., for specific data gathering and management as well as, potentially, an independent third-party audit) to ensure the required certifications are provided to customers in a timely manner. The Hella Group's compliance with the reporting requirements of its customers will require, among others, the cooperation of the Group's own suppliers, many of which may not be yet familiar with this topic and which may have difficulties in providing the required information and confirmations in a timely manner. If the Hella Group fails to meet these requirements in an appropriate and timely manner, this could have a material adverse effect on its business and its relationships with customers.

The Group is also subject to certain risks and restrictions in connection with the export and import of products into foreign countries, *i.e.*, tariffs, taxes and/or sanctions. Changes in these laws and regulations in the future could have an adverse economic impact on the Hella Group by tightening restrictions, reducing its freedom to do business and/or increasing its costs of doing business.

IT risks

Due to its worldwide operations, the Hella Group depends on a complex IT environment, including standardized information technology systems and networks to support business processes. As a result of the increasing complexity of electronic information and communication technology, the Hella Group is exposed to various risks in this context. The Group's IT systems and networks are potentially vulnerable to damage or interruption from a variety of sources (including data theft and hacker attacks). Although the Group has taken precautions to manage its risks related to system and network disruptions, an extended outage in a data center and/or telecommunication network utilized by the Group's systems or a similar event could lead to an extended unanticipated interruption of the Hella Group's systems, networks and operations. A system failure could have serious consequences for the entire Group, including, for example, the risk of high liability claims and loss of reputation vis-à-vis its customers who may in turn be forced to suspend their production if the Hella Group is unable to deliver its products to customers right on time.

In addition, for example due to uncertainties regarding the scope of software license agreements or amendments to the composition or the usage of its IT-infrastructure, it is possible that the Hella Group is underlicensed with respect to software licenses. Therefore, the Hella Group might infringe the rights of other parties and it cannot be ruled out that third parties may take legal action (either in or out of court) against the Hella Group for infringement of IT licenses.

Furthermore, the Hella Group's IT systems are potentially exposed to damage and loss caused by theft of data or stoppages and interruptions resulting from events such as system failure, fire, natural hazards or other disturbances.

Financial risks

Due to its global operations, the Hella Group is exposed to a number of financial risks. In particular, these include credit risk, risk of defaults on receivables, and risks arising from movements in interest rates and exchange rates. Interest rate risk arises as a result of fluctuations in interest rates caused by the markets. On the one hand, they have an impact on the level of the interest expense borne by Hella, and on the other hand they affect the fair values of financial instruments.

As a result of the Hella Group's international operations, the Hella Group is subject to foreign exchange risks because the Hella Group generates a significant portion of its sales and incurs a significant portion of its expenses in currencies other than the euro, predominantly in U.S. dollars, Czech koruna and Chinese renminbi, as well as in several other currencies such as Australian dollars, British pounds, Danish kroner, Indian rupees, Polish zloty, Mexican pesos, Norwegian krone, Romanian lei and Swiss francs (so-called transaction risk). To the extent that the Hella Group has significantly more costs than sales generated in a foreign currency, the Hella Group is subject to exchange rate risk if the foreign currency in which the costs are paid appreciates against the currency in which sales are generated, because the appreciation effectively increases costs in that country. Fluctuations in foreign exchange rates could also enhance (or minimize) fluctuations in the prices of raw materials which the Hella Group purchases from suppliers in foreign countries to a significant extent. Risks also arise for the Hella Group on the sales side when exchange rates fluctuate,

especially since it is not always possible to align costs in the same currency as revenues. The Group hedges foreign currency exposure (in particular its euro/U.S. dollar, Mexican peso/U.S. dollar, Chinese renminbi/U.S. dollar, euro/Czech koruna and euro/Romanian lei exposure) on a short- and medium-term basis through forward exchange contracts matched to the currency flows expected on the basis of the Group's corporate plan. However, the timing and scope of the protection covers only a part of the currency risk. In addition, the Hella Group may not always be able to adequately hedge against the currency risk on suitable terms in the future. Thus, the Hella Group's hedging strategy may be partly or wholly unsuccessful.

Exchange rate fluctuations also affect the translated value of balance sheet and income statement positions of Hella's Group companies outside the Eurozone that are denominated in the relevant national currency, as these positions must be converted into euro in connection with the preparation of Hella's consolidated financial statements. As a result, exchange losses may arise due to this conversion (so-called translation risk).

Concerning financing, all long-term financial instruments incl. the so-far issued bonds already contain, and any future debt financing is likely to contain, customary restrictive covenants that may affect the operating flexibility of the Group. If the Hella Group fails to comply with such present or future covenants, a default could result under the relevant financial instrument, which would then become immediately due and payable. This may also lead to a so-called cross default event in relation to other present or future financial instruments. Moreover, the Hella Group's obligations under its credit facilities may restrict its business and financial flexibility. Should the Group's credit rating deteriorate in the future, the Hella Group's borrowing costs could rise and the Group's ability to access debt markets could be restricted thereby limiting further growth due to lack of sufficient funding. Financing may not be available in the required scope to fund or support the Group's working capital or may only be available on less favorable terms in the future thereby limiting further growth. The Hella Group's borrowing costs could also rise in the event that interest rates rise, in particular if the Group were to refinance a financial instrument or to enter into transactions for new financial instruments.

In addition, the Hella Group has substantial pension obligations which may adversely affect its financial position. The Hella Group has made commitments to current and former employees with regard to company pension payments, both in the form of defined benefit and defined contribution pension plans. Only part of these pension plan commitments are covered by fund assets. The pension provisions recognized on Hella's consolidated statement of financial position for the obligations arising from such pension commitments vis- a-vis employees are determined on an actuarial basis by the projected unit credit method in accordance with IAS 19. In this context, the Hella Group uses certain actuarial assumptions regarding, for example, mortality rates, discount rates, changes in salaries and pension levels and staff turnover. If these actuarial assumptions prove to be inaccurate or need to be revised, for example due to increasing longevity or prolonged periods of low interest rates, this could lead to a significant increase in the net present value of the Hella Group's pension obligations and to additional provisioning requirements for the Hella Group. Furthermore, in case pension plan commitments are covered by fund assets, the value of these assets could decrease and thus lead to additional provision requirements. In addition, the legal conditions governing the Group's pension obligations are subject to changes in applicable legislation or case law, which may also lead to new or more extensive pension obligations for the Group, or may impact the Group's previous calculations of its pension obligations.

In addition, the Hella Group's assets, such as goodwill, are subject to the risk of impairment. Potential negative changes in the value of the Hella Group's assets may result in write-downs and therefore negatively affect the Group's financial position.

Furthermore, the Hella Group's insurance coverage could prove inadequate. The Hella Group has taken out insurance policies in relation to a number of risks associated with its business activities, such as policies covering warranty obligations resulting from serial claims. Hella cannot guarantee that the Hella Group will not incur losses or that no claims will be brought that exceed the type and scope of its existing insurance coverage. At the same time, there are a number of risks that were identified as not worth insuring and for which, therefore, no insurance cover has been purchased (e.g., business interruptions caused by acts of terror or certain IT security breaches ("hacking"), or risk associated with the challenging of patents and other intellectual proprietary rights, as well as commercial credit

risks (*Warenkreditversicherung*)) and there is a chance that such risks nevertheless materialize in a significant amount. Following a number of claims or after one major claim, the insurance premiums may be increased or the terms and conditions of the insurance coverage may become less favorable than at present. This may also occur following a general change in the insurance markets. There is no guarantee that the Hella Group will continue to be able to obtain sufficient levels of insurance for the respective risks it incurs in connection with its business operations on terms and conditions that are economically justifiable.

Tax risks

The tax burden of the Hella Group is dependent on certain aspects of the tax laws across several different jurisdictions and their application and interpretation. Changes in tax laws or their interpretation or application or in the amount of taxes imposed on companies, could increase the future tax burden. As a result of current or future tax audits or other review actions by the relevant financial or tax authorities, original tax assessments could be revised and/or additional taxes, including interest and penalty payments or social security payments, could be assessed in relation to future or previous tax assessment periods which could lead to an increase in the tax obligations of the Hella Group, either as a result of the relevant tax payment being assessed directly against the Hella Group or as a result of the Hella Group becoming liable for the relevant tax as a secondary obligor due to the primary obligor's (such as, for example, an employee) failure to pay. This may be due to an interpretation or view of laws and/or facts by tax authorities in a manner deviating from the Hella Group's view.

Due to its international focus, the Hella Group is exposed to tax risks, in particular with regard to the so-called transfer pricing rules that apply in several jurisdictions and, in relation to cross border business relationships. The possibility that the tax authorities will challenge the Hella Group's compliance with applicable transfer pricing rules cannot be ruled out. Furthermore, transfer pricing risks may increase in the future as intra-group cross-border business grows.

The Group's corporate structure has been, and may be in the future, subject to reorganisation measures (e.g., transfer of subsidiaries, carve-outs or mergers). Although the Hella Group tries to consider the relevant tax issues arising from such reorganisations, the possibility cannot be excluded that the Hella Group was not aware of a certain tax issue or that the tax authorities will question some or all of the positions that the Hella Group has taken and, consequently, additional taxes may be assessed or tax assets be challenged. Furthermore, due to its strategy to increase its international production footprint and market presence (in particular in emerging markets such as China), the Group is constantly exposed to risks arising from the application of international tax concepts used for the purpose of allocating taxing rights between countries. In particular, the Hella Group's business activities outside Germany might inadvertently trigger taxing rights of foreign countries (e.g., due to a representative's permanent establishment), leading to additional tax burdens for the Group.

Additional tax risks may also arise in relation to VAT. For example, in the negotiations of supply contracts with its customers, in particular the automotive manufacturers, the Hella Group encounters attempts by those customers to bundle several supply projects or to negotiate the commercial terms of several projects jointly, even when these projects are to be fulfilled in different countries or by different legal entities, leading to the need to accurately allocate turnover volume to the individual projects for VAT purposes. It cannot be ruled out that the tax authorities will challenge allocation methods employed by the Hella Group, leading to a higher tax burden for the Group.

Compliance breaches, including competition law infringements, could result in investigations by the relevant authorities, fines, additional payments of tax, damage claims, payment claims, the termination of relationships with customers and reputational damage.

The Hella Group encompasses numerous companies worldwide which compete for attractive orders by customers. This inherently bears the risk that applicable legislation and regulations may be breached. Such behavior may lead to legal proceedings against the Hella Group, fines, sanctions, court orders affecting future conduct, forfeiture of profits, rescission of existing contracts, exclusion from certain businesses, loss of trade licenses or other restrictions, which, in turn, might limit the Hella Group's ability to pursue strategic projects and transactions that may be important for the business.

Furthermore, involvement in potential non-compliance proceedings and investigations could harm Hella's, the Hella Group's and the Group's management's reputation, lead to the loss of customers and have a negative impact on efforts to compete for new customer business. Customers and/or third parties could also initiate legal proceedings against the Hella Group for substantial financial sums.

In July 2012, the European Commission, in an investigation relating to potential anti-competitive agreements and/or concerted practices among automotive lighting suppliers on, inter alia, price coordination and/or the exchange of sensitive information with respect to the delivery of certain automotive lighting products to the automotive industry, performed an official search at Hella's headquarters in Lippstadt. In parallel, the U.S. Department of Justice launched a similar investigation. Hella is fully cooperating with the antitrust authorities. In May 2016, the EU-Commission has formally initiated proceedings for imposing an administrative fine which is still ongoing. Hella set up provisions of € 16 million in the second quarter of the fiscal year 2016/17 to reflect the risk involved with a potential fine imposed by the EU Commission as well as for potential damage claims and lawyers' fees. With regard to the investigation launched by the U.S. Department of Justice the case has been pending without any activity by the U.S. authority since September 2012. However monetary fines may also be imposed by the U.S. Department of Justice. The fine imposed on each company found to have taken part in an infringement may amount to up to 20% of the affected U.S. commerce. Consequential damage claims could then also be asserted in the U.S. Since the results of the investigations by the U.S. Department of Justice are still unclear, no provisions for the investigation in the U.S. have been booked in the accounts of the Hella Group to cover potential fines, damage claims and other.

Although the Hella Group has taken remedial actions with respect to the findings from these investigations and various measures to enhance the compliance system (such as the implementation of stricter internal control systems and changes to relevant policies and procedures), it cannot be excluded that consequences may arise from further instances, such as further investigations by cartel authorities or potential damage claims from customers and/or third parties.

Further legal risks

The Hella Group's risk management system or compliance system could prove inadequate. Although the Hella Group believes it has taken adequate measures (including regular compliance training and instruction as well as a Code of Conduct that is binding on all employees), it cannot be fully excluded that employees may not act in compliance with applicable statutory provisions (including antitrust regulation, anti-corruption legislation as well as data protection laws) and the Group faces the risk that penalties or liabilities may be imposed on the Group. Thus the Hella Group's compliance system and monitoring capabilities may not be sufficient to prevent violations of legal provisions, to identify past violations or prevent damages from fraud or similar crime in the Group. This may be especially true for associated companies where Hella has no controlling influence on the day-to-day business. In addition, the Group faces increasing costs in light of the increasingly complex legal and regulatory requirements and the need to ensure compliance.

Moreover, the Hella Group has business activities in multiple jurisdictions, in which the legal and regulatory environment may change. The Hella Group might be unable to anticipate and adequately plan for future changes in laws and regulations and Group's compliance system may not be sufficient to adapt quickly enough to any such changes.

Furthermore, the Group faces the risk that, as a result of unclear classification of information within the Group, employees may be provided with access to restricted, confidential information beyond the requirements of their position, which may result in a loss of business knowledge in the event that such employees were to unwarrantedly pass on such confidential information to other persons. There is also a risk that relevant and updated internal policies, guidelines and instructions (relating to different areas, such as tax, legal and product quality) may not be effectively made available to all persons who are meant to apply them due to the lack of a group-wide common platform. This may result in policies not being followed consistently, and in potential breaches of legal regulations, as well as inefficiencies.

In addition, the Hella Group may become involved in litigation and arbitration proceedings, such as labor related litigation or litigation or arbitration proceedings with its customers, suppliers or co-operation partners, including product liability or warranty claims. In the event of adverse judgments or settlement agreements, the Hella Group could be obliged to make substantial payments, including payment of the opponent's litigation costs, which could also be significant. Even if the Hella Group were successful in defending the cases, the Hella Group would still suffer from the distraction of management resources to such litigation, incur certain expenses, and possibly face harm to its reputation from case-related publicity. The involvement in litigation and arbitration proceedings may, therefore, have a material adverse effect on the business, financial position and results of operations of the Hella Group.

If any or all of the risks described above arise, this could have a material adverse effect on the net assets, financial position and results of operations of the Hella Group.

Risks relating to the Notes

An investment in the Notes involves certain risks associated with the characteristics, specification and type of the Notes which could lead to substantial losses that Holders would have to bear in the case of selling their Notes or with regard to receiving interest payments and repayment of principal. Risks regarding the Notes comprise, *inter alia*, the following material risks:

Notes may not be a suitable investment for all investors

Each potential investor in Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Liquidity risk

Application has been made to the Luxembourg Stock Exchange for the Notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market and to be listed on the official list of the Luxembourg Stock Exchange. However, there is a risk that no liquid secondary market for the Notes will develop or, if it does develop, that it will not continue. The fact that the Notes may be listed does not necessarily lead to greater liquidity as compared to unlisted notes. In an illiquid market, an investor is subject to the risk that he will not be able to sell his Notes at any time at fair market prices. The possibility to sell the Notes might additionally be restricted by country specific reasons.

Risk of early redemption

The Notes may be redeemed at the option of the Issuer (in whole, but not in part) at the principal amount of the Notes plus accrued interest to the date fixed for redemption, for reasons of taxation, as more fully described in the Conditions of Issue. In the event that the Issuer exercises the option to

redeem the Notes, the Holders might suffer a lower than expected yield and might not be able to reinvest the funds on the same terms.

Market price risk

The development of market prices of the Notes depends on various factors, such as changes of market interest rate levels, the policies of central banks, overall economic developments, inflation rates or the lack of or excess demand for the Notes. The Holders are therefore exposed to the risk of an unfavourable development of market prices of their Notes which materialise if the Holders sell the Notes prior to the final maturity. If a Holder decides to hold the Notes until final maturity, the Notes will be redeemed at the amount set out in the Conditions of Issue.

The market value of the Notes could decrease if the creditworthiness of the Hella Group worsens

If, e.g., because of the materialisation of any of the risks regarding the Issuer or the Guarantor, the likelihood that the Issuer or the Guarantor will be in a position to fully perform all obligations under the Notes or the Guarantee when they fall due decreases, the market value of the Notes will suffer. In addition, even if the likelihood that the Issuer or the Guarantor will be in position to fully perform all obligations under the Notes or the Guarantee when they fall due actually has not decreased, market participants could nevertheless have a different perception. In addition, the market participants' estimation of the creditworthiness of corporate debtors in general or debtors operating in the same business as the Hella Group could adversely change.

If any of these risks occurs, third parties would only be willing to purchase Notes for a lower price than before the materialisation of said risk. Under these circumstances, the market value of the Notes will decrease.

Currency risk

The Notes are denominated in euro. If such currency represents a foreign currency to a Holder, such Holder is particularly exposed to the risk of changes in currency exchange rates which may affect the yield of such Notes. Changes in currency exchange rates result from various factors such as macro-economic factors, speculative transactions and interventions by central banks and governments.

In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable currency exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

Fixed rate notes

The Notes bear a fixed interest rate. A Holder of fixed rate notes is particularly exposed to the risk that the price of such notes falls as a result of rising market interest rate. While the nominal interest rate of a fixed rate note as specified in the Conditions of Issue is fixed during the life of the Notes, the current interest rate on the capital market typically changes on a daily basis. As the market interest rate changes, the price of fixed rate notes also changes, but in the opposite direction. If the market interest rate increases, the price of fixed rate notes typically falls, until the yield of such notes is approximately equal to the market interest rate of comparable issues. If the market interest rate falls, the price of fixed rate notes typically increases, until the yield of such notes is approximately equal to the market interest rate of comparable issues. If a Holder of the Notes holds his Notes until maturity, changes in the market interest rate are without relevance to such Holder as the Notes will be redeemed at the principal amount of the Notes.

Resolution of Holders

A Holder is subject to the risk to be outvoted and to lose rights towards the Issuer against his will in the case that Holders agree pursuant to the Conditions of Issue to amendments of the Conditions of Issue by majority vote according to the German Law on Debt Securities (*Schuldverschreibungsgesetz*

– "**SchVG**"). As resolutions properly adopted are binding on all Holders, certain rights of such Holder against the Issuer under the Conditions of Issue may be amended or reduced or even cancelled.

Holder's Representative

As the Notes provide for the appointment of a Holders' Representative by a majority resolution of the Holders, it is possible that a Holder may be deprived of its individual right to pursue and enforce its rights under the Conditions of Issue against the Issuer, such right passing to the Holders' Representative who is then exclusively responsible to claim and enforce the rights of all the Holders.

Changes in Accounting Standards (IFRS and HGB (German Commercial Code))

Hella Finance International B.V.'s annual financial statements will be prepared in accordance with the Dutch Guidelines for Annual Reporting (*Richtlijnen voor de Jaarverslaggeving (RJ)*). The annual financial statements of Hella KGaA Hueck & Co. are prepared in accordance with IFRS as adopted by the European Union, and the additional requirements of German law pursuant to the German Commercial Code (*Handelsgesetzbuch*). New or changed accounting standards may lead to adjustments in the relevant accounting positions of Hella Finance International B.V. or Hella. This might lead to a different perception of the market regarding Hella Finance International B.V. or Hella's creditworthiness. As a result, there is a risk that the market value of the Notes might decrease.

No restriction on the amount of debt which the Issuer may incur in the future

There is no restriction on the amount of debt which the Issuer may issue which ranks equal to the Notes. Such issuance of further debt may reduce the amount recoverable by the Holders upon winding-up or insolvency of the Issuer.

Risks relating to the Guarantee

No personal liability of the general partners of the Guarantor

The Guarantee constitutes direct, unconditional and unsubordinated obligations of the Guarantor the fulfilment of which is restricted to and may only be claimed out of the corporate assets of the Guarantor. The Guarantee does not constitute any claim against the general partners of the Guarantor, and the general partners of the Guarantor are not personally liable towards the Holders for the obligations under the Guarantee and the Notes.

Risk that liabilities of the Guarantor may exceed the Guarantor's assets; subordination risk

The liabilities of the Guarantor together with its liabilities under the Guarantee for the Notes may exceed its assets. If the Guarantor is required to fulfill some or all of these obligations, the Guarantee for the Notes may prove less valuable or even worthless if the other creditors rank equal to or have priority over the holders of the Notes.

The Guarantee is not secured by assets of the Guarantor.

Subject to the restrictions in the Conditions of Issue and the Guarantee, the Guarantor could grant further security for certain other liabilities, including for capital market indebtedness. Therefore, to the extent that the Guarantor has pledged or will pledge its assets to third parties to secure its debts, any claim of the Holders under the Guarantee will be effectively subordinated to the obligations secured by such pledges to the extent of the value of the collateral pledged. In an insolvency of the Guarantor the Holders face the risk that their claims under the Guarantee will not be satisfied because the remaining assets of the Guarantor may have been pledged as collateral and will be used for satisfying the claims of the secured creditors prior to satisfying the claims of the Holders. Thus, secured creditors of the Guarantor, even those who became creditors after the issue of the Notes, would have a priority claim to the assets of the Guarantor in which they have a security interest.

Limitation or unavailability of the Guarantee

The Guarantee provides the Holders with a direct claim against the Guarantor. However, this Guarantee will be limited to the maximum amount that can be guaranteed by the Guarantor without rendering the Guarantee voidable or otherwise ineffective under applicable laws. The Guarantees may also be subject to further limitations under the law, including limitations on the consideration received or the general prohibition of abstract guarantees. Further, the enforcement of any of the Guarantee against the Guarantor would be subject to certain defenses available to the Guarantor in general or, in some cases, to limitations designed to ensure full compliance with statutory requirements applicable to the Guarantor. These laws and defenses include those that relate to fraudulent conveyance or transfer, voidable preference, corporate purpose, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally. It is possible that the Guarantor, a creditor of the Guarantor or the insolvency administrator in the case of the insolvency of the Guarantor, may contest the validity and enforceability of the Guarantor's Guarantee and that the applicable court may determine that the Guarantee should be limited or voided.

CONSENT TO THE USE OF THE PROSPECTUS

Each Manager (as defined in "*SUBSCRIPTION, SALE AND OFFER OF THE NOTES*") and/or each further financial intermediary subsequently reselling or finally placing the Notes is entitled to use the Prospectus in Luxembourg, Germany and Austria for the subsequent resale or final placement of the Notes during the period commencing on (and including) the date of the publication of the Pricing Notice and ending on (and including) 23 May 2017 during which subsequent resale or final placement of the Notes can be made, provided however, that the Prospectus is still valid in accordance with Article 11 of the Luxembourg Law which implements the Prospectus Directive. The Issuer accepts responsibility for the information given in this Prospectus also with respect to such subsequent resale or final placement of the Notes.

The Prospectus may only be delivered to potential investors together with all supplements published before such delivery. Any supplement to the Prospectus will be available for viewing in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu).

When using the Prospectus, each Manager and/or relevant further financial intermediary must make certain that it complies with all applicable laws and regulations in force in the respective jurisdictions.

In the event of an offer being made by a Manager and/or a further financial intermediary the Manager and/or the further financial intermediary shall provide information to investors on the terms and conditions of the Notes at the time of that offer.

Any financial intermediary using the Prospectus shall state on its website that it uses the Prospectus in accordance with this consent and the conditions attached to this consent.

USE OF PROCEEDS

In connection with the offering of the Notes, the Issuer will receive net proceeds of approximately € [●], after deducting aggregate costs and the underwriting commission aggregating up to 0.25 % of the aggregate principal amount of the Notes. The net proceeds from the issue of the Notes will be lent by the Issuer to the Guarantor who intends to use the net proceeds for general corporate purposes, including the refinancing of existing debt.

GENERAL INFORMATION ABOUT THE ISSUER

Incorporation and seat

The legal and commercial name of the Issuer is Hella Finance International B.V.

Hella Finance International B.V. is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands. It is operating under the laws of the Netherlands. The company has its corporate seat in Nieuwegein, the Netherlands, and is registered with the trade register of the Dutch chamber of commerce (*Handelsregister van de Kamer van Koophandel*) under number 68579985. Its registered office and principal place of business is at Celsiusbaan 2, 3439NC Nieuwegein, the Netherlands. The telephone number of its registered office is +31 306095611.

Formation and history

Hella Finance International B.V. was incorporated on 18 April 2017. It was registered with the Dutch chamber of commerce on 19 April 2017.

Fiscal year

The fiscal year of the Issuer starts on 1 June and ends on 31 May.

Object of the Issuer

Pursuant to Article 2.2 of the Issuer's articles of association (as currently included in its deed of incorporation), the objects of the company are (a) to import, export, sell, distribute, lease, trade, market and to advise with respect to automotive and machine parts or related products, and related products, as well as other products that are or may be of interest to the company, (b) to participate in, finance, cooperate with and manage companies and other enterprises and to advise and render other services, (c) to provide securities, whether or not for debts of others, to assume liability for the obligations of third parties, including acting as surety, being jointly and severally liable or providing guarantees in other respects, and in general to render services in the field of trade and finance, (d) to lend as well as to borrow funds, including the issuance of bonds, acknowledgements of debt or other securities or debt securities, and to invest in securities, saving certificates and other financial instruments and derivatives, (e) to perform all that is incidental or may be conducive to the abovementioned objects, all in the broadest sense.

Auditors

KPMG AG Wirtschaftsprüfungsgesellschaft, Nikolaus-Dürkopp-Straße 2a, 33602 Bielefeld, Germany, which is a member of the German Chamber of Public Accountants (*Wirtschaftsprüferkammer*), has audited the interim financial statements of Hella Finance International B.V. prepared for the purposes of this Prospectus for the period starting from the date of incorporation, 18 April 2017, and ended on 20 April 2017 and has rendered an unqualified opinion thereon.

Business

Hella Finance International B.V. acts solely to facilitate the financing of Hella Group by taking loans from and issuing notes to the market and on-lending the funds to companies within Hella Group. The business of Hella Finance International B.V. is directly related to the extent Hella utilizes Hella Finance International B.V. for future funding needs. The extent to which future funding needs arise depends on the development of the operating business and investment projects of Hella and its subsidiaries. The business activities of Hella and the Hella Group are described below under "*GENERAL INFORMATION ABOUT HELLA KGAA HUECK & CO. AS THE GUARANTOR – Business*".

Competition and market

The business of Hella Finance International B.V. is directly related to the extent Hella utilizes Hella Finance International B.V. for future funding needs. The competition and market environment of Hella and the Hella Group is described below under "*GENERAL INFORMATION ABOUT HELLA KGAA HUECK & CO. AS THE GUARANTOR – Business – Markets and competition*".

Organisational structure

Hella Finance International B.V. is a wholly-owned subsidiary of Hella and has no subsidiaries of its own.

Hella Finance International B.V. is dependent upon other entities within the Hella Group. It acts solely to facilitate the financing of the Hella Group by taking loans from and issuing notes to the market and on-lending the funds to companies within Hella Group. The business of Hella Finance International B.V. is directly related to the extent Hella utilizes Hella Finance International B.V. for future funding needs. The extent to which future funding needs arise depends on the development of the operating business and investment projects of Hella and its subsidiaries.

Investments

Hella Finance International B.V. has not made any investments as at the date of this Prospectus.

Management and administrative bodies

The corporate bodies of Hella Finance International B.V. are the General Meeting and the Management Board. The powers and responsibilities vested in these governing bodies are currently set forth in the Dutch Civil Code, specifically Book 2 of the Dutch Civil Code in which the general rules on private limited liability companies are mentioned, and the Issuer's articles of association (as currently included in its deed of incorporation). It is intended to establish certain internal rules for the members of the Management Board in their managing director contracts.

The Management Board of Hella Finance International B.V. consists of the following members:

	Function	Other activities outside of the Issuer
Marco van der Aa	Managing Director	Hella Benelux B.V., Nieuwegein, the Netherlands, Managing Director Hella Finance Nederland C.V., Nieuwegein, the Netherlands, Managing Director
Didier Charles Yvon Jacques Tensi	Managing Director	Hella Benelux B.V., Nieuwegein, the Netherlands, Finance & Administration Director Hella Finance Nederland C.V., Nieuwegein, the Netherlands, Managing Director

There are no conflicts of interests between the private interests of the persons listed above and their duties *vis-à-vis* the Issuer.

