

Corporate News  
May 18, 2017

## First Sensor makes modest start to fiscal year in line with expectations

- Sales amount to €34.3 million due to expiration of major order at the end of 2016
- EBIT on track at €1.8 million, EBIT margin of 5.1%
- Executive Board confirms forecast for fiscal year 2017

First Sensor AG, a developer and manufacturer of standard products and customer-specific solutions in the growth market of sensors and sensor systems, made a restrained start to the year in line with expectations. Sales in the first quarter of 2017 amounted to €34.3 million, representing a decline of €3.2 million or 8.6% compared to the same quarter of the previous year. This was attributable to the expiration of a major order in the Mobility segment at the end of 2016. EBIT improved to €1.8 million in comparison to the previous quarter (€1.6 million), but was down €0.4 million on the same quarter of the previous year (€2.2 million) in line with the sales development. Net profit for the period of €1.2 million was reported, with earnings per share of €0.13 (previous year: €1.7 million, EPS €0.16).

“The business performance in the first quarter was in line with our expectations, since after the dynamic development in 2016 we must first compensate for the expiration of a major order at the end of last year,” says Dr. Dirk Rothweiler, CEO of First Sensor AG. “At the same time, incoming orders and orders on hand have improved significantly, making us confident of achieving our sales and earnings targets for fiscal year 2017.”

### Target markets

In the industrial target market, First Sensor generated sales of €17.8 million in the first quarter of 2017, representing an increase of €0.8 million compared to the same quarter of the previous year. This is attributable to the positive development of demand on the Asian market. In the medical target market, sales of €6.4 million were generated. They were thus roughly on a par with the previous quarter, but €0.8 million lower than in the same quarter of the previous year. This was due to postponements of orders by customers, which are expected to be compensated for over the remainder of the year. In the mobility target market, sales of €10.1 million were generated. This figure is €3.3 million lower than the sales generated in the same quarter of the previous year, a development that is attributable to the expiration of a major order at the end of 2016. Development projects that are expected to compensate for this decrease in the foreseeable future are developing according to plan.

### Incoming orders and orders on hand

Incoming orders improved significantly compared to the past two quarters and amounted to €35.1 million (Q3 2016 €24.0 million, Q4 2016 €28.7 million). Orders on hand went also up. Compared to the end of the previous fiscal year, this figure increased by €6.6 million to €88.9 million. This resulted in a book-to-bill ratio of 1.02.

### Balance and cash flow

Total assets changed only minimally in comparison to December 31, 2016. Inventories and trade receivables increased due to reporting-date factors, as demand picked up significantly in the final weeks of the quarter. Primarily for this reason, cash and cash equivalents decreased by €3.4 million to €20.3 million. This in turn led to a rise in net debt to €27.3 million (previous year: €24.4 million). As

a result of the retained earnings for the first quarter, equity improved to €78.7 million and the equity ratio climbed to 50.9% (as at previous year's reporting date: 50.3%). Primarily due to the €2.6 million rise in working capital over the first three months of the year, cash flow from operating activities was with €-0.2 million slightly negative in this period (same quarter of the previous year: €+3.4 million). After a below-average investment volume in the first quarter of the previous year, the investment level normalized again at €2.2 million in the first quarter of 2017. Cash flow from financing activities consists of scheduled repayments only. Overall, free cash flow for the first quarter of 2017 was therefore still negative at €-2.5 million (same quarter of the previous year: €+2.5 million).

## Employees

As at March 31, 2017, the First Sensor Group had a total of 783 employees. With the same number of employees, sales per employee decreased year-on-year to €43.9 thousand; this too was attributable to the expiration of a major order in the Mobility segment at the end of 2016.

## Outlook

After the first three months fitted with the common pattern of weak first quarters, the current order situation and order pipeline are a good basis for achieving the targets for the fiscal year. The Executive Board is therefore confirming its forecast of sales of €140 million to €145 million and an EBIT margin of 5.0% to 6.0% in 2017. With very good growth opportunities still in the medium and long term, the goal is to gradually increase the EBIT margin to 10%.

