

**CONSOLIDATED INTERIM FINANCIAL REPORT
AS AT JUNE 30, 2012**

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FIRST SENSOR AG
 GROUP HALF-YEAR FINANCIAL STATEMENTS 2012
 KEY FIGURES

in € thousands unless otherwise specified	H1 2012	H1 2011	Δ	Δ%
Sales	56,219	27,165	29,054	107
Operating result (EBITDA) before integration costs	7,341	4,173	3,168	75
Total result of period	786	1,728	-942	-55
Adj. earnings per share (€) *	0.28	0.26	-0.02	8
Number of shares (weighted)	9,842,973	6,625,899	3,217,074	49
Equity	69,721	39,666	30,055	76
Equity ratio (%)	43	55	-12	-22
R&D expenses	3,145	2,270	875	39
Number of employees	755	405	345	86

* before amortization from the purchase price allocation and integration costs

FIRST SENSOR AG

GROUP HALF-YEAR FINANCIAL STATEMENTS 2012

FOREWORD BY THE MANAGEMENT BOARD

First Sensor starts 2012 with renewed strength, further improvement expected for the second half-year

Precision, individuality and reliability: these are our values

Dear shareholders, dear business partners and employees,

Over the past two decades, First Sensor has successfully and sustainably established itself on the market as a provider of high-quality, customer-specific sensor solutions for renowned customers from a wide range of sectors. First Sensor is positioned to cover the entire value chain – from sensor components and modules through to sensor systems – via our locations. Through the successful acquisition of the sensor division of Augusta Technologies AG last year, we have come a major step closer to our goal of creating a globally renowned integrated industrial company for innovative sensor solutions. Precision, individuality and reliability are our values that are prized by customers around the globe. Following a rather subdued second half-year of 2011, we have now returned to our successful course. The results for the first half-year clearly show how much potential there is in the developing First Sensor. In the 2012 financial year, we are fully aware of the challenges of the integration work that lies ahead. In the financial year that has just begun, we are therefore focusing our work on optimizing the structures of our company required for further development, tapping potential synergies and integrating the parts of the company added in the acquisition. We are firmly convinced that we can continue our success in the future only as an integrated and efficient industrial company.

Successfully completed first half of year

First Sensor enjoyed a very successful first six months of its new financial year. Sales more than doubled in the first half-year, partly as a result of the acquisition carried out last year. They rose by 107% from €27.2 million to around €56.2 million. This high growth significantly outstrips the average growth of our markets and clearly demonstrates the dynamism of our further development.

Although over the next two years the integration costs and the synergies to be exploited will roughly balance each other out, in the first quarter we already generated EBITDA of approximately €7.3 million. Thus, the previous year's figure (€4.17 million) was increased by more than 75%.

Before accounting for integration costs and for amortization from the purchase price allocation, earnings per share were €0.28 in the first half of 2012, an increase of around 8% (previous year: €0.26).

In our current opinion, contrary to earlier assumptions the slowing general economic momentum since the third quarter of 2011 will not pick up again substantially in the second half of the current financial year. In contrast, First Sensor should buck the general market trend, since customer projects which have been planned on a long-term basis will be started in the second half of the year. Therefore, for the second half of 2012 we anticipate a further improvement in results in comparison with the results for the current half of the year presented here.

We also pay particular attention to tracking the development of orders on hand. Orders on hand increased by 146% as against June 30, 2011 to €70.8 million. The €2.4 million increase in orders on hand compared with the 1st quarter of 2012 is particularly pleasing, underlining the positive outlook for the 2nd half of 2012. There is also the prospect of further major orders from customers in the near future.

CONSOLIDATION PROGRAM “ONE FIRST SENSOR” launched

2012 will be dominated by consolidating our business processes, optimizing structures and in particular integrating the individual entities of the Augusta Technologies AG sensor division, acquired last year.

The integration is taking place by means of a project that includes all companies and Group management. Its objectives are to develop further the joint strategy, integrate the companies and realize the value potential. In 2013, at the end of the project, First Sensor AG will be a fully integrated industrial company on the sensor market.

