

# Final Results Q1 2015



**Hardy Mehl (CFO/COO)**  
**May 6th, 2015**

# Disclaimer

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This document includes forward looking statements on Basler AG, its subsidiaries and associates, and on the economic und political conditions that may influence the business performance of Basler AG.

All these statements are based on assumptions made by the Executive Board using information available to it at the time.

Should these assumptions prove to be wholly or partly incorrect, or should further risks arise, actual business performance may differ from that expected.

The Executive Management Board therefore cannot assume any liability for the statements made.

# Agenda

- **Company Profile**
- Growth Strategy
- Review & Financials
- Outlook



# Company Profile

## Who We Are

- A public listed family business
- The most trusted name in industrial cameras
- Founded in 1988
- 417 employees\*
- Revenues € 79 million (2014)
- Headquarters in Ahrensburg, Germany



\*FTEs as of March 31, 2015

# Company Profile

## What We Make

- Cameras, made for
  - professional users (e.g. OEMs)
  - usage in investment goods (i.e. integration into machines)
  - automated imaging applications (e.g. quality inspection, license plate reading, blood analysis, face recognition)
  - 8 - 10 year product life cycle



# Company Profile

## Which Markets We Serve



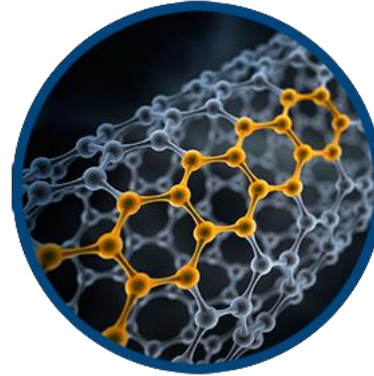
### **FACTORY**

Sales: 60–70 %  
CAGR: +



### **ITS**

Sales: 10-15%  
CAGR: ++



### **Medical**

Sales: 10-15%  
CAGR: ++

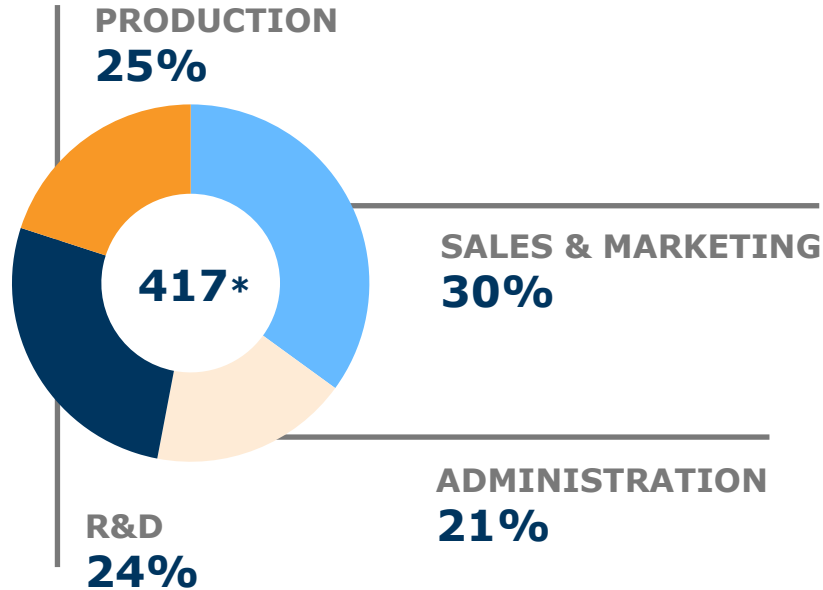


### **Misc. & New Business**

Sales: 5–10 %  
CAGR: +++

# Company Profile

## Our Employees



\*417 fulltime equivalent jobs as of March 31, 2015



# Company Profile

## Experienced Management-Team



**Dr. Dietmar Ley**  
(Chief Executive Officer)

- Joined Basler in 1993
- Responsible for Product Development & HR



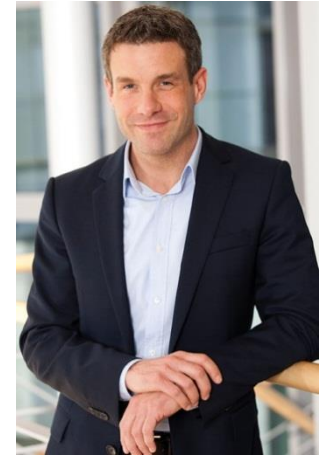
**Arndt Bake**  
(Chief Marketing Officer)

- Joined Basler in 2001
- Responsible for Marketing & New Business



**John P. Jennings**  
(Chief Commercial Officer)

- Joined Basler in 1998
- Responsible for Product Distribution & Subsidiaries



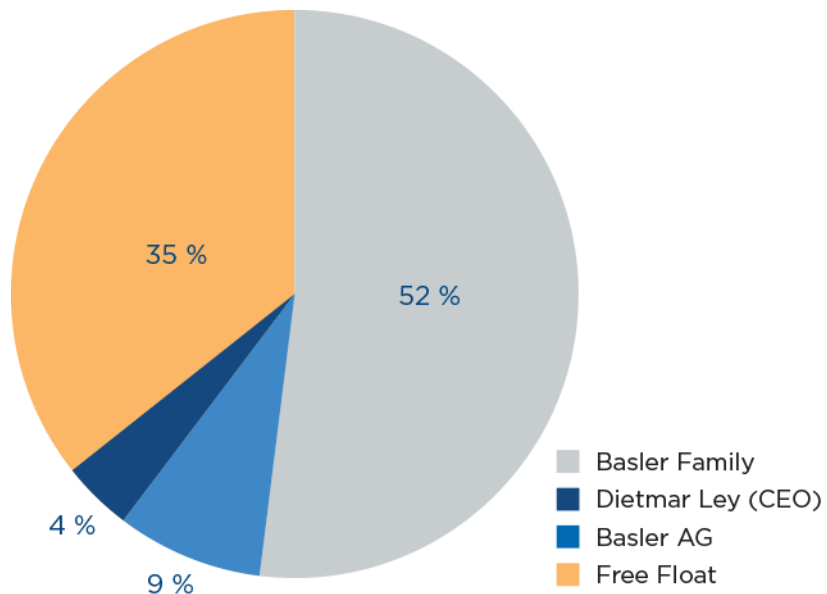
**Hardy Mehl**  
(Chief Financial Officer,  
Chief Operations Officer)