The business address of the members of the Management Board is the same as that of the Issuer.

Board practices

Hella Finance International B.V. has not established an audit committee. Hella Finance International B.V. is not subject to the Dutch corporate governance code because its shares are not admitted to trading.

Share capital

The authorised share capital of Hella Finance International B.V. amounts to € 3,000,000. It is divided into 3,000 ordinary registered shares with a nominal value of € 1,000 each. Each share represents one vote. None of the issued shares have yet been paid up. No share certificates have been or will be issued.

Shareholders

Hella Finance International B.V. is a wholly-owned subsidiary of Hella.

Material contracts

There do not exist any material contracts which have been entered into in the non-ordinary course of business.

Legal and arbitration proceedings

There are no, nor have there been any governmental, legal or arbitration proceedings and Hella Finance International B.V. is not aware of any such proceedings pending or threatened which may have or have had in the twelve months preceding the date of this Prospectus a significant effect on the financial position or profitability of Hella Finance International B.V.

Selected financial information of the Issuer

Hella Finance International B.V. is a newly founded entity. Its issued share capital amounts to € 3,000,000. At the time of this Prospectus, none of the shares have yet been paid up. The total assets of Hella Finance International B.V. amount to € 3,000,000 and consist of a claim of Hella Finance International B.V. vis-à-vis its shareholder, Hella KGaA Hueck & Co., for payment of the issued share capital.

Historical financial information

The audited interim financial statements of Hella Finance International B.V. prepared for the purposes of this Prospectus for the period starting from the date of incorporation, 18 April 2017, and ended on 20 April 2017 and the auditor's report thereon are incorporated by reference into this Prospectus.

Rating

On 28 April 2017, the rating agency Moody's Deutschland GmbH ("**Moody's**")¹ has assigned the rating Baa2 to the Notes. According to Moody's, obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through

¹ Moody's Deutschland GmbH is established in the European Community and is registered under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the "**CRA Regulation**"). The European Securities and Markets Authority publishes on its website (<https://www.esma.europa.eu/supervision/credit-rating-agencies/risk>) a list of credit rating agencies registered in accordance with the CRA Regulation. That list is updated within five working days following the adoption of a decision under Article 16, 17 or 20 CRA Regulation. The European Commission shall publish that updated list in the Official Journal of the European Union within 30 days following such update.

Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. The Issuer as such has no separate credit rating.

GENERAL INFORMATION ABOUT HELLA KGaA HUECK & CO. AS THE GUARANTOR

Incorporation and seat

The legal name of the Guarantor is Hella KGaA Hueck & Co. The commercial name of the Guarantor is "Hella".

Hella KGaA Hueck & Co. is a German partnership limited by shares established and incorporated under the laws of Germany. A German partnership limited by shares (*Kommanditgesellschaft auf Aktien (KGaA)*) has at least one partner with unlimited personal liability for the company's debts (so-called general partner) who is responsible for managing the affairs of the company, and shareholders who participate in the company's share capital and are excluded from the management of the company and not personally liable for the company's debts. The Guarantor has its corporate seat in Lippstadt, Germany, and is registered in the commercial register of the local court (*Amtsgericht*) of Paderborn under HRB 6857. The Guarantor's registered office and principal place of business is at Rixbecker Straße 75, 59552 Lippstadt, Germany. The telephone number of its registered office is +49 29 41 38-0.

Formation and history

Hella has its roots in the *Westfälische Metall-Industrie Aktien-Gesellschaft (WMI)*, a company founded on 11 June 1899 as a special factory for lanterns, headlamps, bulb horns (cornets) and fittings for bicycles, carriages and automobiles. In 1908, the "Hella" brand name was created for the top product in the acetylene headlamp range. In 1911, the construction of the new factory on the site of the present-day Plant 1 in Lippstadt was finalised. In the early years, Hella mainly focused on the production of lamps for bicycles and vehicles.

In 1923, the Hueck family acquired a majority shareholding in Hella. In 1959, the WMI group was converted into a limited partnership. In 1961, WMI began its international expansion by establishing its first plant abroad, in Australia. In 1965, the Company entered the market for automotive electronics by developing the first fully electronic flasher unit. The name of the company was changed to *Hella KG Hueck & Co.* in 1986.

As early as 1992, Hella Group started to manufacture products in China, marking an increase in the Group's international activities. Hella's network strategy was launched in 1998/1999 with two joint ventures for air conditioning control units and frontend modules with Behr (today Mahle Behr GmbH & Co. KG, Stuttgart, Germany, a part of the Mahle Group).

By a resolution adopted by the partners dated 13 November 2003 the Guarantor was converted into a partnership limited by shares (*KGaA*).

Since then, the Group has significantly expanded both its geographical reach and its product portfolio. For example, in 2003, Hella introduced an intelligent battery sensor, one of the key components for efficient vehicle energy management. In 2008, Hella has successfully entered into new non-automotive markets, primarily the development, production and sale of large-scale solutions for LED street, airport and building lighting – an activity that has later been divested in 2016. Also in 2008, the Group further strengthened its network strategy and entered into a joint venture for chassis electronics and driver assistance systems with Mando Corporation, Seoul, South Korea. In addition, the Hella Group continued to expand in emerging markets such as China and Mexico, for example by opening a new electronics production facility in Xiamen, China, in 2012, and new lighting production facilities in Irapuato, Mexico in 2013 and in Jiaxing, China, in 2014. In addition, in 2012 and 2014, Hella entered into new joint ventures in China with FAW and BAIC, two of the leading Chinese automobile manufacturers, for the development and production of lighting systems designed for the Chinese market. In the domestic German market, Hella Group continued to focus on technology and innovation. For example, the Group invested in a new development center for electronics in Lippstadt which was completed in 2013 and a new development center for lighting in Sindelfingen which was completed in 2017. Successful product innovations of the last years include a new generation of driver assistance systems based on 24 GHz radar technology that was launched in 2012, the waste gate

actuator in 2014, and Hella's matrix LED headlight with a glare-free high beam that received the 2014 Automotive News PACE award. In 2016, the MULTIBEAM LED headlamp with 84 individually controlled LEDs followed as another first-to-market innovation in headlamps.

Since November 2014, Hella's shares are listed on the regulated market segment of the Frankfurt Stock Exchange (Prime Standard) and on the regulated market of the Luxembourg Stock Exchange. Since September 2015, the shares have been included in the MDAX stock index.

Fiscal year

The fiscal year of the Guarantor starts on 1 June and ends on 31 May.

Object of the Guarantor

Pursuant to § 2 paragraph (1) of the Guarantor's articles of association, the object of the Guarantor is the manufacture of goods of any kind made of metal, plastics and similar materials as well as electronic components, trading of these goods as well as services and software developments associated therewith. Under § 2 paragraph (2) of its articles of association, the Guarantor is authorised to take all measures and to conclude all transactions which appear to be suitable to serve the business purpose.

Auditors

KPMG AG Wirtschaftsprüfungsgesellschaft, Nikolaus-Dürkopp-Straße 2a, 33602 Bielefeld, Germany, which is a member of the German Chamber of Public Accountants (*Wirtschaftsprüferkammer*), has audited the consolidated financial statements of the Hella Group for the financial years ended on 31 May 2015 and 31 May 2016 and has rendered, in each case, an unqualified opinion thereon.

Business

Overview

Hella is a family-owned, listed company operating on the international stage, and the Hella Group is currently employing approximately 36,000 members of staff at 125 locations in about 35 countries around the world. The Hella Group develops and manufactures lighting technology and electronics for the automotive industry and also has one of the largest retail organisations for automotive parts, accessories, diagnostics, and services within Europe. Joint venture companies furthermore create entire vehicle modules, air-conditioning systems and vehicle wiring systems. With more than 6,000 people working in research and development, the Hella Group is one of the most important innovation drivers in the market. Furthermore, with sales of € 6.4 billion in the fiscal year of 2015/2016, the Hella Group is one of the top 40 automotive parts suppliers in the world and one of the 100 largest German industrial companies. Customers of the Hella Group include a broad range of leading vehicle and system manufacturers worldwide, as well as players in the automotive parts aftermarket and non-automotive customers such as construction machinery manufacturers and agricultural vehicle manufacturers. In the financial year 2015/2016, direct original equipment business with automotive OEMs accounted for 76 % of sales, the aftermarket organisation contributed approximately 19 % of sales.

The Hella Group is organized in three business segments: Automotive, Aftermarket and Special Applications. The Automotive segment comprises the Group's activities in the business divisions Lighting and Electronics. The Aftermarket segment comprises the Group's international commercial and service activities for independent wholesalers and garages as well as wholesale activities in Northern and Eastern Europe. In the Special Applications segment, the Hella Group includes its Special Original Equipment ("**Special OE**") business which provides original equipment for special vehicles such as buses, caravans, agricultural vehicles and construction machinery, marine, municipal vehicles and trailers. Until the fiscal year 2015/2016, this segment also included the Hella Group's activities in the Industries business field which the company divested in 2016.

Business Segments					
Automotive		Aftermarket			Special Applications
Lighting	Electronics	Independent Aftermarket	Wholesale	Workshop Equipment	Special Original Equipment
<ul style="list-style-type: none"> • Headlamps • Rear 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

In the fiscal year 2015/2016, consolidated revenues of the Hella Group were € 6,532 million (2014/2015: € 5,835 million) and were regionally divided by end customers as follows: Germany 16 %, Europe (without Germany) 39 %, North and South America 19 %, Asia-Pacific and other regions 27 %. Adjusted EBIT amounted to € 476 million in 2015/2016 (2014/2015: € 445 million) (for a definition of "Adjusted EBIT", please "*Selected financial information of the Hella Group*" below).

Business Segment Automotive

The Automotive segment combines the Hella Group's business activities in original equipment and corresponding original replacement part business. In the areas of lighting technology and vehicle electronics, the Hella Group develops, produces and markets vehicle-specific solutions worldwide both for automotive OEMs and other automotive suppliers. By combining advanced lighting and electronics know-how, Hella occupies a strong market position and benefits from manifold synergies between these two competences. Furthermore, technological innovations aligned with global megatrends are developed and brought to market maturity. In the Automotive segment, the Hella Group has established a global presence via direct investments and strategic alliances.

With external sales in the financial year 2015/2016 of € 4,804 million (2014/2015: € 4,364 million) the business segment Automotive is the Hella Group's largest business field. The product range covers products from the division Lighting such as headlamps, rear lamps, signal lamps, interior lighting and lighting electronics with external sales in 2015/2016 of € 2,720 million (2014/2015: € 2,427 million) as well as products from the division Electronics such as body electronics, energy management, driver assistance systems and components (*e.g.*, sensors, actuators) with external sales in 2015/2016 of € 2,084 million (2014/2015: € 1,937 million).

In the business division Lighting, the Hella Group develops and produces headlamps, rear lamps, signal lamps and interior lights plus lighting electronics components for nearly all reputable automobile manufacturers throughout the world. Through its long-standing cooperation with premium original equipment manufacturers, the Hella Group has established a particularly strong position in the area of innovative high-end light products. Since the Hella Group has concluded the development of its first full-LED headlamp in 2008, the Hella Group has further strengthened its LED technology leadership and is now producing LED headlamps in large-scale series production with a leading competitive position in the industrialisation of this technology. In 2016, the Hella Group presented another world's first – the MULTIBEAM LED headlamp. This headlamp, developed in collaboration with Daimler, features 84 LEDs arranged in three rows, each of which can be controlled individually. This individual control allows for an extremely precise, highly-adjustable light distribution in the entire high beam range and, for the first time, emits a low beam which is not reliant on mechanical actuators. The purely electronic dynamic bend lighting is also the first of its kind in the world.

In the business division Electronics, the Hella Group is actively involved in shaping the future of the automotive industry. The Group's electronics expertise is very much in demand with customers both in established markets in Europe and the US as well as in growth markets like China, India and Mexico. Hella is therefore continuously expanding its presence in these regions and is providing both

production capacities and substantial development capacities locally. This will allow the Hella Group to be close to the requirements of the markets and react quickly for its customers.

The range of services in the business division Electronics includes special sensors and actuators, body electronics, and innovative technologies for driver assistance, energy management systems and power steering. In total, the Hella Group has over 60 product groups in 21 product lines, which help to make vehicles safer, more efficient and more comfortable. For example, its radar sensors ensure a higher level of safety in traffic, as they monitor the rear of the vehicle and assist the driver when changing lane or carrying out a reverse bay parking manoeuvre. The Intelligent Battery Sensor is key for efficient energy management in the vehicle, as it monitors the status of the battery and ensures that the car is ready to start at any time. In the field of comfort functions, the Hella Group offers a wide variety of products on a global basis, including radio transmitter keys, rain/light sensors and air-conditioning sensors.

For the nine months ending on 28 February 2017, the business segment Automotive accounted for sales of € 3,610 million (nine months ending 29 February 2016: € 3,527 million) with an EBIT of € 314 million (€ 232 million).

Business Segment Aftermarket

In the Aftermarket business segment, the Hella Group pools trading vehicle parts and accessories via a global sales network as well as workshop equipment in the independent replacement parts market. Additionally, the Hella Group acts as a service partner for wholesalers and garages, and operates as a wholesaler itself in Northern and Eastern Europe. These activities are complemented by the range of high grade garage equipment, such as vehicle data as well as professional diagnostic tools and garage equipment, which enable specialist vehicle repair and maintenance at the garage. The business segment accounted for external sales in 2015/2016 of € 1,197 million (2014/2015: € 1,131 million).

The Hella Group is one of the leading independent aftermarket partners in Europe for spare parts and for independent garages. With its own sales companies and partners in more than 100 countries around the world, the Hella Group sells vehicle-specific or universal wear parts, spare parts and accessories. Main product segments are in the segments lighting, electrics, electronics, thermal management and braking.

Out of Hella Gutmann Solutions, the Hella Group offers high-quality garage equipment that helps garages to diagnose, maintain and repair vehicles. With its comprehensive expertise and longstanding experience,

In addition, the Hella Group operates as a wholesaler in Northern and Eastern Europe and holds leading market positions in these national markets. The wholesale companies in Denmark, Norway and Poland are led under the Nordic Forum umbrella. Also, the Hella Group has taken the first steps towards establishing wholesale e-commerce activities, currently focused on the Polish market, and will strengthen this pillar further.

Besides own products, many suppliers are using the advantages of the Hella Group's aftermarket sales franchise and promote their products via the Hella Group's sales network. This is creating synergies by extending the product portfolio and thus supporting the Hella Group's position towards wholesalers and improves the market position of the partner companies.

For the nine months ending on 28 February 2017, the business segment Aftermarket accounted for sales of € 923 million (nine months ending 29 February 2016: € 875 million) with an EBIT of € 58 million (€ 56 million).

Business Segment Special Applications

In the Special Applications segment, the Hella Group develops, manufactures and markets lighting technology and electronic products for specialist vehicles such as construction and agricultural machinery, buses, caravans or for the marine sector. By the end of the past fiscal year 2015/2016, the

Special Applications segment also included stationary applications unrelated to vehicles, such as street and industrial lighting as well as airport lighting. These business activities were disposed of in May 2016 in the course of an optimisation of the portfolio in the Special Applications segment. The segment accounted for external sales in 2015/2016 of € 315 million (2014/2015: € 308 million).

The Hella Group's technological competence in this business area is closely linked to its Automotive business, which means that the Hella Group can expand the range of applications in LED and electronic products appropriately and leverage synergies at the same time. The main driver of the business performance is the increased replacement of conventional lighting products with LED technology. Demand for products based on LED technology is thus growing thanks to their robustness, durability, energy efficiency and the design possibilities.

The Hella Group offers standard products as well as vehicle-specific innovations for commercial and numerous special vehicles. The highly diversified portfolio of the Lighting division includes front and rear lights, work and auxiliary headlamps, beacons and roof beams. The range of electric and electronic products includes components for smart energy management in vehicles, rain and light sensors, turning angle sensors, module switches and flasher units. The Hella Group's products are specially designed for the extreme external conditions to which agricultural and construction vehicles, municipal vehicles or off-road vehicles are exposed on a day-to-day basis.

For the nine months ending on 28 February 2017, the business segment Special Applications accounted for sales of € 217 million (nine months ending 29 February 2016: € 228 million) with an EBIT of € 2 million (€ 12 million).

Markets and competition

Based on own analyses as well as an external market study commissioned by the Hella Group in 2014, the Hella Group holds leading market positions across all business segments, in particular in automotive lighting and electronics. With sales of € 6.4 billion in the fiscal year of 2015/2016, the Hella Group is one of the top 40 automotive parts suppliers in the world and one of the 100 largest German industrial companies.

In lighting, the Hella Group is one of the top three to four global suppliers both in the headlamp and in the rear lamp business. Major competitors of the Guarantor are Valeo, Automotive Lighting, Koito and ZKW. Concerning LED headlamps in Europe, the Hella Group considers itself as the European market leader.

In the electronics business, the Hella Group has managed to occupy attractive market segments and niches retaining a leading market position and an innovative edge against intensive competition from major automotive parts suppliers such as Bosch, Continental and Delphi. The Hella Group's market position is particularly strong in the fields of driver assistance systems based on 24GHz radar technology, pedal sensors, intelligent battery sensors, oil sensors and vacuum pumps, among others.

In the aftermarket business, the Hella Group has one of the largest retail organisations for automotive parts, accessories, diagnostics, and services within Europe. It is one of the two largest suppliers of workshop equipment, in particular engine diagnostics tools, in German-speaking markets. Moreover, with its own wholesale operations, the Hella Group is market leader in Denmark and the second-largest player in Poland. The Hella Group was able to further strengthen its market position in Europe particularly on account of the intensified development of the product and service competence for the aftermarket and garages as the number 2 in the independent aftermarket and number 1 to number 5 in the wholesale business in selected countries.

In the segment Special Applications, Hella has a strong market position in lighting product areas based on long-standing experience, in particular in Europe.

Strategy and outlook

According to recent IHS Light Vehicle Production Forecasts, global light vehicle production is expected to rise slightly in 2017 by around 2 % to roughly 95 million new vehicles produced. While the Chinese

market will remain the key contributor to growth in the automotive industry, despite growth rates that remain clearly below prior years, the markets in North and Southern America are expected to stay at a stable production level. European markets are expected to keep their slight growth path, however the volume of new vehicles produced in the selective German market are expected to decrease.

In order to achieve sustainable and profitable growth for its three segments Automotive, Aftermarket and Special Applications, the Hella Group regularly reviews and adjusts its corporate and business division strategies. Primary strategic objectives that are of relevance across all business activities are the extension of technology excellence and innovation leadership, an aspired market position among the top three players in the company's selected markets as well as the maintenance of a balanced business portfolio that is resilient against major market and technology risks.

Main enablers to achieve these strategic objectives are, amongst others, the continued focus on global expansion and diversification of the customer base, the further application of the Hella Group's network strategy, the strong emphasis on operational excellence as well as a continuing conservative balance sheet policy.

With regard to its further globalization, the Hella Group intends to continue to invest into future growth opportunities and strengthen its global footprint especially in the automotive segment. The focus in the coming years will be to create and expand production and development capacities and strengthen existing sales structures. For example, the Hella Group has recently announced to invest in additional production capacity for Electronics in Eastern Europe as well as into a new lighting plant in China.

With regard to research and development, the Hella Group's activities remain centered on key megatrends in the automotive industry, in particular environment, safety, and comfort which fuel into the innovation areas of e-mobility, autonomous driving, connected cars and individualisation. With its resilient product portfolio and unique combination of competences in advanced electronics and lighting technologies, the Hella Group is well positioned to exploit opportunities for growth arising from such trends. While the Lighting business is focusing its innovation activities on new high-end, digital lighting technologies, key innovations areas in the Electronics business are energy management (*e.g.*, battery management systems and DCDC converters) and core technologies for driver assistance (*e.g.*, radar technology, camera software).

Organisational structure

The operations of the Hella Group are organized in the form of a matrix structure, with the three business segments Automotive (including the business divisions Lighting and Electronics), Aftermarket (including the business activities in the independent aftermarket, the wholesale business and the diagnostics business), and Special Applications, on the one hand, and corporate functions such as finance and controlling, purchasing and quality, and human resources, information management, legal services, IP management and logistics spanning all three business segments, on the other hand.

In total, the Hella Group consists of more than 100 subsidiaries and associated companies (joint ventures) throughout the world and across all business segments. Hella KGaA Hueck & Co. is the ultimate parent company of the Hella Group and at the same time the largest operating company of the Group in terms of sales. Generally, all German subsidiaries are directly or indirectly held via Hella KGaA Hueck & Co., whereas international subsidiaries are concentrated under an international holding company that is a 100% subsidiary of Hella KGaA Hueck & Co.

Investments

Major investments of Hella comprise the following companies:

Investments in Germany in percent (Status: 28 February 2017)

Production Companies	HELLA Innenleuchten-Systeme GmbH, Germany	100.0
	HELLA Fahrzeugkomponenten GmbH, Germany	100.0

	HELLA Werkzeug Technologiezentrum GmbH, Germany	100.0
	Behr-Hella Thermocontrol GmbH*, Germany	50.0
	Docter Optics GmbH, Germany	95.8
	HBPO Beteiligungsgesellschaft mbH*, Germany	33.3
	InnoSent GmbH* Germany	50.0
Sales Companies	HELLA Distribution GmbH, Germany	100.0
	Behr Hella Service GmbH*, Germany	50.0
	Hella Pagid GmbH*, Germany	50.0
	Hella Gutmann Holding GmbH, Germany	100.0
	Ucando GmbH, Germany	100%
Other Companies	HELLA Aglaia Mobile Vision GmbH, Germany	100.0
	HELLA Corporate Center GmbH, Germany	100.0
	HELLA Electronics Engineering GmbH, Germany	100.0
	HELLA Holding International GmbH, Germany	100.0
	ARTEC Advanced Reman Technology GmbH,	50.0

Investments in Europe, not including Germany, in percent (Status: 28 February 2017)

Production Companies	HELLA Lighting Finland Oy, Finland	100.0
	HELLA Fahrzeugteile Austria GmbH, Austria	100.0
	HELLA Innenleuchten-Systeme Bratislava, s.r.o., Slovakia	100.0
	HELLA Slovakia Signal-Lighting s.r.o., Slovakia	100.0
	HELLA Slovakia Front-Lighting s.r.o., Slovakia	100.0
	HELLA Saturnus Slovenija d.o.o., Slovenia	100.0
	Manufacturas y Accesorios Electricos S.A., Spain	100.0
	HELLA Autotechnik Nova s.r.o., Czech Republic	100.0
	HELLA Romania s.r.l., Romania	100.0
	HELLA Induperm A/S, Denmark	100.0
	Hella-Bekto Industries d.o.o. Bosnia and Herzegovina	70.0
Sales Companies	FTZ Autodele & Værktøj A/S, Denmark	100.0
	HELLA A/S, Denmark	100.0
	HELLA S.A.S., France	100.0
	HELLA Limited, Great Britain	100.0
	HELLA S.p.A., Italy	100.0
	HELLA B.V., the Netherlands	100.0
	HELLANOR A/S, Norway	100.0
	HELLA Handel Austria GmbH, Austria	100.0
	HELLA Polska Sp. z o.o., Poland	100.0
	INTER-TEAM Sp. z o.o., Poland	100.0
	Ucando Sp. z o.o., Poland	100.0
	iParts Sp. z.o.o., Poland	100.0
	HELLA OOO, Russia	100.0
	HELLA S.A., Spain	100.0
	HELLA CZ, s.r.o., Czech Republic	100.0
	Intermobil Otomotiv Mümesillik Ve Ticaret A.S., Turkey	56.0
	HELLA Hungária Kft., Hungary	100.0
Other Companies	Nordic Forum Holding A/S, Denmark	100.0
	HELLA Engineering France S.A.S., France	100.0

Investments in America, in percent (Status: 28 February 2017)

Production Companies	HELLA Automotive Mexico S.A. de C.V., Mexico	100.0
	HELLA Electronics Corporation, USA	100.0
	HELLA do Brazil Automotive Ltda., Brazil	100.0

Sales Companies	HELLAmex S.A. de C.V., Mexico	100.0
	HELLA Inc., USA	100.0
Other Companies	HELLA Corporate Center USA, Inc., USA	100.0
	HELLA Ventures, LLC, USA	100.0

Investments in the Asia/Pacific region, in percent (Status: 28 February 2017)

Production Companies	HELLA Australia Pty Ltd., Australia	100.0
	HELLA Shanghai Electronics Co., Ltd., China	100.0
	HELLA Changchun Tooling Co., Ltd., China	100.0
	Changchun HELLA Automotive Lighting Ltd., China	100.0
	Jiaxing HELLA Lighting Co. Ltd., China	100.0
	Beifang HELLA Automotive Lighting Ltd., China	100.0
	HELLA (Xiamen) Automotive Electronics Co. Ltd., China	100.0
	Beijing SamLip Automotive Lighting Ltd.*, China	24.5
	HELLA (Xiamen) Electronic Device Co. Ltd., China	100.0
	Changchun Hella Faway Automotive Lighting Co. Ltd. *, China	49.0
	Beijing Hella BHAP Automotive Lighting Co., Ltd.*, China	50.0
	Hella India Automotive Private Limited, India	100.0
	Hella India Lighting Ltd., India	82,5
	HELLA-New Zealand Limited, New Zealand	100.0
	Hella-Phil., Inc., The Philippines	90.0
	HSL Electronics Corporation*, South Korea	50.0
Mando Hella Electronics Corp.*, South Korea	50.0	
Sales Companies	HELLA Korea Inc., South Korea	100.0
	HELLA Asia Singapore Pte. Ltd., Singapore	100.0
	HELLA Trading (Shanghai) Co., Ltd., China	100.0
	HELLA Middle East FZE, United Arab Emirates	100.0
Other Companies	HELLA Asia Pacific Pty Ltd., Australia	100.0
	HELLA China Holding Co., Ltd. China	100.0
	HELLA Corporate Center (China) Co., Ltd., China	100.0
	HELLA Vietnam Co., Ltd. Vietnam	100.0

Investments in Africa, in percent (Status: 28 February 2017)

Sales Companies	HELLA Automotive South Africa Pty. Ltd., South Africa	100.0
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Companies without * are fully consolidated, companies with * are consolidated at equity

Management and administrative bodies

The Guarantor is a partnership limited by shares (*Kommanditgesellschaft auf Aktien*) incorporated under German law. It has four corporate bodies: the personally liable general partners (*Komplementäre*), the supervisory board (*Aufsichtsrat*), the shareholders' committee (*Gesellschafterausschuss*) and the general shareholders' meeting (*Hauptversammlung*). Their respective functions, rights and obligations are governed by the German Stock Corporation Act (*Aktiengesetz*), the German Commercial Code (*Handelsgesetzbuch*), the Guarantor's articles of association as well as the articles of association of its general partner Hella Geschäftsführungsgesellschaft mbH, and by the rules of procedure for general partners' management of the Guarantor's affairs and for the shareholders' committee (*Geschäftsordnungen für die Geschäftsführung und den Gesellschafterausschuss*).

Management – General partners

The management of the Guarantor is vested with the Guarantor's general partners, Dr. Jürgen Behrend and Hella Geschäftsführungsgesellschaft mbH. Since Hella Geschäftsführungsgesellschaft

mbH is a legal entity, the managerial responsibilities and duties which it owes to the Guarantor are being fulfilled by its managing directors, including the chairman of its board of directors and CEO of the Guarantor, Dr. Rolf Breidenbach, together with Dr. Behrend.

In principle, both general partners share equal responsibility for the Guarantor's management. In practice, the general partners have allocated their management responsibilities in such manner that short- and medium-term decisions, in particular all day-to-day management actions, are taken by Hella Geschäftsführungsgesellschaft mbH and its managing directors alone, whereas long-term decisions, in particular all matters of strategic importance for the Hella Group, are decided upon jointly by both general partners, following close consultation in particular between the chairman of the board of directors of Hella Geschäftsführungsgesellschaft mbH and CEO of the Guarantor, and Dr. Jürgen Behrend. In the event of any disagreement between the general partners concerning management actions, Dr. Jürgen Behrend has the casting vote according to the Guarantor's articles of association.

