



BRIDGE BETWEEN GERMANY AND CHINA SUCCESSFULLY REQUIRES A  
AND TO KEEP WORKING AT ELMOS ON THE SIDE. FOLLOWING MY DRE  
LLS IN MY JOB AS PROCESS ENGINEER. RECRUITMENT WILL INCREASIN  
ES IN SUCH A WAY THAT **WE** WILL CONTINUE OUR SUCCESS IN THE MA  
VE MY SHARE OF RESPONSIBILITY FOR THE QUALITY OF OUR PRODUCT  
IS NOT AN EASY THING TO ACCOMPLISH. I **LOVE** TO SEE HOW INITIAL R  
SOUL HAS BEEN PUT INTO IT. WITH FLEXIBLE WORKING HOURS AND  
N PUSHING OUR RESEARCH ACTIVITIES. JOB TRAINING, EXTRA-OCCUP  
HAVE MY PART IN DEVELOPING THE ENERGY SAVING PRODUCTS OF TO  
OCIETY. WE AT ELMOS ALWAYS WANT TO DEVELOP THE BEST SOLUTION  
ONALITY, AND RELIABILITY. THIS IS **WHAT WE** AIM FOR EVERY SINGLE  
ON TO MEETING THE TARGETS OF OUR CUSTOMERS AND GIVING T  
ELPED CREATE THE FUTURE OF OUR ELMOS MOTOR DRIVERS FOR M  
HOBBY. AND THE CASUAL WORKING ENVIRONMENT MAKES MY T  
RING NEW IDEAS TO LIFE: THAT DESCRIBES WHAT I **DO** IN PRODUC  
DUCTS AS AN OPERATOR. TEN YEARS AGO, I STARTED MY CAREER IN  
EVEN MEMBERS OF MY TEAM ORIGINALLY HAIL FROM THE U.S., I  
TURES. INTERIM REPORT Q1 2012 AFTER MY TRAINING AT ELMOS I DEC

# Overview

## In focus

- > Sales slightly below prior-year quarter as expected
- > General economic risks remain to be present
- > Extraordinary charges result in higher cost of sales
- > Cost-cutting measures started in April 2012
- > Increased development and sales efforts as scheduled
- > Forecast confirmed and specified

## Key figures

### 1<sup>st</sup> quarter 2012

in million Euro or percent unless otherwise indicated	1/1 – 3/31/2012	1/1 – 3/31/2011	Change
<b>Sales</b>	<b>46.9</b>	<b>48.1</b>	<b>-2.5%</b>
Semiconductor	41.9	44.0	-4.7%
Micromechanics	5.0	4.1	21.0%
<b>Gross profit</b>	<b>18.2</b>	<b>20.8</b>	<b>-12.4%</b>
in percent of sales	38.9%	43.3%	
R&D expenses	8.8	8.2	7.3%
in percent of sales	18.7%	17.0%	
Operating income before other operating expenses/(income)	0.7	5.0	-86.6%
in percent of sales	1.4%	10.4%	
Exchange rate losses/(gains)	0.1	-0.1	n/a
Other operating expenses/(income)	-0.4	-0.7	-42.1%
<b>EBIT</b>	<b>1.0</b>	<b>5.8</b>	<b>-83.3%</b>
in percent of sales	2.1%	12.1%	
Net income for the period after non-controlling interests	0.6	4.1	-84.8%
in percent of sales	1.3%	8.5%	
<b>Basic earnings per share in Euro</b>	<b>0.03</b>	<b>0.21</b>	<b>-84.8%</b>
Operating cash flow	0.5	11.4 <sup>1</sup>	-95.6%
Capital expenditures for intangible assets and property, plant and equipment	3.3	5.3	-37.8%
in percent of sales	7.0%	11.0%	
Free cash flow <sup>2</sup>	-2.8	0.0	n/a
Adjusted free cash flow <sup>3</sup>	-2.8	6.2 <sup>1</sup>	n/a

in million Euro or percent unless otherwise indicated	3/31/2012	12/31/2011	Change
<b>Equity</b>	<b>188.3</b>	<b>187.9</b>	<b>0.2%</b>
in percent of total assets	70.1%	69.6%	
Employees (reporting date)	1,029	1,014	1.5%

<sup>1</sup> For adjustment of prior-year amounts, please refer to note 1 in the condensed notes to the consolidated financial statements

<sup>2</sup> Cash flow from operating activities less cash flow from investing activities

<sup>3</sup> Cash flow from operating activities, less capital expenditures for intangible assets and property, plant and equipment, less payments for investments, plus disposal of investments

# Interim group management report

## Course of business

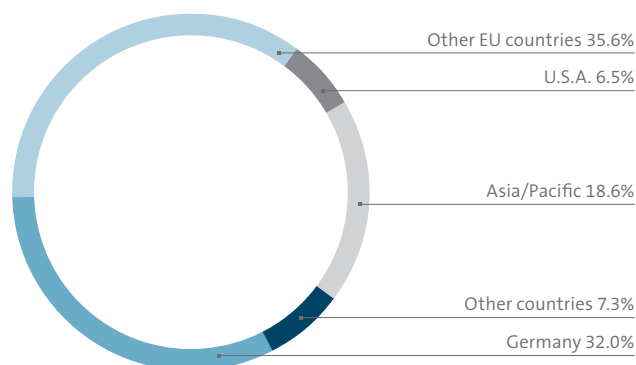
### Sales development and order situation

In the first quarter of 2012, ELMOS Semiconductor AG generated slightly lower sales than in the prior-year period of comparison. Sales of the first three months of 2012 amounted to 46.9 million Euro (Q1 2011: 48.1 million Euro). The semiconductor segment is particularly affected by the high level of uncertainty in the industry, especially among non-premium carmakers. Furthermore, several high-volume projects undergo a generation change at present.

