



Conference Call First-Quarter 2017 Results

Joachim Kreuzburg, CEO | April 24, 2017

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 2017 Results | 2017 Guidance

02 Sartorius Stedim Biotech Group:
Q1 2017 Results | 2017 Guidance

03 Questions & Answers



Q1 2017 highlights

- ▶ Continued double-digit sales and earnings growth
- ▶ Very dynamic performance of LPS driven by organic growth and acquisitions
- ▶ Another innovative product family added to LPS' bioanalytics portfolio with the acquisition of Essen BioScience
- ▶ Significant growth of BPS in view of normalized market conditions, as expected
- ▶ Recently upgraded full-year guidance confirmed



Successful start to the year

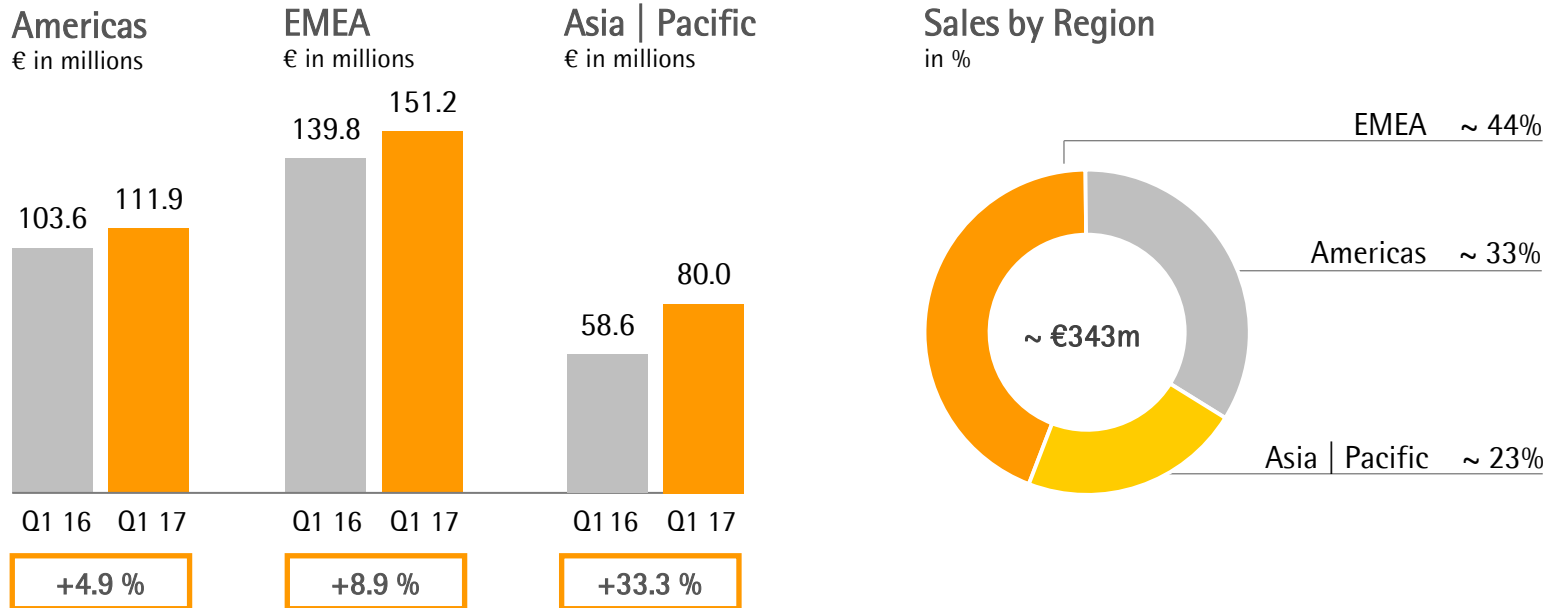
Sartorius Group

in millions of € unless otherwise specified

	Q1 2016	Q1 2017	Δ in %	Δ in % cc ¹
Sales revenue	301.9	343.1	+13.6	+12.2
Order intake	330.1	376.9	+14.2	+12.7
Underlying EBITDA ²	72.3	84.6	+17.0	
Underlying EBITDA ² margin in %	24.0	24.7		
Underlying EPS ^{3,4} (ord.) in €	0.42	0.50	+17.9	
Underlying EPS ^{3,4} (pref.) in €	0.43	0.51	+17.5	
Capex ratio in %	11.1	12.8		

