

Göttingen, April 21, 2020

## Sartorius off to a dynamic start in fiscal 2020

- Group sales revenue up 16.5%; order intake up 29.7%; underlying EBITDA margin 27.0%
- Coronavirus pandemic so far with an overall neutral impact, but substantially different effects on the divisions
- Full-year 2020 guidance updated to include the planned acquisition of the Danaher assets and the pandemic-related effects

Sartorius, a leading international partner of life science research and the biopharmaceutical industry, started off fiscal 2020 dynamically with significant double-digit growth in order intake, sales revenue and earnings.

“We are very satisfied overall with our first-quarter results and confident about our business progress in the further course of the year,” commented CEO Dr. Joachim Kreuzburg. “Though the coronavirus pandemic also poses operating challenges to our company, we have successfully managed these so far.” Kreuzburg pointed out that Sartorius as a company relevant to the healthcare sector has been relatively unaffected by or exempted from lockdowns imposed by governments and that for this reason, the company’s production operations have largely been up and running at all sites. He also said that the Group’s supply chains have also been kept mostly intact. “However, all workflows at Sartorius are, of course, also affected by the extensive safety measures in place at all sites worldwide: our customer contacts, the transitions between changing production shifts, and office work that has been converted to remote working from home.” Regarding the company’s order intake, the effects on the divisions were quite different. While the standstill in economic activity in China during January and February noticeably dampened demand for laboratory instruments, demand for consumables for the production of medications and vaccines as well as for diagnostic test kits has recently been high and partly influenced by pull-forward effects due to stocking initiatives by customers, according to Kreuzburg. “At the Group level, such opposite effects have largely been offset,” said Kreuzburg.

### Business development of the Group

First-quarter Group sales revenue rose against moderate prior-year comparables by 16.5% in constant currencies to 509.9 million euros (reported: +17.0%). The acquisition of the cell culture media specialist Biological Industries, which Sartorius had completed in December 2019, contributed a good one percentage point to growth, as expected. Consolidated order intake increased by 29.7% to 629.4 million euros (reported: +30.4%) and underlying EBITDA was 137.9 million euros, up from 114.0 million euros a year ago (reported: +20.9%). The respective margin was positively affected by economies of scale and slightly negatively impacted by currency exchange rates, rising to 27.0% (previous year [PY]: 26.2%). Relevant net profit<sup>2</sup> for the Group increased by 17.5% to 57.1 million euros; earnings per ordinary share were 0.83 euros (PY: 0.71 euros); earnings per preference share stood at 0.84 euros (PY: 0.72 euros).

## Business performance in the regions

Sartorius increased its revenues in all business regions by almost the same double-digit rates. The Americas region recorded an increase in sales revenue of 17.1% to 180.7 million euros. In Asia | Pacific, sales revenue rose by 16.3% to 122.2 million euros. While the Bioprocess Solutions Division won large equipment orders in this region, the Lab Products & Services Division saw a significant decline in sales, especially during the first two months of the year. Yet in March, business picked up in China. In the EMEA<sup>3</sup> region, Sartorius earned 207.0 million euros, equaling a sales gain of 16.1% compared to the first quarter of 2019.

## Business development of the divisions

The Bioprocess Solutions Division that offers a wide array of innovative technologies for the manufacture of biopharmaceuticals achieved an increase in sales of 22.4% (reported: +23.0%) to 394.3 million euros against relatively moderate comparables in the prior-year quarter. Non-organic growth contributed by the acquisition of Biological Industries was close to one percentage point, as expected. Stocking initiatives by customers in the context of the coronavirus pandemic clearly contributed around two percentage points to growth. The division's order intake saw an even more pronounced increase, rising by 39.6% (reported: +40.3%) to 506.2 million euros. The additional momentum was driven by larger equipment orders from China and by pull-forward effects due to stocking initiatives of customers in the context of the coronavirus pandemic. Underlying EBITDA of the Bioprocess Solutions Division increased to 119.9 million euros (PY: 90.9 million euros) due to economies of scale and despite slightly negative currency effects. The respective margin was 30.4%, up from 28.3% in the comparative period.

Development of the Lab Products & Services Division, which specializes in technologies and products for laboratories primarily in the pharma sector and in life science research, was impacted by the strongly reduced demand in China in the first quarter, particularly for laboratory instruments. The impact of the pandemic crisis was approximately -6 percentage points on the division's sales revenue, which remained at the previous year's level, with an increase of 0.1% (115.6 million euros / reported: +0.5%). The acquisition of Biological Industries contributed approximately 2.5 percentage points to non-organic growth. Order intake rose slightly by 0.5% (reported: +0.9%) against the prior-year base to 123.3 million euros. The division's underlying EBITDA amounted to 18.0 million euros (PY: 23.2 million euros); its respective margin was 15.6%, below the prior-year figure of 20.1%. This was due to negative currency effects besides low capacity utilization resulting from the coronavirus crisis in China at the beginning of the year.

