



Annual Report, 2017

March 23, 2018

Hardy Mehl | CFO/COO

Agenda

1. Executive Summary

2. Financials

3. Share

4. Outlook

Executive Summary

Highlights 2017 (1/3)

Dynamic market and very strong growth

- Market up +24% (source: VDMA) driven by healthy market conditions in all capex markets and a boom in semiconductor and electronics capex
- Asia remains fastest growing region
- Technical growth drivers: GigE, USB, CMOS sensors
- Basler won significant market share - billings up +54%

Operational excellence and high profitability

- Basler mastered the challenge of very high bookings in the first half of the year and invested in significant capacity increase to be well prepared for 2018/2019
- Sharp rise of order entries in the first half-year swung back during Q3. Balanced book-to-bill ratio for the overall year.
- High gross margins and economies of scale resulted in very high profitability
- Strong free cashflow

Executive Summary

Highlights 2017 (2/3)

Main new product introductions

- Introduction of new ace products
 - High resolution/ global shutter (upper mainstream)
 - High resolution/ rolling shutter (lower mainstream)
 - Corresponding CMOS replacements for CCD
- Increase medical offering (special products & processes)



Executive Summary

Highlights 2017 (3/3)

Future investments

- Further penetration of 3D market with time-of-flight (TOF) technology
- Embedded Vision
 - Acquisition of mycable GmbH in June 2017
 - Development dart camera (BCON for Mipi)
 - Cooperation with Arrow and Qualcomm



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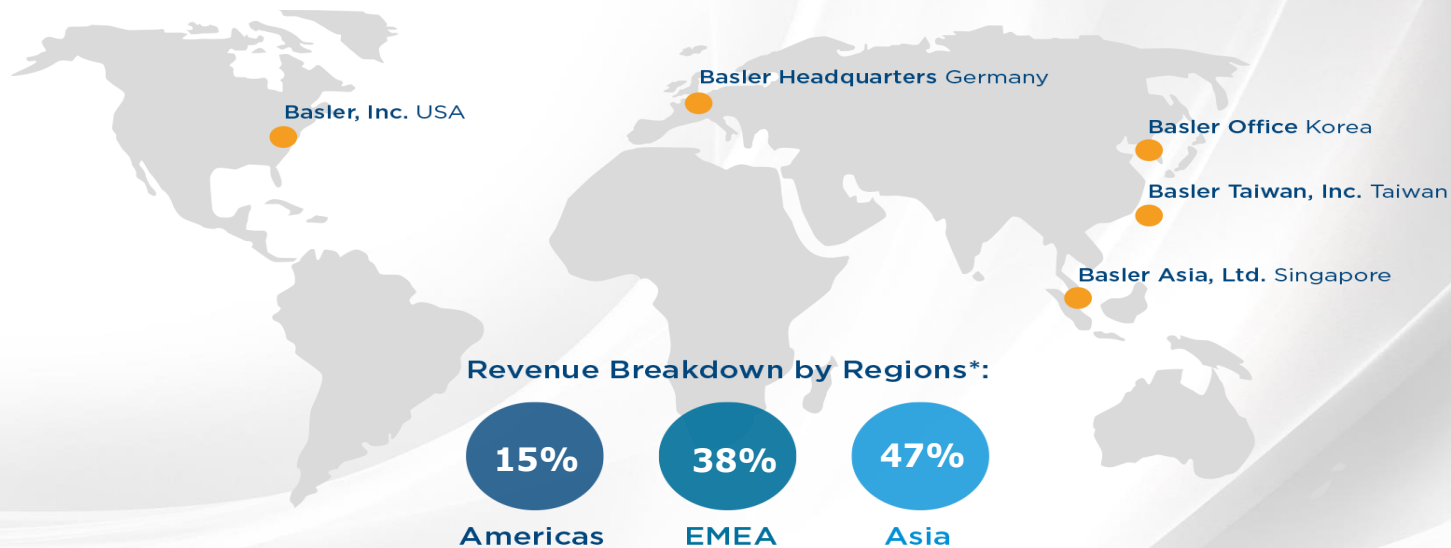
Financials

