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Financial Ratios

41%

Sales increase

Increase in sales of 41% to €27.2 million compared with the same period of the previous year

2,4

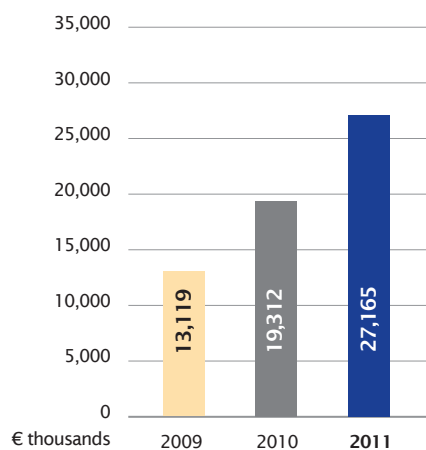
EBIT in € million in H1 2011

EBIT more than doubled, increasing 121% to €2.4 million

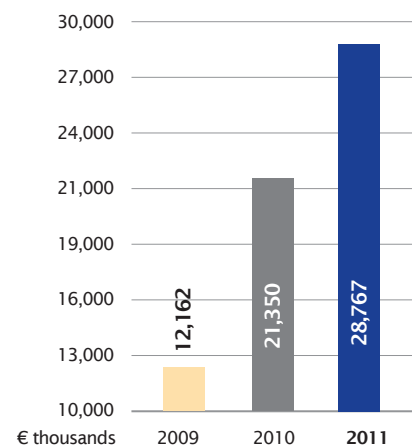
Financial ratios January to June 2011 H1 2011

in € thousands, unless otherwise specified	H1 2011	H1 2010	Δ	Δ%
Sales	27,165	19,312	7,853	41
Result of operating activities before depreciations (EBITDA)	4,173	2,688	1,485	55
Result of operating activities (EBIT)	2,395	1,083	1,312	121
Total result of period	1,728	689	1,039	151
Earnings per share (EUR)	0.26	0.10	0.16	160
Number of shares (weighted)	6,625,899	6,625,899	0	0
Equity	39,666	36,438	3,228	9
Equity ratio (%)	55	56	-1	-2
R&D expenses	2,270	1,582	688	43
Number of employees	405	325	80	25

Sales Revenue
Interim Financial Report
H1 2009 - 2011



Orders on Hand
Interim Financial Report
H1 2009 - 2011



Financial ratios April to June 2011 Q2 2011

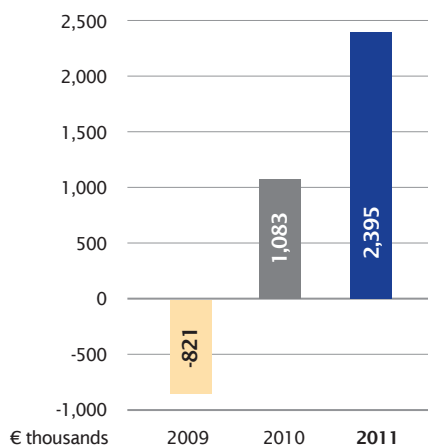
in € thousands, unless otherwise specified	Q2 2011	Q2 2010	Δ	Δ%
Sales	14,054	10,415	3,639	35
Result of operating activities before depreciations (EBITDA)	2,431	1,415	1,016	72
Result of operating activities (EBIT)	1,519	592	927	157
Total result of period	1,122	499	623	125
Earnings per share (EUR)	0.17	0.07	0.1	143
Number of shares (weighted)	6,625,899	6,625,899	0	0
Equity	39,666	36,357	3,309	9
Equity ratio (%)	55	56	-1	-2
R&D expenses	2,270	1,582	688	43
Number of employees	405	325	80	25

1,5

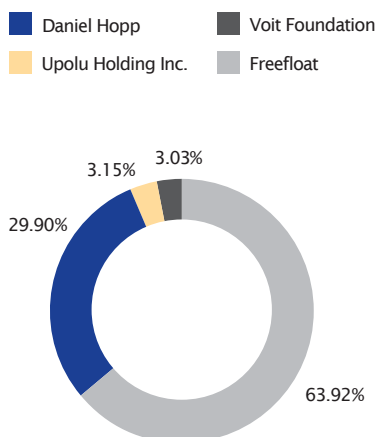
EBIT in € million
in Q2 2011

EBIT tripled, increasing
157% to €1.5 million

EBIT Interim Financial Report H1 2009 - 2011



Shareholder Structure as at June 30, 2011



Foreword

Outstanding performance on our anniversary confirms our overall annual targets and strategic orientation

Dear shareholders,
dear business partners,

On July 15, we celebrated our twentieth anniversary with over 500 employees and invited guests. Two decades in which we have developed from a manufacturer of customized silicon-based optical sensor components into an integrated industrial group that develops and produces sensor solutions for a multitude of industries and along the entire value-added chain. Nowadays, we are generating over half of our sales with customers outside Germany. They are either renowned industrial groups, and predominantly market leaders in their industry, or their main suppliers.

Everything from a single source for all industries

Our customers are increasingly benefiting from the fact that they receive "everything from a single source" from us, from sensor components through to complete sensor systems. This reduces their coordination and certification costs to a considerable degree and leads to improved quality thanks to monitoring of the various interfaces.

