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## AT A GLANCE IN FIGURES

in € thousand, unless otherwise indicated	9M 2014	9M 2013	Δ	in %	Q3 2014	Q3 2013	Δ	in %
<b>Sales revenues</b>	<b>92,214</b>	<b>82,059</b>	<b>10,155</b>	<b>12.4</b>	<b>32,912</b>	<b>28,656</b>	<b>4,256</b>	<b>14.9</b>
<b>Gross profit</b>	<b>47,856</b>	<b>44,209</b>	<b>3,647</b>	<b>8.2</b>	<b>16,668</b>	<b>15,705</b>	<b>963</b>	<b>6.1</b>
<b>Gross margin (%)</b>	<b>50.9</b>	<b>53.4</b>	<b>-2.5</b>		<b>50.2</b>	<b>51.7</b>	<b>-1.5</b>	
<b>EBITDA</b>	<b>11,086</b>	<b>10,086</b>	<b>1,000</b>	<b>9.9</b>	<b>4,321</b>	<b>3,925</b>	<b>396</b>	<b>10.1</b>
EBITDA margin (%)	11.8	12.2	-0.4		13.0	12.9	0.1	
<b>EBIT*</b>	<b>6,618</b>	<b>5,524</b>	<b>1,094</b>	<b>19.8</b>	<b>2,824</b>	<b>2,398</b>	<b>426</b>	<b>17.8</b>
EBIT margin (%)*	7.0	6.7	0.3		8.5	7.9	0.6	
Net profit for the period*	4,483	3,341	1,142	34.2	2,136	1,467	669	45.6
Cash flow from operating activities	7,945	10,391	-2,446	-23.5	4,346	3,388	958	28.3
Cash flow from investment activities	-3,215	-6,368	3,153	49.5	-812	-1,070	258	24.1
Free Cash flow	4,730	4,023	707	17.6	1,011	537	474	88.3
Number of shares in thousand	10,107	9,940	167	1.7	10,107	9,940	167	1.7
Earnings per share (€)*	0.44	0.34	0.10	29.4	0.21	0.15	0.06	40.0
<b>Incoming orders</b>	<b>109,576</b>	<b>97,627</b>	<b>11,949</b>	<b>12.2</b>	<b>30,758</b>	<b>31,279</b>	<b>-521</b>	<b>-1.7</b>
Book-to-bill-ratio	1.19	1.19	0		0.93	1.09	-0.16	

\* For purposes of better comparability adjusted by PPA-amortization in the respective financial period.

in € thousand, unless otherwise indicated	Sep. 30, 2014	Dec. 31, 2013	Δ	in %
<b>Orders on hand</b>	<b>90,511</b>	<b>73,672</b>	<b>16,839</b>	<b>22.9</b>
Shareholders' equity	73,870	70,006	3,864	5.5
Balance sheet total	150,679	146,735	3,944	2.7
Equity ratio (%)	49.0	47.7	1.3	
Net debt	-31,165	-35,787	4,622	12.9
<b>Number of employees</b>	<b>796</b>	<b>757</b>	<b>39</b>	<b>5.2</b>

## AT A GLANCE IN WORDS

- Year-on-year sales growth of 12.4% to €92.2 million.
- Operating result (EBITDA) improves by 9.9% to €11.1 million.
- EBIT before write-downs on purchase price allocations up 19.8% to €6.6 million.
- Incoming orders for the first three quarters increase by €11.9 million to €109.6 million.
- Net debt improves by €4.6 million to €-31.2 million.
- Equity ratio up 1.3 percentage points to 49.0%.
- Forecast for 2014 confirmed: sales slightly above the spread of €114 million and €119 million, EBITDA between €13 million and €15 million.

## FOREWORD BY THE MANAGEMENT BOARD

*Dear shareholders and business partners,  
Dear employees,*

Our company enjoyed successful development in the first nine months of financial year 2014.

We recorded year-on-year sales growth of 12.4% to around €92.2 million and improved our operating result (EBITDA) by around 9.9% to almost €11.1 million. EBIT adjusted for write-downs on purchase price allocations also increased significantly as against the previous year, rising by 19.8% to €6.6 million. As a result, the net profit for the period increased year-on-year to around €4.5 million. This corresponds to adjusted earnings per share of €0.44 (previous year: €0.34), and hence an improvement of almost 30% on the previous year.

Based on our order development, we are extremely confident for the coming months. Incoming orders in the first nine months increased by 12.2% year-on-year to around €109.6 million, while orders on hand improved by 22.9% to total €90.5 million.

We would like to thank all of our employees for their performance and commitment, which made a major contribution to the First Sensor Group's results for the first three quarters of 2014.

### MARKET LEADERS

#### *Profitable growth in core business areas*

The positive business development in the first nine months of 2014 is also the result of the strategic and operational realignment that we initiated at the end of financial year 2013. This involved structuring the company in line with our focus on the rapidly growing medical, industrial and mobility sectors, for which we created dedicated business units within the company at the start of April 2014. Within the dynamically growing future market for sensors and sensor solutions, our aim is to be one of the market leaders in each of these business areas within the next five years.

To this end, we initiated a comprehensive strategic program starting from mid-2014. In addition to a systematic market and customer focus and the establishment and expansion of sales activities in the high-growth regions of Europe and North America, this program involves in particular the structural and organizational adjustments to the company that are necessary for us to achieve our goals. Initial sales successes have already been recorded.

Another aim is to further increase First Sensor's earnings strength. To achieve this, various efficiency improvement measures were continued, initiated and realized in the period under review.

