Interim Report
of OSRAM Licht Group
for the First Half Year of Fiscal Year 2020

Contents

About this Report

This Interim Report contains the group interim management report and the condensed interim consolidated financial statements of OSRAM Licht AG and its subsidiaries (‘OSRAM Licht Group’, ‘OSRAM’ or ‘we’) for the six months ended March 31, 2020 as well as a responsibility statement. It complies with the half-year financial reporting requirements of section 115 of the *Wertpapierhandelsgesetz* (WpHG—German Securities Trading Act). The Interim Report should be read in conjunction with our » Annual Report for Fiscal Year 2019.

The group interim management report contains forward-looking statements that are based on current management estimates regarding future developments. These statements do not constitute a guarantee that these expectations will prove correct. The future performance of the OSRAM Licht Group and its affiliated companies depends on numerous risks and uncertainties, many aspects of which are outside OSRAM’s sphere of influence. In particular, these include, but are not limited to, the circumstances described in the » 2019 Annual Report, A.4.2 Report on Risks and Opportunities, supplemented by the > Report on Opportunities and Risks in this group interim management report. As a result, material variances, both negative and positive, could arise between OSRAM’s actual results, profits, and performance and those forecast in our forward-looking statements. OSRAM does not plan and does not assume any separate obligation to update the forward-looking statements over and above regulatory requirements.

OSRAM’s condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations issued by the International Accounting Standards Board (IASB), as adopted by the European Union (EU).

Fiscal year 2020 for the OSRAM Licht Group began on October 1, 2019 and will end on September 30, 2020.

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

The Managing Board uses key financial performance indicators to manage OSRAM, some of which are ‘alternative performance measures’ (APMs); these include, but are not limited to, revenue growth adjusted for currency translation and portfolio effects, adjusted EBITDA, the adjusted EBITDA margin, and free cash flow. A detailed description of these key performance indicators and their calculation can be found in the » 2019 Annual Report, A.1.2 Performance Management and, if applicable, a reconciliation to the most similar IFRS performance indicators in > Reconciliation of Key Performance Indicators.

This document is a convenience translation of the original German-language document.

Cross-references in the text

> **Internal cross-reference** (within the document)
» **External cross-reference** (to another document)

Group Interim Management Report

Business Performance in the First Half Year of Fiscal Year 2020

Results of Operations

Revenue by Segments

in € million

	Six months ended March 31,		Change			
	2020	2019[1]	nominal	therein currency	therein portfolio	comparable
Opto Semiconductors[1]	721	716	0.7%	2.0%	0.0%	(1.3)%
Automotive	911	892	2.1%	1.8%	4.3%	(4.0)%
Digital	417	434	(3.9)%	1.6%	(0.1)%	(5.4)%
Reconciliation to consolidated financial statements	(355)	(352)	0.8%	1.9%	0.0%	(1.0)%
OSRAM (continuing operations)	**1,694**	**1,689**	**0.3%**	**1.8%**	**2.3%**	**(3.8)%**

[1] Including intersegment revenue of €367 million (previous year: €373 million).

- Modest positive currency translation effects as well as modest positive portfolio effects overall in the first half of the fiscal year 2020
- OS: comparable revenue decline in the business segments Automotive and Visualization; the business segments Sensing and General Lighting show moderate and clear growth respectively; total OS with modest decline
- AM: comparable revenue decline in traditional products as well as in LED components, OSRAM CONTINENTAL with modest comparable growth
- DI: Moderate comparable revenue decline; mainly driven by the lighting solutions business for buildings (Traxon) and the specialty lighting business for entertainment where significantly fewer projects were realized in the second quarter than in the same period last year due to the market slump in Asia, among other things because of the COVID 19 pandemic; the business with control units and lighting management systems (Digital Systems) shows a moderate decline; the business of specialty lighting for smart LED-based plant cultivation systems and industrial applications shows significant growth
- LED share of 70.7%, compared with 68.2% in first half of fiscal year 2019

Revenue by Regions

(by location of customer)
in € million

	Six months ended March 31,		Change			
	2020	2019[1]	nominal	therein currency	therein portfolio	comparable
EMEA	589	589	0.1%	0.2%	4.2%	(4.4)%
therein Germany	200	225	(10.9)%			
APAC	587	593	(1.1)%	2.5%	1.5%	(5.1)%
therein China (including Hong Kong) and Taiwan	331	326	1.5%			
Americas	518	507	2.2%	2.8%	0.8%	(1.4)%
therein U.S.A.	438	423	3.7%			
OSRAM (continuing operations)	**1,694**	**1,689**	**0.3%**	**1.8%**	**2.3%**	**(3.8)%**

[1] The previous year's figures were adjusted due to a change in calculation methodology.

- EMEA with moderate comparable revenue decline especially driven by the revenue development in Germany
- Revenues in APAC with modest decline mainly driven by the lighting solutions business for buildings (Traxon) and the specialty lighting business for entertainment in China
- Modest comparable revenue decline in Americas; the negative growth is mainly driven by OS and AM; DI with clear growth driven by the business with LED-based plant cultivation systems

Earnings

in € million

	Six months ended March 31, 2020	2019	Change nominal
EBITDA segments			
Opto Semiconductors	164	65	151.4%
Automotive	53	82	(36.1)%
Digital	(6)	(21)	(69.6)%
Reconciliation to consolidated financial statements	(62)	(47)	33.4%
EBITDA OSRAM (continuing operations)	**148**	**80**	**83.9%**
EBITDA margin	8.7%	4.8%	390 bps
Special items[1]	(62)	(83)	(25.4)%
therein transformation costs	(61)	(66)	(8.3)%
therein acquisition related costs	(1)	(6)	(83.3)%
Adjusted EBITDA	210	163	28.6%
Adjusted EBITDA margin	12.4%	9.7%	270 bps
Amortization, depreciation, and impairments	172	186	(7.4)%
Net financial income or expense[2]	(16)	(11)	46.7%
Income (loss) before income taxes OSRAM (continuing operations)	**(40)**	**(117)**	**(65.4)%**
Income taxes	2	21	(88.5)%
Income (loss) OSRAM (continuing operations)	**(38)**	**(96)**	**(60.4)%**
Loss discontinued operation, net of tax	(6)	(86)	(92.8)%
Net income (loss)	**(44)**	**(181)**	**(75.7)%**

1) Of which € 1 million was attributable to OS, € 24 million was attributable to AM, € 7 million attributable to DI and € 30 million attributable to Corporate items (reconciliation to the interim consolidated financial statements).

2) Income (loss) from investments accounted for using the equity method, net; interest income; interest expenses; and other net financial income or expense.

EBITDA of OSRAM (continuing operations)

- EBITDA clearly above prior year level driven by positive development at OS and DI; first time application of IFRS 16 with positive EBITDA effect of € 27 million in the first six months of fiscal year 2020
- EBITDA margin at OS above prior year mainly due to functional cost savings and measures in the product portfolio to improve profitability; in addition the EBITDA of prior year was heavily burdened by transformation costs in connection with cost reduction programs
- The declining profitability at AM is mainly attributable to transformation costs in connection with cost reduction programs, portfolio effects in the functional costs and to the earnings development of OSRAM CONTINENTAL
- EBITDA improvement at DI mainly driven by an improved gross margin and functional cost savings in the Digital Systems business
- Transformation costs roughly on prior year level

Net Income (loss)

- Net loss of € 40 million; therein personnel related restructuring costs of € 49 million; see > Note 4 I Personnel-related Restructuring Expenses in the interim consolidated financial statements
- Net loss of discontinued operations in the first half year of the fiscal year 2020 resulted primarily from the sale of the luminaire business; the net loss of discontinued operations in the first half year of the fiscal year 2019 resulted to a large extent from an impairment after income taxes of € 51 million on that business. > Note 3 I Disposals and Discontinued Operations in the interim consolidated financial statements

Development of Cash Flows

in € million

	Six months ended March 31,		Change
	2020	2019	nominal
Free cash flow segments			
Opto Semiconductors	96	(37)	n.a.
Automotive	19	59	(67.2)%
Digital	(25)	(91)	(72.4)%
Reconciliation to consolidated financial statements	(19)	(107)	(82.4)%
Free cash flow OSRAM (continuing operations)	**71**	**(177)**	**n.a.**
therein: Additions to intangible assets and property, plant, and equipment	50	166	(69.6)%
Net cash OSRAM (continuing operations) provided by (used in)			
Operating activities	121	(11)	n.a.
Investing activities	(64)	(154)	(58.4)%
Financing activities	202	104	93.1%

Free Cash Flow of OSRAM (continuing operations)

- Positive Free Cash Flow, clearly above prior year level; this was mainly due to the positive earnings development and reduced investments; in addition, the Free Cash Flow was positively influenced by the factoring program started in October 2019
- OS: Positive year-on-year development of free cash flow due to the positive earnings trend, the planned reduction in capital expenditure and supported by the factoring program
- AM still with positive Free Cash Flow
- DI with clear Free Cash Flow improvement driven by DS

Other Investing Activities (continuing operations)

- Proceeds and payments from the sale of business activities, net of cash and cash equivalents disposed of resulted from the sale of the luminaires business with a net cash outflow of €14 million; the sale of another business in Asia during the first quarter of fiscal year 2020 resulted in an inflow of funds of €4 million > Note 3 I Disposals and Discontinued Operations in the interim consolidated financial statements.