- Joined Basler in 1999
- Responsible for Finance, Admin & Operations



# Company Profile

## Basler Share



\*as of March 31, 2015

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# What Drives Us

## Our Vision

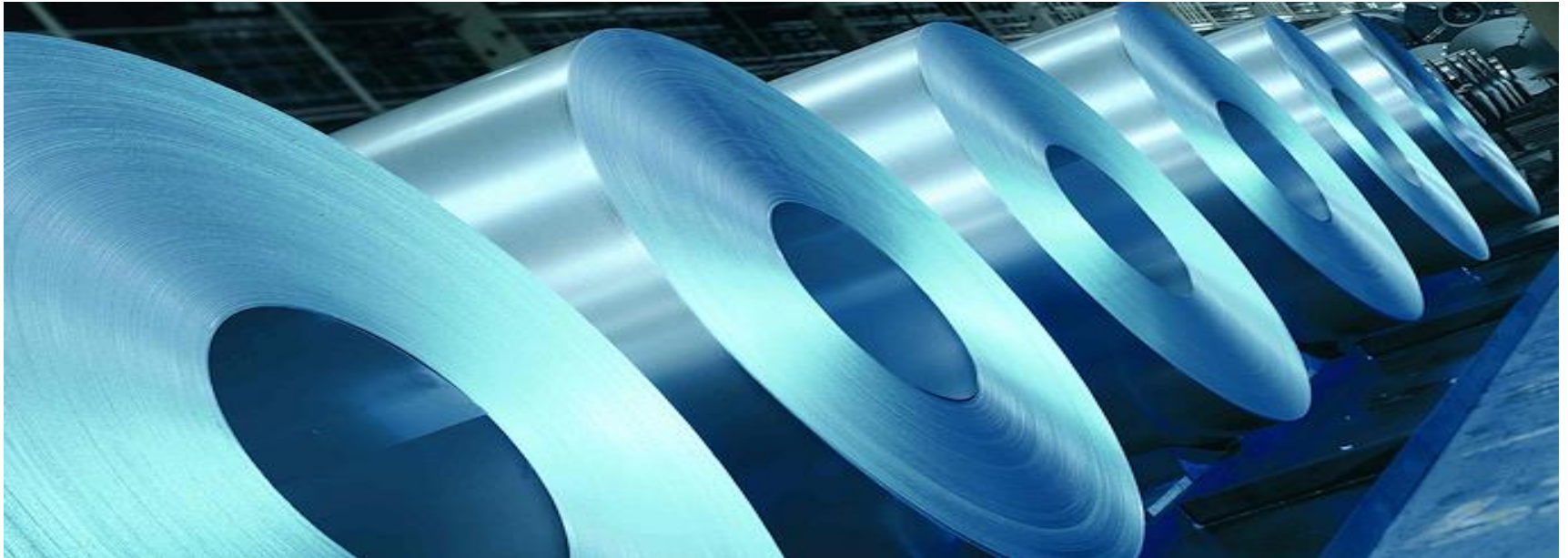


**Advances**  
in technology will improve  
the quality  
of our lives

We give  
technology  
**the power**  
of sight

# Vision & Mission

We Are Helping to Inspect Steel, Paper and Plastic



# Vision & Mission

We Are Helping To Make American School Buses Safer





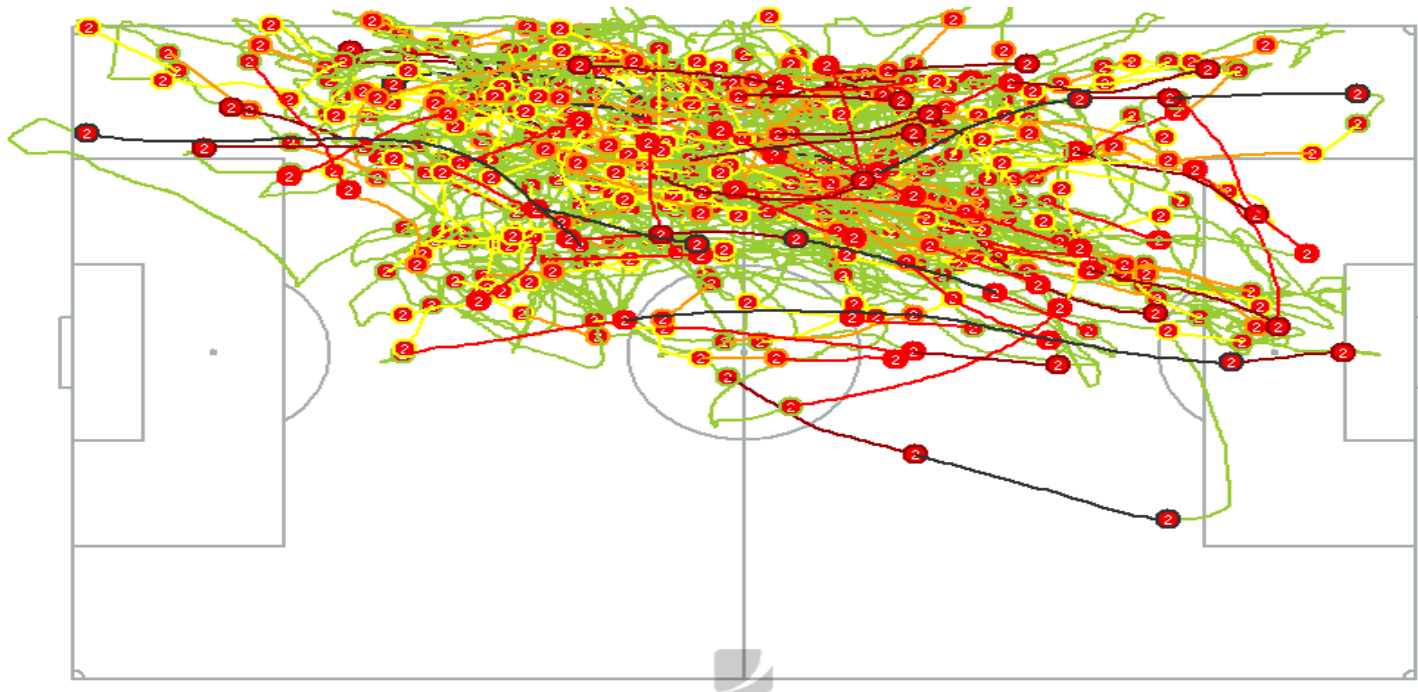
# Vision & Mission

We Are Helping To Make Tunnels Safer



