

ISRA VISION AG: 1st half year 2016/2017 – A further step to 150+: Revenues and EBT each grow by +11%

Double-digit growth in the first six months – ISRA continues growth path with high order backlog

- Revenues at 58.9 million euros, plus 11 % (Q2-YTD-15/16: 53.3 million euros)
- EBT growth of 11 % to 11.5 million euros (Q2-YTD-15/16: 10.3 million euros)
- Continued strong margin level to total output [to revenues]:
 - EBITDA margin at 28 % [31 %] (Q2-YTD-15/16: 28%); plus 13 %
 - EBIT margin at 18 % [20 %] (Q2-YTD-15/16: 18%); plus 10 %
 - EBT margin at 18 % [19 %] (Q2-YTD-15/16: 18%); plus 11 %
- Gross margin remains at high level of 61 % to total output (Q2-YTD-15/16: 61 %)
- Operating cash flow improves to 15.0 million euros (Q2-YTD-15/16: 13.9 million euros)
- Net debt reduced by a total of 6.0 million euros
- High order backlog of currently 90 million euros gross (PY: 85 million euros gross)
- Customer service and support with increased revenue contribution
- Guidance for 2016/2017: Profitable revenue growth of approx. 10 percent with strong margins similar to previous year, focus on further increase

ISRA VISION AG (ISIN: DE 0005488100), one of the world's top companies for industrial image processing (Machine Vision) as well as globally leading in surface inspection of web materials and 3D machine vision applications, has further increased its revenues and profitability in another successful quarter and sets a good basis for achieving its planned annual target. With a revenue growth of 11 percent to 58.9 million euros compared to the same period of the previous year (Q2-YTD-15/16: 53.3 million euros), the Company is continuously pursuing its growth objectives. EBT, a key indicator for group management, also improves by 11 percent to 11.5 million euros (Q2-YTD-15/16: 10.3 million euros) compared to the same period of the previous year. The EBT margin hereby amounts to 19 percent of revenues (Q2-YTD-15/16: 19%) and 18 percent to total output (Q2-YTD-15/16: 18%). Especially the optimization of cash flow and working capital will continue to stay in focus of management. The measures initiated in the previous quarters show their effect and lead to an improvement in operating cash flow to 15.0 million euros in the first half of the financial year (Q2-YTD-15/16: 13.9 million euros), while net debt (short-term and long-term financial liabilities minus cash and cash equivalents) was reduced by 6.0 million euros. With a high order backlog of 90 million euros gross (PY: 85 million euros gross) and an overall positive business climate in ISRA's target markets, the Company has a solid basis for a successful second half of the year.

The margin development of the past six months of the current financial year once again underlines the Company's sustainable profitability. EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) increases by 13 percent to 18.4 million euros compared to the same period of the previous year (Q2-YTD-15/16: 16.3 million euros), resulting in an EBITDA margin of 31 percent to revenues (Q2-YTD-15/16: 31 %) and 28 percent to total output (Q2-YTD-15/16: 28%). With 11.7 million euros, EBIT (Earnings Before

Interest and Taxes) is 10 percent higher compared to the figure of the previous year (Q2-YTD-15/16: 10.6 million euros). Thereby, the EBIT margin again amounts to 20 percent of revenues (Q2-YTD-15/16: 20%) and 18 percent of total output (Q2-YTD-15/16: 18%). EBT (Earnings Before Taxes) improves by 11 percent to 11.5 million euros (Q2-YTD-15/16: 10.3 million euros), corresponding to an EBT margin of 19 percent to revenues (Q2-YTD-15/16: 19%) and 18 percent to total output (Q2-YTD-15/16: 18%). With 61 percent, the gross margin (total output minus cost of materials and costs of labor in production and engineering) remains at the high level of the previous year (Q2-YTD-15/16: 61%).