Financing and Liquidity Analysis

Net Debt

	31. März	30. September
in € million	2020	2019
Short-term devt and current maturities of long-term debt	841	539
+ Long-term debt	274	120
Total debt	**1,115**	**659**
Cash and cash equivalents	583	310
Total liquidity	**583**	**310**
Net debt	**(532)**	**-350**
- Pension plans and similar commitments	140	167
Adjusted net debt	**(673)**	**-516**

- As a result of the first-time application of IFRS 16, debt as of March 31, 2020 increased by a total of €215 million > Note 2 I Impacts of First-time Adoption of New Accounting Pronouncements in the interim consolidated financial statements

- Drawing of the revolving credit line was increased from €460 million as of September 30, 2019 to €686 million as of March 31, 2020 to strengthen the short-term liquidity available in view of the COVID 19 pandemic; as of March 31, 2020, OSRAM had cash and cash equivalents of €583 million (€310 million as of September 30, 2019)
- After a partial amount of the revolving credit facility of €64 million expired as planned in February 2020, the portion of the revolving credit facility not drawn down as of March 31, 2020 amounts to €200 million
- The total amount of loans from the European Investment Bank decreased by €16 million due to scheduled repayments
- The loan from the European Investment Bank and the revolving credit facility comprise a clause relating to the financial position of the OSRAM Licht Group (financial covenant), which reflects normal business practice and according to which the ratio of net debt to EBITDA may not exceed 3.5:1, it was complied with 1.93:1 as of March 31, 2020; as of September 30, 2019 (before the first time application of IFRS 16) when the maximum agreed ratio was 3.0:1, it was complied by OSRAM with 1.98:1. In the course of the COVID-19 pandemic and the related general uncertainties in the economic and political environment there is a risk that this ratio could temporarily be exceeded. The OSRAM management is constantly and comprehensively monitoring the situation and will take further measures if necessary
- Other financial liabilities resulting from loans from the non-controlling shareholder Continental to OSRAM CONTINENTAL companies increased from €42 million as of September 30, 2019 to €73 million as of March 31, 2020
- In October 2019, OSRAM sold trade receivables for the first time under its own factoring program. As of March 31, 2020 the volume of receivables sold under this program amounted to €76 million; existing supply chain financing programs of customers continued to be used additionally
- In the event of a possible takeover by ams, the financing of OSRAM would be secured by appropriate takeover financing; in this context, the financing of OSRAM would probably be restructured by ams; for information on significant financing agreements of OSRAM that are subject to a change of control and the resulting effects, see » Annual Report for Fiscal Year 2019, A.5.1 Takeover-related Disclosures

Development of Net Debt

in € million

	Six months ended March 31, 2020
Net debt as of September 30,	**(350)**
EBITDA OSRAM (continuing operations)	**148**
Change in net working capital[1]	(4)
Change in other assets and liabilities	(4)
Income taxes paid	(21)
Other cash flows from operating activities[2]	2
Additions to intangible assets, property, plant, and equipment	(50)
Free cash flow OSRAM (continuing operations)	**71**
Purchase of treasury shares	(10)
Acquisitions, net of cash acquired	(4)
Purchases of investments	(4)
Other investing and financing activities OSRAM (continuing operations)[3]	(21)
Increase in debt due to the application of IFRS 16 Leases	(215)
Net debt as of March 31,	**(532)**

[1] Includes changes in inventories, trade receivables, other current assets, trade payables, current provisions, and other current liabilities.
[2] Includes dividends received, interest received, and other reconciling items to net cash provided by (used for) operating activities.
[3] Includes non-cash effects, e.g., from currency translation, in addition to cash transactions.

Financing of Pension Plans and Similar Commitments

- The decrease in the underfunding from €151 million as of September 30, 2019 to €129 million as of March 31, 2020 was driven primarily by lower defined benefit obligations by €129 million due to pre-dominantly higher discount rates and a slightly lower offsetting decrease in plan assets by €86 million due to a decrease of the underlying assets, as well as by benefit costs incurred by the plan

Net Assets

Balance Sheet Structure

in € million

	March 31, 2020	September 30, 2019	Change nominal
Current assets			
Current assets	1,951	1,824	7.0%
therein assets held for sale	–	93	n.a.
Non-current assets	2,589	2,511	3.1%
Total assets	**4,540**	**4,335**	**4.7%**

	March 31, 2020	September 30, 2019	Change nominal
Liabilities and equity			
Current liabilities	1,937	1,786	8.5%
therein liabilities associated with assets held for sale	–	90	n.a.
Non-current liabilities	564	466	20.9%
Equity	2,039	2,083	(2.1)%
Total liabilities and equity	**4,540**	**4,335**	**4.7%**

Assets

- Increase in current assets due to the increase in cash and cash equivalents by € 273 million, inventories by € 45 million and the elimination of the item assets held for sale > Note 3 I Sales and discontinued operations in the interim consolidated financial statements; the decrease in trade receivables due to factoring had a countervailing effect
- Cash and cash equivalents mainly increased due to the increased utilization of the revolving credit facility and the positive free cash flow
- Increase in inventories of raw materials and supplies due to temporary plant closures and production restrictions in Malaysia and China as a result of the COVID 19 pandemic
- Increase in non-current assets due to the capitalization of rights of use as a result of the first-time application of IFRS 16 > Note 2 I Impacts of First-time Adoption of New Accounting Pronouncements in the interim consolidated financial statements; offsetting effects in particular due to scheduled amortization of intangible assets and depreciation of property, plant and equipment

Liabilities and Equity

- Increase in current liabilities and provisions, in particular due to the €302 million rise in current financial liabilities; this was offset by the €53 million decrease in trade payables and the elimination of the item liabilities associated with assets held for sale
- Of the increase in current financial debt, €226 million was attributable to the revolving credit facility, €45 million to lease liabilities due to the first-time application of IFRS 16 and €31 million to other financial debt
- Increase of €170 million in non-current liabilities due to lease liabilities as a result of the first-time application of IFRS 16 > Note 2 I Impacts of First-time Adoption of New Accounting Pronouncements in the interim consolidated financial statements; the reduction in pensions and similar obligations had a countervailing effect
- Equity declined as a result of the net loss after taxes of €44 million, other comprehensive loss after taxes of €1 million and dividend payments to non-controlling interests of €3 million; the issue of treasury shares of €5 million had a countervailing effect > Note 9 I Earnings per share

Report on Expected Developments

The Executive Board of OSRAM Licht AG withdrew the forecast for the 2020 fiscal year contained in the 2019 Annual Report, ≫ Annual Report 2019, A.4.1 Report on Expected Developments, on March 18, 2020, as the company's targets for the current fiscal year 2020 are not expected to be achieved due to the COVID 19 pandemic. Given the unprecedented operational and financial challenges posed by the spread of COVID-19 and the uncertain developments for the further business development in fiscal 2020 and beyond, the economic impact of the pandemic on OSRAM, however, can neither be adequately determined nor reliably quantified at this time.

Some of the precautionary measures against COVID-19, such as the closure of large parts of the retail sector, the curfews or assembly bans as well as related disruptions of supply chains and production have an immediate negative impact on production and consumer demand. It can be expected, that our financial key performance indicators (comparable revenue growth, EBITDA margin and free cash flow from continuing operations) will deviate negatively from our original forecast of our target achievements.

Report on Risks and Opportunities

In our ≫ Annual Report for Fiscal Year 2019, we described material risks that could have adverse effects on our business, and on our net assets, financial position, and results of operations. In addition, we described our material opportunities and the structure of our risk management system.

Significant changes on the assessment of the following risks occurred:

On March 11, 2020, the WHO (World Health Organization) officially declared the outbreak of the lung disease caused by the COVID-19 strain of coronavirus a pandemic. Its epicenter has now shifted from China to Europe, and the US. In an attempt to contain and slow down the further spread of the virus, governments around the world have implemented significant emergency measures. These restrictions include bans on public events, travel restrictions, closure of schools, restaurants, shops, and manufacturing sites as well as curfews for the entire population.

OSRAM is exposed to different risks related to the effects of COVID-19.

Some of the precautionary measures against COVID-19, such as the closure of large parts of the retail sector and the curfews, have an immediate negative impact on consumer demand. Especially the automotive industry, as one of the main markets for OSRAM products, is significantly affected by consumer demand trends. Over the last years, the light vehicle production has already declined. The recent rapid spread of COVID-19 might reinforce this trend. In addition, extensive assembly bans negatively impact the demand for lighting solutions, e.g. in the entertainment sector. There remains a high level of uncertainty over the time period and extend at which consumer demand may recover from the impact of the COVID-19 outbreak.

Measures to contain the spread of COVID-19 have disrupted supply chains and production particularly in China, Malaysia, Mexico, the US, and Europe. In this context, OSRAM had also been affected by a temporary lock-down of its own production sites. If precautionary measures continue for a significant period of time, additional measures are implemented, or if production lock-downs are required again, this would negatively impact OSRAM’s ability to source component parts utilized in its production activities causing production downtime. If OSRAM is unable to source materials and components from existing suppliers, it may be forced to locate new suppliers. This risk is particularly relevant for components supplied to the automotive market, due to the stringent certification requirements these customers have before qualifying new manufacturing sites and lines. In the event of prolonged interruptions to production, whether due to supply shortages or restrictions on operating activities being put in place in the regions where OSRAM operates may negatively impact OSRAM's ability to meet customer orders and generate revenues.

