



Quarterly Report Q3, 2019

November 5, 2019

Hardy Mehl (CFO/COO)

Agenda

1. Executive Summary

2. Financials

3. Share

4. Outlook

Executive Summary

Highlights First 9 Months 2019

Market Environment

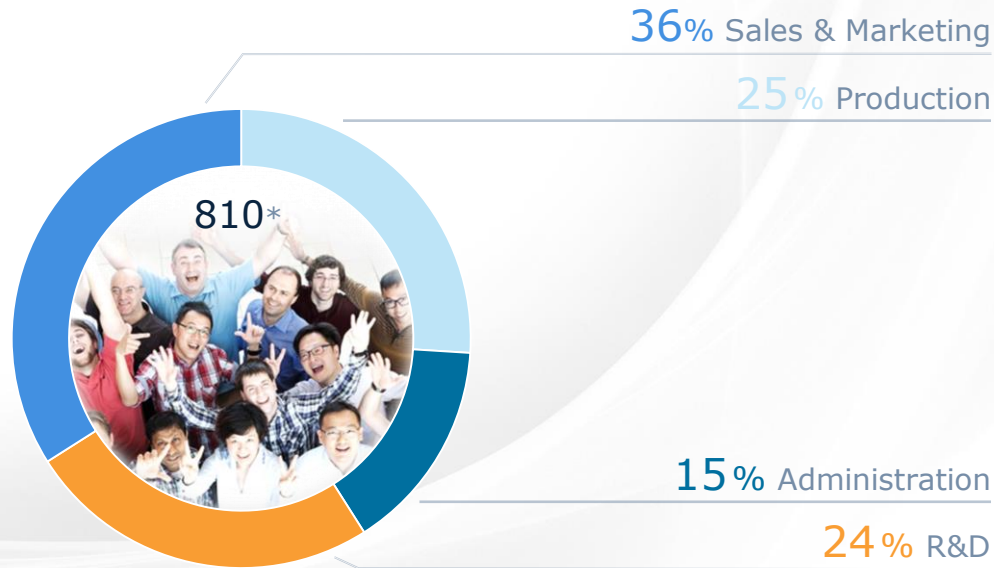
- Market bookings -12 % and billings -12 % (source: VDMA, YTD-August 2019)
- Manufacturing PMIs in Europe, ASEAN, China and Japan continue to stay below 50
- Weak demand specifically in electronics, semicon and automotive capex markets
- Less mature vertical markets continue to grow such as medical applications

Basler Performance

- Billings +6 %; bookings +9 % (incl. M&A)
- Gross margins slightly recover but still affected by low utilization, lower depreciation of R&D depreciations and higher ratio of third party product sales
- EBT margin upward trend continued in Q3 to 14 % and YTD 11%
- Recruitment process slowed down further due to weak market environment. Concentration on onboarding and M&A integration: Silicon Software & Basler China

Executive Summary

Our Employees



*fulltime equivalent jobs,
September 30th, 2019

Executive Summary

Highlights First 9 Months 2019

Main New Product Introductions

- Portfolio expansion of ace MED product line
- New embedded vision kits based on Qualcomm and NXP processors
- Launch of next generation ace: ace2
- Prototyping of second generation 3D cameras: Basler blaze
- Product launch of Basler boost bundle (upper mainstream camera & framegrabber)



Executive Summary

Journey Towards Computer Vision Toolbox



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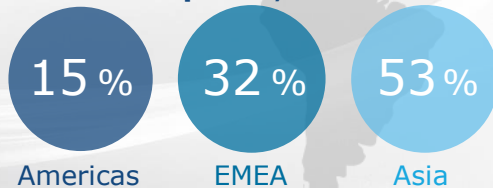
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Financials

