

Sartorius Group
Interim Report from January to March 2014

2014

Key Figures for the First Quarter of 2014

in millions of € unless otherwise specified

	Group			Bioprocess Solutions			Lab Products & Services			Industrial Technologies		
	3-mo. 2014	3-mo. 2013	Δ in %	3-mo. 2014	3-mo. 2013	Δ in %	3-mo. 2014	3-mo. 2013	Δ in %	3-mo. 2014	3-mo. 2013	Δ in %
Order Intake and Sales												
Order intake	246.3	239.8	2.7	158.1	152.9	3.4	65.3	63.6	2.7	22.9	23.2	-1.1
Sales revenue	223.1	214.3	4.1	137.7	119.9	14.8	63.7	68.7	-7.3	21.7	25.7	-15.4
- Europe ¹⁾	117.1	111.7	4.8	68.5	57.7	18.7	34.1	36.9	-7.5	14.5	17.1	-15.3
- North America ¹⁾	50.3	43.8	14.7	40.0	31.3	27.7	8.8	10.6	-17.2	1.5	1.9	-21.5
- Asia Pacific ¹⁾	48.5	48.3	0.5	25.8	24.5	5.5	17.9	18.2	-1.9	4.9	5.6	-13.6
- Other Markets ¹⁾	7.2	10.5	-31.1	3.4	6.4	-47.2	3.0	3.1	-2.8	0.8	1.0	-15.4
Results												
EBITDA ²⁾	40.1	39.3	2.0	29.8	25.0	19.4	8.9	12.0	-25.8	1.4	2.4	-41.3
EBITDA margin ²⁾ in %	18.0	18.4		21.7	20.8		14.0	17.5		6.4	9.2	
EBITA ²⁾	30.9	31.4	-1.6	24.4	20.3	20.1	5.6	9.2	-38.4	0.8	1.9	-56.9
EBITA margin ²⁾ in %	13.8	14.6		17.7	17.0		8.8	13.3		3.8	7.4	
Relevant net profit ³⁾	13.8	14.8	-6.6									
Earnings per ordinary share ³⁾ in €	0.80	0.86	-6.6									
Earnings per preference share ³⁾ in €	0.82	0.88	-6.6									

¹⁾ Acc. to customers' location

²⁾ Underlying (adjusted for extraordinary items)

³⁾ Relevant net profit for the Group and the earnings per share are calculated by adjusting for extraordinary items, eliminating non-cash amortization and fair value adjustments of hedging instruments, including the corresponding tax effects for each of these items, as well as by taking non-controlling interest into account

Business Development and Outlook

- Gains in order intake and sales revenue in constant currencies
- Currencies dampen earnings development; yet underlying EBITDA slightly up
- Group guidance for fiscal 2014 confirmed

Order Intake and Sales Revenue

The Sartorius Group started off fiscal 2014 with gains in order intake and sales revenue. Compared with a strong prior-year base, order intake rose 4.9% in constant currencies (cc) from €239.8 million to €246.3 million (reported: +2.7%). At €223.1 million, consolidated sales were up 6.3% (cc) from €214.3 million a year earlier (reported: +4.1%). While order intake and sales revenue at the Group level were in line with our expectations, development within the divisions was quite different.

In the Bioprocess Solutions Division, order intake at €158.1 million was 5.3% (cc) above the high year-earlier level that was impacted by special growth impulses, especially from large equipment orders (reported: +3.4%). The division's revenue rose 16.9% (cc) to €137.7 million (reported: +14.8%). The initial consolidation of TAP Biosystems as well as the cell culture media business contributed around 11 percentage points to this strong gain. Organic growth was especially driven by excellent business with single-use products. Acquisitions in the areas of cell culture media and small-volume bioreactors showed positive development as expected.

Regionally, North America reported the highest growth momentum within the Bioprocess Solutions Division, with a primarily acquisition-induced jump of 31.7% (cc).