In addition, parts of OSRAM’s customer base as well as in Asia, Europe, and the US have also been affected by declining consumer demand and/or had to temporarily close major production sites. This might in turn negatively affect the demand for OSRAM’s products to be used in the assembly of their products. It is not yet clear to what extent and for what length of time measures to curtail the spread COVID-19 will remain in place. However, a negative impact on the affected countries and regions and especially on the global automotive industry is to be expected. This could lead to a longer-term weakness in demand for OSRAM products, which would primarily affect the Opto Semiconductors and Automotive Business Units. A prolonged decline in customer demand may therefore also have a clear adverse long-term effect on our business, and on our net assets, financial position, and results of operations.

OSRAM is currently taking concrete measures to weaken the impact of the COVID 19 pandemic on our business as far as possible. We have set up a central crisis management team consisting of various work streams who, together with the local crisis teams of the business units, defines and implements various measures to safeguard earnings and liquidity. These include measures to reduce personnel cost, e.g. by introducing short-time work or temporarily closing sites. Operational measures to optimize supply chain and inventory management, as well as production processes are also being evaluated and implemented. In addition, liquidity is being monitored closely. The OSRAM management is constantly and comprehensively monitoring the situation and will take further action if required. Should we not succeed in implementing the appropriate measures, this may have a clear adverse effect on our business, and on our net assets, financial position, and results of operations.

Capital markets around the world reacted with significant price declines and increased volatility to the uncertainties triggered by COVID-19, which can potentially lead to a global recession. The OECD (Organisation for Economic Co-operation and Development) predicts that a prolonged and severe outbreak of COVID-19 could lead to a significant slowdown in global growth. Economic stimulus measures announced by central banks and governments may not be sufficient to compensate for the negative economic impact of the pandemic. If the negative effects of the COVID-19 pandemic on the global economy become more severe and/or persist for a longer period of time, this may have a clear adverse effect on our business, and on our net assets, financial position, and results of operations. Already initiated or planned structural measures may not be extensive enough or not effective. This includes the risk that OSRAM may temporarily exceed a ratio of net financial liabilities over EBITDA of 3,5:1 as agreed in our financial covenant. This agreement regarding OSRAM's financial situation, which reflects normal business practice, is part of the credit agreements for the revolving credit facility and the loan granted from the European Investment Bank.

The other risks and opportunities described in the » Annual Report for Fiscal Year 2019 did not change significantly in the six months ended March 31, 2020. Additional risks of which we are not currently aware or which we currently consider to be insignificant could also adversely affect our business activities. The Managing Board remains confident that the Group's profitability forms a solid basis for our future business performance and provides the resources needed to pursue the opportunities available to the OSRAM Licht Group. From the current perspective, the Managing Board considers that the risks described above do not, either individually or together, appear to endanger the OSRAM Licht Group's continued existence as a going concern.

Reconciliation of Key Performance Indicators

This section shows the calculation of performance indicators that are described in more detail in the >> 2019 Annual Report, A.1.2 Performance Management. There is also a reconciliation of alternative performance measures (APMs) to the most similar IFRS measures. Definitions of the key performance measures that can be directly derived from line items or subtotals in the IFRS consolidated financial statements can be found in the >> 2019 Annual Report, A.1.2 Performance Management and the >> 2019 Annual Report, A.2.6 Reconciliation of Key Performance Indicators.

Comparable Revenue Growth

Six months ended March 31,

Comparable Change in Revenue

Nominal revenue growth - currency translation effects - portfolio effects = comparable revenue growth

OSRAM (continuing operations) **2020:** 0.3% - 1.8% - 2.4% = (3.9)% **2019:** (10.0)% - 1.7% - 2.5% = (14.3)%

Currency Translation Effects

$$\frac{\text{Revenue in reporting period at exchange rate in reporting period - revenue in reporting period at prior period exchange rate}}{\text{Prior period revenue at prior period exchange rate}}$$

OSRAM (continuing operations) **2020:** $\frac{1{,}694 - 1{,}663}{1{,}689} = 1.8\%$ **2019:** $\frac{1{,}689 - 1{,}657}{1{,}878} = 1.7\%$

Portfolio Effects[1]

$$\frac{\text{Revenue from acquisitions in the reporting period and desinvestments prior period as well as changes in the allocation of business activities}}{\text{Prior period revenue}}$$

OSRAM (continuing operations) **2020:** $\frac{40}{1{,}689} = 2.4\%$ **2019:** $\frac{47}{1{,}878} = 2.5\%$

1) Portfolio changes during the fiscal year have a pro rata effect in the period following the acquisition/divestment, since there are only portfolio effects in the period of the portfolio change during those reporting months when the acquired company belongs to OSRAM, or the company disposed of no longer belongs to OSRAM. Thus, in the subsequent period, there are portfolio effects relating to the months in the period of the portfolio change during which the acquired company was not yet part of OSRAM or the company disposed of was still part of OSRAM.

EBITDA und EBITDA-Marge

EBITDA

in Mio. €

	OSRAM (continuing operations) Six months ended March 31, 2020	2019
Income (loss) OSRAM	(38)	(96)
Income taxes	(2)	(21)
Net financial income or expense[1]	16	11
Amortization, depreciation, and impairments[2]	172	186
EBITDA[3]	**148**	**80**

1) Income (loss) from investments accounted for using the equity method, net; interest income; interest expenses; and other net financial income or expense.

2) Impairment losses on goodwill and amortization of, and impairment losses on, other intangible assets, net of reversals of impairment losses as well as depreciation of, and impairment losses on, property, plant, and equipment, net of reversals of impairment losses. In fiscal year 2020 depreciation, amortization and Impairments also include depreciation of, and impairment losses on, right-of-use assets due to the first-time adoption of IFRS 16 Leases; these are not included in the figures for the prior-year period.

3) EBITDA (earnings before interest, taxes, depreciation, and amortization) is earnings before net financial income or expense, income taxes, amortization and impairment of intangible assets (goodwill and other assets) and depreciation and impairment of property, plant, and equipment, net of reversals of impairment losses.

EBITDA Margin and EBITDA Margin, Adjusted

in € million

	OSRAM (continuing operations)	
	Six months ended March 31,	
	2020	2019
Revenue	1,694	1,689
EBITDA	148	80
EBITDA margin	**8.7%**	**4.8%**
Special items [1]	(62)	(83)
Transformation costs	(61)	(66)
Acquisition related costs	(1)	(6)
Others	–	(10)
Adjusted EBITDA	210	163
Adjusted EBITDA margin	**12.4%**	**9.7%**

[1] Special items comprise transformation costs and acquisition related costs as well as costs incurred for significant legal and regulatroy matters. EBITDA impacting transformation costs result mainly from the measures needed to strengthen our competitiveness (changes to manufacturing capacity, improvement of the cost position, etc.). Acquisition related costs, which also impact EBITDA, comprise costs incurred in connection with the acquisition and disposal of companies, equity investments, and other businesses. In particular, these include the cost of legal and other advice as well as costs of integration/disposal.

Events After the Reporting Date

Mr. Ingo Bank, Chief Financial Officer (CFO), resigned from his position as a member of the Managing Board on March 6, 2020, effective as of April 30, 2020. The Supervisory Board approved his resignation in its meeting held on the same date. Mr. Bank is CFO of ams AG effective May 1, 2020.

The Supervisory Board meeting held on April 7, 2020 appointed Mrs. Kathrin Dahnke as a member of the Managing Board as well as CFO effective April 16, 2020. Mrs. Dahnke has taken over the existing duties of the CFO, excluding the responsibility for information technology, which the Chief Technology Officer (CTO), Dr. Kampmann, was assigned.

In April 2020 OSRAM agreed a credit line of €64 million with a well-known commercial bank to further improve its short-term liquidity. This line has been granted until further notice and was drawn down in the amount of €45 million at the time this interim report was prepared on May 5, 2020. The revolving credit facility was drawn down at that date, unchanged from March 31, 2020, in the amount of €686 million.

Other than the above, no transactions of particular significance and with material effects on the net assets, financial position, and results of operations have occurred since the end of the reporting period, March 31, 2020.

Condensed Interim Consolidated Financial Statements

for the Six Months Ended March 31, 2020

According to IFRS

Consolidated Statement of Income

OSRAM Licht Group – Consolidated Statement of Income (unaudited)

For the six months ended March 31, 2020 and 2019 (unaudited)

in € million, if not stated otherwise

		Six months ended March 31,	
	Note	2020	2019
Revenue		1,694	1,689
Cost of goods sold and services rendered		(1,231)	(1,258)
Gross profit		463	**432**
Research and development expenses		(193)	(213)
Marketing, selling and general administrative expenses		(322)	(298)
Other operating income		29	17
Other operating expenses		(2)	(44)
Income (loss) from investments accounted for using the equity method, net		(4)	(3)
Interest income		1	1
Interest expenses		(11)	(6)
Other financial income (expenses), net		(2)	(2)
Income (loss) before income taxes OSRAM (continuing operations)		**(40)**	**(117)**
Income taxes		2	21
Income (loss) OSRAM (continuing operations)		**(38)**	**(96)**
Income (loss) from discontinued operations, net of tax	Note 3	(6)	(86)
Net income (loss)		**(44)**	**(181)**
Attributable to:			
Non-controlling interests		(19)	(11)
Shareholders of OSRAM Licht AG		(25)	(170)
Basic earnings per share (in €)	Note 9	(0.26)	(1,76)
Diluted earnings per share (in €)	Note 9	(0.26)	(1,76)
Basic earnings per share (in €) OSRAM (continuing operations)	Note 9	(0.20)	(0,87)
Diluted earnings per share (in €) OSRAM (continuing operations)	Note 9	(0.20)	(0,87)

Minor differences may occur due to rounding.