Affected by these factors, the segments showed different performances. Semiconductor sales went down 4.7% to 41.9 million Euro (Q1 2011: 44.0 million Euro), thus reflecting the increasing uncertainty of the automotive customers, primarily among the non-premium manufacturers. In contrast to that, the micromechanics business recorded a positive development with a sales growth of 21.0% to reach 5.0 million Euro (Q1 2011: 4.1 million Euro). The key customers in the micromechanics segment manufacture products for medical technology, industrial applications, air conditioning technology, the auto industry, and consumer goods.

The regional breakdown of sales in comparison with the prior-year quarter gives evidence of the strength of the Asian/Pacific business which meanwhile amounts to almost a

### Sales by region



fifth of the sales of ELMOS. The sales decrease in this region compared to the fourth quarter of 2011 is accounted for by a product change at a major customer and the resulting temporarily lower delivery volume.

The order receipt continues to be determined by the uncertain general economic conditions. The relation of orders received to sales, the so-called book-to-bill, was one at the end of the first quarter 2012.

Third-party sales	1/1 – 3/31/2012 thousand Euro	in percent of sales	1/1 – 3/31/2011 thousand Euro	in percent of sales	Change
Germany	15,018	32.0%	17,505	36.4%	-14.2%
Other EU countries	16,704	35.6%	17,033	35.4%	-1.9%
U.S.A.	3,044	6.5%	3,839	8.0%	-20.7%
Asia/Pacific	8,725	18.6%	6,244	13.0%	39.7%
Other countries	3,423	7.3%	3,488	7.2%	-1.9%
<b>Group sales</b>	<b>46,914</b>	<b>100.0%</b>	<b>48,109</b>	<b>100.0%</b>	<b>-2.5%</b>

### Profit situation, finances and asset situation

Essentially as a consequence of higher cost for the assembly of the products, expenses incurred for the 8-inch conversion that were higher than scheduled, and increased energy costs, the gross profit went down 12.4% to 18.2 million Euro (Q1 2011: 20.8 million Euro). This equals a gross margin of 38.9% (Q1 2011: 43.3%). Apart from the increase in cost of sales, the decrease in the gross margin is also generally due to price effects which had a disproportionate impact at the beginning of the year and the under-utilization of production capacity.

Research and development efforts were increased as scheduled and amounted to 8.8 million Euro compared to 8.2 million Euro in the prior-year period. Sales expenses also gained on the first quarter of 2011, principally on account of the new Asian locations, climbing by 26.1% to 4.5 million Euro. General administrative expenses of 4.3 million Euro remained substantially stable in comparison with the prior-year quarter (Q1 2011: 4.1 million Euro).

Earnings before interest and taxes (EBIT) dropped accordingly to 1.0 million Euro (Q1 2011: 5.8 million Euro). The EBIT margin went down disproportionately in relation to the gross margin to 2.1% of sales (Q1 2011: 12.1%) due to the increase in functional costs. The net income attributable to owners of the parent came to 0.6 million Euro, equivalent to earnings per share of 0.03 Euro (Q1 2011: 4.1 million Euro and 0.21 Euro, respectively).

As a result of the lower consolidated net income, the cash flow from operating activities came to 0.5 million Euro in the quarter under review (Q1 2011: 11.4 million Euro). Another reason for the lower operating cash flow besides the lower net income was the decrease in trade payables by 3.4 million Euro in the first quarter of 2012.

Capital expenditures for intangible assets and property, plant and equipment amounted to 3.3 million Euro or 7.0% of sales in the first quarter of 2012 (Q1 2011: 5.3 million Euro or 11.0% of sales). The adjusted free cash flow (cash flow from operating activities less capital expenditures for intangible assets and property, plant and equipment, less payments for investments, plus disposal of investments) was –2.8 million Euro (Q1 2011: 6.2 million Euro).

Compared with December 31, 2011, liquid assets (not including acquired securities) went down to 55.8 million Euro (December 31, 2011: 59.0 million Euro). The net cash decreased to 33.0 million Euro (December 31, 2011: 35.7 million Euro). The equity ratio remained stable at 70.1% as of March 31, 2012 (December 31, 2011: 69.6%).

### Economic environment

The dynamics of the past quarters has altogether slowed down considerably. The market for new car registrations in **Western Europe** had a very slow start in 2012, according to the German Association of the Automotive Industry (VDA). In the first quarter, with 3.23 million vehicles it fell 8% below the prior-year period. Were it not for the robust German market (+1.3%), the decline would have been even stronger. Registration numbers dropped in Spain (–1.9%), Italy (–21.0%), and France (–21.6%), drastically in part.

