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FIRST SENSOR AG

INTERIM FINANCIAL REPORT AS AT SEPTEMBER 30, 2012

KEY FIGURES

Key figures January to September 2012 (9M 2012)

in € thousands, unless otherwise specified	9M 2012	9M 2011	Δ	Δ%
Sales	84,942	40,711	44,231	109
Operating result (EBITDA) *	11,013	5,734	5,270	92
Total net profit for the period **	3,911	2,091	1,820	87
Earnings per share (EUR) **	0.40	0.32	0.08	25
Number of shares (weighted)	9,842,973	6,625,899	3,217,074	49
Equity	70,089	39,909	30,180	76
Equity ratio (%)	43	55	-12	-22
R&D expenses	5,366	3,389	1,977	58
Number of employees	763	436	327	75

* adjusted for the integration costs in 2012

** adjusted for the integration costs and PPA-Amortization

Key figures July to September 2012 (Q3 2012)

in € thousands, unless otherwise specified	Q3 2012	Q3 2011	Δ	Δ%
Sales	28,723	13,546	15,177	112
Operating result (EBITDA) *	3,672	1,570	2,102	134
Total net profit for the period **	1,531	363	1,168	322
Earnings per share (EUR) **	0.16	0.05	0.11	220
Number of shares (weighted)	9,842,973	6,625,899	3,217,074	49
Equity	70,089	39,909	30,180	76
Equity ratio (%)	43	55	-12	-22
R&D expenses	2,221	1,119	1,102	98
Number of employees	763	436	327	75

* adjusted for the integration costs in 2012

** adjusted for the integration costs and PPA-Amortization

FIRST SENSOR AG

INTERIM FINANCIAL REPORT AS AT SEPTEMBER 30, 2012

FOREWORD BY THE MANAGEMENT BOARD

First Sensor enjoys successful business performance in the first nine months

Reliability in change

Dear shareholders, dear business partners and employees,

When the merger of First Sensor and Sensortechnics was entered in the commercial register on August 22 this year, the former Sensortechnics GmbH officially became the First Sensor AG Munich location. We offer our warmest welcome to the new First Sensor employees. First Sensor is now well established in both the Berlin and Munich metropolitan areas. We have thus come a major step closer to our goal of creating a globally renowned industrial company for innovative sensor solutions.

For several decades, precision, uniqueness and reliability have been our values that are prized by customers around the globe. For our integration efforts, which are running at full speed, the most important of these values is the reliability that our customers demand. The integration teams, comprised of employees from the formerly separately operating firms First Sensor and Sensortechnics, are taking great care that the reliable supply of high-quality sensor components, sensor modules and sensor systems to our customers is not interrupted by our multifaceted integration efforts.

In the current financial year, we are continuing to focus 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 to grow successfully as an integrated and efficient industrial company.

Successfully completed nine months 2012

First Sensor enjoyed a very successful first nine months of the current 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 109% from €40.7 million to around €85 million. This high growth significantly outstrips the average growth of our markets and clearly demonstrates the dynamism of our further development. In the first nine months we generated nearly doubled EBITDA before integration costs of approximately €11.0 million. Thus, the previous year's figure (€5.7 million) was increased by 92%. Before accounting for the integration costs and amortization effects from the Purchase Price Allocation, earnings per share were €0.40 in the first three quarters of 2012, an increase of around 25% (previous year: €0.32). A better result was forestalled primarily by the not yet satisfactory performance of the sensor division acquired last year from Augusta Technologies AG. However, the Management Board is entirely convinced that the advancing integration will also increase the performance of the acquired firms.

As reported in the previous quarter, 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. Our confidence that First Sensor would be able to buck the general market trend has not been fully realized. Especially with our existing customers, we are now seeing clear trends of restrained demand behavior in the wake of slowing sales. We are not currently able to estimate the consequences that this will have for us.

We are also paying particular attention to tracking the development of orders on hand. At the end of the third quarter, they had increased by 124% year-on-year to €67.5 million. The long-term delivery order issued by a major corporation in September this year made a particular contribution to this. The order, agreed over the unusually long period of 10 years, shows very clearly that our customers have recognized First Sensor's considerably strengthened performance since last year and are rewarding it with increased confidence.

Two of the major prospective orders from customers in the first half of the year have since been realized. The first major order worth €5 million from Asia is particularly important to us. This order unmistakably confirms the validity of the strategy of intensified involvement in Asia that we have pursued since 2009.

Consolidation program "ONE FIRST SENSOR" continued with purpose

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 "ONE FIRST SENSOR" consolidation program launched to accelerate the integration process was continued in a targeted fashion. We have come much closer to our target of sustainably saving costs of €4 million in the next 12 months. At the same time, 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.

