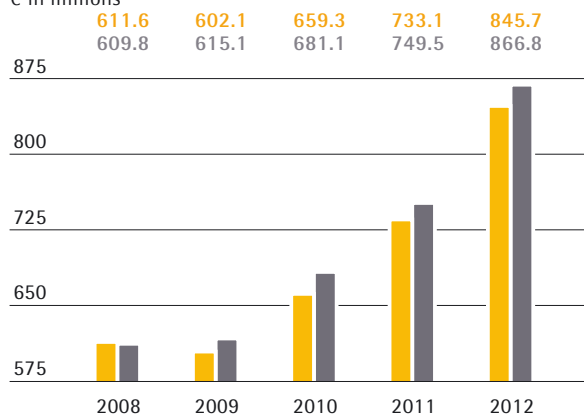


Sartorius Group
2012 Annual Report

2012

Order Intake and Sales Revenue

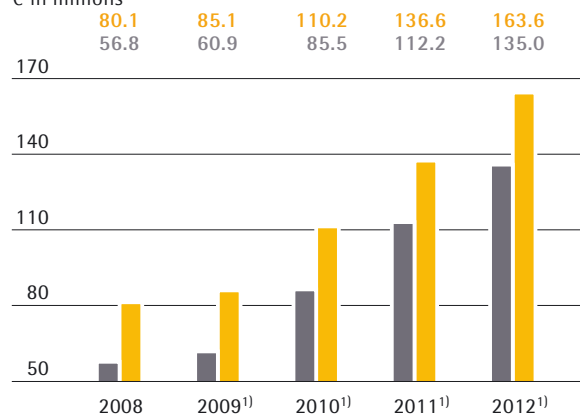
€ in millions



■ Sales Revenue
■ Order Intake

EBITDA and EBITA

€ in millions



■ EBITDA
■ EBITA

Key Figures

All figures are given in millions of € according to the IFRS, unless otherwise specified

	2012	2011	2010	2009	2008
Order intake, sales revenue and earnings					
Order intake	866.8	749.5	681.1	615.1	609.8
Sales revenue	845.7	733.1	659.3	602.1	611.6
EBITDA	163.6 ¹⁾	136.6 ¹⁾	110.2 ¹⁾	85.1 ¹⁾	80.1
EBITDA as a % of sales revenue	19.3 ¹⁾	18.6 ¹⁾	16.7 ¹⁾	14.1 ¹⁾	13.1
EBITA	135.0 ¹⁾	112.2 ¹⁾	85.5 ¹⁾	60.9 ¹⁾	56.8
EBITA as a % of sales revenue	16.0 ¹⁾	15.3 ¹⁾	13.0 ¹⁾	10.1 ¹⁾	9.3
Net profit after non-controlling interest	48.5	41.6	31.0	-7.3	12.4
Net profit after non-controlling interest ²⁾	63.0 ¹⁾	52.8 ¹⁾	39.0 ¹⁾	20.8 ¹⁾	18.2
Research and development costs	48.1	44.3	42.6	40.2	43.9
Financial data per share					
Earnings per share ²⁾					
Per ordinary share (in €)	3.69 ¹⁾	3.09 ¹⁾	2.28 ¹⁾	1.21 ¹⁾	1.06
Per preference share (in €)	3.71 ¹⁾	3.11 ¹⁾	2.30 ¹⁾	1.23 ¹⁾	1.08
Dividends					
Per ordinary share (in €)	0.94 ³⁾	0.80	0.60	0.40	0.40
Per preference share (in €)	0.96 ³⁾	0.82	0.62	0.42	0.42
Balance sheet					
Balance sheet total	1,071.0	960.2	807.7	820.4	865.0
Equity	403.8	366.1	327.2	319.2	333.4
Equity ratio (in %)	37.7	38.1	40.5	38.9	38.5
Gearing ratio	0.8	0.7	0.6	0.7	0.7
Financials					
Capital expenditures (excluding financial assets and goodwill)	74.2	51.8	24.4	23.9	33.7
As a % of sales revenue	8.8	7.1	3.7	4.0	5.5
Depreciation and amortization (excluding financial assets and goodwill)	40.6	32.8	31.9	33.4	29.6
Net cash flow from operating activities	53.2	79.0	96.0	143.4	53.0
Net debt	303.8	264.8	196.9	224.7	217.6
Ratio of net debt to EBITDA	1.9 ¹⁾	1.9 ¹⁾	1.8 ¹⁾	2.6 ¹⁾	2.7
Total number of employees as of December 31	5,491	4,887⁴⁾	4,515	4,323	4,660