The Interim Report Q1 2017 is available for download on the Internet at <http://www.first-sensor.com/en/investor-relations/financial-publications/quarterly-reports/>.

## About First Sensor AG

First Sensor AG is one of the world's leading suppliers in the field of sensor systems. Our company develops and manufactures standardized and customized sensor solutions for applications in the Industrial, Medical and Mobility growth markets. With over 850 employees, we are represented at six German locations and also have development, production and sales sites in the USA, Canada, Singapore, China, the Netherlands, Great Britain, France, Sweden and Denmark along with a worldwide partner network. First Sensor AG is a German public limited company and has been listed on the Frankfurt Stock Exchange (SIS) since 1999 [Prime Standard I WKN: 720190 I ISIN: DE0007201907 I SIS]. For more details on First Sensor, please visit [www.first-sensor.com](http://www.first-sensor.com).

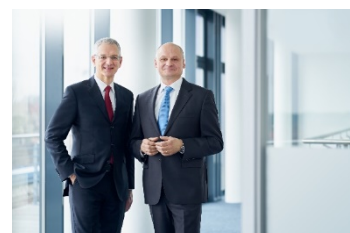
## Financial Calendar

- Presentation Q1 Interim Report on Thursday, May 18, 2017 at 2 pm: <http://firstsensor180517-live.audio-webcast.com>
- The 2017 Annual General Meeting of First Sensor AG takes place on Wednesday, May 24th, 2017 at Pentahotel Berlin Köpenick, Grünauer Straße 1, 12557 Berlin

## Druckfähiges Bildmaterial

The Executive Board of First Sensor AG: CEO Dr. Dirk Rothweiler (right) and CFO Dr. Mathias Gollwitzer (left)

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## Quarterly Results at a Glance\*

in € million, unless otherwise indicated	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2017
Sales revenues	37.5	38.4	38.8	35.4	34.3
Industrial	16.9	18.3	18.6	18.7	17.8
Medical	7.2	9.1	7.8	6.6	6.4
Mobility	13.4	11.0	12.4	10.1	10.1
EBITDA	4.5	5.5	5.4	4.0	4.0
EBITDA margin (%) as compared to total output	12.1	14.4	13.5	11.2	11.7
EBIT	2.2	3.2	2.9	1.6	1.8
EBIT margin (%) as compared to total output	6.0	8.4	7.4	4.4	5.1
Net profit for the period	1.7	2.4	1.7	0.2	1.2
Earnings per share (EUR)	0.16	0.22	0.16	0.02	0.13
Cash flow from operating activities	3.4	0.2	5.2	7.2	-0.2
Free cash flow	2.5	-1.0	3.5	5.1	-2.5
Balance sheet total	154.3	152.9	154.6	154.0	154.6
Shareholders' equity	72.8	75.2	76.8	77.5	78.7
Equity ratio (%)	47.2	49.2	49.7	50.3	50.9
Net dept	31.0	32.1	29.4	24.4	27.3
Working capital	38.3	39.4	40.0	35.7	38.3
ROCE (%)	1.8	2.7	2.4	1.3	1.5
Incoming orders	31.4	48.2	24.0	28.7	35.1
Orders on hand	84.4	101.2	77.3	82.2	88.9
Book-to-bill-ratio	0.84	1.26	0.62	0.81	1.02
Employees (as of March 31, 2017)	783	792	796	804	783
Sales revenues per employee in thousand €	48.0	48.5	48.8	44.0	43.9
Number of shares in thousand	10,167	10,171	10,172	10,208	10,211

\*Rounding differences may arise.

### Disclaimer

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 information in this consolidated financial report were produced on the basis of probability-based plan and represent statements regarding the future which cannot be guaranteed.

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