Bioprocess Solutions				
in millions of € unless otherwise specified	3-mo. 2014	3-mo. 2013	Δ in %	Δ in % const. fx
Order intake	158.1	152.9	3.4	5.3
Sales revenue	137.7	119.9	14.8	16.9
- Europe ¹⁾	68.5	57.7	18.7	18.2
- North America ¹⁾	40.0	31.3	27.7	31.7
- Asia Pacific ¹⁾	25.8	24.5	5.5	11.5
- Other Markets ¹⁾	3.4	6.4	-47.2	-47.2
EBITDA ²⁾	29.8	25.0	19.4	
EBITDA margin ²⁾ in %	21.7	20.8		
EBITA ²⁾	24.4	20.3	20.1	
EBITA margin ²⁾ in %	17.7	17.0		

¹⁾ Acc. to customers' location

²⁾ Underlying (adjusted for extraordinary items)

Order intake for the Lab Products & Services Division rose 5.4% (cc) to €65.3 million (reported: +2.7%) in the period under review. The phase-out of a few non-strategic product lines from the division's portfolio had only a minor impact on order intake, but did noticeably affect sales performance, as expected. The division's sales revenue was €63.7 million, down 4.7% (cc) from a year ago (reported: -7.3%), which was primarily due to this portfolio effect. In addition, the ongoing challenging market environment, particularly in the Asian region, dampened the division's development.

Lab Products & Services				
in millions of € unless otherwise specified	3-mo. 2014	3-mo. 2013	Δ in %	Δ in % const. fx
Order intake	65.3	63.6	2.7	5.4
Sales revenue	63.7	68.7	-7.3	-4.7
- Europe ¹⁾	34.1	36.9	-7.5	-6.9
- North America ¹⁾	8.8	10.6	-17.2	-14.2
- Asia Pacific ¹⁾	17.9	18.2	-1.9	4.9
- Other Markets ¹⁾	3.0	3.1	-2.8	-2.8
EBITDA ²⁾	8.9	12.0	-25.8	
EBITDA margin ²⁾ in %	14.0	17.5		
EBITA ²⁾	5.6	9.2	-38.4	
EBITA margin ²⁾ in %	8.8	13.3		

¹⁾ Acc. to customers' location

²⁾ Underlying (adjusted for extraordinary items)

Business of the Industrial Technologies Division, formerly Industrial Weighing, remained below our expectations overall in the first three months of 2014. While the division's order intake improved 1.0% (cc) to €22.9 million, sales revenue at €21.7 million was down from €25.7 million a year ago (cc: -13.6%; reported: -15.4%). Besides the ongoing difficult market environment in Asia, timing effects related to the completion of contracts also adversely affected this figure. In Europe, the region contributing the largest share to the division's sales, revenue was 15.4% (cc) below the strong prior-year base.

Industrial Technologies				
in millions of € unless otherwise specified	3-mo. 2014	3-mo. 2013	Δ in %	Δ in % const. fx
Order intake	22.9	23.2	-1.1	1.0
Sales revenue	21.7	25.7	-15.4	-13.6
- Europe ¹⁾	14.5	17.1	-15.3	-15.4
- North America ¹⁾	1.5	1.9	-21.5	-18.6
- Asia Pacific ¹⁾	4.9	5.6	-13.6	-6.0
- Other Markets ¹⁾	0.8	1.0	-15.4	-15.4
EBITDA ²⁾	1.4	2.4	-41.3	
EBITDA margin ²⁾ in %	6.4	9.2		
EBITA ²⁾	0.8	1.9	-56.9	
EBITA margin ²⁾ in %	3.8	7.4		

¹⁾ Acc. to customers' location

²⁾ Underlying (adjusted for extraordinary items)

Earnings Development

Significantly unfavorable effects from foreign exchange rates noticeably dampened all earnings figures. Yet underlying EBITDA (earnings before interest, taxes, depreciation and amortization and adjusted for extraordinary items) for the Sartorius Group rose 2.0% from €39.3 million to €40.1 million. The respective margin was at 18.0% relative to 18.4% a year ago. The Bioprocess Solutions Division boosted its underlying EBITDA overproportionally by 19.4% to €29.8 million, mainly driven by product mix effects. Its margin rose accordingly from 20.8% to 21.7%. Due to the decline in sales and negative currency effects, underlying EBITDA for the Lab Products & Services Division was €8.9 million, down from the prior-year level of €12.0 million. The corresponding margin was at 14.0% compared with 17.5% in the year-earlier quarter. Earnings for the Industrial Technologies Division were likewise impacted by a decrease in sales and negative currency effects, and were €1.4 million compared with €2.4 million in the prior-year period. The division's margin was at 6.4% (Q1 2013: 9.2%).

