

Aubagne, July 21, 2020

Sartorius Stedim Biotech with dynamic growth in the first half; 2020 revenue and earnings forecast raised

- Successful first half: Sales revenue up 22.0 percent; order intake¹ up 34.1 percent; underlying EBITDA¹ margin reaches 30.2 percent
- Stronger growth and higher profitability expected

Based on dynamic business performance in the first six months of 2020 and on expectations that demand will remain high for the rest of the year, Sartorius Stedim Biotech, a leading partner of the biopharma industry, raised its growth and earnings forecast for fiscal 2020.

“Growth was strong across all product categories and regions, and additional demand related to COVID-19 vaccines and therapeutics, in particular, was higher than previously expected,” said Joachim Kreuzburg, Chairman of the Board of Directors and CEO. “The integration of the life science businesses acquired from Danaher is progressing well, despite the current restrictions. We are therefore entering the second half of the year with great confidence, even though the coronavirus pandemic still poses considerable challenges and uncertainties.”

Sales revenue rose by 22.0 percent (reported: + 22.5 percent) to 869.1 million euros and was fueled by strong demand across all product categories. As expected, close to three percentage points of the growth were attributable to the most recent acquisitions, namely the Danaher life science businesses, initially consolidated since May 2020, and the cell culture media specialist Biological Industries, consolidated since December 2019. Order intake¹ also surged sharply by 34.1 percent (reported: + 34.8 percent) to 1,048.7 million euros. The coronavirus pandemic had a positive effect on growth and resulted in additional demand for 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. Earnings of the Group grew over proportionately relative to sales revenue. Underlying EBITDA¹ was up by 27.8 percent at 262.3 million euros; the corresponding margin rose to 30.2 percent from 28.9 percent in the same period of the previous year.

Double-digit sales growth in all regions

Sartorius Stedim Biotech increased its sales revenue by double digits in all business regions. In the EMEA region which contributes the highest share of total Group sales of around 39 percent, revenue stood at 340.3 million euros, up 18.3 percent. The Americas region, which generates some 36 percent of Group sales, saw revenue rise by 21.9 percent to 312.6 million euros. The Asia | Pacific region accounting for around 25 percent of total sales recorded the highest momentum, with business rising 28.5 to 216.2 million euros. (All changes in sales revenue and order intake¹ are given in constant currencies, unless otherwise stated)

Key financial indicators

At 57.9 percent, the equity ratio remained at a very comfortable level, despite the closing of the recent acquisitions (64.4 percent as of December 31, 2019). As a result of the acquisitions, gross debt increased from 138.6 million euros as of December 31, 2019, to 332.6 million euros as of June 30, 2020; net debt also edged up from 110.4 million euros as of December 31, 2019, to 243.2 million euros at the end of the reporting period. Therefore, the ratio of net debt to underlying EBITDA was 0.5 compared with 0.3 at year-end 2019. Sartorius Stedim Biotech's CAPEX ratio¹ in the first half of 2020 stood at 5.8 percent compared with 9.0 percent in the previous year.

Personnel further increased

As of June 30, 2020, the Sartorius Stedim Biotech Group employed a total of 6,690 people worldwide. Compared with December 31, 2019, headcount thus rose by 467 or around 7.5 percent. About 100 employees joined the company in the course of the acquisition of the Danaher businesses. The additional increase is due, in particular, to the hiring of additional production staff in response to higher capacity utilization at some plants. The number of employees in EMEA was around 4,700 in the reporting period. As of the end of the period under review, Sartorius Stedim Biotech employed more than 1,000 people in the Americas region, and personnel increased in Asia | Pacific to nearly 1,000.

Full-year 2020 guidance raised

For fiscal 2020, management now projects sales growth of 26 percent to 30 percent (previously 17 percent to 21 percent) and an underlying EBITDA¹ margin of approximately 31 percent (previously around 30 percent), with figures given in constant exchange rates as in the past. In comparison to the former guidance a significant portion of the additionally expected business is attributable to the current coronavirus pandemic: Sartorius Stedim Biotech products are used for manufacturing both vaccines and antiviral medications.

As previously forecasted, initial consolidation of Biological Industries is expected to contribute two percentage points to sales revenue, and the inclusion of the portfolio acquired from Danaher a good three percentage points. CAPEX ratio¹ is expected to be around eight percent (previous year: 9.4 percent). Net debt to underlying EBITDA¹ is now forecasted at slightly below 0.5 at year-end (before: approximately 0.5; 0.3 as of Dec. 31, 2019).

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 forecast figures are based on constant currencies, as in the past years.

