Sartorius, a leading international partner of life science research and the biopharmaceutical industry, raised its growth and earnings guidance for the current year based on its very dynamic business performance in the first six months of 2020, as well as on high demand expected to continue for the rest of the current fiscal year.

“In the Bioprocess Solutions Division, growth was strong across all product categories and geographies, where additional demand particularly in connection with Covid-19 vaccines and therapeutics was higher than previously expected. The business of our Lab Products & Services Division that was noticeably impacted by the pandemic crisis in the first months of the year also showed a positive trend. Moreover, integration of the life science businesses acquired from Danaher into both of our divisions is progressing well despite the current restrictions. Therefore, we are entering the second half of the year with great confidence, even though the pandemic still poses considerable challenges and uncertainties,” said CEO Joachim Kreuzburg.

Business development of the Group

Group sales rose in the first half by 17.9 percent to 1,056.8 million euros, which is a reported increase of 18.1 percent while order intake1 surged by 27.5 percent (reported: +27.8 percent) to 1,244.8 million euros. This strong development was primarily fueled by the very dynamic business of the Bioprocess Solutions Division. The Laboratory Products & Services Division progressed moderately in a partially challenging economic environment weakened by the coronavirus pandemic. The acquisition of Danaher’s businesses consolidated as of May 2020 as well as the majority takeover of the cell culture media specialist Biological Industries in December 2019 together contributed close to four percentage points to sales growth in the first half, as planned.

Earnings of the Sartorius Group grew at a significantly overproportionate rate with respect to sales. Underlying EBITDA1 was 293.5 million euros, up 23.5 percent from the year-earlier figure of 237.6 million euros. The respective margin rose from 26.6 percent to 27.8 percent. The most recent acquisitions did not have any significant effect on earnings, as expected, yet foreign currencies had a slightly negative impact of close to half of a percentage point.
Relevant net profit\(^1\) for the Group also rose over proportionately relative to sales by 22.4 percent to 124.3 million euros. Earnings per ordinary share were 1.81 euros (previous year: 1.48 euros) and per preference share, 1.82 euros (previous year: 1.49 euros).

**Double-digit sales growth in all regions**

All business regions of the Group increased their revenues by double digits. In the EMEA\(^2\) region which contributes the highest share of total Group sales of around 40 percent, revenue stood at 419.5 million euros, up 16.0 percent. The Americas region accounting for some 35 percent of total sales recorded the highest momentum, with business rising 19.7 to 373.1 million euros. The Asia | Pacific region, which generates around 25 percent of Group sales, saw revenue rise by 18.4 percent to 264.2 million euros.

**Business development of the divisions**

Based on high demand across all its product categories, the Bioprocess Solutions Division which offers a broad range of innovative technologies and products for manufacturing biopharmaceuticals increased its sales revenue by 21.3 percent (reported: +21.6 percent) to 809.3 million euros. Acquisitions accounted for a good two percentage points of growth. Bioprocess Solutions order intake\(^1\) surged in the first half of 2020 at an even stronger rate than sales (in constant currencies: +33.5%; reported: +33.9%) to 984.9 million euros. The coronavirus pandemic had a positive effect on growth and resulted in additional demand for Sartorius products used to manufacture vaccines and antiviral medications. Strong project business, particularly in the Asia | Pacific region, also contributed to substantial order intake. Hence, the strong dynamics at the beginning of the year continued into the mid-year. The division’s underlying EBITDA\(^1\) grew over proportionately by 29.1 percent to 247.2 million euros. Despite slight dilution by currency headwinds and the most recent acquisitions, the division’s margin driven by economies of scale rose to 30.5 percent, up from 28.8 percent in the comparable year-earlier period.

The Lab Products & Services Division, which specializes in products and technologies for laboratories primarily in the pharmaceutical sector and life science research, increased its first-half sales revenue by 8.1 percent (reported: +8.1 percent) and was thus within the range of expectations adjusted after the first quarter. While the impact of the pandemic had a dampening effect on demand, the most recent acquisitions contributed close to nine percentage points to sales growth. Order intake\(^1\) developed positively, rising by 8.9 percent (reported: +8.9 percent) to 259.9 million euros. Because of lower capacity utilization at the beginning of the year and a negative currency impact of a good 0.5 percentage points, the division’s underlying EBITDA\(^1\) after the first six months was at the prior-year level of 46.4 million euros (+0.4 percent). The division’s underlying EBITDA\(^1\) margin was 18.7 percent, with acquisitions in the reporting period having a slightly overall positive effect. (All figures on sales revenue and order intake in constant currencies. Sales revenues and margins of the divisions in the comparable period adjusted to reflect the reallocation of two small product segments.)

**Key financial indicators**

The equity ratio of the Group continued to remain at a very robust level of 30.1 percent, even after the acquisitions had closed (December 31, 2019; 38.1 percent). The ratio of net debt to underlying EBITDA\(^1\) for the past 12 months increased as expected, from 2.0 at year-end 2019 to 2.8 for the period ended June 30, 2020. The ratio of capital expenditures (CAPEX) to sales revenue was 8.5 percent in line with expectations (prior-year period: 12.8 percent).
Number of employees increases

As of June 30, 2020, the Sartorius Group employed a total of 9,729 people worldwide. Compared with December 31, 2019, head count thus rose by 693 or around 7.7 percent, with around 300 employees joining the company following the acquisition of the Danaher businesses. The remaining increase resulted in particular from hiring additional production staff due to the rising capacity utilization at a few manufacturing sites. At the end of the reporting period, around 6,500 people were employed in the EMEA2 region, more than 1,700 in the Americas and about 1,500 in the Asia | Pacific region. (Prior-year base slightly adjusted due to the change in the scope of consolidation.)

