

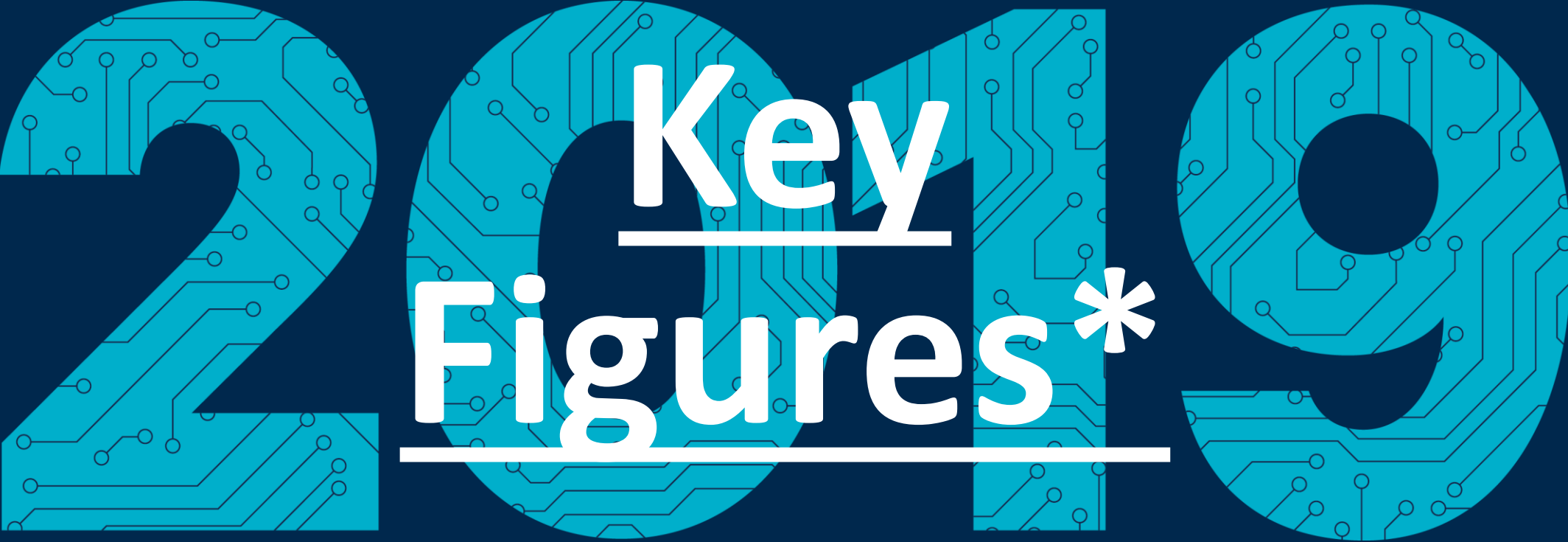


# Financial Statement Press Conference

March 25, 2020

# OUR FINANCIAL YEAR 2019 IN A NUTSHELL

- Start into 2019 with full order books, focus on fast turnaround and record Q1
- Indication of changes in market environment as of Q2
- Customers started pushing out deliveries and adjusting inventory levels
- Immediate change in inventory management from „securing output“ to „reducing inventory levels“
- Cost down initiative implemented as of early Q3
- Record Q3 based on shippable order backlog and scales
- Expansion of cost cutting measures in Q4
- Closed FY 2019 with record sales and EBIT; improved cash position

