

Q1 Results: Sartorius Off to a Dynamic Start in 2016

- **Double-digit gains in the Bioprocess Solutions Division; positive development of the Lab Products & Services Division**
- **Overproportionate increase in earnings**
- **Positive outlook for the full year confirmed**

Goettingen, April 20, 2016 - Sartorius, a leading international laboratory and pharmaceutical equipment supplier, got off to a successful start in fiscal 2016, with double-digit gains in sales revenue and earnings¹. "We continue to see dynamic growth, driven by both divisions and all business regions have been contributing gains," commented CEO Dr. Joachim Kreuzburg. "Especially our larger Bioprocess Solutions Division has continued to perform excellently; regionally, business in the Americas has been expanding the most as projected. Based on our first-quarter results, we confirm our ambitious targets that we have set for the full year of 2016."

Business Development of the Sartorius Group

Sartorius increased its sales revenue year over year by 17.9% in constant currencies from 258.1 million euros to 301.9 million euros (reported: 17.0%). Sales grew in all business regions, and again were led by the Americas, which reported a gain of 28.4% to 103.6 million euros. In the EMEA² and Asia|Pacific regions, Sartorius expanded its business by 13.5% to 139.8 million euros and by 12.3% to 58.6 million euros, respectively (all regional growth rates in constant currencies).

The gain in profit was even stronger than in sales revenue: Underlying EBITDA rose in the first quarter overproportionately again and, at 72.3 million euros, was up by more than a fourth from the prior-year quarter (25.8%). The respective margin reached 24.0% relative to 22.3% a year ago. Relevant net profit³ for the Group increased by nearly one third (32.3%) from 22.1 million euros to 29.3 million euros. The corresponding earnings per ordinary share rose to 1.70 euros (Q1 2015: 1.29 euros⁴) and earnings per preference share to 1.72 euros (Q1 2015: 1.31 euros⁴).

At the end of the first quarter, the company's key financial indicators remained at the strong year-end 2015 level: The Group's equity ratio was 44.7% relative to 44.9% for the year ended December 31, 2015, and the ratio of net debt to underlying EBITDA was 1.3 (Dec. 31, 2015: 1.3).

In line with its strong growth, Sartorius is currently investing at an above-average level in the expansion of its capacity: The capex ratio after three months was at 11.1% and thus consistent with expectations communicated at the beginning of the year.

Business Development of the Divisions

Regarding the two divisions, Bioprocess Solutions, which focuses on single-use products for the manufacture of biopharmaceuticals, again proved to be the growth engine. Within a dynamic market environment, it increased its sales by 22.8% to 226.9 million euros (reported: 22.0%). Gains were driven by all product segments, and demand for single-use solutions was especially high. Besides to excellent organic growth, the division's high growth rate was also due to the overproportionate effect of around four percentage points contributed in the first quarter by the consolidation of BioOutsource and Cellca, acquired in April 2015 and in July 2015, respectively, and to the relatively easy prior-year comparables. Underlying EBITDA for Bioprocess Solutions rose

overproportionately with respect to sales, by 31.0% to 61.0 million euros. The division's corresponding margin was 26.9% relative to 25.0% a year ago.

For the Lab Products & Services Division, which supplies laboratory instruments and consumables for labs in research and quality assurance, sales revenue increased 5.2% (reported: 4.0%), attaining 75.0 million euros in the first quarter. Above-average demand was reported, especially for consumables such as lab filters. The division achieved an increase of 3.7% in underlying EBITDA, which rose from 11.0 million euros in the prior-year period to 11.4 million euros. Its margin was at the previous year's level, 15.2%.

Forecast for the Full Year Confirmed

Based on the strong results of the first quarter in 2016, management confirmed its guidance for the full year. Consolidated sales are expected to grow approx. 10% to 14% in constant currencies. The company's underlying EBITDA margin is projected to gain around one percentage point in constant currencies compared with the prior-year figure of 23.6%. Sartorius further plans on maintaining its investments at approximately the previous year's level of around 10% of sales.

In view of the two divisions, management anticipates that sales for Bioprocess Solutions will increase approx. 13% to 17%. This sales figure includes growth of around 1.5 percentage points projected to be contributed by the acquisitions of BioOutsource and Cellca. The division's underlying EBITDA margin is forecasted to gain around one percentage point in constant currencies compared with the prior-year figure of 26.5%.

