

Strong first quarter thanks to favorable business momentum and continued performance management

Q1 FY21 Earnings Release (unaudited figures)

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This presentation includes references to non-IFRS financial measures, including, but not limited to: FCF, EBITDA, EBITDA margin, capital expenditure, capital expenditure as percentage of revenue, net financial debt and net working capital. We have provided these measures and other information in this presentation because we believe they provide investors with additional useful information to assess our performance. Our use of these supplemental financial measures may vary from others in our industry and should not be considered in isolation or as an alternative to our results as reported under IFRS.

Due to rounding, numbers presented throughout this and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

Mastering the threefold challenge: High semiconductor demand, driving performance improvements, OSRAM/ams integration project

Statement from the CEO



Q1 FY21 summary:

- Revenue at €840m, comparable sequential increase of 14% / flat YoY
- Adj. EBITDA at €162m (19.3% margin)
- FCF at €50m

“OSRAM had a remarkable start to the fiscal year. The quick rebound in automotive and other industries has led to full order books and we are doing our best to maximize production. These signals from major end markets, in conjunction with an overall stabilized macroeconomic forecast, encouraged us to revisit the outlook for fiscal year 2021.

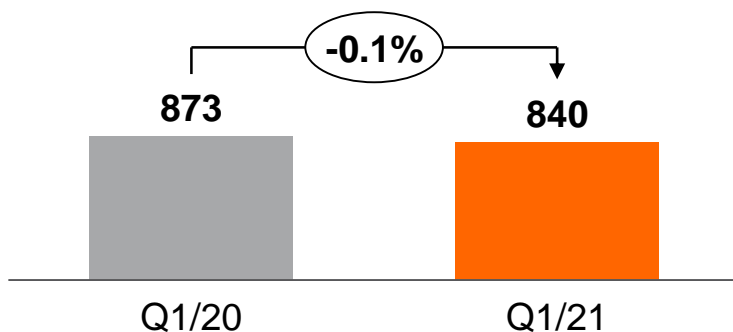
I am especially pleased with the first quarter profit and cash performance. At a comparable revenue level to the prior year period, we made excellent progress in terms of gross profit improvement and simultaneous cost reduction. This is again a clear result from the long-term performance programs as well as the COVID-related SHIELD measures.

As part of our ongoing portfolio evaluation, we have decided to start the search process for a new best owner for the DI lighting components business.

Meanwhile, OSRAM and ams are working together to complete the business combination, pending court procedures regarding DPLTA registration.”

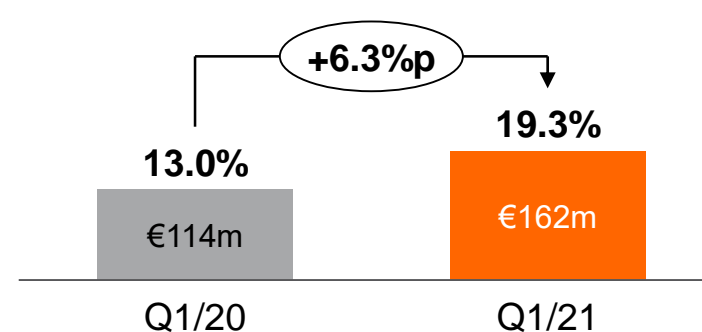
Favorable development in profitability and free cash flow

Revenue (€m) / Comp. Growth



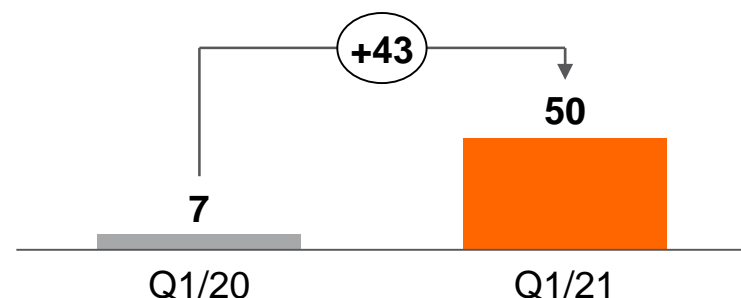
Overall stable revenue on a comparable basis, DI posts decline due to entertainment business

Adj. EBITDA Margin



Significant profitability increase thanks to ongoing performance programs and high factory loading

Free Cash Flow (€m)



All business units cash-positive

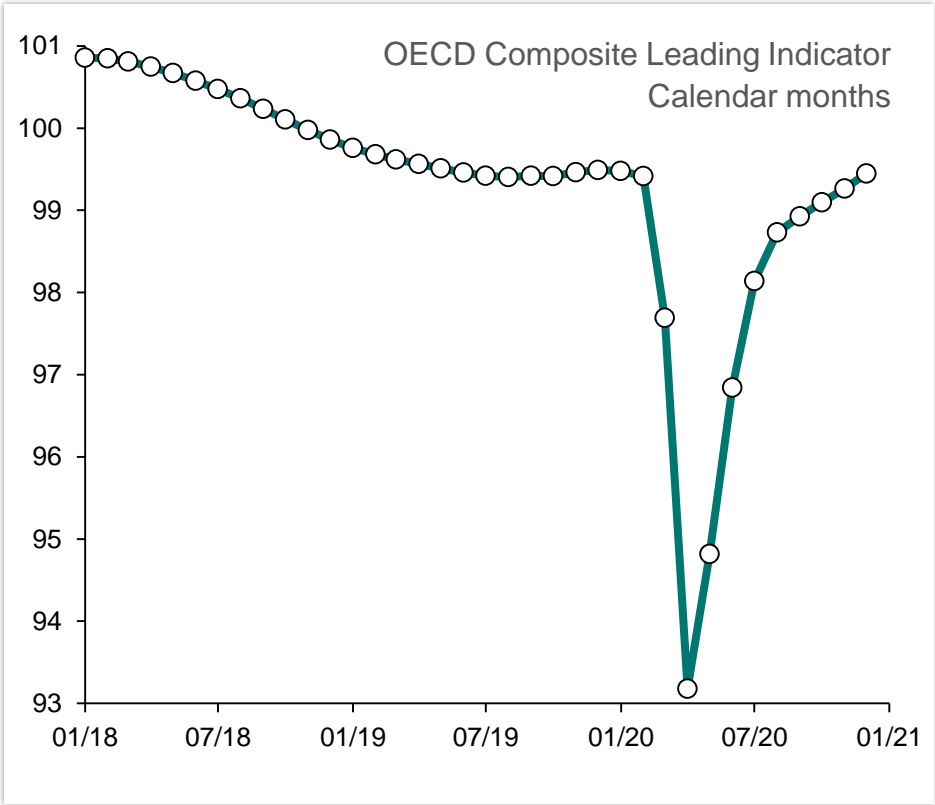
Comments:

- Most businesses on a very positive trajectory, notable exception remains entertainment & cinema lighting
- Very strong numbers at OS – operational challenges posed by high order volume and maximum factory utilization under pandemic conditions
- Adj. EBITDA improvement driven by OS and AM
- High profitability leads to positive FCF

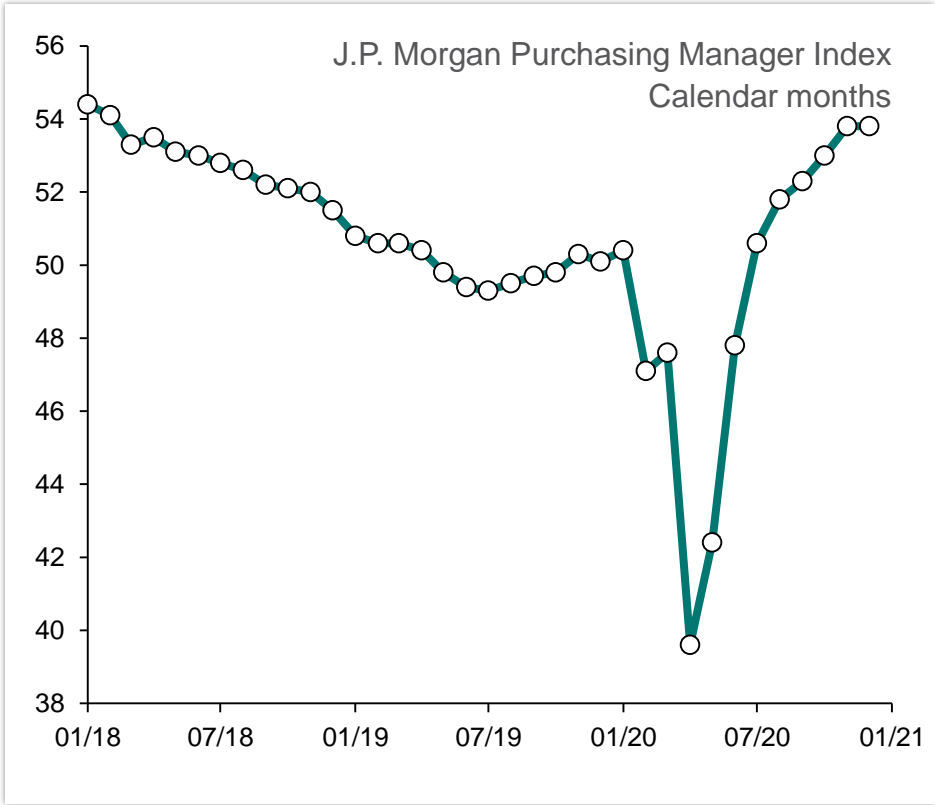
Continued upward trend in macroeconomic indicators – supply chain pressure rising across key industries



OECD Leading Indicator¹⁾




Global Manufacturing PMI²⁾



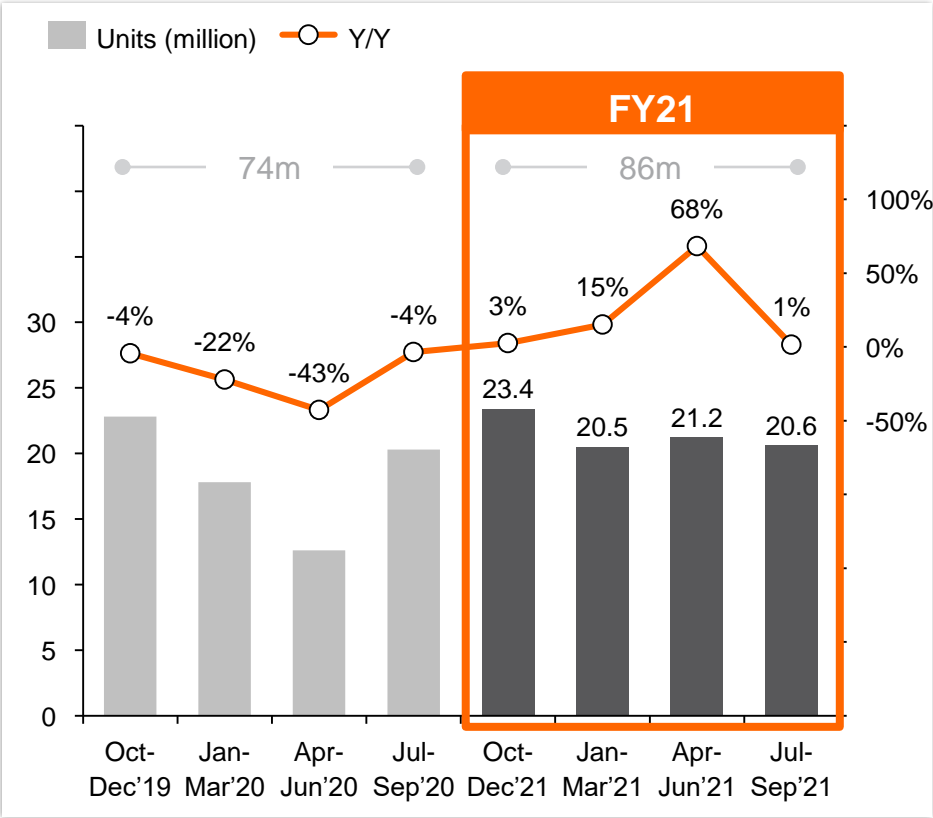
Sources: 1) OECD Composite Leading Indicator (CLI) as published on data.oecd.org
2) JP Morgan Purchasing Manager Index, J.P. Morgan and IHS Markit in cooperation with ISM and IFPSM