¹⁾ Underlying

²⁾ Excluding non-cash amortization and, for 2011 and 2012, effects from fair value adjustments of hedging instruments, as well as excluding non-cash interest expenses for share price warrants in 2008 and 2009

³⁾ Amounts suggested by the Supervisory Board and the Executive Board of Sartorius AG

⁴⁾ Excluding Biohit Liquid Handling

New Division Structure Successfully Implemented

Since the beginning of 2012, Sartorius has been conducting its operating business in three divisions: Bioprocess Solutions, Lab Products & Services and Industrial Weighing. These divisions each combine their respective businesses for the same customer groups and thus more clearly reflect the major markets of Sartorius. Bioprocess Solutions concentrates on bioprocess business. The new lab division covers the entire portfolio of laboratory products, including the Biohit Liquid Handling business. The Industrial Weighing Division focuses on industrial weighing and control technologies.

Profitable Growth

In fiscal 2012, Sartorius grew dynamically again and earned consolidated sales revenue of €845.7 million, a gain of more than 15 percent. Growth was driven primarily by single-use products for biopharmaceutical manufacture, such as filters and aseptic bags, and by initial consolidation of the Biohit Liquid Handling business acquired at the end of 2011. Regionally, business saw the strongest expansion in North America. Despite high investments in new production capacity and the extension of its sales organization, Sartorius also lifted its profitability. Underlying Group earnings rose by one fifth to €135 million; its respective margin reached 16 percent.



Sartorius Preference Shares New in the TecDax

In June 2012, Sartorius preference shares were admitted to the German index of technology stocks, TecDax. With a year-over-year gain of nearly 90 percent, this stock was the top performer in the TecDax. At the end of 2012, Deutsche Börse's free-float analysis ranked Sartorius shares 13th in market capitalization and 24th in stock-exchange turnover.

2012 – Sartorius Continues to Grow

Product Portfolio Extended by Cell Culture Media

In fiscal 2012, Sartorius reinforced its product portfolio in the Bioprocess Solutions Division by adding cell culture media. Similar to bags, filters or bioreactors, cell culture media are single-use products and are required in every cell cultivation process. Therefore, these media are an ideal fit with the company's current array of products. The respective cooperation agreement was signed with the Swiss life science group Lonza in December 2012.



Many New Products Launched

Investments for Further Growth

Sartorius invested heavily in 2012 to enable further growth in the future as well. A key project was the expansion of its manufacture of aseptic bags as well as filters at its site in Yauco, Puerto Rico, which entailed relocation of bag manufacture from Concord, California, to Yauco. Moreover, membrane production was significantly expanded in Goettingen, Germany, and operations with added capacity were started up for equipment manufacture in Guxhagen, also in Germany. A new, globally standardized ERP system was implemented in October 2012 at the company's Goettingen site and will be rolled out throughout the Group beginning in 2013. Based on this system, Sartorius also created a business-process and IT platform for sustainable and profitable growth.

Again in 2012, Sartorius unveiled numerous product innovations. For example, the Bioprocess Solutions Division presented the sterilizing-grade filter Sartopore Platinum, which, thanks to its outstanding performance specifications, significantly increases the cost-effectiveness of biopharmaceutical manufacturing processes. With its alliance partner G-Con, Sartorius showcased its mobile cleanroom facility FlexMoSys. Its modular cleanroom pods enable fast and flexible manufacture of relatively small quantities of active pharmaceutical ingredients. Among the key product innovations of the Lab Products & Services Division were the Secura laboratory balance and the Picus pipette. As the smallest and most accurate electronic pipette on the market, it sets new standards in ergonomics and reliability.



Our Mission

Sartorius is a leading international laboratory and process technology provider for the biotech, pharmaceutical and food industries. As partners, we help our customers all over the globe to implement complex and quality-critical laboratory and production processes in a time- and cost-efficient way. Our innovative products, solutions and services therefore focus on the key value-creating segments of our target markets. Strongly rooted in the scientific and research communities and closely allied with customers and technology partners, we are dedicated to our philosophy of "turning science into solutions" on a daily basis.