For the Lab Products & Services Division that partially depends on general economic trends, Sartorius continues to project that assuming an overall stable economic environment, sales will grow approx. 3% to 7% and the division's underlying EBITDA margin will likewise increase by around one percentage point compared with 16.0% a year ago. (All forecasts for the divisions in constant currencies)

¹ Sartorius uses underlying EBITDA (earnings before interest, taxes, depreciation and amortization and adjusted for extraordinary items) as the key profitability indicator.

² EMEA = Europe | Middle East | Africa

³ After non-controlling interest, adjusted for extraordinary items and non-cash amortization, as well as based on the normalized financial result and corresponding tax effects.

⁴ Continued operations

This earnings release contains statements about the future development of the Sartorius Group. The content of these statements cannot be guaranteed as they are based on assumptions and estimates that harbor certain risks and uncertainties. This is a translation of the original German-language "Quartalsmitteilung Q1 2016". Sartorius shall not assume any liability for the correctness of this translation. The original German press release is the legally binding version. Furthermore, Sartorius reserves the right not to be responsible for the topicality, correctness, completeness or quality of the information provided. Liability claims regarding damage caused by the use of any information provided, including any kind of information which is incomplete or incorrect, will therefore be rejected.

Conference Call

Dr. Joachim Kreuzburg, CEO and Executive Board Chairman of Sartorius, will discuss the company's results with analysts and investors on Wednesday, April 20, 2016, at 4:00 p.m. Central European Time (CET) in a teleconference. You may dial into the teleconference starting at 3:50 p.m. CET at the following numbers:

Germany: +49(0)69 2222 10642

France: +33(0)1 76 77 22 41

UK: +44(0)20 3427 1933

USA: +1 646 254 3372

The dial-in code is as follows: 4277136; to access the presentation, log onto:

<http://www.sartorius.de/de/konzern/investor-relations/sartorius-ag/>

Upcoming Financial Dates

July 25, 2016 Publication of the first-half figures (January to June 2016)

October 24, 2016 Publication of nine-month figures (January to September 2016)

A Profile of Sartorius

The Sartorius Group is a leading international pharmaceutical and laboratory equipment provider with two divisions: Bioprocess Solutions and Lab Products & Services. Bioprocess Solutions with its broad product portfolio focusing on single-use solutions helps customers produce biotech medications and vaccines safely and efficiently. Lab Products & Services, with its premium laboratory instruments, consumables and services, concentrates on serving the needs of laboratories performing research and quality assurance at pharma and biopharma companies and on those of academic research institutes. Founded in 1870, the company earned sales revenue of more than 1.1 billion euros in 2015. More than 6,200 people work for the Group, which has its own manufacturing and sales sites in around 110 countries.

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First Quarter 2016 Key Figures

in millions of € unless otherwise specified	Sartorius Group				Bioprocess Solutions				Lab Products & Services			
	Q1 2016	Q1 2015	Δ in % reported	Δ in % cc ¹	Q1 2016	Q1 2015	Δ in % reported	Δ in % cc ¹	Q1 2016	Q1 2015	Δ in % reported	Δ in % cc ¹
Sales revenue	301.9	258.1	17.0	17.9	226.9	186.0	22.0	22.8	75.0	72.1	4.0	5.2
- EMEA ²	139.8	124.1	12.6	13.5	101.8	85.9	18.6	19.3	37.9	38.3	- 0.8	0.3
- Americas ²	103.6	80.7	28.4	28.4	87.9	66.8	31.7	31.4	15.7	13.9	12.8	14.0
- Asia Pacific ²	58.6	53.3	9.9	12.3	37.2	33.3	11.7	14.4	21.3	19.9	7.0	8.7
Order intake	330.1	276.1	19.6	20.4	254.2	204.7	24.2	24.9	75.9	71.5	6.2	7.6
EBITDA ³	72.3	57.5	25.8		61.0	46.5	31.0		11.4	11.0	3.7	
EBITDA margin ³ in %	24.0	22.3			26.9	25.0			15.2	15.2		
Net result ⁴	29.3	22.1	32.3									
Earnings ord. share ⁴ in €	1.70	1.29	32.1									
Earnings pref. share ⁴ in €	1.72	1.31	31.6									

¹ cc = constant currencies

² Acc. to customers' location

³ Adjusted for extraordinary items

⁴ After non-controlling interest, adjusted for extraordinary items and non-cash amortization, and based on a normalized financial result and tax rate; for Q1 2015 continued operations.

