



Interim Financial Report of the Jenoptik Group (unaudited)

FOR THE MONTHS JANUARY TO MARCH 2013



1
2013

AT A GLANCE – JENOPTIK GROUP

Figures in million euros

	Jan. – March 2013	Jan. – March 2012	Change in %
Sales	132.0	137.7	– 4.1
Lasers & Optical Systems	49.7	57.2	– 13.1
Metrology	42.8	37.2	15.1
Defense & Civil Systems	39.5	43.6	– 9.4
Others*	0	– 0.3	–
EBITDA	15.9	17.3	– 8.1
Lasers & Optical Systems	6.5	11.3	– 42.5
Metrology	7.0	3.8	84.2
Defense & Civil Systems	1.5	2.6	– 42.3
Others*	0.9	– 0.4	–
EBIT	10.6	11.6	– 8.6
Lasers & Optical Systems	4.1	8.9	– 53.9
Metrology	6.5	3.0	116.7
Defense & Civil Systems	0.3	1.3	– 76.9
Others*	– 0.3	– 1.6	81.3
EBIT margin (EBIT as % of sales)	8.0 %	8.4 %	
Lasers & Optical Systems	8.2 %	15.6 %	
Metrology	15.2 %	8.1 %	
Defense & Civil Systems	0.8 %	3.0 %	
Earnings before tax	9.0	9.9	– 9.1
Earnings after tax	7.9	8.4	– 6.0
Order intake	132.0	148.8	– 11.3
Lasers & Optical Systems	52.2	55.0	– 5.1
Metrology	42.2	58.9	– 28.4
Defense & Civil Systems	37.4	35.3	5.9
Others*	0.2	– 0.4	–

Figures in million euros

	March 31, 2013	Dec. 31, 2012	March 31, 2012
Order backlog	447.5	446.8	462.1
Lasers & Optical Systems	107.1	105.2	98.3
Metrology	88.5	87.4	93.7
Defense & Civil Systems	253.5	255.8	271.7
Others*	– 1.6	– 1.6	– 1.6
Employees (incl. trainees)	3,297	3,272	3,143
Lasers & Optical Systems	1,351	1,349	1,297
Metrology	856	814	732
Defense & Civil Systems	896	913	934
Others*	194	196	180

* Others includes holding, SSC, real-estate, consolidation.

SUMMARY OF THE MONTHS JANUARY TO MARCH 2013

- Demand from the automotive industry was good. As expected, the weakness in the semiconductor equipment manufacturing market continued in the 1st quarter 2013.
[See Market Development – from page 5.](#)
- The reduction in Group sales of 4.1 percent to 132.0 million euros was primarily attributable to a weak semiconductor industry and postponement of sales to subsequent periods.
[See Earnings and Order situation – page 7.](#)
- At 10.6 million euros, the Group EBIT came in slightly below the level for the previous year (prev. year 11.6 million euros) in spite of further expansion of distribution and R+D activities. It was characterized by a doubling of the EBIT in the Metrology segment.
[See Development of Results – page 7.](#)
- After reaching 74.5 million euros at the end of at December 2012, net debt was reduced further to 72.0 million euros. The shareholders' equity quota exceeded the 50 percent mark.
[See Financial and Asset position – page 9.](#)
- As a result of the weakness in the semiconductor market, the Lasers & Optical Systems segment posted a fall in sales and earnings. The Metrology segment reported strong growth in both sales and EBIT, while the Defense & Civil Systems segment reported lower sales and earnings.
[See Segment Reporting – from page 11.](#)
- At 132.0 million euros, the order intake was at the same level as sales, the book-to-bill ratio was consequently 1.00.
[See Earnings and Order situation – from page 7.](#)
- The Executive Board reaffirms the forecast and continues to expect a small rise in sales of up to 5 percent for the full year 2013, with a Group EBIT generated in the operating business of between 50 and 55 million euros. Costs for process and location optimization in the middle single figure million euro range will also impact on the EBIT.
[See Forecast Report – from page 14.](#)

1. BUSINESS AND FRAMEWORK CONDITIONS

1.1 Group structure and business activity

As an integrated optoelectronics group, Jenoptik operates in the following three segments:

- Lasers & Optical Systems
- Metrology and
- Defense & Civil Systems.

Jenoptik is primarily a supplier of capital goods and consequently a partner for industrial companies. In the Metrology and Defense & Civil Systems segments, we are also a major supplier to the public sector both directly as well as indirectly through system integrators. We do not focus on consumer markets.

The product portfolio extends from complex systems, industrial facilities and production lines, to modules and sub-systems, through to components. Jenoptik also markets comprehensive total solutions and/or operator models comprising the integration of systems and facilities and corresponding networks, as well as project management, data processing and after-sales.

Our key markets primarily include security and defense technology, the metrology and materials processing market, the civil aviation industry, medical technology, the market for traffic solutions and the semiconductor industry.

1.2 Development of the capital market and the Jenoptik share

Despite the globally weak economic data, an uncertain outlook, the continuing European debt crisis and cost saving measures in the US, the German equities market got off to a good start in 2013: in mid-March, the Dax broke through the 8,000 barrier, but began to fall again at the end of March. As at March 28, the Dax was only showing a small rise of 0.21 percent compared with the start of the year. The TecDax ended the 1st quarter 2013 up 10.6 percent.

Following an outstanding development in 2012 the Jenoptik share price was 4.5 percent higher at the end of March compared with the start of the year. Following a good start the share reached a closing price of 8.49 euros, the highest level since mid-2005. The subsequent weeks were characterized by a downward trend. At the end of March, following the publication of the annual financial statements and the announcement of the proposal to pay an increased dividend, the share price rose again. On March 28, 2013 the share price closed at 8.05 euros. The lowest closing price in the period covered by the report, 7.46 euros, was reached on March 22. In April, the Jenoptik share price rose sharply once again to exceed the 8 euros mark. As at April 30, 2013, the share ended trading at 8.71 euros, approx. 13 percent more than at the beginning of the year.

The JENOPTIK AG Executive Board presented the annual financial statements for the 2012 fiscal year on March 26 and 27, 2013 as part of the annual balance sheet press conference in Jena and at the Analysts' Conference in

EARNINGS PER SHARE

	1.1. to 31.3.2013	1.1. to 31.3.2012 ¹⁾
Net profit in KEUR	7,877	8,435
Weighted average number of outstanding shares	57,238,115	57,238,115
Earnings per share in euros	0.14	0.15

Earnings per share are the net profit divided by the weighted average number of shares outstanding.

¹⁾ Changed due to first-time application of IAS 19R.

Frankfurt/Main where it answered questions from those attending. The Management of Jenoptik also took part in bank conferences and provided investors with information at roadshows in Frankfurt/Main, Warsaw, Luxembourg and Copenhagen.

1.3 Development of the economy as a whole and the Jenoptik sectors

According to details from the International Monetary Fund (IMF), the **global economy** stabilized in the 1st quarter 2013, thanks in particular to the development in the US and the emerging markets. The continuing, unresolved euro debt crisis remains the greatest risk to the global economy.