According to the Guarantor's articles of association, each general partner has sole power of representation (*Einzelvertretungsbefugnis*). Hella Geschäftsführungsgesellschaft mbH and its managing directors of Hella Geschäftsführungsgesellschaft mbH are released from the restrictions of Section 181 of the German Civil Code (Bürgerliches Gesetzbuch) with regard to any transactions of Hella Geschäftsführungsgesellschaft mbH with the Guarantor. Vis-a-vis its general partners, the Guarantor is represented by the shareholders' committee.

Dr. Jürgen Behrend has already announced publicly that he will retire from his position as general partner for reasons of age at the end of September 2017 following the Guarantor's ordinary shareholders' meeting. Following Dr. Jürgen Behrend's retirement, Hella Geschäftsführungsgesellschaft mbH will become the sole managing general partner of the company. Following the retirement of Dr. Jürgen Behrend, all management responsibilities will lie with Hella Geschäftsführungsgesellschaft mbH.

As of the date of this Prospectus, the names of the members of Hella's management, their principal occupations and their positions outside of the Guarantor are as follows:

Dr. Jürgen Behrend

	Principal activities at the Guarantor	Other activities outside of the Guarantor
Dr. Jürgen Behrend	Managing general partner of the Guarantor	Managing partner in other family owned companies

Hella Geschäftsführungsgesellschaft mbH

Members of the management board of Hella Geschäftsführungsgesellschaft mbH	Principal activities at the Guarantor	Other activities outside of the Guarantor
Dr. Rolf Breidenbach	President and CEO, Purchasing and Quality, Legal and Compliance Business Division Electronics (Business Segment Automotive)	Eduard Hueck GmbH & Co. KG, Lüdenscheid, Germany, Member of of the advisory board (<i>Beirat</i>) (until end of May 2017)
Dr. Werner Benade	Business Segments Aftermarket & Special Applications	-
Markus Bannert	Business Division Lighting (Business Segment Automotive)	-
Ulric Bernard Schäferbarthold	Finance and Controlling	-

Stefan Osterhage	Human Resources, Information Technology and Logistics	-
Dr. Matthias Schöllmann	Sales Automotive	-

There are no conflicts of interests between the private interests of the persons listed above and their duties *vis-à-vis* the Issuer.

The business address of the personally liable partners is the same as that of the Guarantor.

In their respective roles as general partners, neither Hella Geschäftsführungsgesellschaft mbH nor Dr. Jürgen Behrend has made any contributions to the Guarantor's capital. They are not entitled to receive dividends on account of their membership as general partners and have no rights to compensation in the event their respective membership in the partnership limited by shares is terminated. However, Dr. Jürgen Behrend, in addition to being a general partner, also holds ordinary bearer shares in the Guarantor (whereas Hella Geschäftsführungsgesellschaft mbH does not). These shares bear the same rights as any other ordinary bearer shares in the Guarantor, including the right to receive dividends.

Supervisory board

In accordance with Section 12 of the Guarantor's articles of association, as well as with Sections 278(3), 95, 96 of the German Stock Corporation Act (*Aktiengesetz*) and with the provisions of the German Codetermination Act (*Mitbestimmungsgesetz*), the supervisory board of the Guarantor comprises sixteen members. Of these, eight members representing the shareholders are elected by the general shareholders' meeting, while the remaining eight members are employees' representatives whose election is governed by the German Codetermination Act (*Mitbestimmungsgesetz*) and the pertaining regulations (*Wahlordnungen*). According to Section 12(2) of the Guarantor's articles of association in conjunction with Sections 278(3), 102 of the German Stock Corporation Act (*Aktiengesetz*), the members of the supervisory board are elected for a term ending upon conclusion of the general shareholders' meeting which is to resolve upon the discharge (*Entlastung*) of the members of the supervisory board for the fourth financial year following commencement of the term of office (the financial year in which the term of office commences is not included in the calculation), unless the general shareholders' meeting elects the members of the supervisory board representing the shareholders for a shorter term of office. Reelection for a new term of office is permitted. General partners cannot be members of the supervisory board.

The Guarantor's supervisory board's responsibility is to monitor the general partners in their management of the Guarantor's affairs. However, the supervisory board has no competence to issue rules of procedure for the management by the general partners or to determine that certain transactions require its consent. Furthermore, the supervisory board has the duty to examine the annual financial statements and to issue recommendations for resolutions to be passed by the general shareholders' meeting.

As of the date of this Prospectus, the names of the members of Hella's supervisory board, their principal occupations and their positions outside of the Guarantor are as follows:

Members of the supervisory board of Hella KGaA Hueck & Co.	Principal occupations	Other activities
Prof. Dr. Michael Hoffmann-Becking (Chairman of the supervisory board)	Attorney-at-law	Member of board of directors of de Haen Carstanjen & Söhne KG Member of the board of trustees of FAZIT Stiftung Gemeinnützige Verlagsgesellschaft mbH Member of the supervisory boards of

		Frankfurter Allgemeine Zeitung GmbH, Rheinisch-Bergische Verlagsgesellschaft mbH and Stihl AG
		Member of the advisory boards of Spencer Stuart & Associates GmbH and Stihl Holding AG & Co. KG
Paul Berger	Member of the works council	-
Michaela Bittner	Senior executive	Managing director of O.E. Hueck GmbH, Hueck & Röpke Verwaltungs GmbH, four family asset management companies, UK Immobilien GmbH, Holger Stewen Home Collection GmbH, Diamant GmbH
Heinrich Georg Bölter	Member of the works council	-
Alfons Eilers (First Deputy Chairman)	Trade union secretary	Deputy chairman of the supervisory board of Salzgitter Mannesmann Precision GmbH, Mülheim an der Ruhr Guest member (<i>Gastmandat</i>) of the supervisory board of voestalpine Böhler Welding Holding GmbH, Düsseldorf
Manuel Frenzel	Student / Family shareholder	-
Elisabeth Fries	Privatier	-
Klaus Kühn	Former CFO of Bayer AG	Chairman of the supervisory board of Flossbach von Storch Member of the supervisory board of Morphosys AG
Stephanie Hueck	Entrepreneur	Member of the management board of Gerhardi Alutechnik GmbH & Co. KG Member of the advisory board of Messingwerk Plettenberg GmbH & Co. KG Member of the steering committee of Gesamtverband der Deutschen Aluminiumindustrie
Susanna Hülsbömer	Member of the works council	-
Manuel Rodriguez Cameselle	Member of the works council	Representative on the administrative board of Stadtparkasse Lippstadt Member of the supervisory board of Stadtwerke Lippstadt
Manfred Menningen	Trade union secretary on the Executive Board of the German Metalworkers' Union	Member of the supervisory board of Gerry Weber International AG
Claudia Owen	Cultural manager	-
Marco Schweizer	Master mechanic	-
Dr. Konstanze Thämer	Doctor	-

Christoph Thomas

Architect

Member of the supervisory committee
HUECK FOLIEN Gesellschaft m.b.H.,
Austria

There are no conflicts of interests between the private interests of the members of the supervisory board and their duties *vis-à-vis* the Guarantor.

The business address of the members of the supervisory board is the same as that of the Guarantor.

Shareholders' committee

The Guarantor has opted to have, as a further corporate body, a shareholders' committee (*Gesellschafterausschuss*). The shareholders' committee is comprised of up to nine members. Currently, it has six members. The members are elected by the general shareholders' meeting by a simple majority of the votes cast. The general partners of the Guarantor and the managing directors of Hella Geschäftsführungsgesellschaft mbH are not eligible. Concurrent membership in the Guarantor's supervisory board is permitted.

The shareholders' committee has responsibility to supervise and provide advice to the general partners in their management of the Guarantor's affairs. It has made use of its competence to issue rules of procedure for the general partners. These rules of procedure provide, among other things, that the general partners must obtain approval by the shareholders' committee for certain important transactions. In exercise of this right, the shareholders' committee has subjected to its prior consent, *inter alia*, the annual planning (*Jahresplanung*) for the Guarantor and the Group and the acquisition and sale of (fixed and financial) assets, the conclusion of lease agreements and loan agreements exceeding certain thresholds. Further, the grant of guarantees, bills of exchange or similar liabilities for non-Group liabilities and the acquisition of derivatives, swaps and similar financial instruments outside the ordinary course of business, fundamental changes to the Guarantor's product portfolio as well as the conclusion, alteration and termination of material enterprise agreements (*Unternehmensverträge*) and license agreements are subjected to the prior consent of the shareholders' committee. The shareholders' committee exercises all of the Guarantor's rights attached to or connected with the shares held by the Guarantor in Hella Geschäftsführungsgesellschaft mbH; in particular, it appoints and removes the managing directors of Hella Geschäftsführungsgesellschaft mbH, determines the terms and conditions of their service agreements and may give instructions to them in relation to the management of the Guarantor. However, regarding appointments and removals, the Guarantor's articles of association stipulate that Dr. Jürgen Behrend as general partner of the Guarantor has the right to make proposals and can ultimately veto any such decision.

The shareholders' committee is entitled (i) to demand, at any time, that the general partners submit a report on the affairs of the Guarantor and its affiliates within the meaning of Section 15 of the German Stock Corporation Act (*Aktiengesetz*) and (ii) to inspect the general partners' records and books. The shareholders' committee may determine that the aforementioned rights shall be exercised by individual members of the shareholders' committee or, with regard to certain tasks, by a special expert that is not a member of the shareholders' committee.

As of the date of this Prospectus, the names of the members of Hella's shareholders' committee, their principal occupations and their positions outside of the Guarantor are as follows:

Members of the shareholder's committee of Hella KGaA Hueck & Co.	Principal occupations	Other activities
Manfred Wennemer (Chairman of the shareholders' committee)	Former CEO of Continental AG	Member of the supervisory boards of Allianz Deutschland AG, Jost AG, EuroChem Group AG, Piab International AB, TI Automotive Member of the advisory council of Brückner Technology Holding GmbH

Roland Hammerstein (Deputy chairman of the shareholders' committee)	Attorney-at-law	General partner of Hammerstein KG and Hueck & Röpke KG
		Managing director of O.E. Hueck GmbH and Hella Stiftung GmbH
		Member of the advisory board (<i>Beirat</i>) of Sudhaus GmbH & Co. KG, Kunststoffwerk Voerde GmbH & Co. KG and ELCO GmbH
		Member of the administrative board of CHF Beteiligungs GmbH & Co. KG
Dipl.-Ing. Dipl.-Wirtsch.-Ing. Konstantin Thomas	Entrepreneur	Chairman of the supervisory board of Hueck Folien Ges.m.b.H.
		Managing Director of Hueck Folien Holding GmbH & Co. KG, CHF Beteiligungsgesellschaft mbH & Co. KG, IKRA Immobilien GmbH & Co. KG, CCM Portfolio Reichsstraße GmbH and Familie Thomas Vermögensverwaltung GbR
Dr. Matthias Röpke	Engineer	-
Dr.-Ing. Gerd Kleinert	Former CEO of Kolbenschmidt Pierburg AG	Chairman of the supervisory board of Läpple AG
		Member of the advisory board of Röchling
Klaus Kühn	Former CFO of Bayer AG	Chairman of the supervisory board of Flossbach von Storch
		Member of the supervisory board of Morphosys AG

There are no conflicts of interests between the private interests of the members of the shareholders' committee and their duties *vis-à-vis* the Guarantor.

The business address of the members of the shareholders' committee is the same as that of the Guarantor.

Audit Committee

The supervisory board has formed an audit committee within the meaning of Sections 287(3), 107(3) sentence 2 of the German Stock Corporation Act (Aktiengesetz) which, among other tasks, focuses primarily on matters pertaining to financial reporting, risk management and compliance and the effectiveness of the internal control system and internal audit system, the required independence of the auditors, mandating the auditors, definition of the main points of the audit, and agreement on the auditors' fees. The chairman of the audit committee is required to have particularly good knowledge and experience in the application of accounting principles and internal control procedures. The audit committee currently consists of its chairman, Klaus Kühn and its further members Michael Hoffmann-Becking, Manfred Menningen and Paul Berger.

Characteristic features of a Kommanditgesellschaft auf Aktien (KGaA)

The Guarantor is incorporated as a partnership limited by shares (*Kommanditgesellschaft auf Aktien* or *KGaA*). A partnership limited by shares is governed by Sections 278 et seq. of the German Stock

Corporation Act (*Aktiengesetz*). It is a hybrid legal form comprising elements of a limited partnership (*Kommanditgesellschaft*) and of a stock corporation (*Aktiengesellschaft*). It has its own legal personality. Like the limited partnership, a partnership limited by shares has two classes of members: the general partner(s) (*Komplementäre*) and shareholders who participate in the company's share capital (*Kommanditaktionäre*). Similar to a stock corporation, a partnership limited by shares has a stated capital that is divided into shares. A partnership limited by shares is suitable for a diversified ownership and enables the free circulation of shares. Apart from the stock corporation and the *Societas Europaea* (SE), a partnership limited by shares is the only type of German company whose shares can be traded on a stock exchange.

The main differences in comparison to a stock corporation (*Aktiengesellschaft* or *AG*) are as follows:

- The duties performed by the management board of an *AG* are undertaken by the general partner(s) of a *KGaA*. These can be natural persons or an incorporated company.
- The rights and obligations of a supervisory board of a *KGaA* are more limited than those of a supervisory board of an *AG*. In particular, the supervisory board of a *KGaA* has no authority to appoint the general partners or to stipulate the contractual conditions under which they are engaged. It also has no authority to issue the rules of procedure governing the actions of the management, or to stipulate business activities requiring its consent.
- The general shareholders' meeting of a *KGaA* essentially has the same rights as the general shareholders' meeting of an *AG*; further, it votes on adoption of the annual financial statements of the *KGaA*. However, the resolutions of the general meeting require the agreement of the general partners in matters for which, in a limited partnership, agreement of both the general partners and of the limited partners is required or where the approval and adoption of the annual financial statements are concerned.

Corporate governance

The German Government Commission for the German Corporate Governance Code (*Regierungskommission Deutscher Corporate Governance Kodex*) adopted the German Corporate Governance Code on 26 February 2002. The currently applicable version is dated as of 12 May 2015. A further amendment of the German Corporate Governance Code has been resolved upon on 7 February 2017 and has been published in the Federal Gazette on 24 April 2017.

The German Corporate Governance Code provides recommendations and ideas for the management and supervision of German listed companies. It is based on internationally and nationally recognized standards for good and responsible corporate governance. The German Corporate Governance Code contains recommendations ("should provisions") and suggestions ("can provisions") on corporate governance in relation to shareholders and the general shareholders' meetings, management and supervisory boards, transparency, and accounting and auditing of financial statements.

There is no direct obligation to comply with the recommendations and suggestions of the German Corporate Governance Code. However, German stock corporation law requires that the management board and the supervisory board of a listed company make an annual statement declaring that the recommendations of the German Corporate Governance Code have been complied with or, where this is not the case, explaining which recommendations have not been complied with and are not being applied and the reasons behind non-compliance. It is possible to deviate from suggestions contained in the German Corporate Governance Code without disclosure. The declaration of compliance must be publicly available on the Guarantor's website at all times.

The recommendations of the German Corporate Governance Code are tailored to German Stock Corporations (*Aktiengesellschaften*). Insofar as these recommendations may be applied to the Guarantor and its governing bodies (including the governing bodies of Hella Geschäftsführungsgesellschaft mbH), the Guarantor, having regard to the peculiarities of the legal form of a company limited by shares (*Kommanditgesellschaft auf Aktien*), complies with such recommendations, except for the following exceptions.

Deviating from Section 4.2.2 para. 2, sentence 3 of the German Corporate Governance Code, the shareholders' committee has not considered the relationship between the compensation of the Guarantor's executive management (i.e., the compensation of Dr. Jürgen Behrend and the managing directors of Hella Geschäftsführungsgesellschaft mbH) and that of senior management and the staff overall. The responsibilities of the individual members of the Guarantor's executive management, his/her personal performance, the economic situation and the performance of the Group, and the compensation levels at peer companies are considered more appropriate and meaningful benchmarks for determining the level of remuneration.

Deviating from Section 4.2.3 para. 3 of the German Corporate Governance Code, the level of provision aimed for under the pension scheme for the Guarantor's management has not been established. For the managing directors of Hella Geschäftsführungsgesellschaft mbH, the Guarantor employs an asset-linked pension plan (*Kapitalkontenmodell*), under which benefits depend crucially on factors such as the prevailing interest rate and the development of the value of the investment assets. The defined benefit pension plan for Dr. Jürgen Behrend has been established already in 1987 and amended and extended in 2014. Against this background, defining a level of provision is therefore not considered useful or practicable.

On October 31, 2014, the general shareholders' meeting has resolved that no individualized disclosure of the remuneration granted to the Guarantor's executive management shall be made pursuant to Sections 285 No. 9 a) sentence 5 et seq. and 314(1) No. 6 a) sentence 5 et seq. of the German Commercial Code (*Handelsgesetzbuch*). Therefore, the Guarantor deviates from the recommendations set forth in Section 4.2.5 of the German Corporate Governance Code.

Deviating from Section 5.4.1 para. 2, sentence 1 of the German Corporate Governance Code, the shareholders' committee and the supervisory board have not specified any regular limit of length of membership. These bodies believe that any general regular limit is not helpful because such limit does not reasonably take into account specific individual aspects that would justify a longer length of membership of individual members of these bodies in the best interests of the company and of the voting shareholders. In the opinion of the shareholders' committee and the supervisory board, diversity as required by the DCGK may also be reflected in different lengths of membership in the respective body and, thus, in the level of experience of its members.

Material contracts

There do not exist any material contracts which have been entered into in the non-ordinary course of business.

Legal and arbitration proceedings

CSC Deutschland GmbH ./ Hella KGaA Hueck & Co.

CSC Deutschland GmbH (supplier in the electronic industry) has filed a lawsuit at the District Court (*Landgericht*) in Hamburg against Hella KGaA Hueck & Co. and claims payment of € 300,224.39 based on withdrawal from the contract. Background is the supply of decoders in 2012 by ENKO Automotive GmbH, a former subsidiary of Hella which has been merged with Hella in 2014. The decoders failed during use in CSC Deutschland GmbH's test system intended for the new frigate F125 for the German navy. Hella denies the claim and will defend itself in the court proceedings. CSC Deutschland GmbH has reserved to claim further damages in connection with the claim. The contracts between ENKO Automotive GmbH and CSC Deutschland GmbH provide for an overall limitation of damages which may be owed by ENKO Automotive GmbH, including damages for non-performance (*Nichterfüllung*) of € 541,125.50 at maximum. It can however not be excluded that the limitation will not be considered by the courts.

Neosid Pemetzrieder GmbH & Co. KG ./ Hella KGaA Hueck & Co.

The component supplier Neosid has filed a lawsuit against Hella at the District Court in Paderborn and claims payment of € 199,991.52 as purchase price payment for the delivery of electronic parts to Hella. Hella withheld the payment for the delivered parts because of various quality problems of other

parts (inductors) delivered by the supplier in 2016, the quality issues were partly accepted by the supplier via warranty report. Hella will defend itself in the court proceedings.

IGT AG ./ Hella KGaA Hueck & Co.

On 29 December 2016 IGT AG, a former distribution partner of Hella's Industries-Business that Hella had disposed of with effect as of August 2016, has filed a claim against Hella KGaA Hueck & Co at the District Court in Paderborn for outstanding claims for provision payments in the amount of € 2,113,041.90. In its statement of defense and counterclaim Hella KGaA Hueck & Co fully rejects the complaint and asserts counter claims against IGT AG for unpaid invoices from product deliveries in the amount of € 92,518.48 plus 9 % interest and damage claims in the amount of € 1,863.40. Hella does not see any legal grounds for IGT AG's claims as provisions towards IGT AG have always been paid according to the agreed procedure.

Hella KGaA Hueck & Co. ./ Behr Hella Service GmbH

Hella and Mahle-Behr GmbH & Co. KG ("**Mahle-Behr**") are the sole ultimate shareholders with equal interest in the joint venture company Behr Hella Service GmbH ("**BHS**"). Due to disputes in the decision making bodies of BHS, especially in the shareholders meetings in December 2016 and January 2017 where no unanimous resolution regarding the future product portfolio of BHS could be achieved, Hella has filed a claim against BHS before the competent court and requests the annulment of the decisions taken in these shareholders' meetings. The law suit is intended to declare the decision making in the shareholders' meetings null with the consequence that these decisions do not constitute a trigger for a shareholder to terminate the joint venture.

ccVision ./ Hella Gutmann Solutions GmbH

In 2015 the creative collection Verlag GmbH ("**ccVision**") has raised a claim in the amount of Euro 6.8 Mio against Hella Gutmann Solutions GmbH ("**HGS**") based on alleged infringement of copyrights on vehicle drawings licensed by ccVision to HGS and used by HGS in the software of its motor vehicle diagnostic systems for garages. Legal assessment by the lawyers of HGS give only small merits to ccVision's case. In 2015, ccVision has initiated court proceedings for the preservation of evidence (*Beweissicherungsverfahren*) against HGS. Negotiations with ccVision supported on either party's side by external legal counsel were not successful. Although ccVision has announced to file claim in courts against HGS in autumn 2016, no legal steps since then have been taken by ccVision in that regard. No communication has taken place with ccVision and their lawyers since then. A provision in the amount of € 400,000 has been set up at HGS to reflect the risk.

Former employee ./ HSS

In September 2008, a former employee of Hella Saturnus Slovenija d.o.o. ("**HSS**") filed a claim before the Labor and Social Court in Ljubljana, Slovenia, claiming about EUR 12 million as compensation for three employment related inventions and one suggestion for improvements. In May 2011, the Labor and Social Court of Ljubljana issued a partial and interim judgment against which both the plaintiff and HSS appealed. In February 2013, the plaintiff's claim was in part finally rejected by the High Labor and Social Court in Ljubljana (with regard to one of the employment related inventions and the one suggestion for improvements). With respect to the compensation claimed on the basis of the two other employment related inventions for which the plaintiff claimed a total of EUR 7 million, the matter was referred back to the court of first instance for retrial and for taking further evidence. After appeal against the first instance decision the case is now pending at the High Labor and Social Court again.

Rating

The rating agency Moody's has assigned the rating Baa2 with stable outlook to the Guarantor (latest rating 24 April 2017). According to Moody's, obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of

that generic rating category. A stable outlook indicates a low likelihood of a rating change over the medium term.

Share capital

The subscribed capital of the Issuer amounts to € 222,222,224, and is divided into 111,111,112 registered no-par shares which are fully paid up.

Shareholders

The majority of the shares in Hella KGaA Hueck & Co. is directly or indirectly owned by family shareholders, in particular members and decedents of the industrialist families Hueck and Röpke. The family shareholders have entered into a pool agreement pursuant to which 60 % of the shares of Hella KGaA Hueck & Co. held by the family shareholders are pooled and may generally not be sold to third parties by the family shareholders. The Pool Agreement may not be terminated other than for special causes before 31 May 2024. The pool members are not obligated to hold all their shares within the pool. Thus, they may have shares which are subject to the pool agreement and shares which are part of the free float. According to the notifications received by Hella as per the date of this Prospectus, no shareholder holds a majority interest in Hella KGaA Hueck & Co. and no family shareholder holds more than 10 % of the shares in Hella KGaA Hueck & Co.

Selected financial information of the Hella Group

The following table sets out selected financial information of the Hella Group for the financial years ending on 31 May 2015 and 31 May 2016 and the nine-month periods ending on 29 February 2016 and 28 February 2017:

€ million	<u>As of and for the financial year ended 31 May 2016</u>	<u>As of and for the financial year ended 31 May 2015</u>
	<i>(audited)</i>	
Total consolidated sales	6,352	5,835
Net operating profit/loss (EBIT)	420	430
Adjusted EBIT	476	445
Liabilities	3,017	3,007
Total assets	4,995	4,917
Shareholders' equity	1,979	1,910
€ million	<u>As of and for the nine-month period ended 28 February 2017</u>	<u>As of and for the nine-month period ended 29 February 2016</u>
	<i>(unaudited)</i>	
Total consolidated sales	4,776	4,654
Net operating profit/loss (EBIT)	348	290
Adjusted EBIT	373	345
Liabilities	2,965	2,940
Total assets	5,136	4,832
Shareholders' equity	2,171	1,891

The Prospectus contains the alternative performance measure ("**APM**") "Adjusted EBIT" that is not defined by IFRS, but used by the management of the Hella Group to assess the Hella Group's

performance.

Until and including the audited consolidated financial statements of the Hella Group for the financial years ending on 31 May 2016, the definition and the explanation on the use of the APM "Adjusted EBIT" was included in the audited group management reports of Hella KGaA Hueck & Co.

For the financial years ended 31 May 2015 and 31 May 2016, the reconciliation statement is as follows:

€ thousand	<u>Fiscal year ended 31 May 2015 as reported</u>	Restructuring costs		<u>Fiscal year ended 31 May 2015 adjusted</u>
Sales	5,834,691			5,834,691
Cost of sales	-4,280,770			-4,280,770
Gross profit	1,553,921			1,553,921
Research and development costs	-543,931			-543,931
Distribution costs	-455,459			-455,459
Administrative costs	-196,869			-196,869
Other income and expenses	16,298	15,382		31,680
Share of profit and/or loss of associates	55,336			55,336
Other income from investments	207			207
Earnings before interest and tax on income (EBIT)	429,503	15,382		444,885
€ thousand	<u>Fiscal year ended 31 May 2016 as reported</u>	Restructuring costs	Supplier case	<u>Fiscal year ended 31 May 2016 adjusted</u>
Sales	6,351,889			6,351,889
Cost of sales	-4,663,691		27,070	-4,636,622
Gross profit	1,688,198		27,070	1,715,267
Research and development costs	-623,459			-623,459
Distribution costs	-493,913			-493,913
Administrative costs	-218,239		337	-217,901
Other income and expenses	13,918	9,432	19,789	43,139
Share of profit and/or loss of associates	52,979			52,979
Other income from investments	308			308
Earnings before interest and tax on income (EBIT)	419,792	9,432	47,196	476,420

Beginning with the unaudited interim consolidated financial statements of the Hella Group for the period from 1 June 2016 to 31 August 2016, all consolidated financial statements of the Hella Group include a detailed presentation, reconciliation and explanation on the use of "Adjusted EBIT" by Hella in the notes to the respective consolidated financial statements. The notes to the unaudited interim consolidated financial statements of the Hella Group for the six-month period ending on 30 November 2016 and the unaudited interim consolidated financial statements of the Hella Group for the nine-month period ending on 28 February 2017 are incorporated by reference into this Prospectus (see "*Historical financial information*" and "*GENERAL INFORMATION / INCORPORATION BY REFERENCE – Incorporation by reference*" below). The explanation on the use of "Adjusted EBIT" by Hella in the notes that are incorporated by reference into this Prospectus also applies to the the use of "Adjusted EBIT" for the financial years ended 31 May 2015 and 31 May 2016.

It is noteworthy, that the included APM should not be considered as alternative to the historical financial results or other performance indicators or other items based on IFRS measures. Furthermore, the included APM is not meant to be indicative of future results. APMs have important limitations as analytical tools and they should not be considered in isolation or as substitutes for analysis of the results, cash flows or assets and liabilities as reported under IFRS, even though they are used by management to assess ongoing operating performance and are commonly used by investors. Further, the included APM may not be comparable to similarly titled measures as presented by other companies due to differences in the way of calculation.

Interim financial statements

The Issuer publishes interim financial statements on a quarterly basis.

Historical financial information

The audited consolidated financial statements of the Hella Group for the financial years ending on 31 May 2015 and 31 May 2016 and the auditor's report thereon as well as the unaudited interim consolidated financial statements of the Hella Group for the six-month period 30 November 2016 and the unaudited interim consolidated financial statements of the Hella Group for the nine-month period ending on 28 February 2017 are incorporated by reference into this Prospectus.