Statement of Profit or Loss

	3-month 2016 € in mn	3-month 2015 € in mn
Sales revenue	301.9	258.1
Cost of sales	-153.1	-133.5
Gross profit on sales	148.8	124.6
Selling and distribution costs	-60.7	-54.1
Research and development expenses	-14.4	-12.7
General administrative expenses	-17.8	-15.6
Other operating income and expenses ¹	-6.0	0.2
Earnings before interest and taxes (EBIT)	49.9	42.4
Financial income	4.5	4.7
Financial expenses	-5.4	-19.3
Financial result²	-0.8	-14.6
Profit before tax	49.1	27.8
Income taxes	-14.7	-8.3
Profit after tax from continuing operations	34.4	19.4
Profit after tax from discontinued operation	0.0	35.9
Net profit for the period	34.4	55.4
Attributable to:		
Shareholders of Sartorius AG	24.3	49.8
Non-controlling interest	10.0	5.6
Earnings per ordinary share (€) (basic)	1.41	2.91
Of which from continuing operations	1.41	0.80
Of which from discontinued operation	0.00	2.11
Earnings per preference share (€) (basic)	1.43	2.93
Of which from continuing operations	1.43	0.82
Of which from discontinued operation	0.00	2.11
Earnings per ordinary share (€) (diluted)	1.41	2.90
Of which from continuing operations	1.41	0.80
Of which from discontinued operation	0.00	2.10
Earnings per preference share (€) (diluted)	1.43	2.92
Of which from continuing operations	1.43	0.82
Of which from discontinued operation	0.00	2.10

¹ The item "Other operating income and expenses" includes extraordinary expenses of €6.2 million for the three-month period of 2016 (3-mo. 2015: €1.8 million).

² The year-over-year deviation of the financial result mainly relates to valuation effects of derivatives and fx loans.

Statement of Comprehensive Income

	3-month 2016 € in mn	3-month 2015 € in mn
Net profit for the period	34.4	55.4
Cash flow hedges	0.8	-10.6
Income tax on cash flow hedges	-0.2	3.2
Net investment in a foreign operation	2.3	-6.1
Income tax on net investment in a foreign operation	-0.7	1.9
Currency translation differences	-16.8	33.5
Items that may be reclassified in the profit or loss statement, net of tax	-14.6	21.8
Actuarial gains losses on defined benefit obligations	0.0	-0.1
Income tax on items that will not be reclassified in the profit or loss statement	0.0	0.0
Items that will not be reclassified in the profit or loss statement, net of tax	0.0	-0.1
Other comprehensive result after tax	-14.6	21.7
Total comprehensive income	19.8	77.1
Attributable to:		
Shareholders of Sartorius AG	13.6	66.4
Non-controlling interest	6.2	10.7