# Vision & Mission

We Are Helping to Analyze Sports Events





# Vision & Mission

We Are Helping To Develop Better Eye-Care



# Vision & Mission

We Are Helping To Make Trains Safer



# Where We Are Going

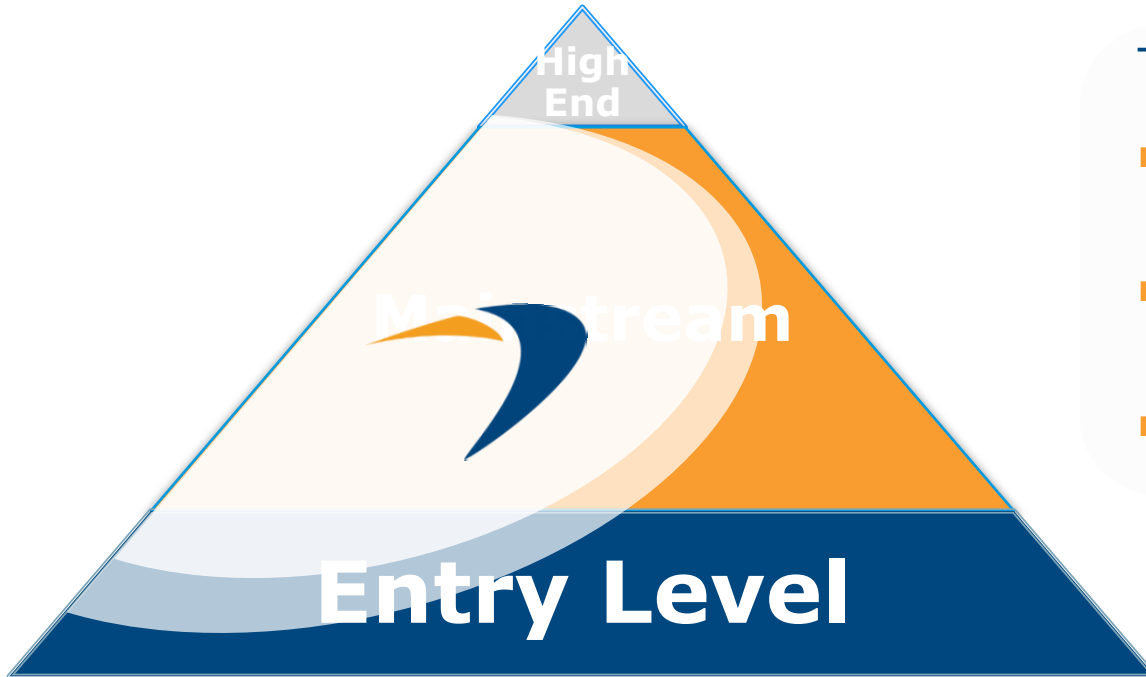
## Strategic Goals\*



\*Mid-term goals, 2019

# How We'll Get There

## Strategy, Market Position



### Tomorrow

- Maintain position in High-End
- Expand position in Mainstream
- Expand position in Entry-Level



# How We'll Get There

Our Cameras Helping To Make Autonomous Construction Machines?



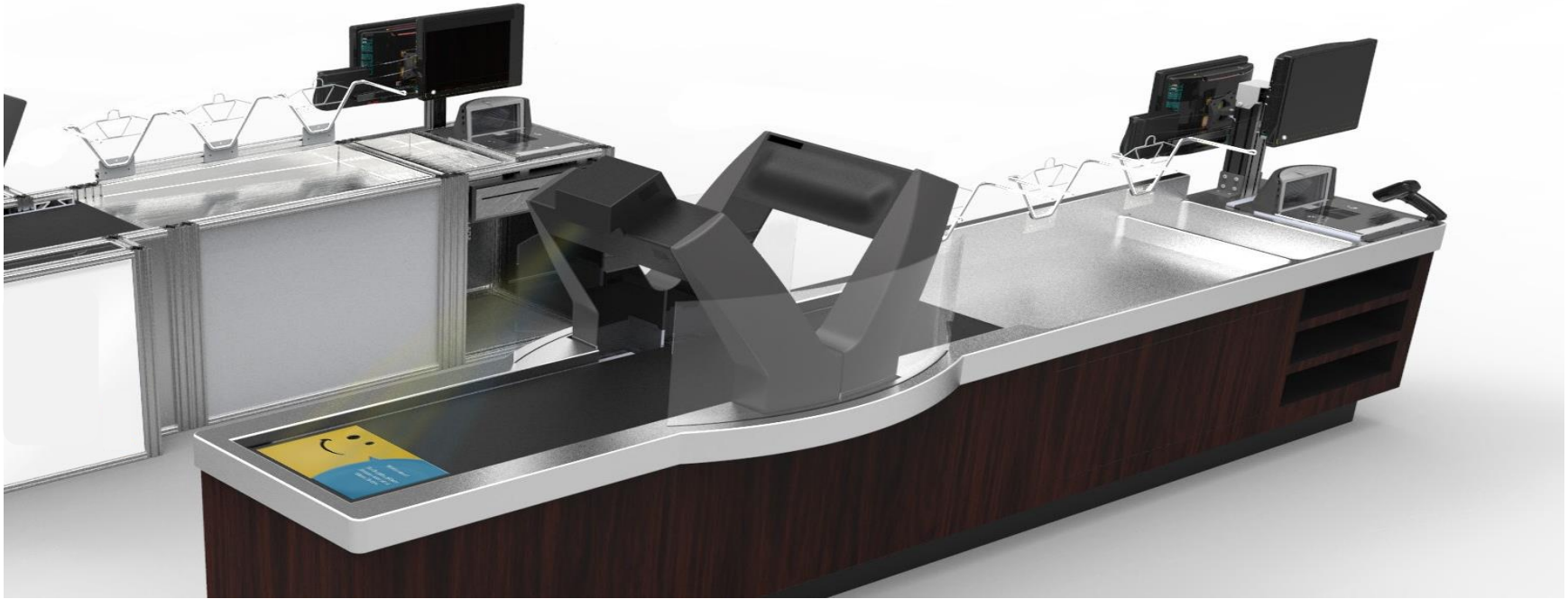
# How We'll Get There

Our Cameras Helping To Make Kiosks Easier To Use?



