



sartorius



sartorius stedim

biotech



## Conference Call First-Quarter 2015 Results

Joachim Kreuzburg, CEO | April 20, 2015

## 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

1 >> Sartorius Group:  
Q1 2015 Results | Guidance 2015

2 Sartorius Stedim Biotech Group:  
Q1 2015 Results | Guidance 2015

3 Questions & Answers



## Dynamic Start into the Year



Double-digit growth of order intake, sales revenue and earnings;  
Considerable tailwind from currencies



BPS performance ahead of expectations driven by all product lines



LPS with robust start into the year in line with expectations



FY 2015 guidance revised upwards



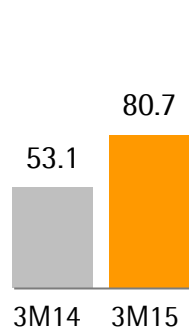
Acquisition of BioOutsource further strengthens BPS's offering

## Double-digit Growth Across the Board

Sartorius Group <sup>1)</sup> in € million (unless otherwise specified)	3M 2014 <sup>2)</sup>	3M 2015	Change	Change in cc <sup>3)</sup>
Order intake	225.1	276.1	22.7%	13.1%
Sales revenue	203.1	258.1	27.0%	17.2%
Underlying EBITDA <sup>4)</sup>	38.7	57.5	48.7%	
Underlying EBITDA margin in %	19.0	22.3	+330bps	
Underlying EPS <sup>5)</sup> (ord.) in €	0.77	1.29	67.6%	
Underlying EPS <sup>5)</sup> (pref.) in €	0.79	1.31	65.9%	

## All Regions Post Double-digit Growth

**Americas**  
Sales<sup>1)</sup> in € million



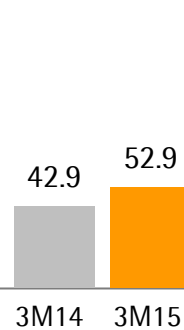
+ 27.4%

**EMEA**  
Sales<sup>1)</sup> in € million



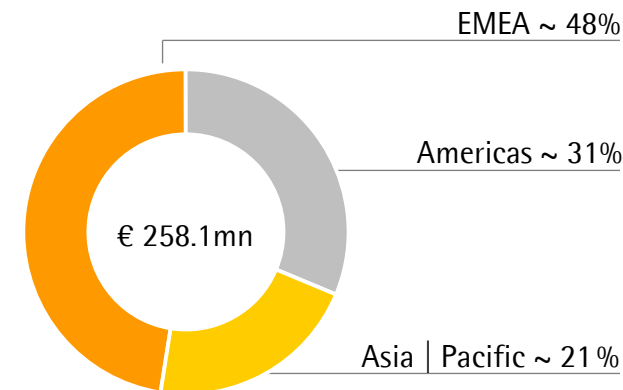
+ 14.8%

**Asia|Pacific**  
Sales<sup>1)</sup> in € million



+ 10.7%

**Sales<sup>1)</sup> by Regions**  
in %



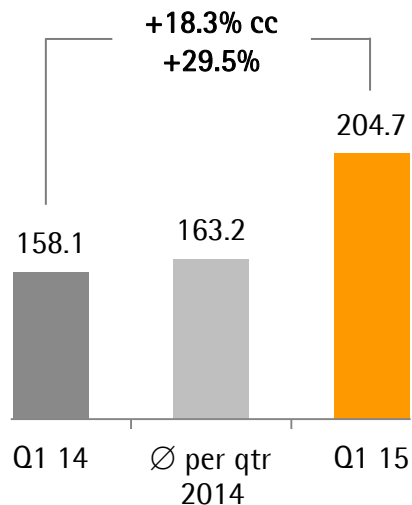
Definition of the regions slightly changed; growth in constant currencies

- Dynamic Expansion in the Americas driven by both divisions; modest comps for BPS
- EMEA reported double-digit growth led by BPS – strong demand for SU-products and equipment
- Robust Development in Asia|Pacific; business environment for LPS continued to stabilize