¹ Constant currencies ² Underlying = excluding extraordinary items ³ 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 ⁴ Q1 2016 adjusted for stock split; rounded values

Growth led by Asia|Pacific; moderate start in the Americas

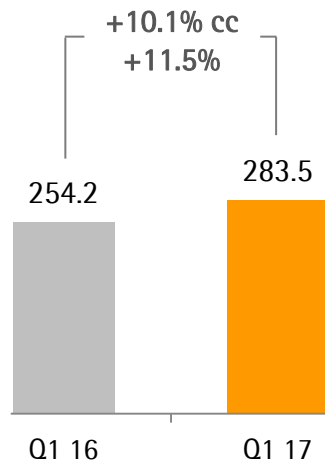


Acc. to customers' location; growth in constant currencies

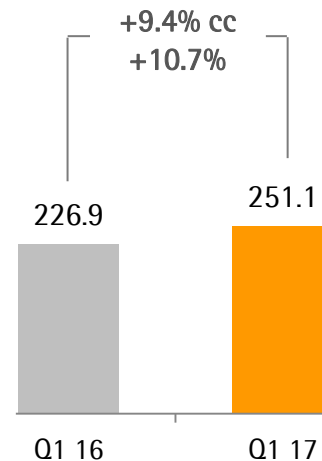
- Americas: BPS influenced by softer customer demand and temporarily limited delivery capacities for cell culture media; LPS growth largely driven by recent acquisitions
- EMEA: Performance fueled by sound organic growth, esp. of LPS, and acquisitions
- Asia|Pacific: Both divisions achieved strong double-digit growth vs. modest comps

BPS: Significant growth in view of normalized market conditions

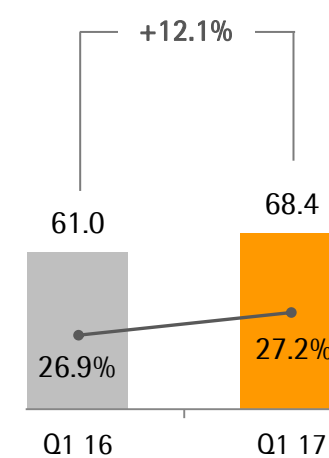
Order Intake
€ in millions



Sales Revenue
€ in millions



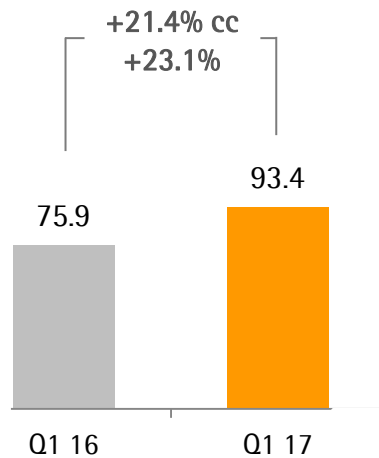
Underlying EBITDA & Margin
€ in millions



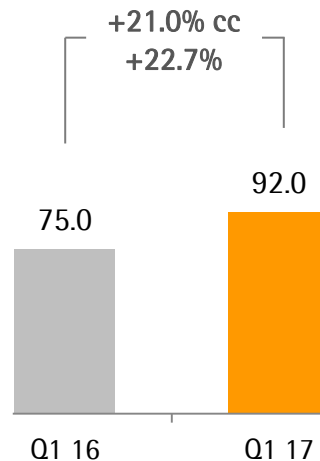
- Substantially above-average market growth rates over the last two years returned to normal levels, as expected
- All product segments contributed to growth, except for cell culture media
- Underlying EBITDA margin up by 0.3 pp due to economies of scale

LPS: Dynamic performance due to organic growth and acquisitions

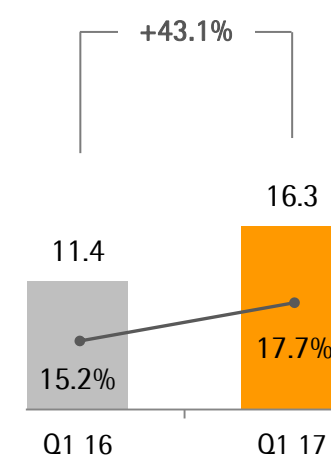
Order Intake
€ in millions



Sales Revenue
€ in millions



Underlying EBITDA & Margin
€ in millions



- Strong organic growth of ~10% driven by all regions and all product categories
- Recent acquisitions (IntelliCyt, ViroCyt and Essen) contributed ~11 pp to sales growth
- Sharp increase in earnings driven by economies of scale related to strong organic growth and acquisitions