In the **US economy**, the recovery in consumer spending and in the housing and labour market stabilized at a moderate rate at the start of 2013. In the 1st quarter 2013, the gross domestic product (GDP) increased at an annual rate of 2.5 percent. The US Department of Trade also revised the growth rate for the 4th quarter 2012 upwards – from 0.1 to 0.4 percent.

After the **euro zone** GDP had shrunk sharply by 2.1 percent in the closing quarter of 2012, the ifo-Institut calculated stagnating economic output for the 1st quarter 2013 compared with the previous quarter. The reduction in industrial production in the 1st quarter 2013 is likely to come to minus 0.5 percent and thus be lower than in the 4th quarter 2012 (minus 2.1 percent). In addition to the countries of Southern Europe, France is also being increasingly seen as one of the crisis countries.

According to assessments by the the Federal Government, the **German economy** reported a slight recovery in the 1st quarter 2013, during which economic output stabilized following the weakness during the course of the previous year. Industrial production in February was said to have shown a stronger rise than had been anticipated. However, as a result of the euro crisis, exports in the same month were down by 1.5 percent compared with the figure for January.

In **China**, the growth rate in the 1st quarter 2013 was below expectations: the Chinese Office of Statistics calcu-

lated that GDP increased by 7.7 percent compared with the same period in the previous year. The reasons given for this were the sluggish industrial production and a weaker retail sector. In March, exports also fell as a result of reduced demand from Europe, the US and Japan.

In **Brazil** the first stage of the planned phased rise in tax on industry came into effect in February 2013. As the demand in the automotive industry started to decline as a result of this, the Brazilian government decided to postpone the second and third stage of the tax to the year 2014.

Jenoptik is addressing the semiconductor and semiconductor equipment manufacturing, medical technology, automotive/machine construction, traffic, aviation as well as the security and defense markets.

Jenoptik is using **optical technologies** in all three segments. The industry association Spectaris changed its Global Market Index for Optical Technologies in which Jenoptik is included. The new reference mark for the analysis of sales of 15 international photonics companies is now the 1st quarter 2007 (before: 1st quarter 2005). Due to that change the global market index in the 4th quarter 2012 amounted to 133.9 points; sales by the 15 companies were 33.9 percent above the results of the 1st quarter 2007. According to Spectaris, sales of the companies in the 4th quarter 2012 rose by 4.6 percent compared with the previous quarter.

According to the Semiconductor Industry Association (SIA) global sales of the **semiconductor industry** in the 1st quarter 2013 were 0.9 percent above those for the same quarter in the previous year and according to SIA showed a moderate but sustainable growth. In particular the regions Asia/Pacific and Europe showed an impressive growth. That sales in January and February had still been lower than in the prior months reflected seasonal patterns. According to the final calculations from the IT analysts Gartner, global sales by the sector in 2012 fell by 2.6 percent to 299.9 billion US dollars.

In mid-March 2013, the Semiconductor Equipment and Materials International (SEMI) sector association published its final figures for the **semiconductor equipment manufacturing industry** for 2012. Global sales by the manufacturers

were down by 15 percent compared with the previous year, to 36.9 billion US dollars. SEMI had previously anticipated a fall of 12.2 percent to 38.2 billion US dollars. Gartner calculated a reduction of 16.1 percent for 2012, to 37.8 billion US dollars.

According to final calculations by Spectaris and the German Federal Statistics Office, German [medical technology manufacturers](#) recorded an increase in sales of 4.2 percent to 22.3 billion euros (prev. year 21.4 billion euros) in 2012. The rise came exclusively from the growth in foreign business.

According to the [German Engineering Federation](#) (VDMA), the order intake in the 1st quarter 2013 fell by 2 percent compared with the same quarter in the previous year. Whereas domestic orders fell, orders from abroad remained at the same level on quarterly average. The development outside Europe here compensated for the weak demand of the euro zone countries. In total, the quarterly figures confirmed the uncertainty regarding the further economic development.

According to the [German Association of the Automotive Industry](#) (VDA), global private vehicle sales in the 1st quarter 2013 once again showed an uneven picture. In Western Europe, sales were down 10 percent by comparison with the quarter in the previous year and down by 12 percent in the former growth market of India. By contrast, manufacturers in the US posted a 6 percent rise in sales; with a 25 percent increase in the 1st quarter 2013, China remained the growth driver for the global automotive industry according to the VDA.

In March 2013, the World Health Organization (WHO) published the annual [traffic safety](#) statistics for 2012. According to the figures, there were around 1.24 million deaths on the roads in 2012; in Germany, the figure fell to 3,648. According to the WHO, programs designed to

increase traffic safety reported success: in 40 of the organization's 48 member states the number of deaths has fallen by a quarter within three years.

Based on details from the German [Railway Industry Association](#) (VDB) published in April 2013, in 2012 the sector achieved the second best sales result in its history in Germany: a 4.9 percent rise in sales compared with the previous year, to 10.7 billion euros. By contrast, there was a 27.6 percent fall in the order volume, primarily from the domestic market. According to the VDB this is attributable to the falling demand for tracked vehicles, the main area of business for German rail engineering manufacturers.

Figure released by the German [Aerospace Industries Association](#) (BDLI) show that sales by the sector increased by 10.3 percent to 28.4 billion euros in 2012. Civil aviation in particular, as the largest individual segment in the sector, posted a marked 14.2 percent rise in sales. By contrast, there was a continuation of the negative trend in the military market: sales were 0.5 percent lower by comparison with the previous year.

In 2012 global spending on [security and defense technology](#) fell for the first time since 1998 as a result of sharp cutbacks in the defense budgets of the industrialized nations. The Stockholm International Peace Research Institute SIPRI calculated a 0.5 percent fall for 2012 over the previous year to approx. 1.75 trillion US dollars. While the US share of global spending on arms fell below 40 percent for the first time since 1990, according to the SIPRI spending rose primarily in China and Russia. Germany was the only country in Western and Central Europe to report a slight increase in 2012 of 0.9 percent.

No significant new reports were published for the other sectors in the 1st quarter 2013. We therefore refer to the information on pages 53ff in the 2012 Annual Report.

2. EARNINGS, FINANCIAL AND ASSET POSITION.

Note: Jenoptik took advantage of the opportunity to prematurely apply the IAS 19R (amended 2011) as at December 31, 2012; this was applied retrospectively, the result of which was an adjustment in the interim financial statement for 2012. The consequential changes affect the pension provisions, shareholders' equity, result for the period and deferred taxes.

The tables in the Management Report, which show a breakdown of the key indicators by segment, include the Corporate Center, the Shared Service Center and the real estate under "Others". The consolidation effects are shown separately.

2.1 Earnings and order situation

Development of sales. At 132.0 million euros, sales of the Jenoptik Group in the reporting period were 4.1 percent down on the figure for the previous year (prev. year 137.7 million euros). The slight reduction was the result of the continuing weakness in the semiconductor market and postponements in sales to subsequent periods in the Lasers & Optical Systems and Defense & Civil Systems segments. With a rise of 15.1 percent, the Metrology segment showed a strong growth in sales from its business with the automotive industry.

