



# Conference Call First-Quarter 2018 Results

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## Disclaimer

This presentation contains statements concerning the future performance of the Sartorius Group and the Sartorius Stedim Biotech Group. These statements are based on assumptions and estimates. Although we are convinced that these forward-looking statements are realistic, we cannot guarantee that they will actually materialize. This is because our assumptions harbor risks and uncertainties that could lead to actual results diverging substantially from the expected ones. It is not planned to update our forward-looking statements.

Throughout this presentation, differences may be apparent as a result of rounding during addition.

# Agenda

**01** Sartorius Group:  
Q1 2018 Results | FY 2018 Guidance

**02** Sartorius Stedim Biotech Group:  
Q1 2018 Results | FY 2018 Guidance

**03** Questions & Answers



## Q1 2018 Highlights

- ▷ Dynamic start into 2018 in line with expectations
- ▷ Lab Products & Services division with double-digit growth rates
- ▷ Continued positive momentum in Bioprocess Solutions division
- ▷ Significant FX headwinds; especially from USD/EUR
- ▷ FY 2018 guidance confirmed



## Dynamic start into the year but significant FX headwinds

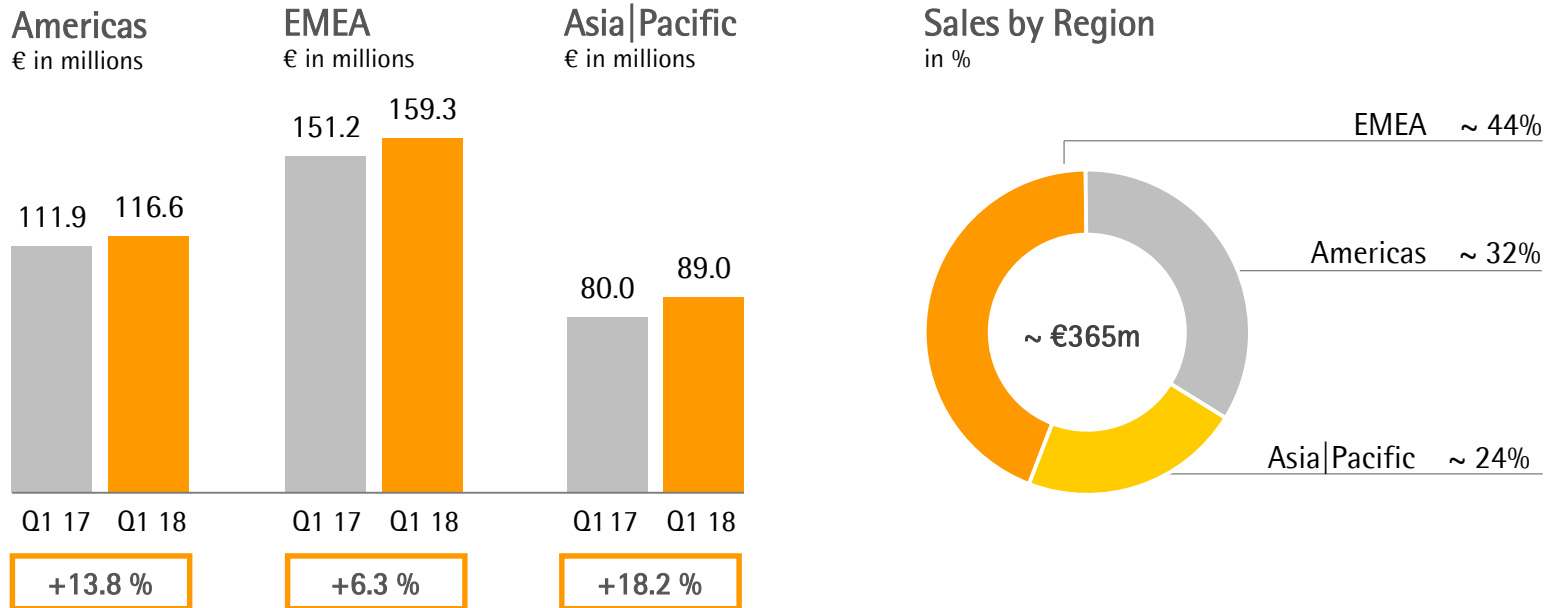
### Sartorius Group

in millions of € unless otherwise specified