Key elements of the integration activities are

- Integrated Group structure and management positions,
- Front end optimization,
- Backend optimization,
- Harmonization of sales, marketing, product management and development,
- Harmonization of the Group-wide administrative functions and
- Realization of value potential from the merger.

To accelerate the integration process, the Executive Board of First Sensor AG has launched the consolidation program “ONE FIRST SENSOR” with the approval of the Supervisory Board. In the next 12 months, as part of the program €4 million is to be saved sustainably in staff and other costs on an annualized basis.

The consolidation program “ONE FIRST SENSOR” is aimed at establishing more efficient, long-term-oriented management of all business processes in order to make the company better equipped for the future.

As a first step towards ensuring a uniform market presence, delivering further improvements through the use of synergies and simplifying internal organizational processes, a merger agreement between First Sensor AG and Sensortechnics GmbH (Puchheim) and Silicon Projects GmbH (Berlin) has been signed with retrospective effect from January 1, 2012. The merger agreements came into legal effect on August 22, 2012.

Only the names of the companies involved will change as a result of the merger. All business processes will remain unchanged for the time being. First Sensor AG is regarded as the legal successor for all existing contracts of Sensortechnics GmbH and Silicon Projects GmbH.

There will be no changes in terms of collaboration with our customers. The known contacts will also be available in future, and the locations will continue to be used as industrial premises as before.

The consolidation program “ONE FIRST SENSOR” will lead us to improve our operating profitability, and forms the basis for further growth. The Management Board expects the figures to improve by several million euro on a long-term basis, starting as early as 2013.

Next year, in a second step, further subsidiaries will be merged with First Sensor AG. In the not too distant future, individual sensor solutions for optical sensors, pressure sensors, flow and level-measurement sensors as well as special sensors will be developed, produced and sold from one source at First Sensor.

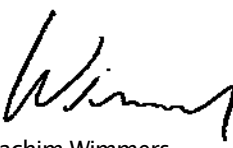
These are ambitious goals, but we are confident that we will be able to achieve them provided the general economic environment and the situation of the banks do not deteriorate significantly as a result of the euro crisis.

We will be delighted for you, our shareholders, business partners, customers and employees, to continue to accompany us on this path.

Kind regards,
The Management Board



Dr. Hans-Georg Giering
CEO



Joachim Wimmers
CFO

FIRST SENSOR AG

GROUP HALF-YEAR FINANCIAL STATEMENTS 2012

PERFORMANCE OF THE FIRST SENSOR SHARE

First Sensor AG
 ISIN: DE0007201907
 WKN (German securities identification code): 720190
 Symbol: SIS

First Sensor share and TecDax development from January 1, 2011 to June 30, 2012



FIRST SENSOR AG

GROUP HALF-YEAR FINANCIAL STATEMENTS 2012

GROUP MANAGEMENT REPORT

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, temperature, moisture, etc.) into electric variables that are then used in our customers' electronic systems. This means that our sensor solutions make an important contribution to the competitiveness of our customers' products. Our core competencies include solutions in the area of optical sensors and pressure sensors.

Customers include prominent industrial groups and research institutes. A project generally starts with the customer issuing the specifications and the joint preparation of a development strategy. Following an extensive development and test phase, a supply relationship is initiated that generally lasts for a number of years.

First Sensor's sensor solutions are mostly used as key components in a wide range of applications in several different industries. These include electronic folding rules, tank pressure and sun angle sensors for motor vehicles, fill level measurements in the food industry, air conditioning systems, blood glucose monitors, X-ray machines for baggage screening, machine controls, aerospace research, cancer diagnosis, truck toll monitoring, and measurement systems for the pharmaceutical and environmental technology industries. The broad mix of sectors means that First Sensor is generally independent of cyclical developments in the individual sectors. The market for high-end sensor solutions that we address remains a strong growth market.

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. Among other things, this includes the avalanche photodiodes (APD) and avalanche photodiode arrays developed and manufactured by First Sensor in the past, which enjoy a leading global position in their field. One use for these APDs is in high-precision distance measurement systems for a wide range of applications together with laser modules.