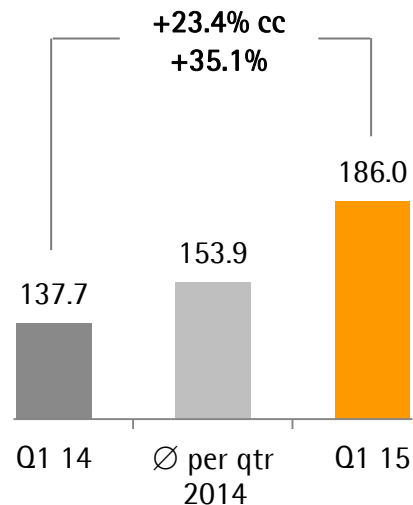
<sup>1)</sup> According to customers' location

# Bioprocess Solutions: Performing Ahead of Expectations

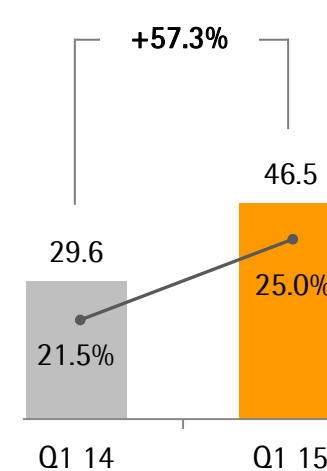
**Order Intake**  
in € million



**Sales Revenue**  
in € million



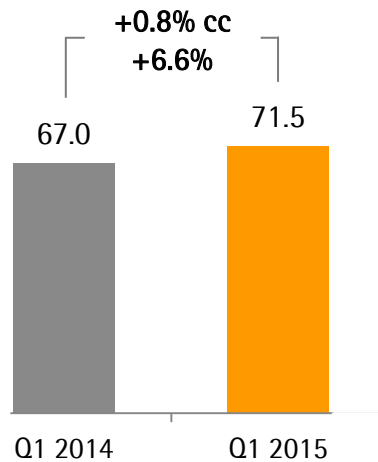
**Underlying EBITDA & Margin**  
in € million



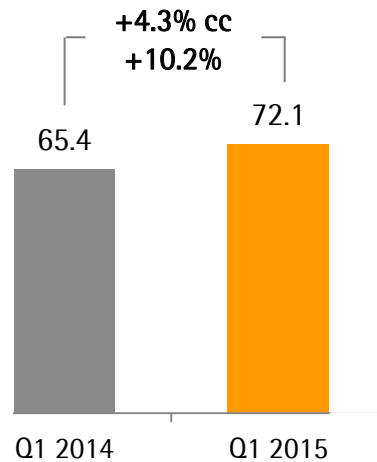
- Order intake: fueled by strong demand for single use products and large equipment orders, delivery partly in 2016
- Sales revenue: growth rate inflated by low comps; however, excellent performance ahead of expectations driven by all product lines
- Underlying EBITDA margin: up by 350 bps due to economies of scale and fx-effects

## Lab Products & Services: Robust Start into the Year

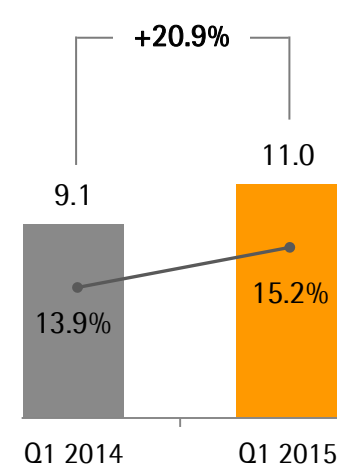
**Order Intake**  
in € million



**Sales Revenue**  
in € million



**Underlying EBITDA & Margin**  
in € million



- Order intake: solid performance against relatively strong Q1 2014
- Sales revenue: growth driven by all regions; business in Asia continues to stabilize
- Underlying EBITDA margin: development in line with expectations

## P&L and Cash Flow Impacted by Extraordinary Items

Sartorius Group in € million	3M 2014	3M 2015	Change
Underlying EBITDA	38.7	57.5	48.7%
Extraordinary items	-1.2	-1.8	-47.7%
Financial result	-4.4	-14.6	n.m.
Underlying net profit <sup>1)2)</sup>	13.3	22.1	66.8%
Reported net profit <sup>2)</sup>	11.0	49.8	n.m.
Net operating cash flow	20.2	13.6	-32.6%
Net investing cash flow <sup>3)</sup>	-18.7	52.6	n.m.