In the future as well, we will further seek to systematically expand our position as an application-oriented technology group. Based on our clear-cut strategy, we will continue to sustainably create value for customers and shareholders alike and translate our growth into high profitability.

01 To Our Shareholders

6	Report of the Executive Board
8	Sartorius Group Executive Committee
10	Report of the Supervisory Board
13	Sartorius Shares

This annual report contains 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.

This is a translation of the original German-language annual report. Sartorius shall not assume any liability for the correctness of this translation. The original German annual report 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.

Throughout the Annual Report, differences may be apparent as a result of rounding during addition.

Contents

02 Group Management Report

20	Structure and Management of the Group
21	Macroeconomic Environment and Conditions in the Sectors
24	Group Business Development
30	Business Development of the Bioprocess Solutions Division
37	Business Development of the Lab Products & Services Division
41	Business Development of the Industrial Weighing Division
45	Net Worth and Financial Position
48	Annual Financial Statements of Sartorius AG
50	Forecast Report
53	Report on Material Events
54	Risk and Opportunities Report
58	Description of the Key Features of the Internal Control and Risk Management System
60	Explanatory Report of the Executive Board
61	Corporate Governance Report
64	Remuneration Report

03 Sustainability Report

73	Sustainable Corporate Management
76	Ecological Sustainability
79	Contributing to Society

04 Consolidated Financial Statements and Notes

82	Statement of Financial Position
84	Income Statement
85	Statement of Cash Flows
86	Statement of Changes in Equity
88	Segment Reports
90	Notes to the Consolidated Financial Statements
133	Independent Auditors' Report
134	Executive Board and Supervisory Board

05 Supplementary Information

140	Glossary
142	Index
144	A Local Presence Worldwide
146	Addresses

To Our Shareholders

01

Report of the Executive Board

Ladies and Gentlemen,

I am pleased to report that 2012 was another very successful business year for Sartorius. This was based on sales and earnings growth, especially implementing key components of our long-term strategy for 2020.

As for our financial results, we closed fiscal 2012 even better than what was forecasted at the beginning of the year. Our sales revenue was up slightly more than 15% from a year earlier at €845.7 million and rose more than 11% in constant currencies. Despite significant investments and expanded sales activities, we still increased operating earnings by approximately 20% and achieved an underlying EBITA margin of 16%. Based on these results, the Supervisory Board and the Executive Board will submit a proposal at the Annual Shareholder's Meeting on April 18, 2013, to raise dividends again substantially to €0.96 per preference share and €0.94 per ordinary share.

The excellent development of Sartorius' shares in fiscal year 2012 also was particularly encouraging. The price of our ordinary shares doubled and our preference shares increased by nearly 90%, both substantially outperforming their respective indices. Additional good news for our shareholders was that our preference shares were added to TecDAX, the German index of technology stocks. As a result, our stock attained a sustainably higher level of trading volume.

The past financial year was successful not only in view of the numbers. After our announcement in 2011 of Sartorius 2020, our long term strategy and growth plan, 2012 marked the first full year in which we executed on this strategy, which we fast-tracked, in my opinion.

At the beginning of the year, we implemented the new division structure, which involved numerous changes, particularly for our lab business. In fact, this required a "three-fold integration" process. First, our businesses with laboratory instruments and lab consumables was combined and supplemented by the Biohit Liquid Handling business acquired at the end of 2011. With this significantly broader portfolio of premium laboratory instruments, consumables and services, we established the Lab Products & Services Division. This group will serve as an appealing partner for research laboratories and quality assurance laboratories in both the industrial and academic sectors. Moreover, we quickly moved forward on further initiatives in this division, such as expanding direct sales, increasing the focus of our distributor management policy and developing e-sales channels further.

The new lab division accounts for approximately one-third of our consolidated revenue, holds a leading market position in many of its product categories and, in the very first year of its operations, has fully met our growth and earnings expectations. Regionally, the division performed especially well in North America and Asia, which are two regions where we see the greatest growth potential for the future.