CONDITIONS OF ISSUE

*These terms and conditions of the notes (the "**Conditions of Issue**") are written in the German language and provided with an English language translation. The German text shall be the legally binding version. The English language translation is provided for convenience only.*

*Diese Anleihebedingungen (die "**Anleihebedingungen**") sind in deutscher Sprache abgefasst und mit einer englischen Übersetzung versehen. Der deutsche Wortlaut ist rechtsverbindlich. Die englische Übersetzung dient nur zur Information.*

ANLEIHEBEDINGUNGEN

CONDITIONS OF ISSUE

§ 1

WÄHRUNG, NENNBETRAG, FORM, BESTIMMTE DEFINITIONEN

§ 1

CURRENCY, PRINCIPAL AMOUNT, FORM, CERTAIN DEFINITIONS

(1) *Währung; Nennbetrag.* Die Anleihe der Hella Finance International B.V. (die "**Emittentin**"), begeben am 17. Mai 2017 im Gesamtnennbetrag (vorbehaltlich § 1 Absatz (6)) von EUR [●] ist eingeteilt in [●] unter sich gleichberechtigte, auf den Inhaber lautende Schuldverschreibungen im Nennbetrag von je EUR 1.000 (die "**Schuldverschreibungen**" oder die "**Anleihe**").

(1) *Currency; Principal Amount.* The issue by Hella Finance International B.V. (the "**Issuer**") issued on 17 May 2017 in the aggregate principal amount, subject to § 1(6), of EUR [●] is divided into [●] notes in the principal amount of EUR 1,000 each payable to bearer and ranking *pari passu* with each other (the "**Notes**" or the "**Issue**").

(2) *Form.* Die Schuldverschreibungen lauten auf den Inhaber.

(2) *Form.* The Notes are being issued in bearer form.

(3) *Vorläufige Globalurkunde – Austausch.*

(3) *Temporary Global Note – Exchange.*

(a) Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die "**vorläufige Globalurkunde**") ohne Zinsscheine verbrieft. Die vorläufige Globalurkunde wird gegen Schuldverschreibungen in den festgelegten Stückelungen, die durch eine Dauerglobalurkunde (die "**Dauerglobalurkunde**") ohne Zinsscheine verbrieft sind, ausgetauscht. Die vorläufige Globalurkunde und die Dauerglobalurkunde tragen jeweils die Unterschriften ordnungsgemäß bevollmächtigter Vertreter der Emittentin und die eigenhändige Kontrollunterschrift der Hauptzahlstelle. Einzelurkunden und Zinsscheine werden nicht ausgegeben.

(a) The Notes are initially represented by a temporary global note (the "**Temporary Global Note**") without coupons. The Temporary Global Note will be exchangeable for Notes in the Specified Denominations represented by a permanent global note (the "**Permanent Global Note**") without coupons. The Temporary Global Note and the Permanent Global Note shall each be signed by authorised signatories of the Issuer and shall bear a manual control signature of the Principal Paying Agent. Definitive Notes and interest coupons will not be issued.

(b) Die vorläufige Globalurkunde wird frühestens an einem Tag (der "**Austauschtag**") gegen die Dauerglobalurkunde austauschbar, der 40 Tage nach dem Tag der Begebung der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen liegt. Ein solcher Austausch darf nur nach Vorlage von Bescheinigungen gemäß U.S.-Steuerrecht erfolgen, wonach der oder die wirtschaftlichen Eigentümer der durch die vorläufige

(b) The Temporary Global Note shall be exchangeable for the Permanent Global Note from a date (the "**Exchange Date**") 40 days after the date of issue of the Notes represented by the Temporary Global Note. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note is not a U.S. person (other than certain financial institutions or certain persons holding

Globalurkunde verbrieften Schuldverschreibungen keine U.S.-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten). Zinszahlungen auf durch eine vorläufige Globalurkunde verbrieft Schuldverschreibungen erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist für jede solche Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der durch die vorläufige Globalurkunde verbrieften Schuldverschreibungen eingeht, wird als ein Ersuchen behandelt werden, diese vorläufige Globalurkunde gemäß diesem Absatz (b) dieses § 1 Absatz (3) auszutauschen. Wertpapiere, die im Austausch für die vorläufige Globalurkunde geliefert werden, dürfen nur außerhalb der Vereinigten Staaten (wie in § 6 Absatz (2) definiert) geliefert werden.

(4) *Clearing System.* Die Globalurkunde, die die Schuldverschreibungen verbrieft, wird von einem oder für ein Clearing System verwahrt. "**Clearing System**" bedeutet jeweils folgendes: Clearstream Banking, société anonyme (42 Avenue JF Kennedy, 1855 Luxemburg, Luxemburg) ("**CBL**") und Euroclear Bank SA/NV (Boulevard du Roi Albert II, 1210 Brüssel, Belgien) ("**Euroclear**") (CBL und Euroclear jeweils ein "**ICSD**" und zusammen die "**ICSDs**") sowie jeder Funktionsnachfolger.

Die Schuldverschreibungen werden in Form einer New Global Note ("**NGN**") ausgegeben und von einem common safekeeper im Namen beider ICSDs verwahrt.

(5) *Gläubiger von Schuldverschreibungen.* "**Gläubiger**" bedeutet jeder Inhaber eines Miteigentumsanteils oder anderen vergleichbaren Rechts an den Schuldverschreibungen.

(6) *Register der ICSDs.* Der Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen entspricht dem jeweils in den Registern beider ICSDs eingetragenen Gesamtnennbetrag. Die Register der ICSDs (unter denen die Register zu verstehen sind, die jeder ICSD für seine Kunden über den Betrag ihres Anteils an den Schuldverschreibungen führt) sind maßgeblicher Nachweis über den Gesamtnennbetrag der durch die Globalurkunde verbrieften Schuldverschreibungen, und eine zu diesem Zweck von einem ICSD jeweils ausgestellte Bescheinigung mit dem Betrag der

Notes through such financial institutions) as required by U.S. tax law. Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Notes represented by the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to this subparagraph (b) of this § 1(3). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States (as defined in § 6(2)).

(4) *Clearing System.* The global note representing the Notes will be kept in custody by or on behalf of the Clearing System. "**Clearing System**" means each of the following: Clearstream Banking, société anonyme (42 Avenue JF Kennedy, 1855 Luxembourg, Luxembourg) ("**CBL**") and Euroclear Bank SA/NV (Boulevard du Roi Albert II, 1210 Brussels, Belgium) ("**Euroclear**") (CBL and Euroclear each an "**ICSD**" and together the "**ICSDs**") and any successor in such capacity.

The Notes are issued in new global note ("**NGN**") form and are kept in custody by a common safekeeper on behalf of both ICSDs.

(5) *Holder of Notes.* "**Holder**" means any holder of a proportionate co-ownership or other beneficial interest or right in the Notes.

(6) *Records of the ICSDs.* The aggregate principal amount of Notes represented by the global note shall be the aggregate amount from time to time entered in the records of both ICSDs. The records of the ICSDs (which expression means the records that each ICSD holds for its customers which reflect the amount of such customer's interest in the Notes) shall be conclusive evidence of the aggregate principal amount of Notes represented by the global note and, for these purposes, a statement issued by a ICSD stating the principal amount of Notes so represented at any time shall be conclusive

so verbrieften Schuldverschreibungen ist ein maßgeblicher Nachweis des Inhalts des Registers des betreffenden ICSD zu dem fraglichen Zeitpunkt.

Bei jeder Tilgung oder einer Zinszahlung auf die durch die Globalurkunde verbrieften Schuldverschreibungen bzw. beim Kauf und der Entwertung der durch die Globalurkunde verbrieften Schuldverschreibungen stellt die Emittentin sicher, dass die Einzelheiten der Rückzahlung, Zahlung oder des Kaufs und der Entwertung bezüglich der Globalurkunde entsprechend in die Unterlagen der ICSDs eingetragen werden, und dass nach dieser Eintragung vom Gesamtnennbetrag der in die Register der ICSDs aufgenommenen und durch die Globalurkunde verbrieften Schuldverschreibungen der Gesamtnennbetrag der zurückgekauften bzw. gekauften und entwerteten Schuldverschreibungen abgezogen wird.

Bei Austausch nur eines Teils von Schuldverschreibungen, die durch eine vorläufige Globalurkunde verbrieft sind, wird die Emittentin sicherstellen, dass die Einzelheiten dieses Austauschs entsprechend in die Register der ICSDs aufgenommen werden.

evidence of the records of the relevant ICSD at that time.

On any redemption or payment of interest being made in respect of, or purchase and cancellation of, any of the Notes represented by the global note the Issuer shall procure that details of any redemption, payment or purchase and cancellation (as the case may be) in respect of the global note shall be entered accordingly in the records of the ICSDs and, upon any such entry being made, the aggregate principal amount of the Notes recorded in the records of the ICSDs and represented by the global note shall be reduced by the aggregate principal amount of the Notes so redeemed or purchased and cancelled.

On an exchange of a portion only of the Notes represented by a Temporary Global Note, the Issuer shall procure that details of such exchange shall be entered accordingly in the records of the ICSDs.

§ 2

STATUS UND NEGATIVVERPFLICHTUNG

(1) *Status.* Die Schuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten (derzeitige und zukünftige) der Emittentin gleichrangig und ohne jeden Vorzug sind, soweit diesen Verbindlichkeiten nicht durch zwingende gesetzliche Bestimmungen ein Vorrang eingeräumt wird.

(2) *Negativverpflichtung der Emittentin.* Die Emittentin verpflichtet sich, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Hauptzahlstelle zur Verfügung gestellt worden sind, keine Grund- und Mobiliarpfandrechte, sonstige Pfandrechte oder dingliche Sicherheiten oder sonstige Sicherungsrechte (jedes ein "**Sicherungsrecht**") in Bezug auf ihr gesamtes derzeitiges oder zukünftiges Geschäft, Unternehmen, ihre Umsätze oder ihr Vermögen oder Teile davon zur Sicherung von anderen Kapitalmarktverbindlichkeiten (wie nachstehend definiert) zu gewähren oder diesbezügliche

§ 2

STATUS AND NEGATIVE PLEDGE

(1) *Status.* The obligations under the Notes constitute unsecured and unsubordinated obligations of the Issuer ranking *pari passu* among themselves and *pari passu* without any preference with all other unsecured and unsubordinated obligations of the Issuer, present or future, unless such obligations are accorded priority under mandatory provisions of statutory law.

(2) *Negative Pledge of the Issuer.* The Issuer undertakes, so long as any of the Notes are outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Principal Paying Agent, not to provide any mortgage, charge, pledge, lien or other form of encumbrance or security interest (each a "**Security Interest**") over the whole or any part of its present or future business, undertaking, revenues or assets to secure any Capital Market Indebtedness (as defined below) or to secure any guarantee or indemnity in respect thereof without at the same time or prior to the creation of the Security Interest letting the Holders share *pari passu* (equally and rateably)

Garantien oder Freistellungsansprüche zu besichern, ohne gleichzeitig oder vor der Bestellung des Sicherungsrechts die Gläubiger gleichrangig (in gleicher Weise und anteilig) an einem solchen Sicherungsrecht zu beteiligen oder ihnen ein gleichwertiges Sicherungsrecht zu gewähren; diese Verpflichtung gilt jedoch nicht für zum Zeitpunkt des Erwerbs von Vermögenswerten durch die Emittentin bereits an solchen Vermögenswerten bestehende Sicherungsrechte, soweit solche Sicherungsrechte nicht im Zusammenhang mit dem Erwerb oder in Erwartung des Erwerbs des jeweiligen Vermögenswerts bestellt wurden und der durch das Sicherungsrecht besicherte Betrag nicht aufgrund oder nach Erwerb des betreffenden Vermögenswertes erhöht wird.

in such Security Interest or giving to the Holders an equivalent Security Interest, provided, however, that this undertaking shall not apply with respect to any Security Interest existing on assets at the time of the acquisition thereof by the Issuer, provided that such Security Interest was not created in connection with or in contemplation of such acquisition and that the amount secured by such Security Interest is not increased in contemplation of or since the acquisition of the relevant asset.

Für Zwecke dieses § 2 bedeutet "**Kapitalmarktverbindlichkeit**" jede bestehende oder zukünftige Verbindlichkeit (gleich ob Kapital, Aufgeld, Zinsen oder andere Beträge) bezüglich Geldaufnahmen in Form von, oder verbrieft durch, Schuldverschreibungen, Anleihen oder ähnliche Wertpapiere, soweit sie an einer Börse oder im Freiverkehr notiert sind oder gehandelt werden oder werden können, oder Schuldscheindarlehen nach deutschem Recht.

For the purposes of this § 2, "**Capital Market Indebtedness**" shall mean any present or future indebtedness (whether being principal, premium, interest or other amounts) in respect of borrowed money which is in the form of, or represented by, bonds, notes or any similar securities which are or are capable of being quoted, listed or traded on any stock exchange or over-the-counter securities market or certificates of indebtedness governed by German law.

(3) *Garantie und Negativverpflichtung der Garantin.* Hella KGaA Hueck & Co. (die "**Garantin**") hat die unbedingte und unwiderrufliche Garantie (die "**Garantie**") für die ordnungsgemäße und pünktliche Zahlung von Kapital und Zinsen und sonstiger auf die Schuldverschreibungen zahlbarer Beträge übernommen. Die Garantin hat sich außerdem in einer Negativverpflichtung (die "**Negativverpflichtung**") verpflichtet, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Hauptzahlstelle zur Verfügung gestellt worden sind, keine Sicherungsrechte (wie vorstehend definiert) in Bezug auf ihr gesamtes derzeitiges oder zukünftiges Geschäft, Unternehmen, ihre Umsätze oder ihr Vermögen oder Teile davon zur Sicherung von anderen Kapitalmarktverbindlichkeiten (wie vorstehend definiert) zu gewähren oder diesbezügliche Garantien oder Freistellungsansprüche zu besichern, ohne gleichzeitig oder vor der Bestellung des Sicherungsrechts die Gläubiger gleichrangig (in gleicher Weise und anteilig) an einem solchen Sicherungsrecht zu beteiligen oder ihnen ein gleichwertiges Sicherungsrecht zu gewähren; diese Verpflichtung gilt jedoch nicht für zum Zeitpunkt des Erwerbs von

(3) *Guarantee and Negative Pledge of the Guarantor.* Hella KGaA Hueck & Co. (the "**Guarantor**") has given its unconditional and irrevocable guarantee (the "**Guarantee**") for the due and punctual payment of principal of, and interest on, and any other amounts payable under any Note. The Guarantor has further undertaken in a negative pledge (the "**Negative Pledge**"), so long as any of the Notes are outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Principal Paying Agent, not to provide any Security Interest (as defined above) over the whole or any part of its present or future business, undertaking, revenues or assets to secure any Capital Market Indebtedness (as defined above) or to secure any guarantee or indemnity in respect thereof without at the same time or prior to the creation of the Security Interest letting the Holders share *pari passu* (equally and rateably) in such Security Interest or giving to the Holders an equivalent Security Interest, provided, however, that this undertaking shall not apply with respect to any Security Interest existing on assets at the time of the acquisition thereof by the Guarantor, provided that such Security Interest was not created in connection with or in contemplation of such acquisition and that the amount secured by such

Vermögenswerten durch die Garantin bereits an solchen Vermögenswerten bestehende Sicherungsrechte, soweit solche Sicherungsrechte nicht im Zusammenhang mit dem Erwerb oder in Erwartung des Erwerbs des jeweiligen Vermögenswerts bestellt wurden und der durch das Sicherungsrecht besicherte Betrag nicht aufgrund oder nach Erwerb des betreffenden Vermögenswertes erhöht wird. Die Garantin hat sich in der Negativverpflichtung ferner verpflichtet sicherzustellen, dass sich jede ihrer Wesentlichen Tochtergesellschaften (wie in § 9 definiert) entsprechend verpflichtet. Die Garantie und die Negativverpflichtung stellen einen Vertrag zugunsten jedes Gläubigers als begünstigtem Dritten gemäß § 328 BGB dar, welcher das Recht jedes Gläubigers begründet, Erfüllung aus der Garantie und der Negativverpflichtung unmittelbar von der Garantin zu verlangen und die Garantie und die Negativverpflichtung unmittelbar gegen die Garantin durchzusetzen. Die persönliche Haftung der Komplementäre der Garantin für sämtliche Verpflichtungen aus der Garantie und den Schuldverschreibungen, einschließlich der Negativverpflichtung, ist vollumfänglich ausgeschlossen.

Security Interest is not increased in contemplation of or since the acquisition of the relevant asset. The Guarantor has further undertaken in the Negative Pledge to ensure that each of its Material Subsidiaries (as defined in § 9 below) will enter into a respective undertaking. The Guarantee and the Negative Pledge constitute a contract for the benefit of the Holders from time to time as third party beneficiaries in accordance with § 328 German Civil Code (*Bürgerliches Gesetzbuch, BGB*), giving rise to the right of each Holder to require performance of the Guarantee and the Negative Pledge directly from the Guarantor and to enforce the Guarantee and the Negative Pledge directly against the Guarantor. The personal liability of the general partners of the Guarantor for all obligations under the Guarantee and the Notes, including the Negative Pledge, is excluded in its entirety.

§ 3 ZINSEN

(1) *Zinssatz und Zinszahlungstage.* Die Schuldverschreibungen werden bezogen auf ihren Nennbetrag verzinst, und zwar vom 17. Mai 2017 (einschließlich) bis zum Fälligkeitstag (wie in § 5 Absatz (1) definiert) (ausschließlich) mit [●] % *per annum*. Die Zinsen sind nachträglich am 17. Mai eines jeden Jahres zahlbar (jeweils ein "**Zinszahlungstag**"). Die erste Zinszahlung erfolgt am 17. Mai 2018.

(2) *Auflaufende Zinsen.* Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, erfolgt die Verzinsung der Schuldverschreibungen vom Tag der Fälligkeit bis zum Tag der tatsächlichen Rückzahlung der Schuldverschreibungen in Höhe des gesetzlich festgelegten Satzes für Verzugszinsen.²

§ 3 INTEREST

(1) *Rate of Interest and Interest Payment Dates.* The Notes shall bear interest on their principal amount at the rate of [●] % *per annum* from (and including) 17 May 2017 to (but excluding) the Maturity Date (as defined in § 5(1)). Interest shall be payable in arrear on 17 May in each year (each such date, an "**Interest Payment Date**"). The first payment of interest shall be made on 17 May 2018.

(2) *Accrual of Interest.* If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue beyond the due date until the actual redemption of the Notes at the default rate of interest established by law.¹

² Der gesetzliche Verzugszinssatz beträgt für das Jahr fünf Prozentpunkte über dem von der Deutsche Bundesbank von Zeit zu Zeit veröffentlichten Basiszinssatz, §§ 288 Absatz (1), 247 Absatz (1) BGB.

The default rate of interest established by law is five percentage points above the basic rate of interest published by Deutsche Bundesbank from time to time; §§ 288(1), 247(1) German Civil Code (*Bürgerliches Gesetzbuch, BGB*).

(3) *Berechnung der Zinsen für Teile von Zeiträumen.* Sofern Zinsen für einen Zeitraum von weniger als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der Grundlage des Zinstagequotienten (wie nachstehend definiert).

(4) *Zinstagequotient.* "Zinstagequotient" bezeichnet im Hinblick auf die Berechnung eines Zinsbetrages auf eine Schuldverschreibung für einen beliebigen Zeitraum (der "Zinsberechnungszeitraum") die tatsächliche Anzahl von Tagen im Zinsberechnungszeitraum, dividiert durch die tatsächliche Anzahl von Tagen in der jeweiligen Zinsperiode.

(3) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less than a full year, such interest shall be calculated on the basis of the Day Count Fraction (as defined below).

(4) *Day Count Fraction.* "Day Count Fraction" means with regard to the calculation of interest on any Note for any period of time (the "Calculation Period") the actual number of days in the Calculation Period divided by the actual number of days in the respective interest period.

§ 4 ZAHLUNGEN

(1) *Zahlungen auf Kapital und von Zinsen.* Zahlungen von Kapital und Zinsen in Bezug auf die Schuldverschreibungen erfolgen nach Maßgabe des nachstehenden Absatzes (2) an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.

Die Zahlung von Zinsen auf Schuldverschreibungen, die durch die vorläufige Globalurkunde verbrieft sind, erfolgt nach Maßgabe von Absatz (2) an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems, und zwar nach ordnungsgemäßer Bescheinigung gemäß § 1 Absatz (3)(b).

(2) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Schuldverschreibungen in Euro.

(3) *Erfüllung.* Die Emittentin wird durch Leistung der Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht befreit.

(4) *Zahltag.* Fällt der Fälligkeitstag einer Zahlung in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Zahltag ist, dann hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächsten Zahltag. Der Gläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen.

Für diese Zwecke bezeichnet "Zahltag" einen Tag, der ein Tag (außer einem Samstag oder Sonntag) ist, an dem das Clearing System sowie alle betroffenen Bereiche des Trans-European Automated Real-time Gross Settlement Express

§ 4 PAYMENTS

(1) *Payment of Principal and Interest.* Payment of principal and interest in respect of Notes shall be made, subject to subparagraph (2) below, to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.

Payment of interest on Notes represented by the Temporary Global Note shall be made, subject to subparagraph (2), to the Clearing System or to its order for credit to the relevant account holders of the Clearing System, upon due certification as provided in § 1(3)(b).

(2) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in euro.

(3) *Discharge.* The Issuer shall be discharged by payment to, or to the order of, the Clearing System.

(4) *Payment Business Day.* If the date for payment of any amount in respect of any Note is not a Payment Business Day then the Holder shall not be entitled to payment until the next such day and shall not be entitled to further interest or other payment in respect of such delay.

For these purposes, "Payment Business Day" means any day which is a day (other than a Saturday or a Sunday) on which the Clearing System as well as all relevant parts of the Trans-European Automated Real-time Gross Settlement Express

Transfer System 2 (TARGET2) ("**TARGET**") betriebsbereit sind, um die betreffenden Zahlungen weiterzuleiten.

Settlement Express Transfer System 2 (TARGET2) ("**TARGET**") are operational to forward the relevant payment.

(5) *Bezugnahmen auf Kapital und Zinsen.* Bezugnahmen in diesen Anleihebedingungen auf Kapital der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: den Rückzahlungsbetrag der Schuldverschreibungen (wie in § 5 Absatz (1) definiert); der Wahl-Rückzahlungsbetrag (Make Whole) (wie in § 5 Absatz (5) (a) definiert); sowie jeden Aufschlag sowie sonstige auf oder in Bezug auf die Schuldverschreibungen zahlbaren Beträge. Bezugnahmen in diesen Anleihebedingungen auf Zinsen auf die Schuldverschreibungen sollen, soweit anwendbar, sämtliche gemäß § 7 zahlbaren zusätzlichen Beträge einschließen.

(5) *References to Principal and Interest.* References in these Conditions of Issue to principal in respect of the Notes shall be deemed to include, as applicable: the Final Redemption Amount of the Notes (as defined in § 5(1)); the Call Redemption Amount (Make Whole) (as defined in § 5(5)(a)); and any premium and any other amounts which may be payable under or in respect of the Notes. References in these Conditions of Issue to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § 7.

(6) *Hinterlegung von Kapital und Zinsen.* Die Emittentin ist berechtigt, beim Amtsgericht Frankfurt am Main Zins- oder Kapitalbeträge zu hinterlegen, die von den Gläubigern nicht innerhalb von zwölf Monaten nach dem Fälligkeitstag beansprucht worden sind, auch wenn die Gläubiger sich nicht in Annahmeverzug befinden. Soweit eine solche Hinterlegung erfolgt und auf das Recht der Rücknahme verzichtet wird, erlöschen die diesbezüglichen Ansprüche der Gläubiger gegen die Emittentin.

(6) *Deposit of Principal and Interest.* The Issuer may deposit with the local court (*Amtsgericht*) in Frankfurt am Main principal or interest not claimed by Holders within twelve months after the Maturity Date, even though such Holders may not be in default of acceptance of payment. If and to the extent that the deposit is effected and the right of withdrawal is waived, the respective claims of such Holders against the Issuer shall cease.

§ 5 RÜCKZAHLUNG

(1) *Rückzahlung bei Endfälligkeit.* Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen zu ihrem Rückzahlungsbetrag am 17. Mai 2024 (der "**Fälligkeitstag**") zurückgezahlt. Der "**Rückzahlungsbetrag**" in Bezug auf jede Schuldverschreibung entspricht dem Nennbetrag der Schuldverschreibungen.

(2) *Vorzeitige Rückzahlung aus steuerlichen Gründen.* Die Schuldverschreibungen können insgesamt, jedoch nicht teilweise, nach Wahl der Emittentin mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen gegenüber der Hauptzahlstelle und gemäß § 13 gegenüber den Gläubigern vorzeitig gekündigt und zum Nennbetrag zuzüglich bis zum für die Rückzahlung festgesetzten Tag aufgelaufener Zinsen zurückgezahlt werden, falls die Emittentin bzw. die Garantin als Folge einer Änderung oder Ergänzung der Steuer- oder Abgabengesetze und -vorschriften der Bundesrepublik

§ 5 REDEMPTION

(1) *Final Redemption.* Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their Final Redemption Amount on 17 May 2024 (the "**Maturity Date**"). The "**Final Redemption Amount**" in respect of each Note shall be its principal amount.

(2) *Early Redemption for Reasons of Taxation.* If as a result of any change in, or amendment to, the laws or regulations of the Federal Republic of Germany or The Netherlands or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, or any change in, or amendment to, an official interpretation or application of such laws or regulations, which amendment or change is effective on or after the date on which the Notes were issued, the Issuer or the Guarantor, as the case may be, is required to pay Additional Amounts (as defined in § 7 herein) on the next

Deutschland oder der Niederlande oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften (vorausgesetzt, diese Änderung oder Ergänzung wird am oder nach dem Tag, an dem die Schuldverschreibungen begeben wurden, wirksam) am nächstfolgenden Zinszahlungstag (wie in § 3 Absatz (1) definiert) zur Zahlung von zusätzlichen Beträgen (wie in § 7 dieser Anleihebedingungen definiert) verpflichtet sein wird und diese Verpflichtung nicht durch das Ergreifen vernünftiger, der Emittentin oder der Garantin zur Verfügung stehender Maßnahmen vermieden werden kann.

Eine solche Kündigung darf allerdings nicht (i) früher als 90 Tage vor dem frühestmöglichen Termin erfolgen, an dem die Emittentin oder die Garantin verpflichtet wäre, solche zusätzlichen Beträge zu zahlen, falls eine Zahlung auf die Schuldverschreibungen dann fällig sein würde, oder (ii) erfolgen, wenn zu dem Zeitpunkt, zu dem die Kündigung erfolgt, die Verpflichtung zur Zahlung von zusätzlichen Beträgen nicht mehr wirksam ist.

Eine solche Kündigung hat gemäß § 13 zu erfolgen. Sie ist unwiderruflich, muss den für die Rückzahlung festgelegten Termin nennen und eine zusammenfassende Erklärung enthalten, welche die das Rückzahlungsrecht der Emittentin begründenden Umständen darlegt.

(3) *Vorzeitige Rückzahlung nach Wahl der Gläubiger bei Vorliegen eines Kontrollwechsels ("Rückzahlungsergebnis").*

(a) Ein Rückzahlungsergebnis gilt als eingetreten, wenn eine Person oder eine Gruppe von Personen, die gemeinsam handeln (außer den Familiengesellschaftern), Kontrolle über die Garantin erlangt(en) ("**Kontrollwechsel**") und es innerhalb des Kontrollwechselzeitraums zu einer Absenkung des Ratings auf Grund des Kontrollwechsels kommt.

Für diese Zwecke bedeutet:

"**Kontrolle**":

(i) die Fähigkeit (entweder durch Aktienbesitz, Gesellschaftsanteile, Vollmacht, Vertrag, Vertretung oder auf andere Weise) zur: (1) Stimmabgabe oder zur Kontrolle der Stimmabgabe von mehr als der Hälfte der maximalen Anzahl von Stimmen, die auf einer Hauptversammlung der Garantin abgegeben

succeeding Interest Payment Date (as defined in § 3(1)), and this obligation cannot be avoided by the use of reasonable measures available to the Issuer or the Guarantor, as the case may be, the Notes may be redeemed, in whole but not in part, at the option of the Issuer, upon not more than 60 days' nor less than 30 days' prior notice of redemption given to the Principal Paying Agent and, in accordance with § 13 to the Holders, at the principal amount together with interest accrued to the date fixed for redemption.

However, no such notice of redemption may be given (i) earlier than 90 days prior to the earliest date on which the Issuer or the Guarantor would be obligated to pay such Additional Amounts were a payment in respect of the Notes then due, or (ii) if at the time such notice is given, such obligation to pay such Additional Amounts does not remain in effect.

Any such notice shall be given in accordance with § 13. It shall be irrevocable, must specify the date fixed for redemption and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer so to redeem.

