

Press

Munich, February 06, 2020

Osram has a robust start to fiscal year 2020

- Group revenue increases slightly on a comparable basis
- Performance programs show positive effect
- Adjusted EBITDA margin of semiconductor business increases to over 20 percent
- Osram confirms annual forecast

After a challenging fiscal year 2019, Osram has made a robust start to fiscal 2020. On a comparable basis, revenue in the first quarter (ending December) grew slightly by 0.5 percent to 873 million euros. The adjusted EBITDA margin increased on a comparable basis by nearly two percentage points to 13.0 percent. The semiconductor business in particular showed a significant recovery in margins. Adjusted EBITDA climbed by more than 22 percent to 114 million euros within a year. This development is due to the Osram performance programs, higher production volumes and positive effects from the change to IFRS 16 accounting standard. "The performance programs initiated at an early stage had a lasting effect in the first quarter," said Olaf Berlien, CEO of OSRAM Licht AG.

The important sales markets for Osram developed economically as expected from October to the end of December. It was therefore essential for Osram's management to take timely and consistent countermeasures. These steps are clearly reflected in the figures of the individual business segments.

Revenue in the business segment Opto Semiconductors was roughly stable and amounted to 359 million euros. The operating margin in the first quarter was in line with earlier figures. The segment achieved an adjusted EBITDA margin of 24.5 percent, compared with 19.5 percent in the prior-year quarter.

In the segment Digital, revenues climbed by more than 2 percent to 217 million euros within a one-year period. Adjusted EBITDA reached the break-even point following a loss of minus 10 million euros in the previous year.

In the segment Automotive, the economic situation remains uncertain. Revenue increased comparatively by 0.7 percent to 480 million euros. Adjusted EBITDA was at the previous year's level of 47 million euros.

Considering the still uncertain economic outlook in the customer industries, the Osram Managing Board confirms its existing forecast for the current fiscal year: Revenue is expected to be between minus and plus 3 percent compared to the previous year. The adjusted EBITDA margin is estimated at 9 to 11 percent. Free cash flow is expected to be positive, potentially in the mid double-digit million range.

Osram will hold a conference call for analysts with the Company's Management Board on Thursday, February 6, starting at 2:00 p.m. CET. It will be broadcast online at <https://87399.choruscall.eu/links/osram200206ir.html>. A recording of the call also will be available at this address.

The corresponding documentation can be found here: <https://www.osram-group.com/en/investors/publications/2020>

PRESS CONTACTS

Torsten Wolf
Phone +49 89 6213-2506
E-mail: torsten.wolf@osram.com

Jens Hack
Phone +49 89 6213-2129
E-mail: j.hack@osram.com

Susanne Enninger
Phone +49 89 6213-3996
E-mail: s.enninger@osram.com

Selected key figures for the OSRAM Licht AG (continued operations) in the first quarter

| | 1st quarter 2020 | 1st quarter 2019 | Nominal Change |
|--------------------------------------|-----------------------------|---------------------|-------------------|
| Revenue | 873 | 828 | 5.5% |
| Comp. revenue growth ¹ | 0.5% | | |
| Adjusted EBITDA ² | 114 | 93 | 22.2% |
| ...Margin | 13.0% | 11.3% | 180bps |
| Profit after taxes | 1 | (5) | n.a. |
| Free Cash Flow | 7 | (101) | n.a. |
| '000 Employees | 23 | 26 | (12.1%) |

(Preliminary, unaudited figures. Figures in millions of euros, margins in percent, employees as on December 31. Negative values in parentheses.)

(¹adjusted for currency and portfolio effects)

(²Adjusted for special items, including e.g. transformation costs, significant legal and regulatory issues, as well as M&A - related costs.)

Development of the reporting segments in the first quarter

| | 1st quarter 2020 | 1st quarter 2019 | Nominal Change |
|---------------------------------------|-----------------------------|---------------------|-------------------|
| Opto Semiconductors | | | |
| ...Revenue | 359 | 352 | 1.8% |
| ...comp. revenue growth ¹ | (0.7%) | | |
| ... adjusted EBITDA ² | 88 | 69 | 28.2% |
| ... Free Cash Flow | 36 | (24) | n.a. |
| Automotive | | | |
| ... Revenue | 480 | 445 | 7.9% |
| ...comp. revenue growth ¹ | 0.7% | | |
| ... adjusted EBITDA ² | 47 | 48 | (2.9%) |
| ... Free Cash Flow | (17) | (7) | n.a. |
| Digital | | | |
| ... Revenue | 217 | 207 | 4.5% |
| ... comp. revenue growth ¹ | 2.2% | | |
| ... adjusted EBITDA ² | (1) | (10) | n.a. |
| ... Free Cash Flow | (7) | (48) | n.a. |

(Preliminary, unaudited figures in millions of euros. Negative values in parentheses.)

(¹adjusted for currency and portfolio effects)

(²Adjusted for special items, including e.g. transformation costs, significant legal and regulatory issues, as well as M&A - related costs.)

ABOUT OSRAM

OSRAM, based in Munich, is a leading global high-tech company with a history dating back more than 110 years. Primarily focused on semiconductor -based technologies, our products are used in highly diverse applications ranging from virtual reality to autonomous driving and from smartphones to smart and connected lighting solutions in buildings and cities. OSRAM uses the endless possibilities of light to improve the quality of life for individuals and communities. OSRAM's innovations enable people all over the world not only to see better, but also to communicate, travel, work and live better. OSRAM has approximately 23,500 employees worldwide as of end of fiscal 2019 (September 30) and generated revenue of about 3.5 billion euros from continuing activities. The company is listed on the stock exchanges in Frankfurt and Munich (ISIN: DE000LED4000; WKN: LED 400; trading symbol: OSR). Additional information can be found at www.osram.com.

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