



Investor Relations Presentation

May 2019

Agenda



01

Overview and strategy

02

Financials Q1 2019 and outlook

03

Appendix

Jenoptik – a leading player in attractive photonic sectors

Photonics is moving markets and changing the world around us. Jenoptik has the skills, experience and proven track record to lead the way.

Attractive markets

Attractive photonic applications
Photonics market: ~600bn euros, CAGR 5-6%

Leading market positions

Customer-oriented, international partner, leading market positions on a global scale

Strong financial base

Strong financial position for accelerated growth and margin expansion

Clear targets

Transforming Jenoptik into a focused technology group

1991

Foundation

>4,000

Employees

~1.8bn €

Market cap

>80

Countries worldwide

2018

Revenue 834.6m€

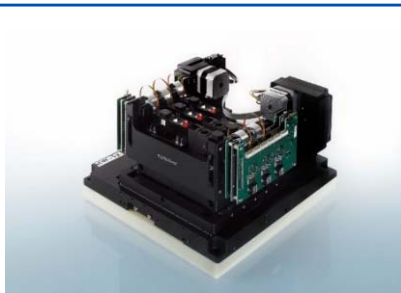
EBITDA 15.3%

Our new structure since January 2019: Focused divisions and technology synergies

Photonic

Mechatronic

LIGHT & OPTICS OEM-Business



- Development & production partner for OEM customers
- Optical components, modules and systems for the semiconductor manufacturing, communication industries and biophotonics
- Merger of former Optical Systems and Healthcare & Industry divisions

Photonics at the heart of our OEM customers products

LIGHT & PRODUCTION B2B-Business



- Engineering business with focus on smart manufacturing and process automation solutions for industrial customers
- Using primarily Optical and Photonic technologies, esp. for the automotive industry
- Former Automotive division

Driving production efficiency with photonics

LIGHT & SAFETY B2G-Business



- Providing imaging based solutions for Public Safety in combination with intelligent data management
- Former Traffic Solutions division

Making roads and communities safer



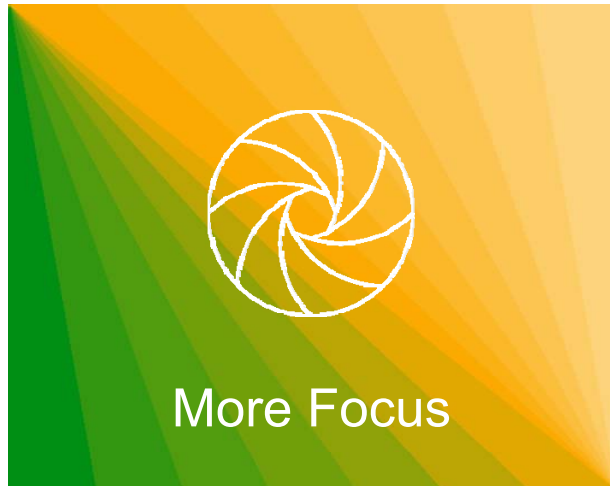
VINCORION



- Mechatronic solutions for partners in the Aviation, Security and Defense Industries
- Carve-out from former Defense & Civil Systems division (Aviation, Power Systems, Energy & Drive)

Tailored solutions in challenging and regulated markets

Transforming Jenoptik into a focused technology group



Photonics

Leverage core competencies



Innovation

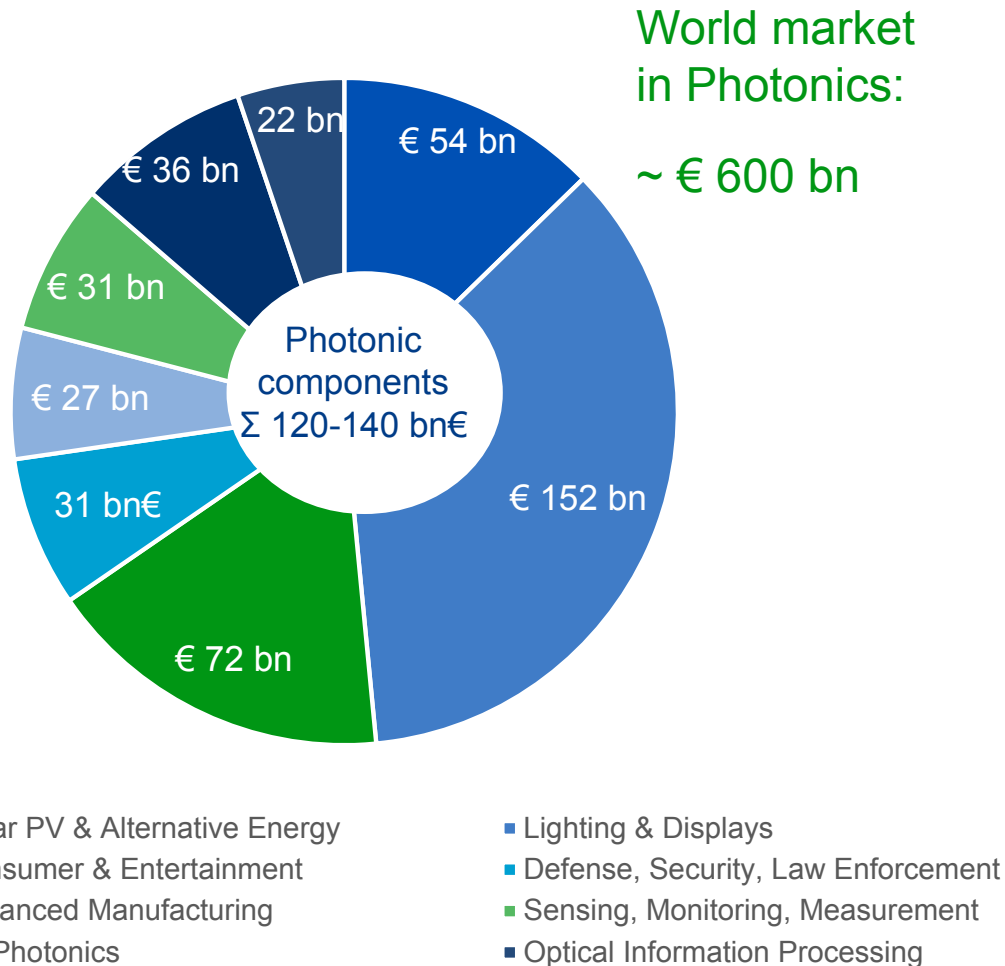
Step-up R+D work



International

Build a truly global enterprise

Attractive photonic applications at the core of Jenoptik



Jenoptik will focus on:

- Information processing (i.e. semiconductor equipment manufacturing and communication)
- Biophotonics
- Smart manufacturing
- Sensing, monitoring, measurement (public safety, traffic solutions)
- Total addressable market for Jenoptik: ~300bn; CAGR ~5-6%

We aim at photonic applications allowing for technical differentiation.