At the end of the first half year, the balance sheet shows an increased equity ratio, while other key positions display a structure of figures similar to the end of the first quarter. Inventories increase as planned underproportionally to revenues to 35.3 million euros (September 30, 2016: 33.7 million euros). At the same time, trade receivables decrease to 82.7 million euros (September 30, 2016: 88.5 million euros). This figure includes receivables from delivered and invoiced systems of 34.9 million euros and receivables according to the POC (Percentage Of Completion) method in the amount of 47.8 million euros. Net debt decreases by 6.0 million euros to 13.0 million euros (September 30, 2016: 19.0 million euros) following the repayment of financial liabilities in the amount of 4.6 million euros and a dividend distribution of 2.1 million euros. The net cash flow totals 1.4 million euros (Q2-YTD-15/16: -4.6 million euros) after financing activities amounting to -6.9 million euros (Q2-YTD-15/16: -12.4 million euros). The equity ratio once again increases and reaches 63 percent (September 30, 2016: 60%). Together with the available bank lines, ISRA is equipped with solid capital resources for further growth. Earnings per share (EPS) after taxes improve by 8 percent to 1.79 euros (Q2-YTD-15/16: 1.66 euros).

The expansion of the Company's global presence is a central element of its long-term strategy to continuously enter additional markets worldwide and to generate future growth. ISRA is represented at currently more than 25 locations in all important and relevant industrial countries, making it one of the globally most broadly positioned providers of its industry. The development in the regions maintains the positive dynamic recorded in the first quarter also in the second quarter of 2016/2017. Revenues on the American markets show double-digit growth rates. Also in Asia – and particularly in China – order entries continue on the high level of the first three months of the financial year. Beyond that, the expansions of sales management in Asia and North America will generate further revenue potential in both regions. In Europe, especially in Western Europe, the willingness to invest recorded in the first quarter currently continues in most countries and markets.

With its multi-branch strategy to grow diversified over different markets and regions, the management has established a robust and strategically very important foundation for sustainable growth. In the Industrial Automation segment, ISRA primarily focuses on a broad customer base of international car manufacturers – including renowned premium manufacturers – as well as many global companies which are leaders in their respective markets. Segment revenues amount to 13.8 million euros in the first half year of 2016/2017, an increase of 17 percent compared to the same period of the previous year (Q2-YTD-15/16: 11.8 million). EBIT grows by 16 percent to 2.6 million euros (Q2-YTD-15/16: 2.3 million euros). Segment results are overall driven by the high level of demand from automotive customers. German premium car manufacturers in particular are showing high interest in new products – both in the fields of 3D robot automation as well as surface inspection – for example in the paint quality control. Additional potential is generated by specifically targeting Asian and North American vehicle manufacturers with innovative solutions for flexible production automation – an important basis of the segment's future growth.

Revenues in the Surface Vision segment amount to 45.1 million euros in the first half of 2016/2017 (Q2-YTD-15/16: 41.5 million euros), an increase of 9 percent and 3.6 million euros respectively compared to the same period of the previous year. EBIT totals 9.0 million euros (Q2-YTD-15/16: 8.3 million euros), corresponding to an EBIT margin of 18 percent to total output (Q2-YTD-15/16: 18%). The glass unit continues the strong growth of the first quarter with additional order entries – besides quality assurance systems for float glass, customers are particularly demanding products for the inspection of display glass and, increasingly, solar and automotive glass. Further revenue potentials in the plastics industry are expected due to product extensions for the comprehensive control of film and non-woven materials. The Company recorded an initial success with a multi-line order for installing sensors with embedded system architecture on several production lines. In the metal industry, ISRA expects the business dynamic of the first half year to proceed, especially the strategy “product portfolio for the inspection along the whole production chain” will be intensified with yield management software modules. In the paper business unit, management notes stronger order entries; the implemented design-to-cost measures to optimize production costs are showing effect. Innovations and concentrated marketing activities for the Asian and North-American print markets have created important potentials with global players in the printing industry. With the successful introduction of the new system concept for high-security printing, additional revenue potential is addressed in the niche market specialty (security) paper. In the solar industry, ISRA is focusing on systematic design-to-cost measures for the Asian market in order to participate in the current rise in demand. In the new semiconductor unit, the Company is concentrating on the market launch in Asia after first successful steps in Europe. Service offers contribute to the positive development and again account for a double-digit share of revenues in the second quarter. Management continues to systematically advance the internationalization of the service strategy with the goal to increase the revenue contribution of this business overproportionally in the medium term.