(3) *Early Redemption at the Option of the Holders upon a Change of Control ("Put Event").*

(a) A Put Event will be deemed to occur if any person or group of persons acting in concert (other than the Family Shareholders) gains control of the Guarantor (the "**Change of Control**") and within the Change of Control Period a Rating Downgrade in respect of that Change of Control occurs.

For these purpose:

"**control**" means:

(i) the power (whether by way of ownership of shares, partnership interest, proxy, contract, agency or otherwise) to: (1) cast, or control the casting of, more than one-half of the maximum number of votes that might be cast at a general meeting of the Guarantor; or (2) appoint or remove all, or the majority, of those

werden können, oder (2) Ernennung oder Abberufung aller oder der Mehrheit der natürlichen Personen, welche die Geschäfte der Garantin führen, oder (3) Bestimmung der operativen und finanziellen Grundsätze der Garantin, die die natürlichen Personen, welche die Geschäfte der Garantin führen, einhalten müssen, oder

(ii) der Besitz von mehr als 50 % des stimmberechtigten Eigenkapitals der Garantin.

"gemeinsam handeln" bezeichnet eine Gruppe von Personen die, gemäß eines Vertrages oder einer Vereinbarung (formell oder informell), durch den direkten oder indirekten Erwerb von Aktien oder Gesellschaftsanteilen der Garantin durch eine oder mehrere Personen aktiv kooperieren, um Kontrolle über die Garantin zu erlangen oder zu festigen.

"Familiengesellschafter" bezeichnet sämtliche persönlich haftenden Gesellschafter und Kommanditaktionäre der Garantin:

(a) die, soweit sie natürliche Personen sind, Nachfahren (i) des verstorbenen Herrn Eduard Hueck, geboren am 1. April 1854, (ii) des verstorbenen Herrn Richard Hueck, geboren am 21. Juni 1855 oder (iii) des verstorbenen Herrn Dr. Wilhelm Röpke, geboren am 5. März 1898 sind;

(b) die, soweit sie natürliche Personen sind, Ehegatten (einschließlich Witwen und Witwer) einer Person im Sinne des vorgenannten Buchstaben (a) sind; oder

(c) über die, soweit sie Gesellschaften oder juristische Personen sind, eine Person oder eine Gruppe von Personen im Sinne des vorgenannten Buchstaben (a) oder (b), die gemeinsam handeln, Kontrolle haben.

"stimmberechtigtes Eigenkapital" bezeichnet das ausstehende Eigenkapital einer Kommanditgesellschaft auf Aktien oder einer Unternehmung oder gleichwertige Anteile an anderen Gesellschaften, deren Besitzer üblicherweise, ohne irgendwelche Einschränkungen, berechtigt sind, auf der Hauptversammlung oder einer entsprechenden Aktionärs- oder Gesellschafterversammlung abzustimmen, sogar wenn das Stimmrecht aufgrund derartiger Einschränkungen ausgesetzt wurde.

individuals which direct the business activities of the Guarantor, or (3) give directions with respect to the operating and financial policies of the Guarantor which those individuals that direct the business activities of the Guarantor are obliged to comply with; or

(ii) the holding of more than 50 % of the Voting Stock of the Guarantor.

"acting in concert" means, a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition by one or more of them, either directly or indirectly, of shares or partnership interest in the Guarantor, to obtain or consolidate control of the Guarantor.

"Family Shareholders" means all general partners (*persönlich haftende Gesellschafter*) and limited shareholders (*Kommanditaktionäre*) of the Guarantor:

(a) who, being individuals (*natürliche Personen*), are descendants of (i) the late Eduard Hueck, born on 1 April 1854, (ii) the late Richard Hueck, born on 21 June 1855, or (iii) the late Dr. Wilhelm Röpke, born on 5 March 1898;

(b) who, being individuals, are spouses (including widows and widowers) of any person referred to in paragraph (a) above; or

(c) of which, being partnerships or corporations, any person or group of persons referred to in paragraphs (a) or (b) above acting in concert has control.

"Voting Stock" means capital stock issued by a partnership limited by shares or a corporation, or equivalent interests in any other person, the holders of which are ordinarily, in the absence of contingencies, entitled to vote at the general meeting (*Hauptversammlung*) or any other equivalent shareholders' or partners' meeting, even if the right so to vote has been suspended by the happening of such a contingency.

Eine "**Absenkung des Ratings**" in Bezug auf einen Kontrollwechsel gilt als eingetreten, wenn innerhalb des Kontrollwechselzeitraums ein vorher für die Garantin oder die Schuldverschreibungen vergebenes Rating einer Ratingagentur unter Bezugnahme auf den Kontrollwechsel (i) zurückgezogen oder (ii) von einem Investment Grade Rating (BBB- von S&P/Baa3 von Moody's oder jeweils gleichwertig, oder besser) in ein non-Investment Grade Rating (BB+ von S&P/Ba1 von Moody's oder jeweils gleichwertig, oder schlechter) geändert wird.

"**Ratingagentur**" bezeichnet jede Ratingagentur von Standard and Poor's Rating Services, eine Abteilung von The McGraw-Hill Companies, Inc. ("**S&P**") und Moody's Investors Services ("**Moody's**") oder eine ihrer jeweiligen Nachfolgegesellschaften oder jede andere von der Garantin von Zeit zu Zeit bestimmte Ratingagentur vergleichbaren internationalen Ansehens.

"**Kontrollwechselzeitraum**" bezeichnet den Zeitraum, der 120 Tage nach dem Eintritt eines Kontrollwechsels endet.

(b) Wenn ein Rückzahlungsereignis eintritt, hat jeder Gläubiger das Recht (es sei denn, vor der Abgabe der unten genannten Rückzahlungsmittelteilung teilt die Emittentin mit, die Schuldverschreibungen gemäß § 5 Absatz (2) zurück zu zahlen), von der Emittentin die Rückzahlung oder, nach Wahl der Emittentin, den Ankauf seiner Schuldverschreibungen durch die Emittentin (oder auf ihre Veranlassung durch einen Dritten) zum Nennbetrag zuzüglich bis zum Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zu verlangen. Diese Option ist wie nachstehend beschrieben auszuüben.

(c) Wenn ein Rückzahlungsereignis eintritt, wird die Emittentin innerhalb von 20 Zahltagen nach dem Eintritt des Kontrollwechsels den Gläubigern Mitteilung vom Rückzahlungsereignis gemäß § 13 machen (eine "**Rückzahlungsmittelteilung**"), in der die Umstände des Rückzahlungsereignisses sowie das Verfahren für die Ausübung der in diesem § 5 Absatz (3) genannten Option angegeben sind.

(d) Zur Ausübung der Rückzahlungs- bzw. Ankaufsoption für eine Schuldverschreibung nach Maßgabe dieses Absatzes (3) muss der Gläubiger an einem Zahltag innerhalb eines Zeitraums (der "**Rückzahlungszeitraum**") von 30 Tagen, nachdem die Rückzahlungsmittelteilung

A "**Rating Downgrade**" shall be deemed to have occurred in respect of a Change of Control if within the Change of Control Period any rating previously assigned to the Guarantor or the Notes by any Rating Agency is (i) withdrawn or (ii) changed from an investment grade rating (BBB- by S&P/Baa3 by Moody's, or its equivalent for the time being, or better) to a non-investment grade rating (BB+ by S&P/Ba1 by Moody's, or its equivalent for the time being, or worse) with respect to the Change of Control.

"**Rating Agency**" means each of the rating agencies of Standard and Poor's Rating Services, a division of The McGraw-Hill Companies, Inc. ("**S&P**") and Moody's Investors Services ("**Moody's**") or any of their respective successors or any other rating agency of equivalent international standing specified from time to time by the Guarantor.

"**Change of Control Period**" means the period ending 120 days after the occurrence of the Change of Control.

(b) If a Put Event occurs, each Holder of Notes has the option (unless, prior to the giving of the Put Event Notice referred to below, the Issuer gives notice to redeem the Notes in accordance with § 5(2) to require the Issuer to redeem or, at the Issuer's option, purchase (or procure the purchase of) that Note at its principal amount together with interest accrued to but excluding the date of redemption or purchase. Such option shall operate as set out below.

(c) If a Put Event occurs then, within 20 Payment Business Days of the occurrence of the Change of Control, the Issuer shall give notice (a "**Put Event Notice**") to the Holders of Notes in accordance with § 13 specifying the nature of the Put Event and the procedure for exercising the option contained in this § 5(3).

(d) To exercise the option to require the redemption or purchase of a Note under this subparagraph (3) the Holder of Notes must, on any Payment Business Day falling within the period (the "**Put Period**") of 30 days after a Put Event Notice is given, send to the specified office

veröffentlicht wurde, bei der Hauptzahlstelle eine ordnungsgemäß ausgefüllte und unterzeichnende Ausübungserklärung einreichen, deren Muster bei der Hauptzahlstelle erhältlich ist (die "**Ausübungserklärung**"). Die Emittentin wird die maßgebliche(n) Schuldverschreibung(en) 7 Tage nach Ablauf des Rückzahlungszeitraums (der "**Rückzahlungstag**") zurückzahlen oder erwerben (bzw. erwerben lassen), soweit sie nicht bereits vorher zurückgezahlt oder erworben und entwertet wurde(n). Die Zahlung in Bezug auf solchermaßen eingereichte Schuldverschreibung(en) erfolgt am Rückzahlungstag über die Clearing Systeme. Eine einmal gegebene Ausübungserklärung ist unwiderruflich.

(4) *Vorzeitige Rückzahlung nach Wahl der Emittentin drei Monate vor dem Fälligkeitstag.*

(a) Die Emittentin kann die Schuldverschreibungen insgesamt aber nicht teilweise durch Erklärung gemäß Unterabsatz (b) gegenüber den Gläubigern kündigen und innerhalb des Wahl-Rückzahlungszeitraums am Wahl-Rückzahlungstag zum Rückzahlungsbetrag nebst etwaigen bis zum Wahl-Rückzahlungstag (ausschließlich) aufgelaufenen Zinsen zurückzahlen. Der Wahl-Rückzahlungstag darf nicht weniger als 30 und nicht mehr als 60 Tage auf den Tag der Kündigung durch die Emittentin gegenüber den Gläubigern folgen.

"**Wahl-Rückzahlungszeitraum**" bezeichnet den Zeitraum ab 17. Februar 2024 (einschließlich) bis zum Fälligkeitstag (ausschließlich).

(b) Die Kündigung ist den Gläubigern der Schuldverschreibungen durch die Emittentin gemäß § 13 bekannt zu geben. Sie beinhaltet die folgenden Angaben:

(i) die genaue Bezeichnung der zurückzuzahlenden Schuldverschreibungen;

(ii) den Tag innerhalb des Wahl-Rückzahlungszeitraums, an dem die Rückzahlung erfolgen wird (der "**Wahl-Rückzahlungstag**").

(5) *Vorzeitige Rückzahlung nach Wahl der Emittentin (Make Whole).*

(a) Die Emittentin kann die Schuldverschreibungen insgesamt, jedoch nicht teilweise, nach ihrer Wahl (ausgenommen Schuldverschreibungen, deren Rückzahlung der Gläubiger bereits in Ausübung seines

of the Principal Paying Agent a duly signed and completed notice of exercise in the form obtainable from the Principal Paying Agent (a "**Put Notice**"). The Issuer shall redeem or purchase (or procure the purchase of) the relevant Note(s) on the date (the "**Put Date**") seven days after the expiration of the Put Period unless previously redeemed or purchased and cancelled. Payment in respect of any Note so delivered will be made on the Put Date via the Clearing Systems. A Put Notice, once given, shall be irrevocable.

(4) *Early Redemption at the Option of the Issuer three months before the Maturity Date.*

(a) The Issuer may, upon notice given in accordance with clause (b), redeem all of the Notes but not some of the Notes only within the Call Redemption Period on the Call Redemption Date at the Final Redemption Amount together with accrued interest, if any, to (but excluding) the Call Redemption Date. The Call Redemption Date shall not be less than 30 nor more than 60 days after the date on which notice is given by the Issuer to the Holders.

"**Call Redemption Period**" means the period from, and including, 17 Februar 2024 to, but excluding, the Maturity Date.

(b) Notice of redemption shall be given by the Issuer to the Holders of the Notes in accordance with § 13. Such notice shall specify:

(i) the exact specification of the Notes subject to redemption; and

(ii) the date within the Call Redemption Period on which the redemption will occur ("**Call Redemption Date**").

(5) *Early Redemption at the Option of the Issuer (Make Whole).*

(a) The Issuer may upon not less than 30 days' nor more than 60 days' prior notice of redemption given to the Principal Paying Agent and, in accordance with § 13, to the Holders redeem on any date specified by it (the "**Call Redemption**

Wahlrechts nach § 5 Absatz (3) verlangt hat) mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen durch Erklärung gegenüber der Hauptzahlstelle und gemäß § 13 gegenüber den Gläubigern kündigen und an einem von ihr anzugebenden Tag (der "**Wahl-Rückzahlungstag (Make Whole)**") zu ihrem Wahl-Rückzahlungsbetrag (Make Whole) (zuzüglich etwaigen bis zum betreffenden Wahl-Rückzahlungstag (Make Whole) (ausschließlich) aufgelaufenen aber noch nicht gezahlten Zinsen) zurückzahlen.

Der "**Wahl-Rückzahlungsbetrag (Make Whole)**" je Schuldverschreibung entspricht dem höheren von

- (i) dem Nennbetrag der zurückzuzahlenden Schuldverschreibung; oder
- (ii) dem Abgezinsten Marktwert.

Der Wahl-Rückzahlungsbetrag (Make Whole) wird von der Berechnungsstelle berechnet und ist den Gläubigern unverzüglich nach dem Rückzahlungs-Berechnungstag durch die Emittentin gemäß § 13 bekanntzugeben. "**Berechnungsstelle**" bezeichnet einen anerkannten Dienstleister, der von der Emittentin zu diesem Zweck mandatiert wird.

Der "**Abgezinsten Marktwert**" wird von der Berechnungsstelle berechnet, indem der Nennbetrag der zurückzuzahlenden Schuldverschreibung und die verbleibenden Zinszahlungen bis zum Fälligkeitstag (ausschließlich etwaiger, bis zum Wahl-Rückzahlungstag (Make Whole) (ausschließlich) aufgelaufener Zinsen) auf einer jährlichen Basis, bei Annahme eines 365-Tage Jahres bzw. eines 366-Tage Jahres und der tatsächlichen Anzahl von Tagen, die in einem solchen Jahr abgelaufen sind, unter Anwendung der Benchmark-Rendite zuzüglich [●] % auf den Wahl-Rückzahlungstag (Make Whole) abgezinst werden.

Die "**Benchmark-Rendite**" bezeichnet die am Rückzahlungs-Berechnungstag bestehende Rendite der 1,500% Anleihe der Bundesrepublik Deutschland fällig 15. Mai 2024, ISIN: DE0001102358, basierend auf dem Referenzpreis für diese Referenz-Anleihe an diesem Tag, wie um oder gegen 12:00 Uhr mittags (Frankfurter Zeit) an diesem Tag auf der Bloomberg Seite DE0001102358 Govt HP (unter Nutzung der Einstellung "Fixing Price" und der Preisquelle "FRNK") abgelesen, oder wie von einer anderen, durch die Berechnungsstelle festgelegten, Quelle hergeleitet oder

Date (Make Whole)"), at its option, the Notes (except for any Note which is the subject of the prior exercise by the Holder thereof of its option to require the redemption of such Note under § 5(3)) in whole but not in part, at their Call Redemption Amount (Make Whole) together with accrued but unpaid interest, if any, to (but excluding) the relevant Call Redemption Date (Make Whole).

The "**Call Redemption Amount (Make Whole)**" per Note shall be the higher of:

- (i) the principal amount of the relevant Note to be redeemed; or
- (ii) the Present Value.

The Call Redemption Amount (Make Whole) shall be calculated by the Calculation Agent and given by the Issuer to the Holders in accordance with § 13 without undue delay after the Redemption Calculation Date. "**Calculation Agent**" means any recognised service provider to be mandated by the Issuer at any time for such purpose.

The "**Present Value**" will be calculated by the Calculation Agent by discounting to the Call Redemption Date (Make Whole) the sum of the principal amount of the relevant Note to be redeemed and the remaining interest payments to the Maturity Date (excluding any interest accrued to but excluding the Call Redemption Date (Make Whole)) on an annual basis, assuming a 365-day year or a 366-day year, as the case may be, and the actual number of days elapsed in such year and using the Benchmark Yield plus [●] %.

The "**Benchmark Yield**" means the yield at the Redemption Calculation Date of the 1.500% bonds of the Federal Republic of Germany due 15 May 2024, ISIN: DE0001102358, based on the reference price for such benchmark security on such day, as observed at or about noon (Frankfurt time) on such date on Bloomberg page DE0001102358 Govt HP (using the setting "Fixing Price" and the pricing source "FRNK"), or as derived or published by such other source as determined by the Calculation Agent. If such yield is not available at that time the Benchmark Yield shall be the yield of a substitute benchmark

veröffentlicht. Sollte die Rendite zu diesem Zeitpunkt nicht verfügbar sein, bezeichnet die Benchmark-Rendite eine ersetzende Referenzanleihe, die von der Berechnungsstelle festgesetzt wird, die jeweils mit einer Laufzeit, die mit der verbleibenden Restlaufzeit der Schuldverschreibung bis zum Fälligkeitstag vergleichbar ist, und die im Zeitpunkt der Auswahlentscheidung und entsprechend der üblichen Finanzmarktpraxis zur Preisbestimmung bei Neuemissionen von Unternehmensanleihen mit einer bis zum Fälligkeitstag der Schuldverschreibung vergleichbaren Laufzeit verwendet werden würde. Sollte jedoch die Zeitspanne vom jeweiligen Wahl-Rückzahlungstag (Make Whole) bis zum Fälligkeitstag nicht der Festlaufzeit einer solchen Anleihe der Bundesrepublik Deutschland entsprechen, für die eine wöchentliche Durchschnittsrendite angegeben wird, so ist die Benchmark-Rendite im Wege der linearen Interpolation (berechnet auf das nächste Zwölftel eines Jahres) aus den wöchentlichen Durchschnittsrenditen einer Anleihe der Bundesrepublik Deutschland zu ermitteln, für die solche Renditen angegeben werden.

"Rückzahlungs-Berechnungstag" ist der sechste Zahltag (wie vorstehend definiert) vor dem Tag, an dem die Schuldverschreibungen gemäß diesem § 5 Absatz (5) zurückgezahlt werden.

(b) Die Kündigung ist den Gläubigern durch die Emittentin gemäß § 13 bekanntzugeben. Sie muss die folgenden Angaben enthalten:

- (i) die zurückzuzahlenden Schuldverschreibungen; und
- (ii) den Wahl-Rückzahlungstag (Make Whole).

§ 6 DIE HAUPTZAHLSTELLE

(1) *Bestellung; bezeichnete Geschäftsstelle.* Die anfänglich bestellte Hauptzahlstelle und deren bezeichnete Geschäftsstelle lauten wie folgt:

Hauptzahlstelle: Deutsche Bank
Aktiengesellschaft
Trust & Securities Services
Taunusanlage 12
60325 Frankfurt am Main
Deutschland

Die Hauptzahlstelle behält sich das Recht vor, jederzeit ihre bezeichnete Geschäftsstelle durch

security chosen by the Calculation Agent, in each case as having a maturity comparable to the remaining term of the Note to the Maturity Date, that would be used at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the Maturity Date. If the period from the relevant Call Redemption Date (Make Whole) to the Maturity Date is not equal to the constant maturity of bonds of the Federal Republic of Germany for which a weekly average yield is given, the Benchmark Yield shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of bonds of the Federal Republic of Germany for which such yields are given.

"Redemption Calculation Date" means the sixth Payment Business Day (as defined above) prior to the date on which the Notes are redeemed in accordance with this § 5(5).

(b) Notice of redemption shall be given by the Issuer to the Holders in accordance with § 13. Such notice shall specify:

- (i) the Notes subject to redemption; and
- (ii) the Call Redemption Date (Make Whole).

§ 6 THE PRINCIPAL PAYING AGENT

(1) *Appointment; Specified Office.* The initial Principal Paying Agent and its initial specified office shall be:

Principal Paying Agent: Deutsche Bank
Aktiengesellschaft
Trust & Securities Services
Taunusanlage 12
60325 Frankfurt am Main
Germany

The Principal Paying Agent reserves the right at any time to change its specified office to some

eine andere Geschäftsstelle in derselben Stadt zu ersetzen. other office in the same city.

(2) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung der Hauptzahlstelle zu ändern oder zu beenden und eine andere Hauptzahlstelle oder zusätzliche Zahlstellen zu bestellen. Die Emittentin wird zu jedem Zeitpunkt (i) eine Hauptzahlstelle unterhalten und (ii) solange die Schuldverschreibungen an der *official list* der Luxemburger Börse notiert sind, eine Zahlstelle (die die Hauptzahlstelle sein kann) mit Geschäftsstelle in Luxemburg und/oder an solchen anderen Orten unterhalten, die die Regeln dieser Börse verlangen. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall der Hauptzahlstelle oder einer Zahlstelle, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 13 vorab unter Einhaltung einer Frist von mindestens 30 und nicht mehr als 45 Tagen informiert wurden. Für die Zwecke dieser Anleihebedingungen bezeichnet "**Vereinigte Staaten**" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of the Principal Paying Agent and to appoint another Principal Paying Agent or additional paying agents. The Issuer shall at all times maintain (i) a Principal Paying Agent and (ii) so long as the Notes are listed on the official list of the Luxembourg Stock Exchange, a paying agent (which may be the Principal Paying Agent) with an office in Luxembourg and/or in such other place as may be required by the rules of such stock exchange. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency of the Principal Paying Agent or a paying agent, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Holders in accordance with § 13. For the purposes of these Conditions of Issue, "**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

(3) *Erfüllungsgehilfe(n) der Emittentin.* Die Hauptzahlstelle und die zusätzlichen Zahlstellen handeln ausschließlich als Erfüllungsgehilfen der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Gläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Gläubigern begründet.

(3) *Agent of the Issuer.* The Principal Paying Agent and the additional paying agents act solely as the agents of the Issuer and do not assume any obligations towards or relationship of agency or trust for any Holder.

§ 7 STEUERN

Sämtliche auf die Schuldverschreibungen zu zahlenden Beträge (einschließlich sämtlicher von der Garantin auf die Garantie zu zahlender Beträge) sind ohne Einbehalt oder Abzug von gegenwärtigen oder zukünftigen Steuern, Abgaben, Festsetzungen oder behördlichen Gebühren gleich welcher Art ("**Steuern**") zu leisten, die von oder in dem Staat, in dem die Emittentin steuerlich ansässig ist bzw. von oder in dem Staat, in dem die Garantin steuerlich ansässig ist oder für deren Rechnung oder von oder für Rechnung einer deren jeweiligen Gebietskörperschaften oder zur Erhebung von Steuern berechtigten Behörden oder sonstigen Stellen auferlegt, erhoben, eingezogen,

§ 7 TAXATION

All amounts payable in respect of the Notes (including all amounts to be paid by the Guarantor under the Guarantee) shall be made without withholding or deduction of any present or future taxes, duties, assessments or governmental charges of whatever nature ("**Taxes**") imposed, levied, collected, withheld or assessed by or on behalf of the Issuer's country of domicile for tax purposes or the Guarantor's country of domicile for tax purposes (respectively) or any political subdivision or any authority or any other agency thereof or therein having power to tax unless such withholding or deduction is required by law. In the latter case, the Issuer or the Guarantor, as the case may be,

einbehalten oder festgesetzt werden, es sei denn, ein solcher Einbehalt oder Abzug ist kraft Gesetzes oder einer sonstigen Rechtsvorschrift vorgeschrieben. In diesem letzteren Fall wird die Emittentin bzw. die Garantin diejenigen zusätzlichen Beträge (die "**Zusätzlichen Beträge**") zahlen, die erforderlich sind, damit die den Gläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Gläubigern empfangen worden wären; die Verpflichtung zur Zahlung solcher zusätzlicher Beträge besteht jedoch nicht im Hinblick auf Steuern, die:

(a) von einer als Depotbank oder Inkassobeauftragter des Gläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin bzw. die Garantin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt; oder

(b) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zu dem Staat, in dem die Emittentin steuerlich ansässig ist bzw. zu dem Staat, in dem die Garantin steuerlich ansässig ist, die nicht nur aus der der bloßen Inhaberschaft der Schuldverschreibung besteht, zu zahlen, einzubehalten oder abzuziehen sind; oder

(c) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung, eines zwischenstaatlichen Abkommens oder einer zwischenstaatlichen Verständigung über deren Besteuerung, an der der Staat, in dem die Emittentin steuerlich ansässig ist bzw. der Staat, in dem die Garantin steuerlich ansässig ist oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung, Vereinbarung, Verständigung oder dieses Abkommen umsetzt oder befolgt, abzuziehen oder einzubehalten sind; oder

(d) aufgrund einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 13 wirksam wird; oder

will pay such additional amounts (the "**Additional Amounts**") as shall be necessary in order that the net amounts received by the Holders, after such withholding or deduction shall equal the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable for any Taxes which:

(a) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer or the Guarantor, as the case may be, from payments of principal or interest made by it, or

(b) are payable, withheld or deducted by reason of the Holder having, or having had, some personal or business connection with the Issuer's country of domicile for tax purposes or the Guarantor's country of domicile for tax purposes other than the mere holding of the Note, or

(c) are to be deducted or withheld pursuant to (i) any European Union Directive or Regulation concerning the taxation of interest income, or (ii) any international treaty, agreement or understanding relating to such taxation and to which the Issuer's country of domicile for tax purposes or the Guarantor's country of domicile for tax purposes or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty, agreement or understanding, or

(d) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for and notice thereof is published in accordance with § 13, whichever occurs later, or

(e) von einer Zahlstelle einbehalten oder abgezogen werden, wenn die Zahlung von einer anderen Zahlstelle ohne den Einbehalt oder Abzug hätte vorgenommen werden können.

(e) are withheld or deducted by a paying agent from a payment if the payment could have been made by another paying agent without such withholding or deduction.

Weder die Emittentin noch die Garantin sind verpflichtet, zusätzliche Beträge in Bezug auf einen Einbehalt oder Abzug von Beträgen zu zahlen, die gemäß Sections 1471 bis 1474 des U.S. Internal Revenue Code (in der jeweils geltenden Fassung oder gemäß Nachfolgebestimmungen), gemäß zwischenstaatlicher Abkommen, gemäß den in einer anderen Rechtsordnung in Zusammenhang mit diesen Bestimmungen erlassenen Durchführungsvorschriften oder gemäß mit dem Internal Revenue Service geschlossenen Verträgen von der Emittentin, der jeweiligen Zahlstelle oder einem anderen Beteiligten abgezogen oder einbehalten wurden ("**FATCA-Steuerabzug**") oder Anleger in Bezug auf einen FATCA-Steuerabzug schadlos zu halten.

In any event, neither the Issuer nor the Guarantor will have any obligation to pay additional amounts deducted or withheld by the Issuer, the relevant Paying Agent or any other party in relation to any withholding or deduction of any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service ("**FATCA Withholding**") or indemnify any investor in relation to any FATCA Withholding.

Die in der Bundesrepublik Deutschland geltende Kapitalertragsteuer und der darauf erhobene Solidaritätszuschlag sind keine Steuern im oben genannten Sinn, für die Zusätzliche Beträge seitens der Emittentin bzw. die Garantin zu zahlen wären.

The withholding tax (*Kapitalertragsteuer*) in effect in the Federal Republic of Germany and the solidarity surcharge (*Solidaritätszuschlag*) imposed thereon do not constitute Taxes as described above in respect of which Additional Amounts would be payable by the Issuer or the Guarantor, as the case may be.

§ 8 VORLEGUNGSFRIST

Die in § 801 Absatz (1)(1) BGB bestimmte Vorlegungsfrist wird für die Schuldverschreibungen bezüglich Kapital und Zinsen von 30 Jahren auf zehn Jahre verkürzt. Die Verjährungsfrist für Ansprüche aus den Schuldverschreibungen, die innerhalb der Vorlegungsfrist zur Zahlung vorgelegt wurden, beträgt zwei Jahre von dem Ende der Vorlegungsfrist an.

§ 8 PRESENTATION PERIOD

The presentation period provided in § 801(1)(1) German Civil Code (*Bürgerliches Gesetzbuch, BGB*) is reduced from 30 years to ten years for the Notes with regard to principal and interest. The period of limitation for claims under the Notes presented during the presentation period will be two years calculated from the expiration of the presentation period.