Global car production now predicted to reach 86m units in FY21, still short of pre-crisis levels but steadily improving

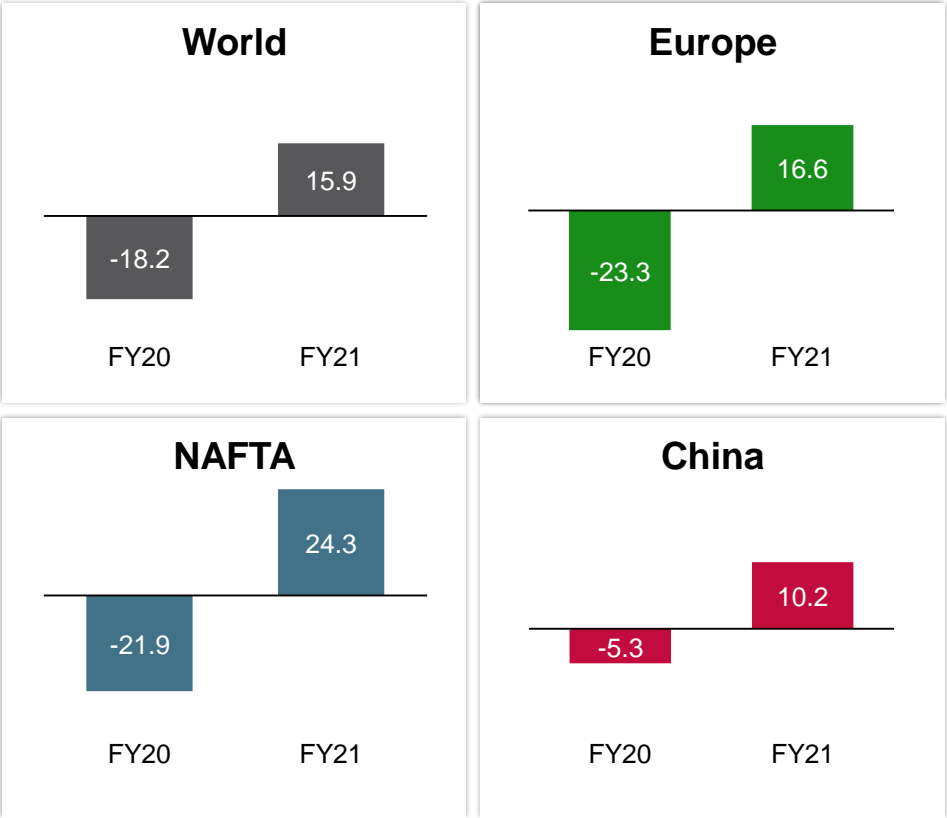
Automotive Market



Global light vehicle production by quarter

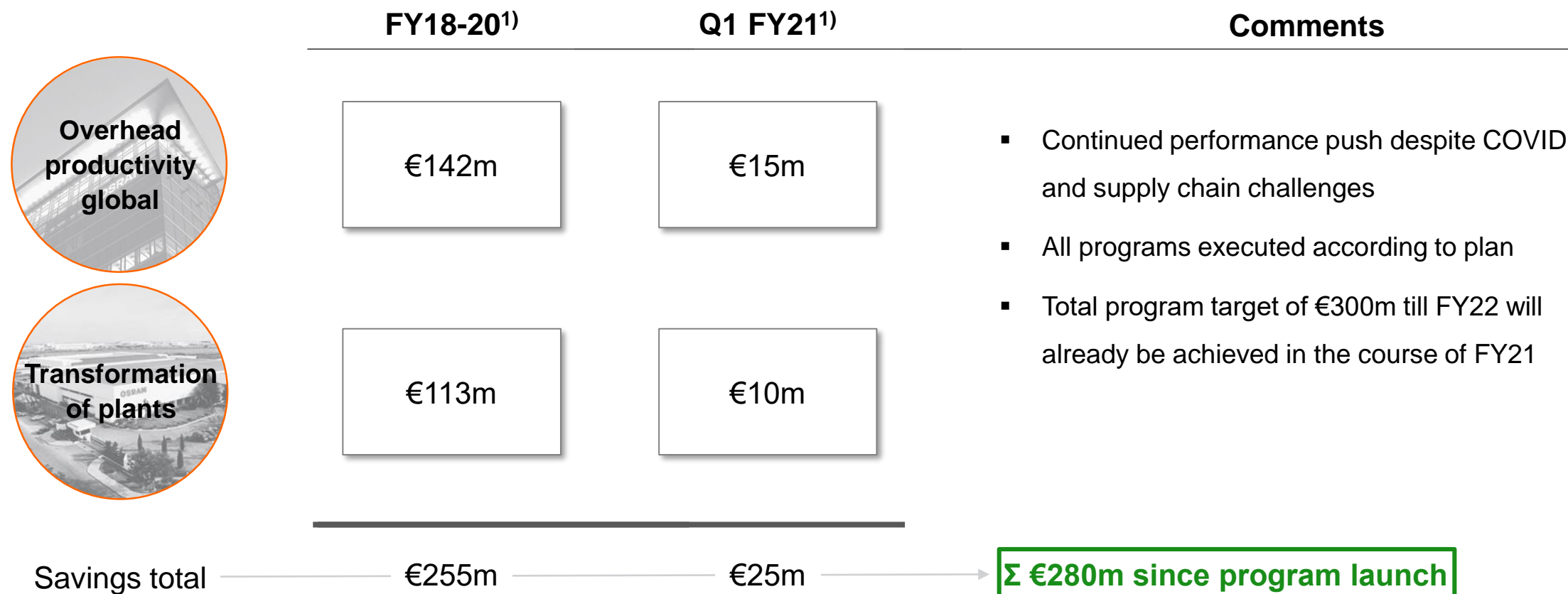


Light vehicle production by region (YoY, %)