Development of Booking and Billings



Financials

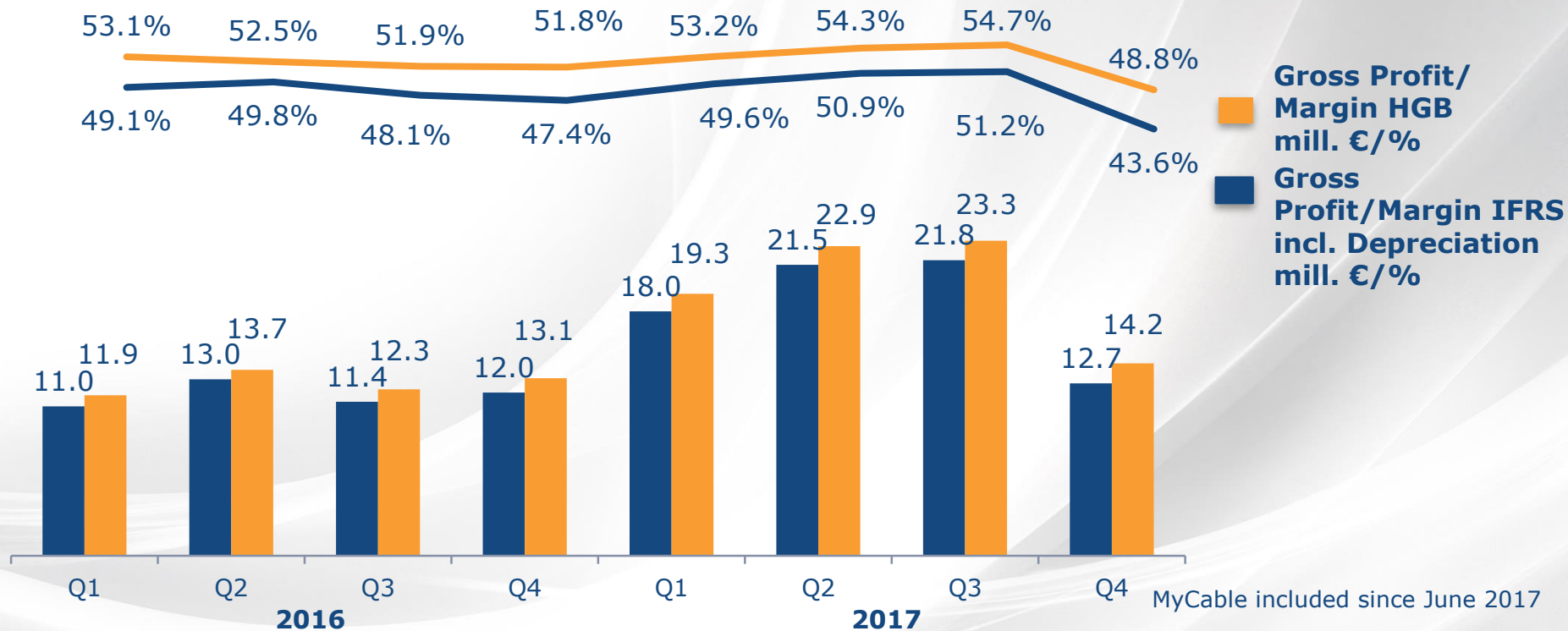
Revenue Split by Regions



*as of December 31, 2017

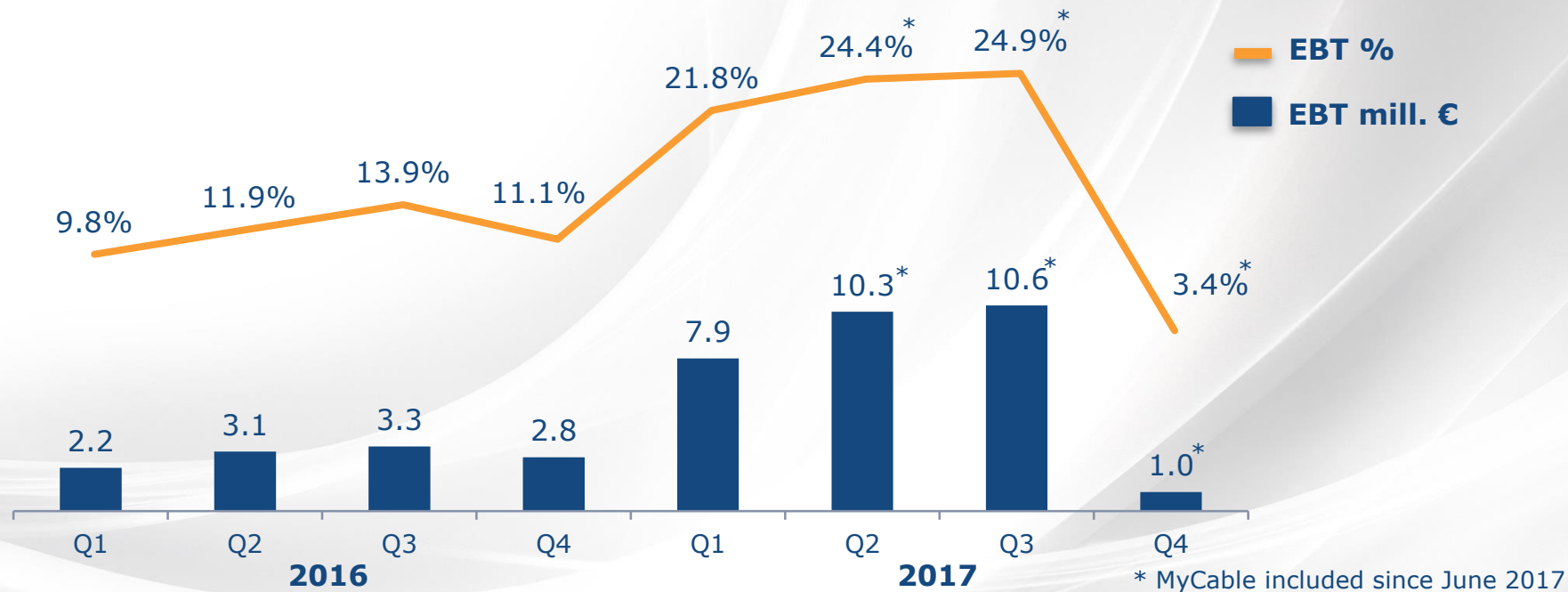
Financials

Development of Gross Profit and Margin



Financials

Development of EBT and EBT-Margin



Financials

P&L KPIs 2017 versus 2016

	2016	2017	+/-
Order Entry	105.4	153.6	+46%
Sales	97.5	150.2	+54%
Gross Profit	48.7%	49.3%	+0.6 Pp.
EBITDA	18.8	40.0	+113%
EBIT	12.2	30.5	+150%
EBT	11.4	29.8	+161%
Net Income	7.9	21.6	+173%
EPS*	2.45	6.74	+175%

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



Financials

Development of Free Cashflow (mill. €)



2016

2017

MyCable included since June 2017

Financials

2017 versus 2016 (in € mill.)

	2016	2017	+/-
Cash, b.o. period	14.0	19.4	
Cashflow from Operations	16.1	28.4	+76%
Cashflow from Investments	-8.0	-9.8	+23%
Free Cashflow	8.1	18.6	+130%
Cashflow from Financing	-2.7	-2.0	-26%
Cash, e.o. period	19.4	36.0	+86%



Financials

Net Cash (in € mill.)

	Dec. 31st, 2016	Dec. 31st, 2017	+/-
Liabilities to banks	-10.6	-11.0	+4%
Cash & Cash equivalents	19.4	36.0	+86%
Operative Net Cash	8.8	25.0	+184%



Financials

Balance Sheet Dec 31st, 2017 – Assets (in € mill.)

	2016	2017	+/-
Intangible assets	22.5	21.4	-5%
Fixed assets	6.7	8.8	+31%
Buildings and land in finance lease	14.6	12.5	-14%
Goodwill	0	3.1	n.a.
Deferred tax claims	0.1	0.1	0%
Long-term assets	43.9	45.9	+5%
Inventories	14.6	20.8	+42%
Receivables from deliveries and service	10.4	11.1	+7%
Other short-term assets	2.1	3.9	+86%
Cash in bank and cash in hand	19.4	36.0	+86%
Short-term assets	46.5	71.8	+54%
Total assets	90.4	117.7	+30%



Financials

Balance Sheet Dec. 31st, 2017 – Liabilities (in € mill.)