	Q1 2017	Q1 2018	Δ in %	Δ in % cc <sup>1</sup>
Sales revenue	343.1	364.9	+6.3	+11.4
Order intake	376.9	404.8	+7.4	+12.4
Underlying EBITDA <sup>2</sup>	84.6	88.6	+4.7	
Underlying EBITDA <sup>2</sup> margin in %	24.7	24.3	-0.4 pp	
Underlying EPS <sup>3</sup> (ord.) in €	0.50	0.54	+8.1	
Underlying EPS <sup>3</sup> (pref.) in €	0.51	0.55	+8.0	
Capex ratio in %	12.8	10.3	-2.5pp	

<sup>1</sup> Constant currencies <sup>2</sup> Underlying = excluding extraordinary items <sup>3</sup> Underlying EPS = based on net profit after non-controlling interest; adjusted for extraordinary items as well as amortization and based on a normalized financial result and tax rate

## Well balanced regional contributions to sales growth

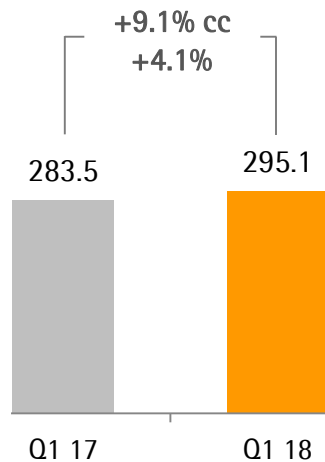


Acc. to customers' location; growth in constant currencies

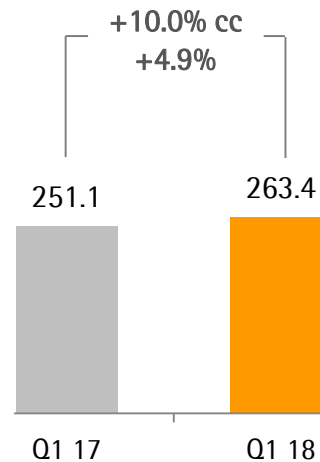
- Americas: BPS with good momentum; LPS growth fueled by Essen BioScience acquisition
- EMEA: Performance equally driven by LPS and BPS; sound organic growth
- Asia|Pacific: Both divisions once again with strong double-digit growth rates

## BPS: Robust growth but FX headwinds

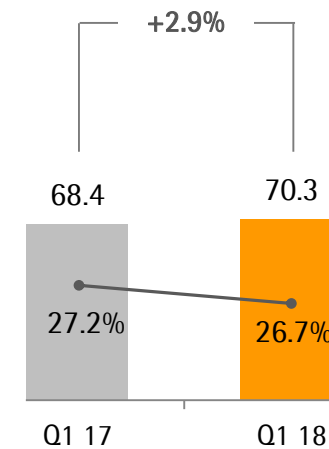
**Order Intake**  
€ in millions



**Sales Revenue**  
€ in millions



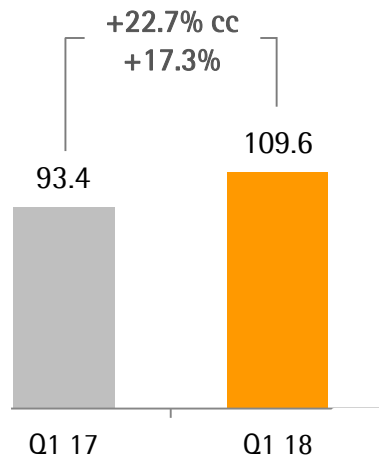
**Underlying EBITDA & Margin**  
€ in millions