(All growth rates for sales revenue and order intake are given in constant currencies, as in the past years; sales revenues and margins of the divisions in the comparative period were restated due to changed allocation of two small product segments.)

## Key financial indicators

The Sartorius Group has a very sound balance sheet and financial base. Its equity ratio rose to 39.0% (Dec. 31, 2019: 38.0%). The ratio of net debt to underlying EBITDA decreased to 1.8 (Dec. 31, 2019: 2.0). Due to the coronavirus pandemic, Sartorius reduced the volume of its investments in the first quarter somewhat more than originally planned. Accordingly, its CAPEX ratio after the first three months was 8.8%, down from 12.9% in the prior-year quarter.

## Planned acquisition of selected Danaher Life Science assets

Sartorius continues to expect to receive the final antitrust approvals and to complete the planned acquisition of selected life science businesses of the Danaher Group within the next weeks. “We are confident that we will be able to complete the acquisition and begin with integration shortly,” commented Kreuzburg. “The acquisition will substantially expand our offering in both divisions very substantially by innovative technologies that will enable us to support our pharma customers even more comprehensively in the development and production of biotech medicines and vaccines. Integration will be a particular challenge due to the various restrictions during the coronavirus pandemic, but we have intensively prepared for it.”

## Guidance for the full year of 2020 updated

Based on the company’s first-quarter results and in connection with the pending completion of the acquisition of selected Danaher life science businesses, Sartorius has adjusted its guidance for the full year of 2020. This forecast is based on the scenario that the Danaher portfolio acquired will be included as of May 2020.

Due to the ongoing coronavirus pandemic, this guidance is subject to greater uncertainty than usual concerning both the development of existing businesses and the integration of the acquisitions. In this context it is assumed that China will continue ramping up its economy after the pandemic there has largely been overcome and that Europe and the USA will soon have reached the peak of the pandemic and will ease economic restrictions.

Under these prerequisites, management now expects that Group sales will increase by 15% to 19% (former guidance: 10% to 13%). Initial consolidation of Biological Industries remains projected to contribute close to 1.5 percentage points to sales growth. Consolidation of the portfolio acquired from Danaher is currently forecasted to contribute a good 5 percentage points to growth. Regarding profitability, Sartorius continues to project that its underlying EBITDA margin<sup>1</sup> will increase year over year from 27.1% to about 27.5%. The ratio of capital expenditures (CAPEX) to sales revenue<sup>1</sup> is expected to be around 10% (PY: 12.3%), as projected so far. Net debt to underlying EBITDA, including the acquisition of the Danaher portfolio, is forecasted to be about 2.75 by year-end 2020 (former guidance without including this acquisition: slightly below 2.0).

For the Bioprocess Solutions Division, Sartorius now projects sales revenue to increase by 17% to 21% (former guidance: 11% to 14%), with consolidation of Biological Industries expected to contribute around 1 percentage point and that of the Danaher portfolio around 3.5 percentage points. Due to high demand on the whole, organic growth is thus anticipated to be about 3 percentage points higher than the company’s former guidance. With respect to the division’s underlying EBITDA margin<sup>1</sup>, management continues to project that it will increase to around 30.0% (PY: 29.1%), which includes slightly dilutive effects due to consolidation of Biological Industries and the Danaher portfolio.

The Lab Products & Services Division is expected to increase its sales revenue in 2020 by 10% to 14% (former guidance: 7% to 10%), with consolidation of Biological Industries continuing to be forecasted to contribute 2.5 percentage points and that of the Danaher portfolio around 10 percentage points to growth. As negative impacts of the coronavirus pandemic are also expected to persist for the remainder of the year on parts of the division’s business, the forecast for organic growth contribution has thus been reduced by

around 6 percentage points. The division's underlying EBITDA margin remains projected at about 20.0% (PY: 21.6%), which includes an increase of around 1.5 percentage points based on consolidation of the Danaher portfolio and a slight dilution due Biological Industries.

All forecasts are based on constant currencies, as in the past years.