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Consolidated Statement of Comprehensive Income

OSRAM Licht Group – Consolidated Statement of Comprehensive Income (unaudited)

For the six months ended March 31, 2020 and 2019 (unaudited)

in € million

	Six months ended March 31,	
	2020	2019
Net income (loss)	(44)	(181)
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	31	(5)
thereof: income tax	*(12)*	*3*
fair value measurement of equity instruments	0	0
thereof: income tax	*0*	*0*
Items that may be reclassified subsequently to profit or loss		
Currency translation differences	(34)	62
Derivative financial instruments	2	2
thereof: income tax	*(1)*	*(1)*
	(32)	**64**
Other comprehensive income (loss), net of tax	**(1)**	**59**
Total comprehensive income (loss)	**(46)**	**(123)**
Attributable to:		
Non-controlling interests	(21)	(10)
Shareholders of OSRAM Licht AG	(24)	(113)

Minor differences may occur due to rounding.

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Consolidated Statement of Financial Position

OSRAM Licht Group – Consolidated Statement of Financial Position

As of March 31, 2020 (unaudited) and September 30, 2019

in € million

	Note	March 31, 2020	September 30, 2019
ASSETS			
Current assets			
Cash and cash equivalents		583	310
Trade receivables		470	558
Other current financial assets		39	29
Contract assets		9	9
Inventories		737	692
Income tax receivables		20	21
Other current assets		95	113
Assets held for sale	Note 3	–	93
Total current assets		**1,951**	**1.824**
Goodwill	Note 5	185	186
Other intangible assets		252	273
Property, plant, and equipment	Note 6	1,387	1.493
Right-of-use assets	Note 2	213	–
Investments accounted for using the equity method		55	56
Other financial assets		35	25
Deferred tax assets		412	410
Other assets		49	70
Total assets		**4,540**	**4.335**

Minor differences may occur due to rounding.

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

OSRAM Licht Group – Consolidated Statement of Financial Position

As of March 31, 2020 (unaudited) and September 30, 2019

in € million

	Note	March 31, 2020	September 30, 2019
LIABILITIES AND EQUITY			
Current liabilities			
Short-term debt and current maturities of long-term debt		841	539
Trade payables		495	548
Other current financial liabilities		109	113
Current contract liabilities		15	14
Current provisions		67	69
Income tax payables		59	65
Other current liabilities		350	347
Liabilities associated with assets held for sale	Note 3	–	90
Total current liabilities		**1,937**	**1.786**
Long-term debt		274	120
Pension plans and similar commitments		140	167
Deferred tax liabilities		15	17
Provisions		32	33
Other financial liabilities		16	27
Contract liabilities		1	1
Other liabilities		84	102
Total liabilities		**2,500**	**2.252**
Equity			
Common stock, no par value		97	97
Additional paid-in capital		1,669	1.672
Retained earnings		263	255
Other components of equity		49	79
Treasury shares, at cost [1)]	Note 9	(94)	(99)
Total equity attributable to shareholders of OSRAM Licht AG		**1,984**	**2.004**
Non-controlling interests		56	79
Total equity		**2,039**	**2.083**
Total liabilities and equity		**4,540**	**4.335**

[1)] The Company held 2,664,388 treasury shares as of March 31, 2020 (September 30, 2019: 2,796,275).

Minor differences may occur due to rounding.
The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Consolidated Statement of Cash Flows

OSRAM Licht Group – Consolidated Statement of Cash Flows (unaudited)

For the six months ended March 31, 2020 and 2019 (unaudited)

in € million

		Six months ended March 31,	
	Note	2020	2019
Cash flows from operating activities			
Net income (loss)		(44)	(181)
Adjustments to reconcile net income (loss) to net cash provided			
Income (loss) from discontinued operation, net of tax	Note 3	6	86
Amortization, depreciation, and impairments		172	186
Income taxes		(2)	(21)
Interest (income) expenses, net		10	6
(Gains) losses on sales and disposals of businesses, intangible assets and property, plant, and equipment, net		0	1
(Income) loss from investments		6	3
Other non-cash (income) expenses		1	5
Change in current assets and liabilities			
(Increase) decrease in inventories		(57)	(52)
(Increase) decrease in trade receivables		81	94
(Increase) decrease in other current assets		5	11
Increase (decrease) in trade payables		(36)	(76)
Increase (decrease) in current provisions		(3)	(3)
Increase (decrease) in other current liabilities		6	(39)
Change in other assets and liabilities		(4)	2
Income taxes paid		(21)	(32)
Dividends received		0	–
Interest received		1	1
Net cash provided by (used in) operating activities OSRAM (continuing operations)		**121**	**(11)**
Net cash provided by (used in) operating activities discontinued operations		–	(18)
Net cash provided by (used in) operating activities OSRAM Licht Group (total)		**121**	**(29)**

Minor differences may occur due to rounding.

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

OSRAM Licht Group – Consolidated Statement of Cash Flows (unaudited)

For the six months ended March 31, 2020 and 2019 (unaudited)

in € million

	Note	Six months ended March 31, 2020	2019
Cash flows from investing activities			
Additions to intangible assets and property, plant, and equipment		(50)	(166)
Acquisitions, net of cash and cash equivalents acquired		(4)	(2)
Purchases of investments		(4)	(10)
Proceeds and payments from sales of investments, intangible assets and property, plant, and equipment		3	1
Proceeds and payments from the sale of business activities, net of cash and cash equivalents disposed of	Note 3	(10)	22
Net cash provided by (used in) investing activities OSRAM (continuing operations)		**(64)**	**(154)**
Net cash provided by (used in) investing activities discontinued operation		–	(5)
Net cash provided by (used in) investing activities OSRAM Licht Group (total)		**(64)**	**(159)**
Cash flows from financing activities			
Purchse of treasury stocks		-	(7)
Payments from capital increases in subsidiaries with minority interests		-	3
Repayment of long-term debt		(16)	(16)
Change in short-term debt and other financing activities		231	236
Interest paid		(11)	(4)
Dividends paid to OSRAM shareholders		-	(107)
Dividends paid to non-controlling interests		(3)	0
Net cash provided by (used in) financing activities OSRAM (continuing operations)		**202**	**104**
Net cash provided by (used in) financing activities discontinued operations		–	–
Net cash provided by (used in) financing activities OSRAM Licht Group (total)		**202**	**104**
Effect of exchange rates on cash and cash equivalents		(3)	6
Net increase (decrease) in cash and cash equivalents		256	(78)
Cash and cash equivalents at the beginning of period		327	333
Cash and cash equivalents at the end of period		583	255
Less cash and cash equivalents of discontinued operation at the end of the period		–	0
Cash and cash equivalents at the end of the period (consolidated statement of financial position)		**583**	**255**

Minor differences may occur due to rounding.

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

Consolidated Statement of Changes in Equity

OSRAM Licht Group – Consolidated Statement of Changes in Equity (unaudited)

For the six months ended March 31, 2020 and 2019 (unaudited)

in € million

	Common stock	Additional paid-in capital	Retained earnings	Currency translation differences	Measurement of equity instruments at fair value	Derivative financial instruments	Treasury shares at cost	Total equity attributable to shareholders of OSRAM Licht AG	Non-controlling interests	Total equity
Balance as of October 1, 2018 (as reported)	**105**	**2.034**	**780**	**9**	**0**	**(6)**	**(386)**	**2.536**	**140**	**2.676**
Effects of the first-time application of IFRS 9 and IFRS 15	-	-	(1)	-	-	-	-	(1)	0	(1)
Balance as of October 1, 2018	**105**	**2.034**	**779**	**9**	**0**	**(6)**	**(386)**	**2.535**	**140**	**2.676**
Net income (loss)	-	-	(170)	-	-	-	-	(170)	(11)	(181)
Other comprehensive income (loss), net of tax	-	-	(5) [1]	60	0	2	-	57	1	59
Total comprehensive income (loss), net of tax	**-**	**-**	**(175)**	**60**	**0**	**2**	**-**	**(113)**	**(10)**	**(123)**
Withdrawal of treasury stock	(8)	(363)					379	8	-	8
Purchase of treasury stocks	-	-	-	-	-	-	(7)	(7)	-	(7)
Dividends	-	-	(107)	-	-	-	-	(107)	-	(107)
Other changes in equity	-	(1)	(3)	-	-	-	-	(4)	-	(4)
Balance as of March 31, 2019	**97**	**1.669**	**494**	**70**	**0**	**(4)**	**(13)**	**2.312**	**130**	**2.442**
Balance as of October 1, 2019	**97**	**1.672**	**255**	**84**	**0**	**(5)**	**(99)**	**2.004**	**79**	**2.083**
Net income (loss)	–	–	(25)	–	–	–	–	(25)	(19)	(44)
Other comprehensive income (loss), net of tax	–	–	31 [1]	(33)	0	2	–	0	(2)	(1)
Total comprehensive income (loss), net of tax	**–**	**–**	**6**	**(33)**	**0**	**2**	**–**	**(24)**	**(21)**	**(46)**
Re-issuance of treasury shares	**–**	**–**	**–**	**–**	**–**	**–**	**5**	**5**	**–**	5
Dividends	–	–	–	–	–	–	–	–	(3)	(3)
Other changes in equity	–	(3)	2	–	–	–	–	0	0	0
Balance as of March 31, 2020	**97**	**1,669**	**263**	**52**	**0**	**(3)**	**(94)**	**1,984**	**56**	**2,039**

[1] Other comprehensive income (loss), net of tax, attributable to shareholders of OSRAM Licht AG includes remeasurement gains on defined benefit pension plans for the six months ended March 31, 2020, of €31 million; for the six months ended March 31, 2019, it includes remeasurement losses of €5 million.

