



# JENOPTIK AG

## Conference Call

### Preliminary results of fiscal year 2017 as well as outlook 2018 and 2022

Dr. Stefan Traeger, CEO  
Hans-Dieter Schumacher, CFO

| February 6, 2018

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Development of the Jenoptik Group

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Development of the segments

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Outlook and strategy

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Appendix

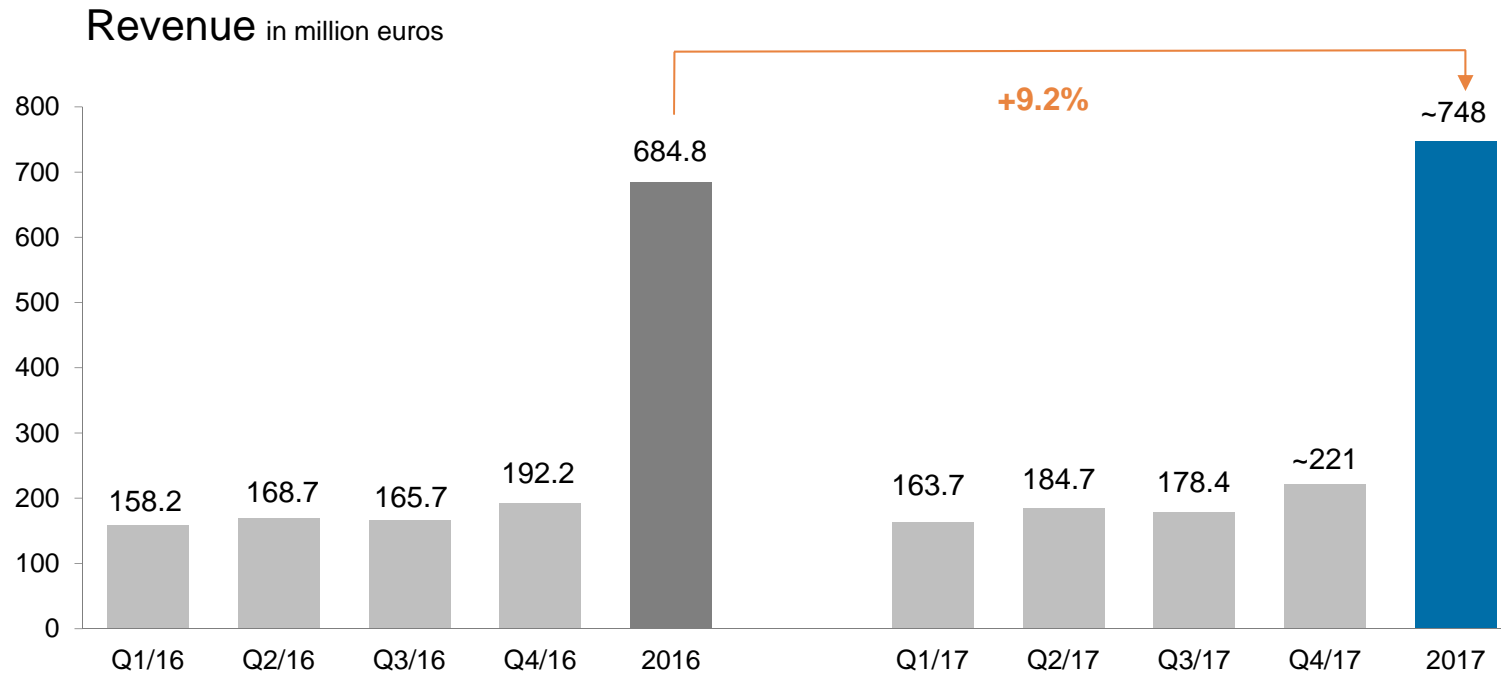


- Acquisition of ESSA Technology, UK
- Grand opening of our new technology campus in Detroit, Michigan
- Acquisition of Five Lakes Automation, US

## Strong growth and margin expansion in 2017

- Revenue of approx. 748 million euros → up +9.2% vs. prior year
- EBIT of approx. 78 million euros → Margin around 10.4%

