6 MONTHS FINANCIAL REPORT 2017

DR. MATHIAS GOLLWITZER, CFO
6 MONTHS FINANCIAL REPORT 2017

Sales in line with expectations

in € million

<table>
<thead>
<tr>
<th></th>
<th>INDUSTRIAL</th>
<th>MEDICAL</th>
<th>MOBILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2016</td>
<td>16.9</td>
<td>7.2</td>
<td>37.5</td>
</tr>
<tr>
<td>Q2 2016</td>
<td>18.3</td>
<td>9.1</td>
<td>38.4</td>
</tr>
<tr>
<td>Q3 2016</td>
<td>18.6</td>
<td>7.8</td>
<td>38.8</td>
</tr>
<tr>
<td>Q4 2016</td>
<td>18.7</td>
<td>6.6</td>
<td>35.4</td>
</tr>
<tr>
<td>Q1 2017</td>
<td>17.8</td>
<td>6.4</td>
<td>34.3</td>
</tr>
<tr>
<td>Q2 2017</td>
<td>18.3</td>
<td>6.4</td>
<td>34.6</td>
</tr>
</tbody>
</table>

Comments

Business volume as anticipated

Revenue nearly on the same level as in Q1 2017
6 MONTHS FINANCIAL REPORT 2017

Ramp ups and new orders start compensating expired order

Sales in € million

<table>
<thead>
<tr>
<th></th>
<th>6M 2016</th>
<th>6M 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial</td>
<td>35.2</td>
<td>36.1</td>
</tr>
<tr>
<td>Medical</td>
<td>16.3</td>
<td>12.8</td>
</tr>
<tr>
<td>Mobility</td>
<td>24.4</td>
<td>20.0</td>
</tr>
</tbody>
</table>

Comments

Industrial: 2.7% growth, driven by ramp ups

Medical: Decline in sales due to the postponement of product launches by two customers

Mobility: Decrease as expected, new orders start contributing to revenue
6 MONTHS FINANCIAL REPORT 2017

Germany still major market, North America and Asia grow further

Sales in € million, Sales share in %

<table>
<thead>
<tr>
<th>Region</th>
<th>6M 2016</th>
<th>6M 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>38.7</td>
<td>36.1</td>
</tr>
<tr>
<td>Europe</td>
<td>25.2</td>
<td>28.5</td>
</tr>
<tr>
<td>North America</td>
<td>5.8</td>
<td>6.2</td>
</tr>
<tr>
<td>Asia</td>
<td>5.9</td>
<td>6.7</td>
</tr>
<tr>
<td>Others</td>
<td>0.4</td>
<td>0.2</td>
</tr>
</tbody>
</table>

**Comments**

- **Germany:** Decrease due to Medical postponements
- **Europe:** Decrease due to expired Mobility order
6 MONTHS FINANCIAL REPORT 2017

We further improved our profitability

in € million

Operating result: €34.3 m
Gross margin: 50.0 %

Operating result: €38.8 m
Gross margin: 51.1 %

Operating result: €36.7 m
Gross margin: 52.7 %

H1 2015

H1 2016

H1 2017

Operating result: €38.8 m
Gross margin: 51.1 %

Operating result: €36.7 m
Gross margin: 52.7 %

Operating result: €34.3 m
Gross margin: 50.0 %

Comments

Profitability has improved, from H1 2015 to H1 2017 on a similar level of revenue

Gross margin has improved constantly
6 MONTHS FINANCIAL REPORT 2017

EBIT-margin H1 with 4.9% almost in target range for 2017

**Comments**

Q2 2017: Depreciation on inventories of around 250 T Euros included

Net profit for the first half of 2017: 2.1 million

Earnings per share after six month: 19 cents
6 MONTHS FINANCIAL REPORT 2017
Cashflow back in positive figures, Free Cash Flow reflects investments

in € million

Operating Cash Flow

Free Cash Flow

Comments
Operative cash flow positive after 6 months, expected to remain positive for the full year
Free Cash flow negative as a result of € 4.3 million investment volume in property, plant and equipment
6 MONTHS FINANCIAL REPORT 2017

No major changes to the balance sheet

<table>
<thead>
<tr>
<th>In € million</th>
<th>Assets</th>
<th>Liabilities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>154.0</td>
<td>153.1</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>23.8</td>
<td>19.3</td>
</tr>
<tr>
<td>Current assets</td>
<td>18.4</td>
<td>19.5</td>
</tr>
<tr>
<td>Trade accounts receivables</td>
<td>3.8</td>
<td>4.1</td>
</tr>
<tr>
<td>Inventories</td>
<td>25.9</td>
<td>27.3</td>
</tr>
<tr>
<td>Non-current assets</td>
<td>82.1</td>
<td>82.8</td>
</tr>
</tbody>
</table>

