JENOPTIK AG
Results of the first half-year 2015 and outlook

August 11, 2015

Dr. Michael Mertin, CEO
Hans-Dieter Schumacher, CFO
Jenoptik – First half-year 2015
Segment reporting
Outlook
Appendix
Good development of business in the 1st half-year 2015

External impacts on the business development

- Continued challenging economic environment
- Subdued demand from the semiconductor equipment industry, slight improvement at end of Q2
- Export restrictions on national and European level continue to apply
- Higher degree of scepticism regarding economic development in Europe due to crisis in Greece
- Political developments in the Ukraine and Russia as well as in the Middle East remain uncertain

Major events in the Jenoptik Group

- Successful integration of the companies acquired in 2014
- Major order to supply energy systems for the Patriot missile defense system partially invoiced
- Long-term group financing was restructured at more favorable conditions
- Divisional structure will be realigned more closely to markets
- New Chief Financial Officer and new Chairman of the Supervisory Board
- ECE Industriebeteiligungen sold all of its shares
About 68 percent of revenue generated abroad; Substantial revenue growth in Americas

Revenue by region
(as at 30.6.2015 / prior year figures in brackets)

- Revenue in Americas grew by more than 43% to 67.1 million euros as a result of higher demand in the automotive area, project-related settlements in the Lasers & Optical Systems and Defense & Civil Systems segments as well as currency effects.
- Revenue share in Americas and Asia/Pacific rose to 33.3% (prior year 30.3%).
- Revenue in Europe (without Germany) rose primarily due to the acquisitions in the traffic safety area.
Jenoptik continued positive revenue development also in 2nd quarter and created sound basis for annual targets

- Highest revenue in a quarter and half year over the last years
- In particular Metrology and Defense & Civil Systems segments reported growth
- Revenue increase in Q2/2015 compared to same quarter in prior year: +16.5%
EBITDA increased at a higher rate than revenue in the 1st half-year 2015

EBITDA margin 12.2% (prior year 12.1%)

- At 22.9 million euros EBITDA in Q2 markedly higher than in previous year (prior year 19.5 million euros) and prior quarter (Q1/2015: 15.8 million euros)

EBIT margin 8.4% (prior year 8.5%)

- Strongest quarter and half-year in terms of earnings in the last years
- EBIT affected by:
  - Rise in revenue, changed revenue mix and settlement of a major project in the Defense & Civil Systems segment
- EBIT margin in Q2 at 10.5% (prior year 9.2%)
### Income Statement:
Earnings before and after tax higher than in prior year

<table>
<thead>
<tr>
<th>In million euros</th>
<th>H1/2015</th>
<th>H1/2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>316.1</td>
<td>283.2</td>
</tr>
<tr>
<td>Gross margin</td>
<td>34.6%</td>
<td>35.2%</td>
</tr>
<tr>
<td>Functional costs</td>
<td>87.4</td>
<td>78.0</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>38.7</td>
<td>34.2</td>
</tr>
<tr>
<td>EBIT</td>
<td>26.6</td>
<td>24.0</td>
</tr>
<tr>
<td>Financial result</td>
<td>−1.9</td>
<td>−3.2</td>
</tr>
<tr>
<td><strong>Earnings before tax</strong></td>
<td>24.7</td>
<td>20.7</td>
</tr>
<tr>
<td>Earnings after tax</td>
<td>20.1</td>
<td>17.9</td>
</tr>
<tr>
<td><strong>Earnings per share (euro)</strong></td>
<td>0.35</td>
<td>0.31</td>
</tr>
</tbody>
</table>

- Gross margin reduced in part due to changed revenue mix
- Functional costs rose, among other things due to continuing expansion of international activities and key group functions as well as first-time consolidations
- Exchange rate gains bolstered financial result; combined with the higher EBIT this also resulted in higher earnings before tax
- Cash-effective tax rate of 16.0% (prior year 11.9%)
Continuing high order backlog provides good conditions for achieving targets