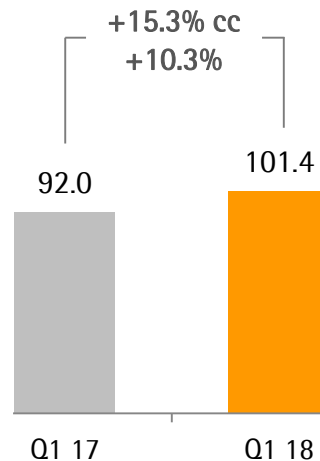
- Solid development in both sales revenue and order intake
- All product segments contribute to growth
- Underlying EBITDA margin diluted by unfavorable FX trend

## LPS: Double-digit growth in sales revenue and profit

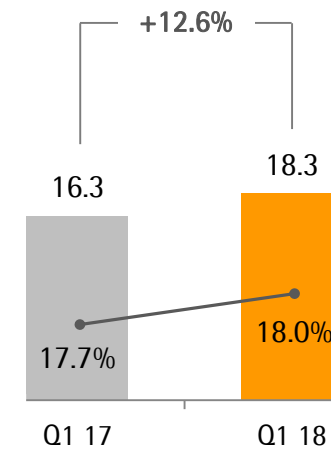
**Order Intake**  
€ in millions



**Sales Revenue**  
€ in millions



**Underlying EBITDA & Margin**  
€ in millions



- Overproportionate increase in order intake mainly driven by Bioanalytics
- Recent acquisition of Essen BioScience contributes ~11pp inorganic sales growth
- Margin improved despite FX headwinds due to volume and product mix



## Cash flow influenced by higher earnings and lower taxes

### Sartorius Group

€ in millions

	Q1 2017	Q1 2018	Δ in %
Underlying EBITDA	84.6	88.6	+4.7
Extraordinary items	-6.1	-7.2	-17.4
Financial result	-3.7	-4.1	-12.2
Underlying net profit <sup>1,2</sup>	34.4	37.2	+8.0
Reported net profit <sup>2</sup>	26.6	26.6	+0.0
Net operating cash flow	22.9	38.9	+70.0
Net investing cash flow <sup>3</sup>	-332.5	-40.6	n.m.

- Increase in extraordinary items in line with expectations; mainly reflects integration costs of Essen BioScience
- Net operating cash flow influenced by lower tax payment
- Net investing cash flow in previous year primarily reflects the Essen acquisition

<sup>1</sup> Underlying net profit = net profit adjusted for extraordinary items, amortization and based on a normalized financial result and tax rate

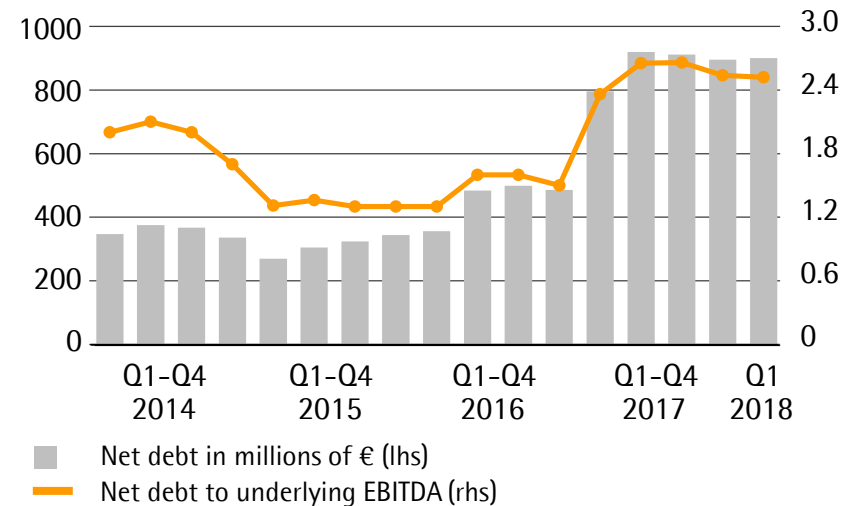
<sup>2</sup> After non-controlling interest <sup>3</sup> Net cash flow from investing activities and acquisitions