Revenue Split by Regions

Regional Revenue Distribution
of Euro 123.2 mill. Sales by
Sept. 30, 2019



Basler AG Headquarters

1 Ahrensburg, Germany

Basler Subsidiaries

2 Exton, U.S.

3 Taiwan

4 Singapur

5 Silicon Software **2018**

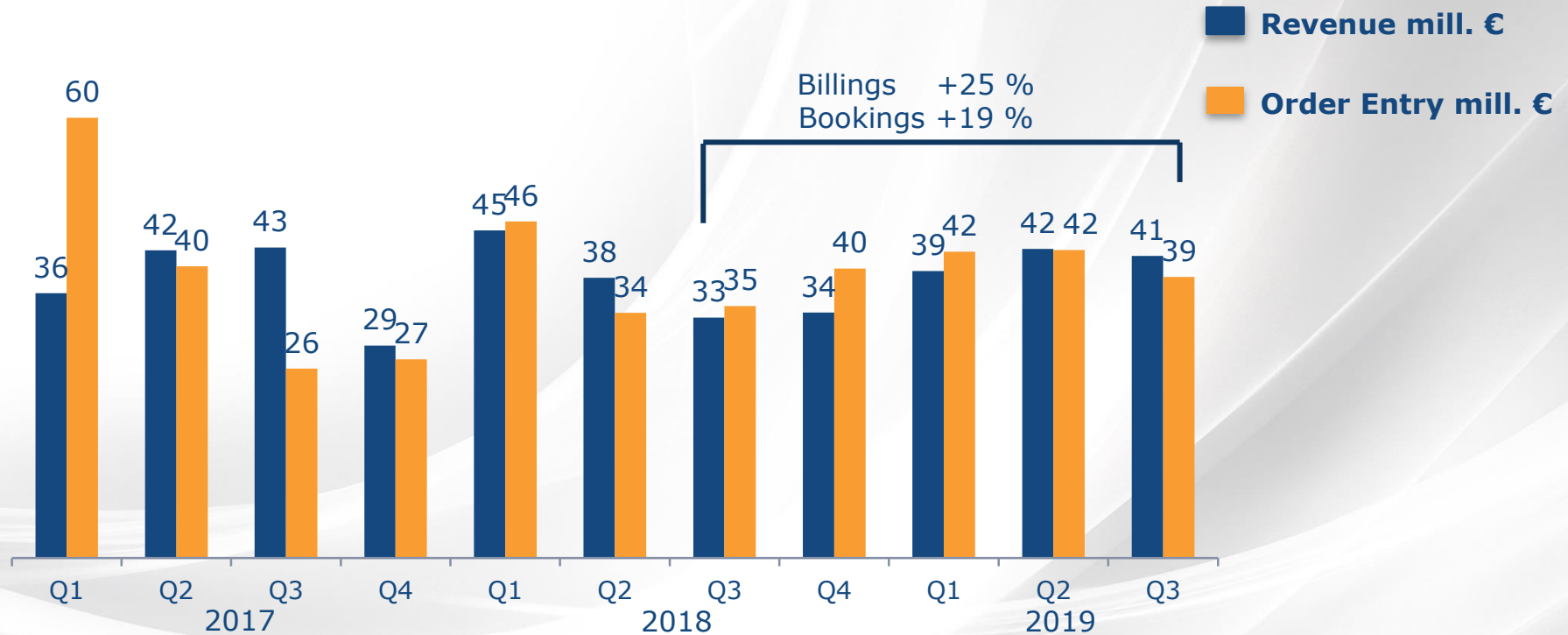
6 Basler China **2019**