Jenoptik has successfully continued its strategy of internationalization and in the 1st quarter 2013 generated approx. 66 percent of sales abroad (prev. year 63 percent). There was a particularly sharp rise in sales in America. The Metrology segment in particular reported a sharp increase in sales in this region.

Development of results. The EBITDA in the 1st quarter 2013 totaled 15.9 million euros compared with 17.3 million euros for the same period in the previous year. At 10.6 million euros, the Group EBIT was just below the level for the same quarter in the previous year (prev. year 11.6 million euros). This was attributable to the lower sales as well as investment in R+D and distribution. The EBIT margin for the 1st quarter 2013 was 8.0 percent (prev. year 8.4 percent).

While, as expected, the EBIT of the Lasers & Optical Systems segment did not reach the same high level as in the previous year, the Metrology segment more than doubled its operating result. The EBIT of the Defense & Civil Systems segment was influenced by the postponement of sales.

At minus 1.6 million euros, there was a further improvement in the financial result over the same quarter in the previous year (prev. year minus 1.7 million euros) due to lower interest expenses. This was attributable both to lower liabilities to banks as well as to better financing conditions.

Earnings before tax were lower compared with the previous year, at 9.0 million euros (prev. year 9.9 million euros). Taxes totaled 1.2 million euros. The cash effective tax quota was 13.7 percent. Accordingly, earnings after tax, at 7.9 million euros, were slightly below the level of the previous year (prev. year 8.4 million euros).

Order situation. The Jenoptik Group posted an order intake of 132.0 million euros which, as expected, was lower than in the strong same quarter in the previous year – down by 11.3 percent in total (prev. year 148.8 million euros). It should be taken into account that the order intake for the same quarter in the previous year included a proportion of

SALES (in million euros)

	1.1. to 31.3.2013	1.1. to 31.3.2012	Change in %
Total	132.0	137.7	– 4.1
Lasers & Optical Systems	49.7	57.2	– 13.1
Metrology	42.8	37.2	15.1
Defense & Civil Systems	39.5	43.6	– 9.4
Others	0	– 0.3	100.0

EBIT (in million euros)

	1.1. to 31.3.2013	1.1. to 31.3.2012	Change in %
Total	10.6	11.6	– 8.6
Lasers & Optical Systems	4.1	8.9	– 53.9
Metrology	6.5	3.0	116.7
Defense & Civil Systems	0.3	1.3	– 76.9
Others	– 0.3	– 1.6	81.3

the major order for traffic safety technology in Malaysia in the Metrology segment as well as two larger orders in the Lasers & Optical Systems segment.

The book-to-bill ratio was 1.00. In a challenging economic environment the Group therefore succeeded in recording an order intake which was exactly at the level of sales volume for the 1st quarter 2013.

The Group order backlog remained at the same level as at the end of 2012 but reduced slightly by 3.2 percent against the previous year's quarter to the new figure of 447.5 million euros (31.12.2012: 446.8 million euros; 31.3.2012: 462.1 million euros).

Detailed information on the development of the key indicators in the segments can be found from page 11 in the segment reporting contained in this report.

2.2 Development of the key performance indicators

Selling costs reduced by 6.6 percent to 84.2 million euros (prev. year 90.2 million euros), and thus stronger than sales. Accordingly, at 36.2 percent, the gross margin exceeded the level for the previous year (prev. year 34.5 percent). The main reasons for this development were the successful continuation of the Jenoptik Excellence Program and the resulting reduction in costs of material as well as economies of scale in connection with the major projects acquired.

Investments in research and development are crucial for the future performance and competitiveness of the

Jenoptik Group. The **R+D total output** increased as planned to 13.4 million euros against 11.6 million euros for the same period in the previous year. It therefore rose to approx. 10 percent of sales and includes the R+D expenses, development costs on behalf of customers as well as changes in the capitalized development costs which are included in assets.

The development costs on behalf of customers in the 1st quarter 2013 totaled 3.9 million euros (prev. year 3.4 million euros). These are apportioned according to the contract structure and so are dependent upon individual orders or projects. This means that both the cost of sales as well as the R+D expenses and corresponding quotas can fluctuate without producing a change in the R+D total output.

Group **R+D expenses** totaled 9.8 million euros in the first three business months. As such, Jenoptik invested approx. 17 percent more in innovative product developments than in the previous year's quarter (prev. year 8.3 million euros).

Employees & management. As at the end of the 1st quarter 2013, the Jenoptik Group had 3,297 employees (31.12.2012: 3,272). This shows a small rise of 0.8 percent.

As at the end of the 1st quarter 2013, the Jenoptik Group had a total of 108 trainees (prev. year 102 trainees). In February this year 20 trainees successfully passed their final exams (prev. year 22).

There was short-time working for a small number of employees in a joint venture company in the 1st quarter 2013. As at March 31, 2013, 126 agency staff were employed in Germany (prev. year 151 agency staff).

ORDER INTAKE (in million euros)

	1.1. to 31.3.2013	1.1. to 31.3.2012	Change in %
Total	132.0	148.8	- 11.3
Lasers & Optical Systems	52.2	55.0	- 5.1
Metrology	42.2	58.9	- 28.4
Defense & Civil Systems	37.4	35.3	5.9
Others	0.2	- 0.4	150.0

ORDER BACKLOG (in million euros)

	31.3.2013	31.12.2012	Change in %
Total	447.5	446.8	0.2
Lasers & Optical Systems	107.1	105.2	1.8
Metrology	88.5	87.4	1.3
Defense & Civil Systems	253.5	255.8	- 0.9
Others	- 1.6	- 1.6	0

2.3 Financial and asset position

A shareholder's equity quota in excess of 50 percent, the debenture loans and the syndicated loan with a volume of 120 million euros and a term of five years which was signed in April 2013 give Jenoptik a long-term and very sound **financing structure**.

As a result of the increase in the shareholder's equity and simultaneous reduction in borrowings, the ratio between borrowings and shareholder's equity, the so-called gearing level, was 0.98 as at March 31, 2013 compared with 1.03 as at the end of 2012.

Following a reduction in **net debt** to 74.5 million euros as at December 31, 2012, Jenoptik further reduced this figure in the first three months of 2013. Net debt as at March 31, 2013 was just 72.0 million euros. The reduction was the result of receipts from the operating business which were used to repay current financial liabilities.

Analysis of capital expenditure. In the 1st quarter 2013, Jenoptik invested 6.0 million euros in tangible and intangible assets (prev. year 4.4 million euros). At 3.6 million euros, the largest share of the investment went into tangible assets. Within the framework of its long-term growth strategy the Group invested, for example in manufacturing capacities for the future business with the semiconductor industry. Investments in intangible assets such as patents, trademarks and software, at 2.4 million euros in the 1st quarter 2013, exceeded the figure for the same quarter in the previous year (prev. year 0.9 million euros).

Scheduled depreciation in the Jenoptik Group was 5.3 million euros and therefore was just below the level for the same period in the previous year (prev. year 5.7 million euros).