Notes to the Condensed Interim Consolidated Financial Statements

Segment Information

OSRAM Licht Group – Notes to the Condensed Interim Consolidated Financial Statements – Segment Reporting

For the six months ended March 31, 2020 and 2019 (unaudited)
and of March 31, 2020 (unaudited) and September 30, 2019

in € million

	External revenue		Intersegment revenue		Total revenue		EBITDA[1]	
	2020	2019	2020	2019	2020	2019	2020	2019
SEGMENTS								
Opto Semiconductors	354	343	367	373	721	716	164	65
Automotive	911	892	–	–	911	892	53	82
Digital	417	434	–	–	417	434	(6)	(21)
Total segments	**1,682**	**1,669**	**367**	**373**	**2,049**	**2,041**	**210**	**127**
Reconciliation to interim consolidated financial statements								
Corporate items and pensions	12	21	–	–	12	21	(62)	(46)
Eliminations, corporate treasury, and other reconciling items	–	–	(367)	(373)	(367)	(373)	0	0
OSRAM (continuing operations)	**1,694**	**1,689**	**–**	**–**	**1,694**	**1,689**	**148**	**80**

	Assets[2]		Free cash flow[3]		Capital expenditures[4]		Depreciation, Amortization, and Impairments[5]	
	March 31, 2020	September 30, 2019	2020	2019	2020	2019	2020	2019
SEGMENTS								
Opto Semiconductors	1,294	1,227	96	(37)	22	133	106	92
Automotive	684	647	19	59	23	21	38	32
Digital	407	394	(25)	(91)	5	11	21	60
Total segments	2,385	**2,269**	**90**	**(69)**	**50**	**165**	**164**	**184**
Reconciliation to interim consolidated financial statements								
Corporate items and pensions	(111)	(149)	(48)	(77)	0	1	8	2
Eliminations, corporate treasury, and other reconciling items	2,265	2,215	29	(31)	–	–	–	–
OSRAM (continuing operations)	**4,540**	**4,335**	**71**	**(177)**	**50**	**166**	**172**	**186**

On October 1, 2019, OSRAM made minor organizational changes involving reclassification between the reportable segments. The figures for the prior-year period have been restated accordingly > Note 10 I Segment Information.

1) *EBITDA* is earnings before net financial income or expense (income (loss) from investments accounted for using the equity method, net; interest income; interest expenses; and other financial income (expenses), net), income taxes, and depreciation, amortization, and impairments as defined in 5).

2) *Assets* attributable to the segments and to *Corporate items and pensions* are defined as total assets less financing receivables, tax assets, non-interest-bearing provisions and liabilities, and liabilities other than tax liabilities (e.g., trade payables).

3) *Free cash flow* is net cash provided by (used in) operating activities less additions to intangible assets and property, plant, and equipment. For the segments, it primarily excludes income tax-related and financing interest payments and proceeds.

4) *Capital expenditures* are defined as additions to intangible assets and property, plant, and equipment.

5) *Depreciation, amortization, and impairments* comprises impairment losses on goodwill and amortization of, and impairment losses on, other intangible assets, net of reversals of impairment losses as well as depreciation of, and impairment losses on, property, plant, and equipment, net of reversals of impairment losses. Due to IFRS 16 Leases being applied for the first time, *Depreciation, amortization, and impairments* also includes depreciation of, and impairment losses on, right-of-use assets in fiscal year 2020; these are not included in the figures for the prior-year period.

1 l General Principles

These condensed interim consolidated financial statements ('interim consolidated financial statements') are for OSRAM Licht AG, Munich, and its subsidiaries ('OSRAM Licht Group' or 'OSRAM'). OSRAM's main development, production and sales activities are related to opto semiconductors for lighting, visualization, and sensor technology (Segment OS), automotive lighting (Segment AM) as well as lighting solutions and light management systems for various applications (Segment DI).

The OSRAM Licht Group prepared these interim consolidated financial statements in accordance with IAS 34 *Interim Financial Reporting*; they should be read in conjunction with the » consolidated financial statements of OSRAM Licht AG for fiscal year 2019, which were prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

The interim consolidated financial statements apply the same accounting policies as those used for the preparation of the » consolidated financial statements of OSRAM Licht AG for fiscal year 2019 apart from the changes arising due to first-time adoption of IFRS 16 and IFRIC 23 > Note 2 l Impact of First-time Adoption of New Accounting Pronouncements.

When preparing the interim consolidated financial statements, the Managing Board was required to make estimates and assumptions that influenced the application of the accounting principles and the reported amounts of income, expenses, assets, and liabilities, for example in connection with evaluating goodwill and other intangible assets > Note 5 l Goodwill and Other Intangible Assets or obligations relating to restructuring measures > Note 4 l Personnel related Restructuring Expenses. Actual results may differ from these estimates.

There was a change in presentation affecting the consolidated statement of income at the start of fiscal year 2020, because the application engineering function in the OS Segment has been assigned to sales since that date, having previously been classified as research and development. The corresponding functional costs in the consolidated statement of income have been restated for fiscal year 2019 to create comparability regarding the new organizational structure.

The interim consolidated financial statements have been prepared in millions of euros (€ m). Due to rounding, differences may arise when individual amounts or percentages are added together. The interim consolidated financial statements were authorized for issue by the Managing Board of OSRAM Licht AG, Marcel-Breuer-Strasse 6, 80807 Munich, Germany, on May 5, 2020.

In addition to these interim consolidated financial statements, the Interim Report includes the > group interim management report, which presents the business performance in the first half of fiscal year 2020 and its effects on the net assets, financial position, and results of operations.

Income Taxes

In interim reporting periods, the income tax expense is calculated on the basis of the currently estimated effective tax rate for the full fiscal year. Income taxes in other comprehensive income (loss) in interim reporting periods are calculated on the basis of the relevant figures as of the interim reporting date. Deferred tax assets are one of the items that could be affected by the possible takeover of OSRAM by ams » 2019 Annual Report, B.6 Notes to the Consolidated Financial Statements; Note 9 I Income Taxes. Additionally, the financial Impact of the COVID-19 pandemic could also affect the effective tax rate and the amount of deferred tax assets.

2 l Impact of First-time Adoption of New Accounting Pronouncements

IFRS 16 Leases

On January 13, 2016, the IASB published the final version of IFRS 16 Leases, its standard addressing the accounting treatment of leases. IFRS 16 specifies a single accounting model for lessees in which a lessee is required to recognize a right-of-use asset and a lease liability in its statement of financial position on the commencement date. In an exemption, a lessee may elect not to apply the requirement to recognize a right-of-use asset and a lease liability for short-term leases with a term of no more than twelve months or leases in which the underlying asset is of low value. Instead, the lessee must then recognize the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The rules for lessors are largely unchanged from those specified in IAS 17. The new standard for leases also includes stipulations governing reporting, disclosures, and sale-and-leaseback transactions. IFRS 16 supersedes IAS 17 and the related interpretations (IFRIC 4, SIC-15, and SIC-27); application is mandatory in annual periods beginning on or after January 1, 2019. The standard was adopted into European law in

November 2017.

OSRAM adopted IFRS 16 at the start of fiscal year 2020. When applying the new rules of IFRS 16 for the first time, companies can choose between full retrospective adoption and modified retrospective adoption. OSRAM decided on modified retrospective adoption, which means that in 2020, the year of first-time adoption of the new rules, it is not restating the comparative figures for fiscal year 2019.

OSRAM mainly acts as a lessee of land and buildings, plant and equipment and vehicles. Upon first-time adoption of IFRS 16, payment obligations under existing operating leases were discounted at the relevant incremental borrowing rate of interest and recognized as a lease liability. The incremental borrowing rates of interest used are based on the risk-free interest rates for the currency area in question and term of the relevant lease, adjusted for an OSRAM-specific funding interest-rate premium. The right-of-use assets are carried in the amount of the discounted lease liabilities, adjusted for the advance lease payments that had been made before October 1, 2019, and were previously deferred. Upon transition to IFRS 16, right-of-use assets amounting to €236 million were recognized for the rights to use the underlying leased assets, while lease liabilities were recognized in an amount of €236 million. Right-of-use assets and lease liabilities under new leases entered into after October 1, 2019, will be recognized at the time of provision of the underlying assets. Right-of-use assets are shown separately in the statement of financial position. Lease liabilities are recognized under short-term and long-term debt in the statement of financial position. As of March 31, 2020, lease liabilities amounted to €215 million.

Based on the other financial obligations under non-cancelable operating leases as of September 30, 2019, the reconciliation to the opening balance for lease liabilities as of October 1, 2019, is shown in the following table:

Reconciliation to the lease liabilities in accordance with IFRS 16

in € million

Minimum lease payments IAS 17 (without non-lease-components) and including short term / low value leases	234
Service components (non-lease components during minimum lease term)	25
Short term leases	(2)
Low value leases	(4)
Payments for extension option periods (lease and non-lease components) which have been assessed to be reasonably certain exercised	30
Miscellaneous[1)]	(13)
non-discounted lease obligations	**270**
Discounting effect	(34)
Lease liabilities as of October 1, 2019	**236**

1) Primarily changes to the basis of consolidation as a result of the disposal of the luminaires business.

OSRAM exercises the option to recognize payments for non-lease components as lease payments. This means that contracts containing both lease and non-lease components are not separated for the purpose of calculating the discounted lease liability and the right-of-use asset. The right-of-use asset is initially measured at cost on the basis of the present value of all future lease payments and non-lease payments plus any lease payments made before the start of the lease term, the costs of obtaining the lease and, if applicable, the estimated costs for dismantling and removing or restoring the underlying leased asset. Any lease incentives received are deducted. The recognized right-of-use assets are subsequently measured at cost less accumulated depreciation and any accumulated impairment losses.