We contribute our sensor solutions, and so considerably improve the benefits of the end customers of our customers, to an extremely wide range of applications which have extended far beyond the opto-electronic field for several years. We have also been operating for many years in the future-oriented MEMS area, which we have extended considerably again in

the last 18 months, as well as in the development and marketing of special sensors. Almost 400 employees at six sites generated €45 million in sales in 2010.

Supplier of sensor solutions with tradition and a future

This corporate performance and the business model that we have fundamentally developed over the last two decades are also reflected in our new brand appearance: since July 18, we have been operating under the company name First Sensor AG.

Semiannual results that are worthy of our anniversary

Our semiannual results are also worthy of our anniversary. After we successfully generated an extraordinarily high sales growth of 50% in 2010, sales in the first six months of the current business year stood at €27.2 million, which represents a further increase of 41% compared to the same period in the previous year. The EBIT were €2.4 million, more than double the figure in the comparable period in 2010. The EBIT margin of 9% (previous year period: 6%) is slowly but surely approaching our overall annual target of 10%. The first results of our investments in the scalability of the corporate group, which we initiated in 2008, are now becoming evident.

The medium-term target for the EBIT margin is over 15%.

The excellent operating performance is also reflected in the mid-year surplus,



Dr. Hans-Georg Giering
CEO



Dr. Ingo Stein
CFO

which rose by 151% to €1.7 million. Mid-year earnings per share amount to 26 cents (previous year: 10 cents). This positive result is leading to an expansion of our strong equity basis, which amounted to €39.7 million as at June 30, 2011 (equity ratio 55%). Liquid funds amounting to €13.6 million also emphasize our financial stability. The backlog of orders, a useful future indicator, is also pointing in the right direction: at €28.8 million, it stands 49% higher than the previous-year level.

Significant volume increase for two major orders

Size creates size: while several years ago we were ruled out in the award of several orders because the customers believed that we were too small, we have been able in recent weeks to register two considerable volume increases on major orders in short succession. The first concerns the delivery of high-precision camera systems for the driver assistance system of all model ranges of a renowned German automotive manufacturer (term through 2018), and the second means the early extension of an order existing since 2008 for the manufacture of steering angle sensors (term now through 2016) for a major automotive supplier, including a doubling of the unit quantity. Both of these orders will secure us sales of tens of millions in the coming years and so will contribute at least to a consolidation of our medium-term sales and result forecasts. However, for us these awards also mean that we have broken through the sound barrier and are becoming attractive for further major customers; this is the re-

sult of our investments in capacity and scalability.

Our own new products go on sale

Although both of these orders come from the automotive sector, First Sensor is still benefiting from its variety of industries, which helps to make us independent of specific economic cycles. At present, the strongest sector in terms of sales is Industry, especially our sensor solutions in the industrial automation and mechanical engineering fields. Even so, we also see an excellent outlook for the future in the Life Science sector. First Sensor recorded a significant success in this area in recent weeks: we received EU certification for the third generation of our tumor sensor. This appliance, which was developed and produced entirely in-house, makes it possible to directly identify and analyze cancer cells with unique local precision. This precisely targeted analysis will lead to a considerable improvement and facilitation of all measures relating to cancer surgery and so to corresponding savings. Marketing will begin in the fall of the current business year; in addition to the proven sales channels, a separate marketing team has also been developed to increase the margins. Based on the competencies in the Life Science sector that we have built up over the last 10 years, we plan to develop further products.

9%

EBIT margin

(previous year period: 6%),
medium-term target for
EBIT margin: > 15%

Foreword

We shall also begin with the marketing of our second important product, the particulate matter sensor, in the fall. From 2013, 10 million households in Germany will have to carry out a measurement of the particulate matter burden from their domestic fires every three years. In contrast to the competitor products, our devices permit a direct evaluation on site, which will represent an enormous relief for the chimney sweepers responsible for this measurement. Here again, the development and manufacture are carried out within the First Sensor Group.

Expansion of competencies in the MEMS area

We have already referred above to the MEMS area (Micro Electronic-Mechanical Systems). This is currently regarded as one of the most important future technologies in the sensor industry. In contrast to the opto-electronic field (beams that are detected by a surface), MEMS sensors rely on moving parts, such as the change of a membrane in a pressure sensor or the movement of a mass in positional or acceleration sensors. We already expanded the MEMS area considerably last year. Several weeks ago, we dramatically expanded our competency in this field once again by acquiring memsfab GmbH, Chemnitz. memsfab has developed AIM technology in conjunction with the renowned ENAS Fraunhofer Institut in Chemnitz, Germany. This makes it possible to produce high-precision inclination sensors with a measuring accuracy of one ten thousandth of gravitational acceleration. These sensors are needed in all areas where the measurement of position and acceleration with above-average accuracy is required, such as flight guidance systems and stabilizati-

on systems for drilling platforms, buildings and container ships. At present, we are developing the first samples with our customers. In the coming years, we will also profit here from the increasing significance of these sensors in an extremely wide range of applications.