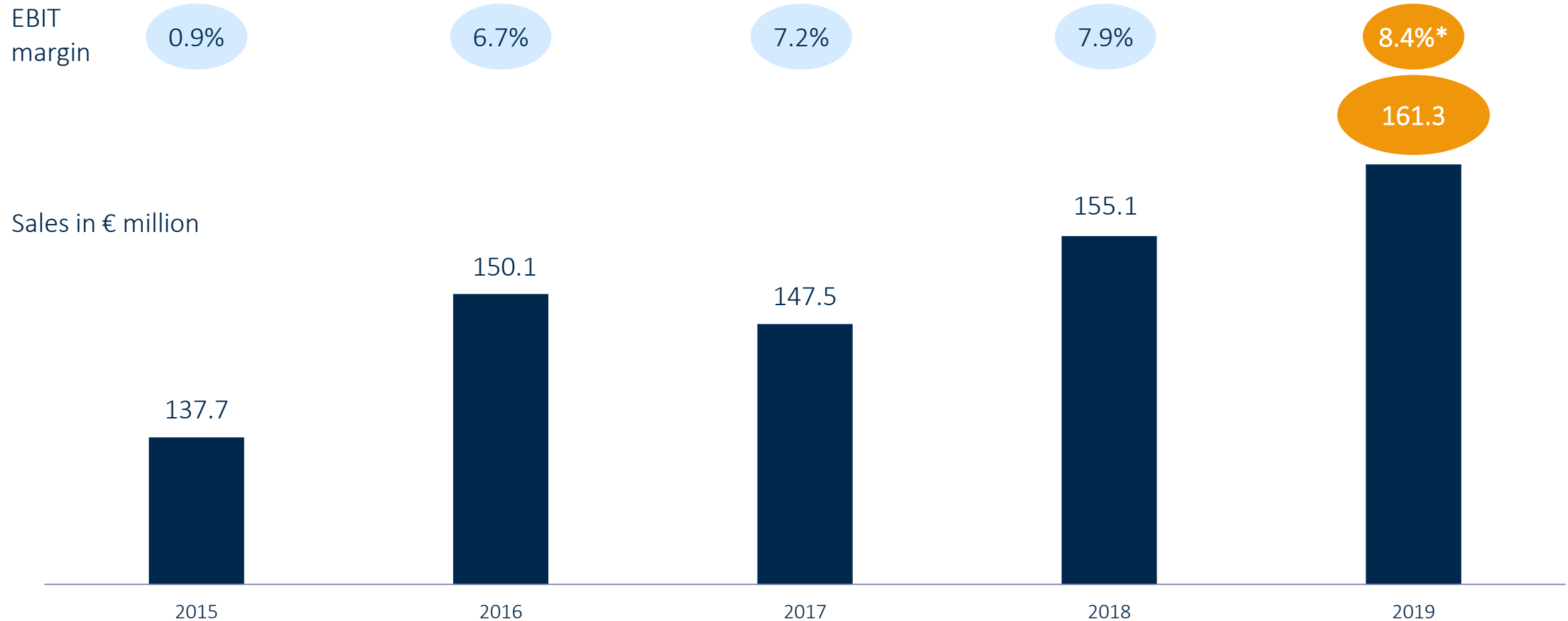


# Key Figures\*

\* rounding differences may occur

# KEY FIGURES 2019

We continued to successfully implement our profitable growth strategy

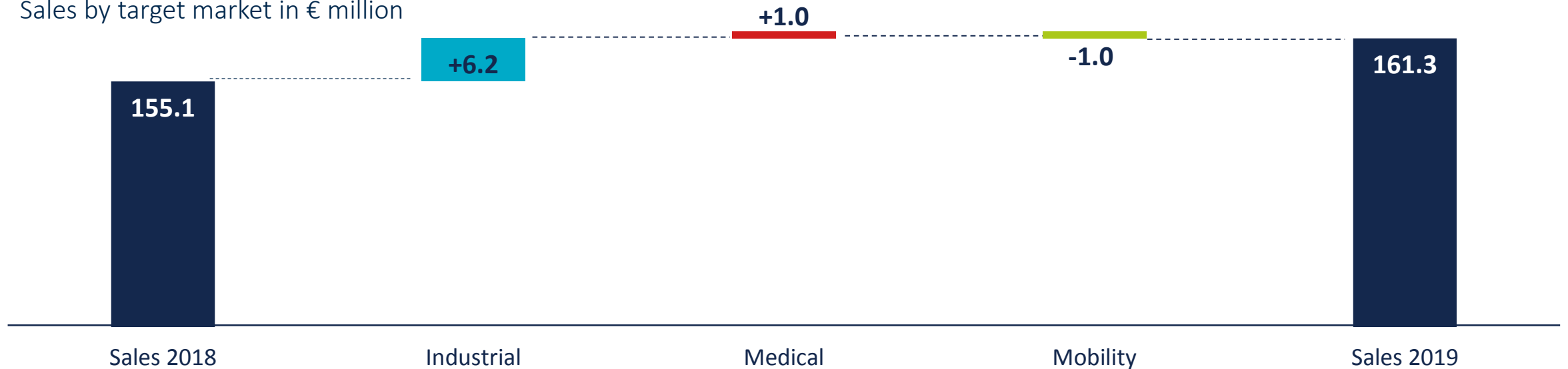


\*adjusted for transaction costs and accruals in connection with the combination with TE Connectivity Sensors Germany Holding AG