The introduction of IFRS 16 also changes the nature of the expenses associated with these leases, because IFRS 16 replaces the expenses recognized for operating leases using the straight-line method with depreciation charges for the right-of-use asset and interest expenses for the lease liability. Lease payments and the interest portion are shown as net cash provided by (used in) financing activities in the statement of cash flows.

In accordance with the exemption, lease payments for short-term leases with a term of no more than twelve months and for leases in which the underlying asset is of low value continue to be recognized as an expense.

Particularly in the case of contracts with extension options and cancellation options, assessments of whether these options will be exercised have to be made in order to determine the term of the lease. At the inception of the lease, a judgment has to be made on whether it is sufficiently certain that the individual options will be exercised. Adjustments are made over the course of the lease if new information about the exercise of options emerges that results in remeasurement of the right-of-use asset and lease liability.

IFRIC 23 Uncertainty over Income Tax Treatments
OSRAM has applied IFRIC 23 Uncertainty over Income Tax Treatments since October 1, 2019. There has been no significant impact on the Group's tax positions.

3 I Disposals and Discontinued Operations

As part of the strategic transformation into a high-tech photonics company, the strategy for the Lighting Solutions Business Unit (LS) was revised in fiscal year 2018. Consequently, OSRAM decided to dissolve the LS Business Unit and to dispose of both the luminaire service business in North America—predominantly operated by Sylvania Lighting Service Corp. (SLS), Wilmington, U.S.A.—and the luminaires business, which, in Europe, is predominantly operated by Siteco Beleuchtungstechnik GmbH (Siteco), Traunreut, Germany. In fiscal year 2019, the business of SLS, that of Siteco, and the rest of the luminaires business were therefore presented as a discontinued operation in accordance with IFRS 5.

The sale of SLS was completed in fiscal year 2019.

On June 21, 2019, OSRAM signed an agreement with Stern Stewart Capital Sustainability GmbH, Munich, Germany, for the sale of the luminaires business. The transaction was completed on October 1, 2019. As a result, all assets and liabilities of the luminaires business were still classified in accordance with IFRS 5 in the consolidated financial statements as of September 30, 2019.

Assets and Liabilities of Discontinued Operation
in € million

	September 30, 2019
Cash and cash equivalents	17
Trade receivables and other current assets	30
Inventories	30
Non-current assets	12
Assets held for sale	**90**
Current provisions	37
Current liabilities	40
Pension plans and similar commitments	5
Non-current liabilities	8
Liabilities associated with assets held for sale	**90**
Net assets and liabilities	**0**

When the transaction was completed on October 1, 2019, the assets and liabilities of the discontinued operation were derecognized. Because of the measurement at fair value less costs to sell in fiscal year 2019, the loss on the sale of the luminaires business had already largely been recognized as of October 1, 2019. As a result of the derecognition, a further loss of €4 million had to be recognized in the six months ended March 31, 2020. This was due in large part to the derecognition of further assets of €2 million and further expenses relating to disposal of the business of €2 million.

Measurement adjustment of obligations from share purchase agreements results mainly of additional expected obligations due to the sale of SLS.

Results from Discontinued Operations

in € million

	Six months ended March 31, 2020	2019
Revenue	–	139
Expenses	–	(172)
Income (loss) from operating activities	**–**	**(33)**
Related income taxes	–	7
Income (loss) from operating activities, net of tax	**–**	**(26)**
Income (loss) from the measurement to fair value less costs to sell	–	(72)
Related income taxes	–	22
Income (loss) from the measurement to fair value less costs to sell	**–**	**(51)**
Measurement adjustment of obligations from share purchase agreements	**(3)**	**(3)**
Gain (loss) on sale of discontinued operations	**(4)**	**(6)**
Related income taxes	**–**	**0**
Gain (loss) on sale of discontinued operations, net of tax	**(4)**	**(6)**
Income (loss) from discontinued operations, net of tax	**(6)**	**(86)**

Net Cash Outflows of Discontinued Operation

in € million

	Six months ended March 31, 2020
Consideration received in cash	8
Cash and cash equivalents disposed of	(17)
Additional cash outflows due to contractual obligations	(5)
Net cash outflows	**(14)**

The sale of another business in Asia during the first quarter of fiscal year 2020 resulted in an inflow of funds of €4 million.

4 I Personnel-related Restructuring Expenses

In the first six months of the fiscal year, OSRAM undertook measures throughout the Company to improve processes and make structural adjustments in the Automotive and Digital Business Units and in the central administrative functions so that it can react to the change in market conditions.

Personnel-related restructuring expenses in connection with these measures were incurred in the amount of €49 million in the six months ended March 31, 2020 (six months ended March 31, 2019: €56 million). These expenses arose mainly in Germany and are related to personnel measures in connection with a new voluntary redundancy program. Further expenses, to a lesser extent, arose from personnel measures relating primarily to specific individuals in countries other than Germany.

In the six months ended March 31, 2020, and March 31, 2019, personnel-related restructuring expenses primarily affected Cost of goods sold and services rendered, Marketing, selling, and general administrative expenses, but also Research and development expenses.

5 I Goodwill and Other Intangible Assets

Detailed information on goodwill and other intangible assets can be found in the » 2019 Annual Report, B.6 Notes to the Consolidated Financial Statements; 15 I Goodwill and Other Intangible Assets.

The carrying amounts for goodwill are allocated to the cash-generating unit as follows:

Goodwill

in € million

	March 31 2020
Opto Semiconductors	
Opto Semiconductors	60
Automotive	
Automotive excluding OSRAM CONTINENTAL	49
OSRAM CONTINENTAL	
Digital	
Entertainment & Industry	49
Connected Building Applications	27
Digital Systems	
Goodwill	**185**

The Executive Board of OSRAM Licht AG withdrew the forecast for the 2020 fiscal year contained in the 2019 Annual Report, » Annual Report 2019, A.4.1 Report on Expected Developments, on March 18, 2020, as the company's targets for the current fiscal year 2020 are not expected to be achieved due to the COVID-19 pandemic. Given the unprecedented operational and financial challenges posed by the spread of COVID-19 and the uncertain developments for the further business development in fiscal 2020 and beyond, the economic impact of the pandemic on OSRAM, however, can neither be adequately determined nor reliably quantified at this time. For further information, see > Report on Expected Developments in the group interim management report.

It is possible that the COVID-19-pandemic and the global response measures taken in this context, in particular the increasing number of production shutdowns by customers of OSRAM and the disruption of global supply chains, have a significant impact with negative consequences on OSRAM beyond the end of this fiscal year. Due to this, OSRAM conducted an assessment of its cash-generating units whether there are indications that assets might be impaired. A separate assessment of each cash-generating unit was conducted, whether there are significant negative impacts on actual and future net cash inflows or operating profits due to the COVID-19-pandemic. Industry-specific macro-economic studies on the possible impacts of the COVID-19-pandemic, the actual business development and management assumptions on the developments of the COVID-19- pandemic were included in the assessment. Management came to the conclusion, that there are indications that assets might be impaired for the major part of the cash-generating units.

Based on the analyses of external and internal market assessments, management generally assumes that the negative impacts of the COVID-19-pandemic will not affect the medium and long-term business plan. The emerging recovery in the Asian region and the extensive benefits of various governments are important indicators. Management assumptions are based on estimations, actual results may differ.

For the cash-generating units, where there are indications that the assets might be impaired, OSRAM carried out an interim impairment test as of March 31, 2020.

Due to the uncertainty coming up with COVID-19 pandemic regarding financial consequences and the rapid dynamic development, it was not possible to develop updated, reasonable and supportable business plans for every cash-generating unit. Also an approval of business plans has not taken place.

In consideration of the above outlined basic assumption, the impairment tests of fiscal year end 2019 were used to group the cash-generating units regarding materiality and relevance. Cash-generating units, where the recoverable amount is significantly above their carrying amount and thus show the highest buffer, were classified as uncritical. For these cash-generating units a simplified evaluation method was used to confirm their recoverability.

For another group of cash-generating units, where the recoverable amount was not significantly above their carrying amount, individual business plans were generated. These business plans were developed taking into account the impacts of COVID-19-pandemic and were the basis for the impairment tests.

The recoverable amount of the cash-generating units was determined on the basis of their fair value less costs of disposal (hierarchy level 3). The key assumptions used when impairment testing cash-generating units are the expected unit sales and average EBITDA margins in the detailed planning phase that are used as the basis for the business planning, the terminal value growth rates and the discount rates.

In line with the above outlined basic assumption the long-term growth-rate of 2,4% (September 30, 2019: 2,4%) remained unchanged. The discounting rates (after tax) were updated. Following discount rates (after taxes) were assumed:

Discount rates (after tax)
in %

	March 31 2020
Opto Semiconductors	
Opto Semiconductors	8,5%
Automotive	
Automotive excluding OSRAM CONTINENTAL	7,9%
OSRAM CONTINENTAL	7,8%
Digital	
Entertainment & Industry	8,5%
Connected Building Applications	8,0%
Digital Systems	8,0%

The discount rates ranged from 7,4% to 8,5% in the previous year.