This included the lean production project, which seeks to increase the efficiency of our production activities and reduce the corresponding costs. We are also working to leverage additional synergies within the First Sensor Group in all of our staff departments and business units. In the area of procurement, for example, further savings will be generated through the targeted bundling of orders on a Group-wide basis.

Our aim is for our continued growth over the coming years to be primarily financed internally. We will achieve this by working efficiently and in a cost-effective manner in all areas of the company. Today, First Sensor is one of the world's technical leaders in the area of sensor technology, fulfilling the highest quality standards. In order to maintain this position in future and gain additional market share, we require ongoing investment in our development, our production and testing facilities, and our employees' expertise. Accordingly, profitable growth in all of our core business areas is the basic condition for achieving our strategic and operational targets.

## TAKEOVER BID BY FS TECHNOLOGY HOLDING S.À.R.L.

### *Joint statement in accordance with section 27 (1) WpÜG*

On June 24, 2014, FS Technology Holding S.à.r.l. announced its decision to submit an offer to the shareholders of First Sensor AG for the acquisition of all of the shares in First Sensor AG in the form of a voluntary public takeover bid. The corresponding documentation was published by FS Technology Holding S.à.r.l. on July 28, 2014. According to the documentation, FS Technology Holding S.à.r.l. made a purchase offer of €10.33 per share to the shareholders of First Sensor AG. The acceptance period ended at midnight (CET) on August 26, 2014.

The Supervisory Board and Management Board of First Sensor AG carefully examined and discussed the voluntary takeover bid at a joint meeting.

## FINANCIAL YEAR 2014

### *Positive forecast for the year confirmed*

We have made good progress and achieved key milestones in the strategic and organizational realignment of First Sensor over recent months, and we will continue to systematically press ahead on our clear and profitable growth path in the months to come.

Following this meeting, the Supervisory Board and we, the Management Board of First Sensor AG, issued a joint statement in accordance with section 27 (1) of the German Securities Acquisition and Takeover Act (WpÜG). In this statement, we started by welcoming the intention of FS Technology Holding S.à.r.l. to allow First Sensor to continue as an independent company and to support the Management Board in its current strategy. Even after obtaining extensive financial analyses from equinet Bank AG, however, we were unable to recommend that our shareholders accept the takeover bid at an offering price of €10.33 per share. Please refer to the published version of the joint statement, which can be found in the Investor Relations section of our website.

In light of the positive growth prospects in our core business areas and our strong order performance, we are confirming the forecasts for 2014 as a whole that we issued on March 18, 2014, with total sales slightly above the spread of €114 million and €119 million and an expected operating result (EBITDA) of between €13 million and €15 million.

The Management Board



Dr. Martin U. Schefter  
CEO



Joachim Wimmers  
CFO

## GROUP MANAGEMENT INTERIM REPORT (IFRS)

### BUSINESS MODEL

First Sensor is a developer and manufacturer of customer-specific high-end sensor solutions. These innovative specialized sensor solutions are used for the high-quality conversion of non-electric variables (radiation, light, pressure, flow rate, position, speed, fill level, etc.) into electric variables that are then used in our customers' electronic systems.

First Sensor's sensor solutions are mostly used as key components in a wide range of applications in several different industries.

Our core competencies include solutions in the area of optoelectronics, industrial cameras and MEMS sensor technology.

First Sensor's future strategy for its sensor products will focus on three growing branches of business: technical applications in the fields of medicine, industry and mobility supported by engineering and production services. The business units has been created as part of this plan, which will ensure a consistent focus on markets and customers. The company will also systematically expand its international sales in Europe, Asia and North America. We have identified the changes that we needed to make to our organizational structure and have been implemented these. First Sensor is aiming to become one of the market leaders in all areas of business within the next five years.

#### *Medical*

- Ventilators and anesthesia equipment
- Blood glucose monitors
- Cancer diagnosis
- Measurement systems for the pharmaceutical and environmental technology industries

#### *Mobility*

- LIDAR (optical distance and speed measurement)
- Tank pressure and sun angle sensors for motor vehicles
- Air conditioning systems

#### *Industrial*

- Fill level measurements in industry
- X-ray machines for baggage screening
- Machine controls
- Aerospace technology
- Truck toll monitoring

First Sensor is one of the world's technology leaders, developing and producing optoelectronic and MEMS-based high-end sensor solutions for the most stringent specifications.

First Sensor is active in a future market, and the broad mix of sectors means that the company is generally independent of cyclical developments in the individual sectors.

The market for high-end sensor solutions that First Sensor addresses is generally regarded as a strong global growth market, not least because the number of measurements required in each area of application is also increasing ever further. This means it is important to fit more and more sensors into the smallest possible space. To achieve this, the sensors must become smaller. The market is also demanding robust solutions that are as affordable as possible. First Sensor's broad technological expertise and experience allows it to develop solutions on the basis of technologies other than those that were previously standard. With the new LDE pressure sensor and the new T-bridge, for example, two innovative products that address precisely this demand have just reached market maturity.

## ECONOMIC REPORT

### *Changes in the basis of consolidation*

There were no changes in the basis of consolidation in the year under review.

### *Earnings situation*

In the period under review, First Sensor's **total sales** increased by 12.4% year-on-year to €92.2 million. This is primarily due to the higher level of sales in the Mobility segment and increased sales from production services. The strengthening of the US sales organization is also being reflected in initial sales success. This more than offset the deferred sales from the substitution of trading business.

The **total performance** of €94.0 million (previous year: €82.8 million) includes capitalized own work and changes in inventories of finished goods and work in progress in addition to sales. The increase is due primarily to increased sales and positive changes in inventories.