Synergies through merging the areas of MEMS and opto-electronics

In recent publications, we already reported on our construction measures relating to the merging of the MEMS and the opto-electronic areas at the site in Berlin-Oberschöneweide, Germany. As the basic production steps are identical, we will be able to achieve synergies here in the production area in the coming years. Moreover, the expansion of production will also lead to a stronger utilization of our modern sensor factory that was built in 2008. The construction is due to be completed on time in the late fall, despite certain bottlenecks at our suppliers. These construction projects are currently leading to several extraordinary expenses, but we regard them as investments in our future scalability.

Unfortunately, the present turbulence on the capital market has had a negative effect on the First Sensor share. It seems that the Japanese crisis and the speculations about delivery bottlenecks have also impaired our share price. We would like to emphasize once again that an analysis of our purchasing portfolio has led to the conclusion that we, in contrast to classic semiconductor manufacturers, are not procuring any critical materials from Japan. At present, no bottlenecks are perceptible on the customer side, either.

In any case, we are regarding the current price performance in the light of our medium- and long-term growth strategy. In the last two years, we have managed to register a price increase of approximately 79%. Our investments in the last three years in marketing structures, the increase in production capacity and efficiency and the acquisition of key technologies will considerably increase our scalability in the coming years and support both growth and value development.

The current performance, the most recent major orders and the first fruits of our investments all support our short- and medium-term forecasts issued at

the beginning of the year: The objective is to continue exceeding the €50 million sales threshold in the current business year and to reach sales levels of between €51 and 55 million, while the operating margin (EBIT margin) should amount to at least 10%. In the subsequent years, too, the strong growth in sales of 20% is expected to be maintained. In the long term, the realization of economies of scale from the investments we have made should give rise to a 15% increase in the operating margin (EBIT margin).

We look forward to sharing the next 20 years with you all, our customers, suppliers, technology partners and shareholders.

79%

share price increase

in the last two years

(July 1, 2009-June 30, 2011)