# 2017 - revenue showed stronger than expected growth

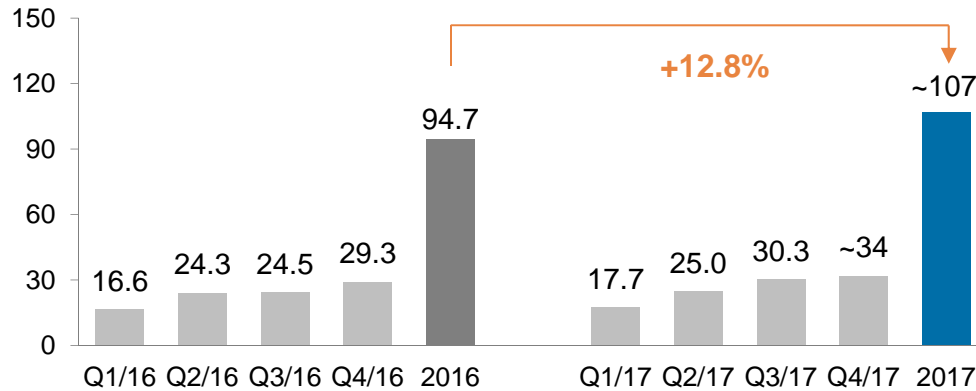


- Growth in particular in the Optics & Life Science as well as Mobility segments
- Stronger demand for optical systems in the area of semiconductor equipment, but also for systems of the Healthcare & Industry area and for traffic safety solutions and regionally from the US

# 2017 - significant improvement of operating results

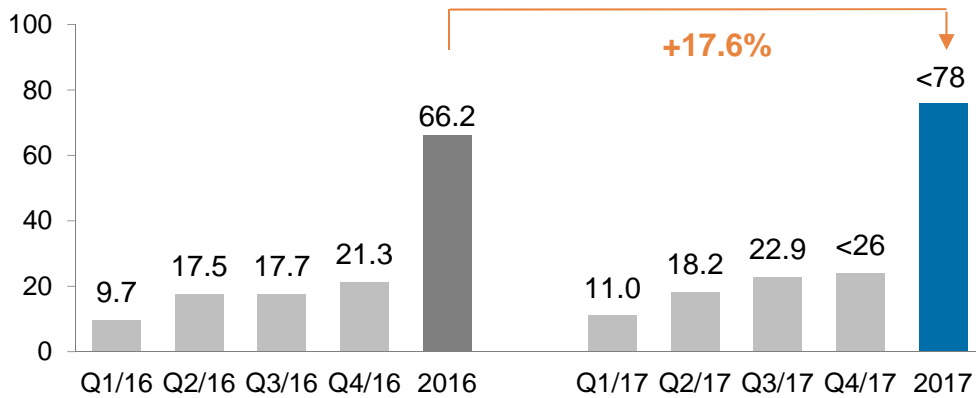


EBITDA\* in million euros



- Stronger increase than revenue
- Continuous improvement in the course of the year
- EBITDA margin\* >14% (prior year 13.8%)

EBIT\* in million euros



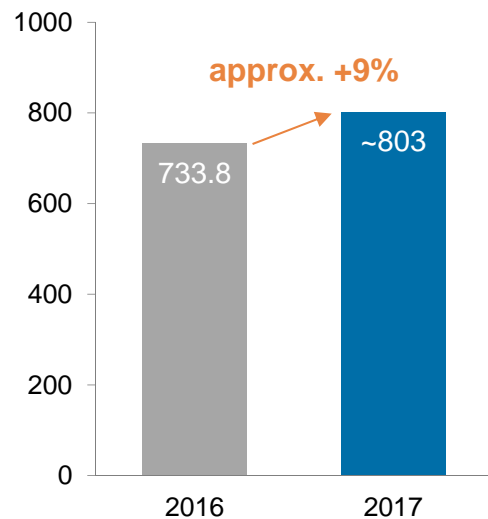
- EBIT\* also showed stronger growth than revenue
- EBIT margin\* at ~10.4% (prior year 9.7%)
- Rise due to a more profitable revenue mix
- Optics & Life Science segment with substantially higher EBIT contribution
- One-off expenses and ppa effects from acquisitions of Essa and Five Lakes Automation in the Mobility segment