The **U.S. American** auto economy (market for light vehicles) grew by 13% in the first quarter 2012 (3.46 million vehicles). The **Chinese** market remained at its high prior-year level with 3.13 million sold units (Q1 2011: 3.11 million). The double-digit growth rates of the past years could thus not be held up, though. The **Japanese** passenger car market benefits strongly from the significant catch-up demand due to the natural disaster of 2011 and government support measures. At 1.45 million units in the first quarter of 2012, the sales volume of the total market was 1.5 times the level of the prior-year period.

### Significant events

Dr. Anton Mindl, CEO, and Nicolaus Graf von Luckner, CFO, explained the 2011 annual result within the framework of the **annual press conference** and the **analysts' conference** held on March 15, 2012. The Management Board also presented the general economic conditions and the outlook for 2012. The **analysts' conference** is available as a video file at [www.elmos.com](http://www.elmos.com).

In March 2012, ELMOS released an updated edition of its **standard product catalog**, featuring 16 new entries and some 100 products altogether.

Moreover, the following news was announced, among others:

- > Milestone reached: ELMOS has delivered 5 million FlexRay™ components
- > Trade show presence: ELMOS at “electronica China 2012” in Shanghai
- > Sensors: ELMOS introduces flexible, digital PIR controller circuit
- > Home automation: New, flexible KNX/EIB transceiver
- > Stepper motor driver with stall detection and LIN interface

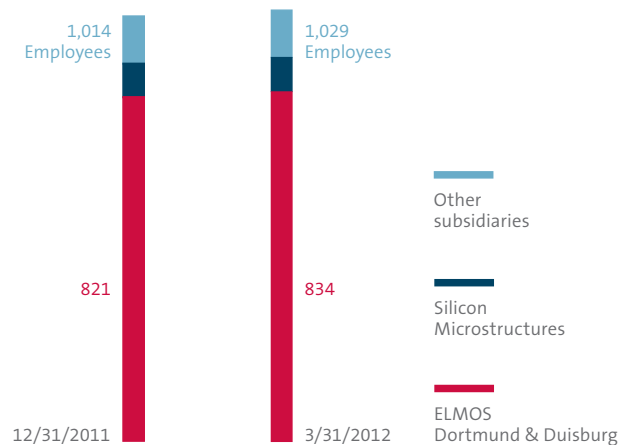
You can read the detailed press releases at [www.elmos.com](http://www.elmos.com).

### Other disclosures

#### Staff development

The workforce of the ELMOS Group came to 1,029 employees as of March 31, 2012. Compared with December 31, 2011 (1,014 employees), the staff is thus slightly increased (1.5%).

#### Staff development ELMOS Group



### ELMOS share

Despite great uncertainty caused by economic crises in some European countries and political crises throughout the world, the stock markets altogether managed to record highly positive performances in the first quarter of 2012. Although the ELMOS share price increased over the reporting period as well (+8.0%), it performed worse than most indices and competitors did. DAX (17.8%), TecDAX (15.3%), DAX Sector Technology (33.7%), and Technology All Share (13.5%) all performed very well.

The ELMOS share closed at 8.60 Euro on March 30, 2012. Market capitalization at that time amounted to 166.9 million Euro (based on 19.4 million shares outstanding). The share reached its high on February 9, 2012 at 9.54 Euro and its low on January 2, 2012 at 8.07 Euro (Xetra closing prices). The average daily trading volume was 26.1 thousand shares in the first three months of 2012 (Xetra and Frankfurt floor), thus falling short of the 2011 average (46.5 thousand shares). On March 31, 2012, ELMOS Semiconductor AG holds 105,931 treasury shares.

### Company boards

#### Supervisory Board

Prof. Dr. Günter Zimmer, *chairman*

Graduate physicist | Duisburg

Dr. Burkhard Dreher, *deputy chairman*

Graduate economist | Dortmund

Dr. Klaus Egger

Graduate engineer | Steyr-Gleink, Austria

Thomas Lehner

Graduate engineer | Dortmund

Sven-Olaf Schellenberg

Graduate physicist | Dortmund

Dr. Klaus Weyer

Graduate physicist | Penzberg

#### Management Board

Dr. Anton Mindl, *chairman*

Graduate physicist | Lüdenscheid

Nicolaus Graf von Luckner

Graduate economist | Oberursel

Reinhard Senf

Graduate engineer | Iserlohn

Dr. Peter Geiselhart, *since January 1, 2012*

Graduate physicist | Ettlingen

Jürgen Höllisch, *until February 29, 2012*

Engineer | Purbach/Austria

## Outlook

### Opportunities and risks

Risk management and individual corporate risks and opportunities are described in our Annual Report 2011. Over the first three months of 2012, no material changes of the company's risks and opportunities as detailed therein have occurred. No risks are visible at present that could either separately or collectively jeopardize the company's continued existence.

### Economic framework

The general economic conditions show a large number of imponderables for 2012. The further development of the global and regional crises, e.g. the crises of individual euro member states or the political situation in the Middle East, is so far impossible to predict; the same applies for the further market development in China. The corresponding effects on the financial and raw materials markets are equally hard to assess.