With the further development of intelligent sensors and a new generation of systems with high connectivity for the smart sensor portfolio, management sees considerable opportunities for future growth in the field of INDUSTRIE 4.0. In particular, the new software tool for production management „EPROMI“ for improving productivity on automated production lines is expected to open up additional impulses. To realize these growth opportunities, ISRA is investing specifically in personnel extensions for Digital Business Development.

Besides strengthening organic growth, acquisitions remain a key element of the Company's strategy. The activities are focusing on target companies that will sustainably advance ISRA's technology leadership, market position or expansion into new markets. Several potential target companies from different industries are being examined at present. If the results of due diligence are positive, the conclusion of one project can indeed be expected in the current financial year.

The profitable result of the first six months of the current 2016/2017 financial year again shows the planning consistency and underscores the forecast for the full year. In order to achieve its medium-term revenue target, the Company continues to focus on the expansion of its international presence, on core business and on product innovations. With a high order backlog of currently 90 million euros gross (PY: 85 million euros gross), ISRA had a strong start into the second half of 2016/2017. Provided that the economic conditions do not significantly change, management is forecasting further revenue growth of approx. 10 percent accompanied by strong margins at least in the level of the previous year. Optimizing operational productivity and cash flow remain one of the management's key strategic objectives. The focus of the Company will remain to grow diversified across industries and regions and to exceed its revenue target of 150 million euros in the medium term.

Press Release

May 31, 2017



Company profile

ISRA VISION AG, together with its subsidiaries, is worldwide leading in surface inspection of web materials. Furthermore, it is one of the globally leading providers of machine vision programs, specialising in the area of 3D machine vision, in particular for „3D robot vision“.

The core competence of the Company is the ISRA-BrainWARE®, an innovative software for intelligent machine vision systems. Here, the scientific know-how from the fields of optics, lighting technology, surveying technology, physics, image processing and classification algorithms and a complex system design are combined. Machine vision is a key technology for visualising systems that imitate the human eye. Today's ISRA applications focus primarily on the automation of production and quality assurance of goods and products supplied to large, future-oriented markets such as energy, healthcare, food, mobility and information. The customers mainly include renowned global players from the respective sectors. With more than 25 locations worldwide, ISRA offers customer proximity everywhere and ensures optimum service and support.

In the past seventeen years, ISRA has shown profitable growth with an annual average increase in sales of approx. 25 percent. Currently the Company employs approx. 700 people worldwide.

Further information are available at www.isravision.com.