Source: Light vehicle production forecast based on monthly IHS Data, fiscal year based. As of: January 19, 2021

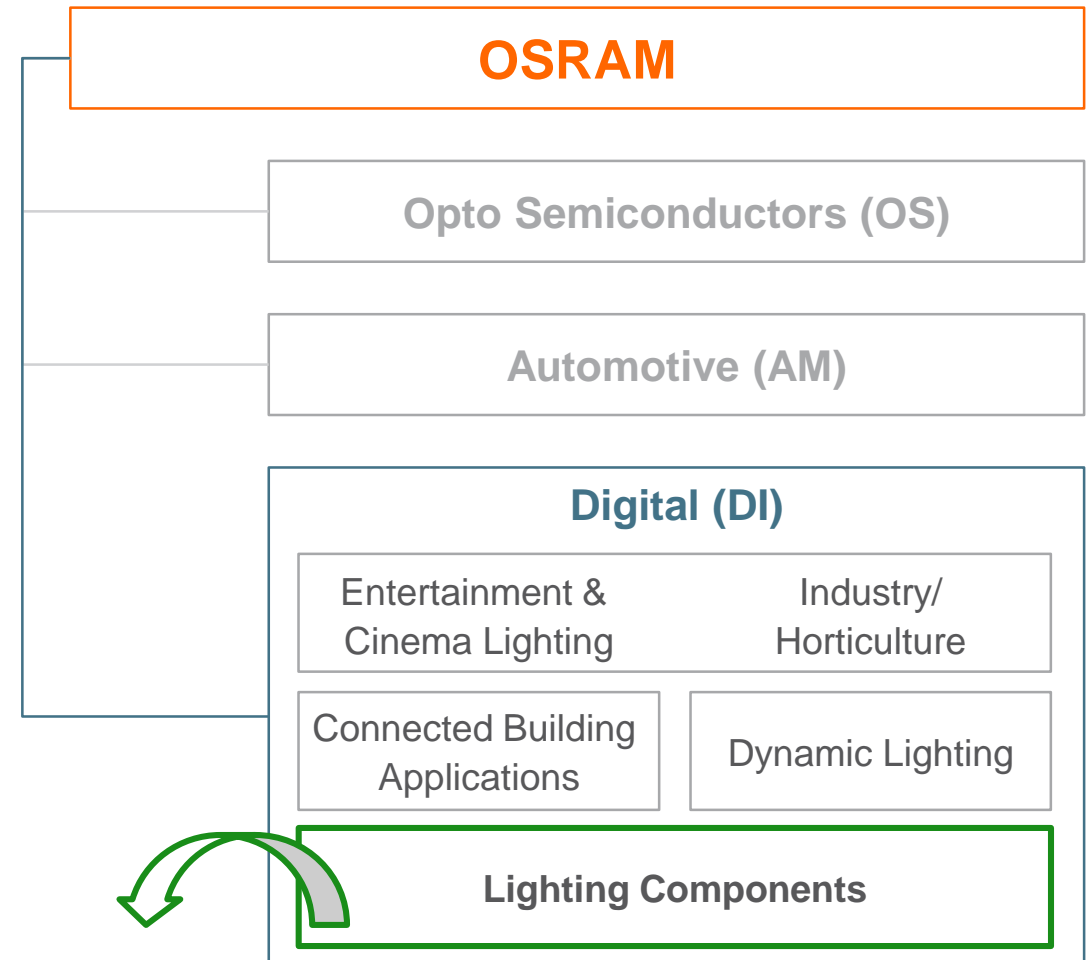
Performance programs near target achievement, ahead of schedule



1) Gross savings compared to prior year baseline

Process started to identify new best owner for DI components business

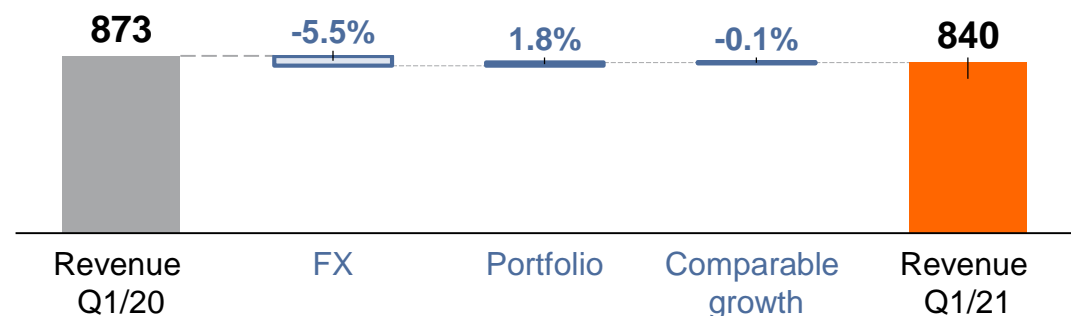
- Intended sale is part of **wider, continuous portfolio evaluation** (e.g. previous Siteco divestment) to sharpen the profile as **Photonics Champion** and concentrate on high-margin businesses
- The **DI components business** with ballasts, drivers and modules holds a **strong market position** in Europe and North America
- After successful restructuring, the business is now ready to unlock further growth prospects under new ownership