- Financial result burdened by derivatives | fx-loans – mainly non-cash effective
- Reported net profit includes book gain from Intec disposal
- Net operating cash flow influenced by sales growth related increase of net working capital
- Net investing cash flow reflects proceeds of ~ €73m relating to Intec sale

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

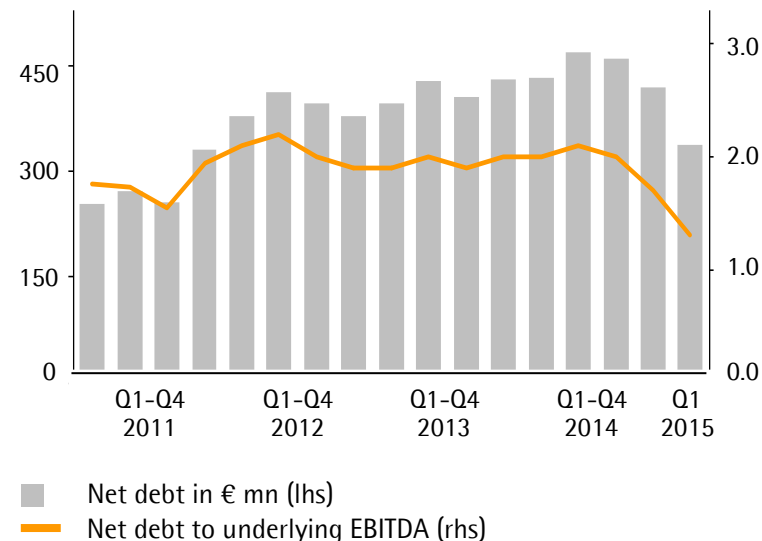
<sup>2)</sup> After non-controlling interest <sup>3)</sup> Net cash flow from investing activities and acquisitions | divestments

# All Key Financial Parameters Further Substantially Enhanced

## Key Financial Indicators

Sartorius Group	Dec. 31 2014 <sup>1)</sup>	March 31 2015
Equity ratio in %	39.1	43.9
Net debt in € million	335.6	269.7
Net debt to underlying EBITDA	1.7	1.3

## Net Debt to Underlying EBITDA



<sup>1)</sup> Including discontinued operation

## Guidance 2015 Revised Upwards

	Previous <sup>1)</sup>		New <sup>1)</sup>	
	Sales revenue growth	Underlying EBITDA margin	Sales revenue growth	Underlying EBITDA margin
Sartorius Group	~ 4% - 7%	~ 21.5%	~ 6% - 9%	~ 22.0%
Bioprocess Solutions	~ 5% - 8%	~ 24.5%	~ 8% - 11%	~ 25.0%
Lab Products & Services	~ 2% - 5%	~ 15.5%	~ 2% - 5%	~ 15.5%

- Capex ratio ~ 10%

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Sartorius Stedim Biotech Group:  
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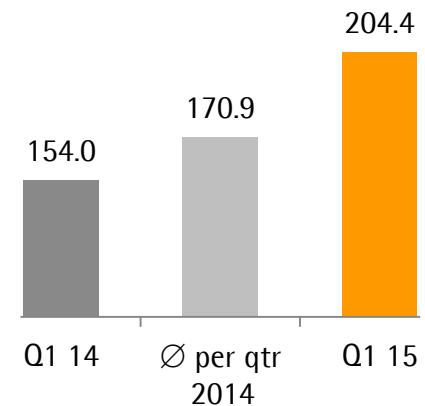
Questions & Answers



## Continuing Strong Growth on All Lines

Sartorius Stedim Biotech in € million (unless otherwise specified)	3M 2014	3M 2015	Change	Change in cc <sup>1)</sup>
Order intake	175.3	224.1	27.9%	17.1%
Sales revenue	154.0	204.4	32.8%	21.5%
Underlying EBITDA <sup>2)</sup>	33.3	50.8	52.4%	
Underlying EBITDA margin	21.6	24.8	+320bps	
Underlying EPS <sup>3)</sup> in €	1.18	1.93	64.1%	