Agenda

01

Overview and strategy

02

Financials Q1 2019 and outlook

03

Appendix

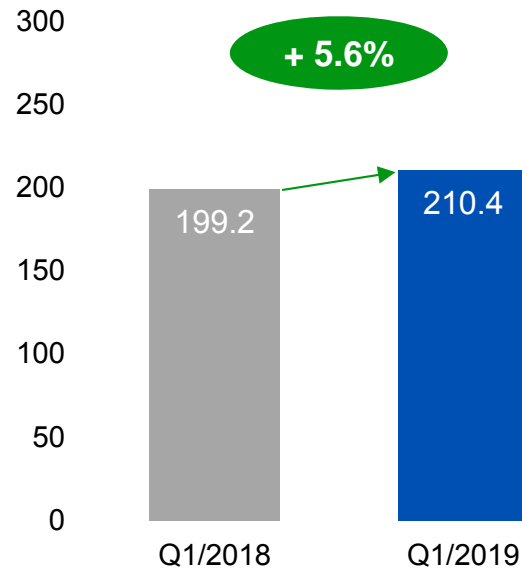
Major events in the 1st quarter 2019; business performance in line with expectation

Q₁
2019

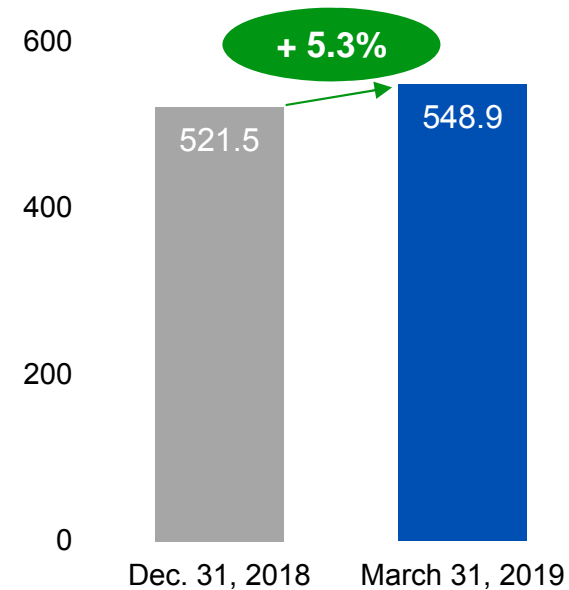
- New **corporate structure** has been in place since January 1, 2019; structures within divisions and corporate center simplified
- **Priorities for 2019** defined:
 - Growth in Asia
 - Operational excellence in production processes
 - Speed-up of innovation
- Substantial **investments** in expansion and modernization of our locations
- **Several orders** received in the automation area from the automotive industry