For OSRAM CONTINENTAL management assumes that the recoverable amount mainly depends on the medium and long-term business planning. As OSRAM expects no negative impacts of COVID-19-pandemic on the medium and long-term business planning, no significant negative impacts on the recoverable amount is assumed. This assumption is based on the previous business plan and the main drivers for sustainable profitability, namely the strategic direction of OSRAM CONTINENTAL, which is currently under review, and the level of purchase prices.

The impairment tests carried out confirmed that none of the assets were impaired.

If the current prediction for future business performance does not materialize, there is a risk that non-current assets will be written down. Economic stimulus measures announced by central banks and governments may not be sufficient to compensate for the negative economic impact of the pandemic. If the negative effects of the COVID-19 pandemic on the global economy become more severe and/or persist for a longer period of time, this may have a clear adverse effect on our business. For further Information, see > Report on Risks and Opportunities in the group interim management report.

In particular for the cash-generating unit OSRAM CONTINENTAL within the Automotive Segment there are still high risks regarding the assumption for the level of future purchase prices. Management assumes, that the long-term business performance of OSRAM CONTINENTAL is derived from a sustainable profitability. Main factors include the strategic direction of OSRAM CONTINENTAL, which is currently under review, including the assumption regarding the development of the purchase prices and the outcome of the current talks with Continental AG. If the current prediction for future business performance does not materialize, there is a risk that non-current assets will be written down. These non-current assets amount to €190 million (therein Other Intangible assets in an amount of €115 million) as of March 31, 2020.

6 l Property, Plant, and Equipment

Due to a change of use with effect from October 1, 2019, OSRAM recognizes a plot of land and a building with a carrying amount in the low-double-digit millions of euros as an investment property in accordance with IAS 40 *Investment Property*. This change of use came about because OSRAM stopped using the property itself and entered into an operating lease with another party.

Investment property is measured at cost less accumulated depreciation and impairment losses. The fair value is roughly the same as the carrying amount. The rental income and the direct operating costs in the first six months of fiscal year 2020 were insignificant.

7 l Legal Proceedings

Information regarding investigations and other legal proceedings, as well as the possible related risks and financial implications for OSRAM, are contained in the » consolidated financial statements of OSRAM Licht AG for fiscal year 2019.

EBV Elektronik SAS v. OSRAM Opto Semiconductors GmbH

On January 20, 2016, OSRAM Opto Semiconductors GmbH (OS) was joined in the case pending before the commercial court in Nanterre, France, between EBV Elektronik SAS (EBV) and Société Provence D'Electronique et Cabelage (SPEC) by means of an action in warranty. SPEC is suing EBV for damages relating to the supply of allegedly faulty OS LEDs in SPEC passenger information boards. EBV brought OS into the action in order to seek recourse from OS as the supplier of the allegedly defective products. Following the clarification of preliminary procedural issues, the commercial court in Nanterre was declared competent as the court of last instance. At the hearing on 26 November 2019, the date for the judgement/decision was set at 26 February 2020. In its decision, the commercial court ordered that a technical and financial expert procedure shall be carried out. Currently, this procedure is scheduled to begin in May 2020.

Lighting Science Group Corporation, Healthe, Inc., and Global Value Lighting, LLC

On April 30, 2019, Lighting Science Group Corporation, Healthe, Inc., and Global Value Lighting, LLC brought a complaint against the OSRAM companies OSRAM GmbH, OSRAM Licht AG, OSRAM Opto Semiconductors GmbH, and OSRAM Opto Semiconductors, Inc. and against a number of other companies in the lighting industry before the United States International Trade Commission (ITC). Lighting Science Group Corporation has also brought a complaint against the same OSRAM companies before the United States District Court for the District of Delaware. In the proceedings, the plaintiffs are claiming infringement of three U.S. LED patents and demanding, among other things, the cessation of imports, a prohibitory injunction, and compensation for damages. The proceedings before the District Court have been suspended. The ITC denied for two of the patents a patent infringement by the OSRAM products without oral hearing. For the third patent the oral hearing at the ITC took place in February 2020. The final determination of the ITC is expected for October. OSRAM still anticipates that it will be able to successfully defend its legal position in the proceedings.

In accordance with IAS 37.92 no further information will be disclosed in respect of the above matter as OSRAM believes that such disclosure could seriously prejudice the outcome of the respective litigation.

Other than aforementioned there have been no significant developments since the consolidated financial statements of OSRAM Licht AG for fiscal year 2019 were prepared.

OSRAM was named as a defendant in various legal disputes and proceedings in connection with its business activities, including fire damage investigations. Some of the legal actions include claims for indeterminate amounts of damages and/or punitive damages claims. In light of the number of legal disputes and other proceedings in which OSRAM is involved, there is a possibility that some of these proceedings could result in rulings against OSRAM that may have a considerable effect on OSRAM's net assets, financial position, and results of operations.

Carrying Amounts and Fair Values of Financial Assets and Liabilities

in € million

	Category according to IFRS 9[1]	March 31, 2020		September 30, 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial assets					
Cash and cash equivalents[2]	FAaC	583	583	310	310
Trade receivables	FAaC	416	416	523	523
Trade receivables that are to be sold under a factoring agreement	FVPL	54	54	34	34
Other financial assets					
Derivatives not designated in a hedge accounting relationship	FVPL	7	7	4	4
Derivatives in connection with cash flow hedges	n.a.	0	0	–	–
Equity instruments	FVOCI	4	4	5	5
Shares in investment funds	FVPL	4	4	4	4
Other financial assets	FAaC	57	57	39	39
Assets held for sale	FAaC	–	–	63	63
Financial liabilities					
Debt[3]					
Loans from banks	FLaC	827	828	617	619
Other debt	FLaC	73	73	42	42
Trade payables	FLaC	495	495	548	548
Other financial liabilities					
Derivatives not designated in a hedge accounting relationship	FVPL	16	16	16	16
Derivatives in connection with cash flow hedges	n.a.	4	4	7	7
Contingent consideration due from acquistions	FVPL	29	29	36	36
Other financial liabilities	FLaC	77	77	82	82
Liabilities associated with assets held for sale	FLaC	–	–	15	15

[1] FAaC - Financial assets measured at amortized cost
FVOCI - Financial assets measured at fair value through other comprehensive income without recycling to profit or loss
FVPL - Financial assets or financial liabilities measured at fair value through profit or loss
FLaC - Financial liabilities measured at amortized cost

[2] *Cash and cash equivalents* consists primarily of deposits at banks with an investment grade rating and includes cash (predominantly denominated in euros or U.S. dollars) in checking accounts and fixed-term deposits with an original term of between one day (overnight deposits) and three months. To a small extent, it also includes checks and cash on hand.

[3] *Debt* included lease liabilities of €215 million as of March 31, 2020, that were accounted for in accordance with IFRS 16.

Determination of Fair Values of Financial Instruments Carried at Fair Value in the Statement of Financial Position

The financial instruments recognized at fair value in the statement of financial position include trade receivables that are to be sold under factoring programs, derivatives, equity instruments, interests in investment entities, and contingent consideration obligations in the context of acquisitions.

Trade receivables that are to be sold under factoring programs are measured on the basis of discounted cash flows using current market interest rates, corresponding to hierarchy level 2 of IFRS 13 for determining fair value.

The fair values of derivative financial instruments are determined on the basis of inputs that are observable either directly or indirectly. The exact determination depends on the nature of the derivative. The fair value of forward exchange contracts is based on forward exchange rates. The fair value of commodity derivatives (swaps, forwards) is based on forward commodity prices. This approach corresponds to hierarchy level 2 of IFRS 13 for determining fair value.

Equity instruments are measured on the basis of the best information available as of the reporting date, in particular information about transactions involving interests in the affected entities. If, after analyzing an entity's operating performance, OSRAM concludes that the previous carrying amount is close to the current fair value, the carrying amount is left unchanged. This measurement approach corresponds to hierarchy level 3 of IFRS 13 for determining fair value. The change in the carrying amount in the first six months of fiscal year 2020 resulted from the write-off of an equity investment, which is included in other financial income (expenses), net, in the consolidated statement of income.

Interests in investment entities are measured using the annual, half-year, or quarterly reports of the asset management companies; the fair value is determined on the basis of the share of net assets attributable to OSRAM. The measurement of the equity investments held by the investment entities can be based on all three hierarchy levels of IFRS 13 for determining fair value. Overall, the interests in investment entities are assigned to the lowest hierarchy level, i.e., level 3.

Contingent consideration obligations in the context of acquisitions are recognized as a liability at the expected amount. Subsequent adjustments to contingent consideration are recognized in profit or loss. The fair value of the liability is calculated on the basis of the current estimate of the affected business entities' performance indicators that are used to determine the contingent consideration. This measurement approach corresponds to hierarchy level 3 of IFRS 13 for determining fair value.

On March 31, 2020, there was an adjustment of a liability in an amount of €5 million recognized in profit, impacting Other Operating Income, in relation with the earn-out clause related to acquisition Fluence Bioengineering, Inc., Austin, U.S.A., which was completed in fiscal year 2018. The agreed contingent consideration depends on the company's revenue and gross margin in the three years subsequent to the transaction.

Additionally, there was an adjustment of a liability in an amount of €3 million recognized in profit, impacting Other Operating Income, in relation with the earn-out clause related to acquisition Vixar, Inc., Plymouth, U.S.A, which was completed in fiscal year 2018. The agreed contingent consideration depends on the additional revenue generated in calendar years 2019 and 2020 as a result of the acquisition.

All other financial instruments are carried at cost or amortized cost. The methods for determining the fair values of these financial instruments carried at fair value in the statement of financial position are described in the » consolidated financial statements of OSRAM Licht AG for fiscal year 2019.