Consolidated Total Operating Revenue EBITDA-EBIT statement ^{1) 3)}

from October 01, 2016 to March 31, 2017 in € k

| (in € k) | FY 2016 / 2017 6 months (Oct. 01, 2016 - Mar. 31, 2017) | | FY 2015 / 2016 6 months (Oct. 01, 2015 - Mar. 31, 2016) | | FY 2016 / 2017 3 months (Jan. 01, 2017 - Mar. 31, 2017) | | FY 2015 / 2016 3 months (Jan. 01, 2016 - Mar. 31, 2016) | |
|--|--|-------|--|-------|--|-------|--|-------|
| | | | | | | | | |
| Net sales | 58,909 | 91 % | 53,301 | 91 % | 30,455 | 92 % | 27,346 | 91 % |
| Capitalized work | 5,803 | 9 % | 5,149 | 9 % | 2,777 | 8 % | 2,753 | 9 % |
| Total output | 64,713 | 100 % | 58,450 | 100 % | 33,232 | 100 % | 30,099 | 100 % |
| Cost of materials | 11,977 | 19 % | 11,137 | 19 % | 6,146 | 18 % | 5,640 | 19 % |
| Cost of labour excluding depreciation | 12,981 | 20 % | 11,445 | 20 % | 6,692 | 20 % | 5,955 | 20 % |
| Cost of production excluding depreciation | 24,959 | 39 % | 22,582 | 39 % | 12,838 | 39 % | 11,595 | 39 % |
| Gross profit | 39,754 | 61 % | 35,868 | 61 % | 20,394 | 61 % | 18,504 | 61 % |
| Research and development Total | 9,001 | 14 % | 8,603 | 15 % | 4,140 | 12 % | 4,249 | 14 % |
| Sales and marketing costs | 11,616 | 18 % | 10,390 | 18 % | 6,057 | 18 % | 5,276 | 18 % |
| Administration | 2,115 | 3 % | 2,015 | 3 % | 971 | 3 % | 939 | 3 % |
| Sales and administration costs excluding depreciation | 13,731 | 21 % | 12,405 | 21 % | 7,028 | 21 % | 6,215 | 21 % |
| Other revenues | 1,353 | 2 % | 1,447 | 2 % | 74 | 0 % | 457 | 2 % |
| EBITDA | 18,375 | 28 % | 16,308 | 28 % | 9,300 | 28 % | 8,497 | 28 % |
| Depreciation and amortization | 6,716 | 10 % | 5,719 | 10 % | 3,299 | 10 % | 3,101 | 10 % |
| Total costs | 29,447 | 46 % | 26,727 | 46 % | 14,466 | 44 % | 13,565 | 45 % |
| EBIT | 11,660 | 18 % | 10,589 | 18 % | 6,002 | 18 % | 5,396 | 18 % |
| Interest income | 8 | 0 % | 11 | 0 % | 1 | 0 % | 8 | 0 % |
| Interest expenses | -196 | 0 % | -277 | 0 % | -111 | 0 % | -124 | 0 % |
| Financing result | -188 | 0 % | -266 | 0 % | -109 | 0 % | -116 | 0 % |
| EBT | 11,472 | 18 % | 10,323 | 18 % | 5,892 | 18 % | 5,280 | 18 % |
| Income taxes | 3,578 | 6 % | 3,017 | 5 % | 1,851 | 6 % | 1,483 | 5 % |
| Consolidated net profit | 7,894 | 12 % | 7,306 | 12 % | 4,041 | 12 % | 3,797 | 13 % |
| Of which accounted to non-controlling shareholders | 59 | 0 % | 49 | 0 % | 48 | 0 % | 17 | 0 % |
| Of which accounted to shareholders of ISRA VISION AG | 7,834 | 12 % | 7,257 | 12 % | 3,994 | 12 % | 3,779 | 13 % |
| Earnings per share in € before income taxes ²⁾ | 2.62 | | 2.36 | | 1.35 | | 1.21 | |
| Earnings per share in € ²⁾ | 1.79 | | 1.66 | | 0.91 | | 0.86 | |
| Shares issued ⁴⁾ | 4,378,240 | | 4,380,355 | | 4,378,240 | | 4,379,540 | |

¹⁾ According to IFRS unaudited

²⁾ Per-share result undiluted and diluted

³⁾ This pro forma statement is an additional presentation based on the comprehensive presentation given in previous years and not part of the IFRS consolidated financial statements.

⁴⁾ Weighted number of shares

ISRA VISION AG voluntarily publishes a consolidated total operating revenue EBITDA-EBIT statement typical for the industry oriented to the cost-summary method. The key differences between the cost of sales method and the pro forma consolidated total operating revenue/EBITDA-EBIT calculation are as follows: Profit margins increase because they are now associated with net sales instead of total output (net sales plus capitalized work). Capitalized work no longer appears in the cost of sales method and is assigned to the R&D functional area. Depreciation and amortization is now spread over the relevant functional areas. The EBIT earnings and the EBT earnings of the pro forma total output EBITDA-EBIT statement do not deviate from the consolidated income statement, which corresponds to IFRS.