Sales Revenue  
in € million

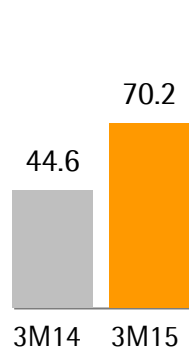


- Order intake: fueled by strong demand for single use products and large equipment orders, delivery partly in 2016
- Sales revenue: growth rate inflated by low comps; however, excellent performance ahead of expectations driven by all product lines
- Underlying EBITDA margin: up by 320 bps driven by economies of scale and fx-effects

<sup>1)</sup> cc= 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

## Sales Growth Supported by All Regions

**Americas**  
Sales<sup>1)</sup> in € million



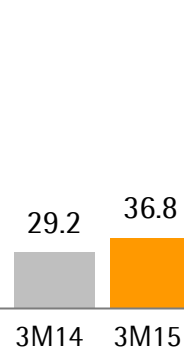
+ 31.2%

**EMEA**  
Sales<sup>1)</sup> in € million



+ 19.2%

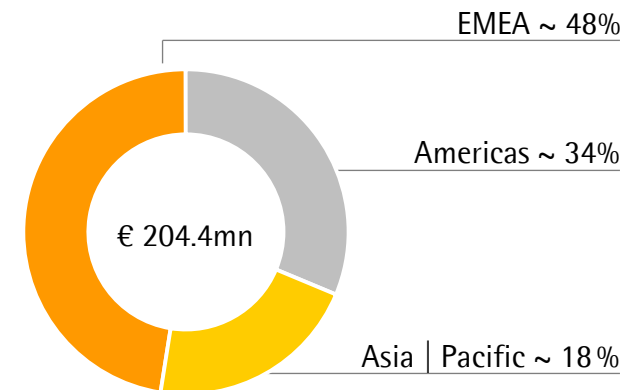
**Asia|Pacific**  
Sales<sup>1)</sup> in € million



+ 13.0%

Definition of the regions slightly changed; growth in constant currencies

**Sales<sup>1)</sup> by Regions**  
in %



- Dynamic business expansion in the Americas compared with a low base in Q1 2014
- Double-digit growth in EMEA due to strong demand for SU-products and equipment
- Continued sound development in Asia|Pacific

<sup>1)</sup> According to customers' location

## P&L Impacted by Extraordinary Items

Sartorius Stedim Biotech Group in € million	3M 2014	3M 2015	Change
Underlying EBITDA	33.3	50.8	52.4%
Extraordinary items	-0.7	-0.4	36.8%
Financial result	-2.5	-13.8	n.m.
Underlying net result <sup>1)</sup>	18.1	29.6	64.1%
Reported net result	15.6	18.7	20.4%
Net operating cash flow	13.9	15.9	14.5%
Net investing cash flow <sup>2)</sup>	-11.3	-10.6	6.1%

- Financial result burdened by derivatives | fx-loans; mainly non-cash effective
- Net operating cash flow influenced by working capital build-up
- Net investing cash flow in line with expectations

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

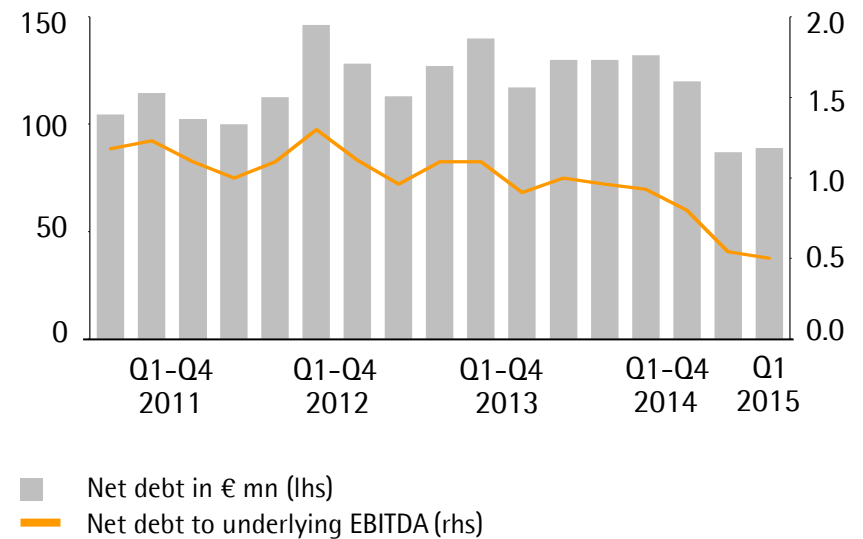
<sup>2)</sup> Net cash flow from investing activities and acquisitions | divestments