§ 9 KÜNDIGUNG

(1) *Kündigungsgründe*. Jeder Gläubiger ist berechtigt, seine Schuldverschreibung zu kündigen und deren sofortige Rückzahlung zu ihrem Nennbetrag zuzüglich (etwaiger) bis zum Tage der Rückzahlung aufgelaufener Zinsen zu verlangen, falls:

(a) *Nichtzahlung*: die Emittentin oder, falls diese nicht leistet, die Garantin Kapital oder Zinsen

§ 9 EVENTS OF DEFAULT

(1) *Events of default*. Each Holder shall be entitled to declare his Notes due and demand immediate redemption thereof at par plus accrued interest (if any) to the date of repayment, in the event that

(a) *Non-Payment*: the Issuer or, failing which, the Guarantor fails to pay principal or interest or

oder sonstige auf die Schuldverschreibungen oder die Garantie zahlbaren Beträge nicht innerhalb von 30 Tagen nach dem betreffenden Fälligkeitsdatum zahlt; oder

any other amounts due on the Notes or the Guarantee within 30 days after the relevant due date, or

- (b) *Verletzung einer sonstigen Verpflichtung:* die Emittentin oder, falls diese nicht leistet, die Garantin die ordnungsgemäße Erfüllung einer anderen Verpflichtung aus den Schuldverschreibungen oder der Garantie unterlässt und diese Unterlassung länger als 30 Tage fort dauert, nachdem die Hauptzahlstelle hierüber eine Benachrichtigung von einem Gläubiger erhalten hat; oder
- (b) *Breach of other Obligation:* the Issuer or, failing which, the Guarantor fails to duly perform any other obligation arising from the Notes or the Guarantee and such failure continues unremedied for more than 30 days after the Principal Paying Agent has received notice thereof from a Holder, or
- (c) *Drittverzugs Klausel:* (i) wenn eine bestehende oder zukünftige Zahlungsverpflichtung der Emittentin, der Garantin oder einer Wesentlichen Tochtergesellschaft (wie nachstehend definiert) aus einer Kapitalmarktverbindlichkeit (wie in § 2 Absatz (2) definiert) infolge einer Nichtleistung (unabhängig davon, wie eine solche definiert ist) vorzeitig fällig wird, oder (ii) wenn eine solche Zahlungsverpflichtung bei Fälligkeit oder nach Ablauf einer anfänglichen etwaigen Nachfrist nicht erfüllt wird, oder (iii) wenn die Emittentin, die Garantin oder eine Wesentliche Tochtergesellschaft einen Betrag, der unter einer bestehenden oder zukünftigen Garantie, Entschädigung oder Gewährleistung im Zusammenhang mit einer Kapitalmarktverbindlichkeit zur Zahlung fällig wird, bei Fälligkeit oder nach Ablauf einer anfänglichen etwaigen Nachfrist nicht zahlt, vorausgesetzt, dass der Gesamtbetrag der betreffenden Zahlungsverpflichtung, Garantie, Entschädigung oder Gewährleistung, bezüglich derer eines oder mehrere der in diesem Absatz (c) genannten Ereignisse eintritt, mindestens den Betrag von EUR 25.000.000 oder dessen Gegenwert in einer anderen Währung übersteigt und der jeweilige Kündigungsgrund nicht innerhalb von 30 Tagen, nachdem die Emittentin eine diesbezügliche Mitteilung durch den Gläubiger nach Maßgabe von Absatz (2) erhalten hat, behoben wird. Dieser Absatz (c) ist jedoch nicht anwendbar, wenn die Emittentin oder die Garantin ihre betreffenden Zahlungsverpflichtungen in gutem Glauben bestreitet; oder
- (c) *Cross-Default:* (i) any present or future payment obligation of the Issuer, the Guarantor or a Material Subsidiary (as defined below) under a Capital Market Indebtedness (as defined in § 2(2) above) becomes due and payable prior to its stated maturity for reason of the occurrence of a default (howsoever defined), or (ii) any such payment obligation is not met when due or, as the case may be, within an originally applicable grace period, or (iii) any amounts due under any present or future guarantee, indemnity or warranty by the Issuer, the Guarantor or a Material Subsidiary of the Guarantor for a Capital Market Indebtedness are not paid when due or, as the case may be, within an originally applicable grace period, provided that the relevant aggregate amount of the payment obligation, guarantee, indemnity or warranty in respect of which one or more of the events mentioned above in this subsection (c) has or have occurred exceeds EUR 25,000,000 or its equivalent in any other currency and such default continues for more than 30 days after the Issuer has received notice thereof from a Holder in the form as specified in subparagraph (2), provided however, that this subparagraph (c) shall not apply, where the Issuer or the Guarantor contests its relevant payment obligation in good faith, or
- (d) *Zahlungseinstellung:* die Emittentin oder die Garantin ihre Zahlungsunfähigkeit bekanntgibt oder ihre Zahlungen allgemein einstellt; oder
- (d) *Cessation of Payment:* the Issuer or the Guarantor announces its inability to meet its financial obligations or ceases its payments generally, or

- (e) *Insolvenz u.ä.*: ein Gericht ein Konkurs- oder anderes Insolvenzverfahren (im Falle der Emittentin einschließlich eines "surseance van betaling" (im Sinne des niederländischen Insolvenzrechts)) gegen die Emittentin oder die Garantin eröffnet, oder die Emittentin oder die Garantin ein solches Verfahren einleitet oder beantragt, oder ein Dritter ein Insolvenzverfahren gegen die Emittentin oder die Garantin beantragt und ein solches Verfahren nicht innerhalb einer Frist von 60 Tagen aufgehoben oder ausgesetzt worden ist; oder
- (e) *Insolvency etc.*: a court opens bankruptcy or other insolvency proceedings (in the case of the Issuer, including a "surseance van betaling" (within the meaning of The Bankruptcy Act of The Netherlands)) against the Issuer or the Guarantor, or the Issuer or the Guarantor applies for or institutes such proceedings, or a third party applies for insolvency proceedings against the Issuer or the Guarantor and such proceedings are not discharged or stayed within 60 days; or
- (f) *Liquidation*: die Emittentin oder die Garantin in Liquidation geht (es sei denn, dies geschieht im Zusammenhang mit einer Verschmelzung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft oder im Zusammenhang mit einer Umwandlung, sofern die andere oder neue Gesellschaft oder gegebenenfalls die anderen neuen Gesellschaften im Wesentlichen alle Aktiva, Passiva und Verpflichtungen der Emittentin oder der Garantin, einschließlich der Verpflichtungen, die die Emittentin oder die Garantin im Zusammenhang mit diesen Schuldverschreibungen bzw. der Garantie eingegangen sind, übernimmt oder übernehmen); oder
- (f) *Liquidation*: the Issuer or the Guarantor enters into liquidation (except in connection with a merger or other form of combination with another company or in connection with a reconstruction and such other or new company or, as the case may be, companies effectively assume substantially all of the assets, liabilities and obligations of the Issuer or the Guarantor, including all obligations contracted by the Issuer or the Guarantor in connection with the Notes or the Guarantee, as the case may be), or
- (g) *Einstellung der Geschäftstätigkeit*. die Emittentin oder die Garantin ihre Geschäftstätigkeit ganz oder überwiegend einstellt, alle oder den wesentlichen Teil ihres Vermögens veräußert oder anderweitig abgibt und (i) dadurch den Wert ihres Vermögens wesentlich vermindert und (ii) es dadurch wahrscheinlich wird, dass die Emittentin oder die Garantin ihre Zahlungsverpflichtungen gegenüber den Gläubigern nicht mehr erfüllen kann, oder
- (g) *Cessation of Business*. the Issuer or the Guarantor ceases all or substantially all of its business operations or sells or disposes of its assets or the substantial part thereof and thus (i) diminishes considerably the value of its assets and (ii) for this reason it becomes likely that the Issuer or the Guarantor may not fulfil its payment obligations against the Holders,
- (h) *Unwirksamkeit der Garantie*. die Garantie aus irgendeinem Grund nicht mehr wirksam und rechtlich bindend ist.
- (h) *Cessation of validity of the Guarantee*. the Guarantee ceases to be valid and legally binding for any reason whatsoever.

Im Sinne dieser Anleihebedingungen bedeutet "**Wesentliche Tochtergesellschaft**" jede nach den International Financial Reporting Standards (IFRS) oder dem jeweils angewendeten Bilanzierungsstandard konsolidierte Tochtergesellschaft der Garantin über die diese Kontrolle ausübt und deren Nettoumsatz bzw. deren Vermögenswerte gemäß ihres geprüften, nicht konsolidierten Jahresabschlusses (bzw., wenn die betreffende Tochtergesellschaft selbst

For the purpose of these Conditions of Issue, "**Material Subsidiary**" means any Subsidiary of the Guarantor consolidated in accordance with the International Financial Reporting Standards (IFRS) or any other accounting standard applicable to the Guarantor, which is under control by the Guarantor and whose net revenues or total assets as shown in the most recent audited non-consolidated accounts (or, if the relevant Subsidiary itself provides

Konzernabschlüsse erstellt, deren konsolidierter Umsatz bzw. deren konsolidierte Vermögenswerte gemäß ihres geprüften Konzernabschlusses), der für die Zwecke des letzten geprüften Konzernabschlusses der Garantin benutzt wurde, mindestens 10 % des Gesamtumsatzes und/oder der Vermögenswerte der Garantin und deren konsolidierten Tochtergesellschaften betragen hat oder eine Tochtergesellschaft, auf die der gesamte oder im Wesentlichen gesamte Betrieb und die Vermögenswerte von einer Tochtergesellschaft übertragen wurde, welche direkt vor der Übertragung selbst eine Wesentliche Tochtergesellschaft war und "**Tochtergesellschaft**" jedes Unternehmen, an dem die Garantin direkt oder indirekt mehrheitlich beteiligt ist.

consolidated accounts, whose net revenues or total assets as shown in its most recent audited consolidated accounts), which was used for the purposes of the most recent audited consolidated accounts of the Guarantor represents at least 10 % of the total net revenues and/or total assets of the Guarantor and its consolidated subsidiaries or any Subsidiary, to whom the total or substantially all of the undertaking and the assets of a Subsidiary has been transferred, which immediately prior to the transfer itself was a Material Subsidiary and "**Subsidiary**" means a company in which the Guarantor has a direct or indirect majority interest.

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

(2) *Benachrichtigung.* Eine Benachrichtigung, einschließlich einer Kündigung der Schuldverschreibungen gemäß Absatz (1) ist entweder (a) in Textform in deutscher oder englischer Sprache gegenüber der Hauptzahlstelle zu erklären und zusammen mit dem Nachweis in Form einer Bescheinigung der Depotbank (wie in § 14 Absatz (4) definiert) oder in einer anderen geeigneten Weise, dass der Benachrichtigende zum Zeitpunkt der Benachrichtigung ein Gläubiger der betreffenden Schuldverschreibung ist, persönlich oder per Einschreiben an dessen bezeichnete Geschäftsstelle zu übermitteln oder (b) bei seiner Depotbank zur Weiterleitung an die Emittentin über das Clearing System zu erklären.

(2) *Notice.* Any notice, including any notice declaring Notes due, in accordance with subparagraph (1) shall be either be made (a) by means of a declaration in text form (*Textform*) in the German or English language delivered to the specified office of the Principal Paying Agent together with a proof that such notifying Holder at the time of such notice is a holder of the relevant Notes by means of a statement of his Custodian (as defined in § 14(4)) or any other appropriate manner or (b) with its Custodian for the notice to be delivered to the Clearing System for communication by the Clearing System to the Issuer.

§ 10 ERSETZUNG

(1) *Ersetzung.* Die Emittentin ist jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen auf die Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Gläubiger entweder die Garantin oder ein mit der Garantin verbundenes Unternehmen (wie unten definiert) an ihrer Stelle als Hauptschuldnerin (die "**Nachfolgeschuldnerin**") für alle Verpflichtungen aus und im Zusammenhang mit diesen Schuldverschreibungen einzusetzen, vorausgesetzt, dass:

(a) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin in Bezug auf die

§ 10 SUBSTITUTION

(1) *Substitution.* The Issuer may, without the consent of the Holders, if no payment of principal of or interest on any of the Notes is in default, at any time substitute for the Issuer either the Guarantor or any Affiliate (as defined below) of the Guarantor as principal debtor in respect of all obligations arising from or in connection with this issue (the "**Substitute Debtor**") provided that:

(a) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes;

Schuldverschreibungen übernimmt;

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|--|---|
| <p>(b) die Nachfolgeschuldnerin alle erforderlichen Genehmigungen erhalten hat und berechtigt ist, an die Hauptzahlstelle die zur Erfüllung der Zahlungsverpflichtungen aus den Schuldverschreibungen zahlbaren Beträge in der festgelegten Währung zu zahlen, ohne verpflichtet zu sein, jeweils in dem Land, in dem die Nachfolgeschuldnerin oder die Emittentin ihren Sitz oder Steuersitz haben, erhobene Steuern oder andere Abgaben jeder Art abzuziehen oder einzubehalten;</p> | <p>(b) the Substitute Debtor has obtained all necessary authorisations and may transfer to the Principal Paying Agent in the currency required and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor or the Issuer has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Notes;</p> |
| <p>(c) die Nachfolgeschuldnerin sich verpflichtet hat, jeden Gläubiger hinsichtlich solcher Steuern, Abgaben oder behördlichen Lasten freizustellen, die einem Gläubiger bezüglich der Ersetzung auferlegt werden;</p> | <p>(c) the Substitute Debtor has agreed to indemnify and hold harmless each Holder against any tax, duty, assessment or governmental charge imposed on such Holder in respect of such substitution;</p> |
| <p>(d) sichergestellt ist, dass sich die Verpflichtungen der Garantin aus der Garantie und der Negativverpflichtung auch auf die Schuldverschreibungen der Nachfolgeschuldnerin erstrecken; und</p> | <p>(d) it is guaranteed that the obligations of the Guarantor from the Guarantee and the Negative Pledge apply also to the Notes of the Substitute Debtor; and</p> |
| <p>(e) die Emittentin eine Bestätigung bezüglich der betroffenen Rechtsordnungen von anerkannten Rechtsanwälten bei einer dafür beauftragten Stelle verfügbar macht, dass die Bestimmungen in den vorstehenden Unterabsätzen (a), (b), (c) und (d) erfüllt wurden.</p> | <p>(e) the Issuer shall have made available at an agent appointed for that purpose one opinion for each jurisdiction affected of lawyers of recognised standing to the effect that subparagraphs (a), (b), (c) and (d) above have been satisfied.</p> |

Für die Zwecke dieses § 10 bedeutet "**verbundenes Unternehmen**" ein verbundenes Unternehmen im Sinne von § 15 Aktiengesetz.

For purposes of this § 10, "**Affiliate**" shall mean any affiliated company (*verbundenes Unternehmen*) within the meaning of § 15 of the German Stock Corporation Act (*Aktiengesetz*).

(2) *Bekanntmachung*. Jede Ersetzung ist gemäß § 13 bekannt zu machen.

(2) *Notice*. Notice of any such substitution shall be published in accordance with § 13.

(3) *Änderung von Bezugnahmen*. Im Fall einer Ersetzung gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin ab dem Zeitpunkt der Ersetzung als Bezugnahme auf die Nachfolgeschuldnerin und jede Bezugnahme auf das Land, in dem die Emittentin ihren Sitz oder Steuersitz hat, gilt ab diesem Zeitpunkt als Bezugnahme auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat. Des Weiteren gilt im Fall einer Ersetzung folgendes:

(3) *Change of References*. In the event of any such substitution, any reference in these Conditions of Issue to the Issuer shall from then on be deemed to refer to the Substitute Debtor and any reference to the country in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Debtor. Furthermore, in the event of such substitution the following shall apply:

In § 7 und § 5 Absatz (2) gilt eine alternative Bezugnahme auf die Niederlande als aufgenommen (zusätzlich zu der Bezugnahme nach Maßgabe des vorstehenden Satzes auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz

In § 7 and § 5(2) an alternative reference to The Netherlands shall be deemed to have been included in addition to the reference according to the preceding sentence to the country of domicile or residence for taxation purposes of the

oder Steuersitz hat).

Die Emittentin ist berechtigt, die Globalurkunde und die Anleihebedingungen ohne Zustimmung der Gläubiger anzupassen, soweit dies erforderlich ist, um die Wirkungen der Ersetzung nachzuvollziehen. Entsprechend angepasste Globalurkunden oder Anleihebedingungen werden bei dem oder für das Clearing System hinterlegt.

Substitute Debtor.

The Issuer is authorised to adapt the Global Note and the Conditions of Issue without the consent of the Holders to the extent necessary to reflect the changes resulting from the substitution. Appropriately adjusted Global Notes or Conditions of Issue will be deposited with or on behalf of the Clearing System.

§ 11

ÄNDERUNG DER ANLEIHEBEDINGUNGEN, GEMEINSAMER VERTRETER

(1) *Änderung der Anleihebedingungen.* Die Gläubiger können entsprechend den Bestimmungen des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (*Schuldverschreibungsgesetz* – "**SchVG**") durch einen Beschluss mit der in Absatz (2) bestimmten Mehrheit über einen im SchVG zugelassenen Gegenstand eine Änderung der Anleihebedingungen mit der Emittentin vereinbaren. Die Mehrheitsbeschlüsse der Gläubiger sind für alle Gläubiger gleichermaßen verbindlich. Ein Mehrheitsbeschluss der Gläubiger, der nicht gleiche Bedingungen für alle Gläubiger vorsieht, ist unwirksam, es sei denn die benachteiligten Gläubiger stimmen ihrer Benachteiligung ausdrücklich zu.

(2) *Mehrheitserfordernisse.* Die Gläubiger entscheiden mit einer Mehrheit von 75 % der an der Abstimmung teilnehmenden Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Anleihebedingungen nicht geändert wird und die keinen Gegenstand der § 5 Absatz (3) Nr. 1 bis Nr. 8 des SchVG betreffen, bedürfen zu ihrer Wirksamkeit einer einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte.

(3) *Abstimmung ohne Versammlung.* Alle Abstimmungen werden ausschließlich im Wege der Abstimmung ohne Versammlung durchgeführt. Eine Gläubigerversammlung und eine Übernahme der Kosten für eine solche Versammlung durch die Emittentin findet ausschließlich im Fall des § 18 Absatz (4)(2) SchVG statt.

(4) *Leitung der Abstimmung.* Die Abstimmung wird von einem von der Emittentin beauftragten Notar oder, falls der gemeinsame Vertreter zur Abstimmung aufgefordert hat, vom gemeinsamen Vertreter geleitet.

(5) *Stimmrecht.* An Abstimmungen der Gläubiger

§ 11

AMENDMENT OF THE CONDITIONS OF ISSUE, HOLDERS' REPRESENTATIVE

(1) *Amendment of the Conditions of Issue.* In accordance with the Act on Debt Securities of 2009 (*Schuldverschreibungsgesetz* – "**SchVG**") the Holders may agree with the Issuer on amendments of the Conditions of Issue with regard to matters permitted by the SchVG by resolution with the majority specified in subparagraph (2). Majority resolutions shall be binding on all Holders. Resolutions which do not provide for identical conditions for all Holders are void, unless Holders who are disadvantaged have expressly consented to their being treated disadvantageously.

(2) *Majority.* Resolutions shall be passed by a majority of not less than 75 % of the votes cast. Resolutions relating to amendments of the Conditions of Issue which are not material and which do not relate to the matters listed in § 5(3) Nos. 1 to 8 of the SchVG require a simple majority of the votes cast.

(3) *Vote without a meeting.* All votes will be taken exclusively by vote taken without a meeting. A meeting of Holders and the assumption of the fees by the Issuer for such a meeting will only take place in the circumstances of § 18(4)(2) of the SchVG.

(4) *Chair of the vote.* The vote will be chaired by a notary appointed by the Issuer or, if the Holders' Representative (as defined below) has convened the vote, by the Holders' Representative.

(5) *Voting rights.* Each Holder participating in any

nimmt jeder Gläubiger nach Maßgabe des Nennwerts oder des rechnerischen Anteils seiner Berechtigung an den ausstehenden Schuldverschreibungen teil.

(6) *Gemeinsamer Vertreter.*

Die Gläubiger können durch Mehrheitsbeschluss zur Wahrnehmung ihrer Rechte einen gemeinsamen Vertreter für alle Gläubiger bestellen.

Der gemeinsame Vertreter hat die Aufgaben und Befugnisse, welche ihm durch Gesetz oder von den Gläubigern durch Mehrheitsbeschluss eingeräumt wurden. Er hat die Weisungen der Gläubiger zu befolgen. Soweit er zur Geltendmachung von Rechten der Gläubiger ermächtigt ist, sind die einzelnen Gläubiger zur selbständigen Geltendmachung dieser Rechte nicht befugt, es sei denn der Mehrheitsbeschluss sieht dies ausdrücklich vor. Über seine Tätigkeit hat der gemeinsame Vertreter den Gläubigern zu berichten. Für die Abberufung und die sonstigen Rechte und Pflichten des gemeinsamen Vertreters gelten die Vorschriften des SchVG.

(7) *In Bezug genommene Bedingungen.* Die Bestimmungen gemäß Annex 2 des Zahlstellenvertrages, der etwa auf den 15. Mai 2017 datiert (Annex 2 einsehbar unter www.bourse.lu), die überwiegend das für Gläubigerversammlungen oder Abstimmungen der Gläubiger ohne Versammlung zu wählende Verfahren betreffen, werden durch Bezugnahme in vollem Umfang Bestandteil dieser Anleihebedingungen.

vote shall cast votes in accordance with the nominal amount or the notional share of its entitlement to the outstanding Notes.

(6) *Holder's Representative.*

The Holders may by majority resolution appoint a common representative (the "**Holder's Representative**") to exercise the Holders' rights on behalf of each Holder.

The Holders' Representative shall have the duties and powers provided by law or granted by majority resolution of the Holders. The Holders' Representative shall comply with the instructions of the Holders. To the extent that the Holders' Representative has been authorised to assert certain rights of the Holders, the Holders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The Holders' Representative shall provide reports to the Holders on its activities. The regulations of the SchVG apply with regard to the recall and the other rights and obligations of the Holders' Representative.

(7) *Referenced Conditions.* The provisions set out in Annex 2 of the Paying Agency Agreement dated on or about 15 May 2017 (Annex 2 on display under www.bourse.lu) containing primarily the procedural provisions regarding resolutions of Holders shall be fully incorporated into the Conditions of Issue.

§ 12

BEBEGUNG WEITERER SCHULDVERSCHREIBUNGEN UND ANKAUF

(1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin ist berechtigt, jederzeit ohne Zustimmung der Gläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (gegebenenfalls mit Ausnahme des Tags der Begebung, des Verzinsungsbeginns und/oder des Ausgabepreises) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.

(2) *Ankauf.* Die Emittentin ist berechtigt, jederzeit Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Schuldverschreibungen können nach Wahl der

§ 12

FURTHER ISSUES AND PURCHASES

(1) *Further Issues.* The Issuer may from time to time, without the consent of the Holders, issue further Notes having the same terms and conditions as the Notes in all respects (or in all respects except for the issue date, interest commencement date and/or issue price) so as to form a single Series with the Notes.

(2) *Purchases.* The Issuer may at any time purchase Notes in the open market or otherwise and at any price. Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or surrendered to the Principal Paying Agent for

Emittentin von ihr gehalten, weiterverkauft oder bei der Hauptzahlstelle zwecks Entwertung eingereicht werden. cancellation.

§ 13 MITTEILUNGEN

(1) *Bekanntmachung.* Alle die Schuldverschreibungen betreffenden Mitteilungen erfolgen durch elektronische Publikation auf der Internetseite der Luxemburger Börse (www.bourse.lu). Jede Mitteilung gilt am dritten Tag nach dem Tag der Veröffentlichung als wirksam erfolgt.

(2) *Mitteilungen an das Clearing System.* Soweit die Regeln der Luxemburger Börse dies zulassen, kann die Emittentin eine Veröffentlichung nach Absatz (1) durch eine Mitteilung an das Clearing System zur Weiterleitung an die Gläubiger ersetzen; jede derartige Mitteilung gilt am siebten Tag nach dem Tag der Mitteilung an das Clearing System als den Gläubigern mitgeteilt.

(3) *Form der Mitteilung.* Mitteilungen, die von einem Gläubiger gemacht werden, müssen schriftlich erfolgen und zusammen mit dem Nachweis seiner Inhaberschaft gemäß § 14 Absatz (4) an die Hauptzahlstelle geleitet werden. Eine solche Mitteilung kann über das Clearing System in der von der Hauptzahlstelle und dem Clearing System dafür vorgesehenen Weise erfolgen.

§ 14 ANWENDBARES RECHT, GERICHTSSTAND UND GERICHTLICHE GELTENDMACHUNG

(1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Gläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach deutschem Recht.

(2) *Gerichtsstand.* Vorbehaltlich eines zwingend vorgeschriebenen Gerichtsstands für bestimmte Verfahren nach dem SchVG, ist der Gerichtsstand für sämtliche im Zusammenhang mit den Schuldverschreibungen entstehenden Klagen oder sonstige Verfahren Frankfurt am Main.

(3) *Bestellung von Zustellungsbevollmächtigten.* Für etwaige Rechtsstreitigkeiten vor deutschen

§ 13 NOTICES

(1) *Publication.* All notices concerning the Notes shall be made by means of electronic publication on the internet website of the Luxembourg Stock Exchange (www.bourse.lu). Any notice so given will be deemed to have been validly given on the third day following the date of such publication.

(2) *Notification to Clearing System* If the Rules of the Luxembourg Stock Exchange so permit, the Issuer may deliver the relevant notice to the Clearing System for communication by the Clearing System to the Holders, in lieu of publication as set forth in paragraph (1) above; any such notice shall be deemed to have been validly given on the seventh day after the day on which the said notice was given to the Clearing System.

(3) *Form of Notice.* Notices to be given by any Holder shall be made by means of a written declaration to be delivered together with an evidence of the Holder's entitlement in accordance with § 14(4) to the Principal Paying Agent. Such notice may be given through the Clearing System in such manner as the Principal Paying Agent and the Clearing System may approve for such purpose.

§ 14 APPLICABLE LAW, PLACE OF JURISDICTION AND ENFORCEMENT

(1) *Applicable Law.* The Notes, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by German law.

(2) *Submission to Jurisdiction.* Subject to any mandatory jurisdiction for specific proceedings under the SchVG, the place of jurisdiction for any action or other legal proceedings arising out of or in connection with the Notes shall be Frankfurt am Main.

(3) *Appointment of Authorised Agent.* For any Proceedings before German courts, the Issuer

Gerichten bestellt die Emittentin die Hella KGaA Hueck & Co., Rixbecker Straße 75, 59552 Lippstadt, Bundesrepublik Deutschland, zu ihrer Zustellungsbevollmächtigten in der Bundesrepublik Deutschland.

appoints Hella KGaA Hueck & Co., Rixbecker Straße 75, 59552 Lippstadt, Federal Republic of Germany as its authorised agent for service of process in the Federal Republic of Germany

(4) *Gerichtliche Geltendmachung.* Jeder Gläubiger von Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage zu schützen oder geltend zu machen: (i) er bringt eine Bescheinigung der Depotbank bei, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) er legt eine Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde vor, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearing Systems oder des Verwahrers des Clearing Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Schuldverschreibungen verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet "**Depotbank**" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrungsgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearing Systems. Unbeschadet des Vorstehenden kann jeder Gläubiger seine Rechte aus den Schuldverschreibungen auch auf jede andere Weise schützen oder geltend machen, die im Land des Rechtsstreits prozessual zulässig ist.

(4) *Enforcement.* Any Holder of Notes may in any proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in his own name his rights arising under such Notes on the basis of (i) a statement issued by the Custodian with whom such Holder maintains a securities account in respect of the Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Note in global form certified as being a true copy by a duly authorised officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the global note representing the Notes. For purposes of the foregoing, "**Custodian**" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce his rights under these Notes also in any other way which is admitted in the country of the Proceedings.

§ 15 SPRACHE

Diese Anleihebedingungen sind in deutscher Sprache abgefasst. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.

§ 15 LANGUAGE

These Conditions of Issue are written in the German language. The German text shall be controlling and binding. The English language translation is provided for convenience only.

