

Corporate News
August 11, 2016

Strong sales and earnings growth at First Sensor during the first half of 2016

- Sales increase by 13 percent to 75.9 million Euros
- EBIT margin at 7.2% after six months
- Outlook for financial year 2016 remains unchanged

First Sensor AG, developer and manufacturer of customer-specific solutions in the growth market of sensor systems recorded sales of 38.4 million Euros for the second quarter of 2016 (previous year: 33.9 million Euros, which represents an increase of 13.2%). Consequently, the dynamic growth experienced during the first quarter of 2016 has continued, meaning that the total sales for the first half of the year increased to 75.9 million Euros (previous year: 67.2 million Euros, which represents an increase of 13.0%). The higher sales volume, the introduced process optimisations and an advantageous product mix have all contributed to a markedly disproportionate increase in profitability. The EBIT for the second quarter of 2016 (3.3 million Euros) was more than double the figure achieved during the same quarter from the previous year (1.4 million Euros). This results in an EBIT of 5.5 million Euros for the first half of 2016 (previous year: 2.9 million Euros), which represents an EBIT margin of 7.2%.

"In a volatile environment, First Sensor was able to record a stable business performance during the first half of the year. The current figures indicate that we are continually developing opportunities for growth and are also markedly increasing our profitability. And we are continuing to work on this", says Dr. Mathias Gollwitzer, Chairman of First Sensor AG. "Therefore, we believe we are in an excellent position to achieve our goals for the entire year. This means increasing our sales from 145 to 150 million Euros and achieving an EBIT margin of between 5 and 6 percent. At the same time, we do not believe we should distance ourselves from our set objectives. The uncertainties in the overall economic environment and that have an impact on our business are still too great to do so."

Segments

The decline experienced during the first quarter eased in the Industrial Business Unit. Sales for the first half of the year amounted to 35.2 million Euros (previous year: 37.7 million Euros). Once again, the Medical Business Unit recorded strong and stable growth; sales increased by 50% to 16.3 million Euros (previous year: 10.9 million Euros). Following the above-average first quarter, the business performance in the Mobility Business Unit stabilised and the sales figures illustrated dynamic growth of approx. 30% to 24.4 million Euros (previous year: 18.6 million Euros).

Incoming orders and order volume

As expected, the order situation returned to normal during the second quarter. Incoming orders accelerated significantly and, after six months, amounted to 80.2 million Euros. Consequently, the order volume reached a three-figure level for the first time (101.2 million Euros) and the book-to-bill ratio is 1.06.



Balance and cash flow

Since the effective date 31.12.2016, the balance sheet total declined slightly to 152.9 million Euros (31.12.2015: 153.5 million Euros). Due to the sales growth, the working capital rose disproportionate by only 7.8% from 36.5 to 39.4 million Euros. Since the start of the year, the debt-equity ratio (net debt/EBITDA) has decreased from 2.9 to 2.32. Thanks to the positive increase in the profit contribution, the net assets have increased to 75.2 million Euros (31.12.2015: 71.3 million Euros), the net asset ratio is 49.2%).

For the first half of the year, the operative cash flow amounted to 3.6 million Euros; the value for the previous year (-7.1 million Euros) was still characterised by the completion of the factoring. Investments worth 2.1 million Euros were invested over the course of the first half of the year and it is anticipated that this volume will increase during the second half of the year. A balanced sum amounting to 5.0 million Euros was used for financing activities, primarily in order to repay liabilities. The free cash flow was positive and amounted to 1.5 million Euros (previous year: -9.8 million Euros).

Employees

At June 30, 2016, the First Sensor Group employs a total of 792 people (31.12.2014 773, which represents an increase of 2.5%). During the reporting period, the sales per employee disproportionately increased from 88.0 to 96.7 thousand Euros, which represents an increase of 9.9%.

Outlook

For the current financial year 2016, the Management Board confirms its forecast of increasing sales from 145 to 150 million Euros and, in doing so, to first achieve an EBIT margin of between 5 and 6 percent. Over the forthcoming years, the objective is to gradually increase the EBIT margin to 10% whereby an annual sales growth of approximately 10 percent can be expected. The aim is to constantly increase the value.

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.

Quarterly Results at a Glance*

in EUR million, unless otherwise indicated	Q1 2015	Q2 2015	Q3 2015	Q4 2015	Q1 2016	Q2 2016
Sales revenues	33.3	33.9	35.4	35.1	37.5	38.4
Industrial	18.7	19.0	18.5	18.0	16.9	18.3
Medical	5.3	5.6	6.4	6.5	7.2	9.1
Mobility	9.3	9.3	10.6	10.6	13.4	11.0
EBITDA	3.9	3.7	1.7	2.1	4.5	5.6
EBITDA margin (%) as compared to total output	11.4	10.7	5.0	6.1	12.1	14.4
EBIT	1.5	1.4	-0.7	-1.0	2.2	3.3
EBIT margin (%) as compared to total output	4.4	4.1	-1.9	-3.0	6.0	8.4
Net profit for the period	1.1	0.7	-1.3	-1.9	1.7	2.5
Earnings per share (EUR)	0.10	0.06	-0.14	-0.19	0.16	0.25
Cash flow from operating activities	-1.0	-6.1	6.1	6.1	3.4	0.2
Free cash flow	-2.7	-7.1	4.5	3.5	2.5	-1.0
Balance sheet total	147.5	149.6	148.5	153.5	154.3	152.9
Shareholders' equity	73.7	74.3	73.1	71.3	72.8	75.2
Equity ratio (%)	50.0	49.7	49.2	46.4	47.2	49.2
Net debt	32.8	40.3	36.1	33.0	31.0	32.1
Working capital	31.8	42.1	39.2	36.5	38.3	39.4
ROCE (%)	1.2	2.3	1.8	1.0	1.8	4.5
Incoming orders	34.9	43.3	28.6	35.5	31.4	48.8
Orders on hand	90.6	98.7	91.0	90.7	84.4	101.2
Book-to-bill-ratio	1.0	1.3	0.8	1.0	0.8	1.3
Employees (average of the period)	767	774	779	773	781	789
Sales revenues per employee in thousand €	43,4	43,8	45,5	45,4	48,0	48.7
Number of shares in thousand	10.135	10.141	10.147	10.155	10.155	10.717

*Rounding differences may arise.

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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