The €0.4 million increase in **other operating income** to €2.8 million (previous year: €2.4 million) is mainly due to remeasurement gains on the shares granted under the share matching scheme for members of the Management Board as an adjustment to personnel expenses taken directly to equity in the amount of €0.5 million.

The **gross margin** amounted to 50.9%, 2.5 percentage points lower than in the previous year. This was primarily due to the change in the product mix in the first nine months of the financial year due to expansion in the Mobility segment, which tends to have lower margins. The conclusion of new business is continuing to lead to lower earnings contributions across the various sectors. The downturn in the gross margin is offset by the substitution of lower-value trading business with more profitable in-house manufacturing.

**Personnel expenses** increased by €2.6 million year-on-year to €-29.4 million due to various effects such as the appointment of new production staff, the realignment in connection with the business unit organization and individual personnel measures, as well as the non-cash personnel expenses resulting from the share matching scheme exercised by the Management Board.

Despite this, the personnel expenses ratio improved by one percentage point to 31.2% due to the rise in total performance.

**Other operating expenses** increased by €0.4 million to €-10.2 million. This was primarily due to increased consultation services in connection with the business unit realignment, the higher level of warranty expenses on the back of the increased sales volume, and greater expenditure on the recruitment of qualified staff.

This resulted in a year-on-year improvement in earnings before interest, taxes, depreciation and amortization (**EBITDA**) to €11.1 million (previous year: €10.1 million), which corresponds to an EBITDA margin in relation to total performance of 11.8% (previous year: 12.2%).

**Depreciation of property, plant and equipment and amortization of intangible assets** amounted to €-6.4 million (previous year: €-6.5 million). The reduction is due to write-downs on purchase price allocations and the lower level of investment activity.

The **financial result** improved by €-0.5 million in the period under review due to the more favorable interest rate of the promissory note loan compared with the previous syndicated loan agreement and lower currency losses in connection with forward foreign exchange contract hedging.

This resulted in a significantly improved **consolidated profit** after tax of €2.6 million for the first three quarters of financial year 2014 (previous year: €1.4 million).

### *Order situation*

**Orders on hand** in the Group amounted to €90.5 million as at September 30, 2014, an increase of €16.8 million compared with December 31, 2013 (€73.7 million). **Incoming orders** also recorded encouraging growth of €12.0 million (12.2%) to €109.6 million compared with €97.6 million in the same period of the previous year. The ratio of incoming orders to sales (book-to-bill) as a leading indicator remained constant at 1.19 (previous year: 1.19).

This provides a solid basis for the achievement of our growth targets for 2014.

in € thousand	9M 2014	9M 2013
Sales	92,214	82,059
Incoming orders	109,576	97,627
Orders on hand (previous year: Dec. 31)	90,511	73,672
Book-to-bill ratio	1.19	1.19

### Financial analysis

The aim of First Sensor's financial management is to ensure adequate liquidity at all times for the production processes, growth and investments.

Promissory note loans totaling €31.0 million issued at the end of the 2013 financial year matured, meaning that only loan repayments and interest payments for current loans were recorded in the first three quarters of 2014.

Net debt is shown in the following table:

in € thousand	Q3 2014	2013
Non-current financial liabilities	-41,230	-42,927
Current financial liabilities	-4,059	-4,217
Cash and cash equivalents	14,124	11,357
<b>Net debt</b>	<b>-31,165</b>	<b>-35,787</b>

Financial liabilities fell by €3.1 million in the first nine months of the financial year on account of loan repayments. This was offset by new investment loans totaling €1.2 million. Operating performance meant that cash and cash equivalents improved by €2.8 million as of September 30, 2014. This resulted in a further improvement in net debt of €4.6 million.

### Investment analysis

Cash flow from investment activities of €-3.2 million (previous year: €-6.4 million) mainly relates to investments in machinery and equipment for the capacity expansion of production facilities. The comparatively high prior-year figure is due to the scheduled borrowing for the payment of the subsequent purchase price installment of €4.8 million in connection with the acquisition of the Sensortechnics Group.

The sale of the equity interest in Vereta GmbH also impacted the prior-year cash flow from investment activities in the amount of €0.6 million.

Depreciation and amortization was largely unchanged as against the previous year. There was a slight reduction due to the depreciation and amortization of assets as a result of purchase price allocation for the Sensortechnics Group and write-downs on property, plant and equipment.

in € thousand	9M 2014	9M 2013
Intangible assets	-656	-465
Property, plant and equipment	-2,928	-1,927
<b>Investments</b>	<b>-3,584</b>	<b>-2,392</b>
Disinvestment of Vereta GmbH	0	550
Acquisition of subsidiaries	0	-4,750
Investment grants	346	185
Other effects	23	39
<b>Cash flow from investment activities</b>	<b>-3,215</b>	<b>-6,368</b>
Intangible assets	-2,403	-2,469
Property, plant and equipment	-3,976	-4,084
<b>Depreciation and amortization</b>	<b>-6,379</b>	<b>-6,553</b>

### Liquidity analysis

In order to be able to assess First Sensor's solvency, the following table shows the company's liquidity in the form of liquidity ratios. To calculate the cash ratio, cash and cash equivalents are shown in relation to current liabilities. The quick ratio includes current receivables, while the current ratio takes into account inventories as well. This results in a sufficient liquidity status to fulfill the outstanding liabilities.

in %	Q3 2014	2013
Cash ratio	68.4	60.8
Quick ratio	137.9	117.9
Current ratio	283.4	277.3

The following table shows the condensed consolidated statement of cash flows:

in € thousand	9M 2014	9M 2013
Cash flow from operating activities	7,945	10,391
Cash flow from investment activities	-3,215	-6,368
Cash flow from financing activities	-2,016	-5,453
Exchange differences	53	-446
Change in cash and cash equivalents	2,714	-1,430
Cash and cash equivalents at the start of the financial year	11,357	12,201
Cash and cash equivalents at the end of the financial year	14,124	10,325
Free cash flow	4,730	4,023

**Cash flow from operating activities** was down year-on-year at €7.9 million. This was primarily attributable to the factoring that was introduced in June 2013, which led to a significant reduction in working capital due to the first-time sale of receivables and hence a high cash flow from operating activities at the reporting date.