\* Continuing operations

# 2017 – solid order position and project pipeline create good basis for further growth

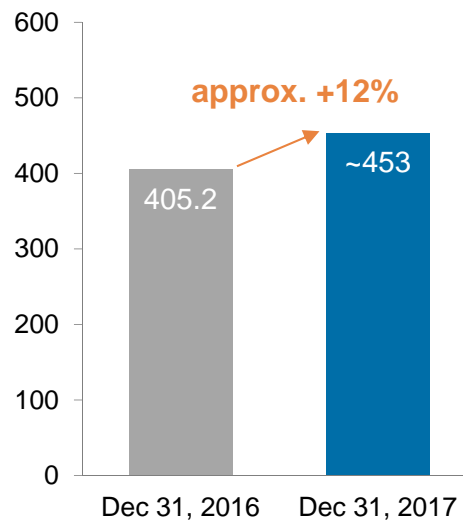


Order intake in million euros



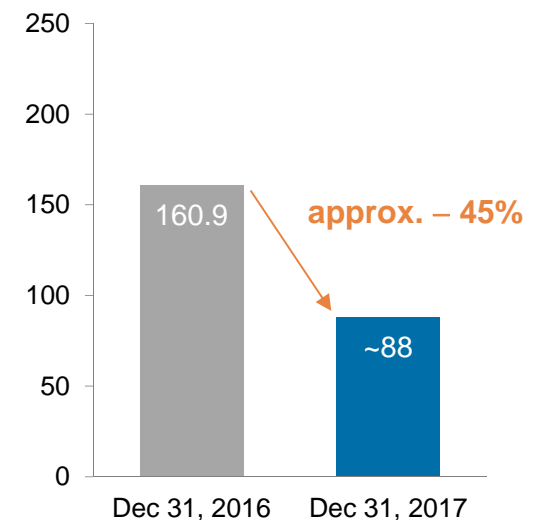
- Tailwind from Optics & Life Science as well as Mobility segments (e.g. toll enforcement project)
- Book-to-bill ratio clearly >1

Order backlog in million euros



- Order backlog showed substantial rise
- Strong basis for 2018

Frame contracts in million euros

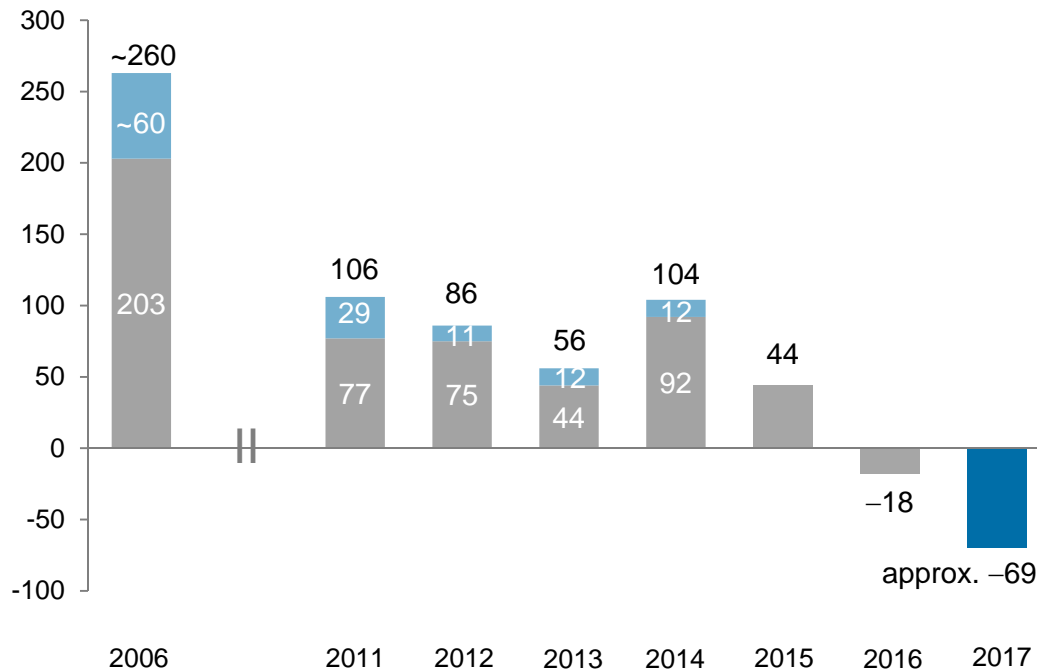


- Major orders in part recorded as frame contracts
- Decline due to reclassification as order intake and backlog