Comments

- Increase in non-current assets due to higher investment volume.
- Cash lower because of lower profit, working capital increase and higher investments.
- Equity ratio at 51.8%.
- Net debt at € 28 million gearing of 35.5%.
6 MONTHS FINANCIAL REPORT 2017

Decrease in sales with temporary impact on key figures

<table>
<thead>
<tr>
<th></th>
<th>H1 2016</th>
<th>H1 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>personnel expenses</td>
<td>€ 21.8 million</td>
<td>€ 22.6 million</td>
</tr>
<tr>
<td></td>
<td>+3.8%</td>
<td>+3.8%</td>
</tr>
<tr>
<td>sales per employee</td>
<td>€ 95.9 thousand</td>
<td>€ 87.9 thousand</td>
</tr>
<tr>
<td></td>
<td>-8.3%</td>
<td>-8.3%</td>
</tr>
</tbody>
</table>

Comments

Increase in personnel expenses as a result of higher qualification of new staff, impact below Q1 figures.

Sales per employee down 8.3% while revenue for the first half was down 9.2%.

June 30, 2016

- Permanent Staff (FTE): 792
- Temporary Staff (FTE): 57

June 30, 2017

- Permanent Staff (FTE): 784
- Temporary Staff (FTE): 53
6 MONTHS FINANCIAL REPORT 2017

Order intake and book-to-bill sound basis for dynamic 2nd HY

in € million

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Incoming Orders</th>
<th>Book-to-Bill Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 2016</td>
<td>31.4</td>
<td>0.8</td>
</tr>
<tr>
<td>Q2 2016</td>
<td>48.2</td>
<td>1.3</td>
</tr>
<tr>
<td>Q3 2016</td>
<td>24.0</td>
<td>0.6</td>
</tr>
<tr>
<td>Q4 2016</td>
<td>28.7</td>
<td>0.8</td>
</tr>
<tr>
<td>Q1 2017</td>
<td>35.1</td>
<td>1.0</td>
</tr>
<tr>
<td>Q2 2017</td>
<td>44.4</td>
<td>1.3</td>
</tr>
</tbody>
</table>

Comments

Third quarter of increasing order intake, nearly doubled compared to Q3 2016
Book-to-bill ratio at 1.15 after 6 months

Change in accounting of orders received: no framework contracts booked, only release orders
Guidance 2017

SALES REVENUES 140 - 145 MILLION EURO

EBIT MARGIN 5 - 6 PERCENT
STRATEGIC PERSPECTIVE

DR. DIRK ROTHWEILER, CEO
## PERSPECTIVE FOR PROFITABLE GROWTH

We generate and utilize economies of scale in 4 dimensions

<table>
<thead>
<tr>
<th>① Target Markets</th>
<th>② Key Products &amp; Customers</th>
<th>③ Forward Integration</th>
<th>④ Internationalization</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Industrial</strong></td>
<td>Key Products &gt; 1 M€ p.a.</td>
<td>Sensor System</td>
<td>Germany</td>
</tr>
<tr>
<td><strong>Medical</strong></td>
<td>Key Customers &gt; 1 M€ p.a.</td>
<td>Sensor</td>
<td>Europe</td>
</tr>
<tr>
<td><strong>Mobility</strong></td>
<td></td>
<td>Component Chip</td>
<td>North Amerika</td>
</tr>
</tbody>
</table>

**Operative Excellence**
PERSPECTIVE FOR PROFITABLE GROWTH

We generate and utilize economies of scale in 4 dimensions

1 Target Markets
- Industrial
- Medical
- Mobility

2 Key Products & Customers
- Key Products
  > 1 M€ p.a.
- Key Customers
  > 1 M€ p.a.

3 Forward Integration
- Sensor System
- Sensor
- Component
- Chip

4 Internationalization
- Germany
- Europe
- North Amerika
- Asia

Operative Excellence
**DIMENSION 1: CLEAR FOCUS ON OUR TARGET MARKETS**

We participate in above average growth markets

<table>
<thead>
<tr>
<th>Dimension</th>
<th>Industry</th>
<th>Medical</th>
<th>Mobility</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>+ 6.0 % up to 2018 + 10.8 % up to 2020</td>
<td>+ 11.0 % up to 2020</td>
<td>+ 13.0 % up to 2018 + 10.8 % up to 2020</td>
</tr>
</tbody>
</table>

