JENOPTIK AG
Conference Call
Results of the first nine months 2017
and outlook

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Hans-Dieter Schumacher, CFO
November 10, 2017

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Results of the first nine months 2017

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Major events in the first nine months 2017

- Successful development continued – growth in revenue, earnings and order intake
  ▪ Rise in revenue in particular in non-European countries
  ▪ Number of employees increased especially abroad
- Organically, revenue 2017 is now expected to come in at the upper end of previous guidance – including the acquisitions even slightly exceed the range; the EBIT margin is forecasted to be at the upper end of the original range

- Acquisition of ESSA Technology, UK, in January 2017
- Production at the technology campus in Rochester Hills (US) started as scheduled in May 2017
- Acquisition of Five Lakes Automation, US, in August 2017
Revenue growth continued in third quarter

- Growth in the Optics & Life Science as well as Mobility segments
- Increase of 7.7% in the third quarter
- Stronger demand, in particular for optical systems in the area of semiconductor equipment, but also for systems of the Healthcare & Industry area and for traffic safety solutions
- Revenue contribution by companies acquired in the first nine months: 2.9 million euros
Growth in revenue was achieved in particular in non-European countries; strong growth in strategic target regions

- Approx. 71% of revenue generated abroad (prior year 65%)
- Share of revenue in the Americas and Asia/Pacific rose to 38.2% (prior year 33.0%)
- **Americas**: marked rise in revenue due to the positive development of all three segments
- **Asia/Pacific**: growth in the Optics & Life Science and Mobility segments
- **Germany**: in the prior year high revenue in the Defense & Civil Systems segment due to major orders
Significant improvement of operating results

- Stronger increase than revenue
- Continuous improvement in the course of the year
- EBITDA margin at 13.8% (prior year 13.3%)
  - Stable depreciation / amortization while revenue increased
- EBIT also showed stronger growth than revenue
- EBIT margin at 9.9% (prior year 9.1%); Q3 solo at 12.8% (prior year 10.7%)
- Rise due to a more profitable revenue mix
- Optics & Life Science segment with substantially higher EBIT contribution
- One-off expenses in the Mobility segment in Q2
More profitable revenue mix led to a higher gross margin and an increase in earnings

<table>
<thead>
<tr>
<th>In million euros</th>
<th>9M/2017</th>
<th>9M/2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>526.8</td>
<td>492.6</td>
</tr>
<tr>
<td>Gross margin</td>
<td>36.3%</td>
<td>35.1%</td>
</tr>
<tr>
<td>Functional costs</td>
<td>135.1</td>
<td>129.0</td>
</tr>
<tr>
<td><strong>EBITDA</strong>*</td>
<td>72.9</td>
<td>65.4</td>
</tr>
<tr>
<td><strong>EBIT</strong>*</td>
<td>52.0</td>
<td>44.9</td>
</tr>
<tr>
<td>Financial result*</td>
<td>2.3</td>
<td>–2.9</td>
</tr>
<tr>
<td><strong>Earnings before tax</strong>*</td>
<td>54.3</td>
<td>42.0</td>
</tr>
<tr>
<td>Earnings after tax*</td>
<td>44.1</td>
<td>35.7</td>
</tr>
<tr>
<td><strong>Earnings per share (euros)</strong>*</td>
<td>0.77</td>
<td>0.62</td>
</tr>
</tbody>
</table>

- **Gross margin** improved
- **R+D** as well as selling expenses higher than in prior year; **administrative expenses** declined slightly
- Higher investment result due to disposal of shares in a minority holding abroad
- Cash-effective tax rate grew to 17.7% (prior year 13.6%) as a result of higher earnings abroad and lower tax-exempt income
- **Group** (incl. discontinued operations)
  EAT: 44.3 million euros (prior year 39.2m euros)
  EPS: 0.77 euros (prior year 0.69 euros)

* Continuing operations
Solid order position and project pipeline create good basis for further growth

- Rise in Optics & Life Science as well as Mobility segments
- Book-to-bill ratio: 1.09 (prior year 1.11)

- Order backlog remained at high level
- Approx. 44% is due to be converted to revenue still in 2017

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

Order intake in million euros

<table>
<thead>
<tr>
<th></th>
<th>9M/2016</th>
<th>9M/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order intake</td>
<td>547.7</td>
<td>576.2</td>
</tr>
</tbody>
</table>

+5.2% increase

Order backlog in million euros

<table>
<thead>
<tr>
<th></th>
<th>Dec 31, 2016</th>
<th>Sep 30, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Order backlog</td>
<td>405.2</td>
<td>453.0</td>
</tr>
</tbody>
</table>

+11.8% increase

Frame contracts in million euros

<table>
<thead>
<tr>
<th></th>
<th>Dec 31, 2016</th>
<th>Sep 30, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Frame contracts</td>
<td>160.9</td>
<td>132.0</td>
</tr>
</tbody>
</table>

-18.0% decrease
Free cash flow remained at solid level in spite of higher capital expenditure and inventories