51-55

€51-55 million

unchanged sales target


for the current 2011 business year

Berlin, August 2011

First Sensor AG



Dr. Hans-Georg Giering
CEO

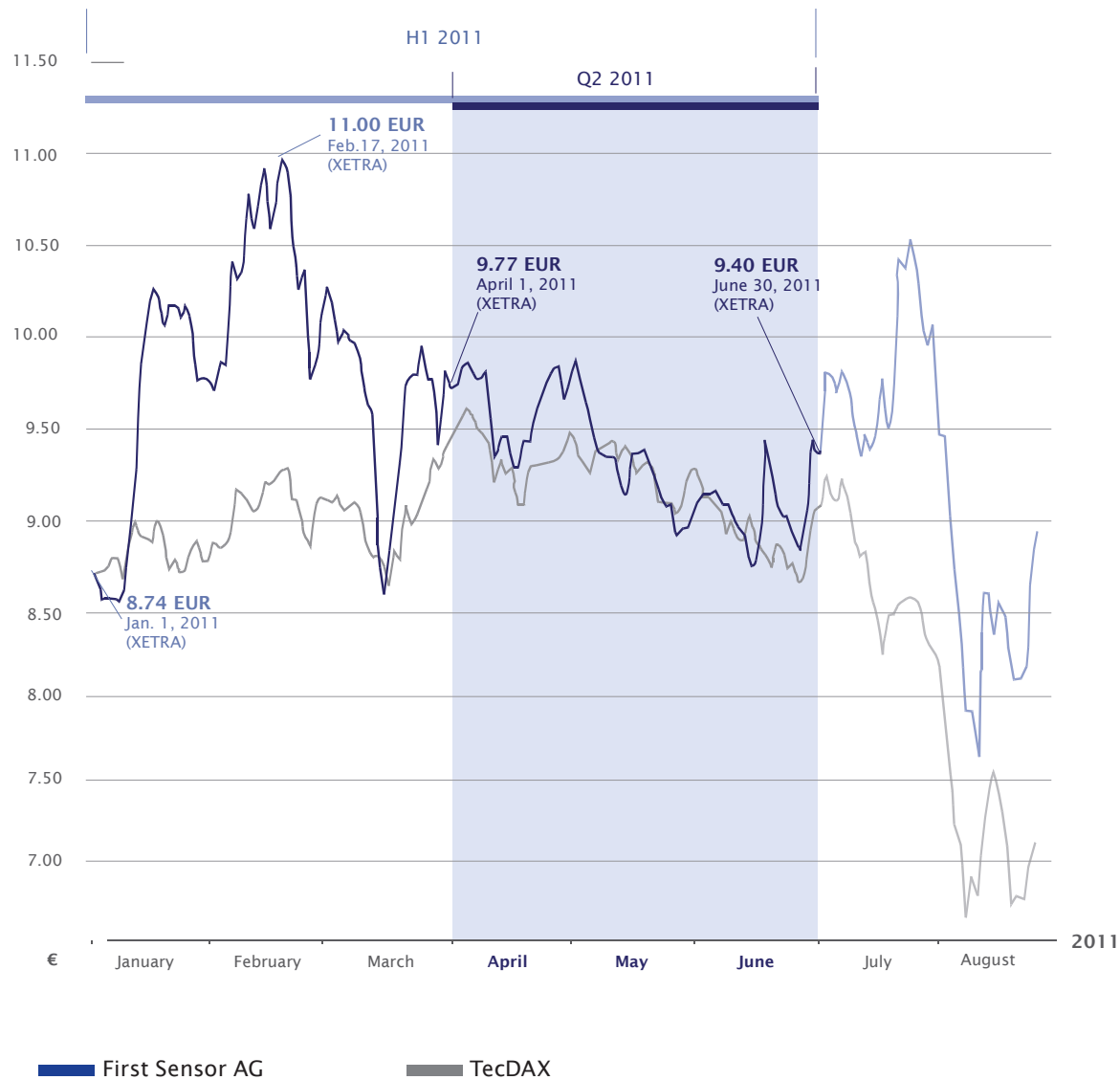


Dr. Ingo Stein
CFO

Share price performance

Share price performance

from January 1, 2011 to June 30, 2011

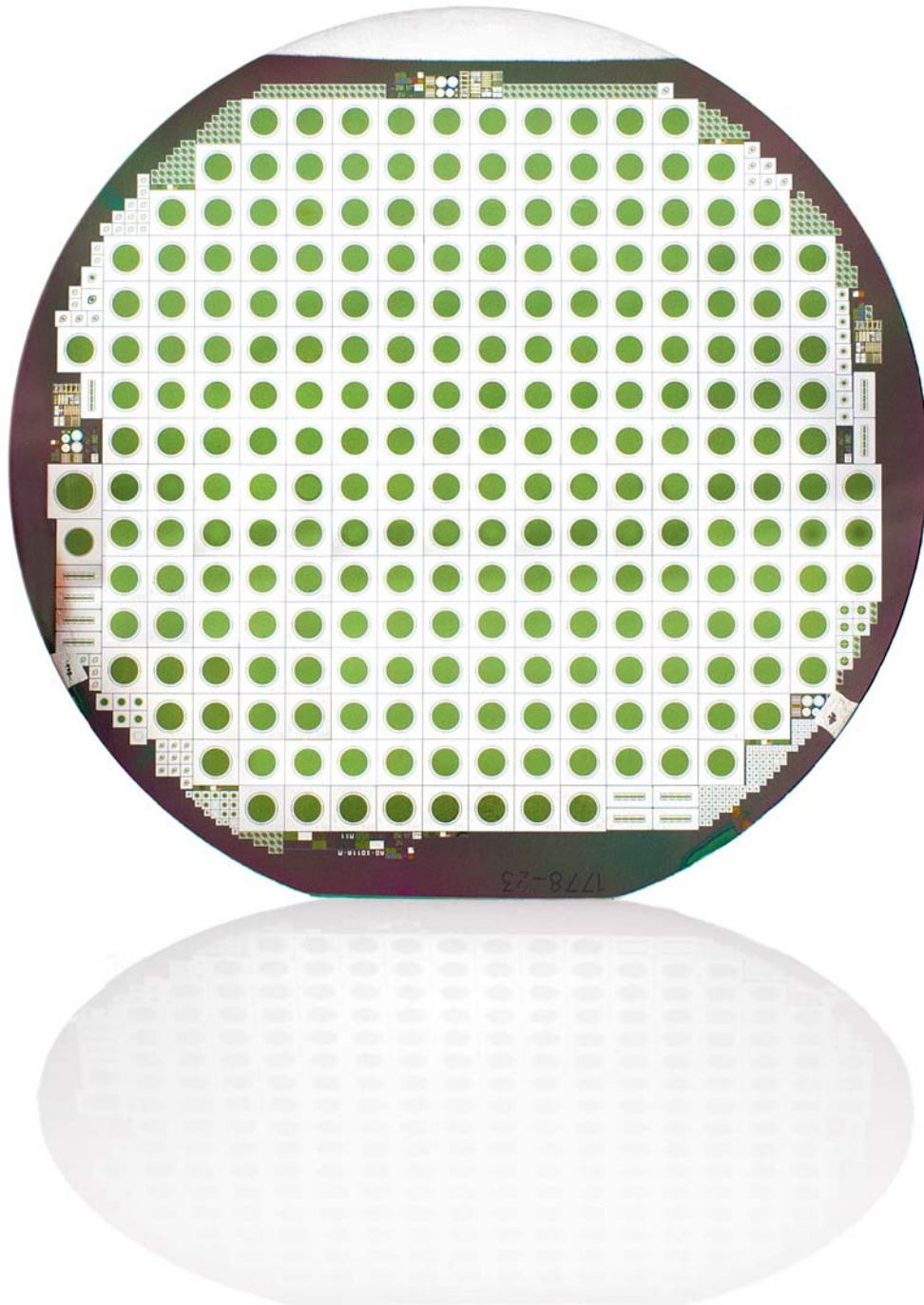


First Sensor AG

ISIN: DE0007201907

WKN (German securities identification code): 720190

Symbol: SIS



Management Report

First six months of 2011

First Sensor Group Business Fields

First Sensor is a developer and manufacturer of customized sensors in the high-end range. These innovative sensor solutions support the high-quality conversion of non-electrical variables (radiation, light, pressure, location, speed, temperature, humidity, etc.) into electrical indicators, which can then be processed further in the customers' electronic systems. Our sensor solutions therefore make a significant contribution to the competitiveness of our customers' products. Our most important business fields include solutions in the areas of optical sensors and MEMS sensors (Micro Electro-Mechanical Systems), especially pressure, acceleration and position sensors.