# KEY FIGURES 2019

## Sales growth in a difficult market environment

Sales by target market in € million



### Industrial

- Sales totaled €86.6 million (py: 80.4)
- Sales growth 7.8% driven by higher demand for optical sensors
- Sales share 53.7%

### Medical

- Sales totaled €35.4 million (py: 34.6)
- Sales growth only 2.5% due to inventory corrections by customers
- Sales share 21.9%

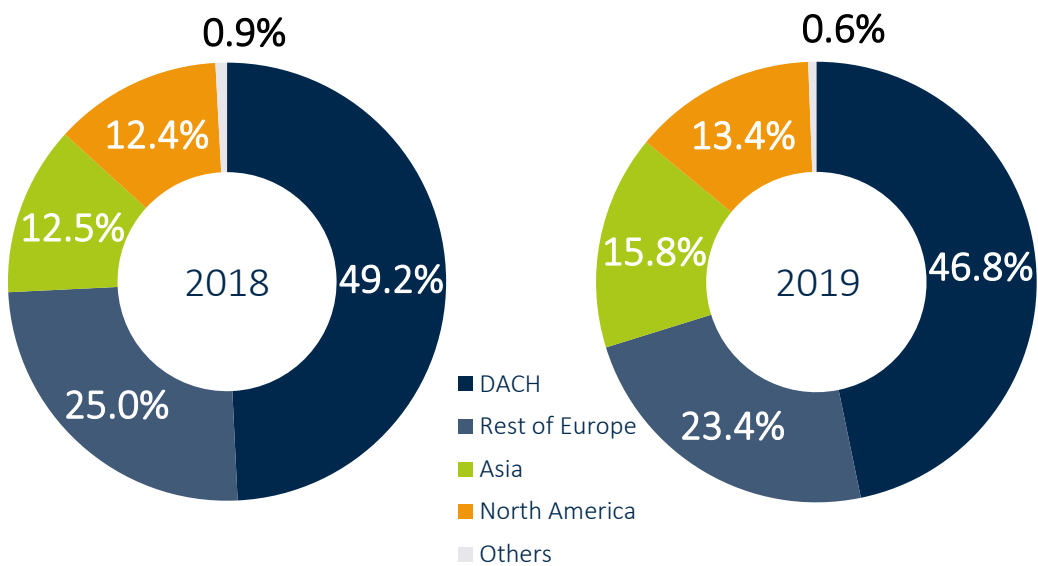
### Mobility

- Sales totaled €39.2 million (py: 40.2)
- Sales affected by burdened automotive industry; decline -2.4%
- Sales share 24.4%

# KEY FIGURES 2019

## Further progress in expanding international footprint

Sales by region in percent



Sales region	2018	2019	Change in %
DACH Region	76.4	75.4	-1.3
Rest of Europe	38.8	37.8	-2.5
North America	19.2	21.7	12.7
Asia	19.4	25.4	30.9
Rest of World	1.3	1.0	-27.4
Total	155.1	161.3	3.9