### Outlook for the ELMOS Group

Even though ELMOS has managed to assume a good starting position on account of the solid financial foundation and the large customer base, the company remains dependent on the global economic framework. For some months now we have been observing a defensive order behavior among our customers as a result of the economic uncertainty. As expected, this pattern shows in the key figures of the first quarter 2012.

Positive developments in the first quarter 2012 worth pointing out are the successful project acquisition and the response to ELMOS products, also in Asia. Orders of motor driver, sensor readout, microsystem and communication solutions in particular indicate the competitiveness of the ELMOS product portfolio.

In order to reduce cost of sales, a bundle of measures was launched in April 2012. Together with the expected higher sales, this will lead to a significantly improved earnings situation in the second half-year 2012 compared to the first quarter 2012.

Based on an unchanged economic framework, ELMOS continues to expect sales for the full year 2012 at the level of 2011. The EBIT margin is scheduled to be in the high single-digit percentage range. Capital expenditures are budgeted to come to less than 15% of sales. The free cash flow will be positive.

All in all, we are convinced that ELMOS has the right products in its portfolio and in development to raise sales and thus earnings as well to a higher level. In the medium and long term, ELMOS will benefit from the global megatrends: increasing urbanization, more renewable energy sources (and dealing with them in an efficient way), and more as well as environmentally sound mobility. To all these dynamically growing market segments, ELMOS will make important contributions.

# Interim consolidated financial statements

## Condensed consolidated statement of financial position

Assets	3/31/2012 thousand Euro	12/31/2011 thousand Euro
<b>Non-current assets</b>		
Intangible assets*	28,853	29,240
Property, plant and equipment*	71,111	71,770
Investments in associates	0	0
Securities*	7,785	8,346
Investments*	3,809	3,917
Other financial assets*	1,580	1,630
Deferred tax assets	3,361	3,579
<b>Total non-current assets</b>	<b>116,499</b>	<b>118,482</b>
<b>Current assets</b>		
Inventories*	40,031	39,951
Trade receivables	29,933	28,714
Securities	9,947	9,102
Other financial assets	5,347	4,837
Other receivables	7,548	6,499
Income tax assets	3,292	2,989
Cash and cash equivalents	55,816	59,002
	<b>151,914</b>	<b>151,094</b>
Non-current assets held for sale	187	338
<b>Total current assets</b>	<b>152,101</b>	<b>151,432</b>
<b>Total assets</b>	<b>268,600</b>	<b>269,914</b>

\* Cf. note 3



	3/31/2012 thousand Euro	12/31/2011 thousand Euro
<b>Equity and liabilities</b>		
<b>Equity</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital*	19,414	19,414
Treasury stock*	-106	-106
Additional paid-in capital	88,612	88,516
Surplus reserve	102	102
Other equity components	-2,505	-2,064
Retained earnings	82,080	81,450
	<b>187,597</b>	<b>187,312</b>
Non-controlling interests	676	633
<b>Total equity</b>	<b>188,273</b>	<b>187,945</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Provisions	205	243
Financial liabilities	30,233	30,235
Other liabilities	1,478	1,540
Deferred tax liabilities	3,900	3,994
<b>Total non-current liabilities</b>	<b>35,816</b>	<b>36,012</b>
<b>Current liabilities</b>		
Provisions	11,564	9,376
Income tax liabilities	1,873	2,006
Financial liabilities	10,358	10,496
Trade payables	17,953	21,325
Other liabilities	2,763	2,754
<b>Total current liabilities</b>	<b>44,511</b>	<b>45,957</b>
<b>Total liabilities</b>	<b>80,327</b>	<b>81,969</b>
<b>Total equity and liabilities</b>	<b>268,600</b>	<b>269,914</b>

\* Cf. note 3

## Condensed consolidated income statement

For the period from January 1 to March 31	1/1 – 3/31/2012 thousand	in percent of sales	1/1 – 3/31/2011 thousand	in percent of sales	Change
<b>Sales</b>	<b>46,914</b>	<b>100.0</b>	<b>48,109</b>	<b>100.0</b>	<b>-2.5%</b>
Cost of sales	28,679	61.1	27,295	56.7	5.1%
<b>Gross profit</b>	<b>18,235</b>	<b>38.9</b>	<b>20,814</b>	<b>43.3</b>	<b>-12.4%</b>
Research and development expenses	8,755	18.7	8,157	17.0	7.3%
Distribution expenses	4,464	9.5	3,539	7.4	26.1%
Administrative expenses	4,342	9.3	4,105	8.5	5.8%
<b>Operating income before other operating expenses/income (-)</b>	<b>674</b>	<b>1.4</b>	<b>5,013</b>	<b>10.4</b>	<b>-86.6%</b>
Finance income	-458	-1.0	-340	-0.7	34.9%
Finance costs	594	1.3	601	1.2	-1.1%
Exchange rate losses (-)/gains	102	0.2	-124	-0.3	n/a
Other operating income	-697	-1.5	-1,158	-2.4	-39.8%
Other operating expenses	296	0.6	465	1.0	-36.5%
<b>Earnings before taxes</b>	<b>837</b>	<b>1.8</b>	<b>5,569</b>	<b>11.6</b>	<b>-85.0%</b>
<b>Taxes on income</b>					
Current income tax expense	24	0.1	754	1.6	-96.8%
Deferred taxes	186	0.4	686	1.4	-72.8%
	<b>210</b>	<b>0.5</b>	<b>1,440</b>	<b>3.0</b>	<b>-85.4%</b>
<b>Net income</b>	<b>627</b>	<b>1.3</b>	<b>4,129</b>	<b>8.6</b>	<b>-84.8%</b>
<b>Net income attributable to</b>					
<b>Owners of the parent</b>	<b>619</b>	<b>1.3</b>	<b>4,067</b>	<b>8.5</b>	<b>-84.8%</b>
Non-controlling shareholders	8	0.0	62	0.1	-87.9%
	627	1.3	4,129	8.6	-84.8%
<b>Earnings per share in Euro</b>					
Basic earnings per share	0.03		0.21		-84.8%
Fully diluted earnings per share	0.03		0.21		-84.8%

