

Hella Gutmann Solutions A/S

Lundborgvej 10, 8800 Viborg

Company reg. no. 87 81 66 13

Annual report

1 June 2015 - 31 May 2016

The annual report has been submitted and approved by the general meeting on the 4 July 2016.

Lars Bertz Thomsen
Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, British English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.

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Management's report

The board of directors and the executive board have today presented the annual report of Hella Gutmann Solutions A/S for the financial year 1 June 2015 to 31 May 2016.

The annual report has been presented in accordance with the Danish Financial Statements Act.

We consider the accounting policies used appropriate, and in our opinion the annual accounts provide a true and fair view of the company's assets and liabilities and its financial position as on 31 May 2016 and of the company's results of its activities in the financial year 1 June 2015 to 31 May 2016.

We are of the opinion that the management's review includes a fair description of the issues dealt with.

The annual report is recommended for approval by the general meeting.

Viborg, 21 June 2016

Executive board

Lars Bertz Thomsen

Michael Pedersen

Board of directors

Dominik Sebastian Görts

Lars Bertz Thomsen

Michael Pedersen

Patrick Oliver Lux

Michael Juul Hansen

The independent auditor's reports

To the shareholder of Hella Gutmann Solutions A/S

Report on the annual accounts

We have audited the annual accounts of Hella Gutmann Solutions A/S for the financial year 1 June 2015 to 31 May 2016, which comprise accounting policies used, profit and loss account, balance sheet and notes. The annual accounts are prepared in accordance with the Danish Financial Statements Act.

The management's responsibility for the annual accounts

The management is responsible for the preparation of annual accounts that give a true and fair view in accordance with the Danish Financial Statements Act. Furthermore, the management is responsible for such internal control as it determines necessary in order to prepare annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the annual accounts based on our audit. We conducted our audit in accordance with international standards on auditing and additional requirements under Danish audit regulation. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of annual accounts that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The audit has not resulted in any qualification.

Opinion

In our opinion, the annual accounts give a true and fair view of the company's assets, liabilities and financial position at 31 May 2016 and of the results of the company's operations for the financial year 1 June 2015 to 31 May 2016 in accordance with the Danish Financial Statements Act.

Statement on the management's review

Pursuant to the Danish Financial Statements Act, we have read the management's review. We have not performed any further procedures in addition to the audit of the annual accounts. On this basis, it is our opinion that the information provided in the management's review is consistent with the annual accounts.

The independent auditor's reports

Viborg, 21 June 2016

Ullits & Winther

State Authorised Public Accountants
Company reg. no. 32 09 32 72

Bo Skårup Sørensen

State Authorised Public Accountant

Company data

The company

Hella Gutmann Solutions A/S
Lundborgvej 10
8800 Viborg

Company reg. no.: 87 81 66 13
Established: 10 August 1982
Domicile: Viborg Municipality
Financial year: 1 June 2015 - 31 May 2016

Board of directors

Dominik Sebastian Görts, Düsseldorf, Germany
Lars Bertz Thomsen, Haderslev, Denmark
Michael Pedersen, Rødkjærsbro, Denmark
Patrick Oliver Lux, Lippstadt, Germany
Michael Juul Hansen, Hedensted, Denmark

Executive board

Lars Bertz Thomsen, Haderslev, Denmark
Michael Pedersen, Rødkjærsbro, Denmark

Auditors

Ullits & Winther Statsautoriseret Revisionspartnerselskab
Agerlandsvej 1
8800 Viborg

Parent company

Hella Gutmann Holding GmbH

Subsidiary

Hella Gutmann Solutions AS, Hagan, Norway

Management's review

The principal activities of the company

Like previous years, the principal activities comprised the publishing of technical car data and the sale of test equipment for the car business.

Development in activities and financial matters

The profit and loss account covers the period 1 June 2015 to 31 May 2016 and shows a result of DKK 9,179,326 against a result of DKK 6,821,427 last year. The balance sheet shows equity of DKK 26,105,435.

Events subsequent to the financial year

No events have occurred subsequent to the balance sheet date, which would have material impact on the financial position of the company.

Accounting policies used

The annual report for Hella Gutmann Solutions A/S is presented in accordance with those regulations of the Danish Financial Statements Act concerning companies identified as class B enterprises.

The accounting policies used are unchanged compared to last year, and the annual accounts are presented in Danish kroner (DKK).