The individual companies of First Sensor operate in all parts of the value-added chain: Apart from sensor components, First Sensor also develops and produces highly reliable customized hybrid circuits and products for microsystem engineering and advanced packaging (sensor modules), through to the finished sensor systems. Customers include well-known industrial groups and research establishments. As a rule, a project begins with the task definition by the customer and the joint drafting of a development strategy; a thorough development and test phase is then followed by a supplier relationship that usually lasts several years.

The sensor solutions of First Sensor are generally deployed as crucial basic components in all conceivable applications in a wide range of industries, making the Group largely independent of business cycles in individual industries. The market segment of high-end sensor solutions that we address is still regarded as a highly competitive market.

First Sensor is one of the world's technological leaders, developing and producing optical and MEMS-based high-end sensor solutions to satisfy the highest demands in this market. For instance, these include the Avalanche photodiodes (APD) and Avalanche photodiode arrays developed and produced by First Sensor in the past, which are ranked as world leaders. These APDs are used together with laser modules for instance in high-precision distance measuring systems for a variety of applications.

Sensor solutions made by the First Sensor Group can be found in countless products in a wide range of industrial applications, such as electronic yardsticks, tank pressure- and solar altitude sensors in motor vehicles, air-conditioning systems, blood sugar measuring instruments, X-ray units for baggage inspection, machine control systems, space research, cancer operations, toll systems for trucks, and measuring instruments in the pharmaceuticals industry and environmental technology, to name but a few.

First Sensor develops and produces sensor solutions above and beyond the individual value-added. The various German sites in Berlin, Dresden and Oberdischingen and on the American West coast differ in terms of their position in the value-added chain. Often, several different Group companies are involved in handling a customer order.

Business Performance in the first six months of 2011

In the first six months of the new business year, sales were increased by 41% to €27.2 million compared to the same period in the previous year. The main sales drivers were our existing customers who initiated a series of new projects or increased their order volumes. Additionally, in the second half of the year new customer projects will reach start of production and the marketing of our own products such as the particulate matter monitoring device or the cancer tumor sensor will begin. This pleasing performance is the result and part of the sales team at First Sensor that has been quantitatively and qualitatively expanded since 2009.

The backlog of orders increased by 35% compared to June 30, 2010 to €28.8 million. Moreover, a series of further major projects will reach start of production in the coming quarters. In recent weeks, First Sensor was also able to register an increase in volumes and term extensions for two major orders: on the one hand, for the delivery of high-precision camera systems for a renowned automotive manufacturer (term through 2018); on the other hand, for the manufacture of steering angle sensors for a major European automotive supplier (term through 2016). The sales volume of both these orders amounts to tens of millions, which is not yet included in the reported backlog of orders.

The gross income rose by 30% to €16.3 million compared to the same period in the previous year. The decline in the gross income margin by 5 percentage points to 55% reflects the modified product mix and the related difference in added value.

The rise in personnel costs by 23% to €8.4 million and the increase in other operating expenses by 24% to €3.7 million were based on three main causes: On the one hand, the expansion of Sales, Research and Development and middle management to align the company ideally to handle the current and future growth and, on the other hand, the incorporation of the results of First Sensor Technology GmbH, which was introduced to the consolidation group for the first time on April 1, 2010. Moreover, the new appointments were made in the production area due to the considerable increase in orders.

Compared to the same period in the previous year, the EBITDA of the first six months of the year increased by 55% to €4.2 million. The increase in the depreciations by 11% to €1.8 million reflects in particular the investments in increasing production efficiency and the integration of the MEMS field in our sensor factory at the Berlin-Oberschöneweide site. It was possible to more than double the EBIT compared to the same period in the previous year, reaching a level of €2.4 million (same period in previous year: €1.1 million).

The financial result, which is heavily influenced by the interest payments for investment loan and currency losses, stood at €-0.4 million (same period in previous year: €-0.2 million). The semi-annual result increased by 151% to €1.7 million, which corresponds to earnings per share of 26 cents (previous year period: 10 cents).

The Group equity stands at €39.7 million (€38.0 million as at December 31, 2010) and so corresponds to an equity ratio of 55% (56%). Together with its liquid assets in the amount of €13.6 million, this means that the company is in an outstanding position to manage its further growth. This financial ratios are also particularly important for our customers in choosing their manufacturer as development and production processes often extend over several years and the long-term financial stability of a business partner plays a crucial role.

Overall, the sum of short- and long-term loans increased by €1.9 million to €15.1 million when compared with December 31, 2010, due to a net increase in new loans. The loans were primarily intended for the acquisition of installations to increase production efficiency and also construction measures for merging the opto-electronic area with the MEMS area at the Berlin-Oberschöneweide site.

Apart from the increase in sales and orders, the increase in accounts receivable (+€1.5 million to €7.7 million) and inventories (+€0.9 million to €12.6 million) compared to December 31, 2010 are due in particular to the development of buffer warehouses in the first half of the current business year as collateral for the relocation of First Sensor Technology GmbH from Adlershof to Oberschöneweide.

As per June 30, 2011, 405 persons were employed by the Group. The increase compared to June 30, 2010 (325 employees) was also essentially due to the stocking up of production due to the higher level of utilization and the ex-

pansion of sales, research and development and middle management.