Guidance for the full year of 2020 raised

Management now expects consolidated sales revenue to increase by 22% to 26% (previously 15% to 19%) and the Group’s underlying EBITDA margin1 to reach around 28.5% (previously about 27.5%). Compared with the previous forecast, a significant part of the additionally expected business is attributable to the current coronavirus pandemic as Sartorius products are used for development and manufacturing of both vaccines and antiviral medications. As projected so far, initial consolidation of Biological Industries is expected to contribute close to 1.5 percentage points and inclusion of the portfolio acquired from Danaher a good five percentage points to sales growth. The ratio of capital expenditures (CAPEX) to sales revenue continues to be forecasted at around 10 percent (previous year: 12.3 percent). Net debt to underlying EBITDA1 is expected to be slightly below 2.75 by year-end 2020 (previously around 2.75; 2019: 2.0).

Outlook for the divisions

For the Bioprocess Solutions Division, management now forecasts sales growth of 26 percent to 30 percent (previously 17 percent to 21 percent). As projected so far, consolidation of Biological Industries is expected to contribute around one percentage point and that of the Danaher portfolio around 3.5 percentage points. The division’s underlying EBITDA margin is projected to be approximately 31 percent (previously around 30 percent), which includes slightly dilutive effects due to consolidation of the acquisitions.

The outlook for Lab Products & Services remains unchanged as well, with sales revenue expected to grow by 10 percent to 14 percent at an underlying EBITDA1 margin of approximately 20 percent. Consolidation of Biological Industries continues to be forecasted to contribute 2.5 percentage points and that of the Danaher portfolio around 10 percentage points to growth. While consolidation of the Danaher portfolio is likely to increase the division’s margin by 1.5 percentage points, consolidation of Biological Industries is anticipated to result in slight dilution of the division’s margin.

Due to the ongoing pandemic, this guidance is subject to greater uncertainty than usual. In particular, these updated projections are based on the assumptions that logistics chains will continue to be stable and production lines remain in operation. All forecasts are based on constant currencies, as in the past years.

Medium-term forecast unchanged

Despite the currently increased demand, Sartorius does not see any need to adjust its medium-term forecast up to 2025 at the moment. The company continues to expect to achieve sales revenue of around 4 billion euros at an underlying EBITDA1 margin of about 28 percent in 20253. This is based on the fact that the medium-term fundamentals of the biopharmaceutical industry have remained unchanged. Therefore, it is currently not foreseeable whether the current additional demand for vaccines and antiviral drugs will
lead to a sustained increase in demand in these areas. In addition, signs are becoming apparent that the market approval of some biopharmaceuticals could be delayed due to postponed clinical test series as a result of the pandemic. It is currently not possible to quantify the impact of these various effects concerning monetary amounts or timing.

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 EMEA = Europe, Middle East, Africa

3 Further information is provided on page 28 of the Sartorius 2019 Annual Report

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 press release. Sartorius shall not assume any liability for the correctness of this translation. The original German press release is the legally binding version.

Follow Sartorius on Twitter @Sartorius_Group and on LinkedIn.

**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 July 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=5546778&linkSecurityString=6e873ee42

The presentation will be available on the same day starting at 3:15 p.m. CEST for viewing on our website at: https://www.sartorius.com/en/company/investor-relations/sartorius-ag-investor-relations/presentations

**Current image files**


**Financial calendar**

October 20, 2020       Publication of nine-month figures (January to September 2020)
### Key performance indicators for the first half of 2020

<table>
<thead>
<tr>
<th></th>
<th>Sartorius Group</th>
<th>Bioprocess Solutions(^1)</th>
<th>Lab Products &amp; Services(^1)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(\text{6-mo. 2020})</td>
<td>(\Delta \text{ in } % \text{ reported})</td>
<td>(\Delta \text{ in } % \text{ cc})</td>
</tr>
<tr>
<td><strong>Sales Revenue and Order Intake</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Order intake</td>
<td>1,244.8</td>
<td>27.8</td>
<td>27.5</td>
</tr>
<tr>
<td>Sales revenue</td>
<td>1,056.8</td>
<td>18.1</td>
<td>17.9</td>
</tr>
<tr>
<td>- EMEA(^3)</td>
<td>419.5</td>
<td>15.9</td>
<td>16.0</td>
</tr>
<tr>
<td>- Americas(^3)</td>
<td>373.1</td>
<td>21.1</td>
<td>19.7</td>
</tr>
<tr>
<td>- Asia</td>
<td>Pacific(^3)</td>
<td>264.2</td>
<td>17.7</td>
</tr>
<tr>
<td><strong>Earnings</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EBITDA(^4)</td>
<td>293.5</td>
<td>237.6</td>
<td>23.5</td>
</tr>
<tr>
<td>EBITDA margin(^4) in %</td>
<td>27.8</td>
<td>26.6</td>
<td>30.5</td>
</tr>
<tr>
<td>Net profit for the period(^5)</td>
<td>124.3</td>
<td>101.5</td>
<td>22.4</td>
</tr>
<tr>
<td><strong>Financial Data per Share</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Earnings per ordinary share(^5) in euros</td>
<td>1.81</td>
<td>1.48</td>
<td>22.5</td>
</tr>
<tr>
<td>Earnings per preference share(^5) in euros</td>
<td>1.82</td>
<td>1.49</td>
<td>22.3</td>
</tr>
</tbody>
</table>

1 Sales revenues and margins of the divisions in the comparable period adjusted to reflect the reallocation of two small product segments

2 cc = in constant currencies

3 Acc. to the customers' 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.

### 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 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.

### Contact

Petra Kirchhoff
Head of Corporate Communications
+49 (0)551 308 1686
petra.kirchhoff@sartorius.com