First Sensor develops and produces sensor solutions across the individual stages of the value chain. The individual companies of the First Sensor Group are active along the entire value chain. In addition to sensor components, First Sensor develops and manufactures highly reliable customer-specific hybrid circuits and products in the areas of microsystems technology and advanced packaging (sensor modules) right through to complete sensor systems. The different locations in Berlin, Dresden, Oberdischingen, Puchheim, and the foreign locations in the Netherlands, the UK, Sweden, Singapore and the US vary in terms of their position in the value chain (including distribution). Several Group companies are often involved in processing a customer order.

Sensor components are developed and manufactured at the headquarters in Berlin. If the sensor component is later connected to a circuit together with other electronic components and switching circuits (layout and connection technology, hybrid technology, microsystems technology), this creates a **sensor module**. These process steps take place at five locations within First Sensor: Berlin, Dresden, Oberdischingen, Westlake Village and Singapore. If the sensor module is supplemented with additional stages of the value chain such as signal processing, calibration and product design, this creates a **sensor system**. This stage of the value chain is implemented at four

locations in Berlin, Dresden, Dwingeloo and Puchheim.

With this positioning and interaction of the individual locations, First Sensor covers the entire value chain for specialized sensor solutions and is therefore able both to offer its customers “everything from one source” and also to take on individual steps of the value chain. The specific customer requirements in each case stipulate the stage of the value chain at which our services are called upon. Depending on cost effectiveness, some types of components and services are also purchased externally. Partial orders are allocated to the individual locations centrally.

BUSINESS DEVELOPMENT IN H1 2012

First Sensor enjoyed a very successful first six months of its new financial year. Sales more than doubled in the first half-year, partly as a result of the acquisition carried out last year. They rose by 107% from €27.2 million to around €56.2 million. This high growth significantly outstrips the average growth of our markets and clearly demonstrates the dynamism of our further development.

Although over the next two years the integration costs and the synergies to be exploited will roughly balance each other out, in the first quarter we already generated EBITDA of approximately €7.3 million. Thus, the previous year’s figure (€4.17 million) was increased by more than 75%.

Gross income rose by 100% from €16.25 million in the same period of the previous year to €32.55 million in the first half of the current financial year. Due to the altered product mix, the gross profit margin fell only by the negligible amount of 1.4 percentage points from 55.0% to 53.6%.

Orders on hand increased by 146% as against June 30, 2011 to €70.8 million. The €2.4 million increase in orders on hand compared with the first quarter of 2012 is particularly pleasing, underlining the positive outlook for the second half of 2012.

The 112.6% increase in staff costs to €17.9 million and the 112.2% increase in other operating expenses to €7.8 million are due to the effects of

the acquisition last year. Initial successes of the integration work can be seen in the fact that the increase in staff costs was reduced by 3.4 percentage points from 116% in the first quarter to 112.6% in the second quarter and that the increase in other operating expenses was reduced by 5.8 percentage points from 118% to 112.2%. The consolidation program “ONE FIRST SENSOR”, which has just been launched, will lead to further improvements.

The financial result, which primarily includes interest for financing the acquisition and interest for investment loans, amounted in the first half-year 2012 to minus €1.0 million (previous year: minus €0.4 million). Before accounting for the integration costs and amortization effects from the acquisition of the Augusta Technology AG sensor division, earnings per share were €0.28 in the first half of 2012, an increase of around 8% (previous year: €0.26), despite the large increase in the number of shares. As a result of the capital increase carried out in the third quarter, the total number of shares rose to 9,842,973 (previous year: 6,625,899).

Group equity amounted to €69.7 million, corresponding to an equity ratio of 43%. Cash and cash equivalents totaled €9.4 million. In light of the targeted further growth, there will be a focus on measures to increase liquidity in the coming quarters. In light of the targeted further growth, there will be a focus on measures to increase liquidity in the coming quarters. In the near future it will primarily be a case of further increasing First Sensor’s profitability, since financial stability is particularly important for our customers when it comes to choosing their service providers, as development and production processes take a number of years and the financial stability of the selected partner plays a major role.