Revenue on a stable level compared to prior year

Revenue (€m) / Comp. growth (%)¹⁾

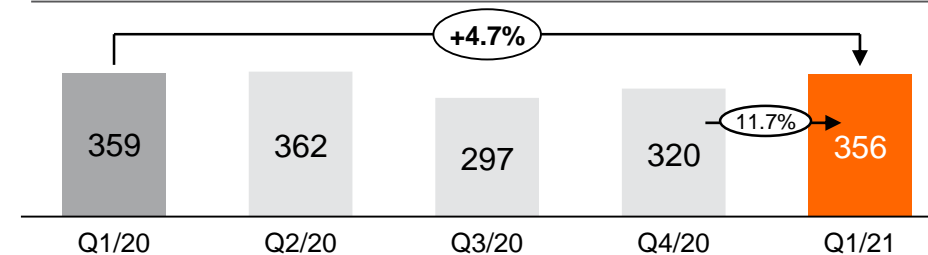
OSRAM Group: Revenue bridge Q1 FY21 YoY



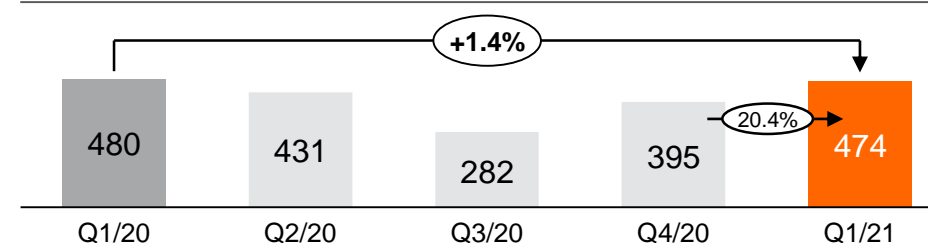
OSRAM Group: Revenue by Region Q1 FY21



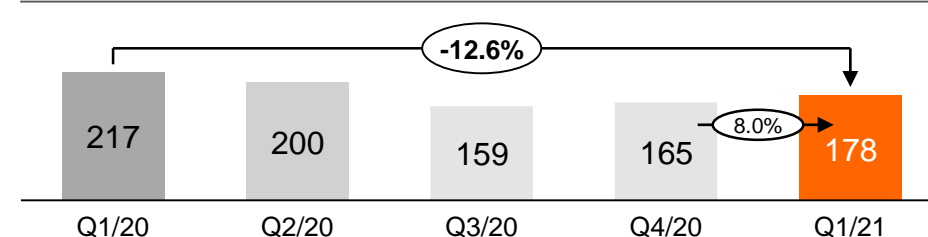
OS Revenue Development (comp. growth)



AM Revenue Development (comp. growth)



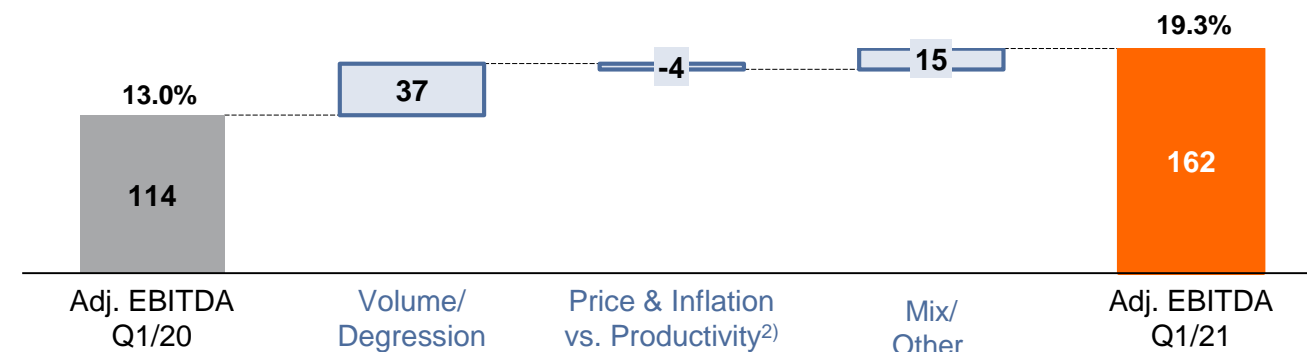
DI Revenue Development (comp. growth)



Adj. EBITDA Margin clearly above prior year

Adjusted EBITDA (€m) / Adjusted EBITDA Margin (%)

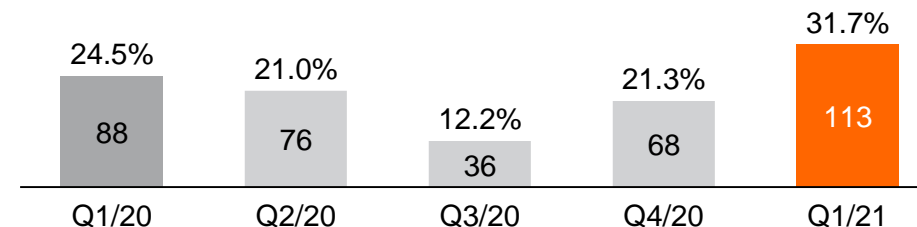
Adjusted EBITDA¹⁾ Q1 FY21 YoY



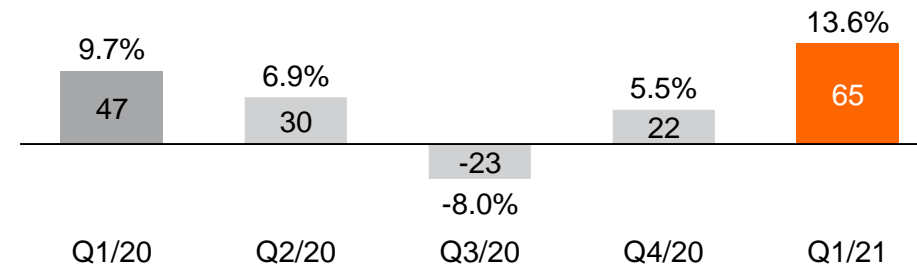
Comments

- Adj. EBITDA in Corporate Items: €-14m
- EBITDA Special Items: €-31m (incl. €-8m personnel restructuring)
- Net Income: €+6m from continuing operations, including €-20m impairment related to DI portfolio
- Adj. EBITDA improvement driven by higher GP, lower OPEX as well as positive one-offs, mainly at OS
- Productivity almost offsets price erosion and inflation
- OPEX significantly below prior year due to performance program savings and COVID-19 related cancellations of events as well as reduced travelling