The cash flow from current business activities stood at €1.2 million, below the value for the same period in the previous year (€2.2 million). The main reasons for this can be found in the strong development of working capital in the first half of 2011. This was caused on the one hand by the strong growth in sales, and on the other by the development of a buffer warehouse as preparation for the imminent integration of MEMS activities at the Berlin-Oberschöneweide site. The cash flow from investment activities in the amount of €-4.1 million (previous year: €-6.0 mil-

lion, including the acquisition of a subsidiary, among other developments) was characterized by investments in tangible assets, including payments for further efficiency improvements in production and the expansion of the production lines at all our sites. Amortizations of financial loans in the amount of €2.7 million were offset by new uptakes in the amount of €4.4 million (without taking working capital loans into account), resulting in a cash flow from financial activities of €1.5 million (previous year period: €0.3 million). In total, the cash and cash equivalents fell by €1.3 million compared to December 31, 2010 to €12.8 million.

Outlook

The excellent semiannual results, where we are bearing the first fruits of our growth strategy, the clear expansion of two major orders and the forecast of the following quarters, which will involve the launch of further major projects and the beginning of the marketing of our own products (particulate matter measuring device, cancer


cell detector), all combine to vindicate our short- and medium-term forecasts issued at the start of the year:

the company continues to expect sales in the 2011 business year to exceed the €50 million threshold and reach levels of between €51 and 55 million, while the operating margin (EBIT) should amount to at least 10%. In the subse-

quent years, too, the strong growth in sales of 20% is expected to be maintained. In the long term, the realization of economies of scale from the investments we have made should give rise to a 15% increase in the operating margin (EBIT margin).

Berlin, August 2011
First Sensor AG


Dr. Hans-Georg Giering
CEO


Dr. Ingo Stein
CFO



Financial Statements

H1 2011

First Sensor AG

Consolidated Balance Sheet, ASSETS

as at June 30, 2011 and December 31, 2010 (IFRS)

in € thousands, unless otherwise specified	June 30, 2011	Dec. 31, 2010
SHORT-TERM ASSETS		
Liquid funds	13,601	14,604
Accounts receivable	7,688	6,145
Due from affiliated companies	16	24
Inventories	12,569	11,704
Tax refund claims	29	115
Payments and accrued income and other short-term assets	1,937	1,456
Total short-term assets	35,840	34,048
LONG-TERM ASSETS		
Tangible assets	27,882	26,989
Intangible assets	3,090	2,227
Shares in affiliated companies	906	906
Goodwill	2,971	2,971
Latent tax claims	840	946
Other long-term assets	32	22
Long-term assets	35,721	34,061
TOTAL ASSETS	71,561	68,109

First Sensor AG
Consolidated Balance Sheet, LIABILITIES
as at June 30, 2011 and December 31, 2010 (IFRS)

in € thousands, unless otherwise specified	June 30, 2011	Dec. 31, 2010
SHORT-TERM LIABILITIES		
Short-term loans	4,107	4,659
Accounts payable	4,399	3,778
Due to affiliated companies	17	0
Advances from customers	2,161	1,914
Accrued liabilities	553	515
Liabilities from income tax	884	771
Other short-term liabilities	1,968	2,983
Short-term loans	14,089	14,620
LONG-TERM LIABILITIES		
Long-term interest-bearing loans	10,973	8,533
Accrued liabilities	164	165
Latent taxes	1,184	1,174
Prepayments and accrued income	5,426	5,531
Long-term loans	17,747	15,403
Minority interests	59	78
TOTAL EQUITY		
Subscribed capital	33,130	33,130
Reserves	1,666	1,642
Currency adjustment items	-335	-241
Net profit	5,205	3,477
Total equity	39,666	38,008
TOTAL EQUITY AND LIABILITIES	71,561	68,109

First Sensor AG

Consolidated Statement of Comprehensive Income as at June 30, 2011 and June 30, 2010 (IFRS)

in € thousands, unless otherwise specified	Jan. 1, 2011 - June 30, 2011	Jan. 1, 2011 - June 30, 2010	April 1, 2011 - June 30, 2011	April 1, 2010 - June 30, 2010
Sales revenue	27,165	19,312	14,054	10,415
Other operating income	752	731	338	425
Change in stocks of finished goods and unfinished goods	874	195	618	-91
Capitalized cost of self-constructed assets	761	334	347	192
Cost of materials/purchased services	-13,302	-8,111	-6,821	-4,219
Personnel expenses	-8,416	-6,833	-4,193	-3,693
Depreciation of tangible and intangible assets	-1,778	-1,605	-912	-823
Other operating expenses	-3,661	-2,940	-1,912	-1,614
Operating result	2,395	1,083	1,519	592
Interest income	50	32	29	21
Interest expenses	-385	-414	-202	-213
Currency profits	48	238	16	172
Currency losses	-108	-56	-49	-39
Result before tax and minority interests	2,000	883	1,313	533
Taxes on income	-291	-117	-224	-8
Period profit	1,709	766	1,089	525
Period surplus attributable to First Sensor AG shareholders	1,728	689	1,122	499
Period surplus owing on minority interests	-19	77	-33	26
EXPENSES AND INCOME RECOGNIZED DIRECTLY IN EQUITY:				
Differences from currency conversion (after tax)	-94	191	1	126
Net profits/losses from cash flow hedges (after tax)	11	57	-30	77
Net gains/losses from transaction costs	-65	0	-11	-45
Total expenses and income recognized directly in equity	-148	248	-714	-38
TOTAL PERIOD RESULT	1,626	1,014	1,626	1,014
Basic earnings per share	0.26	0.10	0.17	0.07
Number of shares on which calculation of basic earnings per share was based (thousand shares)	6,626	6,626	6,626	6,626
Diluted earnings per share	0.26	0.10	0.17	0.07
Number of shares on which calculation of diluted earnings per share was based (thousand shares)	6,688	6,633	6,678	6,639