7 Korea

8 Japan

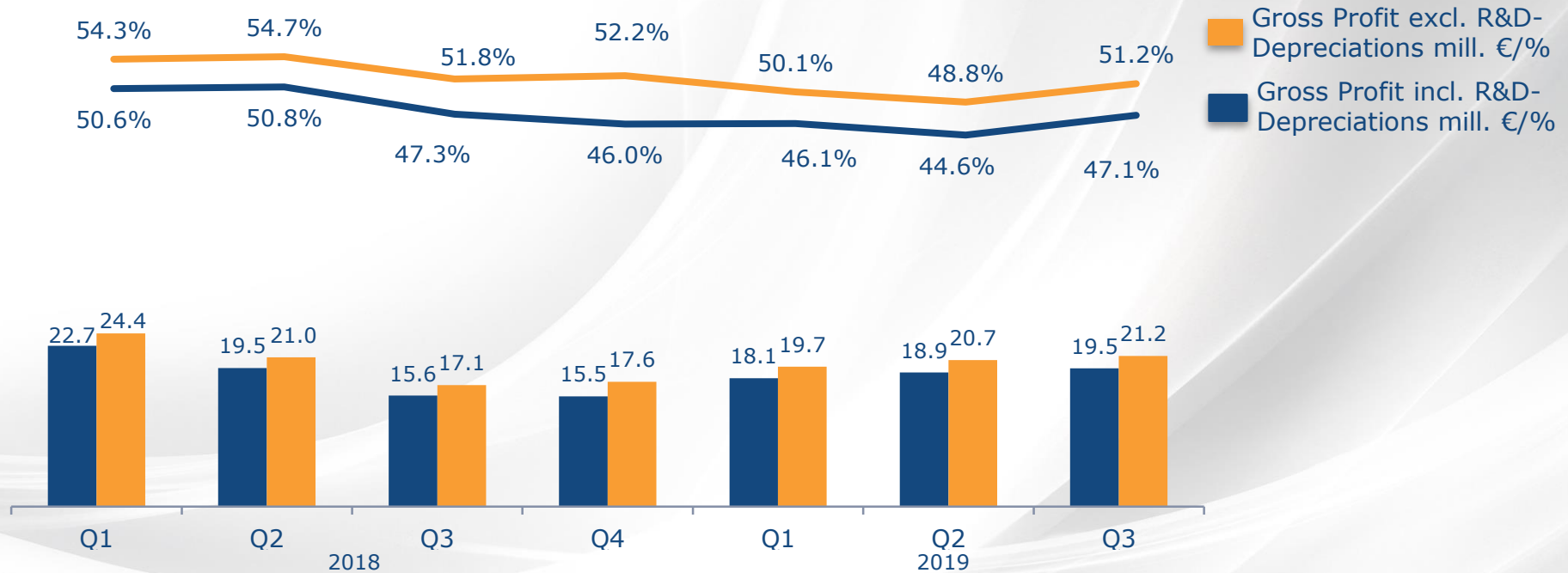
Financials

Development of Bookings and Billings



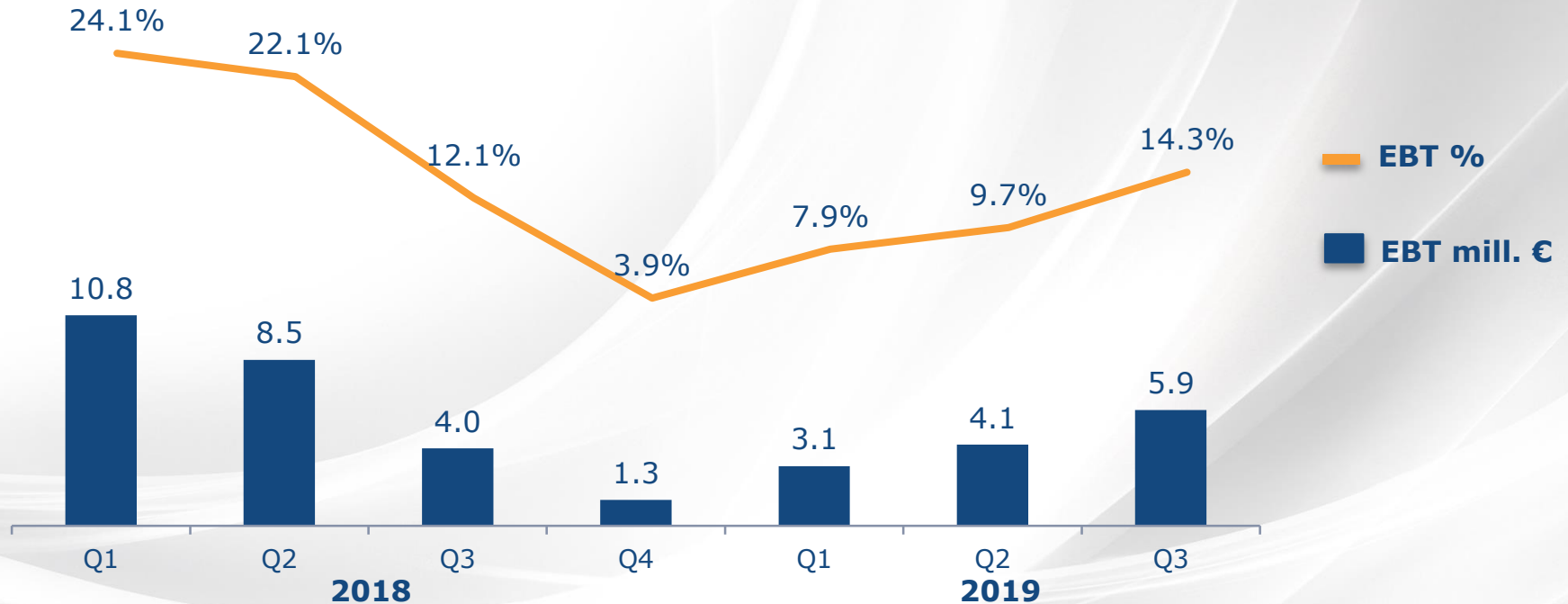
Financials

Development of Gross Profit and Gross Margin



Financials

EBT Development by Quarter



Financials

Profit & Loss KPIs Year-on-Year (in € mill.)