Medium-term projections unchanged

Despite the current increase in demand, Sartorius Stedim Biotech sees no need to adjust its medium-term forecast up to 2025 at the present time. For 2025, the company continues to expect sales revenue of around 2.8 billion euros at an underlying EBITDA¹ margin of approximately 30 percent². This is based on the assumption that the medium-term fundamentals of the biopharmaceutical sector remain unchanged. For example, it is currently not foreseeable whether the current additional demand from the vaccine and antiviral drug areas will lead to a sustainable increase in demand in these areas. In addition, it is becoming apparent that the market approval of some biopharmaceuticals could be delayed due to postponed clinical

trials as a result of the pandemic. It is currently not possible to quantify the impact of these various effects concerning amount or timing.

- 1 Sartorius Stedim Biotech 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.
 - Underlying EBITDA: earnings before interest, taxes, depreciation and amortization and adjusted for extraordinary items
 - Order intake: all customer orders contractually concluded during the respective reporting period
 - Underlying net profit: profit for the period after non-controlling interest; adjusted for extraordinary items and non-cash amortization, as well as based on a normalized financial result and tax rate
 - Underlying earnings per share: relevant net profit for the period divided by the number of shares outstanding (92,180,190)
 - CAPEX ratio: investment payments in relation to sales revenue for the same period.
- 2 Further information is provided on page 22 of the Sartorius Stedim Biotech 2019 Annual Report

This press release contains forward-looking statements about the future development of the Sartorius Stedim Biotech 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 Stedim Biotech assumes no liability for updating such statements in light of new information or future events.

This is a translation of the original French-language press release. Sartorius Stedim Biotech shall not assume any liability for the correctness of this translation. The original French press release is the legally binding version.

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Conference call

Dr. Joachim Kreuzburg, Chairman of the Board and CEO of the Sartorius Stedim Biotech Group, will discuss the company's 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>

Alternatively, you can dial into the teleconference, without registering, at:
+49 (0) 69 566 03 7000

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-stedim-biotech-sa-investor-relations/presentations>

Current image files

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

Financial calendar

October 20, 2020 Publication of nine-month figures (January to September 2020)

Key performance indicators for the first half of 2020

in millions of € unless otherwise specified	6 months 2020	6 months 2019	Change in %	Change in % cc ¹
Sales Revenue and Order Intake				
Order intake	1048.7	778.1	34.8	34.1
Sales revenue	869.1	709.3	22.5	22.0
- EMEA ²	340.3	288.0	18.2	18.3
- Americas ²	312.6	251.8	24.1	21.9
- Asia Pacific ²	216.2	169.6	27.5	28.5
Results				
EBITDA ³	262.3	205.3	27.8	
EBITDA margin ³ in %	30.2	28.9		
Net profit ⁴	167.4	131.1	27.7	
Financial Data per Share				
Earnings per share ⁴ in €	1.82	1.42	27.7	
	June 30, 2020	Dec. 31, 2019		
Balance Sheet Financials				
Balance sheet total	2,224.1	1,845.4		
Equity	1,287.9	1,188.9		
Equity ratio in %	57.9	64.4		
Net debt	243.2	110.4		
Ratio of net debt to underlying EBITDA	0.5	0.3		

1 cc = in constant currencies

2 According to customers' location

3 Underlying EBITDA = earnings before interest, taxes, depreciation and amortization, and adjusted for extraordinary items

4 Underlying net profit = net profit after non-controlling interest; adjusted for extraordinary items, amortization and based on a normalized financial result and tax rate

Statement of reconciliation

	6 months 2020 € in mn	6 months 2019 € in mn
EBIT (operating result)	206.5	167.2
Extraordinary effects	11.7	6.0
Amortization IFRS 3	10.6	6.9
Normalized financial result ¹	-2.5	-2.1
Normalized income tax (2020: 26%, 2019: 26%) ²	-58.8	-46.3
Underlying net profit	167.4	131.8
Non-controlling interest	0.0	-0.7
Underlying net profit excluding non-controlling interest	167.4	131.1
Underlying earnings per share in €	1.82	1.42

1 Financial result excluding fair value adjustments of hedging instruments and currency effects related to financing activities

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

A profile of Sartorius Stedim Biotech

Sartorius Stedim Biotech is a leading international partner of the biopharmaceutical industry. As a total solutions provider, the company helps its customers to manufacture biotech medications safely, rapidly and economically. Headquartered in Aubagne, France, Sartorius Stedim Biotech is quoted on the Eurolist of Euronext Paris. With its own manufacturing and R&D sites in Europe, North America and Asia and an international network of sales companies, Sartorius Stedim Biotech has a global reach. The Group has been annually growing by double digits on average and has been regularly expanding its portfolio by acquisitions of complementary technologies. In 2019, the company employed approx. 6,200 people, and earned sales revenue of 1,440.6 million euros.

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