No consolidated annual accounts have been prepared, cf. section 112(1) of the Danish Financial Statements Act. The annual accounts of Hella Gutmann Solutions A/S and its group enterprises are included in the consolidated annual accounts for Hella KGaA Hueck & Co., Lippstadt, Germany. The consolidated financial statements are accessible on the group homepage: <http://www.hella.com/hella-com/en/Annual-Report-and-Consolidated-Financial-8740.html>

Recognition and measurement in general

Income is recognised in the profit and loss account concurrently with its realisation, including the recognition of value adjustments of financial assets and liabilities. Likewise, all costs, these including depreciation, amortisation, writedown, provisions, and reversals which are due to changes in estimated amounts previously recognised in the profit and loss account are recognised in the profit and loss account.

Assets are recognised in the balance sheet when the company is liable to achieve future, financial benefits and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the company is liable to lose future, financial benefits and the value of the liability can be measured reliably.

At the first recognition, assets and liabilities are measured at cost. Later, assets and liabilities are measured as described below for each individual accounting item.

At recognition and measurement, such predictable losses and risks are taken into consideration, which may appear before the annual report is presented, and which concerns matters existing on the balance sheet date.

The profit and loss account

Gross profit

The gross profit comprises the net turnover, changes in inventories of trade goods, and external costs.

The net turnover is recognised in the profit and loss account if delivery and risk transfer to the buyer have taken place before the end of the year, and if the income can be determined reliably and is expected to be received. The net turnover is recognised exclusive of VAT and taxes and with the deduction of any discounts granted in connection with the sale.

Cost of sales include costs for the purchase of trade goods less discounts and changes in inventories.

Accounting policies used

Other external costs comprise costs for distribution, sales, advertisement, administration, premises, and loss on debtors.

Staff costs

Staff costs include salaries and wages including holiday allowances, pensions and other costs for social security etc. for staff members. Staff costs are less public reimbursements.

Depreciation, amortisation and writedown

Depreciation, amortisation and writedown comprise depreciation, amortisation and writedown for the year and gains and losses on disposal of intangible and tangible fixed assets.

Net financials

Net financials include interest income, interest expenses, and realised and unrealised capital gains and losses on financial assets and liabilities. Net financials are recognised in the profit and loss account with the amounts concerning the financial year.

Results from equity investment in group enterprise

The equity investment in the group enterprise is recognised in the profit and loss account at a proportional share of the group enterprise's results after tax.

Tax of the results for the year

The tax for the year comprises the current tax for the year and the changes in deferred tax, and it is recognised in the profit and loss account with the share referring to the results for the year and directly in the equity with the share referring to entries directly on the equity.

The company is subject to the Danish legislation concerning compulsory joint taxation with the Danish group enterprises.

The current Danish corporate tax is allocated among the jointly taxed companies in proportion to their respective taxable income (full allocation with reimbursement of tax losses).

The balance sheet

Tangible fixed assets

Tangible fixed assets are measured at cost with deduction of accrued depreciation and writedown.

The basis of depreciation is cost with deduction of any expected residual value after the end of the useful life of the asset. The amortisation period and the residual value are determined at the acquisition date and reassessed annually. If the residual value exceeds the book value, the amortisation discontinues.

If the amortisation period or the residual value is changed, the effect on amortisation will in the future be recognised as a change in the accounting estimates.

Accounting policies used

The cost comprises the acquisition cost and costs directly attached to the acquisition until the time when the asset is ready for use.

Depreciation takes place on a straight line basis and based on an evaluation of the expected useful life:

Other plants, operating assets, fixtures and furniture 3-5 years

Minor assets with an expected useful life of less than 1 year are recognised as costs in the profit and loss account in the year of acquisition.

Profit or loss deriving from the sales of tangible fixed assets is measured as the difference between the sales price reduced by the selling costs and the book value at the time of the sale. Profit or loss is recognised in the profit and loss account under depreciation.

Financial fixed assets

Equity investment in group enterprise

Equity investment in group enterprise is recognised in the balance sheet at a proportional share under the equity method, the value being calculated on the basis of the accounting policies of the parent company.

To the extent the equity exceeds the cost, the net revaluation of equity investment in group enterprise is transferred to the reserves under the equity for net revaluation as per the equity method. Dividend from group enterprise expected to be decided before the approval of this annual report are not subject to a limitation of the revaluation reserves. The reserves are adjusted by other equity movements in group enterprise.

Inventories

Inventories are measured at cost on basis of measured average prices. In case the net realisable value is lower than the cost, writedown takes place at this lower value.

The cost for trade goods comprise the acquisition cost with the addition of the delivery costs.

The net realisable value for inventories is recognised as the market price with deduction of completion costs and selling costs. The net realisable value is determined taking into consideration the negotiability, obsolescence, and development of the expected market price.

Debtors

Debtors are measured at amortised cost which usually corresponds to face value. In order to meet expected losses, writedown takes place at the net realisable value.

Accrued income and deferred expenses

Accrued income and deferred expenses recognised under assets comprise incurred costs concerning the next financial year.