Cash flow from operating activities as of September 30, 2014 was impacted by the €3.3 million increase in accounts receivable to €9.9 million at the reporting date and the higher level of working capital as a result.

**Free cash flow**, which consists of the total of cash flow from operating activities and cash flow from investment activities, amounted to €4.7 million in the period under review (previous year: €4.0 million). The improvement in free cash flow was primarily due to the higher operating result in the first three quarters compared with the previous year.

### *Analysis of asset structure*

**Total assets** increased from €146.7 million in the consolidated financial statements for 2013 to €150.7 million at the reporting date. The main changes were due to the following factors:

The carrying amount of **intangible assets** fell from €22.9 million to €21.1 million. This was due to amortization of €2.4 million, which was offset by investments in the amount of €0.6 million.

**Internally generated intangible assets** are reported separately for greater clarity. At the reporting date, this item was unchanged at €2.9 million (previous year: €2.9 million).

**Goodwill** remained unchanged year-on-year at €29.8 million. The carrying amounts were subjected to impairment testing in the 2013 annual financial statements and no valuation allowances were found to be necessary; this was confirmed at the reporting date.

The carrying amount of **property, plant and equipment** declined by €1.0 million to €36.5 million as of September 30, 2014, due to depreciation effects. Investments of €2.9 million were offset by depreciation in the amount of €3.9 million.

**Inventories** increased by €0.3 million to €30.0 million on the back of the improved order situation and the higher sales generated as a result. This development was offset by the improvements in working capital in the 2014 financial year as a result of the completed purchasing project.

The significant increase in **accounts receivable** of €3.3 million to €9.9 million compared with December 31, 2013 is largely due to the higher level of sales in the Mobility segment and the service production area.

**Cash and cash equivalents** improved by €2.8 million to €14.1 million at the reporting date, with increased purchases of materials to serve the higher sales volume and the rise in personnel expenses and other operating expenses being offset by reduced repayments of principal and the utilization of supplier credit. First Sensor also generated a cash inflow of €0.7 million from capitalization measures (see equity, statement of changes in equity).

**Accounts payable** increased by €0.7 million to €8.4 million compared with the consolidated financial statements for 2013. This was due in particular to the utilization of supplier credit and increased purchases of materials to serve the higher production volume.

**Other current liabilities** totaled €7.4 million at the reporting date. The €1.5 million increase compared with the end of 2013 is due to the higher level of value-added tax liabilities and other provisions.

Due to the proportional increase in net profit, this improved the equity ratio by 1.3 percentage points to 49.0% (previous year: 47.7%).

## SUPPLEMENTARY REPORT

There were no material events after the end of the reporting period. In August 2014, Elbau Singapore Pte. Ltd. was renamed First Sensor Singapore (FSG) Pte. Ltd. in the interests of uniform naming within the Group.

On October 13, 2014, ING Groep N.V., Amsterdam, Netherlands, informed us in accordance with section 21 (1) of the German Securities Trading Act (WpHG) that its interest in the voting rights of First Sensor AG, Berlin, Germany, exceeded the threshold of 30% on October 9, 2014 and amounted to 30.62% (3,095,189 voting rights) on this date.

All of the voting rights are attributable to ING Groep N.V. in accordance with section 22 (1) sentence 1 no. 1 WpHG.

## OUTLOOK, OPPORTUNITY AND RISK REPORT

For reporting on the outlook, opportunity and risk report, please refer to the information contained in the business report for the 2013 financial year, which was published at the end of March 2014.

**Group equity** increased by €3.9 million as against December 31, 2013 to €73.9 million at the reporting date. Please refer to the statement of changes in equity for further information.

The exercise of the share matching scheme by the members of the Management Board from Authorized Capital 2013/I and the exercise of share options under the share option program from Contingent Capital 2009/II also led to an increase in cash and cash equivalents totaling €0.7 million.

The attributable voting rights are held via the following companies controlled by ING Groep N.V., each of which has an interest in the voting rights of First Sensor AG, Berlin, Germany, of 3% or more:

FS Technology Holding S.à.r.l.  
 Parcom Deutschland I GmbH & Co. KG  
 Parcom Capital B.V.  
 Nationale Nederlanden Levensverzekering Maatschappij N.V.  
 Nationale Nederlanden Nederland B.V.  
 ING Insurance Eurasia N.V./NN Group N.V.

No material changes to the situations described therein have occurred during the first nine months of financial year 2014.

## FIRST SENSOR SHARE

*Moderate performance at a high level continues in the third quarter / Share price up 31.66% since start of year*

### *Market and index comparison of the performance of the First Sensor share in Q3 2014*

At the start of the third quarter, the share price continued on the previous sideways trend, moving within a narrow range of between €10.80 and €11.08. On July 24, above-average demand led to a sharp increase to €11.24. In the subsequent days, the shares reached their high for the financial year to date of €11.32. Following limited profit-taking, the share price ended the month at €10.95 (Xetra closing price).