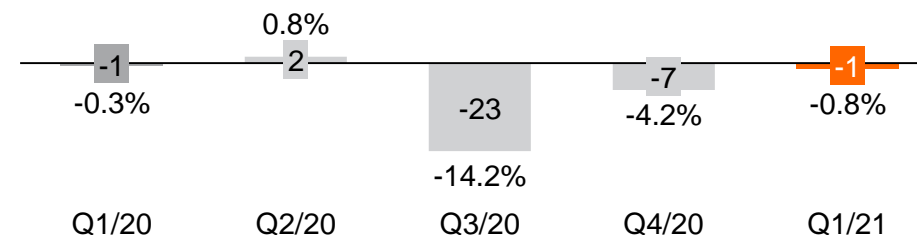
OS adjusted EBITDA



AM adjusted EBITDA



DI adjusted EBITDA



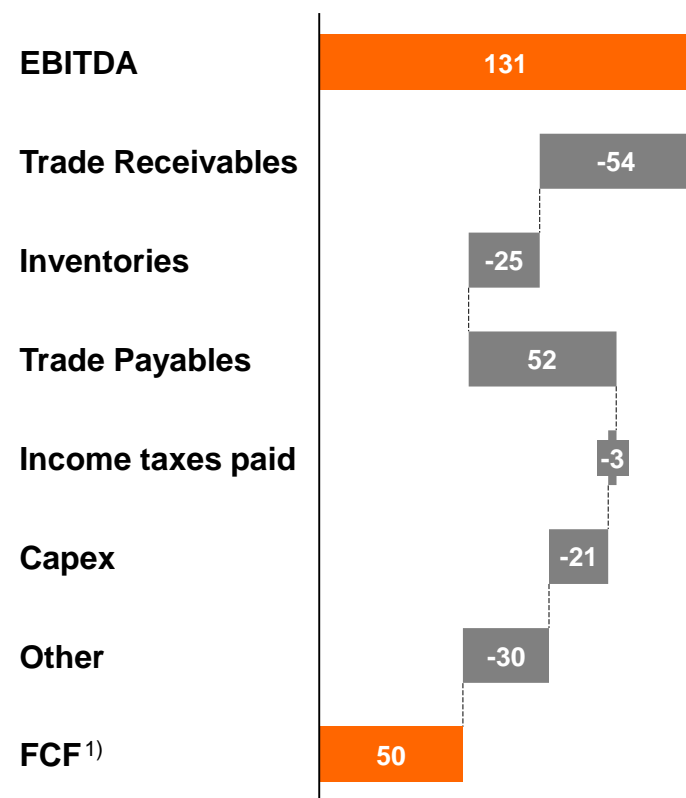
¹⁾ Adjustment for special items (S.I.) includes a.o. transformation costs, substantial legal and regulatory matters as well as share based compensations, and costs related to M&A activities including the sale of subsidiaries, investments and other businesses.

²⁾ Related to COGS.

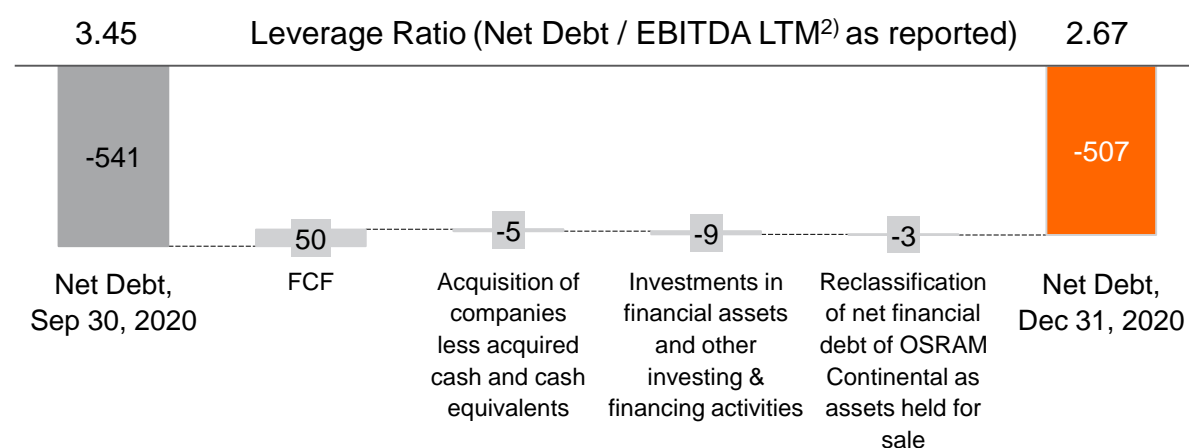
Positive Free Cash Flow driven by profitability

Free Cash Flow / Net Debt / Liquidity (€m)

