AGENDA

1. WELCOME & BUSINESS MODEL, DR. DIRK ROTHWEILER (CEO)
2. RESULTS FOR THE FINANCIAL YEAR 2016, DR. MATHIAS GOLLWITZER (CFO)
3. OUTLOOK 2017, DR. DIRK ROTHWEILER (CEO)
4. FURTHER INFORMATION
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4. FURTHER INFORMATION
1. Welcome & Business Model

**OUR EXECUTIVE BOARD**

Dr. Dirk Rothweiler joins First Sensor AG as the new CEO in January 2017

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**Dr. Dirk Rothweiler**

CEO

since Jan. 1, 2017

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**Dr. Mathias Gollwitzer**

CFO

since Aug. 10, 2015

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**Professional career**

<table>
<thead>
<tr>
<th>Year</th>
<th>Position</th>
<th>Company/Institution</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>CEO</td>
<td>First Sensor AG</td>
</tr>
<tr>
<td>2008</td>
<td>Executive Vice President</td>
<td>Optical Systems, Jenoptik AG</td>
</tr>
<tr>
<td>2005</td>
<td>Vice President Sales and Service</td>
<td>TCZ</td>
</tr>
<tr>
<td>2000</td>
<td>Managing Director Asia-Pacific</td>
<td>Süss Microtec Co. Ltd.</td>
</tr>
<tr>
<td>1999</td>
<td>Director Sales &amp; Marketing</td>
<td>Süss Microtec AG</td>
</tr>
<tr>
<td>1995</td>
<td>Project Manager</td>
<td>for the Semiconductor Technology Division, Carl Zeiss</td>
</tr>
<tr>
<td>1995</td>
<td>Doctorate from the Department of Engineering</td>
<td>RWTH Aachen</td>
</tr>
</tbody>
</table>

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**Professional career**

<table>
<thead>
<tr>
<th>Year</th>
<th>Position</th>
<th>Company/Institution</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>CFO</td>
<td>First Sensor AG</td>
</tr>
<tr>
<td>2012</td>
<td>Director Corporate Controlling</td>
<td>EnBW Energie Baden-Württemberg AG</td>
</tr>
<tr>
<td>2008</td>
<td>CFO</td>
<td>Mercedes-Benz France SAS</td>
</tr>
<tr>
<td>2006</td>
<td>Director Corporate Controlling</td>
<td>DaimlerChrysler AG</td>
</tr>
<tr>
<td>2005</td>
<td>CFO</td>
<td>DaimlerChrysler Belgium/Luxembourg NV/SA</td>
</tr>
<tr>
<td>2002</td>
<td>Division Manager Research and Technology</td>
<td>Daimler AG</td>
</tr>
<tr>
<td>1995</td>
<td>Division Manager Operational Business Segment Controlling</td>
<td>Telefunken Systemtechnik GmbH</td>
</tr>
<tr>
<td>1992</td>
<td>Specialist of the central division Finance/Controlling</td>
<td>Deutsche Aerospace AG</td>
</tr>
</tbody>
</table>
OUR COMPANY

We are a leading provider of sensor technology

1991 foundation
150,1 million sales revenues in 2016
850 employees

3 target markets
9 development and production locations
33 sales regions
250 years of experience
OUR RANGE OF SERVICES

We develop and produce standard products and sensor solutions

Radiation

Flow

Acceleration

Light

Level

Pressure
OUR COMPETITIVE ADVANTAGE
We cover the entire value chain of sensor technology

- **Sensor chip**
  - Silicium based
  - Converts physical parameters into electrical signals

- **Packaging**
  - Connecting microelectronic and non-electronic micro components to a housing

- **Sensor**
  - Consists of a sensor chip, a housing and electronics
  - The measurement signal can be calibrated

- **Sensor system**
  - Measures and preprocesses data
  - Communicates with other systems

**Detect**

**Detect & Understand**
OUR MARKETS

We focus on the growth markets Industrial, Medical and Mobility

**First Sensor**

- **Industrial**:
  - Innovative solutions for the automation of industry
  - Sales share 48%

- **Medical**:
  - Reliable technology whenever it is needed
  - Sales share 21%

- **Mobility**:
  - New ideas for intelligent mobility
  - Sales share 31%
OUR MARKET PRESENCE

Germany is our most important market contributing 50% of sales

- North America: 8%
- Europe: 71%
- Asia: 9%
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We increased our sales by 9.0% to €150.1 million in fiscal year 2016.