The start of August saw a recovery, with the share price approaching its previous high at €11.20. Positive sentiment was driven by the announcement of the preliminary results for the first half of 2014 on August 6. The share price stabilized at €11.00 throughout the rest of the month with the exception of August 25, during which it fell to a low for the month of €10.75. An upturn in the subsequent trading days led to a closing price of €11.12 on August 29.

September saw largely varied development in First Sensor AG's share price, although €10.80 provided valid support for the most part. The share price moved within a range of between €10.80 and €11.20. With turnover generally low on the whole, September 15 was notable as a total of 61,803 shares were traded on Xetra and the share price climbed to €11.17. This also represented the highest daily turnover in the reporting period.

However, the situation deteriorated again towards the end of the quarter, with the share price declining as a result. The shares reached a low for September – and the reporting period as a whole – of €10.23 on September 26. Despite a substantial recovery in the final trading days, the share price failed to return to the level recorded in mid-September, closing the third quarter at €10.90 (Xetra closing price).

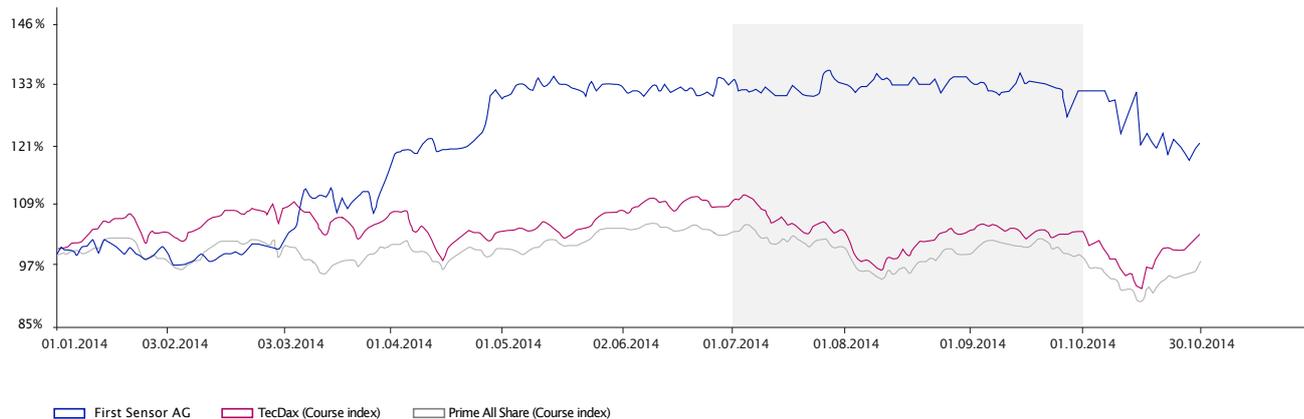
Performance in the period under review was rather sobering, with the share price declining slightly by 0.68%. However, First Sensor AG's shares enjoyed significant growth over the first nine months of the financial year as a whole, with their price rising by 31.66% since the start of the year. The total number of First Sensor shares traded each day averaged around 10,600 in the third quarter and around 10,000 in the first nine months (both XETRA + Frankfurt).

All in all, First Sensor AG's shares slightly outperformed the TecDAX and Prime All Share indices. Although the share price declined slightly by 0.68% in the third quarter, the Prime All Share Index lost 3.84% of its value in the same period, while the TecDAX fell by as much as 4.56%.

On July 28, FS Technology Holding S.à.r.l. published its takeover bid as previously announced. The joint statement by the Management Board and the Supervisory Board followed on July 31. Following careful examination and discussion, the Management Board and Supervisory Board were unable to recommend that shareholders accept the takeover bid at the offering price. By the end of the acceptance period on August 26, the takeover bid had been accepted for around 1.42% of First Sensor AG's issued capital at the reporting date. By the end of the additional acceptance period at midnight on September 12, the takeover bid had been accepted for a total of 1.54% of the company's shares. On October 9, the takeover bid was settled and the consideration was paid to those shareholders who had accepted the bid. FS Technology Holding S.à.r.l. submitted a voting right notification stating that its interest in the voting rights of First Sensor AG exceeded the threshold of 30% on October 9 and amounted to 30.62% on this date.

First Sensor AG's share capital amounted to €50,536,415.00 as at the balance sheet date, divided into 10,107,283 no-par value bearer shares each with a notional interest in the share capital of €5.00. This results in market capitalization of around €110.17 million based on a closing price of €10.90 per share as at September 30.

Performance of the First Sensor share from January 1 to October 31, 2014

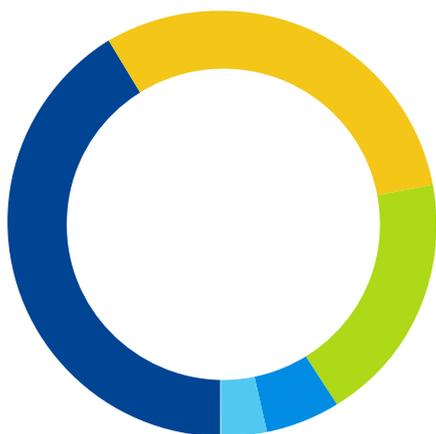


First Sensor share key figures

in € thousand, unless otherwise specified	Sep. 30, 2014	Sep. 30, 2013	Δ	Δ%
Share capital (€)	50,536,415	49,701,365	835,050	1.7
Market capitalization	110,169	77,037	33,132	43.0
Share price (€), XETRA closing price	10.90	7.75	3.15	40.6
Net profit attributable to shareholders*	4,266	3,221	1,045	32.4
Number of shares, weighted	10,013,562	9,940,273	73,289	0.7
Earnings per share (€)*	0.43	0.32	0.11	34.4

\* For purposes of better comparability adjusted by PPA-amortization in the respective financial period.