## Key financial indicators remain at robust levels

### Key Financial Indicators

Sartorius Group	Dec. 31, 2017	Mar. 31, 2018
Equity ratio in %	35.1	35.4
Net debt in millions of €	895.5	900.4
Net debt   underlying EBITDA	2.5	2.5

### Net Debt and Net Debt to Underlying EBITDA



## Outlook for 2018 confirmed

	FY 2017		FY 2018 Guidance <sup>1</sup>	
	Sales revenue growth <sup>1</sup>	Underlying EBITDA margin	Sales revenue growth	Underlying EBITDA margin
Sartorius Group	9.3%	25.1%	~ 9% - 12%	~ +0.5pp
Bioprocess Solutions	4.9%	28.0%	~ 8% - 11%	~ +0.5pp
Lab Products & Services	22.0%	18.0%	~ 12% - 15%	~ +1.0pp

<sup>1</sup> In constant currencies

- Growth guidance includes non-organic contribution by recent acquisitions: ~ 0.5pp for BPS and ~ 2.5pp for LPS, i.e. ~ 1.0pp for the Group
- Capex ratio ~ 15% (FY 2017: 14.9%)
- As a result from the US tax reform, SAG's tax rate is expected to decrease from 2018 onwards by 2pp to around 27%

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Q1 2018 Results | Q1 2018 Guidance

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## Good start into the year with continued positive momentum

### Sartorius Stedim Biotech Group

in millions of € unless otherwise specified

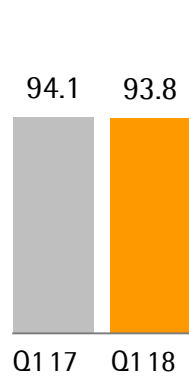
	Q1 2017	Q1 2018	Δ in %	Δ in % cc <sup>1</sup>
Sales revenue	268.8	281.1	+4.6	+9.8
Order intake	302.1	313.8	+3.9	+9.0
Underlying EBITDA <sup>2</sup>	71.9	74.0	+3.0	
Underlying EBITDA <sup>2</sup> margin in %	26.7	26.3	-0.4pp	
Underlying EPS <sup>3</sup> per share in €	0.48	0.51	+7.0	
Capex ratio in %	11.3	9.2	-2.1pp	

- Solid increase in revenues and profit
- All product segments contribute to growth, cell culture media business stabilized
- Underlying EBITDA margin affected by currency effects

<sup>1</sup> Constant currencies <sup>2</sup> Underlying = excluding extraordinary items <sup>3</sup> Underlying EPS = based on net profit after non-controlling interest, adjusted for extraordinary items, amortization and based on a normalized financial result and tax rate

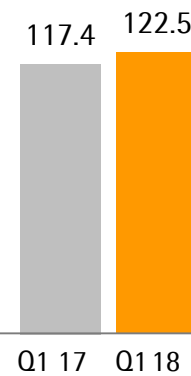
## Growth strong in Asia|Pacific and solid in EMEA and the Americas

**Americas**  
in € millions



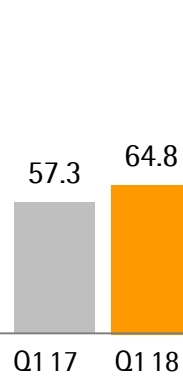
+10.2%

**EMEA**  
in € millions



+5.0%

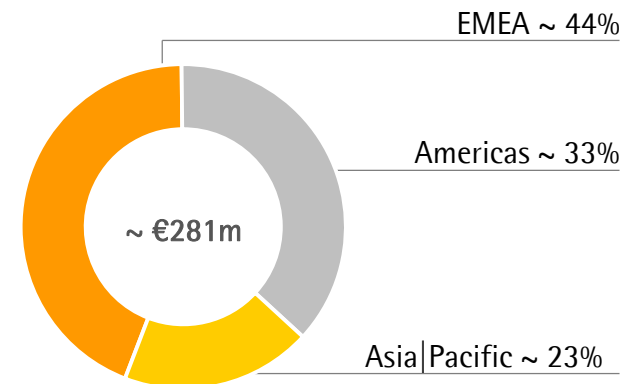
**Asia|Pacific**  
in € millions



+19.5%

Acc. to customers' location; growth in constant currencies

**Sales by Regions**  
in %



- Americas: Solid business development but FX headwinds
- EMEA: Robust growth in sales revenue and dynamic order intake
- Asia|Pacific: Strong double-digit sales growth against high comps