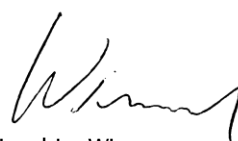
These are ambitious goals, but we are confident that we will be able to achieve them provided the general economic environment and the situation of the banks do not deteriorate significantly as a result of the euro crisis.

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

INTERIM FINANCIAL REPORT AS AT SEPTEMBER 30, 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, 2012 to September 30, 2012



FIRST SENSOR AG

INTERIM FINANCIAL REPORT AS AT SEPTEMBER 30, 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 optoelectronics and MEMS sensor technology.

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 global 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 of sensor to the system of our customers. The individual companies of First Sensor 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, München, and the foreign locations in the Netherlands, the UK, Sweden, Singapore, Canada and the US vary in terms of their position along 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 München.

With this positioning and interaction of the individual locations, First Sensor covers the entire value chain for a specialized sensor solution 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 9M 2012

First Sensor enjoyed a successful nine months of the financial year. Sales more than doubled in the first nine months, partly as a result of the acquisition carried out last year. They rose from €40.7 million to €84.9 million. Sales growth in the first half of the year was 107%, where it is now 109%. This high growth significantly outstrips the average growth of our markets and clearly demonstrates the dynamism of our further development.

With EBITDA in the same period of the previous year at €5.7 million, it has climbed 79% to €10.2 million. In the first three quarters of 2012, EBIT adjusted for the €0.8 million integration costs as well as the effects of the purchase price allocation (€2.5 million) amounted to €6.7 million.

Gross income doubled from €24.8 million in the same period of the previous year to €48.1 million. Due to the altered product mix, the gross profit margin fell only by the negligible amount of 3.0 percentage points from 54.8% to 51.8%.

Orders on hand increased by 124.2% as against September 30, 2011 to €67.5 million.

The 105.1% increase in staff costs to €26.5 million and the 87% increase in other operating expenses to €11.4 million are due to the effects of the acquisition last year. The first successes of the integration work can be seen in the staff costs of the last three quarters, which have decreased to €8.6 million in the third quarter, and other operating expenses that have continued to fall. 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 nine months 2012 to minus €1.8 million (previous year: minus €0.5 million). Before accounting for the integration costs and amortization effects from the acquisition of the Augusta Technology AG sensor division, earnings per share increased 25% to €0.40 in the first three quarters of 2012, despite the increase in the number of shares. As a result of the capital increase carried out in the fourth quarter of 2011, the total number of shares rose to 9,842,973 (previous year: 6,625,899).

Group equity amounted to €70.1 million, corresponding to an equity ratio of 43%. Cash and cash equivalents totaled €12.1 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 component supplier, 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 €52.9 million as of September 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 to repay all financial liabilities as due.

In the first three quarters of 2012, at €4.3 million, cash flow from operating activities was clearly up on the previous year’s level of €2.1 million due to the reduction in working capital.

Cash flow from investment activities in the amount of minus €6.9 million (previous year: minus €7.9 million) for machinery and equipment increased by a further €4.5 million for the contractually agreed earnout payment connected to the acquisition of the Augusta Technologies AG sensor division.

Investment activities in property, plant and equipment was dominated by plant expansions at the locations Dresden (Microelectronic Packaging Dresden GmbH, Silicon Micro Sensors GmbH) and Berlin (First Sensor AG, Elbau Elektronik Bauelemente GmbH Berlin) as well as expansion of production capacity in Asia (Elbau Singapore Pte. Ltd.).

Repayments of loans (not including working capital loans) totaling €6.8 million were offset by new borrowings of €12.4 million, resulting in cash flow from financing activities in the amount of €5.6 million (previous year: €1.8 million) in the first nine months of 2012. Of this, €4.5 million are attributable to financing the earnout payment to the Augusta Technologies AG.

The increase in trade receivables (up €7.1 million to €14.6 million) and inventories (up €17.2 million to €30.4 million) as at September 30, 2012, is due to the inclusion of the firms acquired in 2011 in the consolidated financial statements.


The Group had a total of 763 employees as of September 30, 2012. This increase in comparison to September 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" consolidation project. These integration measures and the optimization of the corporate, management and controlling structures form the major focus of management activities in 2012.

Berlin, November 2012

First Sensor AG


Dr. Hans-Georg Giering
CEO


Joachim Wimmers
CFO

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 of global affiliated groups.