Sales 2012 – 2016
in € million

CAGR 7.6 %
SALES BY TARGET MARKETS

Strong growth in the medical and mobility target markets

in € million

<table>
<thead>
<tr>
<th>Market</th>
<th>2015</th>
<th>2016</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial</td>
<td>74.1</td>
<td>72.5</td>
<td>-2.2%</td>
</tr>
<tr>
<td>Medical</td>
<td>23.8</td>
<td>30.7</td>
<td>+29.2%</td>
</tr>
<tr>
<td>Mobility</td>
<td>39.8</td>
<td>46.9</td>
<td>+17.8%</td>
</tr>
</tbody>
</table>
SALES BY SALES REGIONS

We generated further growth in our core & high potential sales regions

in € million

<table>
<thead>
<tr>
<th>Region</th>
<th>2015</th>
<th>2016</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>70.3</td>
<td>75.1</td>
<td>+6.8%</td>
</tr>
<tr>
<td>Europe</td>
<td>31.1</td>
<td>31.4</td>
<td>+1.0%</td>
</tr>
<tr>
<td>North America</td>
<td>8.2</td>
<td>11.9</td>
<td>+45.3%</td>
</tr>
<tr>
<td>Asia</td>
<td>12.7</td>
<td>13.7</td>
<td>+7.5%</td>
</tr>
<tr>
<td>Others</td>
<td>15.4</td>
<td>18.0</td>
<td>+16.8%</td>
</tr>
</tbody>
</table>
EBIT AND EBIT MARGIN

To strengthen our profitability is just as important as sales growth

EBIT 2012 – 2016
in € million

<table>
<thead>
<tr>
<th>Year</th>
<th>EBIT</th>
<th>EBIT margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>3.2</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>2.7</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>4.1</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>1.2</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>6.7</td>
<td>10.0</td>
</tr>
</tbody>
</table>

EBIT margin
in %

2. Results for the financial year 2016
EBITDA improved by 71% to €19.4 million

EBITDA 2012 – 2016

<table>
<thead>
<tr>
<th>Year</th>
<th>EBITDA</th>
<th>EBITDA Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>13.4</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>11.6</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>13.5</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>11.4</td>
<td>8.3%</td>
</tr>
<tr>
<td>2016</td>
<td>19.4</td>
<td>12.9%</td>
</tr>
</tbody>
</table>
## CASHFLOW

Operating and Free Cash flow positive

in € million

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Cash flow</td>
<td>5.0</td>
<td>16.6</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free Cash flow</td>
<td>-1.8</td>
<td>10.0</td>
</tr>
</tbody>
</table>
Total assets increased to €154.0 million in fiscal year 2016.

**ASSETS**

<table>
<thead>
<tr>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>0.0</td>
</tr>
<tr>
<td>Current assets</td>
<td>0.0</td>
</tr>
<tr>
<td>Trade account receivables</td>
<td>0.0</td>
</tr>
<tr>
<td>Inventories</td>
<td>0.0</td>
</tr>
<tr>
<td>Fixed assets</td>
<td>0.0</td>
</tr>
</tbody>
</table>

**EQUITY AND LIABILITIES**

<table>
<thead>
<tr>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term liabilities</td>
<td>0.0</td>
</tr>
<tr>
<td>Trade accounts payables</td>
<td>0.0</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>0.0</td>
</tr>
<tr>
<td>Financial liabilities</td>
<td>0.0</td>
</tr>
<tr>
<td>Equity</td>
<td>0.0</td>
</tr>
</tbody>
</table>

Rounding differences may occur.
2. Results for the financial year 2016

EMPLOYEES

Increase attributable to sales, product management and development

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personnel expenses:</td>
<td>€ 41.9 million</td>
<td>€ 44.1 million</td>
<td>+ 5.3 %</td>
</tr>
<tr>
<td>Sales per employee:</td>
<td>€ 178.9 thousand</td>
<td>€ 189.8 thousand</td>
<td>+ 6.1 %</td>
</tr>
</tbody>
</table>

Permanent staff (FTE as at the reporting date December 31, 2016)

- 2015: 773.0
- 2016: 804.0

Temporary employees (FTE as at the reporting date December 31, 2016)