At Group level, underlying EBITA was €30.9 million (margin: 13.8%) compared with €31.4 million in the first quarter of 2013 (margin: 14.6%).

Extraordinary items for the first three months of the current fiscal year were -€1.3 million relative to -€1.0 million in the previous year. Consolidated EBIT, including all extraordinary items, depreciation and amortization, was €26.0 million (Q1 2013: €27.6 million). The Group's respective EBIT margin was at 11.7%, compared with 12.9% a year ago.

The relevant net profit attributable to the shareholders of Sartorius AG for the reporting period totaled €13.8 million (Q1 2013: €14.8 million). This profit figure is calculated by adjusting for extraordinary items, eliminating non-cash amortization and valuation adjustments from hedging instruments, as well as the corresponding tax effects for each of these items. Underlying earnings per ordinary share were €0.80 (Q1 2013: €0.86) and per preference share €0.82 (Q1 2013: €0.88).

Cash Flow

The Sartorius Group significantly increased its net operating cash flow from €11.3 million in the year-earlier period to €20.2 million in the reporting period. This rise is especially due to reduced tax payments and a lower increase in funds tied up in net working capital than those for the prior year.

At -€18.7 million, net cash flow for investing activities and acquisitions was below the year-ago figure of -€24.7 million as planned, where investment outflows included payments related to the acquisition of the cell culture media business. Thus, the Group financed its investments entirely from operating cash flows.

Consolidated Statement of Financial Position

As of March 31, 2014, the balance sheet total of the Sartorius Group remained nearly unchanged at €1,175.6 million (December 31, 2013: €1,174.4 million). The slight investment-induced increase in fixed assets was offset by a moderate decrease in current assets.

Equity rose from €450.3 million as of December 31, 2013, to €463.7 million as of the reporting date. The equity ratio increased to 39.4% (December 31, 2013: 38.3%) and has therefore continued to remain at a comfortable level.

Gross debt decreased slightly from €397.0 million at December 31, 2013, to €390.6 million as of March 31, 2014. At €347.1 million, net debt – gross debt less cash and cash equivalents – was approximately at the level as of December 31, 2013 (€345.1 million).

The ratio of net debt to equity (gearing ratio) on the reporting date was at 0.7 relative to 0.8 as of December 31, 2013.

The ratio of net debt to underlying EBITDA based on the past 12 months remained unchanged at 2.0. The interest coverage ratio, calculated as underlying EBITDA divided by cash interest expense of the past 12 months, also continued to remain at a very comfortable level, at 13.0 (December 31, 2013: 13.7).

Assessment and Outlook

Based on first-quarter business performance, the Group confirms its sales and earnings forecast for the current fiscal year. Assuming a stable economic environment on the whole, the company projects on the basis of constant currencies that for 2014 full-year sales will grow approximately 8% to 10% and its underlying EBITDA margin will increase to around 20%.

Sartorius continues to plan on investing around 8% to 10% of sales revenue in projects including the consolidation and extension of its Group headquarters in Goettingen, expansion of production capacities and the international rollout of the new ERP system.

Regarding the company's financial position, the Group maintains its year-end forecast for 2014: if the targets previously mentioned are achieved, the ratio of net debt to underlying EBITDA will remain approximately at the level of 2013 or edge down slightly, without any potential portfolio changes considered.