<table>
<thead>
<tr>
<th>In million euros</th>
<th>9M/2017</th>
<th>9M/2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit before adjusting working capital</td>
<td>74.1</td>
<td>65.2</td>
</tr>
<tr>
<td>Changes in working capital and other items</td>
<td>−18.9</td>
<td>−3.4</td>
</tr>
<tr>
<td>Cash flows from operating activities before income taxes</td>
<td>55.2</td>
<td>61.8</td>
</tr>
<tr>
<td>Cash flows from operative investing activities</td>
<td>−23.0</td>
<td>−18.7</td>
</tr>
<tr>
<td>Free cash flow (before interest and taxes)</td>
<td>32.2</td>
<td>43.1</td>
</tr>
</tbody>
</table>

- Cash flows from operating activities lower than in prior year
  - Working capital rose to 225.3 million euros (31.12.16: 209.9m euros / 30.9.16: 222.3m euros), in particular due to order-related higher inventories
  - Working capital ratio came to 31.3% (31.12.16: 30.7% / 31.9.16: 33.0%)
  - Increase in capital expenditure in particular in property, plant and equipment (among other things for technology campus in Rochester Hills and new customer orders)
Jenoptik without net debt

- Jenoptik Group is free of net debt
  - Financing of capital expenditure and growth
- Cash and current financial investments amounted to 144.4 million euros (31.12.16: 142.5m euros)
- **Equity ratio** at 58.8% remained at a good level (31.12.16: 58.6%)
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Optics & Life Science segment: strong increase in key figures

- Sustained high demand for solutions in semiconductor equipment industry
- Positive development also in the healthcare & industry area
- 36% of group revenue (prior year 33%)

- **Revenue** (in million euros)
  - 9M/2016: 164.5
  - 9M/2017: 191.3
  - +16.3%

- **EBIT** (in million euros)
  - 9M/2016: 24.5
  - 9M/2017: 36.9
  - +50.6%

- **Order intake** (in million euros)
  - 9M/2016: 172.2
  - 9M/2017: 222.8
  - +29.4%

- EBIT margin improved to 19.3% (prior year 14.9%) as a result of a more profitable revenue mix
- Margin in Q3 grew from 19.9% to 21.9%
- EBITDA, at 43.0 million euros also clearly higher than in prior year (prior year 30.6m euros)
- Good order intake throughout the segment
- **Book-to-bill**: 1.16 (prior year 1.05)
- **Order backlog** at 105.8 million euros (31.12.16: 80.7m euros)
- In addition, frame contracts of 13.5 million euros (31.12.16: 14.5m euros)
Mobility segment: one-off expenses in Q2 affect nine-month result; positive development already in Q3

- **Revenue (in million euros)**
  - Increase in both areas: Automotive and Traffic Solutions
  - 34% of group revenue (prior year 34%)

- **EBIT (in million euros)**
  - EBIT declined as a result of one-off expenses for customer-specific projects in Q2
  - EBIT Q3 2017: 6.2 million euros (prior year 5.6m euros)
  - EBIT margin at 4.8% (prior year 7.5%)
  - EBITDA at 15.1 million euros (prior year 18.5m euros)

- **Order intake (in million euros)**
  - German car manufacturers ordered 3D laser machines
  - Book-to-bill: 1.11 (prior year 1.16)
  - Order backlog: 135.3 million euros (31.12.16: 108.3m euros)
  - In addition, frame contracts of 68.9 million euros (31.12.16: 79.1m euros)
Defense & Civil Systems segment: development as expected, course of business affected by major projects

Revenue (in million euros)

- Development of revenue: in the prior year period, invoicing of several major projects
- 29% of group revenue (prior year 33%)

EBIT (in million euros)

- EBIT declined as a result of lower revenue and markedly higher R+D expenses for new projects
- EBIT margin at 7.9% (prior year 8.2%)
- EBITDA at 15.8 million euros also lower than in prior year (prior year 16.7 million euros)

Order intake (in million euros)

- Major international orders secured; but very high order intake in Q3 2016
- Book-to-bill: 1.00 (prior year 1.12)
- With 214.9 million euros, order backlog remained at a high level (31.12.16: 217.8m euros)
- In addition, frame contracts of 49.6 million euros (31.12.16: 67.4m euros)
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Forecast more precise - at the upper end of the ranges

Exteranal
- Business environment improved slightly worldwide
- Positive development in several target industries expected

Internally
- Full order books and project pipeline
- Expansion of international business, improved revenue mix

<table>
<thead>
<tr>
<th>Revenue</th>
<th>EBIT margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original forecast</td>
<td>720 to 740 million euros</td>
</tr>
<tr>
<td>Update</td>
<td>At the upper end of range, including the acquisitions slightly exceeding range</td>
</tr>
</tbody>
</table>
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Dates and contact

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>November 10, 2017</td>
<td>Conference call on the results of the first nine months 2017</td>
</tr>
<tr>
<td>November 16, 2017</td>
<td>LBBW German Company Day</td>
</tr>
<tr>
<td>November 30, 2017</td>
<td>Roadshow Genva</td>
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<tr>
<td>December 1, 2017</td>
<td>Roadshow Stuttgart</td>
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<tr>
<td>December 6, 2017</td>
<td>Family Office Day, Vienna</td>
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<tr>
<td>January 11/12, 2018</td>
<td>Oddo Forum, Lyon</td>
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<tr>
<td>January 17, 2018</td>
<td>Kepler Cheuvreux Conference, Frankfurt/Main</td>
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