Statement of Cash Flows

	3-month 2016 € in mn	3-month 2015 ¹ € in mn
Profit before tax	49.1	64.4
Financial result	0.8	14.3
Earnings before interest and taxes (EBIT)	49.9	78.7
Depreciation amortization of intangible and tangible assets	16.2	13.3
Increase decrease in provisions	0.8	-6.6
Gains losses from the disposal of fixed assets	0.0	-35.1
Income taxes paid	-8.0	-12.3
Other non-cash items	0.3	-1.8
Gross cash flows from operating activities	59.3	36.1
Increase decrease in receivables and other assets	-26.7	-16.8
Increase decrease in inventories	-19.4	-18.9
Increase decrease in liabilities (without loans and borrowings)	7.3	13.1
Net cash flow from operating activities	20.4	13.6
Net cash flow from operating activities - continuing operations	20.4	11.8
Net cash flow from operating activities - discontinued operation	0.0	1.8
Capital expenditures	-31.1	-21.2
Proceeds from the disposal of fixed assets	0.4	0.8
Other payments	-0.1	-0.1
Net cash flow from investing activities	-30.8	-20.5
Payments for acquisitions of consolidated subsidiaries and other business operations, net of cash acquired	0.0	0.0
Proceeds from the disposal of consolidated subsidiaries, net of cash disposed	0.0	73.1
Net cash flow from investing activities, acquisitions and disposals	-30.8	52.6
Net cash flow from investing activities - continuing operations	-30.8	-20.3
Net cash flow from investing activities - discontinued operation	0.0	72.9
Interest received	0.1	0.1
Interest paid and other financial charges	-2.2	-2.9
Dividends paid to:		
- Shareholders of Sartorius AG	0.0	0.0
- Non-controlling interest	0.0	0.0
Gross cash flows from financing activities	-2.1	-2.8
Changes in non-controlling interest	0.0	0.1
Loans repaid	-14.6	-51.4
Loans raised	30.0	0.2
Net cash flow from financing activities	13.2	-54.0
Net cash flow from financing activities - continuing operations	13.2	-54.0
Net cash flow from financing activities - discontinued operation	0.0	0.0
Net increase decrease in cash and cash equivalents	2.8	12.2
Cash and cash equivalents at the beginning of the period	52.8	56.4
Net effect of currency translation on cash and cash equivalents	0.3	3.3
Cash and cash equivalents at the end of the period	55.9	71.9

¹ The cash flows shown generally include those of our discontinued operation. Each item combining the figures from both continuing and discontinued operations for the net cash flow from operating, investing and financing activities is shown as an "of which" subitem to distinguish between the amounts.

Statement of Financial Position

	March 31, 2016	December 31, 2015
	€ in mn	€ in mn
Assets		
Non-current assets		
Goodwill	402.0	405.4
Other intangible assets	203.6	209.3
Property, plant and equipment	334.0	317.4
Financial assets	6.8	8.1
Other assets	0.9	0.8
Deferred tax assets	18.0	18.9
	965.2	959.9
Current assets		
Inventories	207.2	189.8
Trade receivables	218.5	193.0
Other financial assets	15.1	11.8
Current tax assets	9.2	12.0
Other assets	19.8	17.9
Cash and cash equivalents	55.9	52.8
	525.7	477.4
Total assets	1,490.9	1,437.2
Equity and liabilities		
	March 31, 2016	December 31, 2015
	€ in mn	€ in mn
Equity		
Equity attributable to Sartorius AG shareholders	532.5	517.7
Issued capital	17.1	17.1
Capital reserves	88.7	88.4
Other reserves and retained earnings	426.7	412.3
Non-controlling interest	133.2	127.0
	665.8	644.8
Non-current liabilities		
Pension provisions	58.9	59.8
Other provisions	7.8	7.7
Loans and borrowings	376.1	346.8
Finance lease liabilities	19.5	19.3
Other financial liabilities	54.8	54.5
Deferred tax liabilities	32.0	33.4
	549.0	521.5
Current liabilities		
Provisions	20.4	18.1
Trade payables	125.5	113.2
Loans and borrowings	14.5	28.2
Finance lease liabilities	2.7	2.5
Other financial liabilities	63.3	66.9
Current tax liabilities	25.8	20.7
Other liabilities	24.0	21.4
	276.2	271.0
Total equity and liabilities	1,490.9	1,437.2

Reconciliation

in millions of € unless otherwise specified	3-month 2016	3-month 2015 ¹
EBIT	49.9	42.4
Extraordinary effects	6.2	1.8
Amortization	4.2	3.3
Normalized financial result ²	-3.3	-4.0
Normalized income tax (2016: 30% 2015: 30%) ³	-17.1	-13.1
Underlying net result after tax	40.0	30.5
Non-controlling interest	-10.7	-8.4
Underlying earnings after taxes and non-controlling interest	29.3	22.1
Underlying earnings per share		
- per ordinary share in €	1.70	1.29
- per preference share in €	1.72	1.31

¹ Continued operations

² Financial result excluding fair value adjustments of hedging instruments, as well as currency effects from foreign currency loans.

³ Underlying income tax, based on the underlying profit before taxes and non-cash amortization.