

Corporate News
March 23, 2016

First Sensor will continue to grow also in 2016

- Sales rise to €137.7 million, sales forecast clearly exceeded
- EBITDA lower than expected at €11.4 million due to extraordinary effects
- Fiscal year 2016 focuses on more growth and improved profitability
- Guidance 2016: sales €145-150 million, EBIT margin 5-6%

First Sensor AG, a developer and manufacturer of customer-specific solutions on the growth market of sensor technology, increased sales by 11.1% to €137.7 million in the 2015 fiscal year (previous year: €124.0 million). As a result, the latest forecast (€136 million) was clearly exceeded again. With growth rates between 8.3% and 16.5%, all three segments have contributed to this positive development. "Growth in the past fiscal year shows that our focus on technology-driven target markets already lets us participate in their exceptionally rapid growth," said Dr. Martin U. Scheffter, Chairman of the Management Board at First Sensor AG. "This demonstrates that we are successfully developing customer applications that by far exceed standard components already available on the market."

In 2015, the operating result (EBITDA) was burdened by a range of extraordinary effects, mainly the closure of the Singapore site and valuation allowances on inventories. These effects totaled a slightly higher amount than most recently forecast. As a result, EBITDA amounted to €11.4 million at year-end. Adjusted for these effects, EBITDA would have amounted to €14.1 million in 2015 (previous year: €13.5 million). EBIT reached €1.2 million (previous year: €4.1 million), which corresponds to a margin of 0.9%. The consolidated result for the year as a whole was negative at -€1.5 million (previous year: +€0.4 million) mainly due to extraordinary effects.

"The positive overall situation as regards organic growth cannot hide the fact that we cannot be satisfied with the development of profitability," said Dr. Mathias Gollwitzer, CFO of First Sensor AG. "Even when the non-recurring effects with a negative impact on fiscal year 2015 are taken into account, the earnings quality still is not satisfactory. We have addressed this issue and taken measures that will sustainably improve profitability. Our target is to increase operating earnings step by step to an EBIT margin of 10%."

For the 2016 fiscal year, the Management Board intends to develop sales between €145 million and €150 million and initially generate an EBIT margin between 5 to 6%.

Segments

In the Industrial business unit, sales in the past fiscal year rose by €5.7 million or 8.3% to €74.1 million (previous year: €68.4 million). The segment's sales share thus amounts to 54% (previous year: 55%). With growth of 16.5% (€3.4 million) the Medical business unit saw the strongest growth and increased its sales to €23.8 million (previous year: €20.4 million). Its share in total sales therefore reached 17% (previous year: 16%). The Mobility business unit increased its sales by €4.7 million to €39.8 million (previous year: €35.1 million), corresponding to growth of 13.4%. As a result, it represents 29% of total sales (previous year: 28%).

Incoming orders and orders on hand

With incoming orders of €142.3 million, a new peak value was achieved in 2016. Orders on hand in the Group increased by €4.3 million to €90.7 million at year-end (previous year: €86.4 million), thus the book to bill ratio was 1.03 due to reporting date reasons (previous year: 1.12).

Balance sheet and cash flows

Total assets amounted to €153.5 million on the reporting date (previous year: €144.9 million). The equity ratio decreased from 49.7% to 46.4%, mainly as a result of the placement of promissory note loans in December. For the early repayment of the variable three-year tranche of €19.0 million, three new promissory notes with terms of three and seven years were subscribed by Germany institutional investors. Cash and cash equivalents amounted to €21.5 million at the end of the year (previous year: €14.5 million). Working capital rose from €30.3 million in the previous year to €36.5 million, predominately due to the discontinuation of factoring. In addition to the low result, this was also the most significant cause for the decline in operating cash flow from €12.2 million in the previous year to €5.0 million in the 2015 fiscal year. Free cash flow after investments (€6.8 million) was thus negative at -€1.8 million (previous year: €7.5 million). For the current fiscal year, the company plans to make investments above the amount of write-downs.

Employees

The First Sensor Group had a total of 773 employees as at December 31, 2015, compared with 757 in the previous year (+2%).

Outlook

In the 2016 fiscal year, First Sensor will focus on further creating growth at the company. Sensors are an indispensable component of technology-based products, and experts estimate that the number of sensors installed in B2B applications worldwide is doubling roughly every eight to nine years. The Management Board therefore anticipates that the demand for the company's products and solutions will continue to rise. "Our positioning as a specialist in customer-specific solutions is the starting point for many development projects that we work on in partnership with our customers," said Schefter. "They are often the basis for a longstanding collaboration." To further increase our proximity to customers worldwide, the Group's internationalization will also be selectively expanded, initially with a focus on North America and China. "With these investments, we are tapping additional sales potential that will support the dynamic growth of the First Sensor Group in the medium and long term."