Accounting policies used

Corporate tax and deferred tax

Current tax receivable and tax liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on previous years' taxable income and prepaid taxes. Tax receivable and tax liabilities are set off to the extent that legal right of set-off exists and if the items are expected to be settled net or simultaneously.

According to the rules of joint taxation, Hella Gutmann Solutions A/S is unlimited, jointly and severally liable towards the Danish tax authorities for the total corporation tax, including withholding tax on interest, royalties and dividends, arising within the jointly taxed group of companies.

Deferred tax is measured on the basis of all temporary differences in assets and liabilities with a balance sheet focus.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation on the balance sheet date and prevailing when the deferred tax is expected to be released as current tax. In the period 2014 to 2016, the corporate tax rate will be reduced gradually from 25 % to 22 %, which will affect the deferred tax liabilities and deferred tax assets. Unless a recognition with a different tax rate than 22 % will result in a significant material deviation in the estimated deferred tax liability or tax asset, deferred tax liabilities and assets are recognised by 22 %.

Liabilities

Liabilities are measured at amortised cost which usually corresponds to the nominal value.

Profit and loss account 1 June - 31 May

All amounts in DKK.

<u>Note</u>	<u>2015/16</u>	<u>2014/15</u>
Gross profit	39.864.545	36.633.977
1 Staff costs	-30.086.470	-28.015.628
Depreciation and writedown relating to tangible fixed assets	-842.586	-913.338
Results before net financials	8.935.489	7.705.011
2 Income from equity investment in group enterprise	2.148.951	849.546
Financial income	55.043	110.468
Financial costs	-3.815	-10
Results before tax	11.135.668	8.665.015
3 Tax on ordinary results	-1.956.342	-1.843.588
Results for the year	9.179.326	6.821.427
Proposed distribution of the results:		
Reserves for net revaluation as per the equity method	2.148.951	849.546
Allocated to results brought forward	7.030.375	5.971.881
Distribution in total	9.179.326	6.821.427

Balance sheet 31 May

All amounts in DKK.

Assets			
<u>Note</u>		<u>2016</u>	<u>2015</u>
Fixed assets			
4	Other plants, operating assets, and fixtures and furniture	<u>1.275.737</u>	<u>1.501.127</u>
	Tangible fixed assets in total	<u>1.275.737</u>	<u>1.501.127</u>
5	Equity investment in group enterprise	<u>4.760.106</u>	<u>2.611.155</u>
	Financial fixed assets in total	<u>4.760.106</u>	<u>2.611.155</u>
	Fixed assets in total	<u>6.035.843</u>	<u>4.112.282</u>
Current assets			
	Trade goods	<u>2.209.604</u>	<u>2.212.790</u>
	Inventories in total	<u>2.209.604</u>	<u>2.212.790</u>
	Trade debtors	4.674.473	3.068.472
6	Amounts owed by group enterprises	26.220.578	18.215.898
7	Deferred tax assets	170.000	134.000
	Other debtors	30.333	15.103
	Accrued income and deferred expenses	<u>330.117</u>	<u>282.121</u>
	Debtors in total	<u>31.425.501</u>	<u>21.715.594</u>
	Current assets in total	<u>33.635.105</u>	<u>23.928.384</u>
	Assets in total	<u>39.670.948</u>	<u>28.040.666</u>

Balance sheet 31 May

All amounts in DKK.

Equity and liabilities			
<u>Note</u>		<u>2016</u>	<u>2015</u>
Equity			
9	Share capital	502.000	502.000
10	Reserves for net revaluation as per the equity method	4.759.876	2.610.925
11	Retained earnings	20.843.559	13.813.184
	Equity in total	<u>26.105.435</u>	<u>16.926.109</u>
 Liabilities			
	Deposits	<u>85.104</u>	<u>81.219</u>
	Long-term liabilities in total	<u>85.104</u>	<u>81.219</u>
	Bank debts	63.912	73.427
	Trade creditors	1.580.694	557.766
	Corporate tax	1.976.538	1.872.704
	Other debts	<u>9.859.265</u>	<u>8.529.441</u>
	Short-term liabilities in total	<u>13.480.409</u>	<u>11.033.338</u>
	Liabilities in total	<u>13.565.513</u>	<u>11.114.557</u>
	Equity and liabilities in total	<u>39.670.948</u>	<u>28.040.666</u>
 12 Mortgage and securities			
13 Contingencies			
14 Related parties			

Notes

All amounts in DKK.