# How We'll Get There

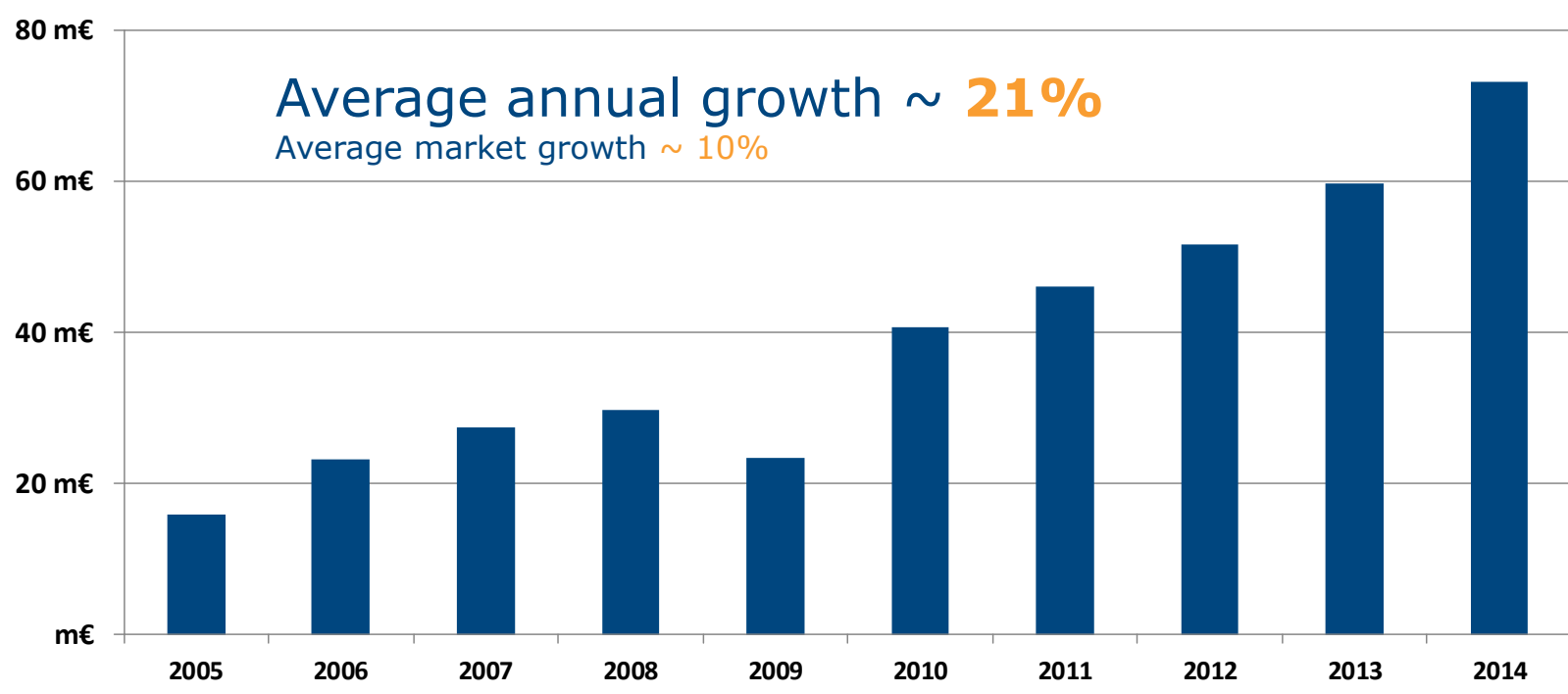
Our Cameras Helping To Automate Self-Checkout Systems?