# Financial Position Remained Strong

## Key Financial Indicators

Sartorius Stedim Biotech Group	Dec. 31 2014	March 31 2015
Equity ratio in %	59.4	59.2
Net debt in € million	87.4	89.1
Net debt   underlying EBITDA	0.5	0.5

## Net Debt to Underlying EBITDA



## Guidance 2015 Raised

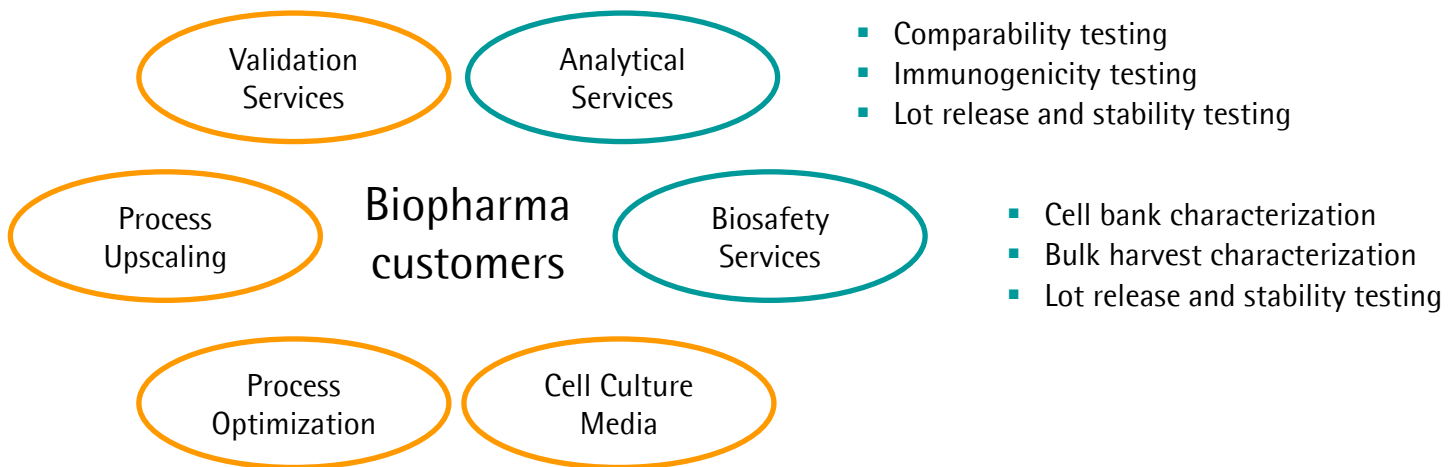
	Previous <sup>1)</sup>	New <sup>1)</sup>
Sales revenue growth	~ 4% - 7%	~ 7% - 10%
Underlying EBITDA margin	~ 24.0 - 24.5%	~ 24.5 - 25.0%

- Capex ratio ~ 6% - 8%

<sup>1)</sup> In constant currencies

## Extension of BPS's Offering Through Acquisition of BioOutsource

- BioOutsource provides contract testing services to monitor quality and safety of biologics
- Comprehensive suite of services particularly for the biosimilars industry
- Headquartered in Glasgow, sales revenues of ~€9m, ~ 85 employees
- Strong complementary fit with BPS's offering