## Condensed consolidated statement of comprehensive income

For the period from January 1 to March 31	1/1 – 3/31/2012 thousand	1/1 – 3/31/2011 thousand
<b>Net income</b>	<b>627</b>	<b>4,129</b>
<b>Other comprehensive income</b>		
Foreign currency adjustments not affecting deferred taxes	-11	11
Foreign currency adjustments affecting deferred taxes	-455	-913
Deferred tax (on foreign currency adjustments affecting deferred taxes)	114	225
Value differences relating to hedges	-207	164
Deferred tax (on value differences relating to hedges)	66	-53
Available-for-sale financial assets	65	0
Deferred tax (on available-for-sale financial assets)	-9	0
<b>Other comprehensive income after taxes</b>	<b>-437</b>	<b>-566</b>
<b>Total comprehensive income after taxes</b>	<b>190</b>	<b>3,563</b>
<b>Total comprehensive income attributable to</b>		
Owners of the parent	178	3,501
Non-controlling shareholders	12	62
	<b>190</b>	<b>3,563</b>

## Condensed consolidated statement of cash flows

	1/1 – 3/31/2012 thousand Euro	1/1 – 3/31/2011 thousand Euro
<b>Cash flow from operating activities</b>		
Net income	627	4,129
Depreciation and amortization	4,247	4,480
Write-down on investments	0	34
Financial result	136	261
Other non-cash expenses	245	648
Current income tax expense	24	754
Expenses for stock option plans and stock awards	96	71
Changes in pension provisions	-38	-55
Changes in net working capital:		
Trade receivables	-1,219	-1,145
Inventories	-80	163
Other assets	-1,559	-27
Trade payables	-3,371	1,143
Other provisions and other liabilities	1,990	1,631
Income tax payments	-461	-385
Interest paid	-594	-601
Interest received	458	340
<b>Cash flow from operating activities</b>	<b>501</b>	<b>11,441</b>
<b>Cash flow from investing activities</b>		
Capital expenditures for intangible assets	-781	-905
Capital expenditures for property, plant and equipment	-2,521	-4,402
Disposal of non-current assets held for sale	137	976
Payments for acquisition of interests in joint ventures less acquired cash and cash equivalents	0	-558
Disposal of property, plant and equipment	2	420
Payments for securities	-219	-7,027 <sup>1</sup>
Disposal of investments	0	33
Payments from other non-current financial assets	50	0
<b>Cash flow from investing activities</b>	<b>-3,332</b>	<b>-11,463</b>
<b>Cash flow from financing activities</b>		
Repayment/Borrowing of non-current liabilities	-64	198
Repayment/Borrowing of current liabilities to banks	-138	2,669
Newly created non-controlling interests	48	0
Other changes	-6	0
<b>Cash flow from financing activities</b>	<b>-160</b>	<b>2,867</b>
<b>Decrease/Increase in cash and cash equivalents</b>	<b>-2,991</b>	<b>2,845</b>
Effect of exchange rate changes on cash and cash equivalents	-195	-118
Cash and cash equivalents at beginning of reporting period	59,002	58,010
<b>Cash and cash equivalents at end of reporting period</b>	<b>55,816</b>	<b>60,737</b>

<sup>1</sup> The statement for the prior-year period has been adjusted; please refer to the information provided in the condensed notes to the consolidated financial statements under 1.

## Condensed consolidated statement of changes in equity

	Equity attributable to owners of the parent				
	Shares thousand shares	Share capital thousand Euro	Treasury stock thousand Euro	Additional paid-in capital thousand Euro	Surplus reserve thousand Euro
<b>January 1, 2011</b>	<b>19,414</b>	<b>19,414</b>	<b>-119</b>	<b>88,486</b>	<b>102</b>
Net income					
Other comprehensive income for the period					
Total comprehensive income					
Changes in basis of consolidation					
Stock option expense				71	
<b>March 31, 2011</b>	<b>19,414</b>	<b>19,414</b>	<b>-119</b>	<b>88,557</b>	<b>102</b>
<b>January 1, 2012</b>	<b>19,414</b>	<b>19,414</b>	<b>-106</b>	<b>88,516</b>	<b>102</b>
Net income					
Other comprehensive income for the period					
Total comprehensive income					
Aufwand aus Aktienoptionen				96	
Newly created interest of non-controlling shareholders					
Other changes					
<b>March 31, 2012</b>	<b>19,414</b>	<b>19,414</b>	<b>-106</b>	<b>88,612</b>	<b>102</b>