Financial liabilities, which were largely taken out to finance the acquisition of the Augusta Technology AG sensor division, amounted to €53.2 million as of June 30, 2012. Assuming the general economic situation does not worsen further and there are no disturbances on the capital markets, the company currently continues to expect – based on the planning for the coming financial years – to repay all financial liabilities as due.

In the second quarter of 2012, at €3.4 million, cash flow from operating activities was clearly up on the previous year's level (€0.2 million) due to the reduction in working capital. Cash flow from investment activities in the amount of minus €7.4 million (previous year: minus €2.9 million) was dominated by investments in property, plant and equipment, including for further improving efficiency in production and expanding production lines at the Berlin site, as well as by a contractually agreed earnout payment to the previous owners of the Sensortech Group.

Repayments of loans (not including working capital loans) totaling €1.6 million were offset by new borrowings of €8.2 million, resulting in cash flow from financing activities in the amount of €6.6 million (previous year: €1.6 million) in the second quarter of 2012. Of this, €4.5 million is attributable to financing the earnout payment to the previous owners of the Sensortech Group.

The increase in trade receivables (up €6.3 million to €14.0 million) and inventories (up €19.7 million to €32.3 million) is due to the rise in sales and also in particular the inclusion of the Sensortech Group in the consolidated financial statements.

The Group had a total of 755 employees as of June 30, 2012. This increase in comparison to June 30, 2011 is also due primarily to the inclusion of the acquisition in the consolidated financial statements.

OUTLOOK

Through the acquisition of the Augusta Technologies AG sensor division, First Sensor AG has strengthened its position as an innovative, globally operating manufacturer of specialized sensors.

The strategic options and synergy potential resulting from the acquisition are systematically enhanced through the integration project and the "ONE FIRST SENSOR" project. These integration measures and the optimization of the corporate, management and controlling structures form the major focus of management activities in 2012.


In addition, by achieving a critical mass and increasing the degree of value added in the development and production of sensor solutions, First Sensor will be of interest to additional customer groups, particularly with regard to awarding major long-term contracts.

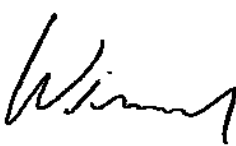
The results for the first half-year, the outlook for the coming quarters, the additional production starts planned and the initial effects of our investments underpin the forecast issued for the current financial year. The Management Board continues to anticipate that business volume will almost double compared to 2011. EBITDA is expected to exceed €17 million before one-off expenses and integration costs.

These are ambitious goals, but we are confident that we will be able to achieve them provided the general economic environment and the situation of the banks do not deteriorate significantly as a result of the euro crisis.

Berlin, August 2012

First Sensor AG


Dr. Hans-Georg Giering
CEO


Joachim Wimmers
CFO

FIRST SENSOR AG
GROUP HALF-YEAR FINANCIAL STATEMENTS 2012
CONSOLIDATED BALANCE SHEET (IFRS)

ASSETS

in € thousands	June 30, 2012	Dec. 31, 2011
Cash and cash equivalents	9,397	12,800
Accounts receivable	13,979	11,101
Due from affiliated companies	79	29
Inventories	32,289	31,368
Tax refund claims	305	438
Other current assets	2,918	2,747
Total current assets	58,967	58,483
Property, plant and equipment	41,816	39,141
Intangible assets	29,198	30,166
Shares in affiliated companies	771	980
Securities in fixed assets	147	141
Goodwill	29,816	30,306
Deferred tax assets	1,045	982
Other non-current assets	35	35
Total non-current assets	102,828	101,751
TOTAL ASSETS	161,795	160,234

FIRST SENSOR AG
GROUP HALF-YEAR FINANCIAL STATEMENTS 2012
CONSOLIDATED BALANCE SHEET (IFRS)