The company is unlocking further potential with cooperations. The focus is on companies with expertise in complementary technologies. For example, last year we began a cooperation with the Optoi Group, a leading provider in the area of silicon photomultiplier technology. "When it comes to the further development of the company, we place a clear focus on qualitative growth. We have laid the foundations for gradually improving profitability to an EBIT margin of 10% over the coming years, while we anticipate annual sales growth of around 10%," said Gollwitzer. "The objective is to enhance value continuously."

First Sensor in figures

in € million, unless otherwise indicated	2011	2012	2013	2014	2015
Sales revenues	65.2	111.9	108.5	124.0	137.7
Industrial	-	-	-	68.4	74.1
Medical	-	-	-	20.4	23.8
Mobility	-	-	-	35.2	39.8
EBITDA	6.7	13.4	11.6	13.5	11.4
EBITDA margin (%) as compared to total output	9.7	11.6	10.6	10.8	8.3
EBIT	1.6	3.6	2.7	4.1	1.2
EBIT margin (%) as compared to total output	2.3	3.1	2.5	3.2	0.9
Net profit for the period	0.5	0.5	-0.5	0.4	-1.5
Earnings per share (€)	0.06	0.05	-0.05	0.02	-0.17
Cash flow from operating activities	-2.6	10.0	13.1	12.2	5.0
Free cash flow	-58.1	-2.9	5.9	7.5	-1.8
Balance sheet total	160.2	158.6	144.9	144.9	153.5
Shareholders' equity	69.1	69.9	70.0	72.0	71.3
Equity ratio (%)	43.1	44.1	48.3	49.7	46.4
Net debt	-33.3	-39.0	-35.8	-29.7	-33.0
Working capital	34.3	36.3	28.6	30.3	36.5
ROCE	1.2	2.6	2.3	3.4	1.0
Incoming orders	29.7	117.8	121.4	139.3	142.3
Orders on hand	63.6	73.4	73.7	86.4	90.7
Book-to-bill-ratio	0.46	1.05	1.11	1.12	1.03
Employees (average of the period)	-	691	686	719	770
Sales revenues per employee	-	161.9	158.2	172.5	178.8
Number of shares in thousand as at 31.12.	9,843	9,940	9,981	10,131	10,167

About First Sensor AG

First Sensor AG is one of the world's leading suppliers in the field of sensor systems. Our company develops and manufactures standardized and customized sensor solutions for applications in the Industrial, Medical and Mobility growth markets. With over 800 employees, we are represented at six German locations and also have development, production and sales sites in the USA, Canada, Singapore, China, the Netherlands, Great Britain, France, Sweden and Denmark along with a worldwide partner network. First Sensor AG is a German public limited company and has been listed in the Prime Standard of the German stock exchange in Frankfurt since 1999. For more details on First Sensor, please visit www.first-sensor.com.

Legal Disclaimer

This report contains statements of a predictive nature and does not represent any incitement to purchase shares of First Sensor AG, but rather is intended exclusively for information purposes with regard to possible future developments at the company. All future-oriented information in this consolidated financial report were produced on the basis of probability-based plan and represent statements regarding the future which cannot be guaranteed.

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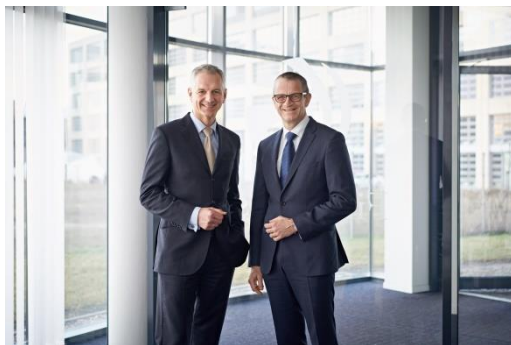
The consolidated financial report is available for download on the internet at <http://www.first-sensor.com/en/investor-relations/financial-publications/annual-reports/>.

Events

It is intended to publish the Q1 Interim Report on May 2, 2016.

The annual general meeting takes place on May 4th 2016 at 10:00 a.m. at the Pentahotel Berlin Köpenick, Grünauer Straße 1 in 12557 Berlin.

Printable images



First Sensor AG Management Board: CEO Dr. Martin U. Schefter (right) and CFO Dr. Mathias Gollwitzer (left)

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First Sensor AG

Peter-Behrens-Str. 15
12459 Berlin
Deutschland

Contact:

Corinna Krause
E-Mail: ir@first-sensor.com
T +49 30 639923-571