Equity attributable to owners of the parent					Non-controlling interests	Group
Other equity components Reserve for available-for-sale financial assets thousand Euro	Other equity components Hedges thousand Euro	Other equity components Foreign currency translation thousand Euro	Retained earnings thousand Euro	Total thousand Euro	Total thousand Euro	Total thousand Euro
0	61	-1,801	66,380	172,523	-227	172,296
			4,067	4,067	62	4,129
0	111	-677		-566		-566
0	111	-677	4,067	3,501	62	3,563
			11	11		11
				71		71
0	172	-2,478	70,458	176,106	-165	175,941
-37	-627	-1,400	81,450	187,312	633	187,945
			619	619	8	627
56	-141	-356		-441	4	-437
56	-141	-356	619	178	12	190
				96		96
			17	17	31	48
			-6	-6		-6
19	-768	-1,756	82,080	187,597	676	188,273

# Condensed notes to the consolidated financial statements

The condensed interim consolidated financial statements for the 1<sup>st</sup> quarter 2012 were released for publication in May 2012 pursuant to Management Board resolution.

## 1 // General information

ELMOS Semiconductor Aktiengesellschaft (“the company” or “ELMOS”) has its registered office in Dortmund (Germany) and is entered in the register of companies maintained at the District Court (Amtsgericht) Dortmund, section B, no. 13698. The articles of incorporation are in effect in the version of March 26, 1999, last amended by resolution of the Annual General Meeting of May 17, 2011.

The company’s business is the development, manufacture and distribution of microelectronic components and system parts (application specific integrated circuits, or in short: ASICs) and technological devices with similar functions. The company may conduct all transactions suitable for serving the object of business directly or indirectly. The company may establish branches, acquire or lease businesses of the same or a similar kind or invest in them, and conduct all business transactions that are beneficial to the articles of association. The company is authorized to conduct business in Germany as well as abroad.

In addition to its domestic branches, the company has sales companies in Asia and the United States and cooperates with other German and international companies in the development and production of ASIC chips.

### Basic principles of the preparation of financial statements

The condensed interim consolidated financial statements for the period from January 1 to March 31, 2012 have been prepared in accordance with IAS 34: Interim Financial Reporting. These financial statements do therefore not contain all the information and disclosures required for consolidated financial statements and should therefore be read in conjunction with the consolidated financial statements for the fiscal year ended December 31, 2011.

### Adjustments to presentation compared to prior-year quarterly financial statements

Deviating from the quarterly financial statements as of March 31, 2011, the comprehensive income for Q1 2012 is presented in two separate statements for the sake of higher clarity, a consolidated income statement and a consolidated statement of comprehensive income. In the prior-year quarterly financial statements, the presentation was made in a single consolidated statement of comprehensive income, comprising the two elements. In the statement of cash flows, changes in securities are solely presented in cash flow from investing activities. The prior-year presentation, including an amount of 3,503 thousand Euro in cash flow from operating activities as decrease in securities, has been adjusted accordingly, and that amount was reclassified to cash flow from investing activities under the item “Payments for securities”.

### Essential accounting policies and valuation methods

For the preparation of the condensed interim consolidated financial statements, the same accounting policies and valuation methods have been adopted as were applied for the preparation of the consolidated financial statements for the financial year ended December 31, 2011, with the exception of the new or amended IFRS Standards and Interpretations listed below. The application of these Standards and Interpretations had no effect on the group’s asset situation, finances and profit situation.

-> Amendment	Transfers of
IFRS 7	Financial Assets

### Estimates and assumptions

The company recognizes provisions for pension and partial retirement obligations pursuant to IAS 19. An actuarial interest rate of 5.5% has been applied for 2012, the same rate as applied as of December 31, 2011.

### Exceptional business transactions

There were no exceptional business transactions in the first quarter of 2012.

### Basis of consolidation

There were no additions to the basis of consolidation in the first quarter of 2012. Subsidiary ELMOS France S.A.S., Levallois Perret/France, was excluded from the ELMOS Group's basis of consolidation as of March 30, 2012. In terms of corporate law, this transaction represents an entity's dissolution without liquidation. ELMOS Semiconductor AG, Dortmund, is full legal successor in respect of the subsidiary's assets and liabilities accounted for.

### Seasonal and economic impact on business operations

The general economic conditions for 2012 are determined by many imponderables. The further development of the global and regional crises, e.g. the crises of individual euro member states or the political situation in the Middle East, is so far impossible to predict; the same applies for the further market development in China. The corresponding effects on the financial and raw materials markets are equally hard to assess. The business of ELMOS Semiconductor AG is not subject to material seasonal fluctuations.

## 2 // Segment reporting

The business segments correspond to the internal organizational and reporting structure of the ELMOS Group. The definition of segments considers the different products and services supplied by the group. The accounting principles of the individual segments correspond to those applied by the group.