LIABILITIES

in € thousands	June 30, 2012	Dec. 31, 2011
Current loans	18,398	10,470
Accounts payable	9,006	8,130
Due to affiliated companies	0	55
Advances from customers	1,878	2,174
Accrued liabilities	899	1,140
Liabilities from income tax	2,291	2,273
Other current liabilities	11,081	12,331
Total current liabilities	43,553	36,573
Non-current interest-bearing loans	34,814	35,652
Provisions	159	173
Deferred taxes	7,285	7,812
Prepayments and accrued income	6,150	6,142
Other non-current liabilities	0	4,750
Total non-current liabilities	48,408	54,529
Minority interests	114	91
Subscribed capital	49,215	49,215
Reserves	14,912	15,032
Currency adjustment items	-276	-289
Net profit	5,870	5,083
Total equity	69,721	69,041
TOTAL EQUITY AND LIABILITIES	161,796	160,234

FIRST SENSOR AG
GROUP HALF-YEAR FINANCIAL STATEMENTS 2012
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)

in € thousands unless otherwise specified	Jan. 1, – June 30, 2012	Jan. 1, – June 30, 2011	April 1, – June 30, 2012	April 1, – June 30, 2011
Sales	56,219	27,165	27,732	14,054
Other operating income	2,528	752	1,446	338
Change in inventories of finished goods and unfinished goods	1,157	874	425	618
Other own work capitalized	803	761	549	347
Cost of material/purchased services	-28,147	-13,302	-14,337	-6,821
Personnel expenses	-17,894	-8,416	-8,780	-4,193
Depreciation of property, plant and equipment and amortization of intangible assets	-4,503	-1,778	-2,322	-912
Other operating expenses	-7,771	-3,661	-3,963	-1,912
Operating Result	2,392	2,395	750	1,519
Income from equity investments	8	0	0	0
Interest income	62	50	49	29
Interest expenses	-1,331	-385	-720	-202
Currency gains	352	48	265	16
Currency losses	-165	-108	-67	-49
Result Before Taxes And Minority Interests	1,318	2,000	277	1,313
Taxes on income	-508	-291	-163	-224
NET PROFIT FOR THE PERIOD	810	1,709	114	1,089
Net profit for the period attributable to First Sensor AG shareholders	786	1,728	111	1,122
Net profit for the period attributable to minority interests	24	-19	3	-33
Differences from currency conversion (after tax)	-84	-94	28	1
Net gain/loss from cash flow hedges (after tax)	-193	11	-127	-30
Net gain/loss from transaction costs	0	-65	0	-65
Total expenses and income recognized directly in equity	-277	-148	-99	-94
TOTAL NET PROFIT FOR THE PERIOD	533	1,561	15	995
Total net profit for the period attributable to shareholders of First Sensor AG	509	1,580	12	0
Total net profit for the period attributable to minority interests	24	-19	3	0
Earnings per share (EUR)	0.08	0.26	0.01	0.17
Number of shares applied in the calculation of basic earnings per share (thousands)	9,843	6,626	9,843	6,626
Diluted earnings per share (EUR)	0.08	0.26	0.01	0.17
Number of shares applied in the calculation of diluted earnings per share (thousands)	9,914	6,683	9,930	6,689

FIRST SENSOR AG
GROUP HALF-YEAR FINANCIAL STATEMENTS 2012
CONSOLIDATED STATEMENT OF CASH FLOW (IFRS)