Analysis of cash flows. The **cash flow from operating activities**, at 12.8 million euros, was down on the level for the previous year (prev. year 17.4 million euros). This was attributable to a slight fall in the earnings before tax and a reduction in provisions. The reduction in payments for the working capital as the result of an improvement in the working capital management had a positive effect.

The increased capital expenditure, together with the payments for the acquisition of the Australian company DCD Systems Pty. Ltd., was reflected in the **cash flow from investing activities** which totaled minus 8.4 million euros in the 1st quarter 2013 (prev. year minus 2.5 million euros).

The **free cash flow** is calculated on the basis of the cash flow from operating activities, less payments for operating investment activities. In the period covered by the report, the free cash flow was 7.2 million euros (prev. year 13.2 million euros).

At minus 4.8 million euros, the **cash flow from financing activities** was below the corresponding figure for the previous year of 1.6 million euros. This was characterized on the one side by redemption payments for loans in the sum of 2.7 million euros and on the other by a change in group financing due to a loan to an affiliated non-consolidated company.

R+D OUTPUT (in million euros)

	1.1. to 31.3.2013	1.1. to 31.3.2012	Change in %
R+D expenses	9.8	8.3	17.2
Capitalized development costs	0	0.1	-91.7
Depreciation and impairment on capitalized development costs	-0.3	-0.2	16.5
Allocation to customer development orders	2.7	2.4	11.1
Other expenses			
Customer development orders	1.2	1.0	23.0
R+D output	13.4	11.6	15.3

EMPLOYEES (incl. trainees)

	31.3.2013	31.12.2012	Change in %
Total	3,297	3,272	0.8
Lasers & Optical Systems	1,351	1,349	0.1
Metrology	856	814	5.2
Defense & Civil Systems	896	913	-1.9
Others	194	196	-1.0

Balance sheet analysis. The balance sheet total for the Jenoptik Group, at 672.9 million euros, showed only a minimal change of 0.5 percent compared with the end of 2012 (31.12.2012: 669.6 million euros).

At 338.5 million euros, **non-current assets** were up slightly on the figure for the end of 2012 (31.12.2012: 333.8 million euros). This was, among other things, attributable to an increase in the intangible assets to 74.5 million euros (31.12.2012: 70.6 million euros), the capital expenditure on the ERP harmonization project and the purchase of DCD Systems Pty. Ltd. There were only minor changes in the other items under non-current assets.

At 334.3 million euros **current assets** in the 1st quarter 2013 remained virtually unchanged as against the end of December 2012 (31.12.2012: 335.8 million euros). Inventories rose to 175.7 million euros (31.12.2012: 169.3 million euros). In the 1st quarter 2013 starting costs were incurred for the forecast sales in 2013. Accounts receivable and other assets in the sum of 112.7 million euros (31.12.2012: 120.7 million euros) comprise in particular receivables from the operating business activities in the sum of 98.5 million euros (31.12.2012: 103.1 million euros) and reduced primarily as a result of the reduction in sales compared with the 4th quarter 2012.

At 208.2 million euros, the **working capital** as at March 31, 2013 was above the figure for the end of 2012 as a result of the increase in inventories (31.12.2012: 202.8 million euros). The working capital is defined as the total trade accounts receivable and PoC (Percentage of Completion) plus inventories, less trade accounts payable and PoC, as well as on-account payments received. The working capital quota, the ratio between working capital and sales, improved slightly over the figure for the end of December 2012, to 34.4 percent (31.12.2012: 34.7 percent).

As a result of the profit posted in the 1st quarter 2013, the **shareholders' equity** increased to 339.0 million euros (31.12.2012: 330.3 million euros). At 50.4 percent, the

shareholders' equity quota, the ratio between shareholders' equity and balance sheet total, exceeded the 50 percent barrier and was up on the figure for the end of 2012 (31.12.2012: 49.3 percent).

Non-current liabilities as at March 31, 2013 totaled 177.7 million euros (31.12.2012: 177.6 million euros). There was virtually no change in the items included in non-current liabilities, such as e.g. non-current financial liabilities, pension obligations, as well as other non-current provisions and other non-current liabilities.

In October 2011, Jenoptik had successfully placed debenture loans on the market with a volume of 90 million euros and a term of 5 resp. 7 years, putting the financing on a long-term basis.

Current liabilities reduced to 156.2 million euros (31.12.2012: 161.7 million euros). Other current provisions and current financial liabilities as well as other current liabilities all showed a small reduction.

Purchases and sales of companies. In order to strengthen the market in the Asia-Pacific region and to be able to benefit from the direct customer access, Jenoptik acquired 100 percent of the Australian company DCD Systems Pty. Ltd., a traffic safety technology provider based in Sydney and Melbourne in January 2013. The company has annual sales in the mid-single figure million euro range. The acquisition will not have any major impact on the financial and asset situation of the Jenoptik Group.

For details of **assets and liabilities not included in the balance sheet** we refer to the information on page 70ff. in the 2012 Annual Report, the details on guarantees from page 108 in the Risk Report as well as the updates on these on page 14 of this report.

3. SEGMENT REPORTING

3.1 Lasers & Optical Systems segment

The overall development of the Lasers & Optical Systems segment was characterized by a slow start due to the continuing weakness in the semiconductor market. This was also reflected in a fall in the segment EBIT.

The segment generated sales of 49.7 million euros which were consequently down by 13.1 percent (prev. year 57.2 million euros). The reason for this was the slow start in the Lasers & Optical Systems segment, among other things, due to the weaker demand from the semiconductor industry.

The development of sales as well as the expansion of R+D and distribution activities were reflected in the results from operating activities (segment EBIT) which, as anticipated, showed a sharp fall compared with the high level for the same quarter in the previous year, down to 4.1 million euros (prev. year 8.9 million euros).

The order intake of the Lasers & Optical Systems segment, at 52.2 million euros, remained at virtually the same level as the previous year (prev. year 55.0 million euros) and was slightly up on the volume of sales, resulting in a book-to-bill ratio of 1.05 (prev. year 0.96). The Optics and Micro-optics business units both posted increased order intakes. The segment succeeded overall in further reducing its dependency upon the semiconductor industry by also increasingly attracting major customers in other areas such as medical technology, inspection systems and optoelectronic systems for the purpose of close collaboration.

The segment's order backlog exceeded the level as at the end of 2012, coming in at 107.1 million euros (31.12.2012: 105.2 million euros).

The number of employees in the segment as at end March 2013 was 1,351 (31.12.2012: 1,349 employees) and therefore almost the same as the end of 2012.

Key events in the 1st quarter. The most important trade fair of the year for the segment, Photonics West in San Francisco (US), is held in January.

In the Lasers business unit, Jenoptik presented various products, including the 1 kilowatt fiber laser for material processing, for use primarily in contactless cutting and welding of metals, offering high flexibility and high speed. The femtosecond laser, with improved parameters for faster material processing in industry and medical technology, was introduced at the trade fair. Optics demonstrated its range of services for the semiconductor and flat panel equipment industry. New precision optics were also showcased, accurate down to the nanometer and with ion beam figuring. The new F-Theta Silverline range of optics also rounds off Jenoptik's range of full-quartz lenses for micro materials processing with high-power and short and ultra-short pulse lasers.