## Annual Shareholders' Meeting and Dividend Proposal

The pandemic has also affected the further planning for holding this year's Annual Shareholders' Meeting that was originally scheduled for March 26 as an in-person event and then had to be postponed. "Regarding the ongoing restrictions on larger gatherings in Germany, we will use the new legal option of holding an online-only Annual Shareholders' Meeting," said Kreuzburg, who simultaneously announced a review of the dividend proposal. "We assume that we will have to live with considerable uncertainties and risks for still some time to come. Yet at the same time, the current situation offers additional opportunities for further strengthening our portfolio by innovative technologies. Additionally, we will also make considerable efforts to support people and institutions that have been particularly hit by the pandemic crisis or that play an important role in coping with it. Within the context of these three aspects, we may adjust our dividend proposal and will provide more details after final deliberation with the boards responsible."

1 Sartorius publishes alternative performance measures that are not defined by international accounting standards. These are determined with the aim of improving the comparability of business performance over time and within the industry.

- Order intake: all customer orders contractually concluded during the respective reporting period
- Underlying EBITDA: earnings before interest, taxes, depreciation and amortization and adjusted for extraordinary items
- Relevant net profit: profit for the period 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

2 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

3 EMEA = Europe, Middle East, Africa

This press release contains forward-looking statements about the future development of the Sartorius Group. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such statements. Sartorius assumes no liability for updating such statements in light of new information or future events. This is a translation of the original German-language earnings release. Sartorius shall not assume any liability for the correctness of this translation. The original German earnings release is the legally binding version.

## Conference call

Dr. Joachim Kreuzburg, CEO and Executive Board Chairman of Sartorius, and Rainer Lehmann, CFO, will discuss the company's business results with analysts and investors on April 21, 2020, at 3:30 p.m. Central European Summer Time (CEST) in a teleconference.

You may register by clicking on the following link:

<https://services.choruscall.de/DiamondPassRegistration/register?confirmationNumber=5346927&linkSecurityString=603a5d8b1>

The presentation will be accessible on our website that day as of 3:15 p.m. CEST at:

<https://www.sartorius.com/en/company/investor-relations/sartorius-ag-investor-relations/presentations>

## Current image files

<https://www.sartorius.com/en/company/newsroom/downloads-publications>

## Financial calendar

July 21, 2020	Publication of first-half figures (January to June 2020)
October 20, 2020	Publication of nine-month figures (January to September 2020)

## A profile of Sartorius

The Sartorius Group is a leading international partner of life science research and the biopharmaceutical industry. With innovative laboratory instruments and consumables, the Group's Lab Products & Services Division concentrates on serving the needs of laboratories performing research and quality control at pharma and biopharma companies and those of academic research institutes. The Bioprocess Solutions Division with its broad product portfolio focusing on single-use solutions helps customers to manufacture biotech medications and vaccines safely and efficiently. The Group has been annually growing by double digits on average and has been regularly expanding its portfolio by acquisitions of complementary technologies. In fiscal 2019, the company earned sales revenue of some 1.83 billion euros. At the end of 2019, more than 9,000 people were employed at the Group's approximately 60 manufacturing and sales sites, serving customers around the globe.

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# Key Performance Indicators for the First Quarter of 2020

In millions of € (unless otherwise specified)	Sartorius Group				Bioprocess Solutions <sup>1</sup>				Lab Products & Services <sup>1</sup>			
	Q1	Q1	Δ	Δ	Q1	Q1	Δ	Δ	Q1	Q1	Δ	Δ
	2020	2019	in % Reported	in % cc <sup>2</sup>	2020	2019	in % Reported	in % cc <sup>2</sup>	2020	2019	in % Reported	in % cc <sup>2</sup>
<b>Sales Revenue and Order Intake</b>												
Sales revenue	509.9	435.7	17.0	16.5	394.3	320.7	23.0	22.4	115.6	115.0	0.5	0.1
- EMEA <sup>3</sup>	207.0	178.0	16.3	16.1	153.8	127.7	20.4	20.3	53.2	50.2	5.9	5.6
- Americas <sup>3</sup>	180.7	152.4	18.6	17.1	149.8	121.9	22.9	21.2	30.9	30.5	1.3	0.5
- Asia   Pacific <sup>3</sup>	122.2	105.3	16.0	16.3	90.9	71.1	27.7	28.1	31.5	34.3	-8.2	-8.2
Order Intake	629.4	482.8	30.4	29.7	506.2	360.7	40.3	39.6	123.3	122.1	0.9	0.5
<b>Earnings</b>												
EBITDA <sup>4</sup>	137.9	114.0	20.9		119.9	90.9	31.9		18.0	23.2	-22.3	
EBITDA margin <sup>4</sup> in %	27.0	26.2			30.4	28.3			15.6	20.1		
Net profit for the period <sup>5</sup>	57.1	48.6	17.5									
<b>Financial Data per share</b>												
Earnings per ordinary share <sup>5</sup> in €	0.83	0.71	17.6									
Earnings per preference share <sup>5</sup> in €	0.84	0.72	17.3									

- 1 Divisional sales and margins adjusted in the comparative period due to the changed allocation of two small product segments
- 2 In constant currencies abbreviated as "cc"
- 3 According to the customer's location
- 4 Underlying
- 5 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.