Good demand from major markets; order backlog at record level

Order intake in million euros



Order backlog in million euros

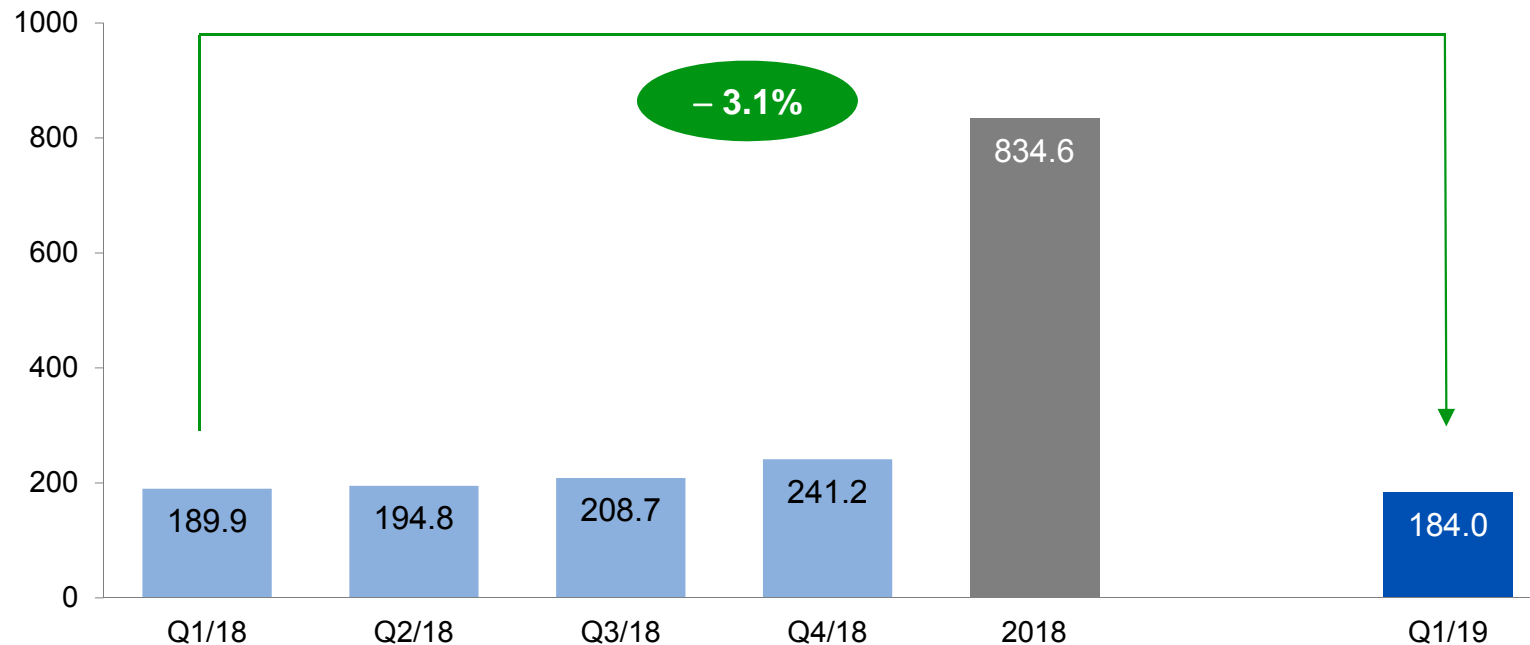


- Three divisions contributed to growth; Light & Optics division received major order earlier than expected in Q4/2018
- Marked improvement of **book-to-bill ratio** to 1.14 (prior year 1.05)

- Very good basis for coming months
- 73% with planned conversion to revenue in 2019 (prior year 75%)
- **Frame contracts** at 57.9 million euros (31/12/18: 62.5m euros)

Revenue, as expected, only slightly down on high level of prior year

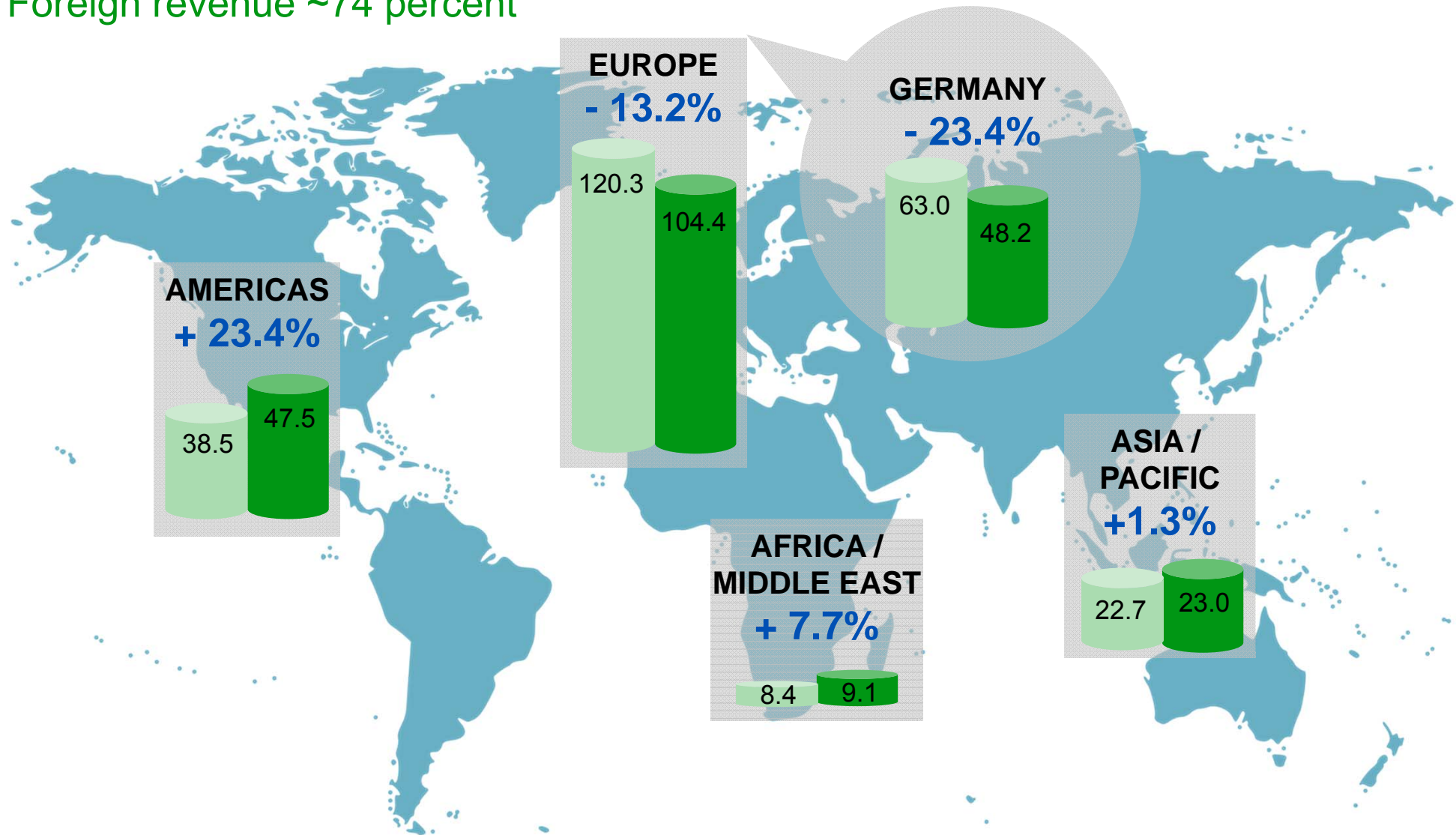
Revenue in million euros



- Higher demand in particular from semiconductor equipment and automotive industries
- Export restrictions and high revenue contribution from the toll monitoring project in the prior year (approx. 15 million euros) affected development, contribution of the companies acquired in 2018: over 12 million euros