Consolidated Income Statement ^{1) 3)}

from October 01, 2016 to March 31, 2017 in € k

| (in € k) | FY 2016 / 2017 6 months (Oct. 01, 2016 - Mar. 31, 2017) | | FY 2015 / 2016 6 months (Oct. 01, 2015 - Mar. 31, 2016) | | FY 2016 / 2017 3 months (Jan. 01, 2017 - Mar. 31, 2017) | | FY 2015 / 2016 3 months (Jan. 01, 2016 - Mar. 31, 2016) | |
|---|--|-------|--|-------|--|-------|--|-------|
| | | | | | | | | |
| Net sales | 58,909 | 100 % | 53,301 | 100 % | 30,455 | 100 % | 27,347 | 100 % |
| Cost of sales | 25,329 | 43 % | 22,730 | 43 % | 13,022 | 43 % | 11,552 | 42 % |
| Gross operating result (gross profit) | 33,580 | 57 % | 30,571 | 57 % | 17,433 | 57 % | 15,795 | 58 % |
| Research and development | 9,118 | 15 % | 8,422 | 16 % | 4,284 | 14 % | 4,297 | 16 % |
| Total costs | 9,001 | 15 % | 8,698 | 16 % | 4,140 | 14 % | 4,344 | 16 % |
| Depreciation and amortization | 5,953 | 10 % | 4,915 | 9 % | 2,920 | 10 % | 2,705 | 10 % |
| Grants | -32 | 0 % | -43 | 0 % | 0 | 0 % | 0 | 0 % |
| Capitalized work | -5,803 | -10 % | -5,149 | -10 % | -2,777 | -9 % | -2,752 | -10 % |
| Sales and marketing costs | 11,948 | 20 % | 10,918 | 20 % | 6,224 | 20 % | 5,625 | 21 % |
| Administration | 2,175 | 4 % | 2,048 | 4 % | 997 | 3 % | 934 | 3 % |
| Sales and administration costs | 14,123 | 24 % | 12,965 | 24 % | 7,221 | 24 % | 6,559 | 24 % |
| Other revenues | 1,321 | 2 % | 1,404 | 3 % | 74 | 0 % | 457 | 2 % |
| Interest income | 8 | 0 % | 11 | 0 % | 1 | 0 % | 8 | 0 % |
| Interest expenses | -196 | 0 % | -277 | -1 % | -111 | 0 % | -124 | 0 % |
| Financing result | -188 | 0 % | -266 | 0 % | -109 | 0 % | -116 | 0 % |
| Earnings before taxes (EBT) | 11,472 | 19 % | 10,323 | 19 % | 5,892 | 19 % | 5,280 | 19 % |
| Income taxes | 3,578 | 6 % | 3,017 | 6 % | 1,851 | 6 % | 1,483 | 5 % |
| Consolidated net profit | 7,894 | 13 % | 7,306 | 14 % | 4,041 | 13 % | 3,797 | 14 % |
| Of which accounted to shareholders of ISRA VISION AG | 7,834 | 13 % | 7,257 | 14 % | 3,994 | 13 % | 3,779 | 14 % |
| Of which accounted to non-controlling shareholders | 59 | 0 % | 49 | 0 % | 48 | 0 % | 17 | 0 % |
| Earnings per share in € before income taxes ²⁾ | 2.62 | | 2.36 | | 1.35 | | 1.21 | |
| Earnings per share in € ²⁾ | 1.79 | | 1.66 | | 0.91 | | 0.86 | |
| Shares issued ⁴⁾ | 4,378,240 | | 4,380,355 | | 4,378,240 | | 4,379,540 | |

¹⁾ According to IFRS unaudited

²⁾ Per-share result undiluted and diluted

³⁾ The Company's quarterly consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Boards (IASB). In the year under review the IFRS and SICs which must compulsorily be applied were followed.