# Over the past years, net debt was substantially reduced, Jenoptik has remained net debt free



Net debt in million euros



- Claims of silent real estate investors
- Net debt 2017
- Net debt in prior years

- Jenoptik Group remained free of net debt in spite of
  - higher investments,
  - payment of an increased dividend of 14.3 million euros (prior year 12.6m euros) and
  - acquisitions
- Free cash flow at approx. 72 million euros remained at a high level (prior year 79.4m euros)

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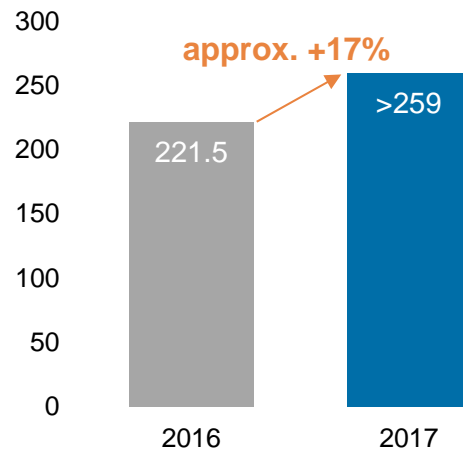
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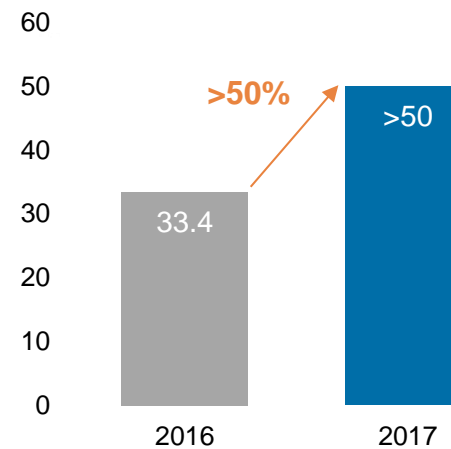
# Optics & Life Science segment: new record in revenue and earnings



Revenue (in million euros)



EBIT (in million euros)



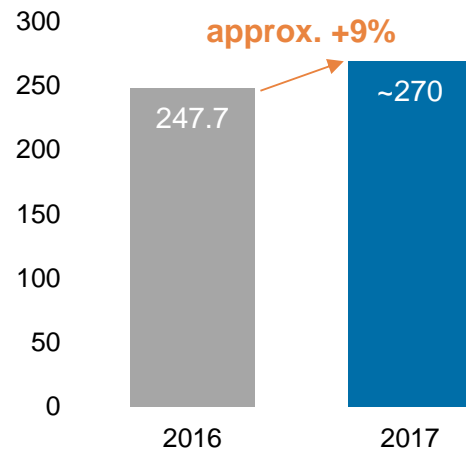
- Sustained high demand for solutions in semiconductor equipment industry
- Markedly positive development in the healthcare & industry area

- **EBIT margin** rose to approx. 19.5% (prior year 15.1%) as a result of a more profitable revenue mix

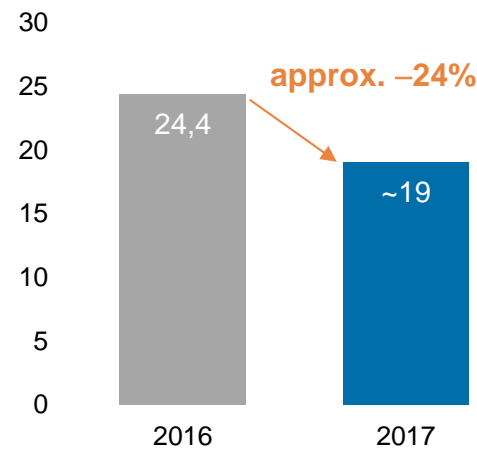
# Mobility segment: one-off expenses affect result; positive development in the second half-year



Revenue (in million euros)



EBIT (in Mio Euro)



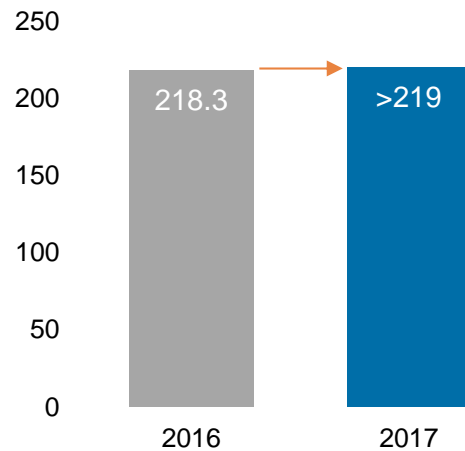
- Increase in both areas:  
Automotive and Traffic Solutions