LASERS & OPTICAL SYSTEMS SEGMENT AT A GLANCE (in million euros)

	31.3.2013	31.3.2012	Change in %
Sales	49.7	57.2	– 13.1
EBIT	4.1	8.9	– 53.9
Order intake	52.2	55.0	– 5.1
Order backlog	107.1	105.2 ¹⁾	1.8
Employees	1,351	1,349 ¹⁾	0.1

¹⁾ Figures as at December 31, 2012.

- Sales and earnings impacted by continuing weakness of the semiconductor market and investments in the future.
- Order intake almost at level in previous year.
- More major customers from the medical and optoelectronic systems areas.

3.2 Metrology segment

The Metrology segment continued to report a very positive performance and succeeded in more than doubling the segment EBIT compared with the same quarter in the previous year.

Sales of the segment grew by 15.1 percent to 42.8 million euros (prev. year 37.2 million euros). The segment posted an increase in sales from both in the area of the industrial metrology for the automotive industry as well as from traffic safety systems.

At 6.5 million euros, the **result from operating activities (segment EBIT)** of the segment more than doubled compared with the previous year (prev. year 3.0 million euros). This was attributable on the one side to the growth in sales of industrial metrology which benefited from the good level of demand from the automotive/ machinery engineering sector, in particular in the USA. Jenoptik's products support the automotive industry in the manufacture of more efficient engines. On the other side, thanks to the earnings contribution from the current major projects, traffic systems also contributed towards the growth in the EBIT.

At 42.2 million euros, the **order intake** of the segment was 28.4 percent below the high level achieved in the previous year's quarter (prev. year 58.9 million euros) which had included a proportion of the major order for traffic safety systems in Malaysia. Major projects like these lead to fluctuations in the order-related indicators on a quarterly basis. In the Industrial Metrology division, demand from the automotive industry remained high, particularly in the US,

and this in turn led to a further moderate rise in the order intake in this area.

Order intake and sales were at the same level, so the book-to-bill ratio was 0.99 (prev. year 1.58). The segment **order backlog**, at 88.5 million euros, remained at almost the same level as at the end of 2012 (31.12.2012: 87.4 million euros).

As at March 31, 2013, the Metrology segment had 856 **employees**, 5.2 percent more than at the end of 2012 (31.12.2012: 814 employees). New employees were primarily recruited in the Service Providing business unit of the Traffic Solutions division in connection with major international projects and the worldwide expansion of the sales structure.

Key events in the 1st quarter. As a result of the purchase of the Australian company DCD Systems, Jenoptik is strengthening its role as a leading global provider of traffic safety technology and in this way expanding the business in the Asia/Pacific region. More detailed information on this can be found in Chapter 2.3 Financial and asset situation on page 10.

At Traffex Birmingham, one of leading trade fairs for traffic safety, Jenoptik showcased products including its new TrafficStar S350 laser scanner system in the new TrafficTower 2.0 designer housing. This completes Jenoptik's product range of stationary speed and traffic light monitoring systems. The new laser scanner system makes Jenoptik the only provider in the world with all the established sensor technologies for modern traffic monitoring at its disposal:

METROLOGY SEGMENT AT A GLANCE (in million euros)

	31.3.2013	31.3.2012	Change in %
Sales	42.8	37.2	15.1
EBIT	6.5	3.0	116.7
Order intake	42.2	58.9	- 28.4
Order backlog	88.5	87.4 ¹⁾	1.3
Employees	856	814 ¹⁾	5.2

¹⁾ Figures as at December 31, 2012.

- Sales and earnings showed positive development.
- Order intake below the high level of the same quarter in the previous year.
- Expansion of business in the Asia/Pacific region with purchase of an Australian company.

laser scanner, radar, piezo and induction loop. In addition to new products and components, the division also presented its comprehensive range of services, known as Traffic Service Providing. At the IMTEX Trade Fair in Bangalore/India in January 2013, Jenoptik presented industrial metrology systems. In April, the Group was successfully represented on the Asiatic market at the MTA in Singapore for the first time by JENOPTIK South East Asia Pte. Ltd., the company newly formed in 2012. The new mobile roughness tester HOMMEL-ETAMIC W10, with numerous new features that provide for user-friendly and economic measurement during the production process, was presented at Control, the world's leading trade fair for industrial metrology, in Stuttgart at the beginning of May 2013. With its HOMMEL-ETAMIC toposcan, Jenoptik also showcased the new generation of cylinder bore surface inspection and roughness testers which are used primarily in engine development and manufacture.

3.3 Defense & Civil Systems segment

The Defense & Civil Systems segment has successfully continued its strategy of internationalization, especially in North America. The business is oriented towards the long-term and major orders can result in fluctuations on a quarterly basis, primarily influencing the order intake.

Sales of the segment as at the end of the 1st quarter 2013 totaled 39.5 million euros, 9.4 percent below the same quarter in the previous year (prev. year 43.6 million euros). This was attributable to postponements of sales to subsequent periods as well as fluctuations in the project business.

As a result of the reduction in sales, the 76.9 percent fall in the **result from operating activities (segment EBIT)** to 0.3 million euros (prev. year 1.3 million euros) was disproportionately higher.

At 37.4 million euros, the **order intake** was up slightly on the previous year's level (prev. year 35.3 million euros) although just below the level of sales in the 1st quarter 2013, the book-to-bill ratio for the segment was 0.95. The segment's **order backlog** fell slightly to 253.5 million euros (31.12.2012: 255.8 million euros).

The **number of employees** in the segment was reduced by 1.9 percent compared with the end of 2012, to 896 (31.12.2012: 913).

Key events in the 1st quarter. JENOPTIK Defense Inc. successfully started its business activities in North America. At the Jupiter location in Florida, Jenoptik is set to develop an observation system to the specific requirements of the United States Marine Corps.

With the 170 kW GABEL high power energy system, the Energy Systems business unit successfully developed a state-of-the-art system based on a bearingless starter generator. This system is an integral element of the drive unit for the new PUMA armored fighting vehicle.

By having a stand at the Latin America Aerospace & Defense 2013 in Rio de Janeiro in April, the Defense & Civil Systems segment has taken another important step forward in the expansion of its internationalization process.

DEFENSE & CIVIL SYSTEMS SEGMENT AT A GLANCE (in million euros)

	31.3.2013	31.3.2012	Change in %
Sales	39.5	43.6	- 9.4
EBIT	0.3	1.3	- 76.9
Order intake	37.4	35.3	5.9
Order backlog	253.5	255.8 ¹⁾	- 0.9
Employees	896	913 ¹⁾	- 1.9

- Internationalization successfully continued.
- EBIT reduced compared with the same quarter in the previous year.
- Order intake slightly higher than last year.

¹⁾ Figures as at December 31, 2012.

4. POST BALANCE SHEET REPORT

In April 2013, Jenoptik successfully concluded a syndicated loan agreement in the sum of 120 million euros. This new financing structure has enabled the Group to establish an international, forward-looking group of core banks and to secure a line of credit for itself at attractive terms for the next five years. It will provide support for Jenoptik's future international growth and can be used flexibly to finance the general business purposes.