Contrary to our expectations, the slowing general economic momentum in the sensor market in the recent quarters did not pick up again substantially at the beginning of the second half of the year. Our confidence that First Sensor would be able to buck the general market trend due to new production starts has not been fully realized. This is primarily attributable to the unexpected weakness of growth in the sensor division acquired last year from Augusta Technologies AG, whose companies are affected by major deferred sales in the following years. At the same time, we are now seeing clear trends of restrained demand behaviour from our existing customers in the wake of slowing sales. We are not currently able to estimate the consequences that this will have for us. However, this could conceivably result in sales for the 2012 financial year amounting 72% to approximately €112 million, approximately €6 million lower than the original forecast. EBITDA on this basis would then be in the range of €12 to €14 million before integration costs.

Irrespective of this, the Management Board is expecting positive performance in the long term. Key indicators here are the major long-term orders concluded in the last two months with a total volume of €18 million. The Management Board is also adhering to the target of generating total sales approaching €150 million by 2015.

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.

FIRST SENSOR AG

INTERIM FINANCIAL REPORT AS AT SEPTEMBER 30, 2012

CONSOLIDATED BALANCE SHEET (IFRS)

ASSETS

in € thousands	Sept. 30, 2012	Dec. 31, 2011
Cash and cash equivalents	12,149	12,800
Accounts receivable	14,570	11,101
Due from affiliated companies	0	29
Inventories	30,362	31,368
Tax refund claims	292	438
Other current assets	2,216	2,747
Total current assets	59,589	58,483
Property, plant and equipment	41,339	39,141
Intangible assets	28,574	30,166
Shares in affiliated companies	771	980
Securities in fixed assets	150	141
Goodwill	29,816	30,306
Deferred tax assets	1,075	982
Other non-current assets	22	35
Total non-current assets	101,747	101,751
TOTAL ASSETS	161,336	160,234

FIRST SENSOR AG

INTERIM FINANCIAL REPORT AS AT SEPTEMBER 30, 2012

CONSOLIDATED BALANCE SHEET (IFRS)

LIABILITIES

in € thousands	Sept. 30, 2012	Dec. 31, 2011
Current loans	11,731	10,470
Accounts payable	9,443	8,130
Due to affiliated companies	0	55
Advances from customers	1,213	2,174
Accrued liabilities	902	1,140
Liabilities from income tax	1,896	2,273
Other current liabilities	11,058	12,331
Total current liabilities	36,243	36,573
Non-current interest-bearing loans	41,169	35,652
Provisions	161	173
Deferred taxes	7,225	7,812
Prepayments and accrued income	6,292	6,142
Other non-current liabilities	0	4,750
Total non-current liabilities	54,847	54,529
Minority interests	157	91
Subscribed capital	49,215	49,215
Reserves	14,828	15,032
Currency adjustment items	-351	-289
Net profit	6,397	5,083
Total equity	70,089	69,041
TOTAL EQUITY AND LIABILITIES	161,336	160,234

FIRST SENSOR AG

INTERIM FINANCIAL REPORT AS AT SEPTEMBER 30, 2012

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (IFRS)

in € thousands unless otherwise specified	Jan. 1, - Sept. 30, 2012	Jan. 1, - Sept. 30, 2011	July 1, - Sept. 30, 2012	Jul. 1, - Sept. 30, 2011
Sales	84,942	40,711	28,723	13,546
Other operating income	3,218	1,153	690	401
Change in inventories of finished goods and unfinished goods	537	1,033	-620	159
Other own work capitalized	1,054	1,356	251	595
Cost of material/purchased services	-41,668	-19,436	-13,521	-6,134
Personnel expenses	-26,524	-12,932	-8,630	-4,516
Other operating expenses	-11,367	-6,142	-3,596	-2,481
Operating Result (EBITDA)	10,192	5,743	3,297	1,570
Depreciation of property, plant and equipment and amortization of intangible assets	-6,881	-2,732	-2,378	-954
Earnings before interest and tax (EBIT)	3,311	3,011	919	616
Income from equity investments	8	0	0	0
Interest income	75	74	13	24
Interest expenses	-2,061	-624	-730	-239
Currency gains	360	117	8	69
Currency losses	-197	-105	-32	3
Result Before Taxes And Minority Interests	1,496	2,473	178	473
Taxes on income	-116	-406	392	-115
NET PROFIT FOR THE PERIOD	1,380	2,067	570	358
Net profit for the period attributable to First Sensor AG shareholders	1,313	2,091	527	363
Net profit for the period attributable to minority interests	67	-24	43	-5
Differences from currency conversion (after tax)	-62	-4	22	90
Net gain/loss from cash flow hedges (after tax)	-313	-42	-120	-53
Net gain/loss from transaction costs	0	-260	0	-195
Total expenses and income recognized directly in equity	-375	-306	-98	-158
TOTAL NET PROFIT FOR THE PERIOD	1,005	1,761	472	200
Total net profit for the period attributable to shareholders of First Sensor AG	938	1,785	429	205
Total net profit for the period attributable to minority interests	67	-24	43	-5
Earnings per share (EUR)	0.13	0.32	0.05	0.05
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)	0.13	0.31	0.05	0.04
Number of shares applied in the calculation of diluted earnings per share (thousands)	9,911	6,684	9,902	6,676