GUARANTEE

The German text of this Guarantee is binding. The English translation is for information purposes only.

Die deutsche Version dieser Garantie ist bindend: Die englische Übersetzung dient nur Informationszwecken

GARANTIE	GUARANTEE
der	of
Hella KGaA Hueck & Co. (die " Garantin ")	Hella KGaA Hueck & Co. (the " Guarantor ")
zu Gunsten der Gläubiger der EUR [●] [●]% Schuldverschreibungen fällig 2024 der	for the benefit of the holders of the EUR [●] [●] per cent. Notes due 2024 issued by
Hella Finance International B.V. (die " Emittentin ")	Hella Finance International B.V. (the " Issuer ")
ISIN XS1611167856 (die " Schuldverschreibungen ").	ISIN XS1611167856 (the " Notes ").
1. Definitionen	1. Definitions
Die in dieser Garantie verwendeten und nicht anders definierten Begriffe haben die ihnen in den Anleihebedingungen der Schuldverschreibungen zugewiesene Bedeutung.	Terms used in this Guarantee and not otherwise defined herein shall have the meaning attributed to them in the Conditions of Issue of the Notes.
2. Garantie	2. Guarantee
(a) Die Garantin übernimmt gegenüber jedem Inhaber einer Schuldverschreibung (jeweils ein " Anleihegläubiger ") die unbedingte und unwiderrufliche Garantie für die ordnungsgemäße und pünktliche Zahlung aller nach Maßgabe der Anleihebedingungen von der Emittentin oder einer Nachfolgeschuldnerin auf die Schuldverschreibungen zu zahlenden Beträge. Diese Garantie begründet eine selbständige Verpflichtung der Garantin (keine Bürgschaft), deren Bestand unabhängig von der rechtlichen Beziehung zwischen der Emittentin und den Anleihegläubigern ist, und die insbesondere nicht von der Wirksamkeit oder der Durchsetzbarkeit der Ansprüche gegen die Emittentin aus den Schuldverschreibungen abhängt.	(a) The Guarantor unconditionally and irrevocably assumes towards each holder of a Note (each a " Noteholder "), the unconditional and irrevocable guarantee for the due and punctual payment of any amounts payable by the Issuer or any Substitute Debtor in respect of the Notes pursuant to the Terms and Conditions. This Guarantee constitutes an independent obligation of the Guarantor, which is independent from the legal relationship between the Issuer and the Noteholders, and which is in particular independent from the validity or the enforceability of the claims against the Issuer under the Notes.
(b) Diese Garantie begründet unmittelbare,	(b) This Guarantee constitutes direct,

unbedingte und nicht nachrangige, jedoch ausschließlich aus dem Gesellschaftsvermögen der Garantin zu begleichende und auf das Gesellschaftsvermögen der Garantin beschränkte Verbindlichkeiten der Garantin, die mindestens im gleichen Rang mit allen anderen gegenwärtigen und zukünftigen nicht nachrangigen und nicht besicherten Verbindlichkeiten der Garantin stehen mit Ausnahme von Verbindlichkeiten, die nach geltenden Rechtsvorschriften vorrangig sind. Zugleich mit der Erfüllung einer Zahlungsverpflichtung der Garantin zugunsten eines Anleihegläubigers aus der Garantie erlischt das jeweilige garantierte Recht eines Anleihegläubigers aus den Anleihebedingungen.

3. Negativverpflichtung

Die Garantin verpflichtet sich gegenüber jedem Gläubiger und wird sicherstellen, dass sich jede ihrer Wesentlichen Tochtergesellschaften gegenüber jedem Gläubiger verpflichtet, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Hauptzahlstelle zur Verfügung gestellt worden sind, keine Sicherungsrechte in Bezug auf ihr gesamtes derzeitiges oder zukünftiges Geschäft, Unternehmen, ihre Umsätze oder ihr Vermögen oder Teile davon zur Sicherung von anderen Kapitalmarktverbindlichkeiten zu gewähren oder diesbezügliche Garantien oder Freistellungsansprüche zu besichern, ohne gleichzeitig oder vor der Bestellung des Sicherungsrechts die Gläubiger gleichrangig (in gleicher Weise und anteilig) an einem solchen Sicherungsrecht zu beteiligen oder ihnen ein gleichwertiges Sicherungsrecht zu gewähren; diese Verpflichtung gilt jedoch nicht für zum Zeitpunkt des Erwerbs von Vermögenswerten durch die Garantin bereits an solchen Vermögenswerten bestehende Sicherungsrechte, soweit solche Sicherungsrechte nicht im Zusammenhang mit dem Erwerb oder in Erwartung des Erwerbs des jeweiligen Vermögenswerts bestellt wurden und der durch das Sicherungsrecht besicherte Betrag nicht aufgrund oder nach Erwerb des betreffenden Vermögenswertes erhöht wird.

unconditional and unsubordinated obligations of the Guarantor the fulfilment of which is restricted to and may only be claimed out of the corporate assets of the Guarantor ranking at least *pari passu* with all other unsubordinated obligations of the respective Guarantor, present and future save for such obligations which may be preferred by applicable law. Upon discharge of any payment obligation of the Guarantor subsisting under the Guarantee in favour of any Noteholder, the relevant guaranteed right of such Noteholder under the Terms and Conditions will cease to exist.

3. Negative Pledge

The Guarantor undertakes towards each Noteholder and will ensure that each of its Material Subsidiaries will undertake towards each Noteholder, so long as any of the Notes are outstanding, but only up to the time all amounts of principal and interest have been placed at the disposal of the Principal Paying Agent, not to provide any Security Interest over the whole or any part of its present or future business, undertaking, revenues or assets to secure any Capital Market Indebtedness or to secure any guarantee or indemnity in respect thereof without at the same time or prior to the creation of the Security Interest letting the Holders share *pari passu* (equally and rateably) in such Security Interest or giving to the Holders an equivalent Security Interest, provided, however, that this undertaking shall not apply with respect to any Security Interest existing on assets at the time of the acquisition thereof by the Issuer, provided that such Security Interest was not created in connection with or in contemplation of such acquisition and that the amount secured by such Security Interest is not increased in contemplation of or since the acquisition of the relevant asset.

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| <p>4. Keine persönlichen Haftung der Komplementäre</p> <p>Durch diese Garantie wird kein Anspruch gegen die Komplementäre der Garantin begründet. Die Komplementäre der Garantin haften den Anleihegläubigern nicht persönlich für die Verbindlichkeiten aus dieser Garantie oder den Schuldverschreibungen, einschließlich der Negativverpflichtung.</p> | <p>4. No Personal Liability of the General Partners</p> <p>This Guarantee does not constitute any claim against the general partners of the Guarantor. The general partners of the Guarantor are not personally liable towards the Noteholders for the obligations under this Guarantee and the Notes including the Negative Pledge.</p> |
| <p>5. Steuern</p> <p>(a) § 7 der Anleihebedingungen gilt entsprechend.</p> <p>(b) Falls die Garantin ihren satzungsmäßigen Sitz oder ihren Verwaltungssitz in ein anderes Land als die Bundesrepublik Deutschland verlegt oder auf eine Gesellschaft verschmolzen wird, die ihren satzungsmäßigen Sitz oder ihren Verwaltungssitz in einem solchen anderen Land hat, gilt § 7 der Anleihebedingungen auch für Quellensteuern, die durch oder für dieses andere Land oder eine dort zur Steuererhebung ermächtigte Stelle auferlegt oder erhoben werden.</p> <p>(c) Soweit in dieser Garantie von Zinsen und Kapital die Rede ist, sind damit auch die gemäß dieser Ziffer 5 sowie § 7 der Anleihebedingungen zu zahlenden Zusätzlichen Beträge gemeint.</p> | <p>5. Taxes</p> <p>(a) § 7 of the Conditions of Issue shall apply accordingly.</p> <p>(b) In the event that the Guarantor moves its domicile or residence or is merged into a company with domicile or residence in a country other than the Federal Republic of Germany, the provisions of § 7 of the Conditions of Issue shall apply also to taxes imposed or levied by or behalf of such other country or any taxing authority therein.</p> <p>(c) Any reference in this Guarantee to interest and principal shall be deemed also to refer to any Additional Amounts which may be payable under this Clause 5 and § 7 of the Conditions of Issue.</p> |
| <p>6. Diese Garantie und alle darin enthaltenen Vereinbarungen stellen einen Vertrag zugunsten der jeweiligen Anleihegläubiger als begünstigte Dritte gemäß § 328 Absatz 1 Bürgerliches Gesetzbuch (BGB) dar. Sie begründen das Recht eines jeden Anleihegläubigers, die Erfüllung der hierin eingegangenen Verpflichtungen unmittelbar von der Garantin zu fordern und diese Verpflichtungen unmittelbar gegenüber der Garantin durchzusetzen. Anleihegläubiger, die Verpflichtungen gegenüber der Garantin durchsetzen wollen, haben die Garantin von dieser Durchsetzung zu informieren (diese Information ist die "Vollstreckungsanzeige")</p> | <p>6. This Guarantee and all undertakings contained herein constitute a contract for the benefit of the Noteholders from time to time as third party beneficiaries pursuant to § 328(1) of the German Civil Code (<i>Bürgerliches Gesetzbuch – BGB</i>). They give rise to the right of each such Noteholder to require performance of the obligations undertaken herein directly from the Guarantor, and to enforce such obligations directly against the Guarantor. Noteholders who want to enforce obligations have to notify the Guarantor of such enforcement (such notification the "Enforcement Notice").</p> |
| <p>7. Verschiedene Bestimmungen</p> <p>(a) Diese Garantie unterliegt deutschem Recht.</p> | <p>7. Miscellaneous Provisions</p> <p>(a) This Guarantee shall be governed by, and construed in accordance with, German</p> |

- law.
- (b) Erfüllungsort ist Frankfurt am Main, Bundesrepublik Deutschland. (b) Place of performance shall be Frankfurt am Main, Federal Republic of Germany.
- (c) Nicht ausschließlich zuständig für sämtliche im Zusammenhang mit der Garantie entstehenden Klagen oder sonstige Verfahren ist das Landgericht Frankfurt am Main, Bundesrepublik Deutschland. (c) The District Court (*Landgericht*) in Frankfurt am Main, Federal Republic of Germany, shall have nonexclusive jurisdiction for any action or other legal proceedings arising out of or in connection with the Guarantee.
- (d) Jeder Anleihegläubiger kann in jedem Rechtsstreit gegen die Garantin und in jedem Rechtsstreit, in dem er und die Garantin Partei sind, seine Rechte aus dieser Garantie auf der Grundlage einer von einer vertretungsberechtigten Person der Deutsche Bank Aktiengesellschaft beglaubigten Kopie dieser Garantie ohne Vorlage des Originals im eigenen Namen wahrnehmen und durchsetzen. (d) On the basis of a copy of this Guarantee certified as being a true copy by a duly authorised officer of Deutsche Bank Aktiengesellschaft, each Noteholder may protect and enforce in its own name its rights arising under this Guarantee in any legal proceedings against the Guarantor or to which such Noteholder and the Guarantor are parties, without the need for presentation of this Guarantee in such proceedings.
- (e) Die Deutsche Bank Aktiengesellschaft verpflichtet sich, das Original dieser Garantie bis zur Erfüllung sämtlicher Verpflichtungen aus den Schuldverschreibungen und dieser Garantie zu verwahren. (e) Deutsche Bank Aktiengesellschaft agrees to hold the original copy of this Guarantee in custody until all obligations under the Notes and this Guarantee have been fulfilled.
- (f) Die Deutsche Bank Aktiengesellschaft, mit der die hierin enthaltenen Vereinbarungen getroffen werden, handelt als Hauptzahlungsstelle nicht als Beauftragte, Treuhänderin oder in einer ähnlichen Eigenschaft für die Anleihegläubiger. (f) Deutsche Bank Aktiengesellschaft, which accepted this Guarantee, in its capacity as Principal Paying Agent does not act in a relationship of agency or trust, a fiduciary or in any other similar capacity for the Noteholders.
8. Für Änderungen der Bedingungen der Garantie durch Beschluss der Anleihegläubiger mit Zustimmung der Garantin gilt § 14 der Anleihebedingungen entsprechend. 8. In relation to amendments of the terms of the Guarantee by resolution of the Noteholders with the consent of the Guarantor, § 14 of the Terms and Conditions applies *mutatis mutandis*.
9. Die deutsche Version dieser Garantie ist bindend. Die englische Übersetzung dient nur Informationszwecken. 9. The German text of this Guarantee is binding. The English translation is for information purposes only.

Lippstadt, 17. Mai 2017

Hella KGaA Hueck & Co.

Durch:

Lippstadt, 17 May 2017

Hella KGaA Hueck & Co.

By:

Wir nehmen die Bedingungen der vorstehenden

We accept the terms of the above Guarantee on

Garantie im Namen der Anleihegläubiger ohne
Obligo, Gewährleistung oder Haftung an.

behalf of the Noteholders without recourse,
warranty or liability.

Frankfurt am Main, 17. Mai 2017

Frankfurt am Main, 17 May 2017

Deutsche Bank Aktiengesellschaft

Deutsche Bank Aktiengesellschaft

Durch:

By:

DESCRIPTION OF RULES REGARDING RESOLUTIONS OF HOLDERS

The Conditions of Issue pertaining to the Notes provide that the Holders may agree to amendments or decide on other matters relating to the Notes by way of resolution to be passed by taking votes without a meeting. Any such resolution duly adopted by resolution of the Holders shall be binding on each Holder of the respective issue of Notes, irrespective of whether such Holder took part in the vote and whether such Holder voted in favour or against such resolution.

In addition to the provisions included in the Conditions of Issue of the Notes, the rules regarding resolutions of Holders are substantially set out in an Annex to the Paying Agency Agreement (as defined in "*GENERAL INFORMATION / INCORPORATION BY REFERENCE*") in the German language together with an English translation which Annex is incorporated into the Conditions of Issue by reference. The Conditions of Issue of the Notes fully refer to the rules pertaining to resolutions of Holders in the form of such Annex to the Paying Agency Agreement. Under the SchVG, these rules are largely mandatory, although they permit in limited circumstances supplementary provisions set out in or incorporated into the Conditions of Issue.

The following is a brief description of some of the statutory rules regarding the taking of votes without meetings and the convening and conduct of meetings of Holders, the passing and publication of resolutions as well as their implementation and challenge before German courts.

Specific rules regarding votes without meeting

The voting shall be conducted by the person presiding over the taking of votes. Such person shall be (i) a notary public appointed by the Issuer, (ii) where a common representative of the Holders (the "**Holders' Representative**") has been appointed, the Holders' Representative if the vote was solicited by the Holders' Representative, or (iii) a person appointed by the competent court.

The notice soliciting the Holders' votes shall set out the period within which votes may be cast. During such voting period, the Holders may cast their votes to the person presiding over the taking of votes. Such notice shall also set out in detail the conditions to be met for the votes to be valid.

The person presiding over the taking of votes shall ascertain each Holder's entitlement to cast a vote based on evidence provided by such Holder and shall prepare a list of the Holders entitled to vote. If it is established that no quorum exists, the person presiding over the taking of votes may convene a meeting of the Holders. Within one year following the end of the voting period, each Holder participating in the vote may request a copy of the minutes of such vote and any annexes thereto from the Issuer.

Each Holder participating in the vote may object in writing to the result of the vote within two weeks following the publication of the resolutions passed. The objection shall be decided upon by the person presiding over the taking of votes. If he remedies the objection, the person presiding over the taking of votes shall promptly publish the result. If the person presiding over the taking of votes does not remedy the objection, he shall promptly inform the objecting Holder in writing.

The Issuer shall bear the costs of the vote and, if the court has convened a meeting, also the costs of such proceedings.

Rules regarding holders' meetings applicable to votes without meeting

In addition, the statutory rules applicable to the convening and conduct of Holders' meetings will apply *mutatis mutandis* to any vote without a meeting. The following summarises some of such rules.

Meetings of Holders may be convened by the Issuer or the Holders' Representative, if any. Meetings of Holders must be convened if one or more Holders holding five per cent. or more of the outstanding notes so require for specified reasons permitted by statute.

Meetings may be convened not less than 14 days prior to the date of the meeting. Attendance and exercise of voting rights at the meeting may be made subject to prior registration of Holders. The convening notice will provide what proof will be required for attendance and voting at the meeting. The place of the meeting in respect of a German issuer is the place of the issuer's registered office, provided, however, that where the notes are listed on a stock exchange within the European Union or the European Economic Area, the meeting may be held at the place of such stock exchange.

The convening notice shall be made publicly available together with the agenda of the meeting setting out the proposals for resolution.

Each Holder may be represented by proxy. A quorum exists if Holders' representing by value not less than 50 % of the outstanding Notes. If the quorum is not reached, a second meeting may be called at which no quorum will be required, provided that where a resolution may only be adopted by a qualified majority, a quorum requires the presence of at least 25 % of the aggregate principal amount of outstanding Notes.

All resolutions adopted must be properly published. In the case of notes represented by one or more global notes, resolutions which amend or supplement the Conditions of Issue have to be implemented by supplementing or amending the relevant global note(s).

In insolvency proceedings instituted in Germany against an issuer, a Holders' Representative, if appointed, is obliged and exclusively entitled to assert the Holders' rights under the notes. Any resolutions passed by the Holders are subject to the provisions of the German Insolvency Code (*Insolvenzordnung*).

If a resolution constitutes a breach of the statute or the Conditions of Issue, Holders may bring an action to set aside such resolution. Such action must be filed with the competent court within one month following the publication of the resolution.

TAXATION

The following is a general discussion of certain Dutch, German, Luxembourg and Austrian tax consequences of the acquisition and ownership of the Notes. This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase the Notes. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This summary is based on the laws of the Netherlands, Germany, Luxembourg and Austria currently in force and as applied on the date of this Prospectus. These laws are subject to change, possibly with retroactive or retrospective effect.

PROSPECTIVE PURCHASERS OF NOTES ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF NOTES, INCLUDING THE EFFECT OF ANY STATE OR LOCAL TAXES, UNDER THE TAX LAWS OF GERMANY AND EACH COUNTRY OF WHICH THEY ARE RESIDENTS.

The Netherlands

Introduction

For the purposes of this section, "the Netherlands" shall mean that part of the Kingdom of the Netherlands that is in Europe.

Scope

Regardless of whether or not a holder of Notes is, or is treated as being, a resident of the Netherlands, with the exception of the section on withholding tax below, this summary does not address the Dutch tax consequences for such a holder:

- i. having a substantial interest (*aanmerkelijk belang*) in the Issuer (such a substantial interest is generally present if an equity stake of at least 5 %, or a right to acquire such a stake, is held, in each case by reference to the Issuer's total issued share capital, or the issued capital of a certain class of shares);
- ii. who is a private individual and who may be taxed in box 1 for the purposes of Dutch income tax (*inkomstenbelasting*) as an entrepreneur (*ondernemer*) having an enterprise (*onderneming*) to which the Notes are attributable, or who may otherwise be taxed in box 1 with respect to benefits derived from the Notes;
- iii. which is a corporate entity and a taxpayer for the purposes of Dutch corporate income tax (*vennootschapsbelasting*), having a participation (*deelneming*) in the Issuer (such a participation is generally present in the case of an interest of at least 5% of the Issuer's nominal paid-in capital);
- iv. which is a corporate entity and an exempt investment institution (*vrijgestelde beleggingsinstelling*) or investment institution (*beleggingsinstelling*) for the purposes of Dutch corporate income tax, a pension fund, or otherwise not a taxpayer or exempt for tax purposes;
- v. which is a corporate entity and a resident of Aruba, Curaçao or Sint Maarten; or
- vi. which is not considered the beneficial owner (*uiteindelijk gerechtigde*) of the Notes and/or the benefits derived from the Notes.

This summary does not describe the Dutch tax consequences for a person to whom the Notes are attributed on the basis of the separated private assets provisions (*afgezonderd particulier vermogen*) in the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) and/or the Dutch Gift and Inheritance Tax Act 1956 (*Successiewet 1956*).

Withholding tax

All payments made by the Issuer under the Notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

Income tax*Resident holders*

A holder who is a private individual and a resident, or treated as being a resident of the Netherlands for the purposes of Dutch income tax, must record Notes as assets that are held in box 3. Taxable income with regard to the Notes is then determined on the basis of a certain deemed return on the holder's yield basis (*rendementsgrondslag*) at the beginning of the calendar year insofar the yield basis exceeds a € 25,000 threshold (*heffingvrij vermogen*), rather than on the basis of income actually received or gains actually realised. Such yield basis is determined as the fair market value of certain qualifying assets held by the holder of the Notes, less the fair market value of certain qualifying liabilities at the beginning of the calendar year. The fair market value of the Notes will be included as an asset in the holder's yield basis. The holder's yield basis is allocated to up to three brackets for which different deemed returns apply. The first bracket includes amounts up to and including € 75,000, which amount will be split into a 67 % low-return part and a 33 % high-return part. The second bracket includes amounts in excess of € 75,000 and up to and including € 975,000, which amount will be split into a 21 % low-return part and a 79% high-return part. The third bracket includes amounts in excess of € 975,000, which will be considered high-return in full. For 2017, the deemed return on the low-return parts is 1.63 % and on the high-return parts is 5.39 %. The deemed return percentages will be reassessed every year. The deemed return on the holder's yield basis is taxed at a rate of 30 %.

Non-resident holders

A holder who is a private individual and neither a resident, nor treated as being a resident, of the Netherlands for the purposes of Dutch income tax, will not be subject to such tax in respect of benefits derived from the Notes, unless such holder is entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise which is effectively managed in the Netherlands, to which enterprise the Notes are attributable.

Corporate income tax*Resident holders*

A holder which is a corporate entity and, for the purposes of Dutch corporate income tax, a resident, or treated as being a resident, of the Netherlands, is taxed in respect of benefits derived from the Notes at rates of up to 25 %.

Non-resident holders

A holder which is a corporate entity and, for the purposes of Dutch corporate income tax, is neither a resident, nor treated as being a resident, of the Netherlands, will not be subject to corporate income tax, unless such holder has an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands, a Dutch enterprise (*Nederlandse onderneming*), to which Dutch enterprise the Notes are attributable, or such holder is (other than by way of securities) entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Notes are attributable. Such holder is taxed in respect of benefits derived from the Notes at rates of up to 25 %.

Gift and inheritance tax

Resident holders

Dutch gift tax or inheritance tax (*schenk- of erfbelasting*) will arise in respect of an acquisition (or deemed acquisition) of Notes by way of a gift by, or on the death of, a holder of Notes who is a resident, or treated as being a resident, of the Netherlands for the purposes of Dutch gift and inheritance tax.

Non-resident holders

No Dutch gift tax or inheritance tax will arise in respect of an acquisition (or deemed acquisition) of Notes by way of a gift by, or on the death of, a holder of Notes who is neither a resident, nor treated as being a resident, of the Netherlands for the purposes of Dutch gift and inheritance tax.

Other taxes

No Dutch turnover tax (*omzetbelasting*) will arise in respect of any payment in consideration for the issue of Notes, with respect to any cash settlement of Notes or with respect to the delivery of Notes. Furthermore, no Dutch registration tax, capital tax, transfer tax or stamp duty (nor any other similar tax or duty) will be payable in connection with the issue or acquisition of the Notes.

Residency

A holder will not become a resident, or a deemed resident, of the Netherlands for Dutch tax purposes by reason only of holding the Notes.

Federal Republic of Germany

Income tax

Notes held by tax residents as private assets

- Taxation of interest

Payments of interest on the Notes to Holders who are tax residents of the Federal Republic of Germany (*i.e.*, persons whose residence or habitual abode is located in the Federal Republic of Germany) are subject to German income tax. In each case where German income tax arises, a solidarity surcharge (*Solidaritätszuschlag*) is levied in addition. Furthermore, church tax may be levied, where applicable. If coupons or interest claims are disposed of separately (*i.e.* without the Notes), the proceeds from the disposition are subject to income tax. The same applies to proceeds from the redemption of coupons or interest claims if the Note is disposed of separately.

On payments of interest on the Notes to individual tax residents of the Federal Republic of Germany income tax is generally levied as a flat income tax at a rate of 25% (plus solidarity surcharge in an amount of 5.5% of such tax, resulting in a total tax charge of 26.375%, plus, if applicable, church tax). The church tax is generally levied by way of withholding unless the Holder has filed a blocking notice (*Sperrvermerk*) with the German Federal Tax Office (*Bundeszentralamt für Steuern*). The total investment income of an individual will be decreased by a lump sum deduction (*Sparer-Pauschbetrag*) of € 801 (€ 1,602 for married couples filing jointly), not by a deduction of expenses actually incurred.

If the Notes are held in a custodial account which the Holder maintains with a German branch of a German or non-German bank or financial services institution or with a securities trading business or bank in the Federal Republic of Germany (the "**Disbursing Agent**") the flat income tax will be levied by way of withholding at the aforementioned rate from the gross interest payment to be made by the Disbursing Agent.

In general, no withholding tax will be levied if the Holder is an individual (i) whose Note does not form part of the property of a trade or business and (ii) who filed a withholding exemption certificate

(*Freistellungsauftrag*) with the Disbursing Agent but only to the extent the interest income derived from the Note together with other investment income does not exceed the maximum exemption amount shown on the withholding exemption certificate. Similarly, no withholding tax will be deducted if the Holder has submitted to the Disbursing Agent a certificate of non-assessment (*Nichtveranlagungs-Bescheinigung*) issued by the relevant local tax office.

If no Disbursing Agent (as defined above) is involved in the payment process the Holder will have to include its income on the Notes in its tax return and the flat income tax of 25% plus solidarity surcharge and, if applicable, church tax will be collected by way of assessment.

Payment of the flat income tax will generally satisfy any income tax liability (including solidarity surcharge and, if applicable, church tax) of the Holder in respect of such investment income. Holders may apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25%. In this case as well income-related expenses cannot be deducted from the investment income, except for the aforementioned annual lump sum deduction.

- Taxation of capital gains

Also capital gains realized by individual tax residents of the Federal Republic of Germany from the disposition or redemption of the Notes will be subject to the flat income tax on investment income at a rate of 25% (plus solidarity surcharge in an amount of 5.5% of such tax, resulting in a total tax charge of 26.375%, plus, if applicable, church tax), irrespective of any holding period. The separation (e.g. by first-time assignment) of a coupon or interest claim from the Note is treated as a disposition of the Note. Church tax is generally levied by way of withholding unless the Holder has filed a blocking notice with the German Federal Tax Office. This will also apply to Notes on which the principal is effectively repaid in whole or in part although the repayment was not guaranteed.

If the Notes are held in a custodial account which the Holder maintains with a Disbursing Agent (as defined above) the flat income tax will be levied by way of withholding from the difference between the redemption amount (or the proceeds from the disposition) and the issue price (or the purchase price) of the Notes. If the Notes have been transferred into the custodial account of the Disbursing Agent only after their acquisition, and no evidence on the acquisition data has been provided to the new Disbursing Agent by the Disbursing Agent which previously kept the Notes in its custodial account, withholding tax will be levied on 30% of the proceeds from the disposition or redemption of the Notes.

If no Disbursing Agent is involved in the payment process the Holder will have to include capital gains from the disposition or redemption of the Notes in its tax return and the flat income tax of 25% plus solidarity surcharge and, if applicable, church tax will be collected by way of assessment.

Payment of the flat income tax will generally satisfy any income tax liability (including solidarity surcharge and, if applicable, church tax) of the Holder in respect of such investment income. Holders may apply for a tax assessment on the basis of general rules applicable to them if the resulting income tax burden is lower than 25%. In this case as well income-related expenses cannot be deducted from the investment income, except for the aforementioned annual lump sum deduction.

Notes held by tax residents as business assets

Payments of interest on Notes and capital gains from the disposition or redemption of Notes held as business assets by German tax resident individuals or corporations (including via a partnership, as the case may be), are generally subject to German income tax or corporate income tax (in each case plus solidarity surcharge and, if applicable, church tax). The interest and capital gain will also be subject to trade tax if the Notes form part of the property of a German trade or business.

If the Notes are held in a custodial account which the Holder maintains with a Disbursing Agent (as defined above) tax at a rate of 25% (plus a solidarity surcharge of 5.5% of such tax and, if applicable, church tax) will also be withheld from interest payments on Notes and generally also from capital gains from the disposition or redemption of Notes held as business assets. In these cases the withholding tax does not satisfy the income tax liability of the Holder, as in the case of the flat income tax, but will be credited as advance payment against the personal income or corporate income tax liability and the

solidarity surcharge (and, if applicable, against the church tax) of the Holder.