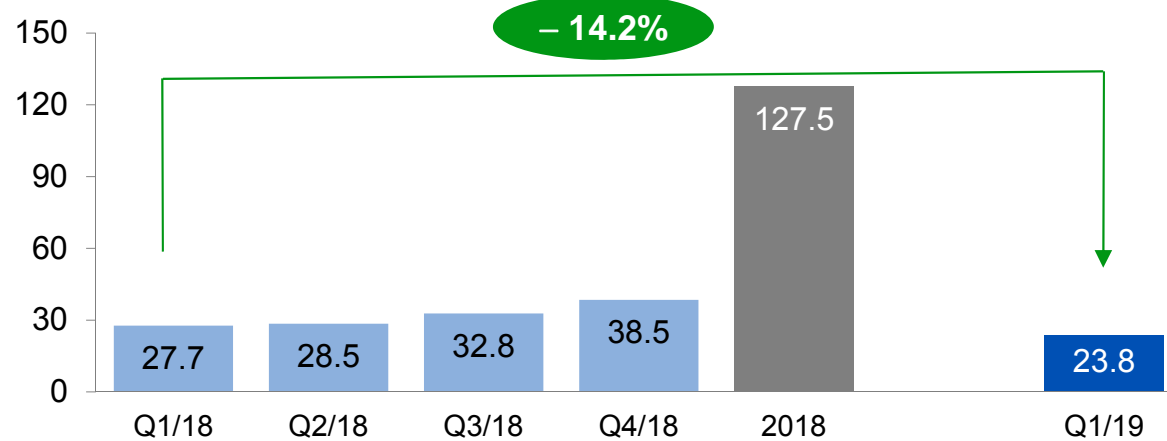
In the 1st quarter 2019 revenue grew exclusively in non-European countries

Foreign revenue ~74 percent



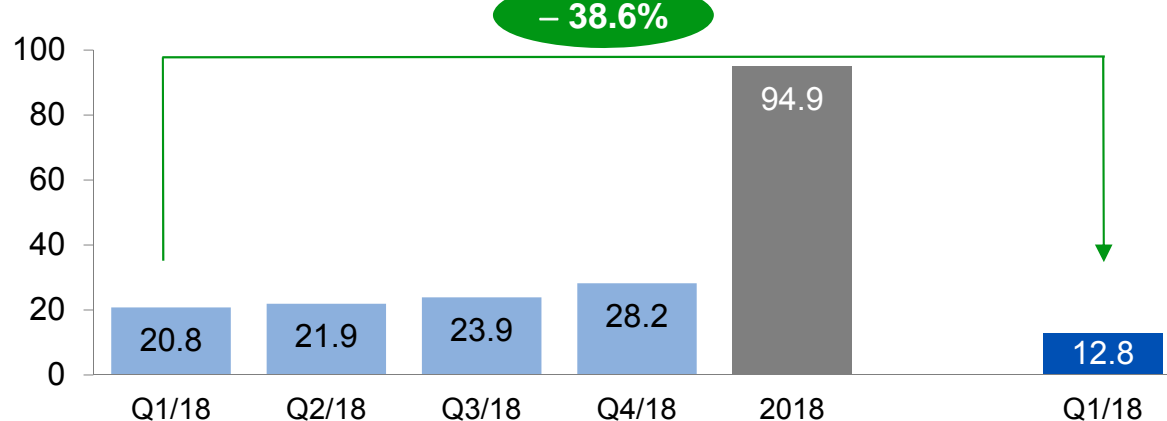
Current earnings development is no indication for expected full-year performance

EBITDA in million euros



- EBITDA impacted by
 - Revenue decline
 - Higher functional costs
 - Positive effects from first-time application of IFRS 16
 - Contributions by acquisitions
- EBITDA margin at 12.9% (prior year 14.6%)

EBIT in million euros



- EBIT margin at 7.0% (prior year 11.0%)
- EBIT contribution of companies acquired in 2018 came to 0.3 million euros (incl. PPA effects of –1.7 million euros)

Gross margin improved; investments in further growth led to higher functional costs

In million euros	Q1/2019	Q1/2018
Revenue	184.0	189.9
Gross margin	35.7%	34.7%
Functional costs	52.0	44.8
EBITDA	23.8	27.7
EBIT	12.8	20.8
Financial result	-0.1	-1.6
Earnings before tax	12.7	19.3
Earnings after tax	10.2	15.6
Earnings per share (euros)	0.18	0.27

- **Gross margin** grew, as cost of sales fell at a slightly stronger rate than revenue due to the changed product mix
- Rise in **R+D, selling and administrative expenses** by 16.1% in total was in part attributable to the acquired companies
- **Financial result** improved through higher financial income
- Cash-effective **tax rate** at 15.0% (prior year 14.0%)

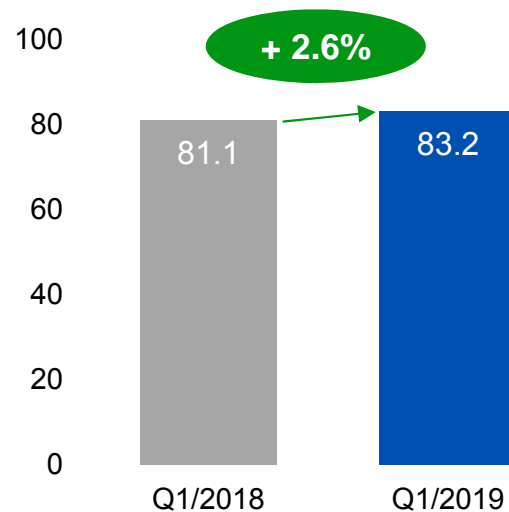
Free cash flow impacted in particular by increase in working capital as at the reporting date and higher investments

In million euros	Q1/2019	Q1/2018
Operating profit before adjusting working capital	23.3	27.8
Changes in working capital and other items	-21.3	-8.8
Cash flows from operating activities before income taxes	2.0	19.0
Cash flows from operative investing activities	-7.1	-5.7
Free cash flow (before interest and taxes)	-5.1	13.3