## Significant increase in operating cash flow

### Sartorius Stedim Biotech Group

€ in millions

	Q1 2017	Q1 2018	Δ in %
Underlying EBITDA	71.9	74.0	+3.0
Extraordinary items	-2.0	-3.6	-82.2
Financial result	-1.3	-1.7	-28.3
Underlying net profit <sup>1</sup>	44.0	47.1	+7.0
Reported net profit	39.8	40.9	+3.0
Net operating cash flow	16.8	38.3	+128.3
Net investing cash flow <sup>2</sup>	-23.8	-27.4	-15.1

- Increase in extraordinary items in line with expectations
- Net operating cash flow influenced by lower tax payment
- Net investing cash flow reflects execution of CAPEX program

<sup>1</sup> Underlying net result = net profit adjusted for extraordinary items, amortization and based on a normalized financial result and tax rate

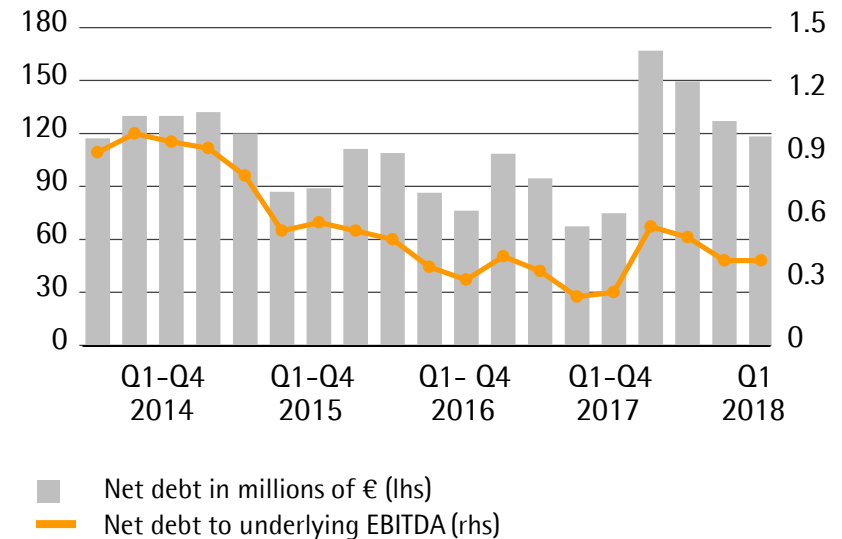
<sup>2</sup> Net cash flow from investing activities and acquisitions

# Financial position remains strong

## Key Financial Indicators

Sartorius Stedim Biotech	Dec. 31, 2017	Mar. 31, 2018
Equity ratio in %	62.6	62.8
Net debt in millions of €	127.1	118.4
Net debt   underlying EBITDA	0.4	0.4

## Net Debt and Net Debt to Underlying EBITDA





## Outlook for 2018 confirmed

	FY 2017	FY 2018 Guidance
Sales revenue growth <sup>1</sup>	4.1%	~ 7% - 10%
Underlying EBITDA margin	27.3%	~ +0.5pp <sup>1</sup>
Capex ratio	12.6%	~ 15%

<sup>1</sup> In constant currencies

- Growth guidance includes non-organic contribution by recent acquisition: ~ 0.5pp
- As a result from the US tax reform, SSB's tax rate is expected to decrease from 2018 onwards by 2pp to around 26%

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Thank you very much  
for your attention