⁴⁾ Weighted number of shares

Consolidated Group Balance Sheet ²⁾

at March 31, 2017 in € k

| (in € k) | Mar. 31, 2017 ¹⁾ | Sept. 30, 2016 |
|--|-----------------------------|----------------|
| ASSETS | | |
| Assets | | |
| Short-term assets | | |
| Inventories | 35,271 | 33,726 |
| Trade receivables | 82,675 | 88,520 |
| Cash and cash equivalents | 18,366 | 16,919 |
| Financial assets | 4,947 | 2,707 |
| Other receivables | 584 | 1,645 |
| Income tax receivables | 1,466 | 1,845 |
| Total short-term assets | 143,309 | 145,362 |
| Long-term assets | | |
| Intangible assets | 109,524 | 109,563 |
| Tangible assets | 5,425 | 5,700 |
| Financial assets | 1,193 | 1,194 |
| Deferred tax claims | 1,887 | 1,997 |
| Total long-term assets | 118,029 | 118,454 |
| Total assets | 261,338 | 263,816 |
| EQUITY AND LIABILITIES | | |
| Short-term liabilities | | |
| Trade payables | 8,825 | 12,422 |
| Financial liabilities to banks | 31,364 | 35,954 |
| Other financial liabilities | 8,964 | 11,922 |
| Other accruals | 1,815 | 1,568 |
| Income tax liabilities | 2,987 | 3,487 |
| Other liabilities | 1,869 | 1,741 |
| Total short-term liabilities | 55,824 | 67,094 |
| Long-term liabilities | | |
| Deferred tax liabilities | 36,377 | 33,249 |
| Pension provisions | 4,169 | 4,134 |
| Total long-term liabilities | 40,546 | 37,383 |
| Total liabilities | 96,370 | 104,477 |
| Equity | | |
| Issued capital | 4,381 | 4,381 |
| Capital reserves | 38,800 | 38,800 |
| Profit brought forward | 110,886 | 95,432 |
| Net profit accounted to the shareholders of ISRA VISION AG | 7,834 | 17,556 |
| Other comprehensive income | 1,672 | 1,833 |
| Own shares | - 159 | - 159 |
| Share of equity capital held by ISRA VISION AG shareholders | 163,414 | 157,843 |
| Equity capital accounted to non-controlling shareholders | 1,554 | 1,495 |
| Total equity | 164,968 | 159,338 |
| Total equity and liabilities | 261,338 | 263,816 |

¹⁾ According to IFRS unaudited

²⁾ The Company's quarterly consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Boards (IASB). In the year under review the IFRS and SICs which must compulsorily be applied were followed.

Consolidated Cash flow Statement ^{1) 2)}

from October 01, 2016 to March 31, 2017 in € k

| (in € k) | Oct. 01, 2016 - Mar. 31, 2017 | Oct. 01, 2015 - Mar. 31, 2016 |
|--|----------------------------------|----------------------------------|
| Consolidated net profit | 7,894 | 7,306 |
| Income tax payments | -2,511 | -1,153 |
| Changes in deferred tax assets and liabilities | 3,238 | 484 |
| Changes in accruals | 282 | -637 |
| Depreciation and amortization | 6,716 | 5,719 |
| Changes in inventories | -1,545 | -2,709 |
| Changes in trade receivables and other assets | 5,045 | 8,673 |
| Changes in trade payables and other liabilities | -4,313 | -4,222 |
| Financial result | 189 | 266 |
| Other non-cash changes | 40 | 151 |
| Cash flow from operating activities | 15,034 | 13,878 |
| Payments for investments in tangible assets | -442 | -311 |
| Payments for investments in intangible assets | -5,803 | -5,149 |
| Company acquisition | 0 | 0 |
| Cash flow from investment activities | -6,245 | -5,460 |
| Payments to company owners through acquisition of own shares | 0 | -159 |
| Deposits from sales of own shares | 0 | 83 |
| Dividend payouts | -2,102 | -1,795 |
| Deposits from the assumption of financial liabilities | 0 | 0 |
| Repayments of financial liabilities | -4,590 | -10,292 |
| Interest income | 8 | 11 |
| Interest expenses | -197 | -277 |
| Cash flow from financing activities | -6,881 | -12,429 |
| Exchange rate-based value changes of the financial resources | -460 | -550 |
| Change of financial resources | 1,447 | -4,561 |
| Net cash flow | | |
| Financial resources on 30.09.2016/30.09.2015 | 16,919 | 15,161 |
| Financial resources on 31.03.2017/31.03.2016 | 18,366 | 10,600 |

¹⁾ According to IFRS unaudited

²⁾ The Company's quarterly consolidated financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Boards (IASB). In the year under review the IFRS and SICs which must compulsorily be applied were followed.