Coordinators and book runners were Commerzbank AG and Landesbank Hessen-Thüringen. The sound, international core group of banks was supplemented by UniCredit Bank AG as book runner, BNP PARIBAS S.A. and the Landesbank Baden-Württemberg as mandated lead arranger as well as Deutsche Bank Luxembourg S.A. as lead arranger.

There were no other events of special importance occurring after the reporting date of March 31, 2013.

5. RISK REPORT

Within the framework of the reporting in the risk report, we refer to the information published at the end of March 2013 on pages 98 to 111 in the 2012 Annual Report. There have been no major changes in the risks described in the report during the course of the first three business months of 2013 up to the editorial closing date for this report.

6. FORECAST REPORT

6.1 Outlook for the economy as a whole and for the Jenoptik sectors

The International Monetary Fund (IMF) has updated its growth forecasts from January 2013. The euro crisis continues to be the greatest risk to the [global economy](#) which is expected to expand by 3.3 percent in 2013 (previously: 3.5 percent) – in 2014 by 4.0 percent compared with the respective previous year.

According to the IMF the [US economy](#) is to grow by 1.9 percent in 2013 (prev. forecast 2.1 percent); the spending cut-backs approved in March 2013 will push growth down by 0.3 to 0.5 percent. In addition to the euro crisis, the political conflict over budgetary consolidation remains the greatest risk. The US Fed anticipates growth of 2.3 to 2.8 percent this year and 2.9 to 3.4 percent in 2014.

The [euro zone](#) is at threat of a period of stagnation according to statements by the IMF. The IMF expects a recession for the euro region by 0.3 percent. While Germany and some Eastern European countries are expected to grow, the economy in the Southern European countries in 2013 is not expected to shrink by as much as it did in 2012. For [Germany](#), the IMF forecasts a rise of 0.6 percent in GDP for 2013; in 2014 by 1.5 percent compared with the previous year.

[China's](#) industry is suffering from significant overcapacities in view of the falling demand from Western countries and falling export revenues. According to the IMF, this will be reflected in single figure growth rates of 8.0 percent in 2013 and 8.2 percent for 2014. Economic output in [India](#) will rise further this year but, according to the IMF which forecasts growth of 5.7 percent for 2013 and 6.2 percent for 2014, it will remain well below expectations. [Brazil's](#) economy will expand by 3 percent compared with the previous year according to the IMF and in 2014 by 4 percent. As in the previous year, [Russia](#) will only achieve a 3.4 percent increase in GDP in 2013 according to the IMF's calculations. According to the IMF, [Japan](#) will succeed in increasing its economic growth in 2013 by 1.6 percent because economic programs, loosening of monetary policy and structural reforms should have a short-term impact.

In spite of the decline in sales and earnings of some companies in the 1st quarter 2013, major [semiconductor](#)

equipment manufacturers expect annual sales to come in at least at the level of the prior year. The continuing demand for smart phones and tablets will boost demand for semiconductor equipment.

According to the study "Global CEO Study" by PwC production in the **automotive industry** will show a slower increase at 5 percent. There will be no recovery in Western Europe, whereas the automotive sector in China and the USA seems to be robust. Brazil is another growth market.

The Swedish research institute SIPRI expects the global **spendings on armament** to fall over the next two to three years. By then, the increase in spending in the emerging countries, in particular in Asia, will be reflected much stronger in the total expenditure.

No new forecasts were published for the other sectors. We refer to the 2012 Annual Report from page 114.

6.2 Long-term forecasts and targets

For information on the long-term forecasts and targets we refer to the 2012 Annual Report published in March 2013, with the comprehensive details from page 112. Jenoptik sees the long-term conditions for the sale of its products and services as generally good – independently of the economic development over the medium term. The primary focus of the Executive Board is on the continued, profitable, organic growth by all segments. In regional terms we see the greatest potential for growth as being in America and Asia where the share of sales is expected to rise to a total of 40 percent by 2016. In addition to sales growth, economies of scale, a disciplined approach to costs and improved margins from the increasing systems business are expected to boost profits. As an "enabler" for many growth sectors we are helping to shape promising future megatrends in attractive sectors in conjunction with our customers and a comprehensive portfolio of technologies, products and services. In addition to the Group's further development along the five value levers, the focus of our business development is primarily on product quality, internationalization, a client-oriented approach and sustainability.

In 2013, Jenoptik aims to invest in the further expansion of its sales structures and innovative products and to further optimize internal processes. To this end we will continue to pursue various projects such as the initiatives for process harmonization and excellence on a consistent basis – both in the operating business and the commercial area. Jenoptik is also combining its optics manufacturing in North America

at one location. In future, the manufacture of energy systems will be concentrated at two German locations. These steps are intended to contribute towards a further strengthening of the earnings power and making even better use of synergy potential.

6.3 Future development of the business situation

The information is given subject to the economic situation developing within the framework of the economic and sector forecasts stated under 6.1 and in the 2012 Annual Report from page 114, and providing there is no significant deterioration. All statements on the future development of the business situation have been made on the basis of current information.

The **Lasers & Optical Systems segment** continues to anticipate a slight rise in sales in the mid single digit million euros range in 2013. Depending upon the development of the semiconductor industry particularly in the 2nd half-year 2013, earnings should show a slight increase. Following the leap in sales and earnings in the fiscal year 2012, the **Metrology segment** expects sales and EBIT to be stable or show a slight increase in 2013. This rise in sales is attributable, among other things, to a high order backlog at the end of 2012. For the **Defense & Civil Systems segment** we expect a slight rise in sales in the mid single digit percentage range for 2013 which should also be reflected in the segment EBIT. This is attributable to the continuing expansion of the international business and cost reduction initiatives which have already been introduced as well an expansion of business in the Sensor Systems business unit.

The Executive Board reaffirms the forecasts for 2013. In challenging economic conditions it anticipates a small growth in sales of up to 5 percent compared with 2012 (prev. year 585.0 million euros). All three of the Group's segments should contribute towards the growth in sales. Depending upon the course of the semiconductor cycle and the development of the demand from the automotive industry, particularly in the 2nd half-year 2013, the EBIT achieved in the operating business is expected to come in at between 50 and 55 million euros. The costs of the projects for process harmonization and excellence and for the optimization of the locations in the mid single figure million euro range will also impact on the EBIT. For the outlook for other key indicators of the development of business in 2013 we refer to the 2012 Annual Report, from page 119, published in March 2013.