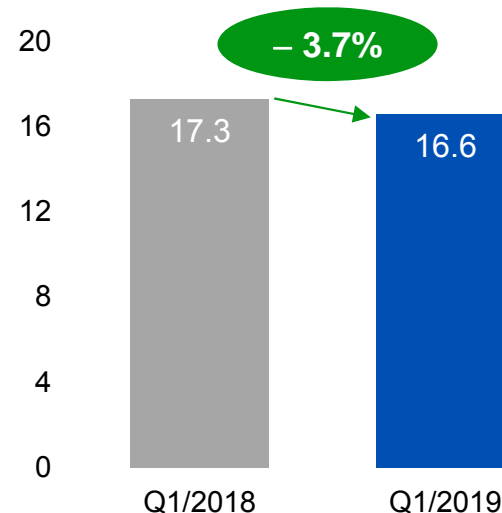
- **Working Capital** grew to 243.7 million euros (31/12/18: 216.8m euros / 31/3/18: 227.4m euros), attributable in particular to higher inventories and operating receivables
- **Working capital ratio** at 29.4% (31/12/18: 26.0% / 31/3/18: 29.4%)
- **Investments** increased as planned to 7.3 million euros (prior year 5.9m euros)
- **Free cash flow** reduced due to lower operating cash flow, higher investments as well as customer payments received already at the end of 2018
- **Net debt** rose to 39.2 million euros (prior year -27.2m euros) which was attributable to higher financial debt (IFRS 16) and reduced cash and cash equivalents

Light & Optics division: Solid start to the year in line with expectations

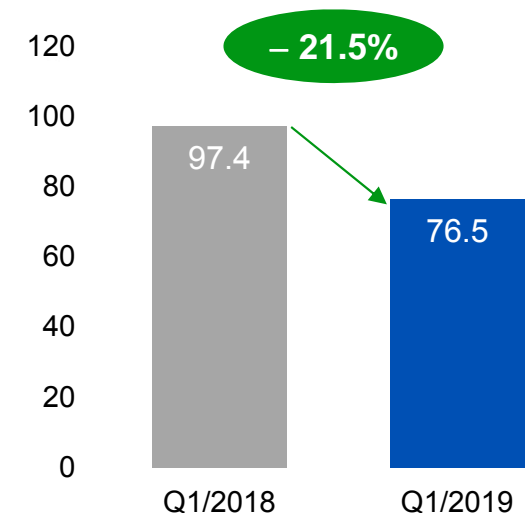
Revenue in million euros



EBITDA in million euros



Order intake in million euros



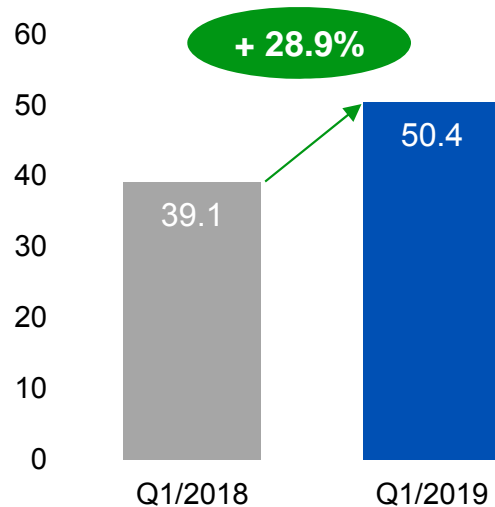
- Semiconductor equipment industry was again driving growth
- Substantial growth of revenue in the Americas

- EBITDA affected by product mix; **EBITDA margin** remained at very good level at 19.8% (prior year 21.1%)
- **EBIT** came to 14.2 million euros (prior year 15.2m euros); **EBIT margin** 16.9% (prior year 18.6%)

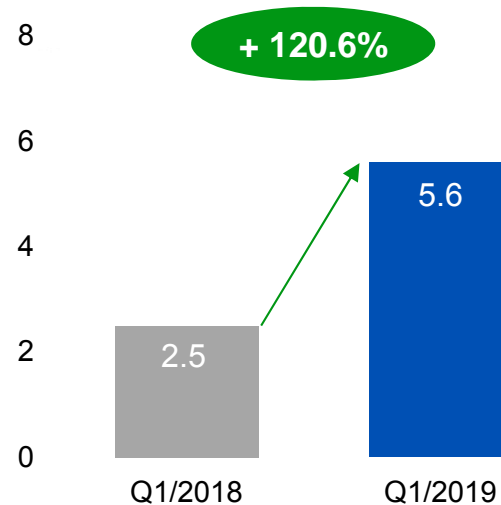
- Major order in semiconductor equipment area already received in Q4/2018
- **Book-to-bill**: 0.92 (pr. y. 1.20)
- **Order backlog**: 172.4 million euros (31/12/18: 180.6m euros)
- **Frame contracts**: 12.1 million euros (31/12/18: 12.m euros)

Light & Production division: Strong increase due to good business performance and contributions of acquisitions