# How We Measure Up

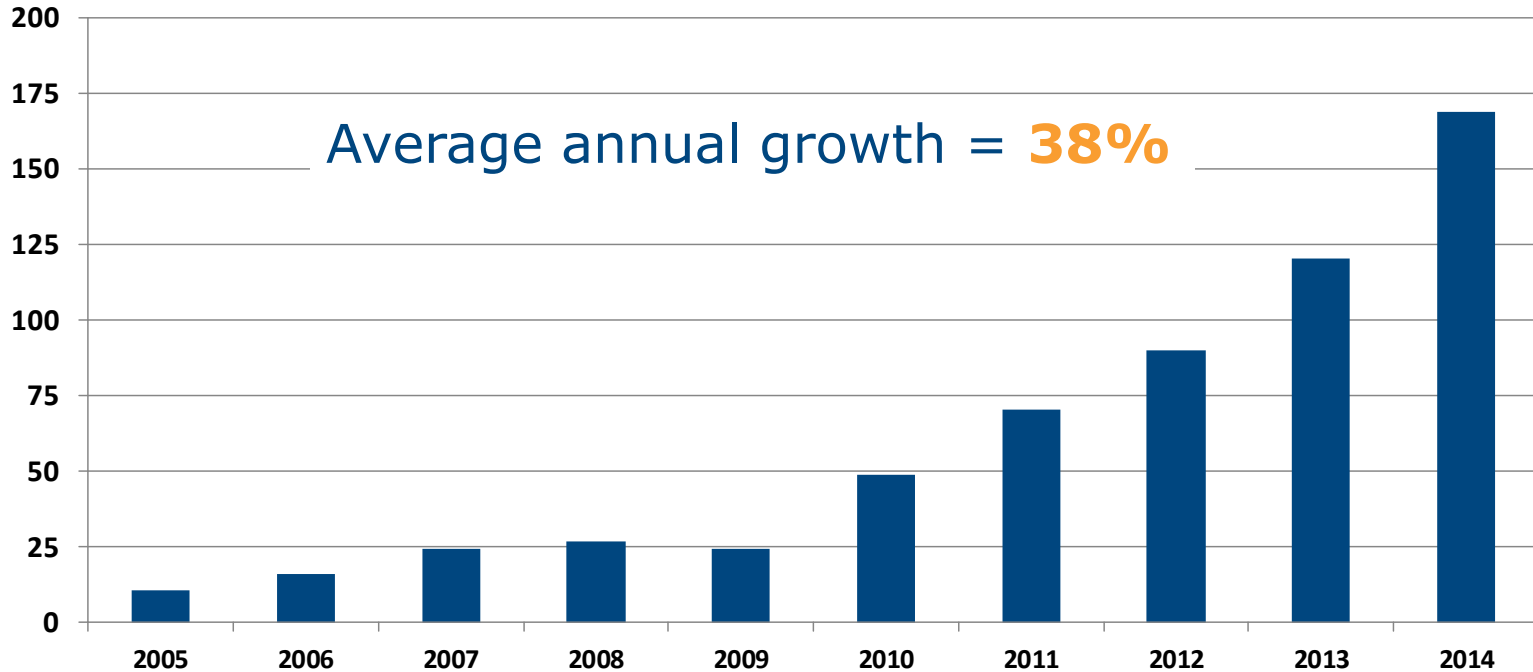
## Basler Growth Story – Camera Revenue



\* Numbers in million €

# How We Measure Up

## Basler Growth Story – Sold Camera Units



\* Numbers in k Production Units

# Agenda

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# Review Q1 2015

## Highlights Q1 2015 (1/2)

- Our revenue was positively impacted by large block order for the Asian electronics industry
- We grew significantly faster than the German image processing components industry\*
- We increased results considerably compared to the first quarter of the previous year driven by higher sales and economies of scale
- Our share price increased to more than € 50.00 mid of February after the publication of the preliminary business figures of 2014

\*Q1-on-Q1: +30% Basler vs. +20% Components Industry (Source: VDMA)

# Review Q1 2015

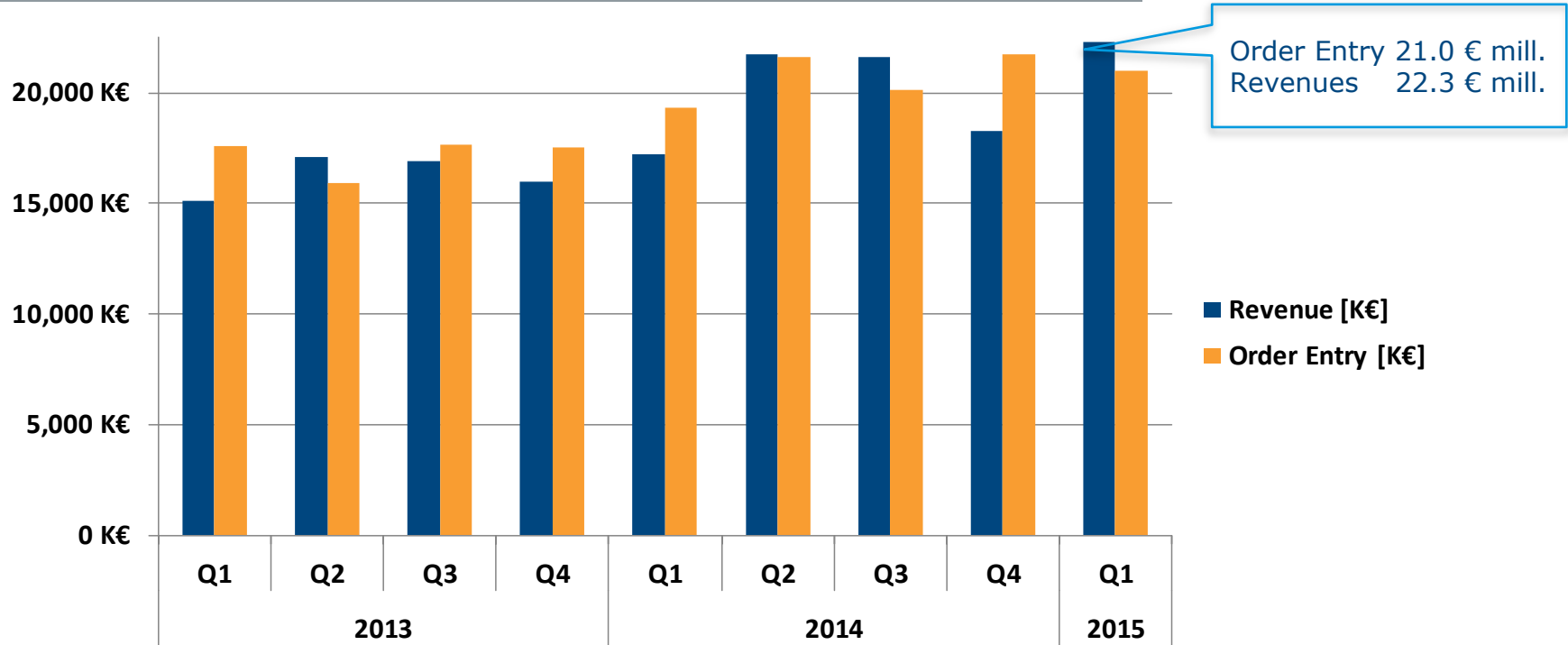
## Highlights Q1 2015 (2/2)

- We launched the entry level product line “Basler pulse” to address out-of-factory markets
- We further scaled up the company and hired 15 new employees within the first quarter
- We increased and modernized our circuit board production