FIRST SENSOR AG

INTERIM FINANCIAL REPORT AS AT SEPTEMBER 30, 2012

CONSOLIDATED STATEMENT OF CASH FLOW (IFRS)

in € thousands	Jan. 1. – Sept. 30, 2012	Jan. 1. – Sept. 30, 2011
PRE-TAX INCOME	1,429	2,473
Adjustments to reconcile operating result with cash flow from operating activities		
Depreciation of property, plant and equipment and amortization of intangible assets	6,881	2,733
Other non-cash income	109	117
Income from investment grants	-372	-391
Loss on asset disposal	500	11
Interest income	-75	-74
Interest expense	2,061	625
Income from asset disposal	-14	-1
Decrease in provisions	-250	-86
Decrease in inventories, accounts receivable and other assets not assigned to investment/financing activities	-1,832	-2,745
Increase/decrease in accounts payable and other liabilities not assigned to investment/financing activities	-1,685	49
Interest paid	-2,061	-639
Income tax paid	-659	49
Other profit/losses	310	0
Cash flow from operating activities	4,342	2,121
Payments for investments in property, plant and equipment and intangible assets	-7,854	-7,387
Payments for investments in affiliated companies	84	-150
Payments for acquisition of subsidiaries	-5,000	0
Receipts from disposal of property, plant and equipment and intangible assets	608	11
Payments for acquisition of subsidiaries net of cash acquired	0	-469
Loans to subsidiaries	0	0
Payments for acquisition of other financial assets	-9	0
Receipts from investment grants	212	13
Interest received	75	74
Cash flow from investment activities	-11,884	-7,908
Receipts from equity contributions	0	0
Payments for redemption of financial loans	-6,821	-3,533
Distributions	0	0
Transaction costs for issuing shares	0	-260
Proceeds from borrowings	12,391	5,564
Cash flow from financing activities	5,570	1,771
Currency differences from converting funds	170	7
Net change in cash and cash equivalents	-1,802	-4,009
Cash and cash equivalents at the start of the financial year	10,305	14,058
CASH AND CASH EQUIVALENTS AT THE REPORTING DATE	8,503	10,049

FIRST SENSOR AG

INTERIM FINANCIAL REPORT AS AT SEPTEMBER 30, 2012

STATEMENT OF CHANGES IN EQUITY (IFRS)

in € thousands unless otherwise specified	Number of shares (in thousands)	Subscribed capital	Share premium	Revenue reserves	Unrealized loss	Consolidated balance sheet profit	Exchange equalization items	Equity attributable to shareholders	Minority interests	Total equity
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						2,091			-24	2,067
Expenses and income recognized directly in equity					-302		-4			-306
Total net profit for the period	0	0	0	0	-302	2,091	-4	0	-24	1,761
Share-based remuneration				117						117
As at September 30, 2011	6,626	33,130	2,136	-287	-392	5,568	-245	38,008	54	39,964

in € thousands unless otherwise specified	Number of shares (in thousands)	Subscribed capital	Share premium	Revenue reserves	Unrealized loss	Consolidated balance sheet profit	Exchange equalization items	Equity attributable to shareholders	Minority interests	Total equity
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						1,313			67	1,380
Result shown directly as equity, total					-313		-62			-375
Total net profit for the period	0	0	0	0	-313	1,313	-62	0	67	1,005
Share-based remuneration				109						109
As at September 30, 2012	9,843	49,215	15,717	-140	-749	6,396	-351	69,041	158	70,246

FIRST SENSOR AG

INTERIM FINANCIAL REPORT AS AT SEPTEMBER 30, 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 MEMS-based 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 REPORT

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 infor-

mation 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, 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.

With an agreement dated June 28, 2012, Sensortechnics GmbH, Puchheim, and Silicon Projects GmbH, Berlin, were merged with First Sensor AG with effect from January 1, 2012. The

merger has no significant effects on the consolidated financial statements as of September 30, 2012.

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.

Due to the merger of Sensortechnics GmbH with First Sensor AG, the Sensortechnics brand will now be amortized on a scheduled basis over seven years starting January 1, 2012.

6. FINANCIAL LIABILITIES

In the period from January 1 to September 30, 2012, the First Sensor Group had net cash flow from financing activities of €5.6 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 acquisition of the Sensortechnics group, 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.

FIRST SENSOR AG

INTERIM FINANCIAL REPORT AS AT SEPTEMBER 30, 2012


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, November 2012



Dr. Hans-Georg Giering
CEO



Joachim Wimmers
CFO

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.

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