- EBIT declined, among other things as a result of one-off expenses for customer-specific projects
- **EBIT margin** at approx. 7% (prior year 9.9%)

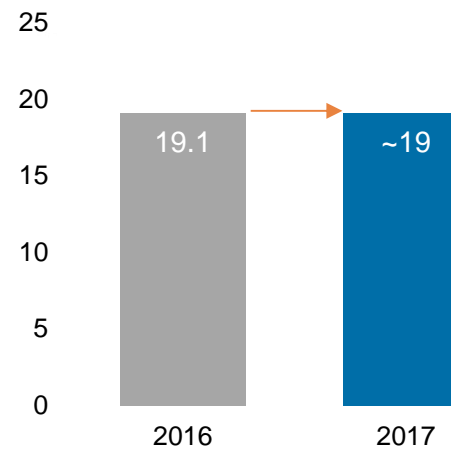
# Defense & Civil Systems segment: development as expected, course of business affected by major projects



Revenue (in million euros)



EBIT (in million euros)



- Revenue remained at high level of the prior year; 2016 invoicing of several major projects

- **EBIT margin** at approx. 8.7% (prior year 8.8%)

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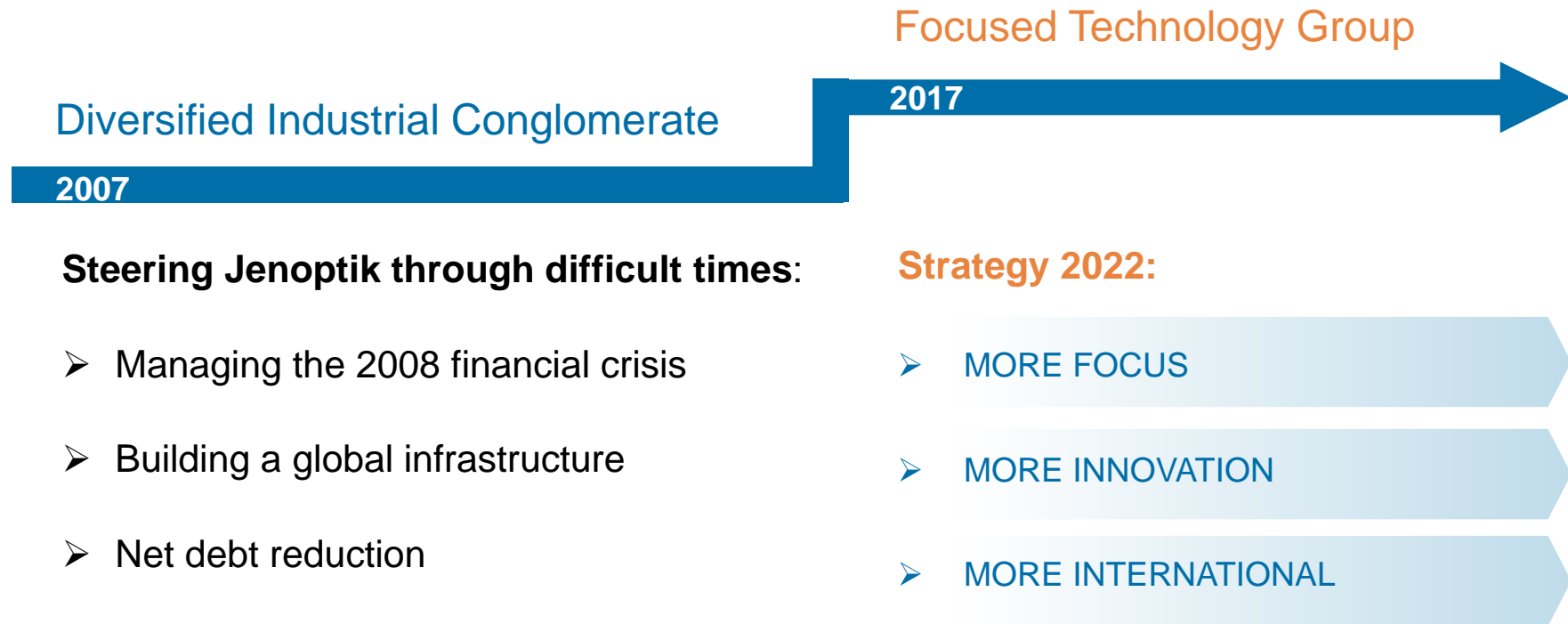
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# Transforming Jenoptik into a Focused Technology Group



We are in a strong financial position for accelerated growth and margin expansion.