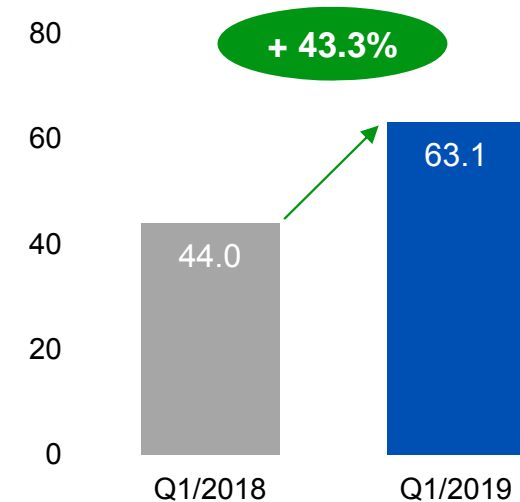
Revenue in million euros



EBITDA in million euros



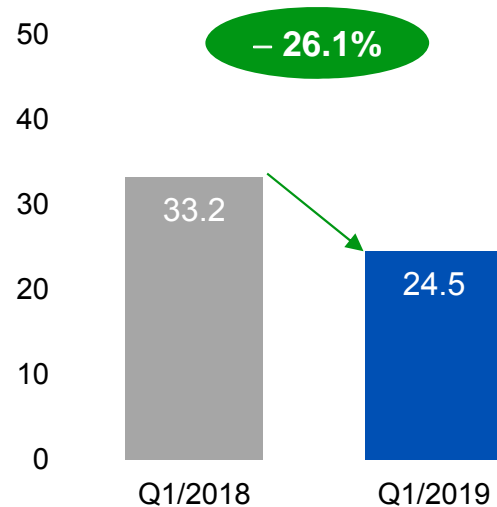
Order intake in million euros



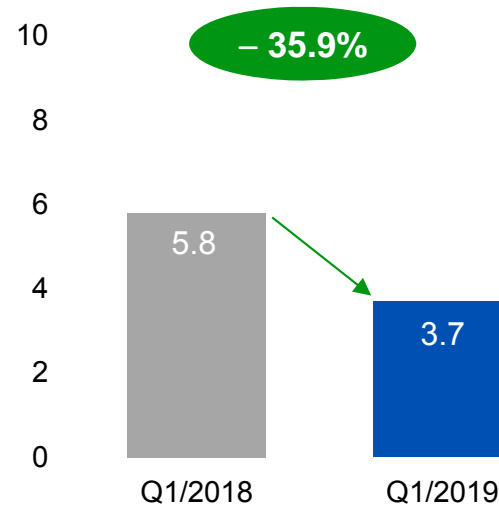
- Revenue with automotive industry (metrology) and companies acquired in 2018 (with over 12 million euros) contributed to revenue growth
- Strong rise in the Americas
- **EBITDA margin** considerably improved to 11.0% (prior year 6.4%)
- **EBIT** grew to 2.4 million euros (prior year 1.5m euros), companies acquired in 2018 contributed 0.3 million euros incl. PPA effects of –1,7 million euros
- **EBIT margin** came to 4.7% (prior year 3.7%)
- Several orders worth in total more than 30 million euros received in Q1/2019
- **Book-to-bill**: 1.25 (prior year 1.13)
- **Order backlog** grew to 126.9 million euros (31/12/18: 112.5m euros)

Light & Safety division: Higher order intake; shortfall in revenue due to toll monitoring project in the last year

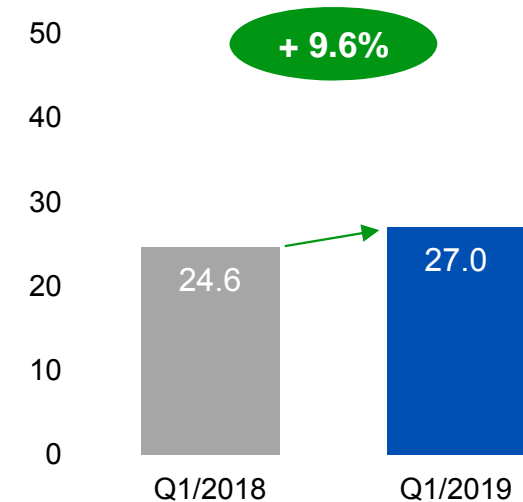
Revenue in million euros



EBITDA in million euros



Order intake in million euros



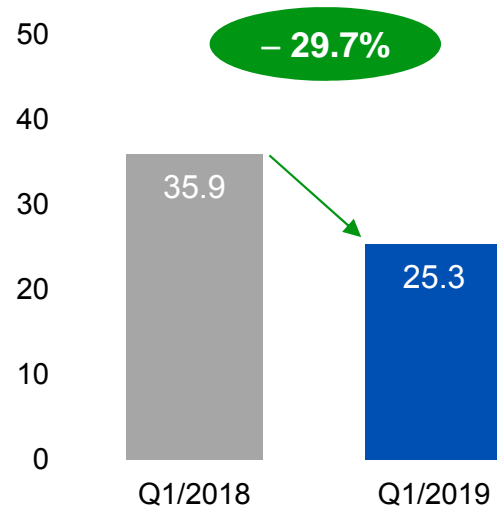
- In the prior year, toll monitoring project contributed approx. 15 million euros to substantial growth
- Strong decline in revenue in Germany

- Revenue reduction was also reflected in EBITDA; **EBITDA margin** fell to 15.2% (prior year 17.5%)
- **EBIT** dropped to 2.0 million euros (prior year 4.6 million euros), **EBIT margin** at 8.0% (prior year 13.9%)

- **Book-to-bill:** 1.10 (prior year 0.74)
- **Order backlog** rose to 73.2 million euros (31/12/18: 69.5m euros)
- **Frame contracts** 18.4 million euros (31/12/18: 19.2m euros)

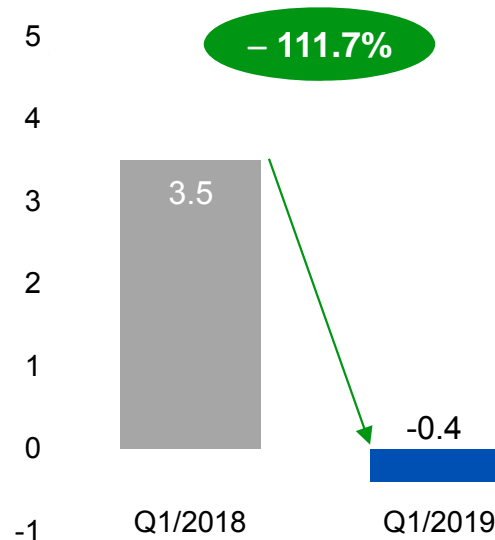
VINCORION: Rise in order intake, impact of export restrictions on performance

Revenue in million euros



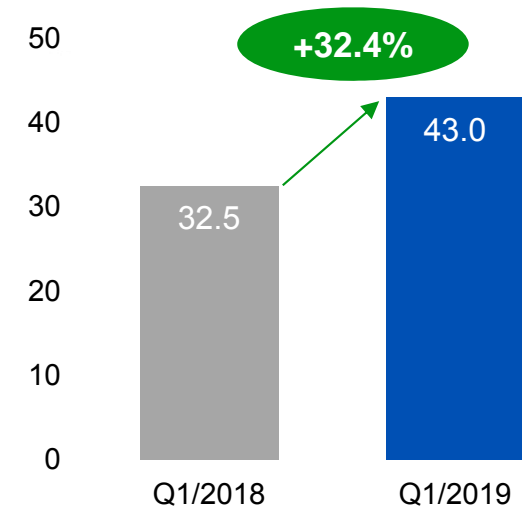
- Extended export restrictions for arms resulted in decline in revenue
- Lower revenue in particular in Europe and the Americas