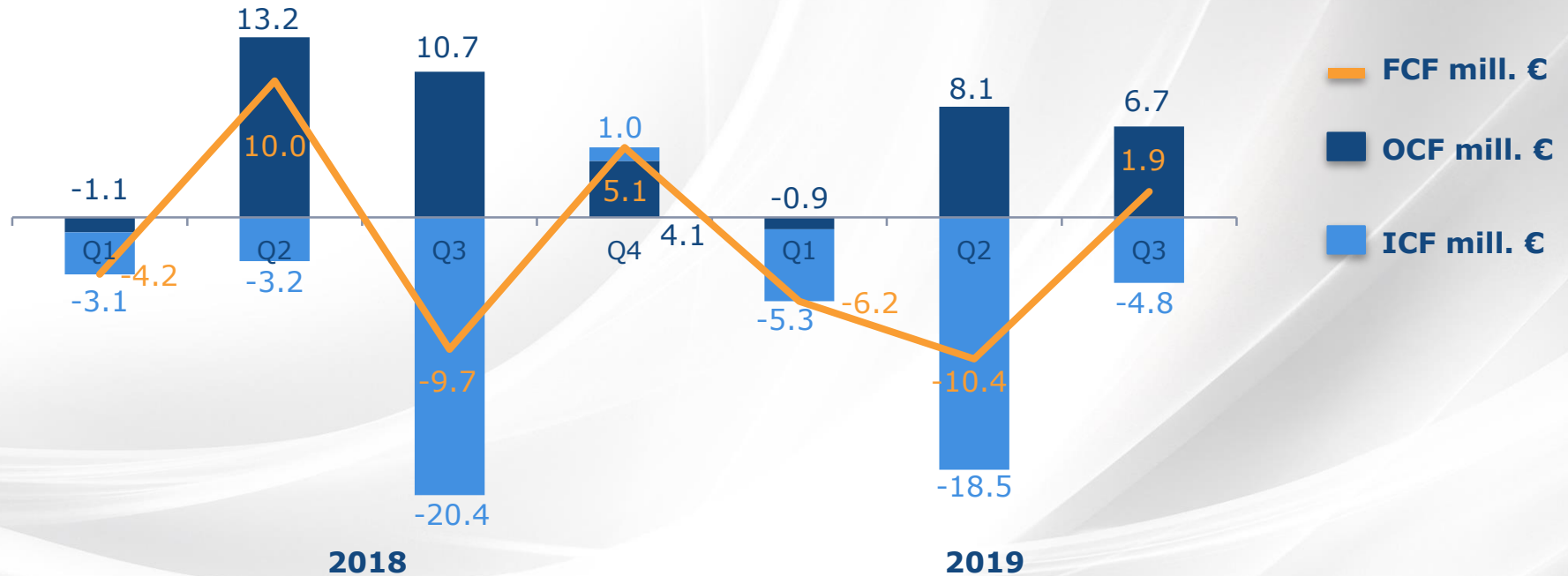
	9 Months 2018	9 Months 2019	+/-
Order Entry	112.2	122.7	9 %
Sales	116.4	123.2	6 %
Gross Profit	49.7 %	45.9 %	-4 Pp.
EBITDA	31.0	23.1	-25 %
EBIT	23.3	13.6	-42 %
EBT	23.2	13.1	-44 %
Net Income	17.3	9.3	-46 %
EPS*	1.79	0.94	-48 %

* EPS (Earnings per share) in €



Financials

Free Cashflow Development by Quarter



Financials

Cash Year-on-Year (in € mill.)

	9 Months 2018	9 Months 2019
Cash, b.o. period	37.6	31.8
Cashflow from Operations	22.9	14.0
Cashflow from Investments	-26.7	-28.6
Free Cashflow	-3.8	-14.6
Cashflow from Financing	-3.9	13.7*
Cash, e.o. period	29.9	30.9

*Incl. sold treasury shares for € 20.8 mill.



Financials

Net Cash (in € mill.)

	Dec. 31st, 2018	Sept. 30th, 2019
Liabilities to banks	-19.1	-20.0
Cash & Cash equivalents	31.8	30.9
Operative Net Cash	12.7	10.9