Consolidated statement of comprehensive income

Consolidated statement of income

in KEUR	1.1. to 31.3.2013	1.1. to 31.3.2012 ¹⁾
Sales	132,016	137,730
Cost of sales	84,215	90,192
Gross profit	47,801	47,538
Research and development expenses	9,768	8,335
Selling expenses	16,921	15,538
General administrative expenses	10,328	10,432
Other operating income	2,845	3,071
Other operating expenses	3,034	4,684
EBIT	10,595	11,620
Result from investments	-34	-29
Interest income	168	353
Interest expenses	1,692	2,064
Financial result	-1,558	-1,740
Earnings before tax	9,037	9,880
Income taxes	-1,234	-1,393
Deferred taxes	64	-55
Earnings after tax	7,867	8,432
Non-controlling interest in profit/loss	-10	-3
Net profit	7,877	8,435
Earnings per share (diluted = undiluted) in euros	0.14	0.15

¹⁾ adjusted due to first-time application of IAS 19R as at December 31, 2012

Consolidated statement of recognized income and expense

in KEUR	1.1. to 31.3.2013	1.1. to 31.3.2012 ¹⁾
Earnings after tax	7,867	8,432
Difference arising on foreign currency translation	135	92
Financial assets available for sale	-710	1,536
Cash flow hedge	1,138	-1,122
Deferred taxes	229	-397
Total income and expense recognized in shareholders' equity	792	109
Total comprehensive income	8,659	8,541
of which attributable to:		
Non-controlling interest	-10	-3
Shareholders	8,669	8,544

¹⁾ adjusted due to first-time application of IAS 19R as at December 31, 2012

Consolidated balance sheet

Assets in KEUR	31. 3. 2013	31. 12. 2012	Change
Non-current assets	338,509	333,778	4,731
Intangible assets	74,514	70,622	3,892
Tangible assets	142,695	143,240	- 545
Investment properties	19,463	19,580	- 117
Financial assets	28,466	27,205	1,261
Other non-current assets	4,630	4,780	- 150
Deferred tax assets	68,741	68,351	390
Current assets	334,347	335,846	- 1,499
Inventories	175,746	169,270	6,476
Current accounts receivable and other assets	112,692	120,660	- 7,968
Securities held as current investments	543	561	- 18
Cash and cash equivalents	45,366	45,355	11
Total assets	672,856	669,624	3,232

Shareholders' equity and liabilities in KEUR	31. 3. 2013	31. 12. 2012	Change
Shareholders' equity	338,984	330,325	8,659
Subscribed capital	148,819	148,819	0
Capital reserve	194,286	194,286	0
Other reserves	- 4,384	- 13,053	8,669
Non-controlling interests	263	273	- 10
Non-current liabilities	177,678	177,567	111
Pension provisions	31,100	31,238	- 138
Other non-current provisions	11,766	12,064	- 298
Non-current financial liabilities	115,825	115,776	49
Other non-current liabilities	15,925	15,417	508
Deferred tax liabilities	3,062	3,072	- 10
Current liabilities	156,194	161,732	- 5,538
Tax provisions	6,634	6,059	575
Other current provisions	50,804	52,053	- 1,249
Current financial liabilities	2,051	4,692	- 2,641
Other current liabilities	96,705	98,928	- 2,223
Total shareholders' equity and liabilities	672,856	669,624	3,232

Consolidated statement of movements in shareholders' equity

in KEUR	Subscribed capital	Capital reserve	Cumulated profit	
Balance as at 1. 1. 2012	148,819	194,286	- 27,799	
Valuation of financial instruments				
Currency differences			- 735	
Earnings after tax			8,435	
Balance as at 31. 3. 2012¹⁾	148,819	194,286	- 20,099	
Balance as at 1. 1. 2013	148,819	194,286	11,635	
Valuation of financial instruments				
Currency differences			1,063	
Earnings after tax			7,877	
Balance as at 31. 3. 2013	148,819	194,286	20,575	

¹⁾ adjusted due to first-time application of IAS 19R as at December 31, 2012

	Financial assets available for sale	Cash flow hedge	Cumulative currency differences	Revaluation	Non-controlling interest	Total
	208	-1,603	770	-16,530	292	298,443
	92	1,139				1,231
			-387			-1,122
					-3	8,432
	300	-464	383	-16,530	289	306,984
	119	-22	663	-25,448	273	330,325
	166	-509				-343
	17		55			1,135
					-10	7,867
	302	-531	718	-25,448	263	338,984

Consolidated statement of cash flows

in KEUR	1. 1. to 31. 3. 2013	1. 1. to 31. 3. 2012
Earnings before tax	9,037	9,427
Interest	1,524	2,165
Depreciation / write up	5,252	5,638
Impairment	-8	-317
Profit/loss on disposal of fixed assets	34	17
Other non-cash expenses / income	-629	493
Operating profit / loss before working capital changes	15,210	17,423
Increase / decrease in provisions	-1,822	2,433
Increase / decrease in working capital	-4,180	-6,735
Increase / decrease in other assets and liabilities	3,577	4,301
Cash flow from / used in operating activities before income taxes	12,785	17,422
Income taxes paid	-730	-196
Cash flow from / used in operating activities	12,055	17,226
Receipts from disposal of intangible assets	10	4
Payments for investments in intangible assets	-2,408	-894
Receipts from disposal of tangible assets	357	157
Payments for investments in tangible assets	-3,574	-3,495
Receipts from disposal of investment properties	0	418
Receipts from disposal of financial assets	60	1,015
Payments for investments in financial assets	-78	-174
Payments for the purchase of consolidated companies	-2,965	0
Interest received	169	482
Cash flow from / used in investing activities	-8,429	-2,487
Receipts from issue of bonds and loans	0	1,412
Repayments of bonds and loans	-2,715	-371
Repayments for finance leases	-25	-165
Change in group financing	-1,684	1,436
Interest paid	-394	-724
Cash flow from / used in financing activities	-4,818	1,588
Change in cash and cash equivalents	-1,192	16,327
Foreign currency translation changes in cash and cash equivalents	232	-204
Change in cash and cash equivalents due to first time consolidation	971	0
Cash and cash equivalents at the beginning of the period	45,355	48,828
Cash and cash equivalents at the end of the period	45,366	64,951

Key figures by business divisions and other areas

January 1 to March 31, 2013

in KEUR	Lasers & Optical Systems	Metrology	Defense & Civil Systems	Other	Consolidation	Group
Sales	49,661 (57,239)	42,766 (37,244)	39,524 (43,605)	6,385 (5,494)	-6,320 (-5,852)	132,016 (137,730)
of which Germany	15,528 (17,586)	10,294 (10,809)	19,562 (22,479)	6,293 (5,459)	-6,233 (-5,817)	45,444 (50,516)
Europe	13,255 (19,028)	9,080 (9,114)	15,124 (13,401)	23 (14)	-23 (-14)	37,459 (41,543)
America	11,273 (11,125)	13,463 (7,760)	4,241 (6,483)	54 (20)	-51 (-20)	28,980 (25,368)
Middle East and Africa	4,055 (2,403)	4,204 (3,994)	200 (877)	0 (0)	0 (0)	8,459 (7,274)
Asia/Pacific	5,550 (7,097)	5,725 (5,567)	397 (365)	15 (1)	-13 (-1)	11,674 (13,029)
EBIT (Earnings before interest and taxes)	4,138 (8,936)	6,531 (2,962)	283 (1,343)	-364 (-1,627)	7 (6)	10,595 (11,620)
EBITDA (Earnings before interest, taxes, depreciation and amortization)	6,452 (11,326)	7,024 (3,756)	1,536 (2,558)	831 (-364)	7 (6)	15,850 (17,282)
Result from investments	-40 (-28)	0 (0)	0 (0)	6 (-1)	0 (0)	-34 (-29)
Research and development expenses	4,252 (3,684)	3,429 (3,056)	2,036 (1,557)	101 (353)	-50 (-315)	9,768 (8,335)
Free cash flow (before income taxes)	-2,332 (9,180)	7,378 (4,993)	5,626 (2,595)	-3,506 (-3,794)	4 (219)	7,170 (13,193)
Working capital ¹⁾	59,355 (51,095)	60,601 (63,171)	94,604 (98,113)	-6,331 (-9,489)	-39 (-53)	208,190 (202,837)
Order intake	52,191 (55,030)	42,231 (58,859)	37,440 (35,273)	6,383 (5,494)	-6,230 (-5,871)	132,015 (148,785)
Tangible assets, investments properties and intangible assets	87,125 (87,182)	17,937 (15,304)	35,711 (36,323)	95,899 (94,633)	0 (0)	236,672 (233,442)
Investments excluding company acquisitions	2,184 (1,533)	668 (438)	676 (1,609)	2,455 (807)	0 (0)	5,983 (4,387)
Depreciation, amortization and impairment	2,314 (2,390)	493 (794)	1,253 (1,215)	1,195 (1,263)	0 (0)	5,255 (5,662)
Employees on annual average (without trainees)	1,311 (1,254)	811 (709)	854 (878)	190 (176)	0 (0)	3,166 (3,017)