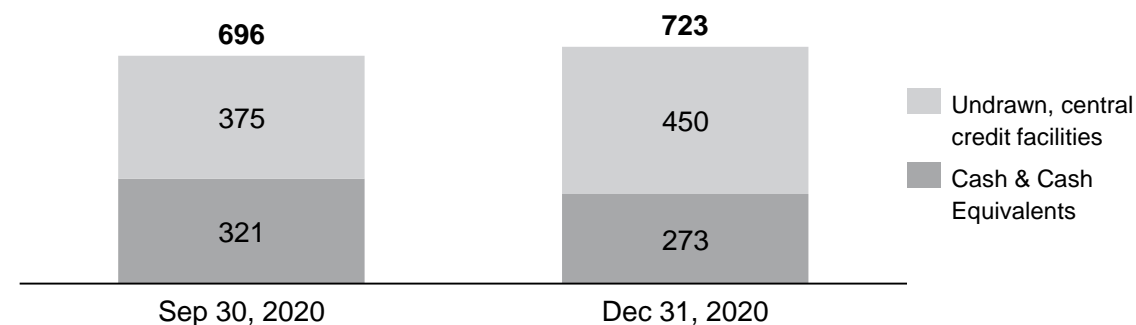
Free Cash Flow¹⁾ bridge Q1 FY21



Net debt bridge Q1 FY21



Cash and cash equivalents plus unused lines of credit



¹⁾ Defined as net cash provided by (used in) operating activities less capital expenditures

²⁾ LTM = last twelve months

Outlook for FY21^{1) 2)}

Revenue

Comparable revenue
growth between
10% and 14%

Adj. EBITDA margin

Adjusted EBITDA
margin
of 12% to 15%

Free Cash Flow

Free Cash Flow ranging
from 70 million Euro to
130 million Euro³⁾

¹⁾ Assumptions: No material negative effects from further COVID-19 lockdowns or considerable disturbances in the supply chain; Outlook does not assume any effects from the takeover by ams AG. Outlook is based on currently prevailing FX rates (esp. €, US\$, CN¥, M\$) at the release date of FY21 updated outlook (Jan 26, 2021).

²⁾ Outlook as communicated in ad hoc announcement on January 26, 2021

³⁾ Incl. cash outflow from transformation and M&A-related costs; excl. proceeds from possible divestments.

Appendix

Financial calendar and IR contact information

Upcoming events

- **February 23, 2021**
Annual General Meeting, Munich, Germany

Investor Relations contact

Telephone	+ 49 89 6213 4259
Internet	http://www.osram-group.de/en/investors
Email	ir@osram.com

Key financial metrics (continuing operations)¹⁾ (unaudited)

Group (€m)	Q1 FY21	Q1 FY20	Change (YoY)	
			nom.	-3.8 %
Revenue	840	873	comp.	-0.1 %
Gross margin	29.2%	29.3%		-10 bps
R&D	-82	-88		-7.2 %
SG&A	-144	-163		-11.7 %
EBITDA	131	98		33.5 %
EBITDA margin	15.6%	11.3%		440 bps
Adj. EBITDA	162	114		42.1 %
Adj. EBITDA margin	19.3%	13.0%		620 bps
Financial result, including at-equity result (continuing operations)	-15	-10		61.5 %
Income (loss) before income taxes (continuing operations)	15	1		955.4 %
Taxes	-9	0		n.a.
Net income (loss) (continuing operations)	6	1		369.6 %
Diluted EPS in € (continuing operations)	0.16	0.12		35.6 %
Free cash flow (continuing operations)	50	7		636.1 %
CAPEX	-21	-28		-26.0 %
Net debt	-507	-585		-13.3 %
Equity ratio	43.7%	48.8%		-510 bps
Employees (in thousands)	21.2	22.8		-7.3 %

Segment overview (continuing operations)¹⁾ (unaudited)

Q1 FY21 (€m)	OS	AM	DI	CIE	OSRAM Licht Group
Revenue	356	474	178	-169	840
Change % vs. PY reported	-0.7%	-1.1%	-17.9%		-3.8%
Change % vs. PY comparable	4.7%	1.4%	-12.6%		-0.1%
EBITDA	111	58	-6	-31	131
EBITDA margin	31.1%	12.3%	-3.5%		15.6%
Special items EBITDA	-2	-6	-5	-17	-31
therein transformations costs	-2	-6	-4	-1	-13
EBITDA before special items	113	65	-1	-14	162
EBITDA margin before special items	31.7%	13.6%	-0.8%		19.3%
Assets ¹⁾	1,167	638	295	1,852	3,953
Free cash flow	44	8	1	-3	50
Additions to intangible assets and property, plant and equipment	12	7	1	0	21
Amortization ²⁾	2	1	3	1	6
Depreciation PP&E	51	8	5	0	63
Depreciation right of use assets	4	3	2	2	11

1) Net assets on segment level; total assets on group level; CIE includes reconciling items

2) Without goodwill impairment DI portfolio

Consolidated statement of income (continuing operations)¹⁾ (unaudited)

	Three months ended Dec 31	Three months ended Dec 31
in (€m)	2020	2019
Revenue	840	873
Cost of goods sold and services rendered	-595	-617
Gross profit	245	256
Research and development expenses	-82	-88
Marketing, selling and general administrative expenses	-144	-163
Other operating income	34	7
Other operating expense	-22	-1
Income (loss) from investments accounted for using the equity method, net	0	-1
Interest income	1	1
Interest expense	-13	-5
Other financial income (expense), net	-3	-3
Income (loss) before income taxes OSRAM (continuing operations)	15	1
Income taxes	-9	0
Income (loss) OSRAM (continuing operations)	6	1
Income (loss) from discontinued operation, net of tax	0	-4
Net income (loss)	7	-2
Attributable to:		
Non-controlling interests	-9	-10
Shareholders of OSRAM Licht AG	16	7
Basic earnings per share (in €)	0.17	0.08
Diluted earning per share (in €)	0.17	0.08
Basic earnings per share (in €) OSRAM (continuing operations)	0.16	0.12
Diluted earning per share (in €) OSRAM (continuing operations)	0.16	0.12