Shareholder structure as at Sep. 30, 2014  
(according to available voting rights notifications)



- 42.91 % ■ Freefloat
- 29.12 % ■ Alegria Beteiligungsgesellschaft mbH
- 18.89 % ■ DAH Beteiligungs GmbH
- 5.59 % ■ Lampe Beteiligungsgesellschaft mbH
- 3.49 % ■ Midlin NV

First Sensor Share key data

ISIN	DE0007201907
Abbreviation	SIS
Class of security	No-par value ordinary bearer share
Market segment	Regulated market
Transparency level	Prime Standard
Trading centers	XETRA, all German stock exchanges
Industry	Technology
IPO	1999
Designated sponsor	equinet Bank AG
Analysts	Warburg Research, Hauck & Aufhäuser Institutional Research

## CONSOLIDATED BALANCE SHEET (IFRS)

### ASSETS

ASSETS in € thousand	Sep. 30, 2014	Dec. 31, 2013	Δ
Intangible assets	21,144	22,931	-1,787
Internally-generated intangible assets	2,875	2,875	0
Goodwill	29,816	29,816	0
Property, plant and equipment	36,520	37,528	-1,008
Other non-current assets	23	21	2
Deferred taxes assets	1,775	1,791	-16
<b>Total non-current assets</b>	<b>92,153</b>	<b>94,962</b>	<b>-2,809</b>
Inventories	30,049	29,765	284
Trade accounts receivables	9,868	6,577	3,291
Tax refund claims	664	717	-53
Other current assets	3,821	3,357	464
Cash and cash equivalents	14,124	11,357	2,767
<b>Total current assets</b>	<b>58,526</b>	<b>51,773</b>	<b>6,753</b>
<b>TOTAL ASSETS</b>	<b>150,679</b>	<b>146,735</b>	<b>3,944</b>

## EQUITY AND LIABILITIES

EQUITY AND LIABILITIES in € thousand	Sep. 30, 2014	Dec. 31, 2013	Δ
Share capital	50,536	49,907	629
Capital reserves	16,260	15,960	300
Earning reserves	1,004	1,004	0
Currency translation	-248	-570	322
Revaluation reserves	-454	-495	41
Retained earnings	6,373	4,018	2,355
Minority interest	399	182	217
<b>Total shareholders' equity</b>	<b>73,870</b>	<b>70,006</b>	<b>3,864</b>
Non-current post-employment benefit obligation	303	310	-7
Other non-current provisions	167	195	-28
Long-term loans, excluding current portion	41,230	42,927	-1,697
Other non-current liabilities	5,690	5,944	-254
Deferred tax liabilities	6,260	6,835	-575
<b>Total non-current liabilities</b>	<b>53,650</b>	<b>56,211</b>	<b>-2,561</b>
Income tax provisions and liabilities	1,786	1,299	487
Other current provisions	725	550	175
Short-term loans and current portion of long-term loans	4,059	4,217	-158
Payments received on account of orders	770	865	-95
Trade accounts payables	8,400	7,706	694
Other current liabilities	7,419	5,881	1,538
<b>Total current liabilities</b>	<b>23,159</b>	<b>20,518</b>	<b>2,641</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>150,467</b>	<b>146,735</b>	<b>3,944</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)

### CONSOLIDATED INCOME STATEMENT

in € thousand	9M 2014	9M 2013	Δ	Q3 2014	Q3 2013	Δ
Sales revenues	92,214	82,059	10,155	32,912	28,656	4,256
Other operating income	2,759	2,393	366	984	834	150
Change in inventories of finished goods and work in progress	1,395	-73	1,468	169	1,320	-1,151
Other own work capitalized	405	774	-369	138	406	-268
Costs of materials/ purchased services	-46,158	-38,551	-7,607	-16,551	-14,677	-1,874
Personnel expenses	-29,366	-26,740	-2,626	-9,949	-9,221	-728
Other operating expenses	-10,163	-9,776	-387	-3,382	-3,393	11
<b>PROFIT FROM OPERATIONS (EBITDA)</b>	<b>11,086</b>	<b>10,086</b>	<b>1,000</b>	<b>4,321</b>	<b>3,925</b>	<b>396</b>
Depreciation of property, plant and equipment and amortization of intangible assets	-6,379	-6,553	174	-2,134	-2,164	30
<b>EARNINGS BEFORE INTEREST AND TAX (EBIT)</b>	<b>4,707</b>	<b>3,533</b>	<b>1,174</b>	<b>2,187</b>	<b>1,761</b>	<b>426</b>
Interest income	10	24	-14	3	7	-4
Interest expenses	-1,693	-1,987	294	-546	-659	113
Currency gains	83	150	-67	2	34	-32
Currency losses	-129	-429	300	0	-219	219
<b>INCOME BEFORE TAX AND MINORITY INTEREST</b>	<b>2,978</b>	<b>1,291</b>	<b>1,687</b>	<b>1,646</b>	<b>924</b>	<b>722</b>
Income tax expenses	-406	59	-465	-147	-94	-53
<b>NET PROFIT FOR THE PERIOD</b>	<b>2,572</b>	<b>1,350</b>	<b>1,222</b>	<b>1,499</b>	<b>830</b>	<b>669</b>
Net profit for the period attributable to First Sensor AG shareholders	2,355	1,230	1,125	1,410	779	631
Net profit for the period attributable to minority interest	217	120	97	89	51	38
<b>Earnings per share in € (basic)</b>	<b>0.24</b>	<b>0.12</b>	<b>0.12</b>	<b>0.14</b>	<b>0.08</b>	<b>0.06</b>
<b>Earnings per share in € (diluted)</b>	<b>0.23</b>	<b>0.12</b>	<b>0.11</b>	<b>0.14</b>	<b>0.08</b>	<b>0.06</b>