In view of the quite different first-quarter performance of the three divisions, their contribution to the projected Group results for fiscal 2014 may vary from the forecast made at the beginning of this year. Guidance for these divisions will be updated at the time of the company's first-half reporting. The following provides a recap of the forecasts issued so far:

	Sales growth ¹⁾	Underlying EBITDA margin ¹⁾²⁾
Sartorius Group	~8% – 10%	~20.0%
Bioprocess Solutions	~12% – 15%	~23.5%
Lab Products & Services	~1% – 4%	~16.5%
Industrial Technologies	~1% – 4%	~10.5%

¹⁾ In constant currencies

²⁾ Adjusted for extraordinary items

Interim Financial Statements

Statement of Profit or Loss

	3-mo. 2014 □ € in mn	3-mo. 2013 € in mn
Sales revenue	223.1	214.3
Cost of sales	-115.5	-109.7
Gross profit on sales	107.6	104.7
Selling and distribution costs	-54.9	-50.6
Research and development costs	-14.7	-13.2
General administrative expenses	-14.7	-13.4
Other operating income and expenses ¹⁾	2.8	0.1
Earnings before interest and taxes (EBIT)	26.0	27.6
Financial income	0.2	1.1
Financial expenses	-4.7	-4.4
Financial result	-4.5	-3.3
Profit before tax	21.6	24.3
Income taxes	-6.5	-7.8
Net profit for the period	15.1	16.6
Attributable to:		
Shareholders of Sartorius AG	11.0	12.8
Non-controlling interest	4.0	3.8
Earnings per ordinary share (€) (basic = diluted)	0.64	0.74
Earnings per preference share (€) (basic = diluted)	0.66	0.76

¹⁾ The item "Other operating income and expenses" includes extraordinary expenses of €1.3 million for the three-month period of 2014 (Q1 2013: €1.0 million).

Statement of Comprehensive Income

	3-mo. 2014 € in mn	3-mo. 2013 € in mn
Net profit for the period	15.1	16.6
Cash flow hedges	-2.4	-0.3
Net investment in a foreign operation	0.0	-1.0
Currency translation differences	0.0	3.1
Income tax on items that will be reclassified in the profit or loss statement	0.7	0.6
Items that will be reclassified in the profit or loss statement, net of tax	-1.6	2.4
Actuarial gains losses on defined benefit obligations	0.0	0.0
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	0.0
Other comprehensive result after tax	-1.6	2.4
Total comprehensive income	13.5	19.0
Attributable to:		
Shareholders of Sartorius AG	9.6	14.9
Non-controlling interest	3.9	4.0

Statement of Financial Position

	March 31, 2014	December 31, 2013
	€ in mn	€ in mn
Assets		
Non-current assets		
Goodwill	373.1	373.1
Intangible assets	175.3	175.6
Property, plant and equipment	232.8	229.5
Financial assets	8.1	7.7
Deferred tax assets	27.4	26.4
Other assets	1.0	1.0
	817.7	813.3
Current assets		
Inventories	146.7	136.2
Trade receivables	126.5	134.5
Other financial assets	14.7	15.8
Current tax assets	14.2	14.1
Other assets	12.3	8.6
Cash and cash equivalents	43.5	51.9
	357.9	361.1
Total assets	1,175.6	1,174.4
Equity and liabilities		
Equity		
Equity attributable to shareholders of Sartorius AG	377.1	367.6
Issued capital	17.0	17.0
Capital reserves	87.0	87.0
Other reserves and retained earnings	273.1	263.6
Non-controlling interest	86.5	82.6
	463.7	450.3
Non-current liabilities		
Pension provisions	54.7	54.3
Other provisions	8.5	8.6
Loans and borrowings	368.5	368.8
Other financial liabilities	42.5	41.8
Deferred tax liabilities	35.9	37.0
	510.1	510.5
Current liabilities		
Provisions	8.4	9.9
Trade payables	79.5	76.2
Loans and borrowings	22.1	28.2
Other financial liabilities	58.4	72.7
Current tax liabilities	10.3	8.9
Other liabilities	23.0	17.8
	201.8	213.7
Total equity and liabilities	1,175.6	1,174.4