in € thousands	Jan. 1, – June 30, 2012	Jan. 1, – June 30, 2011
PRE-TAX INCOME	1,294	2,000
Adjustments to reconcile operating result with cash flow from operating activities		
Depreciation of property, plant and equipment and amortization of intangible assets	4,503	1,778
Other non-cash expenses/income	73	78
Income from investment grants	-247	-253
Loss on asset disposal	490	10
Interest income	-62	-50
Interest expense	1,331	385
Income from asset disposal	0	-1
Increase/decrease in provisions	-257	37
Increase/decrease in inventories, accounts receivable and other assets not assigned to investment/financing activities	-3,929	-2,500
Increase/decrease in accounts payable and other liabilities not assigned to investment/financing activities	-1,563	87
Interest paid	-1,331	-378
Income tax paid	-369	19
Other profit/losses	259	0
CASH FLOW FROM OPERATING ACTIVITIES	192	1,212
Payments for investments in property, plant and equipment and intangible assets	-6,565	-3,555
Payments for investments in affiliated companies	84	-50
Payments for acquisition of subsidiaries	-5,000	-500
Receipts from disposal of property, plant and equipment and intangible assets	581	1
Payments for acquisition of other financial assets	-6	0
Receipts from investment grants	-5	0
Interest received	62	50
CASH FLOW FROM INVESTMENT ACTIVITIES	-10,849	-4,054
Repayments of financial liabilities	-5,664	-2,745
Transaction costs for issuing shares	0	-65
Proceeds from borrowings	12,267	4,358
CASH FLOW FROM FINANCING ACTIVITIES	6,603	1,548
Currency differences from converting funds	176	14
NET CHANGE IN CASH AND CASH EQUIVALENTS	-3,878	-1,280
Cash and cash equivalents at the start of the financial year	10,305	14,058
CASH AND CASH EQUIVALENTS AT THE REPORTING DATE	6,427	12,778

FIRST SENSOR AG
GROUP HALF-YEAR FINANCIAL STATEMENTS 2012
STATEMENT OF CHANGES IN EQUITY (IFRS)

	Number of shares in thousand	Subscribed capital	Share premium	Revenue reserves	Unrealized profit/loss	Consolidated balance sheet Loss/profit	Exchange equalization items	Equity attributable to First Sensor AG shareholders	Minority interests	Total equity
in € thousand										
As at January 1, 2011	6,626	33,130	2,136	-404	-90	3,477	-241	38,008	78	38,086
Net profit/loss for the period						1,728		1,728	-19	1,709
Expenses and income recognized directly in equity					-54		-94	-148	0	-148
Total net profit for the period	0	0	0	0	-54	1,728	-94	1,580	-19	1,561
Share-based remuneration				78				78		78
As at June 30, 2011	6,626	33,130	2,136	-326	-144	5,205	-335	39,666	59	39,725

	Number of shares in thousand	Subscribed capital	Share premium	Revenue reserves	Unrealized profit/loss	Consolidated balance sheet Loss/profit	Exchange equalization items	Equity attributable to First Sensor AG shareholders	Minority interests	Total equity
in € thousand										
As at January 1, 2012	9,843	49,215	15,717	-249	-436	5,083	-289	69,041	91	69,132
Net profit/loss for the period						786		786	24	810
Result shown directly as equity, total					-193		13	-180		-180
Total net profit for the period	0	0	0	0	-193	786	13	606	24	630
Share-based remuneration				73				73		73
As at June 30, 2012	9,843	49,215	15,717	-176	-629	5,870	-276	69,721	115	69,835

FIRST SENSOR AG

GROUP HALF-YEAR FINANCIAL STATEMENTS 2012

ANNUAL FINANCIAL STATEMENTS (IFRS)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(all figures in € thousand unless otherwise specified)

1. GENERAL

First Sensor AG, Berlin, is a listed stock corporation domiciled in Berlin. At the Annual General Meeting on June 9, 2011, the shareholders resolved to rename the former Silicon Sensor International AG as First Sensor AG. The new name was entered in the commercial register on June 25, 2011.

First Sensor AG, Berlin, (“the company” or “First Sensor”) and its subsidiaries 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 systems. In addition, the First Sensor Group develops and manufactures highly reliable customer-specific hybrid circuits and products in the areas of microsystems technology and advanced packaging.

2. CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The consolidated interim financial report for the period ended June 30, 2012 was prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) approved by the IASB as required to be applied in the European Union (EU) and valid as of the reporting date. The requirements of the

German Securities Trading Act (WpHG) were also applied.

All of the information in this consolidated interim financial report is unaudited. This means the information has been subject neither to any audit nor to any review by an independent auditor.