Sales revenues and margins of the divisions in the comparative period were restated due to changed allocation of two small product segments. The adjustments do not result in any changes at Group level.

In millions of € (unless otherwise specified)	Reported figures					Restated figures				
	2019					2019				
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY
<b>Bioprocess Solutions</b>										
Order intake	366.0	380.3	353.6	379.2	1,479.3	360.7	374.9	348.4	373.6	1,457.6
Sales revenue	326.0	350.6	348.4	347.1	1,372.1	320.7	345.1	343.2	341.5	1,350.5
EBITDA <sup>1</sup>	94.2	104.0	102.3	106.2	406.8	90.9	100.6	99.0	102.6	393.1
EBITDA margin <sup>1</sup> in %	28.9	29.7	29.4	30.6	29.6	28.3	29.1	28.9	30.1	29.1
<b>Lab Products &amp; Services</b>										
Order intake	116.8	111.1	107.0	125.3	460.3	122.1	116.6	112.3	130.9	481.9
Sales revenue	109.7	108.4	112.7	124.0	454.9	115.0	113.9	117.9	129.7	476.5
EBITDA <sup>1</sup>	19.8	19.6	21.1	28.6	89.0	23.2	23.0	24.4	32.2	102.7
EBITDA margin <sup>1</sup> in %	18.1	18.1	18.7	23.0	19.6	20.1	20.2	20.7	24.8	21.6

1 Underlying

## Statement of Profit or Loss

	3 months 2020 € in mn	3 months 2019 € in mn
Sales revenue	509.9	435.7
Cost of sales	-245.3	-212.6
<b>Gross profit on sales</b>	<b>264.6</b>	<b>223.1</b>
Selling and distribution costs	-102.2	-89.3
Research and development expenses	-25.6	-22.6
General administrative expenses	-30.0	-27.3
Other operating income and expenses <sup>1)</sup>	-16.9	-4.3
<b>Earnings before interest and taxes (EBIT)</b>	<b>89.9</b>	<b>79.6</b>
Financial income	12.5	2.7
Financial expenses	-12.1	-10.1
<b>Financial result</b>	<b>0.4</b>	<b>-7.4</b>
<b>Profit before tax</b>	<b>90.3</b>	<b>72.2</b>
Income taxes	-24.4	-19.5
<b>Net profit for the period</b>	<b>65.9</b>	<b>52.7</b>
Attributable to:		
Shareholders of Sartorius AG	46.2	37.8
Non-controlling interest	19.7	14.9
Earnings per ordinary share (€) (basic)	0.67	0.55
Earnings per preference share (€) (basic)	0.68	0.56
Earnings per ordinary share (€) (diluted)	0.67	0.55
Earnings per preference share (€) (diluted)	0.68	0.56

## Statement of Comprehensive Income

	3 months 2020 € in mn	3 months 2019 € in mn
<b>Net profit for the period</b>	<b>65.9</b>	<b>52.7</b>
Cash flow hedges	-2.4	-3.9
- of which effective portion of the change in fair value	-2.6	-5.2
- of which reclassified to profit or loss	-0.3	1.3
Income tax on cash flow hedges	0.7	1.2
Net investment in a foreign operation	9.0	7.3
Income tax on net investment in a foreign operation	-2.4	-2.0
Currency translation differences	-7.1	10.7
<b>Items that may be reclassified in the profit or loss statement, net of tax</b>	<b>-2.1</b>	<b>13.3</b>
<b>Items that will not be reclassified in the profit or loss statement, net of tax</b>	<b>0.0</b>	<b>0.0</b>
<b>Other comprehensive income after tax</b>	<b>-2.1</b>	<b>13.3</b>
<b>Total comprehensive income</b>	<b>63.8</b>	<b>66.0</b>
Attributable to:		
Shareholders of Sartorius AG	46.3	49.2
Non-controlling interest	17.4	16.8