# KEY FIGURES 2019

## Relatively stable order situation despite changing markets

in € million

### Order income



### Order backlog



### Book-to-bill ratio



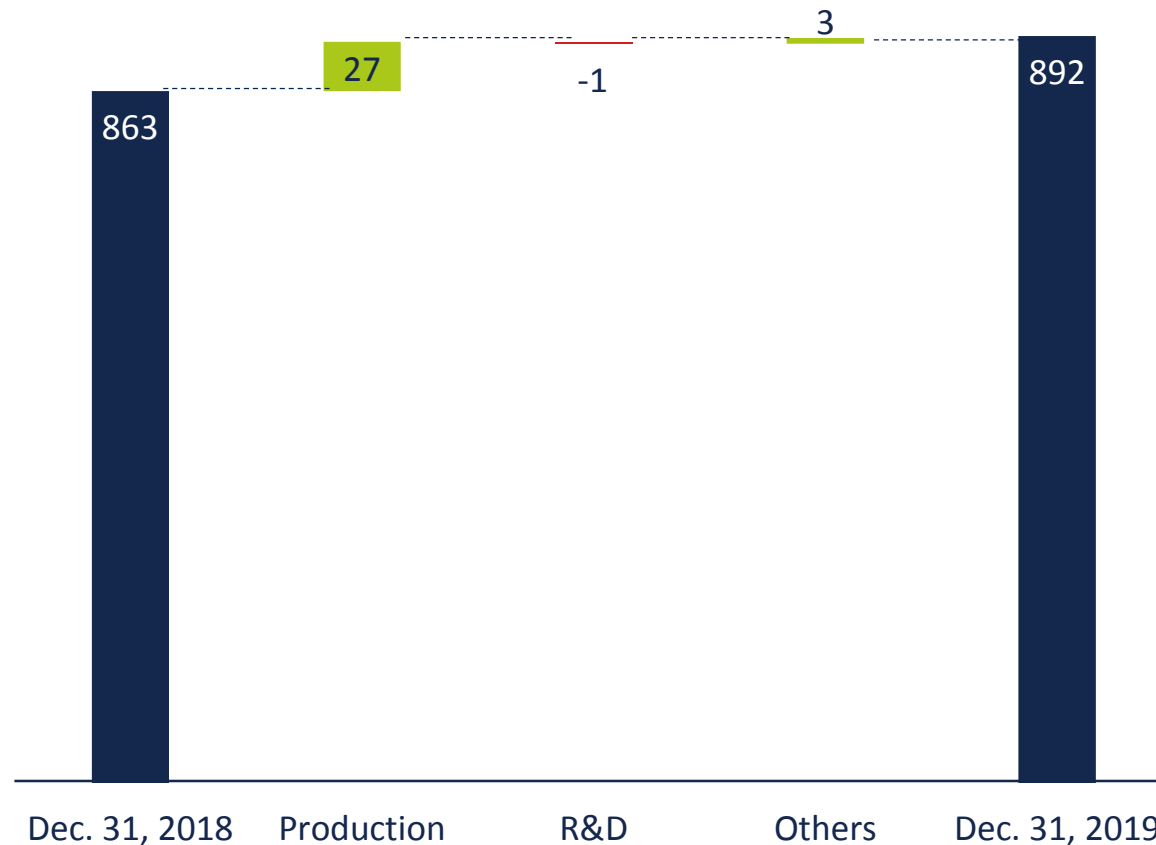
### Commentary

- Incoming orders fell slightly by 2.2% from € 159.6 million to €156.2 million in an economically challenging environment
- Order backlog slightly decreased by 4.8% from €97.6 million to €92.9 million due to customers correcting inventory levels
- Along with changing markets demand book-to-bill ratio fell slightly below 1.00

# KEY FIGURES 2019

## FTE increases mainly in production for supporting top line growth

Employees in FTE



### Commentary

- Personnel expenses rose due to headcount increase and salary adjustments

Salary/ Wages in € million



\*adjusted for accruals in connection with the combination with TE Connectivity Sensors Germany Holding AG



# KEY FIGURES 2019

## Cost down initiative: other expenses decreased by € 2.2 million

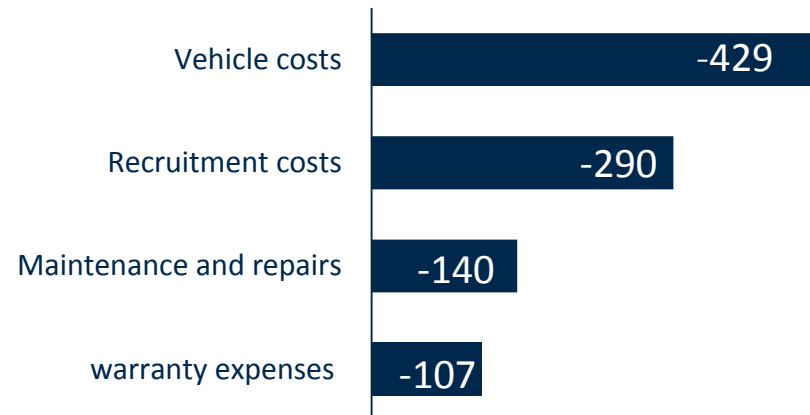
In € million

### Other Expenses\*



In TEUR

### Breakdown 2019



\*adjusted for transaction costs and accruals in connection with the combination with TE Connectivity Sensors Germany Holding AG