## Photonics – The Mastery of LIGHT

- an enabling technology, influencing almost all areas of our society
- is a global marketplace of ~ 600 bn euros, growing 2x global GDP on average
- is at the Heart of Jenoptik

We will intensify our focus on photonic technologies and manage our portfolio more actively. Our non-photonic businesses will operate under a new independent brand.



## Stepping-up our R+D work

- Enhancing our application know-how and expertise by establishing application centers in all major geographies
- Higher level of R+D: By 2022 we will spend ~10% of revenue on innovation and product development

We will nurture a culture of more innovation:  
Faster development cycles – more freedom to explore – encouraging competition of ideas



## Building a truly global enterprise

- Expanding our business in Asia, with particular focus on China
- Local R&D teams in all major markets and production facilities in all regions
- At least one of our divisions will have its headquarters outside of Germany

We create an international culture in a diversified leadership team.



# Transforming Jenoptik into a Focused Technology Group



## Strategy 2022: three pillars for growth and margin expansion



Leveraging our core competencies in Optics & Photonics



Stepping-up our R+D work



Building a truly global enterprise

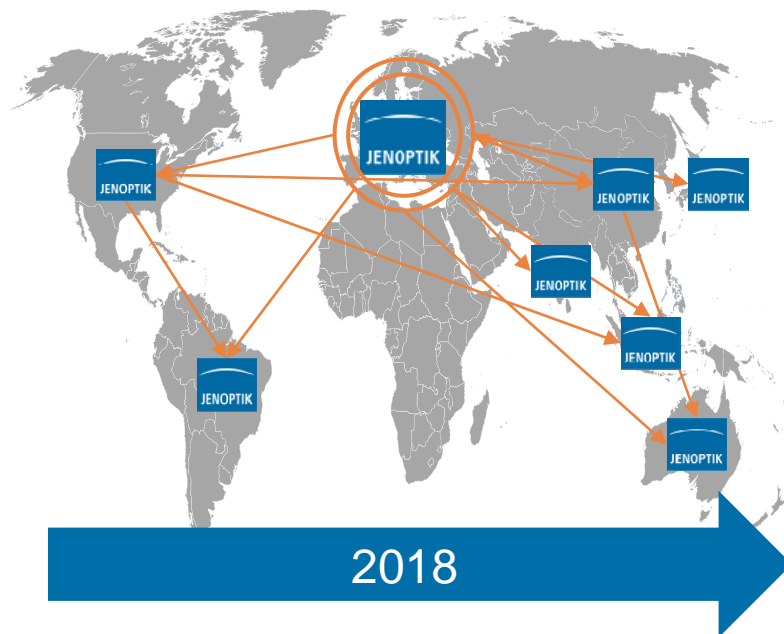
# Our priorities for 2018

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- Establishing a new business structure
- Reorganize our business in Asia
- Launch a new brand for our mechatronic business

## Enter in a new period of accelerated growth



### Group financial guidance for 2018\*

- We expect revenue to be in a range between 790 and 810 million euros.
- We expect an EBIT margin between 10.5 and 11.0 percent.

\*This presupposes that political and economic conditions do not worsen.

## Group 5-year targets: accelerated growth and margin expansion

### Revenue growth

We expect mid- to high-single digit revenue growth (CAGR) for the Group in the 5-year horizon.

### Margin increase

By 2022, we expect to achieve an EBITDA margin for the Group of around 16 percent.



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February 6, 2018

February 8, 2018

February 13, 2018

February 26/27, 2018

February 28, 2018

March 22, 2018

March 23, 2018

Preliminary results 2018, conference call

Capital Market Day, Jena

Roadshow Zurich

Roadshow London

Roadshow New York

Financial results 2018, conference call

Analysts' conference and roadshow, Frankfurt/Main

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