EBITDA in million euros



- Reduced revenue and lower-margin product mix had an impact on earnings
- **EBITDA margin** fell to –1.6% (prior year 9.7%)
- **EBIT** –2,0 million euros (prior year 2.6 million euros); **EBIT margin** reduced to – 8.1% (prior year 7.2%)

Order intake in million euros



- Substantial increase in order backlog
- **Book-to-bill** climbed to 1.70 (prior year 0.90)
- **Order backlog** improved to 176.2 million euros (31/12/18: 158.9m euros)
- **Frame contracts** 27.3 million euros (31/12/18: 30.7m euros)

Forecast confirmed; further growth expected for 2019

We anticipate **revenue growth** in the mid single-digit percentage range (without major portfolio changes).

EBITDA margin is expected to come in at between 15.5 and 16.0 percent.



This presupposes that political and economic conditions do not worsen.

Agenda



01

Overview and strategy

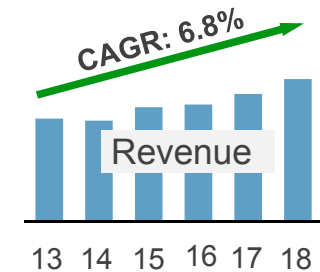
02

Financials Q1 2019 and outlook

03

Appendix

A long tradition of innovation in optoelectronics



1846 Founded in Jena by Carl Zeiss

“Workshop for precision mechanics and optics”

1946 State property

The Zeiss plant in Jena, converted into state property

1989 - 1991 German Reunification

- Zeiss Jena has 69.000 employees
- Formation of Jenoptik GmbH

1992 - 1998 New Businesses

- IPO 1998
- Acquisition of companies to open up new sales channels

1998 - 2006 Flexibility

2007 - 2016 Consolidation

since 2017... Sustainable profitable growth

- Starting new strategy “More light” in 2018

Key financials 2018 of the new divisions

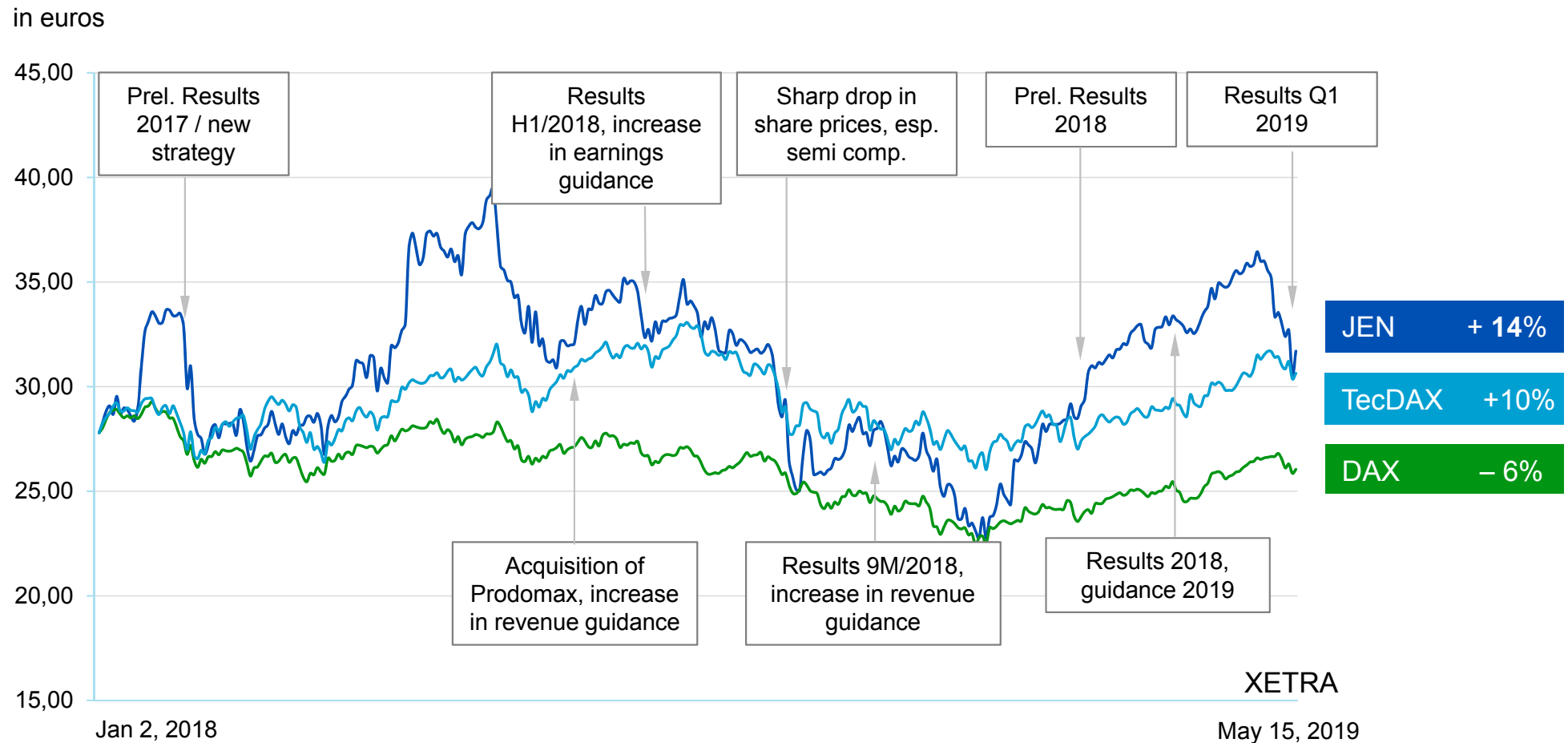
in million euros	Light & Optics	Light & Production*	Light & Safety	VINCORION	Group*
Revenue	339.6	210.9	116.9	166.4	834.6
EBITDA	74.1	24.6	15.9	20.1	127.5
EBITDA margin	21.8%	11.7%	13.6%	12.1%	15.3%
EBIT	65.9	16.8	10.9	16.5	94.9
EBIT margin	19.4%	8.0%	9.3%	9.9%	11.4%
Order intake	398.6	200.9	118.5	154.9	873.7
Order backlog	181.5	112.5	69.5	158.9	521.5