Consolidated Statement of Comprehensive
Income

Interim Financial Report H1 2011

Consolidated Statement of Cash Flows

First Sensor AG

Consolidated Statement of Cash Flows

from January 1, 2011 to June 30, 2011 and
from January 1, 2010 to June 30, 2010 (IFRS)

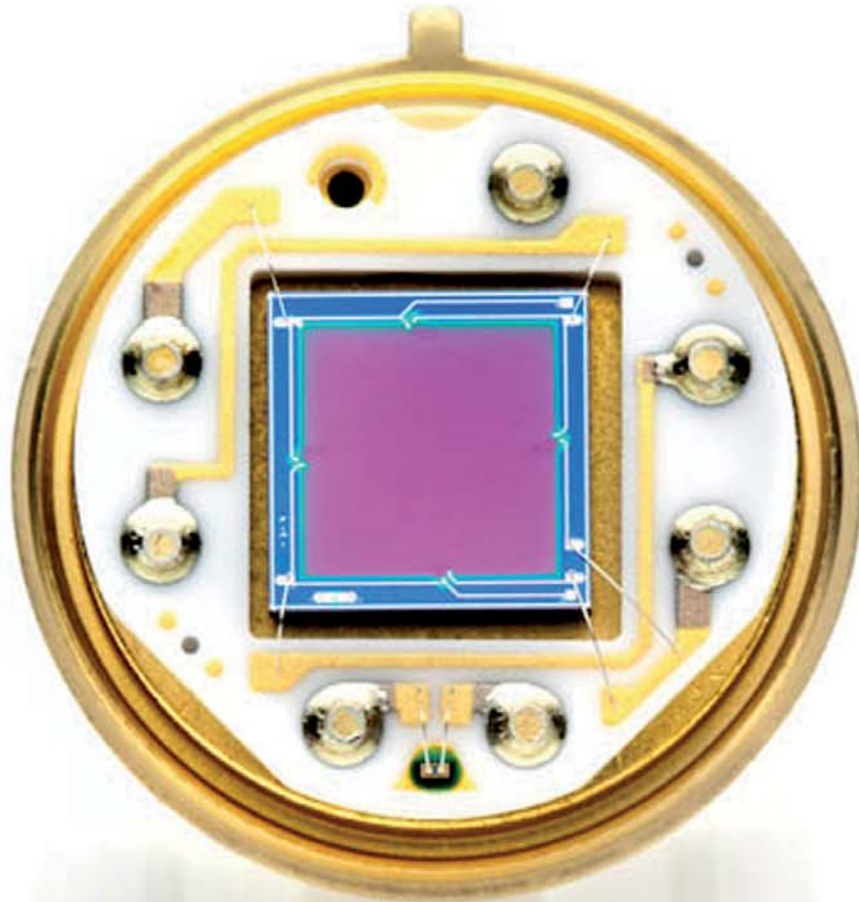
in € thousands	Jan. 1, 2011 - June 30, 2011	Jan. 1, 2010 - June 30, 2010
Pre-tax income	2,000	883
Adjustments to reconcile operating result with cash flow from operating activities		
Depreciation of intangible and tangible assets	1,778	1,605
Other non-cash expenses/income	78	11
Income from investment grants	-253	-289
Interest income	10	0
Interest expenses	-50	-32
Income from asset disposal	385	414
Increase/decrease of provisions	-1	-12
Increase/decrease of inventories, trade	37	-147
Accounts receivable and other assets not assigned to investment/financing activities	-2,500	-1,326
Increase/decrease of accounts payable and other liabilities not assigned to investment/financing activities	87	1,386
Interest paid	-378	-389
Income tax paid	19	59
Other profits/losses	0	0
Cash flow from operating activities	1,212	2,163
Payments for investment into tangible and intangible assets	-3,555	-1,829
Payments for investments in affiliated companies	-50	0
Payments for acquisition of subsidiaries	-500	0
Receipts from disposal of tangible and intangible assets	1	12
Payments for acquisition of subsidiary after deducting purchased funds	0	-4,241
Receipts from investment grants	0	0
Interest received	50	32
Cash flow from investment activities	-4,054	-6,026
Receipts from appropriations to equity	0	0
Payments for repaying financial liabilities	-2,745	-1,660
Cash returned to shareholders	0	0
Transaction costs for issuing shares	-65	0
Proceeds from borrowings	4,358	1,951
Cash flow from financing activities	1,548	291
Currency differences from converting funds	14	35
Changes in funds affecting payments	-1,280	-3,537
Funds at the beginning of the business year	14,058	16,652
FUNDS ON REPORTING DATE	12,778	13,115