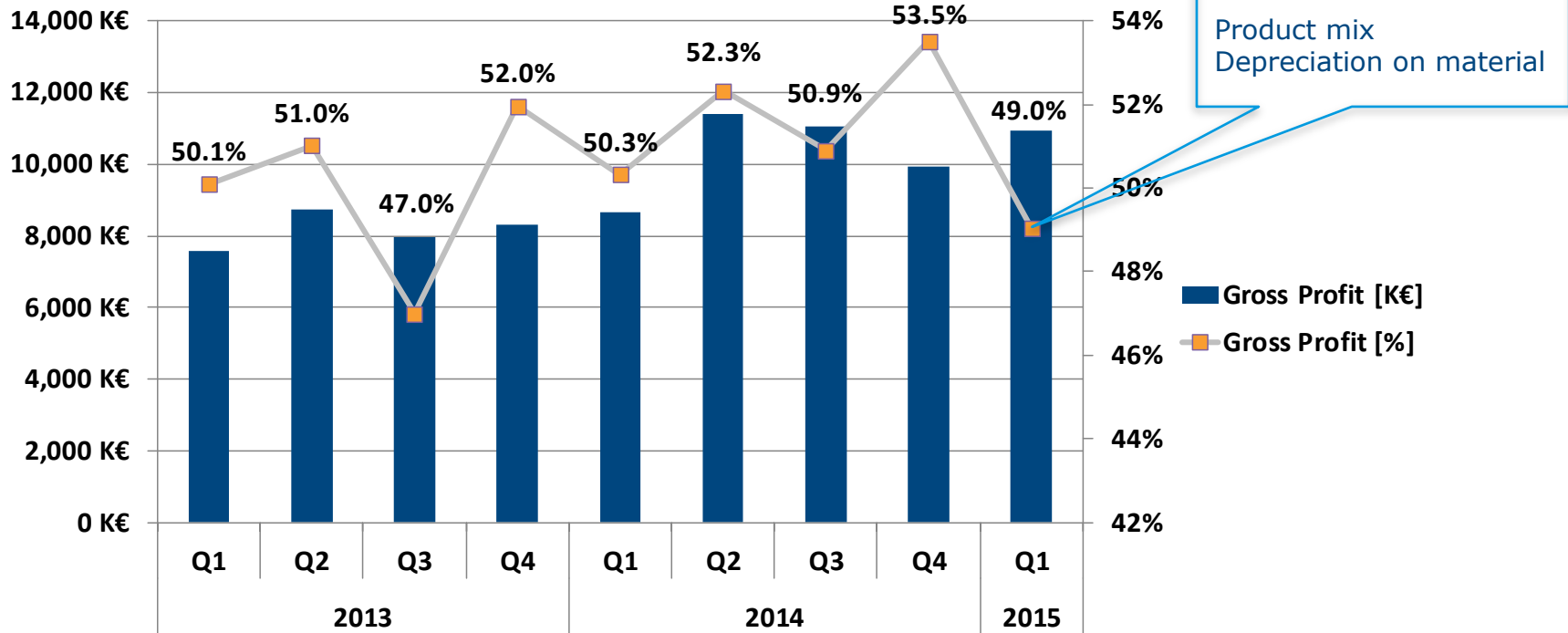
# Revenues & Order Entry

## Last 9 Quarters



# Gross Profit

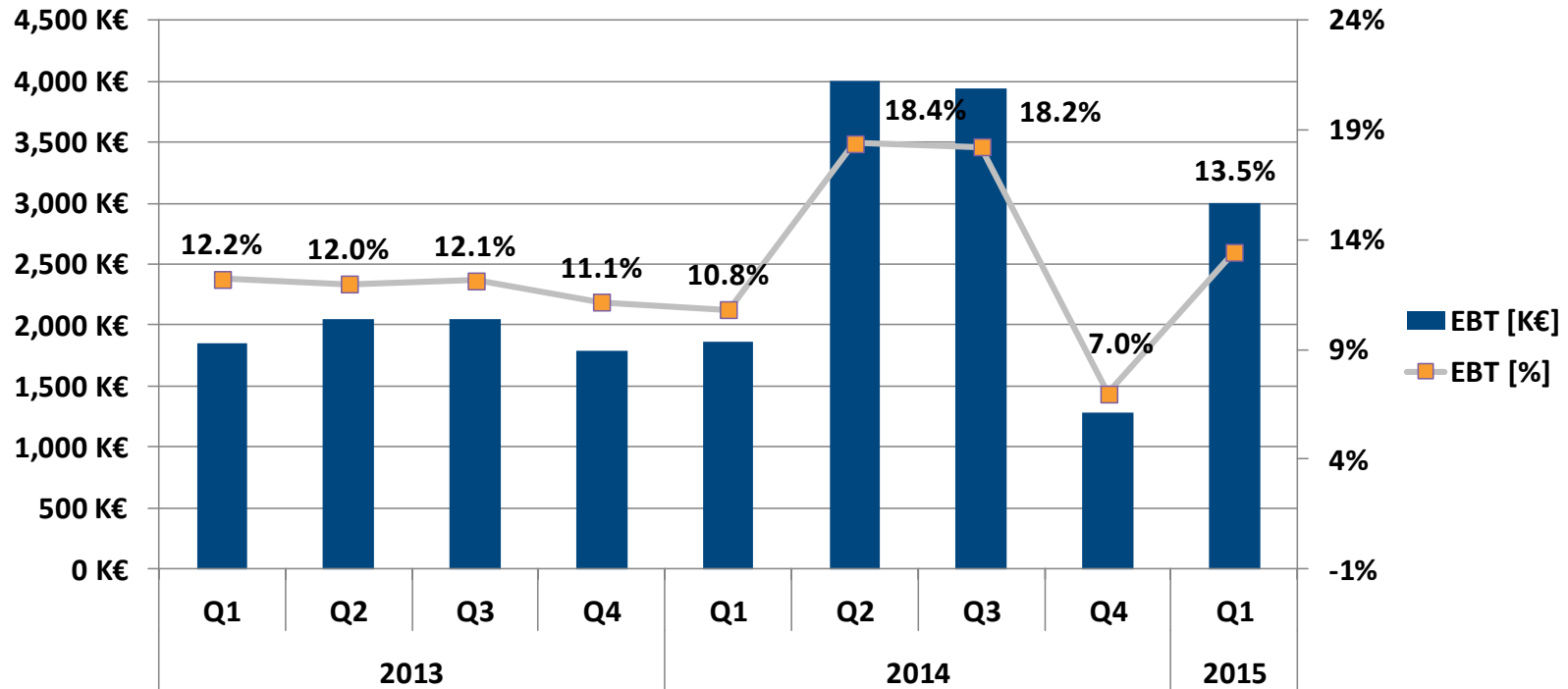
## Absolute and by percentage





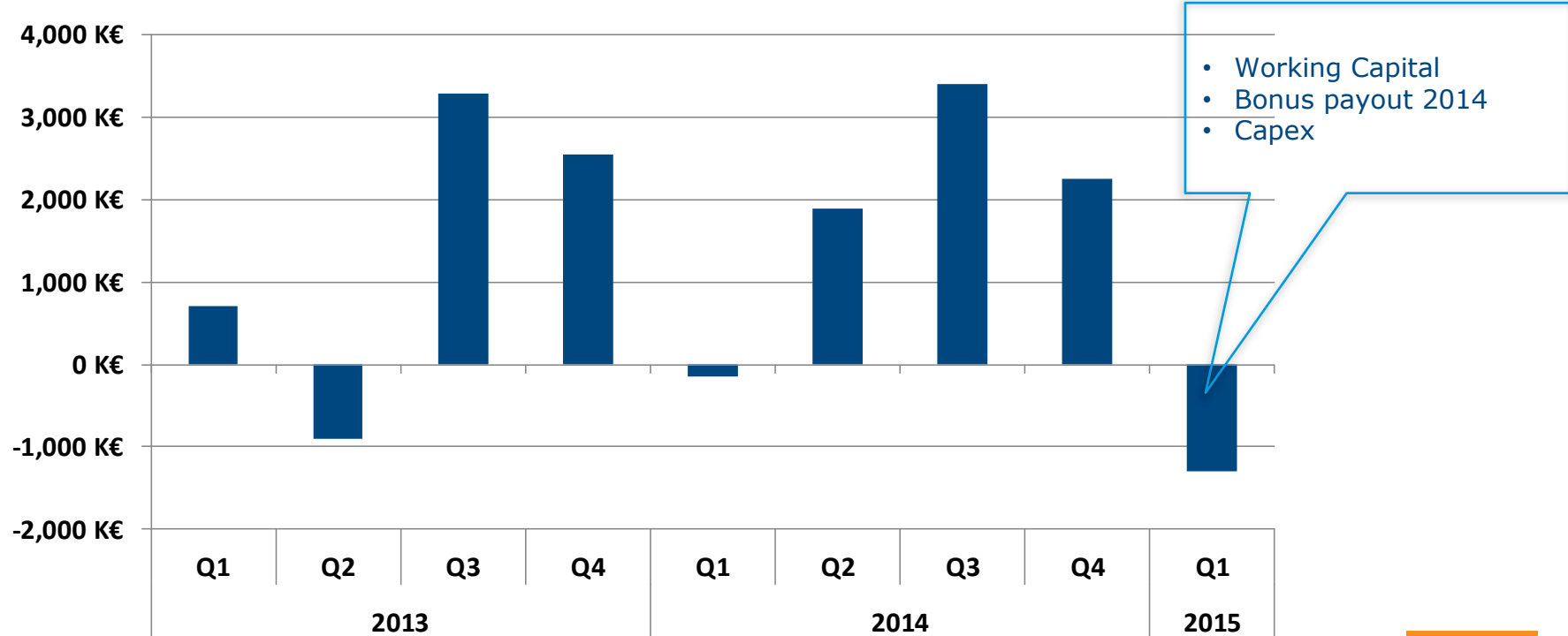
# Earnings Before Tax

## Absolute and by Percentage



# Free Cash Flow

## By Quarters



# Results Q1 2015

## Profit & Loss

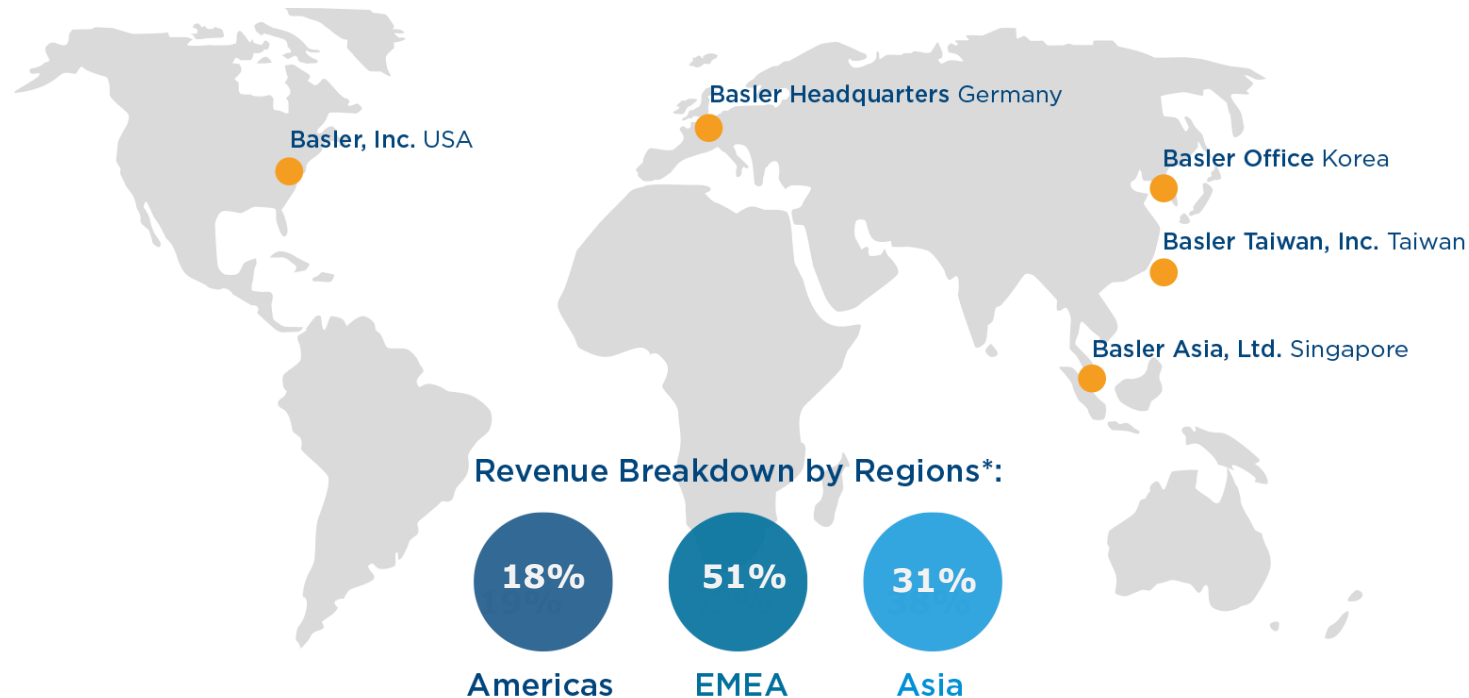
	Q1/2014	Q1/2015	+/-
<b>Order Entry</b>	19.3	<b>21.0</b>	<b>+9%</b>
<b>Sales</b>	17.2	<b>22.3</b>	<b>+30%</b>
<b>Gross Profit</b>	8.7	<b>10.9</b>	<b>+25%</b>
<b>EBIT</b>	2.3	<b>3.2</b>	<b>+39%</b>
<b>EBT</b>	1.9	<b>3.0</b>	<b>+58%</b>
<b>Net Income</b>	1.3	<b>2.3</b>	<b>+77%</b>
<b>EPS*</b>	0.39	<b>0.72</b>	<b>+85%</b>