The company divides its business activities into two segments. The semiconductor business is operated through the various national subsidiaries and branches in Germany, the Netherlands, South Africa, Asia, and the U.S.A. Sales in this segment are generated predominantly with electronics for the automotive industry. In addition, ELMOS operates in the markets for industrial and consumer goods and provides semiconductors e.g. for applications in household appliances, photo cameras, installation and building technology, and machine control. Sales in the micromechanics segment are generated by the subsidiary SMI in the U.S.A. The product portfolio includes micro-electro-mechanical systems (MEMS) which are primarily silicon-based high-precision pressure sensors. The following tables provide information on sales and earnings (for the period from January 1 to March 31, 2012 and 2011, respectively) as well as on assets of the group's business segments (as of March 31, 2012 and December 31, 2011).

<b>Quarter ended 3/31/2012</b>	<b>Semiconductor thousand Euro</b>	<b>Micromechanics thousand Euro</b>	<b>Consolidation thousand Euro</b>	<b>Total thousand Euro</b>
<b>Sales</b>				
Third-party sales	41,947	4,967	0	46,914
Intersegment sales	55	157	-212 <sup>1</sup>	0
<b>Total sales</b>	<b>42,002</b>	<b>5,124</b>	<b>-212</b>	<b>46,914</b>
<b>Earnings</b>				
Segment earnings	495	478	0	973
Finance income				458
Finance expenses				-594
<b>Earnings before taxes</b>				<b>837</b>
Taxes on income				-210
<b>Net income including non-controlling interests</b>				<b>627</b>
<b>Assets</b>				
Segment assets	187,346	14,976	62,469 <sup>2</sup>	264,791
Investments	470	3,339	0	3,809
<b>Total assets</b>				<b>268,600</b>
<b>Other segment information</b>				
Capital expenditures for intangible assets and property, plant and equipment	2,842	460	0	3,302
Depreciation and amortization	4,093	154	0	4,247

<sup>1</sup> Sales from intersegment transactions are eliminated for consolidation purposes.

<sup>2</sup> Non-attributable assets as of March 31, 2012 include cash and cash equivalents (55,816 thousand Euro), income tax assets (3,292 thousand Euro), and deferred taxes (3,361 thousand Euro), as these assets are controlled at group level.



Quarter ended 3/31/2011	Semiconductor thousand Euro	Micromechanics thousand Euro	Consolidation thousand Euro	Total thousand Euro
<b>Sales</b>				
Third-party sales	44,003	4,106	0	48,109
Intersegment sales	44	191	-235 <sup>1</sup>	0
<b>Total sales</b>	<b>44,047</b>	<b>4,297</b>	<b>-235</b>	<b>48,109</b>
<b>Earnings</b>				
Segment earnings	5,383 <sup>2</sup>	447 <sup>2</sup>	0	5,830
Finance income				340
Finance expenses				-601
<b>Earnings before taxes</b>				<b>5,569</b>
Taxes on income				-1,440
<b>Net income including non-controlling interests</b>				<b>4,129</b>
<b>Assets (as of 12/31/2011)</b>				
Segment assets	186,404	14,024	65,569 <sup>3</sup>	265,997
Investments	470	3,447	0	3,917
<b>Total assets</b>				<b>269,914</b>
<b>Other segment information</b>				
Capital expenditures for intangible assets and property, plant and equipment	5,229	78	0	5,307
Depreciation and amortization	4,152	328	0	4,480

<sup>1</sup> Sales from intersegment transactions are eliminated for consolidation purposes.

<sup>2</sup> Adjustment of prior-year value

<sup>3</sup> Non-attributable assets as of December 31, 2011 include cash and cash equivalents (59,002 thousand Euro), income tax assets (2,989 thousand Euro), and deferred taxes (3,579 thousand Euro), as these assets are controlled at group level.

## Geographical information

Sales generated with third-party customers	Quarter ended 3/31/2012 thousand Euro	Quarter ended 3/31/2011 thousand Euro	Geographical distribution of non-current assets	3/31/2012 thousand Euro	12/31/2011 thousand Euro
Germany	15,018	17,505	Germany	98,980	99,060
Other EU countries	16,704	17,033	Other EU countries	6,677	8,462
U.S.A.	3,044	3,839	U.S.A.	7,442	7,360
Asia/Pacific	8,725	6,244	Others	39	21
Others	3,423	3,488		<b>113,138</b>	<b>114,903</b>
	<b>46,914</b>	<b>48,109</b>			

### 3 // Notes on essential items

#### Selected non-current assets

Development of selected non-current assets from January 1 to March 31	Net book value 1/1/2012 thousand Euro	Reclassification thousand Euro	Additions thousand Euro	Disposals/Other movements thousand Euro	Depreciation and amortization thousand Euro	Net book value 3/31/2012 thousand Euro
Intangible assets	29,240	59	781	-20	1,207	28,853
Property, plant and equipment	71,770	-59	2,521	-81	3,040	71,111
Securities	8,346	0	0	-561	0	7,785
Investments	3,917	0	0	-108	0	3,809
Other financial assets	1,630	0	0	-50	0	1,580
	<b>114,903</b>	<b>0</b>	<b>3,302</b>	<b>-820</b>	<b>4,247</b>	<b>113,138</b>

The item "Disposals/Other movements" includes negative currency adjustments in the amount of 219 thousand Euro.