Statement of Cash Flows

	3-mo. 2014 € in mn	3-mo. 2013 € in mn
Profit before tax	21.6	24.3
Financial result	4.5	3.3
Earnings before interest and taxes (EBIT)	26.0	27.6
Depreciation amortization of intangible and tangible assets	12.7	10.7
Increase decrease in provisions	-1.4	1.1
Income taxes paid	-6.5	-12.0
Gross cash flows from operating activities	30.8	27.5
Increase decrease in receivables and other assets	3.4	-9.3
Increase decrease in inventories	-10.5	-10.7
Increase decrease in liabilities (without loans and borrowings)	-3.6	3.8
Net cash flow from operating activities	20.2	11.3
Capital expenditures	-18.8	-9.9
Proceeds from the disposal of fixed assets	0.7	0.2
Other payments	-0.6	-0.1
Net cash flow from investing activities	-18.7	-9.9
Payments for acquisitions of consolidated subsidiaries and other business operations; net of cash acquired	0.0	-14.9
Net cash flow from investing activities and acquisitions	-18.7	-24.7
Interest received	0.1	0.1
Interest paid and other financial charges	-3.1	-2.3
Dividends paid to:		
- Shareholders of Sartorius AG	0.0	0.0
- Non-controlling interest	0.0	0.0
Gross cash flows from financing activities	-3.0	-2.2
Changes in non-controlling interest	0.0	0.0
Loans and borrowings repaid raised	-6.6	11.4
Net cash flow from financing activities	-9.6	9.2
Net increase decrease in cash and cash equivalents	-8.2	-4.2
Cash and cash equivalents at the beginning of the period	51.9	39.5
Net effect of currency translation on cash and cash equivalents	-0.2	1.7
Cash and cash equivalents at the end of the period	43.5	37.0

Statement of Changes in Equity

€ in millions	Issued capital	Capital reserves	Hedging reserves	Pension reserves	Earnings reserves and retained profits	Difference resulting from currency translation	Equity attributable to shareholders of Sartorius AG	Non-controlling interest	Total equity
Balance at Jan. 1, 2013	17.0	87.0	-3.1	-11.9	247.4	-2.1	334.4	70.0	404.4
Net profit for the period			0.0	0.0	12.8	0.0	12.8	3.8	16.6
Other comprehensive result after tax			0.1	0.0	-0.5	2.5	2.2	0.2	2.4
Total comprehensive income			0.1	0.0	12.3	2.5	14.9	4.0	19.0
Dividends					0.0		0.0	0.0	0.0
Other changes in equity					0.3		0.3	0.1	0.4
Balance at March 31, 2013	17.0	87.0	-3.0	-11.8	260.0	0.3	349.6	74.2	423.7

€ in millions	Issued capital	Capital reserves	Hedging reserves	Pension reserves	Earnings reserves and retained profits	Difference resulting from currency translation	Equity attributable to shareholders of Sartorius AG	Non-controlling interest	Total equity
Balance at Jan. 1, 2014	17.0	87.0	-1.4	-9.9	284.4	-9.5	367.6	82.6	450.3
Net profit for the period			0.0	0.0	11.0	0.0	11.0	4.0	15.1
Other comprehensive result after tax			-1.4	0.0	0.0	-0.1	-1.5	-0.1	-1.6
Total comprehensive income			-1.4	0.0	11.0	-0.1	9.6	3.9	13.5
Dividends					0.0		0.0	0.0	0.0
Other changes in equity					-0.1		-0.1	0.0	-0.1
Balance at March 31, 2014	17.0	87.0	-2.8	-9.9	295.4	-9.6	377.1	86.5	463.7