### OTHER COMPREHENSIVE INCOME

<b>NET PROFIT FOR THE PERIOD</b>	<b>2,572</b>	<b>1,350</b>	<b>1,222</b>	<b>1,499</b>	<b>830</b>	<b>669</b>
Actuarial gains and losses on defined benefit plans	0	0	0	0	0	0
Taxes on other comprehensive income	0	0	0	0	0	0
<b>Items not subsequently reclassified to the income statement</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Changes from currency translation	332	-213	545	280	-168	448
Revaluation of derivative financial instruments	41	302	-261	24	40	-16
Taxes on other comprehensive income	0	-64	64	0	-12	12
<b>Items that can be subsequently reclassified to the income statement</b>	<b>373</b>	<b>25</b>	<b>348</b>	<b>304</b>	<b>-140</b>	<b>444</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>2,945</b>	<b>1,375</b>	<b>1,570</b>	<b>1,803</b>	<b>690</b>	<b>1,113</b>
Thereof attributable to shareholders of First Sensor AG	2,728	1,255	1,473	1,714	639	1,075
Thereof attributable to minority interest	217	120	97	89	51	38

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (IFRS)

SEPTEMBER 30, 2013

in € thousand	Number of shares in thou.	Capital stock	Capital reserves	Earning reserves	Currency translation	Revaluation reserves	Retained earnings	Minority interest	Total shareholders' equity
<b>As at January 1, 2013</b>	<b>9,940</b>	<b>49,701</b>	<b>15,699</b>	<b>1,004</b>	<b>-329</b>	<b>-821</b>	<b>4,537</b>	<b>125</b>	<b>69,916</b>
Net profit for the period							1,230	120	1,350
Other comprehensive income					-226	265			39
<b>Total comprehensive income</b>					<b>-226</b>	<b>265</b>	<b>1,230</b>	<b>120</b>	<b>1,389</b>
Share-based remuneration			137						137
Capital increase									0
Appropriation of earnings									0
<b>As at Sep. 30, 2013</b>	<b>9,940</b>	<b>49,701</b>	<b>15,836</b>	<b>1,004</b>	<b>-555</b>	<b>-556</b>	<b>5,767</b>	<b>245</b>	<b>71,442</b>

SEPTEMBER 30, 2014

in € thousand	Number of shares in thou.	Capital stock	Capital reserves	Earning reserves	Currency translation	Revaluation reserves	Retained earnings	Minority interest	Total shareholders' equity
<b>As at January 1, 2014</b>	<b>9,981</b>	<b>49,907</b>	<b>15,960</b>	<b>1,004</b>	<b>-570</b>	<b>-495</b>	<b>4,018</b>	<b>182</b>	<b>70,006</b>
Net profit for the period							2,355	217	2,572
Other comprehensive income					322	41			363
<b>Total comprehensive income</b>					<b>322</b>	<b>41</b>	<b>2,355</b>	<b>217</b>	<b>2,935</b>
Share-based remuneration			207						207
Capital increase	126	629	93						722
Appropriation of earnings									0
<b>As at Sep. 30, 2014</b>	<b>10,107</b>	<b>50,536</b>	<b>16,260</b>	<b>1,004</b>	<b>-248</b>	<b>-454</b>	<b>6,373</b>	<b>399</b>	<b>73,870</b>

## CONSOLIDATED STATEMENT OF CASH FLOW (IFRS)

in € thousand	9M 2014	9M 2013	Δ	Q3 2014	Q3 2013	Δ
<b>INCOME BEFORE TAX AND MINORITY INTEREST</b>	<b>2,978</b>	<b>1,291</b>	<b>1,687</b>	<b>1,646</b>	<b>924</b>	<b>722</b>
Interest paid	1,683	-24	1,707	543	-6	549
Depreciation of property, plant and equipment and amortization of intangible assets	6,379	6,553	-174	2,134	2,164	-30
Income from investment grants	-346	-435	89	-149	-162	13
Income/ loss from the disposal of fixed assets	-13	5	-18	6	-4	10
Other non-cash expenses/ income	-775	137	-912	-1,050	111	-1,161
Changes in provisions	-670	99	-769	289	40	249
Changes in working capital	-2,976	3,527	-6,503	-327	332	-659
Changes in other assets and liabilities	1,198	-708	1,906	1,068	-229	1,297
Income tax paid	487	-54	541	186	218	-32
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>7,945</b>	<b>10,391</b>	<b>-2,446</b>	<b>4,346</b>	<b>3,388</b>	<b>958</b>
Payments for investments in property, plant and equipment and intangible assets	-3,584	-2,392	-1,192	-958	-1,077	119
Payments for acquisition of subsidiaries	0	-4,750	4,750	0	0	0
Proceeds from disposal of property, plant and equipment, intangible assets and investments	13	574	-561	-6	4	-10
Payments for acquisition of other financial assets	0	-9	9	0	-3	3
Proceeds from investment grants	346	185	161	149	0	149
Interest received	10	24	-14	3	6	-3
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>	<b>-3,215</b>	<b>-6,368</b>	<b>3,153</b>	<b>-812</b>	<b>-1,070</b>	<b>258</b>
Proceeds from shareholders	722	120	602	86	51	35
Repayments of financial liabilities	-3,080	-11,335	8,255	-650	-6,790	6,140
Proceeds from loans	1,225	5,762	-4,537	0	195	-195
Interest paid	-883	0	-883	-276	0	-276
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>-2,016</b>	<b>-5,453</b>	<b>3,437</b>	<b>-840</b>	<b>-6,544</b>	<b>5,704</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>2,714</b>	<b>-1,430</b>	<b>4,144</b>	<b>2,694</b>	<b>-4,226</b>	<b>6,920</b>
Currency differences from converting funds	53	-446	499	45	-276	321
<b>CASH FUNDS AT THE BEGINNING OF THE FINANCIAL PERIOD</b>	<b>11,357</b>	<b>12,201</b>	<b>-844</b>	<b>11,385</b>	<b>14,827</b>	<b>-3,442</b>
<b>CASH FUNDS AT THE END OF THE FINANCIAL PERIOD</b>	<b>14,124</b>	<b>10,325</b>	<b>3,799</b>	<b>14,124</b>	<b>10,325</b>	<b>3,799</b>

