

Investor Relations Release

**Viscom AG continues positive business development in third quarter of 2018.
Management confirms forecast for 2018 as a whole.**

- **Incoming orders: €72,741 thousand (previous year: €65,815 thousand, +10.5 %)**
- **Revenue: €65,032 thousand (previous year: €64,519 thousand, +0.8 %)**
- **Order backlog: €27,486 thousand (previous year: €19,365 thousand, +41.9 %)**
- **Operating profit (EBIT): €6,843 thousand (previous year: €9,626 thousand, -28.9 %)**
- **EBIT-Margin: 10.5 % (previous year: 14.9 %)**

Hanover, 13 November 2018 – Viscom AG (ISIN: DE0007846867) continued its positive business development in the third quarter of 2018. Incoming orders were up around 11 % year-on-year in the first nine months of the current financial year, while the order backlog of €27,486 thousand means high capacity utilisation is ensured for the final quarter to come.

The Viscom Group continued to benefit from its customers' steadily growing interest in 3D inspection in particular. Its latest high-performance X-ray inspection system, the X7056-II, which was designed for the high-precision inspection of single- or double-sided electronic assemblies, has been very well received on the market. The revolutionary "xFastFlow" handling concept allows PCB changes in as little as four seconds, and the integrated Viscom Quality Uplink enables effective networking and process optimisation. Overall, 3D X-ray inspection has attracted a lot of attention from customers and more and more AXI systems are being provided with the "planar computer tomography" option, whereby tomographic scans allow analysis even under difficult conditions. The Hanover-based mechanical engineering company's technological developments and enhancements continue to meet with great interest on the market.

At around €65 million, revenue reached the record level of the same period of the previous year. This revenue in the third quarter of 2018 was driven in particular by the strong performance of the serial products (SP) business area, with persistently strong system sales of the S3088 and X7056RS inspection system families.

Europe was the Viscom Group's strongest region by some distance, generating revenue of €38,188 thousand in the first nine months of the 2018 financial year (previous year: €32,777 thousand) and accounting for around 59 % of total revenue. Revenue increased by around 17 % as against the previous year. This was due primarily to higher system sales, particularly in the area of series inspection systems. Revenue in Germany amounted to €18,541 thousand (previous year: €14,826 thousand), an increase of a good 25 %. Segment earnings in the Europe region totalled €5,333 thousand (previous year: €6,501 thousand), corresponding to an EBIT-Margin of 14.0 % (previous year: 19.8 %).

Segment revenue in the Americas region declined considerably by around 37 % year-on-year to €6,690 thousand (previous year: €10,688 thousand). Segment earnings amounted to €226 thousand (previous year: €1,381 thousand), corresponding to an EBIT-Margin of 3.4 % (previous year: 12.9 %). The propensity to invest among customers in Mexico was again restrained in the third quarter of 2018 due to uncertainty concerning the future of free trade agreements, especially the North American Free Trade Agreement (NAFTA), and increased price pressure among the competition. The good demand in the USA and Canada partially compensated for the missing orders in Mexico. The slightly increased level of orders in the third quarter and the intensification of the service and replacement part business give reason to expect revenue to rise again in the fourth quarter, but these stimuli will not suffice for a return to the previous year's level in the final quarter.

In the Asia region, segment revenue of €20,154 thousand was generated in the first nine months of 2018 (previous year: €21,054 thousand). The revenue quality in the third quarter was diminished by aggressive competition. As the same time, investments in new capacity in the consumer electronics segment were lower than expected, so consolidated revenue in the region was slightly below the previous year's figure. Segment earnings declined slightly from €2,012 thousand to €1,820 thousand. The EBIT-Margin amounted to 9.0 % (previous year: 9.6 %). Customers' investment decisions for a system are increasingly determined by the supplier's entire range of services and especially the degree of digitalisation. In addition to the data exchange between the machines on the production line, integration into existing production management systems is also becoming a competitive advantage.

The general business development is also reflected in operating profit. The revenue generated in the first nine months of the current financial year and the more pronounced change in inventories meant that the cost of materials was up on the previous year. Staff costs likewise increased as a result of the capacity expansion, as well as salary adjustments. Other operating expenses were higher than in the previous year due to higher general and administrative costs and temporary staff. In contrast, other own work capitalised increased. As a result, operating profit totalled €6,843 thousand in the first nine months of 2018 (previous year: €9,626 thousand). This corresponds to an EBIT-Margin of 10.5 % (previous year: 14.9 %).

Overall, the Viscom Group's management remains positive about the future. Viscom AG is in a good technological and strategic position for further growth. The management expects strong year-end business for the fourth quarter and is therefore confirming the forecast for 2018 as a whole that was published previously, with revenue of between €93 million and €98 million and an EBIT-Margin of between 13 % and 15 %.

The consolidated interim report for the period ended 30 September 2018 can now be found in the Investor Relations section at www.viscom.com.

OPERATING FIGURES

Consolidated statement of comprehensive income		01.01.-30.09.2018	01.01.-30.09.2017
Revenue	K€	65,032	64,519
EBIT	K€	6,843	9,626
EBIT-Margin	%	10.5	14.9
Net profit for the period	K€	5,256	7,014
Earnings per share	€	0.59	0.79
Employees at end of quarter		471	402
Consolidated statement of financial position		30.09.2018	31.12.2017
Assets			
Current assets	K€	62,457	59,889
Non-current assets	K€	13,816	11,453
Total assets	K€	76,273	71,342
Liabilities and shareholders' equity			
Current liabilities	K€	16,627	11,804
Non-current liabilities	K€	2,990	2,778
Shareholders' equity	K€	56,656	56,760
Total shareholders' equity and liabilities	K€	76,273	71,342
Equity ratio	%	74.3	79.6
Consolidated statement of cash flows		01.01.-30.09.2018	01.01.-30.09.2017
Cash flow from operating activities	K€	-2,312	7,961
Cash flow from investing activities	K€	-3,497	-1,330
Cash flow from financing activities	K€	-5,379	-3,999
Cash and cash equivalents	K€	399	8,846

SEGMENT INFORMATION

		01.01.-30.09.2018	01.01.-30.09.2017
EUROPE			
Revenue	K€	38,188	32,777
EBIT	K€	5,333	6,501
EBIT-Margin	%	14.0	19.8
AMERICAS			
Revenue	K€	6,690	10,688
EBIT	K€	226	1,381
EBIT-Margin	%	3.4	12.9
ASIA			
Revenue	K€	20,154	21,054
EBIT	K€	1,820	2,012
EBIT-Margin	%	9.0	9.6
EBIT consolidation differences	K€	-536	-268

About Viscom

Viscom AG develops, manufactures and sells high-quality inspection systems. Its product range covers the complete range of optical inspection and X-ray inspection. The company is one of the world's leading providers in the field of component inspection for electronics production. Viscom's systems can be configured and connected according to specific customer requirements. The company's headquarters and production site are in Hanover, Germany. Viscom has an international presence with an extensive network of branches, application centres, service support centres and representatives. Formed in 1984, Viscom has been listed on the Frankfurt Stock Exchange (ISIN: DE0007846867) since 2006. Further information can be found at www.viscom.com.

Insofar as this report contains forecasts, expectations or statements relating to the future, these statements may involve risks and uncertainties. We therefore cannot guarantee that the expectations will prove correct. Actual results and developments may differ materially from the expectations and assumptions expressed. Factors that can cause such differences include changes in the general economic or competitive situation, fluctuations in exchange and interest rates, and reforms of national and international laws. The company assumes no obligation to update the statements included in this report.