- Order intake in 1st half-year 2015 higher than in prior year
  - Significant rise in Metrology segment
  - Major order to equip Patriot missile defense system
- Order intake higher than half-year revenue; in spite of strong increase in revenue the book-to-bill ratio was at 1.06 (prior year 1.11)

- Order backlog increased by about 10 million euros over the figure at year end 2014
- Approx. 54 percent of the order backlog will be converted into revenue in the present fiscal year
- Orders received as well as well-filled project pipeline create good conditions for growth in the coming quarters
Cash flow statement: Free cash flow improved significantly compared to prior year

<table>
<thead>
<tr>
<th>In million euros</th>
<th>H1/2015</th>
<th>H1/2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit before adjusting working capital</td>
<td>38.2</td>
<td>33.3</td>
</tr>
<tr>
<td>Changes in working capital and other items</td>
<td>−19.9</td>
<td>−44.4</td>
</tr>
<tr>
<td>Cash flows from operating activities before income tax</td>
<td>18.2</td>
<td>−11.1</td>
</tr>
<tr>
<td>Cash flows from operative investing activities</td>
<td>−9.8</td>
<td>−13.6</td>
</tr>
<tr>
<td>Free cash flow (before interest and taxes)</td>
<td>8.4</td>
<td>−24.7</td>
</tr>
</tbody>
</table>

- Cash flows from operating activities and free cash flow substantially improved in spite of higher working capital
  - Mainly influenced by high earnings in the 2nd quarter and lower capital expenditure
- Working capital rose to 239.0 million euros (31.12.2014: 217.5 million euros):
  - Increase in inventories attributable to expansion of business and prefabrications for revenue in subsequent periods
  - Revenue-related rise in trade receivables
  - Trade payables reduced
  - Working capital ratio (LTM) at 38.4% higher than at year end 2014 (31.12.14: 36.9% / 30.6.14: 38.4%)
Target remains to further reduce net debt in the mid to long term

- Rise in net debt was expected due to:
  - Payment to the last remaining real estate investor (12.4 million euros); there are no further silent investments or claims
  - Use of resources for working capital
  - Payment of the dividend (11.4 million euros)
  - Equity ratio rose to 52.8% (31.12.2014: 50.1%)

Claims of silent real estate investors
Net debt

in million euros

-260
250
200
150
100
50
0

-55.4%
+11.5%


203 106 86 56 97 104 116

29 77 75 44 13 12 11

60
Jenoptik – First half-year 2015
Segment reporting
Outlook
Appendix
Substantial revenue growth in the Metrology as well as Defense & Civil Systems segments

Revenue (in million euros)

Lasers & Optical Systems
- 58.6 to 59.5
- 56.3 to 62.9
- +0.9%
- Q1/14: 58.6, Q2/14: 59.5, H1/14: 56.3, Q1/15: 62.9, H1/15: 62.9

Metrology
- 40.8 to 43.8
- 46.5 to 50.9
- +15.2%
- Q1/14: 40.8, Q2/14: 43.8, H1/14: 46.5, Q1/15: 50.9, H1/15: 50.9

Defense & Civil Systems
- 37.5 to 42.6
- 42.7 to 57.0
- +24.4%
- Q1/14: 37.5, Q2/14: 42.6, H1/14: 42.7, Q1/15: 57.0, H1/15: 57.0

- Good development of business with laser machines and optoelectronic modules
- Restrained demand from semiconductor equipment industry; slight improvement at end Q2
- Pleasing rise in revenue due to pick-up in demand from the automotive industry and contributions by acquired companies
- Significant increase in revenue compared with prior year due to project settlements and good business in the areas of energy and sensor systems
Defense & Civil Systems segment reports marked rise in earnings and margin improvement

EBIT margin 9.5% (prior year 13.0%)

- EBIT declined as a result of restrained development of revenue and a lower margin product mix

EBIT margin 6.6% (prior year 10.8%)

- Weak market for traffic safety technology in the US
- Depreciation effects resulting from the acquisitions had negative impact

EBIT margin 6.1% prior year 0.6%

- EBIT substantially improved due to increased and higher-margin revenue
Positive order situation establishes good conditions for further development