9 | Earnings per Share

Earnings per Share

in € million, if not stated otherwise

		Six months ended March 31,	
		2020	2019
Net income		(44)	(181)
Plus: portion attributable to non-controlling interests		19	11
Net income attributable to shareholders of OSRAM Licht AG		**(25)**	**(170)**
Weighted average shares outstanding – basic	in thousands	94,151	96,607
Effect of dilutive potential equity instruments	in thousands	314	276
Weighted average shares outstanding – diluted	in thousands	**94,465**	**96,883**
Basic earnings per share	in €	(0.26)	(1.76)
Diluted earnings per share	in €	(0.26)	(1.76)
Basic earnings per share OSRAM (continuing operations)	in €	(0.20)	(0.87)
Diluted earnings per share OSRAM (continuing operations)	in €	(0.20)	(0.87)
Basic earnings per share OSRAM (discontinued operation)	in €	(0.07)	(0.89)
Diluted earnings per share OSRAM (discontinued operation)	in €	(0.07)	(0.89)

New tranches were issued under the existing programs for granting performance-based stock awards to senior managers in the OSRAM Licht Group (OSRAM Stock Awards) in the first six months of fiscal year 2020 and fiscal year 2019. As of March 31, 2019, there was an average of 41,705 outstanding awards whose inclusion would not have a dilutive effect.

The number of treasury shares decreased from 2,796,275 as of September 30, 2019, to 2,664,388 as of March 31, 2019. This change resulted from the transfer of 131,887 shares in November 2019 under the stock award and bonus award programs.

In the second quarter of fiscal year 2020, the unappropriated profit of OSRAM Licht AG for fiscal year 2019 were fully carried forward as retained earnings in accordance with the resolution adopted at the Annual General Meeting in February 2020. This corresponds to a dividend of €0.00 per dividend-bearing share.

10 | Segment Information

The segment reporting of the OSRAM Licht Group is split into three reportable segments—Opto Semiconductors (OS), Automotive (AM), and Digital (DI)—plus *Reconciliation to consolidated financial statements*.

On October 1, 2019, OSRAM made minor organizational changes involving reclassification between the reportable segments. LedEngin, Inc. (San Jose, California, U.S.A.), which was previously assigned to the Digital Business Unit, now belongs to the Opto Semiconductors Business Unit. The organizational unit Machinery, which was previously assigned to *Corporate items*, has been moved to the Automotive Business Unit. The unit Machinery is responsible for producing spare parts for existing machinery and for designing and constructing production equipment. Furthermore, business activities in Asia, which were previously assigned to *Corporate items*, has been integrated into the Digital Business Unit.

The figures in the segment information for the prior-year period have been restated to reflect the new structure.

Reconciliation to the Consolidated Financial Statements

Reconciliation EBITDA to Income before Income Taxes

in € million

	Six months ended March 31, 2020	Six months ended March 31, 2019
EBITDA	**148**	**80**
Depreciation on property, plant, and equipment	(126)	(123)
Depreciation on right-of-use assets[1]	(24)	–
Amortization	(23)	(63)
Income (loss) from investments accounted for using the equity method, net	(4)	(3)
Interest income	1	1
Interest expenses	(11)	(6)
Other financial income (expense), net	(2)	(2)
Income before income taxes OSRAM (continuing operations)	**(40)**	**(117)**

1) In fiscal year 2020 depreciation, amortization and Impairments also include depreciation of, and impairment losses on, right-of-use assets due to the first-time adoption of IFRS 16 Leases; these are not included in the figures for the prior-year period.

The following table reconciles the total net capital employed of the segments to the total assets reported in the consolidated statement of financial position:

Reconciliation Total Segment Net Capital Employed to Total Assets

in € million

	March 31, 2020	September 30, 2019
Total segment net capital employed	**2,385**	**2,269**
Reconciliation to interim consolidated financial statements		
Net capital employed corporate items and pensions	(111)	(149)
Net capital employed Treasury[1]	524	287
Other reconciling items		
Tax related assets	432	432
Liabilities and provisions	1,310	1,497
Total assets	**4,540**	**4,335**

1) OSRAM Treasury does not have net capital employed in the same way as an operating segment, but it is determined here in the same way as for the operating segments; the assets consist primarily of cash and cash equivalents.

Revenue by Regions

Revenue by Regions

in € million
(by location of customer)

	Six months ended March 31, 2020	Six months ended March 31, 2019[1]
EMEA	589	589
APAC	587	593
Americas	518	507
OSRAM (continuing operations)	**1,694**	**1,689**
thereof Germany	200	225
thereof foreign countries	1,494	1,464
therein U.S.A.	438	423
therein China (including Hong Kong) and Taiwan	331	326

1) The previous year's figures were adjusted due to a change in calculation methodology.

The EMEA region comprises Europe, Russia, the Middle East, and Africa. The Americas region includes the U.S.A., Canada, and South America. The APAC region comprises Asia, Australia, and the Pacific.

11 I Related Party Disclosures

Individuals classified as related parties comprise the members of the Managing Board and the members of the Supervisory Board of OSRAM Licht AG.

Details of the remuneration of the members of the Supervisory Board and Managing Board can be found in the remuneration report, which is part of the combined management report in the » Annual Report of the OSRAM Licht Group for Fiscal Year 2019.

Ms. Olga Redda joined the Supervisory Board as an employee representative on October 1, 2019. She is the elected replacement for Ms. Irene Schulz, who stepped down from the Supervisory Board at the end of September 30, 2019.

Ms. Redda has also been a member of the Audit Committee since November 11, 2019. Details of the Supervisory Board committees and their composition are published on OSRAM's website at » www.osram-group.com/our-company/our-management/supervisory-board.

Mr. Ingo Bank, Chief Financial Officer (CFO), resigned from his position as a member of the Managing Board on March 6, 2020, effective as of April 30, 2020. The Supervisory Board approved his resignation in its meeting held on the same date. Mr. Bank is CFO of ams AG effective May 1, 2020.

The Supervisory Board meeting held on April 7, 2020 appointed Mrs. Kathrin Dahnke as a member of the Managing Board as well as CFO effective April 16, 2020. Mrs. Dahnke has taken over the existing duties of the CFO, excluding the responsibility for information technology, which the Chief Technology Officer (CTO), Dr. Kampmann, was assigned.

12 I Events After the Reporting Date

Changes of the Managing Board took place after the balance sheet date > Section 11 I Related parties.

In April 2020 OSRAM agreed a credit line of €64 million with a well-known commercial bank to further improve its short-term liquidity. This line has been granted until further notice and was drawn down in the amount of €45 million at the time this interim report was prepared on May 5, 2020. The revolving credit facility was drawn down at that date, unchanged from March 31, 2020, in the amount of € 686 million.

Other than the above, no transactions of particular significance and with material effects on the net assets, financial position, and results of operations have occurred since the end of the reporting period, March 31, 2020.

Munich, May 5, 2020

OSRAM Licht AG
The Managing Board

Dr. Olaf Berlien	Kathrin Dahnke	Dr. Stefan Kampmann
Chairman of the Managing Board (CEO)	Chief Financial Officer (CFO)	Chief Technology Officer (CTO)

Statements and Further Information

Responsibility Statement

To the best of our knowledge, and in accordance with the applicable interim reporting principles, the consolidated interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group interim management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the material opportunities and risks associated with the expected development of the Group in the remaining months of the fiscal year.

Munich, May 5, 2020

OSRAM Licht AG
The Managing Board

Dr. Olaf Berlien	Kathrin Dahnke	Dr. Stefan Kampmann
Chairman of the Managing Board (CEO)	Chief Financial Officer (CFO)	Chief Technology Officer (CTO)

Review Report

Translation of the German Review Report concerning the review of the condensed interim consolidated financial statements and interim group management report prepared in German.

To OSRAM Licht AG, Munich

We have reviewed the condensed interim consolidated financial statements, comprising the consolidated statement of income (Konzern-Gewinn- und Verlustrechnung), consolidated statement of comprehensive income (Konzern-Gesamtergebnisrechnung), consolidated statement of financial position (Konzernbilanz), consolidated statement of cash flows (Konzern-Kapitalflussrechnung), consolidated statement of changes in equity (Konzern-Eigenkapitalveränderungsrechnung) and notes to the condensed interim consolidated financial statements (Anhang zum verkürzten Konzernzwischenabschluss), and the interim group management report (Konzernzwischenlagebericht), of OSRAM Licht AG, Munich, for the period from 1 October 2019 to 31 March 2020 which are part of the half-year financial report pursuant to Sec. 115 (7) in conjunction with (2) No. 1 and No. 2 and (3) and 4 WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act). The preparation of the condensed interim consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) applicable to interim financial reporting as adopted by the EU and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports is the responsibility of the Company's management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and the interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and the interim group management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW) and in supplementary compliance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with a certain level of assurance, that the condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with IFRS applicable to interim financial reporting as adopted by the EU and that the interim group management report is not prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports. A review is limited primarily to making inquiries of company personnel and applying analytical procedures and thus does not provide the assurance that we would obtain from an audit of financial statements. In accordance with our engagement, we have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with IFRS applicable to interim financial reporting as adopted by the EU or that the interim group management report is not prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports.

Munich, May 5, 2020

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Keller
Wirtschaftsprüfer
[German Public Auditor]

Fichtelberger
Wirtschaftsprüfer
[German Public Auditor]

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This interim report is also available in German. Both language versions can be accessed at
www.osram-group.de and
www.osram-group.com.
If there are any discrepancies between the two language versions, the German text is the authoritative version.

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