With regard to capital gains no withholding will generally be required in the case of Notes held by corporations resident in Germany, provided that in the case of corporations of certain legal forms the status of corporation has been evidenced by a certificate of the competent tax office, and upon application in the case of Notes held by individuals or partnerships as business assets.

Notes held by non-residents

Interest and capital gains are not subject to German taxation in the case of non-residents, *i.e.* persons having neither their residence nor their habitual abode nor legal domicile nor place of effective management in the Federal Republic of Germany, unless the Notes form part of the business property of a permanent establishment maintained in the Federal Republic of Germany. Interest may, however, also be subject to German income tax if it otherwise constitutes income taxable in Germany, such as income from the letting and leasing of certain German-situs property or income from certain capital investments directly or indirectly secured by German situs real estate.

Non-residents of the Federal Republic of Germany are in general exempt from German withholding tax on interest and capital gains and from solidarity surcharge thereon. However, if the interest or capital gain is subject to German taxation as set forth in the preceding paragraph and the Notes are held in a custodial account with a Disbursing Agent (as defined above), withholding tax will be levied as explained above at "Notes held by tax residents as business assets" or at "Notes held by tax residents as private assets", respectively.

Inheritance and gift tax

No inheritance or gift taxes with respect to any Note will generally arise under the laws of the Federal Republic of Germany, if, in the case of inheritance tax, neither the decedent nor the beneficiary, or, in the case of gift tax, neither the donor nor the donee, is a resident of the Federal Republic of Germany and such Note is not attributable to a German trade or business for which a permanent establishment is maintained, or a permanent representative has been appointed, in the Federal Republic of Germany. Exceptions from this rule apply to certain German citizens who previously maintained a residence in the Federal Republic of Germany.

Other taxes

No stamp, issue, registration or similar taxes or duties will be payable in the Federal Republic of Germany in connection with the issuance, delivery or execution of the Notes. Currently, net assets tax (*Vermögensteuer*) is not levied in the Federal Republic of Germany.

Luxembourg

Non-residents

Under the existing laws of Luxembourg there is no withholding tax on the payment of interest on, or reimbursement of principal of, the Notes made to non-residents of Luxembourg through a paying agent established in Luxembourg.

However, the exchange of information rules and requirements provided for by the Luxembourg law of 18 December 2015 on the automatic exchange of financial account information in the field of taxation apply.

Residents

According to the law of 23 December 2005, as amended, interest on Notes paid by a Luxembourg paying agent or paying agents established in the EU or in the EEA to an individual Holder of Notes who is a resident of Luxembourg will be subject to a withholding tax of 20 %. In case of payment through a paying agent established in the EU or in the EEA, the Luxembourg resident individual Holder of Notes must under a specific procedure remit 20 % tax to the Luxembourg Treasury.

If the individual Holder holds the Notes in the course of the management of his or her private wealth, the aforementioned 20% withholding tax will operate a full discharge of income tax due on such payments.

Interest on Notes paid by a Luxembourg paying agent to a resident Holder of Notes who is not an individual is not subject to withholding tax.

When used in the preceding paragraphs "*interest*", "*paying agent*" and "*residual entity*" have the meaning given thereto in the Luxembourg law of 23 December 2005, as amended. "*Interest*" will include accrued or capitalized interest at the sale, repayment or redemption of the Notes. Payments of interest or similar income under the Notes to Clearstream Banking AG, Clearstream Banking, société anonyme and Euroclear Bank SA/NV and payments by or on behalf of Clearstream Banking, société anonyme to financial intermediaries will not give rise to a withholding tax under Luxembourg law.

Republic of Austria

Income tax

Austrian resident taxpayers

Individuals having a domicile or their habitual abode in Austria or corporations having their corporate seat or their place of management in Austria are considered residents for Austrian income and corporate income tax law purposes, respectively.

Individual residents

- Notes held as private assets

Generally income arising with respect to the Notes in the form of either

- (i) fixed or floating interest payments (*Zinserträge*) or
- (ii) realized capital gains (*Einkünfte aus realisierten Wertsteigerungen*)

qualifies as "investment income" (*Einkünfte aus Kapitalvermögen*) and, as such, is taxed under a special regime at a flat rate of 27.5% if the Notes are publicly offered. Realized capital gains are the difference between (a) the amount realized (e.g., the sale proceeds, the redemption or other pay-off amount, or the fair market value in case of a deemed realization) and (b) the acquisition costs; in each case including accrued interest, if any.

For Notes held as private assets, the acquisition costs shall not include ancillary acquisition costs (*Anschaffungsnebenkosten*). An average price is determined regarding Notes not acquired at the same time, but held in the same securities account and having the same securities identification number. Expenses and costs (*Aufwendungen und Ausgaben*) that are directly connected with investment income are not tax effective.

If an Austrian custodian (*inländische depotführende Stelle*) or an Austrian paying agent (*auszahlende Stelle*) is involved in paying investment income (interest or capital gains), 27.5 % withholding tax is imposed. The Austrian custodian or paying agent has the responsibility to deduct and pay the withholding tax to the respective tax office.

If no withholding tax is imposed (e.g., because the Notes are held through a foreign paying agent), the investment income arising from the Notes generally has to be included in the income tax return in accordance with the Austrian Income Tax Act and will be subject to the special flat tax rate of 27.5 %.

The 27.5 % taxation generally results in a final taxation (*Endbesteuerung*) for income tax, both in case of the imposition of a withholding tax and in case of a tax assessment, *i.e.*, the flat income tax will generally satisfy the income tax liability on the investment income; an option to assess the income at the progressive income tax rate exists (in particular for investors whose regular personal income tax rate is lower than 27.5 %).

Income from Notes which are not legally or actually publicly offered within the meaning of the Austrian Income Tax Act would not be subject to withholding tax and final taxation but subject to normal progressive personal income tax rates of up to 50 % (for income up to EUR 1 million p.a.) and 55 % (as far as the income exceeds EUR 1 million p.a.).

Capital gains are not only taxed upon an actual disposition or redemption of the Notes, but also upon a deemed realization.

- A deemed realization takes place due to a restriction of the Austrian taxing right on the Notes (e.g. move abroad, donation to a non-resident, etc.). If the Notes are held in an Austrian securities account, the Austrian withholding agent (custodian or paying agent) has to impose the withholding tax and such withholding tax needs to be deducted only upon an actual disposition of the Notes or withdrawal from the account. If the Holder has timely notified the Austrian withholding agent of the restriction of the Austrian taxing right on the Notes (e.g. his or her relocation to another country), not more than the value increase of the Notes until such notification is subject to Austrian withholding tax. An exemption of withholding tax applies in case of a notified moving to another Member State of the European Economic Area if the Holder presents to the Austrian withholding agent a tax assessment notice of the year of migration in which the option for a deferral of tax has been exercised.
- A deemed realization also takes place upon withdrawals (*Entnahmen*) from an Austrian securities account and other transfers of Notes from one Austrian securities account to another one. Exemptions apply in this case for a transfer of the Notes to another deposit account, if certain information procedures are fulfilled and no restriction of the Austrian taxing right occurs (e.g., no donation to a non-resident).

Losses from Notes held as private assets may only be offset with other investment income subject to the flat tax rate (excluding, *inter alia*, interest income from bank deposits and other claims against banks) and must not offset with any other income. Mandatory loss-offsetting rules to be handled by Austrian custodians apply. A carry-forward of losses is not possible in this context.

- Notes held as business assets

Generally, the same rules as described under the previous heading apply regarding Notes that are held as business assets by tax residents who are individuals. The most important differences are the following (which are, apart from the last bullet point, only relevant for the assessment of the investor):

- Realized capital gains, contrary to interest income, have to be included in the annual tax return, since despite a 27.5 % withholding taxation that is also imposed in the context of Notes held as business assets if an Austrian custodian is involved, no final taxation for income tax applies.
- Write-downs and realized losses derived from the sale or redemption of the Notes held as business assets may be offset with positive income from realized capital gains that are investment income in the first place; 55 % of the remaining losses may be offset against other income or carried forward.
- The acquisition costs of Notes held as business assets may also include ancillary costs incurred upon the acquisition.
- Loss off-setting is not made by the custodian, but can only be made in the assessment of the individual.

It is noted that expenses and costs (*Aufwendungen und Ausgaben*) directly connected with investment income are also not tax effective if the Notes are held as business assets.

Corporate residents

Corporate investors deriving business income from the Notes may avoid the application of withholding tax by filing a declaration of exemption (*Befreiungserklärung*) with the Austrian withholding tax agent, who must forward a copy thereof to the tax office. Income derived from the Notes by corporate investors (including any capital gains) is subject to corporate income tax at the general corporate income tax rate of 25 %. Any Austrian withholding tax levied is credited as prepayment against the Austrian corporate income tax amount in the tax assessment of the corporate investor.

A special tax regime applies for private foundations (*Privatstiftungen*).

Notes held by non-residents

Non-resident investors, *i.e.*, individuals who have neither a domicile nor their habitual abode in Austria and corporations that have neither their corporate seat nor their place of management in Austria ("*non-residents*") are not taxable in Austria with regard to their income from the Notes, provided the income is not attributable to a permanent establishment of the investor in Austria.

According to a recent law amendment as of 1 January 2017 the taxation of interest income from the Notes was extended to all non-resident individuals (with the exception of persons resident in a country which takes part in the automatic information exchange). However, no such taxation of interest income applies to the Notes at hand in the case of non-resident investors, if the issuer – being not a bank – has neither its seat nor its place of management in Austria and under the condition that the issuer does not have a branch in Austria which is involved in the issuance of the Notes. The exemption of withholding tax requires (among others) a proof of the investor's non-residence (including certificate of residence of the investor). In case of any tax withheld a refund is possible to the non-resident investors upon application which has to be filed with the competent Austrian tax office.

Accrued interest in case of a sale or other disposition of the Notes (including the difference between the sales price and the acquisition cost in case of zero-coupon-bonds) is regarded as interest income subject to non-resident taxation if the debtor of the accrued interest (the acquirer of the Notes) has its seat, domicile or its place of management in Austria or is the branch of a foreign bank, and the sales transaction, in the course of which the accrued interest is paid, is handled by an Austrian paying agent. No taxation of interest income applies *vis-à-vis* non-resident corporate investors. No taxation of interest also applies *vis-à-vis* individuals who are residents in a country, with which Austria agreed on an automatic exchange of information, if an appropriate proof is provided by the investor. The proof must be furnished, among others, by means of a certificate of residence issued by the tax authorities of the investor's residence state and further documentation in case of corporations. In case of transparent partnerships the residence status of the partners is decisive. Moreover, tax withheld may be refundable to the non-resident investors upon their application which has to be filed with the competent Austrian tax office under the conditions mentioned or if a double tax treaty relief is available.

If a non-resident individual or corporation receives income from the Notes through an Austrian permanent establishment, they are to a large extent subject to the same tax treatment as resident investors, *i.e.*, both interest income and capital gains received via the permanent establishment are subject to tax and also (in case of an Austrian withholding tax agent) to withholding tax, unless an exemption is applicable (see the description for Austrian resident investors).

Final note on withholding tax imposed in Austria

Assuming that the Issuer does not use a branch or permanent establishment in Austria for the payment of interest under the Notes, the Issuer does not assume any responsibility for Austrian withholding tax (*Kapitalertragsteuer*) charged in Austria at source and is not obliged to make additional payments in case of withholding tax deductions at source.

SUBSCRIPTION, SALE AND OFFER OF THE NOTES

General

Hella Finance International B.V. has agreed in an agreement to be signed on or about 15 May 2017 to sell to Deutsche Bank AG, London Branch, Landesbank Baden-Württemberg and UniCredit Bank AG (together, the "**Joint Lead Managers**" or "**Managers**"), and the Managers have agreed, subject to certain customary closing conditions, to purchase, the Notes on 17 May 2017 (which date may be postponed up to two weeks, the "**Issue Date**") at a price of [●] % of their principal amount (the "**Issue Price**"). Proceeds to the Issuer will be net of commissions of up to 0.25 % of the aggregate principal amount of the Notes payable to the Managers. The Issuer has furthermore agreed to reimburse the Managers for certain expenses incurred in connection with the issue of the Notes.

The Managers are entitled, under certain circumstances, to terminate the agreement reached with the Issuer. In such event, no Notes will be delivered to investors. Furthermore, the Issuer has agreed to indemnify the Managers against certain liabilities in connection with the offer and sale of the Notes.

The Managers or their affiliates have provided from time to time, and expect to provide in the future, investment services and commercial banking services to the Issuer and its affiliates, for which the Managers or their affiliates have received or will receive customary fees and commissions.

Interest of natural and legal persons involved in the issue or offer of the Notes

There are no interests of natural and legal persons other than the Issuer or the Guarantor involved in the issue, including conflicting ones that are material to the issue or offer of the Notes.

Offer of the Notes

Offer period and determination of pricing details

The Notes will be offered to investors by the Joint Lead Managers during an offer period which is expected to commence on or about 9 May 2017 and will be open until 17 May 2017 subject to any shortening or extension of the offer period as published in the Pricing Notice (as defined below). Subject to market conditions, the Issue Date may be postponed up to two weeks. Prospective investors will be informed of such postponement by publication in the Pricing Notice. During the offer period, investors may submit orders to the Joint Lead Managers. On the basis of the orders received by the Joint Lead Managers the Issue Price, the rate of interest, the number of notes to be issued, the aggregate principal amount, the issue proceeds, the premium to the benchmark yield to calculate the Present Value and the yield of the issue will be determined on the pricing date which is expected to be on or about 9 May 2017 and will be communicated to investors. The results of the offer will be included in a notification which will be dated on or about 9 May 2017 and which will be filed with the CSSF and published on the website of the Luxembourg Stock Exchange (www.bourse.lu) after the date of pricing and prior to the Issue Date (the "**Pricing Notice**"). Should the Issuer and the Joint Lead Managers determine any shortening or extension of the offer period, which could be the result of changing market conditions, such changes will be published in the same manner as the pricing details. The Pricing Notice and any other notice (if any) will be published for purposes of all jurisdictions in which an offer to the public is made in the same manner.

Offer to the public

The Notes will be sold to institutional investors and retail investors in compliance with restrictions on offers to the public in all countries in the European Union. An offer to the public will be made in Luxembourg and, following the notification of the Prospectus by the CSSF according to Article 18 of the Prospectus Directive also in Germany and Austria.

Conditions and technical details of the offer

The following sets out details of the offer which is required to comply with the requirements of the applicable prospectus regulation. There are no conditions to which the offer is subject. Any offer to investors to purchase Notes will be made through, and investors may submit their offers to buy Notes, using the information system Bloomberg or any other commonly used information systems or via a bank. Following determination and notification of the pricing details the Joint Lead Managers will offer the Notes upon request in Germany, Austria and Luxembourg. Subscription rights for the Notes will not be issued. Therefore, there are no procedures for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised. Any investor who has submitted an order in relation to the Notes whose order is accepted will receive a confirmation by electronic mail, fax or through commonly used information systems relating to the respective allotment of Notes. Before an investor receives a confirmation from the Joint Lead Managers that its purchase order for the Notes has been accepted, the investor may reduce or withdraw its purchase order(s). Each investor will receive a confirmation relating to the results of the offer relating to the respective allotment of the Notes which is expected to be on or about 17 May 2017. There is no minimum or maximum amount of Notes to be purchased. Investors may place offers to purchase Notes in any amount subject to a minimum denomination of € 1,000.

Confirmation in relation to an order and allotments as well as delivery of the Notes

Following the pricing of the Notes and confirmation which orders have been accepted and which amounts have been allotted to particular investors delivery and payment of the Notes will be made within five business days after the date of pricing of the Notes and the confirmation of the allotment to investors. The Notes will be delivered via book-entry through the Clearing System and its accountholding banks against payment of the Issue Price.

Charges and costs relating to the offer

The Issuer will not charge any costs, expenses or taxes directly to any investor. Investors must inform themselves about any costs, expenses or taxes in connection with the purchase of Notes which are generally applicable in their respective country of residence, including any charges of their own depository banks in connection with the purchase or holding of securities.

Method of determination of the Issue Price and the rate of interest

The rate of interest and the Issue Price for the Notes will be determined at the time of pricing on the basis of a yield which is determined by adding a credit spread to the level of the Midswaps at the time of pricing. The pricing credit spread will be fixed on the basis of the orders received and confirmed by the Joint Lead Managers. The level of the Midswaps will be determined as the average yield of the bid and ask prices of Interest-Swap Transactions ("**Midswaps**") with a maturity similar to the maturity of the Notes shown on the Reuters page ICAPEURO or on any other screen page which is conventionally used to price Eurobond transactions at the time of pricing. The resulting yield will be used to determine an Issue Price (which is expected to be less than par) and a rate of interest (which is expected to be a percentage figure which can be evenly divided by 1/8 of a full per cent. and which will be correspondingly higher if a higher Issue Price is determined and which will be correspondingly lower if a lower Issue Price is determined), all to correspond to the yield which reflects the level of the Midswaps and the pricing spread. In the event that the figures for the relevant Midswaps are not available on the relevant screen page as set out above then the relevant figures shall be determined in a manner which banks and other institutional market participants apply at that time. The resulting figure will represent the yield of the Notes and such yield will be used to determine the rate of interest and the Issue Price.

Selling restrictions**General**

Each Manager has represented and agreed that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in or from which it

purchases, offers, sells or delivers the Notes or possesses or distributes the Prospectus and that it will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of the Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the other Managers shall have any responsibility therefor.

European Economic Area

In relation to each Member State of the European Economic Area (the EU plus Iceland, Norway and Liechtenstein) which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Manager has represented, warranted and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are subject to the offering contemplated by this Prospectus to the public in that Relevant Member State prior to the publication of a prospectus in relation to the Notes which has been approved by the competent authority in that Relevant Member State in accordance with the Prospectus Directive or, where appropriate, published in another Relevant Member State and notified to the competent authority in that Relevant Member State in accordance with Article 18 of the Prospectus Directive, provided that the Issuer has consented in writing to the use of the Prospectus for any such offers, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State at any time:

- (a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the Joint Lead Managers; or
- (c) in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive;

provided that no such offer of the Notes shall require the Issuer or Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement this Prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, and the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in the Relevant Member State, and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

United States of America and its Territories

Each Manager has acknowledged that the Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered, sold or delivered within the United States of America (the "**United States**") to or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Each Manager has represented and agreed that neither it nor any persons acting on its behalf has offered, sold or delivered and will offer, sell or deliver any Notes within the United States except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, each Manager has represented and agreed that neither it, its affiliates nor any persons acting on its or their behalf has engaged or will engage in any directed selling efforts with respect to the Notes. Terms used in this subparagraph have the meaning given to them by Regulation S.

The Notes will be issued in accordance with the provisions of United States Treasury Regulation § 1.163-5(c)(2)(i)(D) (the "**TEFRA D Rules**" or "**TEFRA D**") (or, any successor rules in substantially the same form as the TEFRA D Rules, as applicable, for purposes of Section 4701 of the U.S. Internal Revenue Code).

- (a) Except to the extent permitted under TEFRA D, each Manager has represented that (i) it has not offered or sold, and agrees that during the restricted period it will not offer or sell, such Notes to a person who is within the United States or its possessions or to a United States person, and (ii) it has not delivered and agrees that it will not deliver within the United States or its possessions such Notes that are sold during the restricted period;
- (b) Each Manager has represented that it has and agreed that throughout the restricted period it will have in effect procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling such Notes are aware that such Notes may not be offered or sold during the restricted period to a person who is within the United States or its possessions or to a United States person, except as permitted by TEFRA D;
- (c) If it is a United States person, each Manager has represented that it is acquiring such Notes for purposes of resale in connection with their original issuance and if it retains such Notes for its own account, it will only do so in accordance with the requirements of TEFRA D;
- (d) With respect to each affiliate that acquires such Notes from a Manager for the purpose of offering or selling such Notes during the restricted period, such Manager has either: (i) repeated and confirmed the representations and agreements contained in paragraphs (a), (b) and (c) above on such affiliate's behalf; or (ii) agrees that it will obtain from such affiliate for the benefit of the Issuer the representations and agreements contained in paragraphs (a), (b) and (c); and
- (e) Each Manager has represented that it will obtain from any distributor (within the meaning of TEFRA D) that purchases any such Notes from it pursuant to a written contract with such Manager (except a distributor that is one of its affiliates or is another Manager), for the benefit of the Issuer and each other Manager, the representations contained in, and such distributor's agreement to comply with, the provisions of paragraphs (a), (b), (c), and (d) insofar as they relate to TEFRA D, as if such distributor were a Manager.

Terms used in this subparagraph have the meanings given to them by the U.S. Internal Revenue Code and regulations thereunder, including the TEFRA D Rules.

United Kingdom of Great Britain and Northern Ireland

Each Manager has represented and agreed that,

- (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended ("**FSMA**")) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and
- (b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Japan

Each Manager has acknowledged that the Notes have not been and will not be registered under the Financial Instrument and Exchange Law of Japan (Law No. 25 of 1948, as amended) (the "**Financial Instrument and Exchange Law**") and each Manager has agreed that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan, or to a

resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instrument and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

Switzerland

Each Manager has represented and agreed that it has only offered or sold and will only offer or sell the Notes in Switzerland in compliance with all applicable laws and regulations in force in Switzerland, and will, to the extent necessary, obtain any consent, approval or permission required, if any, for the offer or sale by it of Notes under the laws and regulations in force in Switzerland. Only this Prospectus and any other information incorporated therein by reference and required to ensure compliance with the Swiss Code of Obligations and all other applicable laws and regulations of Switzerland (in particular, additional and updated corporate and financial information that shall be provided by the Issuer) may be used in the context of an offer to the public in or into Switzerland. Each Manager has agreed that all of such documents and information shall be furnished to any potential purchaser in Switzerland upon request in such manner and at such times as shall be required by the Swiss Code of Obligations and all other applicable laws and regulations of Switzerland.

GENERAL INFORMATION / INCORPORATION BY REFERENCE

Authorisation

The creation and issue of the Notes will be authorised by a resolution of the management board of the Issuer dated on or about the date of this Prospectus. The issue of the Guarantee of the Guarantor with respect to the Notes will be authorised by a resolution of the shareholder's committee of the Guarantor dated on or about the date of this Prospectus.

Clearance and settlement

The Notes have been accepted for clearance by Clearstream Banking, société anonyme, 42 Avenue J.F. Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg and Euroclear Bank SA/NV Boulevard du Roi Albert II, 1210 Brussels, Belgium). The Notes have been assigned the following securities codes: ISIN XS1611167856, Common Code 161116785, WKN A19HBR.

Yield

The yield of the Notes is [●] % *per annum*. Such yield is calculated in accordance with the ICMA (International Capital Market Association) method.

Expenses

The total expenses of the issue of the Notes are expected to amount to approximately € 1,000,000.

Legal and arbitration proceedings

Other than as described under "GENERAL INFORMATION ABOUT THE ISSUER – *Legal and arbitration proceedings*" and "GENERAL INFORMATION ABOUT HELLA KGAA HUECK & CO. AS THE GUARANTOR – *Legal and arbitration proceedings*", there are currently and have been in the previous twelve months no lawsuits, governmental, legal or arbitration proceedings which have had or which the Hella Group believes could have in the future a significant effect on the financial position or profitability of the Hella Group.

Significant change in the financial or trading position

There has been no significant change in the financial or trading position of the Issuer since 20 April 2017. And, there has been no significant change in the financial or trading position of the Guarantor since 28 February 2017.

Trend information

There has been no material adverse change in the prospects of the Issuer since 20 April 2017. And, there has been no material adverse change in the prospects of the Guarantor since 31 May 2016.

Third-party information

With respect to any information included in this Prospectus and specified to be sourced from a third party (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information available to it from such third party, no facts have been omitted the omission of which would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy thereof.

Incorporation by reference

The following documents are incorporated by reference into this Prospectus:

- (1) The English language audited interim financial statements of Hella Finance International B.V.

- for the period starting from the date of incorporation, 18 April 2017, and ended on 20 April 2017 consisting of
- Income statement for the period 18 April 2017 to 20 April 2017 (page 4 of the interim financial statements),
 - Balance sheet as at 20 April 2017 (page 3 of the interim financial statements),
 - Notes (pages 5 to 8 of the interim financial statements),
 - Auditor's report (pages 1 to 3 of the auditor's report to the interim financial statements).
- (2) The English language audited consolidated financial statements of the Hella Group for the fiscal year ended on 31 May 2015 consisting of
- Consolidated income statement (page 134 in the financial statements 2014/2015),
 - Consolidated statement of comprehensive income (page 135 in the financial statements 2014/2015),
 - Consolidated statement of financial position (page 136 in the financial statements 2014/2015),
 - Consolidated cash flow statement (page 137 in the financial statements 2014/2015),
 - Consolidated statement of changes in equity (pages 138 to 139 in the financial statements 2014/2015),
 - Notes (pages 140 to 205 in the financial statements 2014/2015),
 - Auditor's report (page 212 in the financial statements 2014/2015).
- (3) The English language audited consolidated financial statements of the Hella Group for the fiscal year ended on 31 May 2016 consisting of
- Consolidated income statement (page 114 in the financial statements 2015/2016),
 - Consolidated statement of comprehensive income (page 115 in the financial statements 2016),
 - Consolidated statement of financial position (page 116 in the financial statements 2015/2016),
 - Consolidated cash flow statement (page 117 in the financial statements 2015/2016),
 - Consolidated statement of changes in equity (pages 118 to 119 in the financial statements 2015/2016),
 - Notes (pages 120 to 181 in the financial statements 2015/2016),
 - Auditor's report (page 188 in the financial statements 2015/2016).
- (4) The English language unaudited interim consolidated financial statements of the Hella Group for the period from 1 June 2016 to 30 November 2016 consisting of:
- Consolidated income statement (page 14 in the interim report first half of 2016/2017),
 - Consolidated statement of comprehensive income (page 15 in the interim report first half of 2016/2017),
 - Consolidated statement of financial position (page 16 in the interim report first half of 2016/2017),
 - Consolidated cash flow statement (page 17 in the interim report first half of 2016/2017),
 - Consolidated statement of changes in equity (pages 18 to 19 in the interim report first half of 2016/2017),
 - Notes (pages 20 to 34 in the interim report first half of 2016/2017).
- (5) The English language unaudited interim consolidated financial statements of the Hella Group for the period from 1 June 2016 to 28 February 2017 consisting of:
- Consolidated income statement (page 10 in the interim report third quarter of 2016/2017),
 - Segment reporting (page 11 in the interim report third quarter of 2016/2017),
 - Consolidated balance sheet (page 12 in the interim report third quarter of 2016/2017),
 - Consolidated cash flow statement (page 13 in the interim report third quarter of 2016/2017),
 - Notes (pages 14 to 21 in the interim report third quarter of 2016/2017).
- (6) Annex 2 of the Paying Agency Agreement dated on or about 15 May 2017 (the "**Paying Agency Agreement**") between the Issuer, the Guarantor and Deutsche Bank Aktiengesellschaft acting as Principal Paying Agent.

The information incorporated by reference that is not included in the above cross-reference list is considered as additional information and is not required by the relevant schedules of the Commission Regulation (EC) 809/2004.

The documents incorporated by reference are available on the website of the Luxembourg Stock Exchange (www.bourse.lu) and may be inspected and are available free of charge from the specified office of the Principal Paying Agent as long as any Notes are admitted to trading on the regulated market of the Luxembourg Stock Exchange and the rules of such stock exchange so require.

Documents on display

For so long as any Note is outstanding, copies of the following documents may be inspected during normal business hours at the specified office of the Principal Paying Agent and as long as the Notes are listed on the official list of the Luxembourg Stock Exchange the documents set out below will be available (free of charge) from the specified office of the Principal Paying Agent:

- (a) the articles of association of the Issuer;
- (b) the articles of association of the Guarantor;
- (c) the Guarantee;
- (d) the Prospectus;
- (e) the documents incorporated by reference set out above.

NAMES AND ADDRESSES

ISSUER

Hella Finance International B.V.
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The Netherlands

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Germany

UniCredit Bank AG
Arabellastraße 12
81925 Munich
Germany

PRINCIPAL PAYING AGENT

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Trust & Securities Services
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LUXEMBOURG LISTING AGENT

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*To the Managers
as to German law:*

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