As of March 31, 2012, altogether 944,993 options from stock option plans are outstanding. The options are attributable to the separate tranches as follows:

#### Inventories

	3/31/2012 thousand Euro	12/31/2011 thousand Euro
Raw materials	7,917	7,900
Work in process	23,242	22,879
Finished goods	8,872	9,172
	<b>40,031</b>	<b>39,951</b>

#### Equity

As of March 31, 2012, the share capital of ELMOS Semiconductor AG consists of 19,414,205 shares. At present, the company holds 105,931 treasury shares.

	2009	2010	2011	Total
Year of resolution and issue	2009	2010	2011	
Exercise price in Euro	3.68	7.49	8.027	
Blocking period ex issue (years)	3	4	4	
Exercise period after blocking period (years)	3	3	3	
Options outstanding as of 12/31/2011 (number)	458,230	239,863	248,900	<b>946,993</b>
1/1-3/31/2012 exercised (number)	0	0	0	<b>0</b>
1/1-3/31/2012 forfeited (number)	900	575	525	<b>2,000</b>
Options outstanding as of 3/31/2012 (number)	<b>457,330</b>	<b>239,288</b>	<b>248,375</b>	<b>944,993</b>
Options exercisable as of 3/31/2012 (number)	0	0	0	<b>0</b>

#### 4 // Related party disclosures

As reported in the consolidated financial statements for the financial year ended December 31, 2011, the ELMOS Group maintains business relationships with related companies and individuals in the context of the ordinary course of business.

These supply and performance relationships continue to be transacted at market prices.

#### Directors' dealings according to Section 15a WpHG (German Securities Trading Act)

No reportable securities transactions (directors' dealings) were made in the reporting period from January 1 to March 31, 2012.

#### 5 // Significant events after the end of the first three months of 2012

As of April 1, 2012, joint venture MAZ Mikroelektronik-Anwendungszentrum GmbH im Land Brandenburg, Berlin, previously subject to proportionate consolidation, is included in the consolidated financial statements by way of full consolidation due to control over the entity based on the conclusion of a voting trust agreement.

Dortmund, May 2012



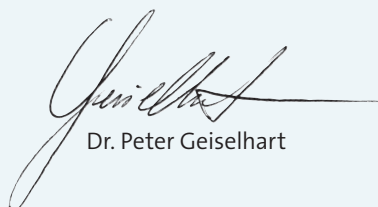
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This interim report was released on May 3, 2012 in German and English. Both versions are available for download on the Internet at [www.elmos.com](http://www.elmos.com).

We are happy to send you additional informative material free of charge on your request.

#### Financial calendar 2012

Annual General Meeting in Dortmund	May 8, 2012
6-month results Q2/2012 (after trading hours)	August 8, 2012
9-month results Q3/2012 (after trading hours)	November 6, 2012
Analysts' conference at the Equity Forum in Frankfurt	November 2012

Results are usually released after trading hours. Conference calls are usually conducted the day after the quarterly results are released.

#### Forward-looking statements

This report contains statements directed to the future based on assumptions and estimates made by the management of ELMOS. Even though we assume the underlying expectations of our statements to be realistic, we cannot guarantee these expectations will prove right. The assumptions may carry risks and uncertainties, and as a result actual events may differ materially from the current statements made with respect to the future. Among the factors that could cause material differences are changes in general economic and business conditions, changes in exchange and interest rates, the introduction of competing products, lack of acceptance of new products, and changes in business strategy. ELMOS neither intends nor assumes any obligation to update its statements with respect to future events.

This English translation is for convenience purposes only.

ASIA IS AN IMPORTANT GROWTH MARKET FOR ELMOS. TO CROSS THE  
JOB. AFTER MY TRAINING AT ELMOS I DECIDED TO GO TO UNIVERSITY  
NOW ABLE TO SHARE THE FULL RANGE OF MY KNOWLEDGE AND SKI  
THE ADVANCED TRAINING OF OUR CURRENT AND FUTURE EMPLOYE  
A PROFESSIONAL. AS MANAGER OF MODULE PROCESS ANALYSIS, I HA  
DOUSLY EXCITING. EVEN TODAY, BALANCING FAMILY AND A CAREER  
THE CUSTOMER WITH A PRODUCT, I KNOW HOW MUCH HEART AND  
CITING WORKING ENVIRONMENT, ENABLING ME TO JOIN MY TEAM I  
WITH ELMOS. NOW, AFTER EARNING MY GRADUATE DEGREE, I WILL F  
TO CREATING A PROMISING FUTURE, BOTH FOR MYSELF AND FOR S  
OURSELVES APART FROM THE MARKET THROUGH CHIP SIZE, FUNCTI  
HIGH QUALITY AWARENESS. AS PROJECT MANAGER, I PAY ATTENTIO  
FEEDBACK PROVES THAT ELMOS IS DOING A GOOD JOB. I HAVE HE  
THEM ON THE JOB. THIS ALLOWS ME TO MAKE A CAREER OF MY  
ASSIGNMENTS, NICE COLLEAGUES, AND THE OPPORTUNITY TO B  
RESPONSIBLE FOR THE RELIABLE MANUFACTURING OF OUR PRO  
CESS ENGINEERING AT OUR SUBSIDIARY IN CALIFORNIA. THE EL  
I ENJOY MANAGING SUCH A DIVERSITY OF PRODUCTS AND CUI