LPS' bioanalytics offering recently expanded through acquisition of Essen BioScience

- Pioneer and innovation leader in cell analysis systems for pharmaceutical research
- Headquartered in Ann Arbor, Michigan; ~ 150 employees
- Annual sales of ~\$60mn expected for 2017; profitability about at Group levels
- Transaction closed at the end of March; purchase price of \$320mn

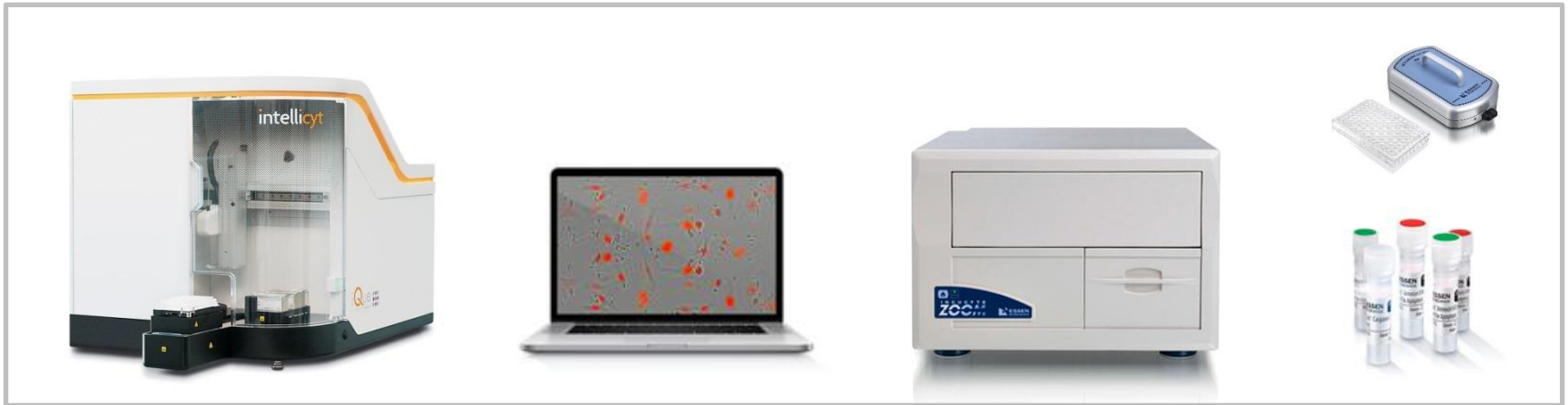


Innovative technology with significant growth potential



- System solution consists of an instrument, software, reagents and consumables for image-based cell analysis
- Analyzes, for example, cell health, morphology and movement
- Fully automated time-lapse image capture within the incubator and over a longer period
- Delivers deep insights into biological processes; speeds up molecule development, e.g., in cancer research

Ideal fit between Essen and IntelliCyt



- ▷ Both businesses address the same customers, i.e., biopharma labs and academia
- ▷ Complementary applications and unique technologies; no direct competition
- ▷ Combination of high throughput (IntelliCyt) and real-time quantitative analysis (Essen) creates the broadest and most innovative cell analysis portfolio for biopharma applications

Cash flow influenced by Essen acquisition

Sartorius Group

€ in millions

	Q1 2016	Q1 2017	Δ in %
Underlying EBITDA	72.3	84.6	+17.0
Extraordinary items	6.2	6.1	-2.3
Financial result	-0.8	-3.7	-342.5
Underlying net profit ^{1,2}	29.3	34.4	17.7
Reported net profit ²	24.3	26.6	9.5
Net operating cash flow	20.4	22.9	+12.1
Net investing cash flow ³	-30.8	-332.5	n.m.