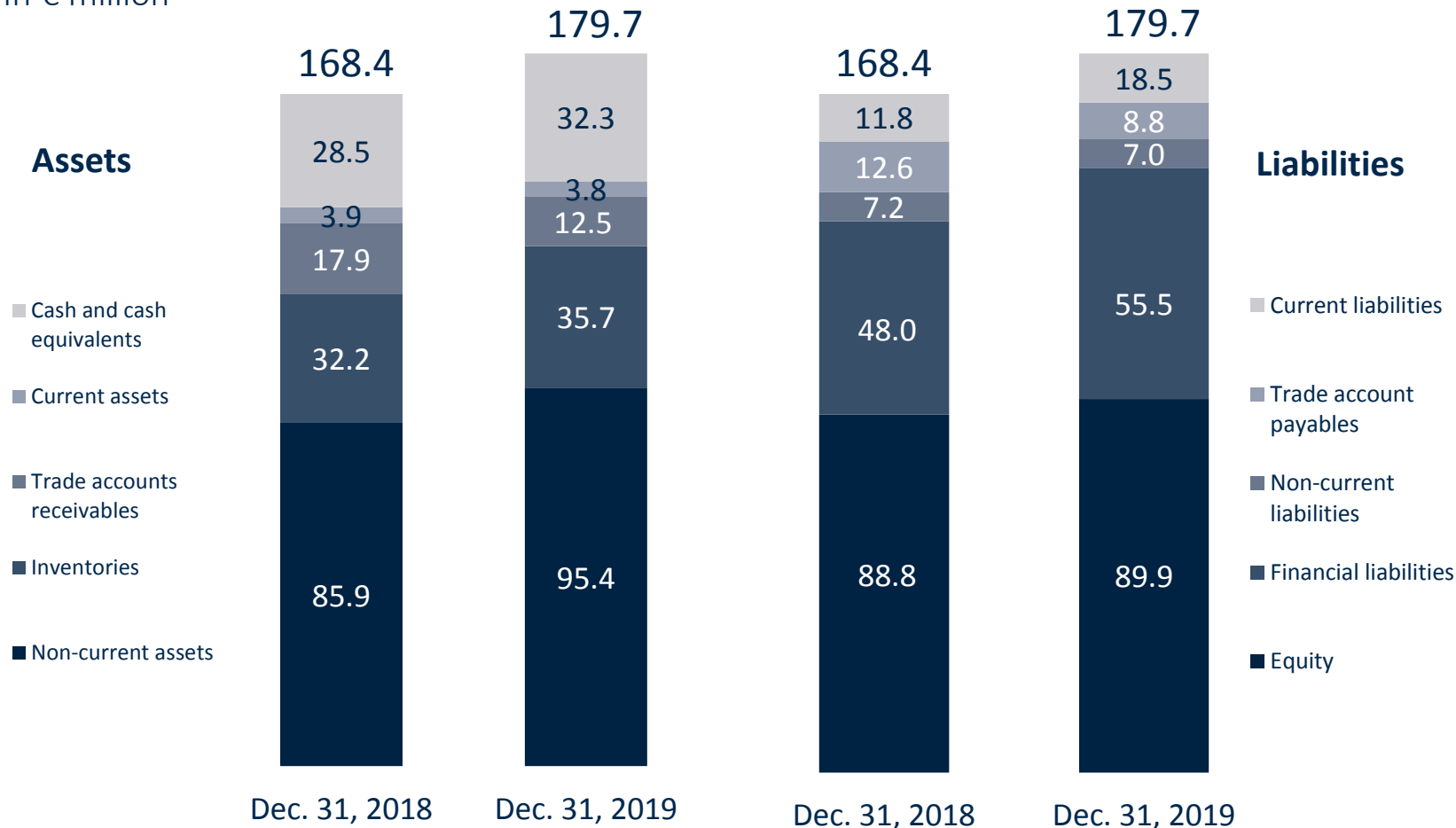
### Commentary

- Cost down initiative implemented in early Q3 and expanded in Q4; among others significant cuts in:
  - Hiring
  - Marketing activities
  - Travelling
- Further reductions through improvements of
  - Fleet management and car policy
  - Recruiting processes
  - Preventive maintenance
  - Quality and quality management

# KEY FIGURES 2019

## Balance sheet increases to €179.7 million

In € million



### Commentary

#### Assets

- Non-current assets: planned investments to secure growth executed
- Inventories increased in changing markets
- Receivables reduced based on DSO management and factoring

#### Liabilities

- Equity: stock options exercised by employees
- Financial liabilities: Increase due to IFRS 16
- Non-current & current liabilities: Changes due to maturities

The background features a large, stylized number '2020' in a light blue color. The interior of the digits is filled with a white circuit board pattern, consisting of various lines, dots, and geometric shapes that resemble electronic components and traces. The entire graphic is set against a solid dark blue background.

# Outlook

# FRAMEWORK CONDITIONS

## COVID-19 effecting worldwide economy, extent not yet assessable

World

**Spain moves to extend state of emergency as coronavirus deaths rise**

Microsoft and other tech firms sound alarm over coronavirus impact

**Coronavirus: BMW, Honda and Toyota suspend UK car production**

**Coronavirus: Italy extends emergency measures nationwide**

**UPDATE: All German states announce school and Kita closures**

**French government declares state of sanitary emergency**

By RYM MOMTAZ | 3/18/20, 7:32 PM CET | Updated 3/19/20, 12:09 PM CET

**The Number of Covid-19 Cases in the U.S. Jumps**

By Al Root March 22, 2020 8:45

At the end of the week of March 9, Europe's major automakers began idling their plants. By the following week, the massive VW Group, BMW, the Mercedes-Benz parent Daimler, Porsche, the PSA Group, Renault, Fiat Chrysler Automobiles, Ford, Ferrari, Lamborghini, Nissan, and Rolls-Royce had all begun to phase down manufacturing. The initial shutdown would last two weeks.

**The Coronavirus Has Put the World's Economy in Survival Mode**

There's little hope for a global economic rebound in 2020.

Economy / China Economy

**Coronavirus: China braced for second economic shock as Covid-19 controls kill demand**

- After riding out a supply shock that closed down most of its factories, China is bracing for wave demand shock to its economy
- Closure of overseas markets to hit exports, while psychological scars, bankruptcy and job losses will hit domestic demand