	2016	2017	+/-
Equity	50.0	65.6	+31%
Long-term liabilities to bank	9.8	9.9	+1%
Other financial liabilities	0	0.5	n.a.
Liabilities from finance lease	8.6	10.3	+20%
Other long-term liabilities	6.3	6.9	+10%
Long-term liabilities	24.7	27.6	+12%
Other financial liabilities	1.5	1.6	+7%
Short-term accrual liabilities	3.5	3.8	+9%
Short-term other liabilities	9.6	17.1	+78%
Current tax liabilities	1.0	1.9	+90%
Current financial debt	15.6	24.4	+56%
Total liabilities	90.3	117.7	+30%



Financials

New Hires and Distribution by Function

We hired 68 new employees in 2017



*528 fulltime equivalent jobs e/o 2017

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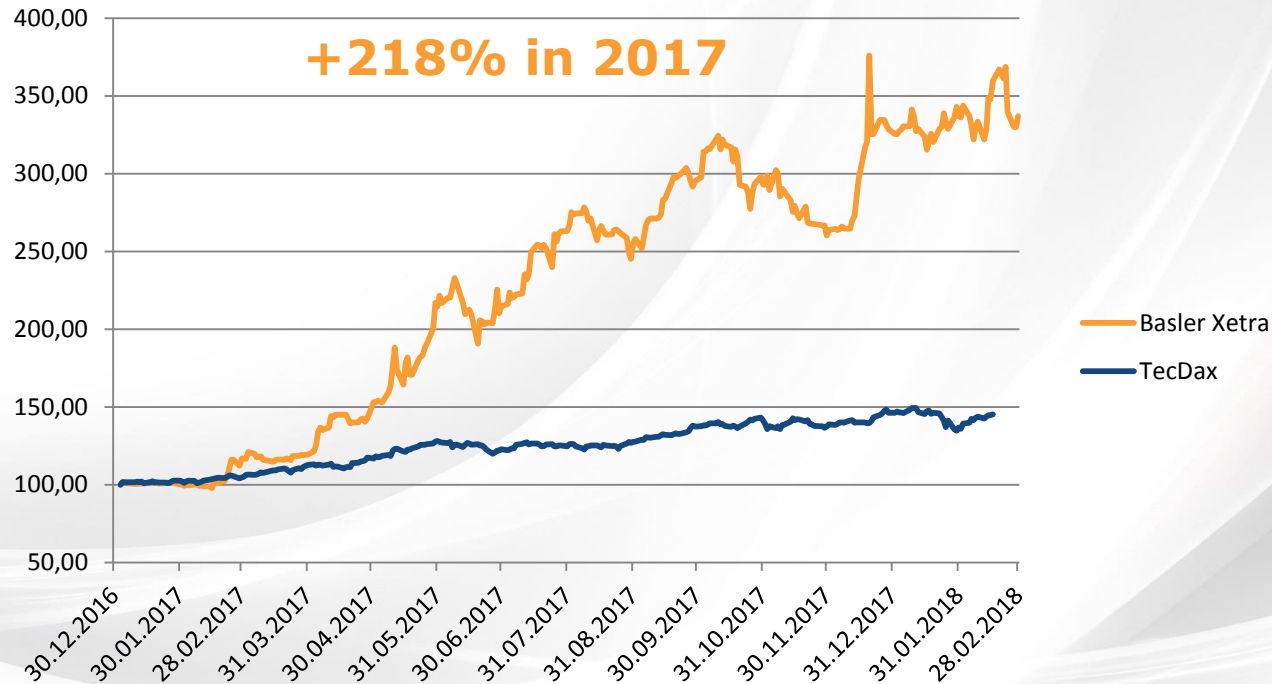
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Share