- 2015: 39.0
- 2016: 41.0
2. Results for the financial year 2016

ROCE & WACC

First step has been taken for a sustainable value contribution

<table>
<thead>
<tr>
<th>Year</th>
<th>ROCE</th>
<th>WACC</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>11.3%</td>
<td>2.9%</td>
</tr>
<tr>
<td>2013</td>
<td>14.1%</td>
<td>2.2%</td>
</tr>
<tr>
<td>2014</td>
<td>10.6%</td>
<td>3.3%</td>
</tr>
<tr>
<td>2015</td>
<td>10.2%</td>
<td>1.0%</td>
</tr>
<tr>
<td>2016</td>
<td>10.7%</td>
<td>8.5%</td>
</tr>
</tbody>
</table>
ORDERS ON HAND
Backlog impacted by the order expiration in the mobility target market

in € million

- Orders on hand
- Sales

<table>
<thead>
<tr>
<th>Year</th>
<th>Orders on Hand</th>
<th>Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>73.4</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>73.7</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>86.4</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>90.7</td>
<td>137.7</td>
</tr>
<tr>
<td>2016</td>
<td>82.2</td>
<td>150.1</td>
</tr>
</tbody>
</table>
2. Results for the financial year 2016

INCOMING ORDERS AND BOOK-TO-BILL

Book-to-bill ratio at the lower end of the long-term average

in € million

<table>
<thead>
<tr>
<th>Year</th>
<th>Incoming Orders</th>
<th>Book-to-Bill Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>117.8</td>
<td>1.05</td>
</tr>
<tr>
<td>2013</td>
<td>121.4</td>
<td>1.11</td>
</tr>
<tr>
<td>2014</td>
<td>139.3</td>
<td>1.12</td>
</tr>
<tr>
<td>2015</td>
<td>142.3</td>
<td>1.03</td>
</tr>
<tr>
<td>2016</td>
<td>132.9</td>
<td>0.89</td>
</tr>
</tbody>
</table>
OUR SHARE PRICE DEVELOPMENT

We increased our company’s value by 16.6%, earnings per share € 0.57
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GROWTH DRIVER
The digitalization of the world drives our Industrial target market

- Connection of the physical and the virtual world achieved with the help of communication processors and sensors
- Trend that not only defines industry, but also urban and everyday life
- First Sensor develops sensor solutions e.g. for:
  → smart factories that automate and control industrial processes
  → smart cities that connect and monitor buildings and public infrastructure
  → smart products that create new business models through IoT services
GROWTH DRIVER
Industrial: Development with regard to fields of applications

INDUSTRIAL PROCESS CONTROL
– Growth due to recovery of oil market
– Launch of new differential pressure series in 2016
– Move into the display calibration of mobile devices with new ITC client

RADIATION AND SECURITY
– Follow-up project for Xray cargo scanners in security applications
– Next technological step to silicon photomultipliers in preparation with sampling process started

SMART BUILDING
– Expansion in the North-American HVAC market with a new client from the building sector, follow-up projects for the application are expected

LENGTH MEASUREMENT
– Push into the market for civil drones with first prototypes for Asian market leaders
– Experts assume a market volume of €6.6 billion in 2020 for commercial drones

AEROSPACE
– Increased sales force to penetrate European Aerospace market with market share wins
– Expansion of growth in laser alignment systems

3. Outlook 2017
GROWTH DRIVER
The miniaturization of devices drives our medical target market

– Enables essential elements of diagnostics and treatment to be carried out locally or at home

– The emergence of new IoT services for the healthcare sector leads to fundamental changes in medical treatments

– Sensors that are becoming ever smaller and more powerful represent the basis for this future

– First Sensor develops sensor solutions e.g. for:
  → new imaging diagnostics systems that allow blood samples to be tested within seconds
  → minimally invasive operation techniques
  → mobile medical devices and assistance systems

First Sensor
GROWTH DRIVER
Medical: Development with regard to our fields of applications

DIALYSIS AND INFUSION
- Home dialysis is a growing market; 33% of the patients could use it: Increased sales force and first projects for the European market, e.g. with innovation leader in UK

RESPIRATION AND PNEUMOLOGY
- Expansion in the North-American market with new project in sampling process for a ventilation platform in intensive care

DIAGNOSTICS
- Until 2020, experts assume a yearly market growth of 8% in this field: In cooperation with R&D partners, we work on a new photonic sensor system for point of care diagnostics
GROWTH DRIVER
Autonomous and efficient cars drive our Mobility target market