Segment Reports

€ in millions	Bioprocess Solutions		Lab Products & Services		Industrial Technologies		Group	
	3-mo. 2014	3-mo. 2013	3-mo. 2014	3-mo. 2013	3-mo. 2014	3-mo. 2013	3-mo. 2014	3-mo. 2013
Sales revenue	137.7	119.9	63.7	68.7	21.7	25.7	223.1	214.3
- as a total %	61.7%	55.9%	28.6%	32.1%	9.7%	12.0%	100.0%	100.0%
Underlying EBITDA	29.8	25.0	8.9	12.0	1.4	2.4	40.1	39.3
- as a % of sales revenue	21.7%	20.8%	14.0%	17.5%	6.4%	9.2%	18.0%	18.4%
EBIT	21.0	18.1	4.3	8.0	0.7	1.5	26.0	27.6
- as a % of sales revenue	15.3%	15.1%	6.8%	11.6%	3.2%	5.9%	11.7%	12.9%
No. of employees at March 31	3,404	2,838	2,038	1,980	708	753	6,150	5,571

€ in millions	Europe		North America	
	3-mo. 2014	3-mo. 2013	3-mo. 2014	3-mo. 2013
Sales revenue	117.1	111.7	50.3	43.8
- as a total %	52.5%	52.1%	22.5%	20.5%
No. of employees at March 31	4,089	3,707	719	615

€ in millions	Asia Pacific		Other Markets		Group	
	3-mo. 2014	3-mo. 2013	3-mo. 2014	3-mo. 2013	3-mo. 2014	3-mo. 2013
Sales revenue	48.5	48.3	7.2	10.5	223.1	214.3
- as a total %	21.8%	22.5%	3.2%	4.9%	100.0%	100.0%
No. of employees at March 31	1,134	1,079	208	170	6,150	5,571

Notes to the Interim Financial Statements

1. Significant Accounting Policies

The consolidated annual financial statements of Sartorius AG for the period ended December 31, 2013, were prepared in accordance with the accounting standards of the International Accounting Standards Board (IASB) – the International Financial Reporting Standards (IFRS). In the present interim financial statements that were prepared in conformance with the requirements of IAS 34 "Interim financial reporting," basically the same accounting and measurement principles were applied on which the past consolidated financial statements of fiscal 2013 were based.

Furthermore, all interpretations of the International Financial Reporting Interpretations Committee (IFRIC) to be applied effective March 31, 2014, were observed. An explanation of the individual accounting and measurement principles applied is given in the Notes to the Financial Statements of the Group for the year ended December 31, 2013.

Standard	Title
IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosures of Interests in Other Entities
Amendments to IFRS 10, IFRS 11 and IFRS 12	Transition Guidance
Amendments to IFRS 10, IFRS 12 and IAS 27	Investments Entities
Revised IAS 27	Separate Financial Statements
Revised IAS 28	Investments in Associates and Joint Ventures
Amendments to IAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to IAS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to IAS 39	Novation of Derivatives and Continuation of Hedge Accounting

3. Reconciliation of Segment Profit or Loss – Explanatory Notes to the Segment Reports

The following table restates the underlying EBITDA of the segments with respect to the Group's profit before tax:

€ in millions	3-mo. 2014	3-mo. 2013
Underlying EBITDA of the segments	40.1	39.3
Depreciation and amortization	-12.7	-10.7
Extraordinary effects	-1.3	-1.0
EBIT	26.0	27.6
Financial result	-4.5	-3.3
Profit before tax	21.6	24.3

2. First-time Application of Accounting Rules and Amendments to Accounting Methods

The following new accounting rules were applicable for the first time to the present interim financial statements and had no impact on the presentation of the company's net worth, financial position and profitability or earnings per share:

4. Financial Instruments

The following table compares the carrying amounts of financial assets and liabilities for each category of financial instruments with their fair values.