Previous year's figures in brackets

¹⁾ previous year's figures as at December 31, 2012.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST THREE MONTHS 2013.

Accounting in accordance with International Financial Reporting Standards (IFRS)

The consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) published by the International Accounting Standards Board (IASB) and their interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC). The consolidated financial statements of JENOPTIK AG were prepared in accordance with § 315a of the German Commercial Code [Handelsgesetzbuch (HGB)], which states that consolidated financial statements prepared in accordance with the rules and regulations issued by the IASB may be exempt from applying certain HGB provisions in preparing such consolidated financial statements. Simultaneously the consolidated financial statements and the group management report are in line with provisions of the Accounting Directive of the European Union.

Accounting and valuation methods

The same accounting policies applied in preparing the 2012 consolidated financial statements were also applied in preparing the interim consolidated financial statements (interim report) as at March 31, 2013, which were prepared on the basis of the International Accounting Standard (IAS) 34 "Interim reporting". These interim financial statements were prepared in accordance with IFRS as adopted by the European Union. These policies were published and individually described in detail in the Notes to the "Annual Report 2012". The annual report is available on the internet under www.jenoptik.com using the path Investors/ Reports and Presentations/Annual Reports.

The interim financial statements were prepared in euros, the currency used in the Group, and figures are shown in KEUR, if not otherwise noted.

Management considers the interim consolidated financial statements to include all standard adjustments to be made on an ongoing basis so that a true and fair view of the Group's business performance has been presented in the period under review.

Companies included in consolidation

The consolidated financial statements included 14 domestic (prev. year: 14) and 12 foreign (prev. year: 10) fully consolidated entities. One joint venture (prev. year: 1) was proportionally included in the consolidation.

As at March 31, 2013 the newly acquired company, DCD Systems Pty. Ltd., Sydney (Lane Cove), Australia, and JENOPTIK Asia-Pacific Pte. Ltd., Singapore, which was founded at the end of 2012, were included in the consolidated financial statements for the first time. The following additions resulted from the first-time inclusion of these two entities:

in KEUR	Additions
Non-current assets	221
Current assets	1,779
Non-current liabilities	58
Current liabilities	414

Itemization of key items in the financial statement

TANGIBLE ASSETS in KEUR	31.3.2013	31.12.2012
Land and buildings	80,964	81,505
Investment properties	19,463	19,580
Technical equipment and machines	28,862	28,881
Other equipment, operating and office equipment	19,868	19,486
Payments on-account and assets under construction	13,001	13,368
	162,158	162,820

INVENTORIES in KEUR	31.3.2013	31.12.2012
Raw materials, consumables and supplies	57,067	56,625
Work in progress	91,713	87,856
Finished goods and merchandise	19,698	16,972
Payments on-account made	7,268	7,817
	175,746	169,270

ACCOUNTS RECEIVABLE AND OTHER ASSETS in KEUR

	31.3.2013	31.12.2012
Trade accounts receivable	95,668	100,110
Receivables from non-consolidated affiliated companies	4,969	4,413
Receivables from investment companies	1,468	1,959
Other assets	7,775	11,160
Receivables from construction contracts less payments on-account	2,812	3,018
	112,692	120,660

NON-CURRENT FINANCIAL LIABILITIES in KEUR

	31.3.2013	31.12.2012
Non-current bank liabilities	115,791	115,776
Non-current liabilities from finance leases	34	0
	115,825	115,776

CURRENT FINANCIAL LIABILITIES in KEUR

	31.3.2013	31.12.2012
Bank liabilities	1,956	4,650
Liabilities from finance leases	95	42
	2,051	4,692

OTHER CURRENT LIABILITIES in KEUR

	31.3.2013	31.12.2012
Liabilities from on-account payments received	29,813	28,693
Trade accounts payable	36,224	40,868
Liabilities to affiliated non-consolidated-companies	2,851	3,797
Liabilities to participating interests	26	37
Other current liabilities	27,791	25,533
	96,705	98,928

Related party disclosures

All business transactions with non-consolidated subsidiaries, joint ventures and associates are conducted on an arm's length basis. In the period under review no significant transactions were conducted with related parties.

German Corporate Governance Code

The current statements given by the Executive Board and Supervisory Board pursuant to § 161 of the German Stock Corporation Act [Aktiengesetz (AktG)] regarding the German Corporate Governance Code have been made permanently available to shareholders on the JENOPTIK AG website. The statements can also be viewed on site at JENOPTIK AG.

Legal disputes

JENOPTIK AG and its Group members are involved in several court or arbitration proceedings. In the case that these may have any substantial influence on the Group's economic situation, these proceedings have been described in Jenoptik's 2012 consolidated financial statements.

Post balance sheet events

Except for the events described on page 14 of the post balance sheet report, there were no further events of special significance after the interim balance sheet date.

Responsibility statement by the legal representatives

To the best of our knowledge, we assure that the interim consolidated financial statements prepared in accordance with the applicable principles for the interim financial reporting give a true and fair view of the net assets, financial position and results of operations of the Group and that the interim group management report presents a fair view of the performance of the business including the operating result and the position of the Group, together with a description of the significant opportunities and risks associated with the anticipated development of the Group for the remainder of the fiscal year

Jena, May 7, 2013



Dr. Michael Mertin
Chairman of the
Executive Board

Rüdiger Andreas Günther
Executive Board Member

DATES 2013

MAY 8, 2012

Publication of the Interim Report
January to March 2013

JUNE 4, 2013

General Meeting of the JENOPTIK AG 2013

AUGUST 13, 2013

Publication of the Interim Report
January to June 2013

NOVEMBER 12, 2013

Publication of the Interim Report
January to September 2013

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In case of differences of opinion the German text shall prevail.