– New technological options will open up a wide range of new possibilities for implementing sensors and sensor systems that make driving safer and more comfortable and sustainable

– The global opportunity for assistive and autonomous technologies in the B2B market will be in the range of $22 to $26 billion annually by 2025 according to forecasts, with yearly growth between 12% and 14%

– First Sensor develops sensor solutions e.g. for:
  → partially and fully autonomous cars and trucks
  → commercial vehicles as well as construction and agricultural machinery
GROWTH DRIVER
Mobility: Development with regard to our fields of applications

SMART CARS
– LiDAR Systems: Expanded cooperation with Velodyne LiDAR Inc. in the North-American market and additional projects with other drivers of innovation

PASSENGER CARS
– Pressure sensors for braking systems: Follow-up project for a German carmaker runs until 2021, ongoing cooperation since 2011

UTILITY AND SPECIAL VEHICLES
– New contract in 2016 signed: One of the world’s biggest manufacturers of construction machinery uses our camera system for remote control of the vehicles
OUR GUIDANCE 2017
Sales impacted by the expiration of an order in the Mobility market

SALES REVENUES
140 - 145 MILLION EURO
**OUR GUIDANCE 2017**

**Expected sales level of €140 million to €145 million in fiscal year 2017**

### Opportunities

- New development projects for customer specific sensor solutions as a result of last sales initiative
- Renewed and extended supply agreements as a result of long-term supply contracts and technology lead
- As sensors as a key technology for many innovations in different industries, new field of applications occur
- AMA anticipates sales growth for sensor technology of 5.0% in the current year; number of sensors for B2B applications worldwide will double every eight to nine years

### Risks

- Internal growth of €10 million has to be achieved to compensate end of contract in the Mobility segment
- The launch of new products may result in delays on the customer’s end
- Different growth dynamics in our target markets with regard to sensor technology
- Experts at the International Monetary Fund expect for our sales regions a slight decline in growth; general economic climate affected by changes in government policies

In the medium to long term, we continue to anticipate growth rates averaging 10% over the next years.
OUR GUIDANCE 2017

Improving our profitability remains our focus

SALES REVENUES

140 - 145 MILLION EURO

EBIT MARGIN

5 - 6 PERCENT
OUR GUIDANCE 2017

Margin at the level of original EBIT forecast 2016 despite lower sales

Opportunities

- Focus towards high margin products and products with a higher share of First Sensor R&D
- Reduction of production costs and better economies of scale based on lean management projects
- Better core processes for more operative excellence

Risks

- Higher marketing expenses for the introduction of new technologies, e.g. inertial sensors, microring resonators
- Effects such as fluctuations in purchase prices, risks relating to process stability, increases in wages and salaries, the uncertain product mix with regard to the cost of materials
- Increased training expenses in connection with the introduction of a uniform ERP system at three German production sites

Overall, we are keeping to our goal of achieving an EBIT margin of 10% in the medium term.
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**FURTHER INFORMATION**

**Our shareholder structure**

- **Shareholder structure according to the existing voting rights announcements June 17, 2016**

  - 53.69%
  - 36.02%
  - 5.03%
  - 5.26%

**Key facts**

- **IPO:** 07/15/1999
- **Market listing:** Prime Standard
- **Market Cap:** € 148.0 million
- **Number of shares:** 10,208,396
- **Traded stocks/day:** 11,215

* as of December 31, 2016
** annual average
# FURTHER INFORMATION
## Financial calendar 2017

<table>
<thead>
<tr>
<th>When?</th>
<th>What?</th>
</tr>
</thead>
<tbody>
<tr>
<td>18.05.2017</td>
<td>Q1 Interim Report</td>
</tr>
<tr>
<td>24.05.2017</td>
<td>Annual Meeting 2017, Penta Hotel, Grünauer Str. 1, 12557 Berlin</td>
</tr>
<tr>
<td>10.08.2017</td>
<td>6-Month Financial Report</td>
</tr>
<tr>
<td>09.11.2017</td>
<td>Q3 Interim Report</td>
</tr>
<tr>
<td>27.-29.11.2017</td>
<td>Analyst' Conference: German Equity Forum, Frankfurt am Main</td>
</tr>
</tbody>
</table>
We empower the future – Financial Statement Press Conference
March 20, 2017

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 occur.

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E ir@first-sensor.com