- Financial result in Q1 2016 benefited from valuation effects of derivatives | fx loans
- Net operating cash flow influenced by an increase in working capital and higher tax payments
- Net investing cash flow primarily reflects the acquisition of Essen BioScience; capex increased, as planned

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

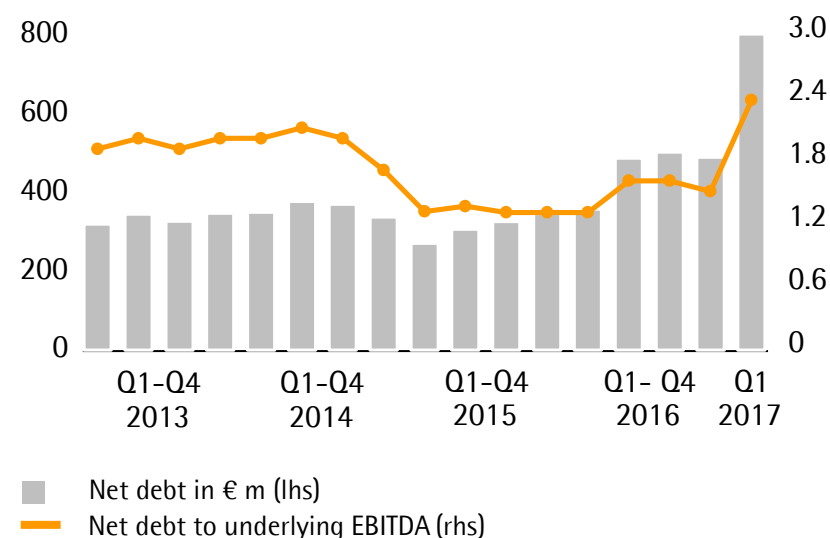
² After non-controlling interest ³ Net cash flow from investing activities and acquisitions

Financial position remains very robust

Key Financial Indicators

Sartorius Group	Dec. 31, 2016	Mar. 31, 2017
Equity ratio in %	42.0	34.2
Net debt in millions of €	485.9	796.3
Net debt underlying EBITDA	1.5	2.4

Net Debt to Underlying EBITDA



Acquisition of Umetrics strengthens BPS' competence in data analytics



- Powerful solutions for modeling and optimizing development and manufacturing processes of biopharmaceuticals
- Successful distribution and co-marketing cooperation with Umetrics since 2012
- Annual sales of ~\$15mn; significant double-digit profitability
- Acquired in early April; purchase price of \$72.5mn

Recently upgraded outlook confirmed

	Q1 2017		FY 2017 Guidance ¹	
	Sales Revenue Growth ¹	Underlying EBITDA Margin	Sales Revenue Growth	Underlying EBITDA Margin
Sartorius Group	12.2%	24.7%	~ 12% - 16%	> +0.5pp (FY 2016: 25.0%)
Bioprocess Solutions	9.4%	27.2%	~ 9% - 13%	~ +0.5pp (FY 2016: 28.0%)
Lab Products & Services	21.0%	17.7%	~ 20% - 24%	nearly +2.0pp (FY 2016: 16.0%)

¹ In constant currencies

- Expected non-organic growth to be contributed by Essen (LPS) and Umetrics (BPS):
LPS ~14 pp; BPS ~1 pp; Group ~4 pp
- Positive consolidation effect for BPS is expected to be compensated by the temporary limited delivery capacities for cell culture media in North America
- Capex ratio ~ 12% - 15%

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03 Questions & Answers



Good start to the year given normalized market growth

Sartorius Stedim Biotech Group

in millions of € unless otherwise specified

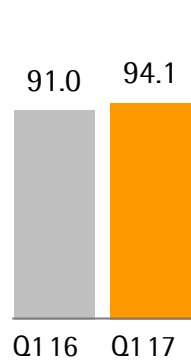
	Q1 2016	Q1 2017	Δ in %	Δ in % cc ¹
Sales revenue	245.8	268.8	+9.4	+8.2
Order intake	274.1	302.1	+10.2	+9.0
Underlying EBITDA ²	64.6	71.9	+11.2	
Underlying EBITDA ² margin in %	26.3	26.7		
Underlying EPS ³ per share in €	0.43	0.48	+11.6	
Capex ratio in %	7.2	11.3		

- Market growth returned to normal levels after two exceptional years, as expected
- All product segments contributed to growth, except for cell culture media
- Underlying EBITDA margin up by 0.4 pp due to economies of scale

¹ Constant currencies ² Underlying = excluding extraordinary items ³ 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; Q1 2016 adjusted for stock split, rounded values

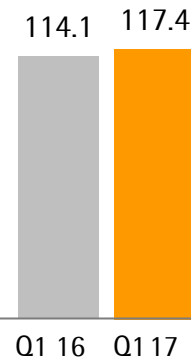
Growth led by Asia|Pacific; moderate start in the Americas