*incl. PPA effects

Corporate structure until December 31, 2018

Segments	Optics & Life Science		Mobility		Defense & Civil Systems	
	Divisions	<p>Optical Systems</p> 	<p>Healthcare & Industry</p> 	<p>Automotive</p> 	<p>Traffic Solutions</p> 	<p>Defense & Civil Systems</p> 

Development of Jenoptik share price compared with Dax and TecDax (indexed) since early 2018 to date



ISIN / Ticker: DE000A2NB601 / JEN

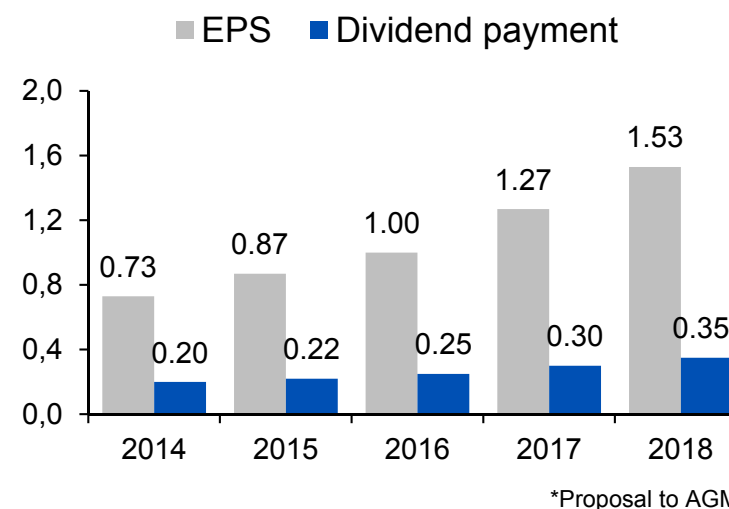
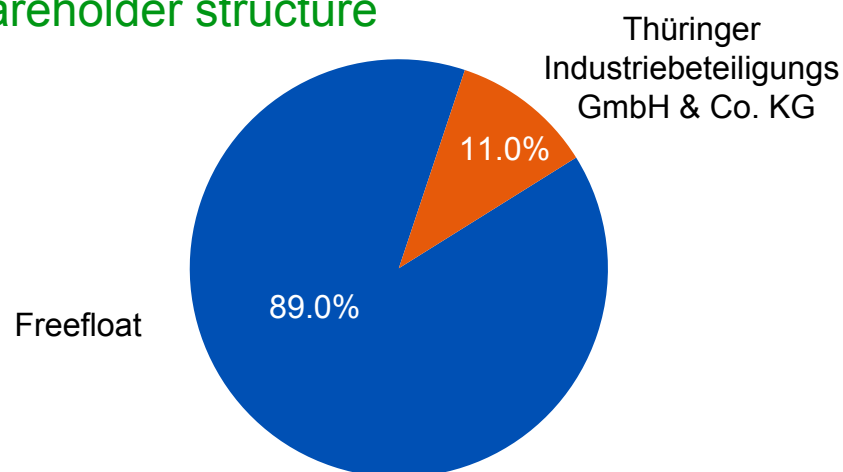
Market cap: ~1.8 billion euros

Number of shares: 57,238,115

Nominal capital: 148,819,099 euros

Shareholders and dividend information

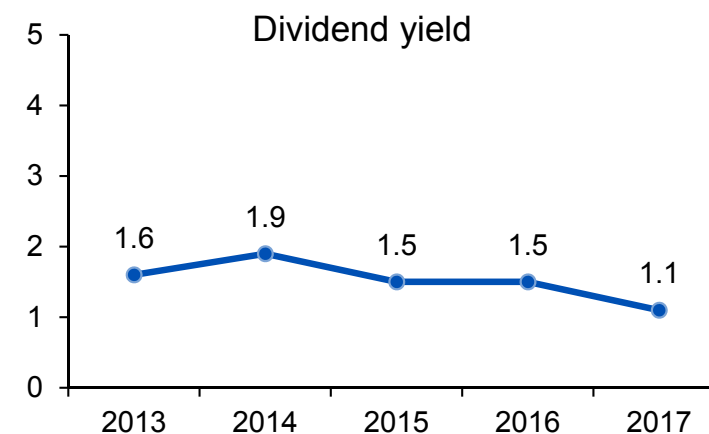
Shareholder structure



Major institutional shareholders (28.02.2019)

Fund Name	%	Shares	Region
Thüringer Industriebet.	11.00	6,296,193	Germany
DWS	5.20	2,978,178	Germany
Capital World Investors	5.04	2,885,141	US
OppenheimerFunds	3.16	1,808,844	US
Norges Bank	3.06	1,752,411	Norway

Source: Nasdaq and voting rights notifications



Dates and contact

May 9, 2019

May 15/16, 2019

May 28, 2019

June 6, 2019

June 12, 2019

June 27, 2019

June 27, 2019

August 8, 2019

Conference call on results of 1st quarter 2019

Roadshow Milano / Lugano

Roadshow Luxembourg

dc access conference, Berlin

Annual General Meeting

Hauck & Aufhäuser TMT Conference, Zurich

Warburg Highlights Conference, Hamburg

Conference call on results of 1st half-year 2019

Contact:

Thomas Fritsche
Head Investor Relations
JENOPTIK AG

Phone: +49 3641 65-2291
thomas.fritsche@jenoptik.com

www.jenoptik.com
www.twitter.com/Jenoptik_Group

Our app „Publications“ provides an optimized view of the report on mobile devices with iOS and Android operating systems.
The application is available for download in the App Store and at Google Play.

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.