**ON Semiconductor cuts first-quarter revenue forecast on coronavirus fears**

**Will COVID-19 turn Germany's export-oriented economy weaker?**

By Stephan Knieps | WirtschaftsWoche | translated by Sarah Lawton

17. März 2020

**General Motors, Ford and Fiat Chrysler to temporarily close all US factories due to the coronavirus**

# OUTLOOK 2020

As of March 19, we expect a decrease in sales due to COVID-19

SALES IN € MILLION

145-155

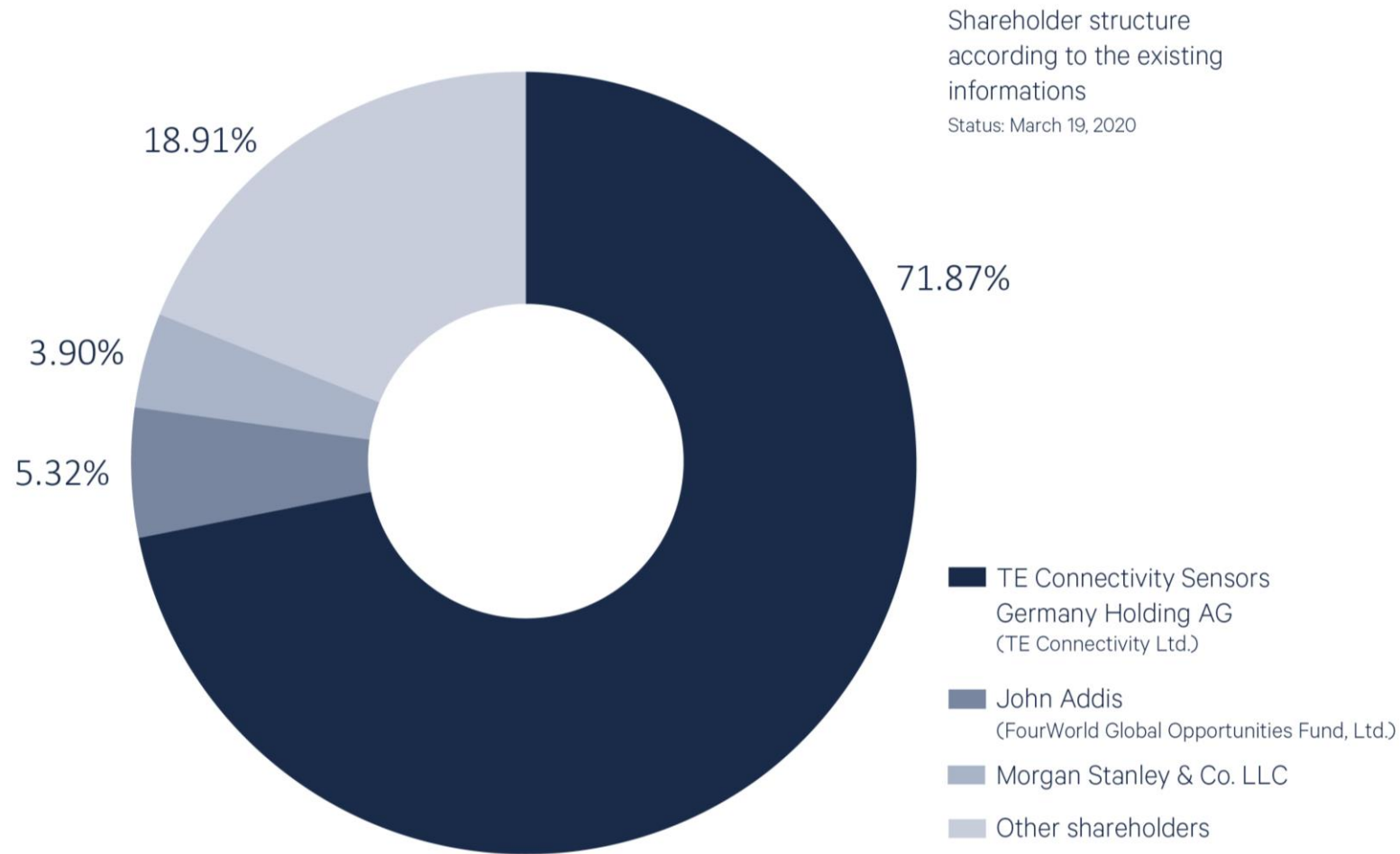
EBIT MARGIN IN%\*

3-6

\*adjusted for transaction costs and accruals in connection with the combination with TE Connectivity Sensors Germany Holding AG

# OUTLOOK 2020

## Mid-term, the combination with TE will support profitable growth



# OUTLOOK 2020

## Marcus Resch stepping in as new CFO

March 14, 2020	CFO, First Sensor AG
2018	Director Business Development, TE Connectivity Ltd
2015	Global Director FP&A, TE Connectivity Ltd
2014	Senior Director, Finance - International, Kinetic Concepts Inc.
2013	Director BP&A - Region I, Kinetic Concepts Inc.
2012	Regional Manager Financial Planning and Analysis DACH, Kinetic Concepts Inc.
2009	Financial Controller Germany, Kinetic Concepts Inc.
2008	Controller Central Europe, GE Medical Systems AG
2006	Controller Switzerland, GE Medical Systems AG
2003	Senior Associate, PricewaterhouseCoopers GmbH

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# THANK YOU

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**March 25, 2020**

Dr. Dirk Rothweiler, CEO

First Sensor AG

<https://www.first-sensor.com/de/investor-relations/results-center/>