	<u>2015/16</u>	<u>2014/15</u>
1. Staff costs		
Salaries and wages	25.272.062	23.791.518
Pension costs	3.182.908	2.922.857
Other costs for social security	451.780	443.518
Other staff costs	1.179.720	857.735
	<u>30.086.470</u>	<u>28.015.628</u>
Average number of employees	<u>59</u>	<u>55</u>
2. Income from equity investment in group enterprise		
Hella Gutmann Solutions AS	<u>2.148.951</u>	<u>849.546</u>
	<u>2.148.951</u>	<u>849.546</u>
3. Tax on ordinary results		
Tax of the results for the year	1.992.342	1.880.588
Adjustment for the year of deferred tax	<u>-36.000</u>	<u>-37.000</u>
	<u>1.956.342</u>	<u>1.843.588</u>
	<u>31/5 2016</u>	<u>31/5 2015</u>
4. Other plants, operating assets, and fixtures and furniture		
Cost opening balance	3.278.458	3.120.195
Additions during the year	636.769	158.263
Disposals during the year	<u>-265.000</u>	<u>0</u>
Cost closing balance	<u>3.650.227</u>	<u>3.278.458</u>
Depreciation opening balance	-1.777.331	-977.714
Depreciation for the year	-746.222	-799.617
Depreciation, assets disposed of	<u>149.063</u>	<u>0</u>
Depreciation closing balance	<u>-2.374.490</u>	<u>-1.777.331</u>
Book value closing balance	<u>1.275.737</u>	<u>1.501.127</u>

Notes

All amounts in DKK.

	<u>31/5 2016</u>	<u>31/5 2015</u>
5. Equity investment in group enterprise		
Acquisition sum opening balance	230	230
Cost closing balance	230	230
Revaluations opening balance	2.610.925	1.827.987
Translation by use of the exchange rate valid on balance sheet date	0	-66.608
Results for the year before goodwill amortisation	2.148.951	849.546
Revaluation closing balance	4.759.876	2.610.925
Book value closing balance	4.760.106	2.611.155

Group enterprise:

	Domicile	Share of ownership
Hella Gutmann Solutions AS	Hagan, Norway	100 %

6. Amounts owed by group enterprises

The company's daily cash resources in the form of cash on the cash pool arrangement is included on the balance sheet under "Amounts owed by group enterprises". The balance of the cash pool arrangement was DKK 24,989,447 (DKK 17,580,533).

7. Deferred tax assets

Deferred tax assets opening balance	134.000	97.000
Deferred tax of the results for the year	36.000	37.000
	170.000	134.000

8. Cash funds

The company's daily cash resources in the form of cash in the cash pool arrangement is included in the balance sheet under "Amounts owed by group enterprises". The balance of the cash pool arrangement is disclosed in note 6.

Notes

All amounts in DKK.

	<u>31/5 2016</u>	<u>31/5 2015</u>
9. Share capital		
Share capital opening balance	502.000	502.000
	<u>502.000</u>	<u>502.000</u>

The share capital consists of 10,040 shares, each with a nominal value of DKK 50. No shares hold particular rights.

10. Reserves for net revaluation as per the equity method

Reserves for net revaluation opening balance	2.610.925	1.827.987
Share of results	2.148.951	849.546
Exchange rate adjustments	0	-66.608
	<u>4.759.876</u>	<u>2.610.925</u>

11. Retained earnings

Retained earnings opening balance	13.813.184	7.841.303
Profit or loss for the year	7.030.375	5.971.881
	<u>20.843.559</u>	<u>13.813.184</u>

12. Mortgage and securities

None

13. Contingencies

Contingent liabilities

The company has a payment bond of DKK 172,000 to Steen Ginnerup Ejendomme ApS concerning the lease of Lundborgvej 10, 8800 Viborg.

The company has a payment bond of DKK 107,000 to KJ Leasing ApS concerning the lease of premises.

Notes

All amounts in DKK.

13. Contingencies (continued)

Joint taxation

Hella A/S being the administration company, the company is subject to the Danish scheme of joint taxation and unlimited jointly and severally liable with the other jointly taxed companies for the total corporation tax.

The company is unlimited jointly and severally liable with the other jointly taxed companies for any obligation to withhold tax on interest, royalties and dividends.

Any subsequent adjustments of corporate taxes or withheld taxes etc. may cause changes in the company's liabilities.

14. Related parties

Controlling interest

Hella Gutmann Holding GmbH
Am Krebsbach 2
D-79241 Ihringen
Germany

Majority shareholder

Transactions

Hella Gutmann Solutions A/S sells a number of goods to related parties. All intra-group transactions take place on an arm's length basis, as sales takes place on the same terms as are valid for other customers of the company.

Apart from management remuneration, no transactions have taken place in relation to the Board of Directors, the executive employees, or other related parties.

Ownership

According to the company's list of shareholders, the following shareholders own a minimum of 5 % of the voting rights or a minimum of 5 % of the share capital:

Hella Gutmann Holding GmbH, Ihringen, Germany