€ in millions	Category acc. to IAS 39	March 31, 2014 Carrying amount	March 31, 2014 Fair value	Dec. 31, 2013 Carrying amount	Dec. 31, 2013 Fair value
Financial assets	Available for sale	6.6	6.6	6.3	6.3
Trade receivables	Loans and receivables	126.5	126.5	134.5	134.5
Receivables and other assets	Loans and receivables	14.0	14.0	13.0	13.0
Derivative financial instruments	Held for trading	0.0	0.0	0.0	0.0
Derivative financial instruments	Hedging instruments	2.3	2.3	4.3	4.3
Other assets	Not IFRS 7	13.3	13.3	9.6	9.6
Receivables and other assets		29.5	29.5	26.9	26.9
Cash and cash equivalents	Loans and receivables	43.5	43.5	51.9	51.9
Loans and borrowings	Financial liabilities at cost	369.1	371.6	375.4	377.8
Finance lease liabilities	IFRS 7	21.5	22.2	21.6	21.3
Loans and borrowings		390.6	393.8	397.0	399.1
Trade payables	Financial liabilities at cost	60.4	60.4	58.8	58.8
Trade payables	Not IFRS 7	19.1	19.1	17.4	17.4
Trade payables		79.5	79.5	76.2	76.2
Derivative financial instruments	Held for trading	0.8	0.8	0.8	0.8
Derivative financial instruments	Hedging instruments	6.7	6.7	6.4	6.4
Other liabilities	Financial liabilities at cost	62.8	69.7	73.5	79.5
Other liabilities	Not IFRS 7	53.7	53.7	51.6	51.6
Other liabilities		123.9	130.9	132.3	138.3

The fair values of the financial instruments were determined on the basis of the market information available on the reporting date and are to be allocated to one of the three levels of the fair value hierarchy in accordance with IFRS 7.

Level 1 financial instruments are calculated on the basis of prices quoted on active markets for identical assets and liabilities. In Level 2, financial instruments are calculated on the basis of input factors which are derivable from observable market data or on the basis of market prices for similar instruments. Level 3 financial instruments are calculated on the basis of input factors that cannot be derived from observable market data.

For the equity investments measured at acquisition cost (financial assets), it is not possible to determine fair values reliably due to the absence of active markets. This applies mainly to shares in non-consolidated subsidiaries. It is assumed that the carrying amounts correspond to the fair values as of the reporting date.

The financial instruments to be recognized at fair value on the reporting date are exclusively derivatives in the form of forward contracts and interest rate swaps. They were measured on the basis of their quoted exchange rates and market yield curves, taking counterparty risks into account (Level 2).

The fair values to be disclosed for financial liabilities recognized at amortized cost, especially liabilities to banks and those related to note loans ("Schuldscheindarlehen"), were measured on the basis of the market interest rate curve according to the zero coupon method, taking the current indicative credit spreads into account (Level 3).

The fair values of the remaining financial assets and liabilities to be disclosed approximate the carrying amounts on account of their predominantly short-term maturity.

5. Other Disclosures

Independent, certified auditors have not performed an audit review of this consolidated first quarter report.

Events after the Balance Sheet Date

Sartorius signed a contract through its subgroup Sartorius Stedim Biotech to acquire the majority stake in the U.S. startup AllPure Technologies LLC. AllPure specializes in innovative single-use components for biopharmaceutical applications, such as aseptic sampling techniques, and generated sales revenue of around \$ U.S. 3 million in 2013.

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Financial Schedule

April 29, 2014

Oddo Midcap Forum in Frankfurt | Main, Germany

May 14 to 15, 2014

Commerzbank Midcap Conference in New York | Boston, USA

July 22, 2014

Publication of first-half figures for 2014

September 8, 2014

Commerzbank Sector Conference Week in Frankfurt | Main, Germany

September 9, 2014

Morgan Stanley Global Healthcare Conference in New York, USA

September 11, 2014

Sartorius Capital Markets Day in Goettingen, Germany

October 21, 2014

Publication of nine-month figures for 2014

This is a translation of the original German-language first-quarter Group interim financial report (January to March 2014) entitled "Sartorius Konzern Zwischenbericht – Januar bis März 2014." Sartorius AG shall not assume any liability for the correctness of this translation. The original German interim report is the legally binding version. Furthermore, Sartorius AG 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.

Forward-looking Statements Contain Risks

This interim report contains various statements concerning the Sartorius Group's future performance. 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 apply. 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 the entire report, differences may be apparent as a result of rounding during addition.