First Sensor AG
Consolidated Statement of Changes in Equity
from January 1, 2010 to June 30, 2010 (IFRS)

in € thousands, unless otherwise specified	Number of shares ('000)	Subscribed capital	Share premium	Revenue reserves	Unrealized profit/loss	Balance sheet loss/profit	Exchange equalization items	Minority interests	Total equity
January 1, 2010	6,626	33,130	4,618	-586	-209	-1,231	-339	-6	35,377
Differences from currency conversion							191		191
Result shown directly as equity, total					57				57
Period result						690		77	767
Appropriation of balance sheet loss									0
Share capital increase without issue of new shares									0
Share-based remuneration				36					36
Capital increase									
June 30, 2010	6,626	33,130	4,618	-550	-152	-541	-148	71	36,428

First Sensor AG
Consolidated Statement of Changes in Equity
from January 1, 2011 to June 30, 2011 (IFRS)

in € thousands, unless otherwise specified	Number of shares ('000)	Subscribed capital	Share premium	Revenue reserves	Unrealized profit/loss	Balance sheet loss/profit	Exchange equalization items	Minority interests	Total equity
January 1, 2011	6,626	33,130	2,136	-404	-90	3,477	-241	78	38,086
Period profit/loss						1,728		-19	1,709
Result shown directly as equity, total					-54		-94		-148
Total period result					-54	1,728	-94	-19	1,561
Share-based remuneration				78					78
June 30, 2011	6,626	33,130	2,136	-326	-144	5,205	-335	59	39,725



Appendix to the Financial Statements

Notes to the Financial Statements

(all amounts in € thousands, unless otherwise specified)

General

First Sensor AG, Berlin, Germany (hereinafter "FIS") is a listed corporation headquartered in Berlin, Germany. The renaming of the former Silicon Sensor International AG to First Sensor AG was passed by the shareholders at the annual general meeting on June 9, 2011 and entered into the Commercial Register on June 25, 2011.

Consolidated interim financial statement

The consolidated interim financial statement as per June 30, 2011 was prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB), which were valid on the reporting date and recognized by the European Union (EU), as well as the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) endorsed by the IASB. It also complies with the requirements set out in the German Securities Trading Act (WpHG).

All amounts are in Euro; if not stated otherwise, all amounts are specified in thousands of Euro (€ thousands).

Accounting methods

The essential practices and methods used to prepare the consolidated interim financial statement are in compliance with those used for the 2010 consolidated financial statement. For a detailed description of the practices and methods please refer to the published consolidated financial statement for the 2010 business year.

Consolidation group

In the past business year, First Sensor Technology GmbH was included in the consolidated report for the first time, from April 1, 2010. As a result of this, the comparability of the profit situation between the 1st six months of 2010 and the 1st six months of 2011 is limited.

Long-term asset impairment

The First Sensor Group constantly monitors the intrinsic value of long-term assets by comparing the planned and obtained operating results. In the first six months of 2011, there was no evidence of any depreciation in long-term assets to below the recorded book values.

Supplementary report

(events after the reporting date)

Following the acquisition of 100% of the shares of memsfab GmbH, Chemnitz, Germany, First Sensor AG took over control of business activities from July 1, 2011. This acquisition represents an essential expansion in the competencies of the First Sensor Group in the MEMS area. The AIM technology acquired with memsfab makes it possible to measure the position and acceleration of objects with an accuracy of up to one ten thousandth of gravitational acceleration. This technology is important for all product applications that rely on high accuracy in such measurements, such as flight guidance systems and stabilization systems for drilling platforms, buildings and container ships.

The purchase price for company shares is in the low six-digit range.

The assets, debts and earnings of memsfab will be included in the consolidation group of First Sensor AG from July 1, 2011. A purchase price allocation has not yet taken place due to the imminence of the purchase transaction to the balance sheet reference date.

Assurance by legal representatives

We hereby affirm that, to the best of our knowledge, the picture presented in the consolidated financial statement


using applicable accounting principles for interim reports portrays a realistic impression of the Group's financial and earnings status. We furthermore affirm that the business activities, including the operating result and the Group's si-

tuation, are presented in such a way in the consolidated interim management report as to give a realistic picture and describe the opportunities and risks of the Group's expected development for the rest of the business year.

Berlin, August 2011

First Sensor AG


Dr. Hans-Georg Giering
CEO


Dr. Ingo Stein
CFO

Legal Notice

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 specifications in this consolidated interim report were produced on the basis of a probability-based plan and represent statements regarding the future which cannot be guaranteed.

Financial Calendar 2011

Date	Topic	Location
2011-08-25	Publication of Interim Financial Report H1/Q2 2011	
2011-08-29 – 2011-08-31	Analysts' conference SCC Small Cap Conference	Frankfurt am Main
2011-11-18	Publication of Interim Financial Report Q3	
2011-11-21 – 2011-11-23	German Equity Capital Forum	Congress Center at Messe Frankfurt, Frankfurt am Main

This Interim Financial Report 2011 is available in German and English.

Both versions are also available for download on the internet at www.first-sensor.com.

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Legal Notice
Financial Calendar 2011

Interim Financial Report H1 2011