Consolidated Statement of Comprehensive Income (continuing operations) (unaudited)

	Three months ended Dec 31	Three months ended Dec 31
in (€m)	2020	2019
Net income (loss)	7	-2
Remeasurements of defined benefit plans	10	24
<i>thereof: income tax</i>	1	-9
Measurements of equity instruments at fair value	0	0
<i>thereof: income tax</i>	0	0
Items that will not be reclassified to profit or loss	10	24
Currency translation differences	-28	-22
Derivative financial instruments	6	5
<i>thereof: income tax</i>	-3	-2
Items that may be reclassified subsequently to profit or loss	-23	-18
Other comprehensive income (loss), net of tax	-12	6
Total comprehensive income (loss)	-5	4
Attributable to:		
Non-controlling interests	-10	-10
Shareholders of OSRAM Licht AG	4	14

Consolidated statement of financial position (continuing operations) (unaudited)

	As of Dec 31 2020	As of Sep 30 2020	in (€m)	As of Dec 31 2020	As of Sep 30 2020
in (€m)	2020	2020			
Assets			Liabilities and equity		
Current Assets			Current liabilities		
Cash and cash equivalents	273	321	Short-term debt and current maturities of long-term debt	643	714
Trade receivables	465	440	Trade payables	407	372
Other current financial assets	62	32	Other current financial liabilities	100	109
Contract assets	5	5	Current contract liabilities	8	9
Inventories	656	641	Current provisions	70	56
Income tax receivables	14	21	Income tax payables	91	85
Other current assets	86	93	Other current liabilities	343	352
Assets held for sale	138	117	Liabilities associated with assets held for sale	127	111
Total current assets	1,699	1,669	Total current liabilities	1,789	1,808
Goodwill	150	176	Long-term debt	138	148
Other intangible assets	113	120	Pension plans and similar commitments	145	144
Property, plant and equipment	1,178	1,224	Deferred tax liabilities	15	16
Right of use assets	180	190	Provisions	33	33
Investments accounted for using the equity method	52	51	Other financial liabilities	0	0
Other financial assets	29	29	Contract liabilities	1	1
Deferred tax assets	489	486	Other liabilities	105	100
Other assets	63	43	Total liabilities	2,227	2,250
Total assets	3,953	3,987	Equity		
			Common stock, no par value	97	97
			Additional paid-in capital	1,657	1,662
			Retained earnings	114	89
			Other components of equity	-29	-7
			Treasury shares, at cost ¹⁾	-94	-94
			Total equity attributable to shareholders of OSRAM Licht AG	1,745	1,747
			Non-controlling interests	-20	-10
			Total equity	1,726	1,737
			Total liabilities and equity	3,953	3,987

1) As of December 10, 2020 OSRAM held 2,664,388 treasury shares (September 30, 2020: 2,664,388 shares).

Consolidated statement of cash flows (continuing operations) (unaudited)

1/2

	Three months ended Dec 31 2020	Three months ended Dec 31 2019
in (€m)		
Cash flows from operating activities		
Net income (loss)	7	-2
Adjustments to reconcile net income (loss) to cash provided		
Income (loss) from discontinued operation, net of tax	0	4
Amortization, depreciation, and impairments	100	87
Income taxes	9	0
Interest (income) expense, net	12	5
(Gains) losses on sales and disposals of businesses, intangible assets, and property, plant and equipment, net	-1	0
(Income) loss from investments	0	3
Other non-cash (income) expenses	-4	1
Change in current assets and liabilities		
(Increase) decrease in inventories	-25	-32
(Increase) decrease in trade receivables	-54	14
(Increase) decrease in other current assets	-21	8
Increase (decrease) in trade payables	52	-29
Increase (decrease) in current provisions	14	1
Increase (decrease) in other current liabilities	-15	-21
Change in other assets and liabilities	-2	3
Income taxes paid	-3	-7
Interest received	1	0
Net cash provided by (used in) operating activities - OSRAM (continuing operations)	71	35
Net cash provided by (used in) operating activities discontinued operation	-	-
Net cash provided by (used in) - OSRAM Licht Group (total)	71	35

Consolidated statement of cash flows (continuing operations) (unaudited)

2/2

in (€m)	Three months ended Dec 31 2020	Three months ended Dec 31 2019
Cash flows from investing activities		
Additions to intangible assets and property, plant and equipment	-21	-28
Acquisitions, net of cash and cash equivalents acquired	-5	-4
Purchases of investments	-2	-2
Proceeds and payments from sales of investments, intangible assets, and property, plant and equipment	1	2
Proceeds and payments from the sale of business activities, net cash disposed of	-	-10
Net cash provided by (used in) investing activities - OSRAM (continuing operations)	-27	-42
Net cash provided by (used in) investing activities discontinued operation	-	-
Net cash provided by (used in) investing activities - OSRAM Licht Group (total)	-27	-42
Cash flows from financing activities		
Proceeds from capital increases at subsidiaries with minority interests	4	-
Repayment of long-term debt	-	-8
Change in short-term debt and other financing activities	-13	-106
Interest paid and upfront fees for the shareholder loan from ams	-3	-4
Dividends paid to non-controlling interests	-	-3
Financing with the ams group	-75	-
Net cash provided by (used in) financing activities - OSRAM (continuing operations)	-87	-121
Net cash provided by (used in) financing activities discontinued operation	-	-
Net cash provided by (used in) financing activities - OSRAM Licht Group (total)	-87	-121
Effect of exchange rates on cash and cash equivalents	-2	-1
Net increase (decrease) in cash and cash equivalents	-45	-128
Cash and cash equivalents at beginning of period	330	327
Cash and cash equivalents at the end of period	285	198
Less: Cash and cash equivalents of discontinued operation and assets held for sale at end of the reporting period	12	-
Cash and cash equivalents at end of period (consolidated statement of financial position)	273	198