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1. Executive Summary

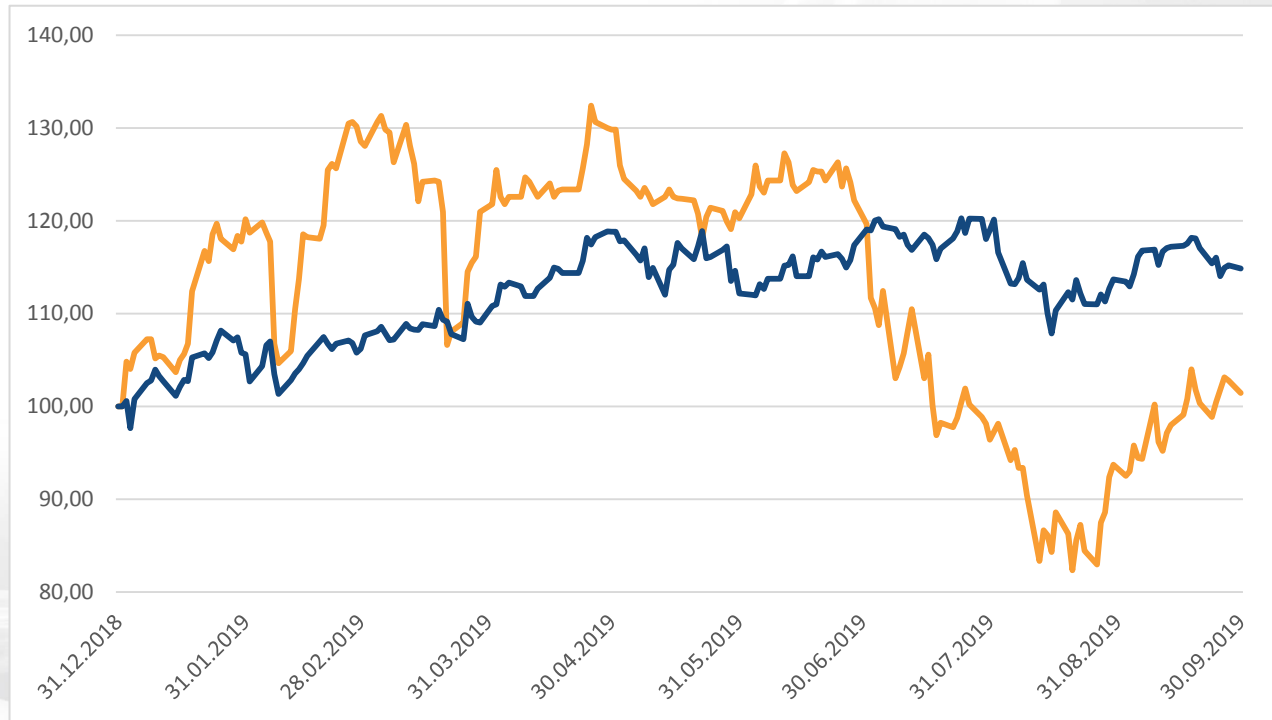
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Share

Basler Share versus TecDax



TecDax

Basler AG Xetra

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Outlook

Business Outlook & Guidance 2019

Based on current information we expect:

- Markets to stay weak, uncertain and volatile
- Bookings and billings to make a side move in Q4

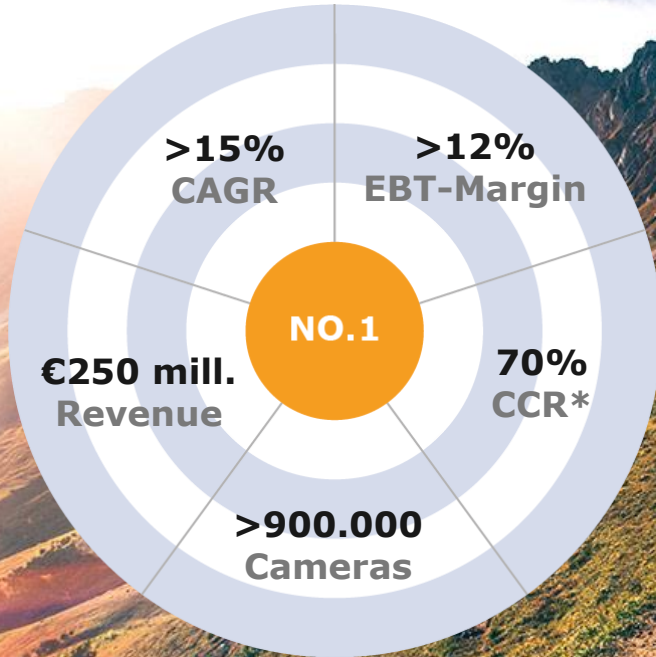
We narrow our guidance from March 21st, 2019 to:

- Revenue 160 - 164 mill. €
- EBT-Margin 8 - 10 %



Outlook

2022 Financial Mid-term Plan



* Cash Conversation Rate FCF/EAT

Disclaimer

This document includes forward looking statements on Basler AG, its subsidiaries and associates, and on the economic and 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.

Questions & Answers



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