The reporting currency is the euro (€); unless otherwise indicated, all amounts are presented in thousands of euro (€ thousand).

3. PRESENTATION OF ACCOUNTING POLICIES

As a matter of principle, the accounting policies applied in preparing the consolidated interim financial report was the same as those applied in preparing the 2011 consolidated financial report. A detailed description of these accounting policies can be found in the published consolidated financial report for the 2011 financial year.

4. BASIS OF CONSOLIDATION

The assets, liabilities and results of the acquired Sensortechnics Group, which consists of Sensortechnics GmbH, Puchheim, and its subsidiaries Elbau Elektronik Bauelemente GmbH, Berlin, Klay-Instruments B.V., Dwingeloo (Netherlands), and other subsidiaries, were included in consolidation for the first time with effect from October 1, 2011. This means that the comparability of the results of operations of 2011 and 2012 is limited.

5. IMPAIRMENT OF NON-CURRENT ASSETS

The First Sensor Group continuously tests its goodwill and other non-current assets for impairment based on the provisions of IAS 36. The impairment test is performed on the basis of the future cash surpluses generated for individual assets or for groups of assets combined in cash-generating units.

The main non-current assets that are continuously tested for impairment are the goodwill reported in the First Sensor Group and the intangible assets acquired as part of business combinations. In the first six months of 2012, there were no indications that non-current assets were impaired above and beyond the reported carrying amount of these assets.

6. FINANCIAL LIABILITIES

In the period from January 1 to June 30, 2012, the First Sensor Group had net cash flow from financing activities of €6.6 million. This includes borrowing to expand and improve the efficiency of production capacity as well as to settle purchase price liabilities (earnout) from the

acquisition of the Sensortechnics Group (€4.5 million). The loans were concluded for a term of seven years. Interest is largely fixed. The loans are secured through the assignment of machinery and equipment and through storage assignment of inventories.

7. CHANGE IN CONTINGENT LIABILITIES

In accounting for the Sensortechnics acquisition, a contingent purchase price payment of €9.8 million – consisting of an earnout (€5 million) and a deferred purchase price component (€4.8 million) – was assumed as part of the total consideration. This earnout component is dependent on future earnings. After the balance sheet date, the earnout component was calculated definitively and decreased by €0.5 million to €4.5 million. In accordance with IFRS 3, the goodwill resulting from the transaction therefore declined by €0.5 million to €26.4 million.


8. REPORT ON POST-BALANCE SHEET DATE EVENTS

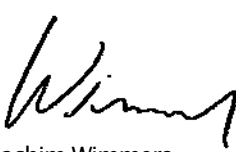
Other than the change in contingent liabilities, no further significant events took place after the balance sheet date.

RESPONSIBILITY STATEMENT (BALANCE SHEET OATH)

To the best of our knowledge, and in accordance with the applicable reporting principles for interim reporting, the consolidated interim financial statements give a true and for view of the net assets, financial position and results of operations of the Group, and the interim financial report of the Group 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 over the remainder of the financial year.

Berlin, August 2012


Dr. Hans-Georg Giering
CEO


Joachim Wimmers
CFO

FIRST SENSOR AG

GROUP HALF-YEAR FINANCIAL STATEMENTS 2012

LEGAL NOTICE

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 interim financial report were produced on the basis of a probability-based plan and represent statements regarding the future which cannot be guaranteed.

FINANCIAL CALENDAR 2012

Date	Topic	Location
2012-08-27	Analysts' conference SCC Small Cap Conference	Frankfurt am Main
2012-08-30	Publication of consolidated interim financial report as at June 30, 2012	
2012-09-11	General meeting	Pentahotel Berlin-Köpenick, Grünauer Str. 1, 12557 Berlin
2012-11-12 – 2012-11-14	German Equity Capital Forum	Congress Center at Messe Frankfurt, Frankfurt am Main
2012-11-29	Publication of Consolidated interim financial report as at September 30, 2012	

This consolidated interim financial report as at June 30, 2012 is available in German and English. Both versions are also available for download on the internet at www.first-sensor.com.

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