\*All numbers other than EPS in € mill., EPS in €

# Results Q1 2015

## Regional Revenue Breakdown



\*as of March 31, 2015

# Results Q1 2015

## Cashflow

	Q1/2014	Q1/2015	+/-
<b>Cash, b.o. period</b>	9.7	<b>12.8</b>	<b>+32%</b>
Cashflow from Operations	1.6	<b>1.6</b>	
Cashflow from Investments	-1.8	<b>-2.9</b>	
<b>Free Cashflow</b>	-0.2	<b>-1.3</b>	
Cashflow from Financing	-0.9	<b>-1.2</b>	
<b>Cash, e.o. period</b>	8.6	<b>10.4</b>	<b>+21%</b>

Change in liquid funds  
-2.5 € mill.



\*All numbers in € mill.

# Results Q1 2015

## Net Cash

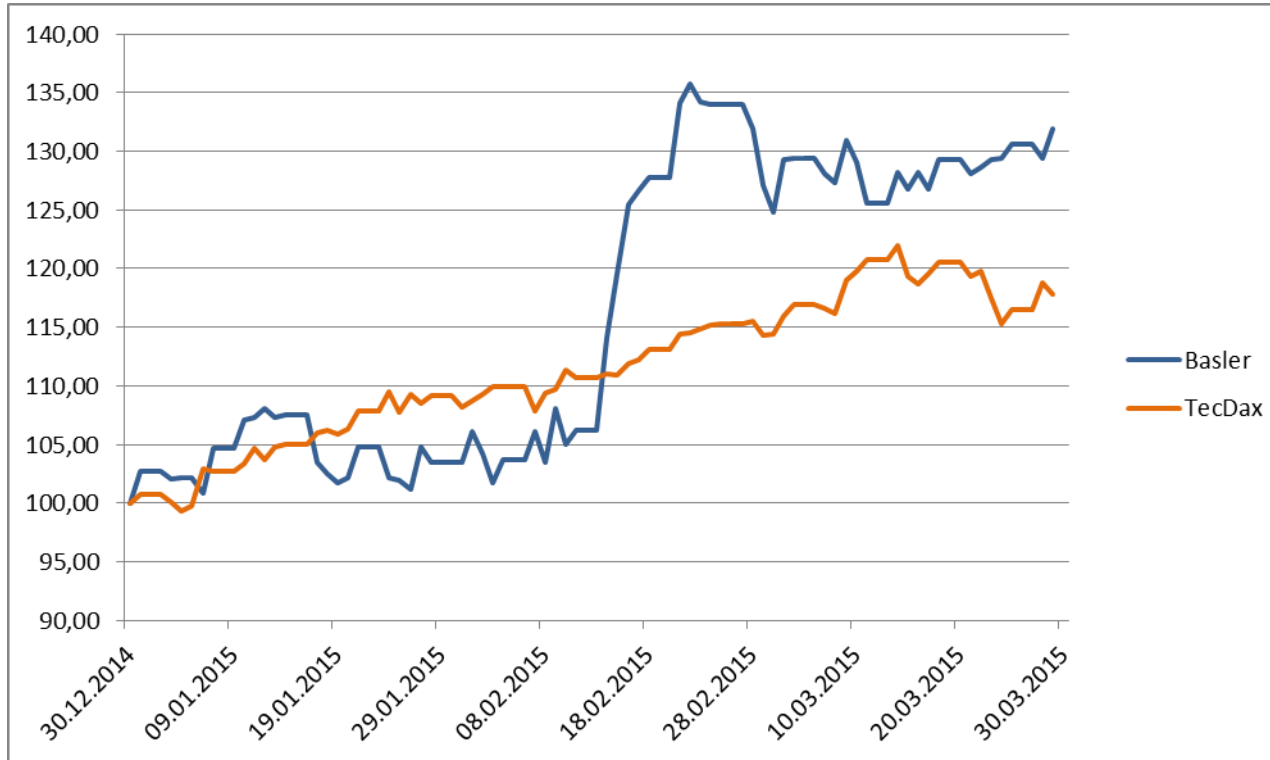
	March 31st, 2014	March 31st, 2015	+/-
Liabilities to banks	-5.9	<b>-8.1</b>	<b>+37%</b>
Cash & Cash equivalents	8.6	<b>10.4</b>	<b>+21%</b>
<b>Net Cash</b>	2.7	<b>2.3</b>	<b>-15%</b>



\*Numbers in € mill.

# Results Q1 2015

## Basler Share versus TecDax





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# Outlook

## Macro Environment

- Market is forecasted to grow with approximately 5% (Source: VDMA)
- Macro-economic uncertainties are assumed to have limited business effects
- Strong US Dollar will lead to positive margin effects, subdued by natural and financial hedge
- Stable Japanese Yen anticipated



# Outlook

## Mid-term Critical Success Factors

- Further expand market leadership in Gigabit-Ethernet camera market
- Ramp-up USB3 product line & leverage early-mover advantage
- Successful launch of new products: Basler *dart*, Basler *pulse*, Basler *ace* models and Basler lenses
- Leverage market opportunities by scaling up the organization efficiently (hires & capex)



# Outlook

## Guidance 2015

- Sales € 81 – 84 mill.
- EBT-Margin 9 – 10 %
- Positive free cashflow



# Ask Questions

## Get Answers



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