## Statement of Financial Position

	March 31, 2020 € in mn	Dec. 31, 2019 € in mn
<b>Assets</b>		
<b>Non-current assets</b>		
Goodwill	706.3	705.0
Other intangible assets	403.6	403.2
Property, plant and equipment	840.2	829.6
Financial assets	31.6	30.7
Other assets	1.5	1.5
Deferred tax assets	29.4	25.8
	<b>2,012.7</b>	<b>1,995.7</b>
<b>Current assets</b>		
Inventories	426.6	411.8
Trade receivables	276.8	302.3
Other financial assets	33.7	21.2
Current tax assets	17.9	16.4
Other assets	46.8	43.0
Cash and cash equivalents	125.1	53.9
	<b>927.0</b>	<b>848.6</b>
<b>Total assets</b>	<b>2,939.7</b>	<b>2,844.3</b>
	March 31, 2020 € in mn	Dec. 31, 2019 € in mn
<b>Equity and liabilities</b>		
<b>Equity</b>		
<b>Equity attributable to Sartorius AG shareholders</b>	856.7	810.4
Issued capital	68.4	68.4
Capital reserves	41.0	40.7
Other reserves and retained earnings	747.3	701.3
Non-controlling interest	288.4	270.8
	<b>1,145.1</b>	<b>1,081.2</b>
<b>Non-current liabilities</b>		
Pension provisions	77.2	76.6
Other provisions	8.5	8.4
Loans and borrowings	850.1	822.2
Lease liabilities	55.1	55.4
Other financial liabilities	54.2	54.5
Deferred tax liabilities	86.1	84.4
	<b>1,131.4</b>	<b>1,101.5</b>
<b>Current liabilities</b>		
Provisions	15.0	15.4
Trade payables	220.2	224.1
Loans and borrowings	154.4	168.9
Lease liabilities	17.3	18.7
Employee benefits	62.0	68.1
Other financial liabilities	50.3	51.7
Current tax liabilities	69.9	57.4
Other liabilities	74.1	57.2
	<b>663.2</b>	<b>661.6</b>
<b>Total equity and liabilities</b>	<b>2,939.7</b>	<b>2,844.3</b>

## Statement of Cash Flows

	3 months 2020 € in mn	3 months 2019 € in mn
Profit before tax	90.3	72.2
Financial result	-0.4	7.4
Depreciation   amortization of intangible and tangible assets	35.8	29.5
Change in provisions	0.0	0.0
Change in receivables and other assets	17.1	-6.4
Change in inventories	-16.8	-20.3
Change in liabilities (without loans and borrowings)	4.8	30.6
Income taxes paid	-17.7	-7.4
Other non-cash items	0.8	0.4
<b>Cash flows from operating activities</b>	<b>113.9</b>	<b>105.9</b>
Capital expenditures	-44.8	-56.1
Other payments	-1.2	1.1
<b>Cash flow from investing activities</b>	<b>-46.1</b>	<b>-55.0</b>
Payments for acquisitions of consolidated subsidiaries and other business operations, net of cash acquired	0.0	0.0
<b>Cash flow from investing activities, acquisitions and disposals</b>	<b>-46.1</b>	<b>-55.0</b>
Interest received	1.5	0.5
Interest paid and other financial charges	-8.3	-4.0
Dividends paid to:		
- Shareholders of Sartorius AG	0.0	0.0
- Non-controlling interest	0.0	0.0
Loans repaid	-91.1	-58.3
Loans raised	100.0	15.0
<b>Cash flow from financing activities</b>	<b>2.2</b>	<b>-46.8</b>
Net increase   decrease in cash and cash equivalents	70.1	4.1
Cash and cash equivalents at the beginning of the period	53.9	45.2
Change in scope of consolidation	0.0	2.2
Net effect of currency translation on cash and cash equivalents	1.1	-1.5
<b>Cash and cash equivalents at the end of the period</b>	<b>125.1</b>	<b>50.0</b>

## Reconciliation

	3 months 2020 € in mn	3 months 2019 € in mn
EBIT	89.9	79.6
Extraordinary effects	13.0	5.0
Amortization	8.5	8.5
Normalized financial result <sup>1</sup>	-4.3	-3.7
Normalized income tax (27%) <sup>2</sup>	-28.9	-24.1
<b>Underlying net result after tax</b>	<b>78.1</b>	<b>65.2</b>
Non-controlling interest	-21.0	-16.6
<b>Underlying earnings after taxes and non-controlling interest</b>	<b>57.1</b>	<b>48.6</b>
Underlying earnings per share		
per ordinary share in €	0.83	0.71
per preference share in €	0.84	0.72

1 Financial result excluding fair value adjustments of hedging instruments and other expenses and income not directly related to own financing needs

2 Income tax considering the average group tax rate, based on the underlying profit before tax.