Consolidated Statement of Changes in Equity ^{1) 2)}

for the period October 01, 2016 to March 31, 2017 in € k

| (in € k) | Issued capital | Capital reserves | Own shares | Other not-income-affecting changes in equity | Profit brought forward | Net profit of the period | Equity of shareholders ISRA VISION AG | Accounted to non-controlling shareholders | Equity |
|---|----------------|------------------|------------|--|------------------------|--------------------------|---------------------------------------|---|---------|
| As of Sep. 30, 2016 | 4,381 | 38,800 | -159 | 1,833 | 95,432 | 17,556 | 157,843 | 1,495 | 159,338 |
| Profit brought forward | 0 | 0 | 0 | 0 | 17,556 | -17,556 | 0 | 0 | 0 |
| Acquisition of own shares | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sales of own shares | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Payout | 0 | 0 | 0 | 0 | -2,102 | 0 | -2,102 | 0 | -2,102 |
| Changes in shares of non-controlling shareholders | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Overall earnings | 0 | 0 | 0 | -161 | 0 | 7,834 | 7,673 | 59 | 7,732 |
| As of Mar. 31, 2017 | 4,381 | 38,800 | -159 | 1,672 | 110,886 | 7,834 | 163,414 | 1,554 | 164,968 |

¹⁾ According to IFRS unaudited

²⁾ The Company's quarterly consolidated financial statements were prepared in accordance with the International Accounting Standards (IAS) of the International Accounting Standards Board (IASB). In the year under review the IFRS/IASs and SICs which must compulsorily be applied were followed.

Consolidated Statement of Changes in Equity ^{1) 2)}

for the period October 01, 2015 to March 31, 2016 in € k

| (in € k) | Issued capital | Capital reserves | Own shares | Other not-income-affecting changes in equity | Profit brought forward | Net profit of the period | Equity of shareholders ISRA VISION AG | Accounted to non-controlling shareholders | Equity |
|---|----------------|------------------|------------|--|------------------------|--------------------------|---------------------------------------|---|---------|
| As of Sep. 30, 2015 | 4,381 | 38,623 | 83 | 2,890 | 82,406 | 14,821 | 143,204 | 1,294 | 144,498 |
| Profit brought forward | 0 | 0 | 0 | 0 | 14,821 | -14,821 | 0 | 0 | 0 |
| Acquisition of own shares | 0 | 0 | 159 | 0 | 0 | 0 | 159 | 0 | 159 |
| Sales of own shares | 0 | 0 | -83 | 0 | 0 | 0 | -83 | 0 | -83 |
| Payout | 0 | 0 | 0 | 0 | -1,795 | 0 | -1,795 | 0 | -1,795 |
| Changes in shares of non-controlling shareholders | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Overall earnings | 0 | 0 | 0 | -750 | 0 | 7,257 | 6,507 | 49 | 6,556 |
| As of Mar. 31, 2016 | 4,381 | 38,623 | 159 | 2,140 | 95,432 | 7,257 | 147,992 | 1,343 | 149,335 |

¹⁾ According to IFRS unaudited

²⁾ The Company's quarterly consolidated financial statements were prepared in accordance with the International Accounting Standards (IAS) of the International Accounting Standards Board (IASB). In the year under review the IFRS/IASs and SICs which must compulsorily be applied were followed.

Segment Reporting by Division ^{1) 2)}

for selected positions of the consolidated income statement in € k

| (in € k) | Industrial Automation Division | | Surface Vision Division | |
|----------|--------------------------------|-------------------------------|-------------------------------|-------------------------------|
| | Oct. 01, 2016 - Mar. 31, 2017 | Oct. 01, 2015 - Mar. 31, 2016 | Oct. 01, 2016 - Mar. 31, 2017 | Oct. 01, 2015 - Mar. 31, 2016 |
| Revenues | 13,816 | 11,789 | 45,094 | 41,512 |
| EBIT | 2,636 | 2,270 | 9,025 | 8,318 |

¹⁾ According to IFRS unaudited

²⁾ The Company's quarterly consolidated financial statements were prepared in accordance with the International Accounting Standards (IASs) of the International Accounting Standards Board (IASB). In the year under review the IFRS/IASs and SICs which must compulsorily be applied were followed.

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