Americas
in € millions



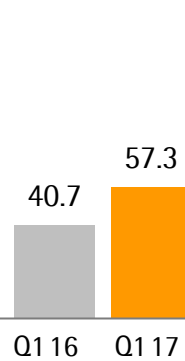
+0.4%

EMEA
in € millions



+4.0%

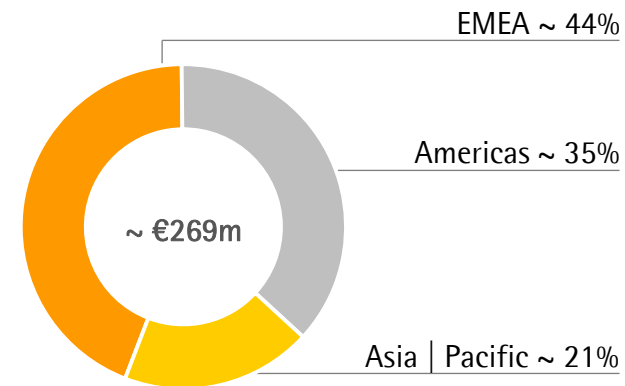
Asia|Pacific
in € millions



+37.5%

Acc. to customers' location; growth in constant currencies

Sales by Regions
in %



- **Americas:** Business development influenced by softer customer demand and temporarily limited delivery capacities for cell culture media
- **Asia|Pacific:** Very strong demand across the portfolio; moderate comps

Operating cash flow compares with a very strong prior-year basis

Sartorius Stedim Biotech Group

€ in millions

	Q1 2016	Q1 2017	Δ in %
Underlying EBITDA	64.6	71.9	+11.2
Extraordinary items	3.5	2.0	-43.1
Financial result	1.3	-1.3	n.m.
Underlying net profit ¹	39.4	44.0	+11.5
Reported net profit	36.4	39.8	+9.1
Net operating cash flow	27.8	16.8	-39.7
Net investing cash flow ²	-16.4	-23.8	-45.0

- Financial result in Q1 2016 benefited from valuation effects of derivatives | fx loans
- Net operating cash flow influenced by an increase in working capital and higher tax payments
- Net investing cash flow reflects step up of capex as planned

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

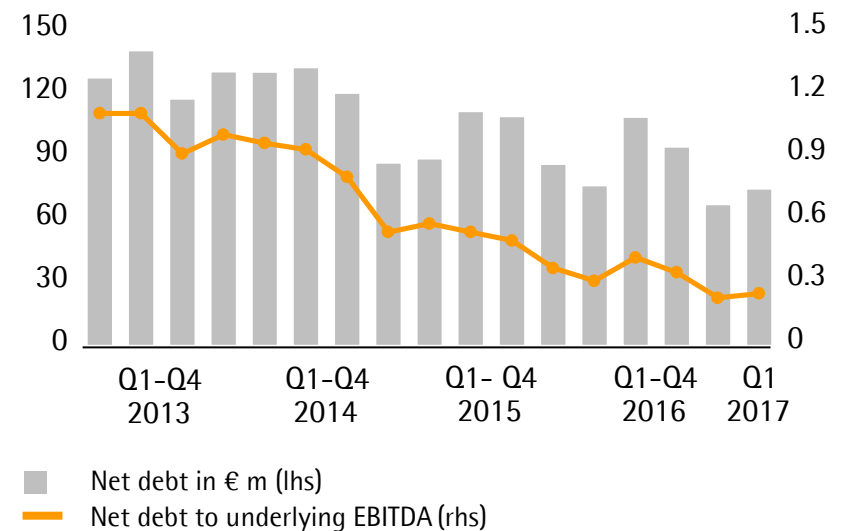
² Net cash flow from investing activities and acquisitions

Financial position remains very strong

Key Financial Indicators

Sartorius Stedim Biotech	Dec. 31, 2016	Mar. 31, 2017
Equity ratio in %	63.9	61.9
Net debt in millions of €	67.6	74.8
Net debt underlying EBITDA	0.2	0.3

Net Debt to Underlying EBITDA



Outlook for 2017 confirmed

	Q1 2017	FY 2017 Guidance
Sales revenue growth ¹	8.2%	~ 8% - 12%
Underlying EBITDA margin	26.7%	~ +0.5pp ¹ (FY 2016: 27.5%)
Capex ratio	11.3%	~ 10% - 13%

¹ In constant currencies

- Guidance includes ~ 1pp of growth expected to be contributed by the acquisition of Umetrics
- Positive consolidation effect is expected to be compensated by the temporary limited delivery capacities for cell culture media in North America

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Thank you very much
for your attention