Gartner: + 9.0 % up to 2020

AMA (Verband für Sensorik + Messtechnik): + 5.0 % in 2017
PERSPECTIVE FOR PROFITABLE GROWTH

We generate and utilize economies of scale in 4 dimensions

1. Target Markets
   - Industrial
   - Medical
   - Mobility

2. Key Products & Customers
   - Key Products > 1 M€ p.a.
   - Key Customers > 1 M€ p.a.

3. Forward Integration
   - Sensor System
   - Sensor
   - Component
   - Chip

4. Internationalization
   - Germany
   - Europe
   - North Amerika
   - Asia

Operative Excellence
DIMENSION 2: CLEAR FOCUS ON KEY PRODUCTS

In the next years, we will grow with existing and new key products
DIMENSION 2: CLEAR FOCUS ON KEY CUSTOMERS

In the next years, we will grow with existing and new key customers.
DIMENSION 2: CLEAR FOCUS ON KEY PRODUCTS & CUSTOMERS

Why is this efficient?

- Single respective product developments result in relatively large quantities and therefore sales volumes.
- Sales per head in both sales and engineering increases – our existing team will be able to handle larger revenue streams.
- „Mix & Noise“ in operations are decreased due to reduced parts variety and transactions per revenue.
- Our supply chain and own production will gain in productivity and can be managed with fewer resources per revenue.
- With higher quantities per part our purchasing power will increase.
- With more varietal purity we increase the stability of our value creation process.
- Lead time, on time delivery and quality will improve as a result.

Our growth becomes more scalable and our profitability increases.

First Sensor
PERSPECTIVE FOR PROFITABLE GROWTH
We generate and utilize economies of scale in 4 dimensions

1. Target Markets
   - Industrial
   - Medical
   - Mobility

2. Key Products & Customers
   - Key Products > 1 M€ p.a.
   - Key Customers > 1 M€ p.a.

3. Forward Integration
   - Sensor System
   - Sensor
   - Component
   - Chip

4. Internationalization
   - Germany
   - Europe
   - North Amerika
   - Asia

Operative Excellence
DIMENSION 3: CLEAR FOCUS ON FORWARD INTEGRATION
We base our forward integration initiatives on clear product roadmaps

Integrated Manufacturing Service
Multi Sensor Systems
PERSPECTIVE FOR PROFITABLE GROWTH
We generate and utilize economies of scale in 4 dimensions.

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</tr>
<tr>
<td></td>
<td></td>
<td>&gt; 1 M€ p.a.</td>
<td>Chip</td>
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</tr>
</tbody>
</table>

Operative Excellence
DIMENSION 4: CLEAR FOCUS ON INTERNATIONALIZATION

We will participate in the solid growth* of our targeted sales regions

* Source: IWF
### PERSPECTIVE FOR PROFITABLE GROWTH

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<td></td>
<td></td>
<td></td>
<td>Asia</td>
</tr>
</tbody>
</table>

**Operative Excellence**
THE FUNDAMENT: FOCUS ON OPERATIVE EXCELLENCE

We concentrate on five core initiatives

<table>
<thead>
<tr>
<th>Top Initiatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>✪ Lead Time, On-Time Delivery, Quality</td>
</tr>
<tr>
<td>✪ Core Processes</td>
</tr>
<tr>
<td>✪ One ERP</td>
</tr>
<tr>
<td>✪ T’s &amp; C’s Harmonization</td>
</tr>
<tr>
<td>✪ Portofolio Optimization</td>
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# PERSPECTIVE FOR PROFITABLE GROWTH

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## Operative Excellence

- Germany
- Europe
- North Amerika
- Asia
Q&A SESSION
# 6 MONTHS FINANCIAL REPORT 2017

## Financial Calendar

<table>
<thead>
<tr>
<th>When?</th>
<th>What?</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 9, 2017</td>
<td>Q3 Interim Report</td>
</tr>
<tr>
<td>November 9, 2017</td>
<td>Presentation Interim Report Q3 2017</td>
</tr>
<tr>
<td>November 27-28, 2017</td>
<td>German Equity Forum, Frankfurt am Main</td>
</tr>
</tbody>
</table>
THANK YOU

This presentation contains forward-looking statements. This presentation does not represent any solicitation to purchase shares of First Sensor AG. Rather it is intended exclusively for information purposes with regard to possible future developments at the company. All future-oriented information in this presentation was produced on the basis of probability-based planning and represents statements regarding the future which cannot be guaranteed. Rounding differences may arise.

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