Order intake (in million euros)

- **Lasers & Optical Systems**
  - Good demand for laser machines; development in the semiconductor equipment sector below average
  - Book-to-bill ratio at 1.05 almost unchanged (prior year 1.06)

- **Metrology**
  - Increase is attributable to higher order intake in the automotive area and newly consolidated companies
  - Book-to-bill ratio rose to 1.16 (prior year 1.00)

- **Defense & Civil Systems**
  - Major order received to equip Patriot systems
  - Book-to-bill ratio at 0.98 (prior year 1.29; includes orders for military stabilization systems)
Jenoptik – First half-year 2015
Segment reporting
Outlook
Appendix
Targets for 2015 reaffirmed

Target: Jenoptik will see return to successful growth

- Good order and project pipeline in all three segments
  - Postponed project for defense technology received
- Acquisitions in the traffic safety sector with positive effects
- Growth momentum in our markets, now also in automotive sector
- Opportunities resulting from above-average growth in Americas and Asia/Pacific

Forecast 2015*

- Revenue between 650 and 690 million euros
- EBIT margin between 8.5 and 9.5 percent
- Group development projects will positively impact on quality of earnings
- Above-average growth in EBITDA

*This is based on the prerequisite that the political and economic framework conditions will not deteriorate; this includes in particular export restrictions, regulations at European level; the conflict between Russia and Ukraine as well as other disruptions in the euro zone.
2015: Positive revenue development in all three segments expected

Lasers & Optical Systems
- Slightly rising demand from semiconductor equipment industry is expected in the 2nd half of the year, first positive signs in June
- Rising sales with other industries, e.g. medical technology/life sciences and automotive industry
- Further expansion of systems business

Metrology
- Globally growing demand for more efficient drives and the necessary measuring technology (also for new materials)
- Execution of major international orders in the area of traffic safety and a higher service share
- Positive effects from acquisition of Vysionics (traffic safety technology)

Defense & Civil Systems
- Long-term major orders ensure stable business development
- Growth based on good order backlog and also due to project shifts from 2014 into 2015
- Internationalization
- Stronger focus on civil applications, e.g. energy supply, railway technology
Our target: to continue profitable growth

Our mid-term targets

- Revenue of 800 million euros by 2018 (including smaller acquisitions), of which more than 40 percent in Asia and America
- EBIT margin of 9–10 percent over the cycle

External factors may affect development:
- Economic trend
- More stringent export restrictions in Germany
- Uncertainty regarding the developments in Ukraine/Russia and Middle East continues

However, positive development in Asia and US expected; Europe (incl. Germany) remains under pressure due to economic development, possible turbulences in the euro zone as well as the political situation in Eastern Europe
Jenoptik – First half-year 2015
Segment reporting
Outlook
Appendix
Dates and contact

- August 11, 2015
- August 12, 2015
- August 27, 2015
- August 27/28, 2015
- September 10, 2015
- September 22, 2015
- September 22, 2015
- October 20/21, 2015

Publication of the results of the first half-year 2015
Analysts’ conference and roadshow in Frankfurt/Main
Bankhaus Lampe German Technology Seminar, Zurich
Roadshow Edinburgh / London
Commerzbank Sector Conference, Frankfurt/Main
Baader Investment Conference, Munich
Berenberg German Corporate Conference, Munich
Jenoptik Capital Market Days, Jena

Contact:
Thomas Fritsche
JENOPTIK AG
Head Investor Relations
Phone: +49 (0)3641-652291
thomas.fritsche@jenoptik.com
Disclaimer

This presentation can contain forward-looking statements that are based on current expectations and certain assumptions of the management of the Jenoptik Group. A variety of known and unknown risks, uncertainties and other factors can cause the actual results, the financial situation, the development or the performance of the company to be materially different from the announced forward-looking statements. Such factors can be, among others, changes in currency exchange rates and interest rates, the introduction of competing products or the change of the business strategy. The company does not assume any obligation to update such forward-looking statements in the light of future developments.