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Questions & Answers

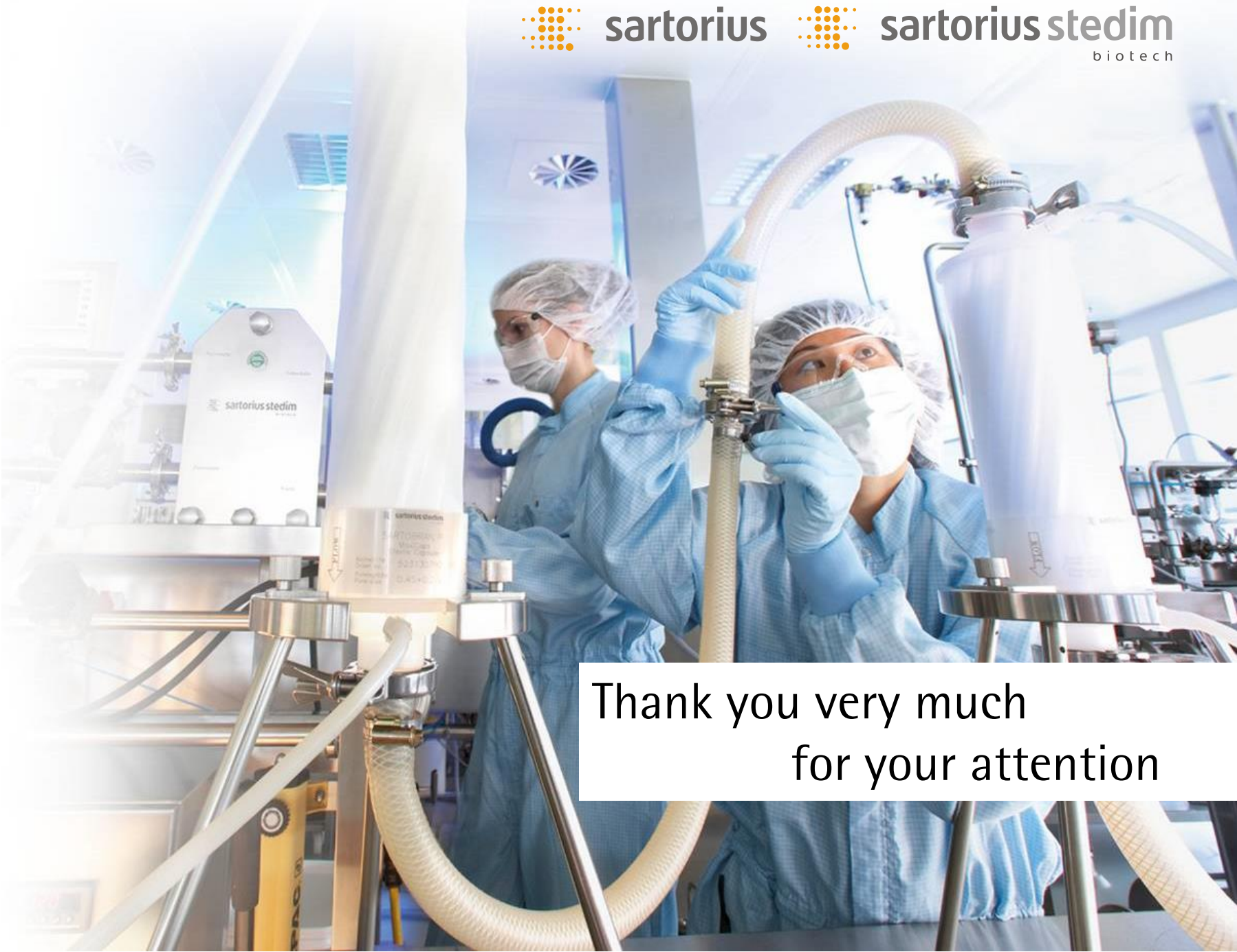




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A photograph of two scientists in a laboratory setting. They are wearing blue lab coats, white hairnets, and white face masks. They are working with large, white, cylindrical Sartorius Stedim biotech containers. One scientist is adjusting a hose connected to the container. The background shows laboratory equipment and a clean, bright environment.

Thank you very much  
for your attention