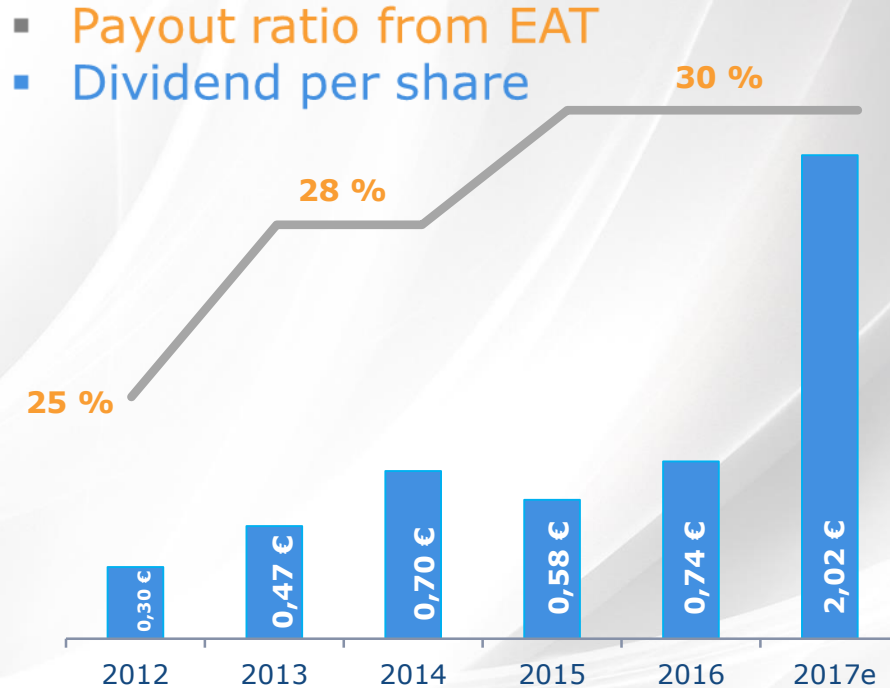
Basler Share versus TecDax



Share

Dividend Proposal 2017

- IPO volume:
3.5 million shares
- Market cap e.o. 2017:
€ 682.7 million
- Dividend Policy:
~30% from EAT



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Outlook

Macro-economic Environment

We assume:

- General capex market will grow similar compared to 2017
- Semicon Capex growth rates to go down to single digits
- The investment cycle in consumer electronics will be weaker compared to 2017



The camera market will get back to normal growth rates around mid single digits

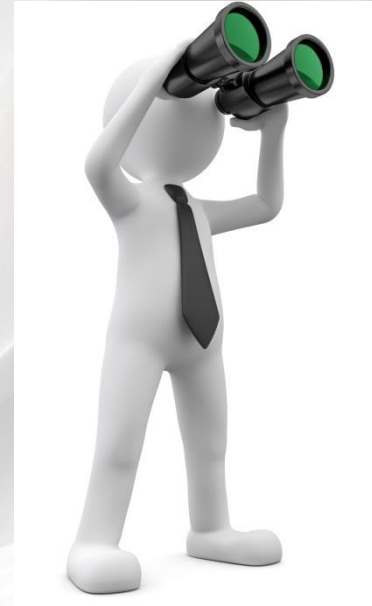


Outlook

2018 Guidance

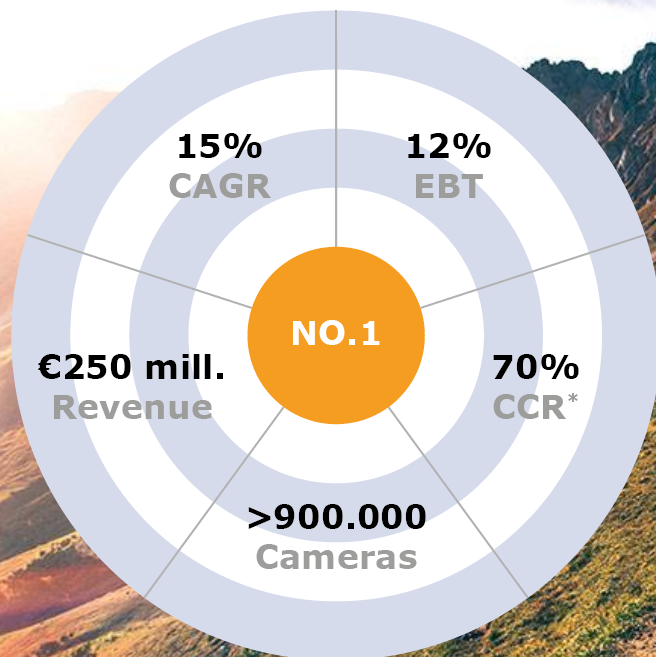
We confirm our guidance from February 23rd, 2018

- Revenue 145 - 160 mill. €
- EBT-Margin 13 – 15 %



2022 Outlook

Financial Mid-term Plan



* Cash Conversion Rate FCF/EAT
** Mid-term goals, 2022

Disclaimer

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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.

Questions & Answers



Verena Fehling

Phone +49 4102 463 101

Verena.Fehling@baslerweb.com