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS (IFRS)

### *Presenation of the situation at the group*

The parent company is First Sensor AG, domiciled in Berlin, Peter-Behrens-Straße 15, 12459 Berlin, and entered in the commercial register of Berlin in department B under the number HRB 69326. First Sensor AG is listed in the regulated market on the Frankfurt Stock Exchange in the Prime Standard segment under ISIN DE0007201907.

First Sensor AG and its subsidiaries, referred to hereinafter as “First Sensor”, operate in the sensor production and microsystems technology industries. The company’s business mainly focuses on the development, manufacture and distribution of customer-specific optical and non-optical semiconductor sensors and sensor systems.

First Sensor also develops and manufactures highly reliable customized hybrid circuits and products for microsystem engineering and advanced packaging.

The consolidated financial statements for 2013 were approved by the Supervisory Board on March 25, 2014, and were published on the First Sensor AG website.

### *Reporting principles*

First Sensor’s consolidated financial statements for 2013 have been prepared in accordance with the applicable International Financial Reporting Standards (IFRS) as at the balance sheet date and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) that must be applied in the European Union.

In the consolidated interim financial report as at September 30, 2014, which was prepared on the basis of International Accounting Standard (IAS) 34 “Interim Financial Reporting”, the same accounting policies were used as in the consolidated interim financial report as at March 31, 2014 and June 30, 2014 and in the consolidated financial statements for financial year 2013.

The interim financial statements were prepared in euro (€). Unless otherwise indicated, all amounts have been stated in thousands of euros (€ thousand). The financial year of First Sensor AG and its consolidated subsidiaries corresponds to the calendar year.

The half-yearly financial report has not been audited or reviewed by the company’s auditor.

The statement of comprehensive income has been prepared using the nature of expense method.

The business model is not seasonal in nature, meaning that no cyclical fluctuations are anticipated.

To improve clarity, individual items have been summarized in the balance sheet and the statement of comprehensive income. Rounding differences in the presentation may result in divergence from the exact mathematical values.

### *Important discretionary decisions and uncertainty of estimates*

In preparing the interim financial statements, some assumptions and estimates have been made which affected the amount and the disclosure of reported assets and liabilities, earnings and expenses. In individual cases, the actual values may deviate from these assumptions or estimates at a later stage. Relevant changes will be made once more accurate information is available.

All assumptions and estimates are made to the best of our knowledge and belief in order to provide a true and fair view of the Group’s net assets, financial position and results of operations.

### *Basis of consolidation*

There were no changes to the Group’s basis of consolidation compared with the consolidated financial statements for 2013.

### *Discontinued operations*

No operations were discontinued in the third quarter of 2014.

### *Corporate Governance*

The company has issued a declaration of compliance pursuant to Article 161 AktG (German Stock Corporation Act) and the declaration of business management pursuant to Article 289a German Commercial Code HGB. These declarations are permanently available on the company's website

[www.first-sensor.com/en/investor-relations](http://www.first-sensor.com/en/investor-relations)

## ASSURANCE OF THE LEGAL REPRESENTATIVES

### according to Articles 264 (2) sentence 3, 289 (1) sentence 5 HGB

To the best of our knowledge, and in accordance with the applicable reporting principles, the financial statements give a true and fair view of the assets, financial position and profit or loss of the group, and the consolidated management report includes a fair review of the

development and performance of the business and the position of the group, together with a description of the principal opportunities and risks associated with the expected development of the group.

Berlin, November 27, 2014

First Sensor AG



Dr. Martin U. Schefter  
CEO



Joachim Wimmers  
CFO

## LEGAL NOTICE, FINANCIAL CALENDAR, CONTACT

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

### *Financial calendar 2015*

Date	Topic	Location
March 26, 2015	Publication of consolidated financial report as at December 31, 2014	
May 12, 2015	Publication of consolidated interim financial report as at March 31, 2015	
May 28, 2015	Annual shareholder meeting	<b>Penta Hotel Berlin Köpenick, Grünauer Str. 1, 12557 Berlin</b>
August 13, 2015	Publication of consolidated interim financial report as at June 30, 2015	
November 12, 2015	Publication of consolidated interim financial report as at September 30, 2015	
November/2015	Analysts' conference First Sensor AG/ German Equity Capital Forum 2015	Congress Center at Messe Frankfurt, Frankfurt am Main

As we cannot rule out the possibility of delays, we recommend that you consult the latest set of dates at <http://www.first-sensor.com/en/investor-relations/events>

### *Internet, information, contact*

This consolidated interim financial report as at September 30, 2014 is available in German and English. Both versions are also available for download on the internet at [www.first-sensor.com](http://www.first-sensor.com).

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