In 2012, our Bioprocess Solutions Division performed excellently. This division, which does bioprocess business with our pharmaceutical customers, is the largest one and generates 56% in consolidated sales. For the second consecutive year, our bioprocess business has grown at double-digit rates with a return on sales of 18.6% and has reached a new high in profitability. To keep pace with this growth in 2012, we invested heavily in manufacturing capacities as planned and opened new facilities for membranes, aseptic bags and biotech equipment.



A major objective for the Bioprocess Solutions Division was to expand our sales organization in North America. This was an important prerequisite for our long-term success in the world's largest biotech market. In this region, we grew at a rate of approximately 18% and we are striving to consolidate and extend this trend moving forward. For the current year, we are planning the same initiative for Asia in order to capitalize fully on our growth options in these critical markets.

We succeeded in further strengthening the strategic position of the Bioprocess Division by acquiring business with cell culture media from Lonza, the Swiss life science company. Similar to aseptic bags and filters, cell culture media are single-use products that are critical for manufacturing of biopharmaceuticals and are an ideal fit for our current product portfolio. Addressing this need will offer potential growth and earnings opportunities during the mid-term plan.

Our third division, Industrial Weighing, in which we combined our business with weighing and control equipment for various industrial applications, showed stable development in 2012 as expected. It posted sales revenue of more than €100 million and an EBITA margin of nearly 10%, making a very good showing in the markets it serves. In line with our strategic focus on the bioprocess and lab sectors, we have been assessing the options in the reporting year for a mid-term divestiture of this activity.

We also continued to make progress in 2012 regarding our operational business processes and supportive IT systems. At our Group headquarters in Goettingen and largest manufacturing site, we productively launched our new ERP system last autumn. This year, we will be starting to roll out the system to all additional sites across the globe.

This initiative is one of the projects we are implementing to facilitate our infrastructure and business processes for further growth and profitability during the long-term.

We predict excellent business prospects for 2013 and beyond. Both of our core divisions, Bioprocess Solutions and Lab Products & Services, are positioned in long-term growth markets that offer particularly attractive earnings opportunities. For 2013, we are targeting increases of approximately 6% to 9% in constant currencies and our underlying EBITA margin from 16.0% to 16.5% in 2013.

The success we gained in 2012 illustrates the momentum for our company. I am proud of our entire team and would like to thank all employees for their tremendous commitment and excellent accomplishments.

My special thanks go out to you, our valued shareholders, customers and business partners, for your trust and open dialogue. We invite you to join us on our road to further success as an innovative and highly profitable technology group.

Yours sincerely,

Dr. Joachim Kreuzburg
CEO and Executive Board Chairman

Sartorius Group Executive Committee



Reinhard Vogt

Marketing, Sales, Services,
Business Development
Bioprocess Solutions

Member of the Executive Board
of Sartorius AG

Member of the Board of Directors
of Sartorius Stedim Biotech S.A.

With Sartorius for 29 years

Volker Niebel

Procurement, Production,
Supply Chain Management,
Business Process Management

Member of the Board of Directors
of Sartorius Stedim Biotech S.A.

With Sartorius for 11 years

Jörg Pfirrmann

Finance, Human Resources,
Information Technology

Member of the Executive Board
of Sartorius AG

With Sartorius for 14 years

The Group Executive Committee (GEC) consists of the members of the Executive Board of Sartorius AG, the members of the Executive Committee of the subgroup Sartorius Stedim Biotech and additional top managers appointed by the Executive Board as necessary. The GEC is the key management committee of the Sartorius Group and serves to coordinate and control global business activities and functions. The GEC's activities supplement those of the Executive Board of Sartorius AG and of the Board of Directors of Sartorius Stedim Biotech S.A., and lay the groundwork for the boards' legally binding decision-making.



Dominique Baly

Marketing, Sales, Services,
Business Development
Lab Products & Services

With Sartorius for 2 years

Oscar-Werner Reif

Research and Development

Member of the Board of Directors
of Sartorius Stedim Biotech S.A.

With Sartorius for 18 years

Joachim Kreuzburg

Chairman

Corporate Strategy, Legal,
Compliance, Communications

CEO of Sartorius AG

Chairman of the Board of Directors and
CEO of Sartorius Stedim Biotech S.A.

With Sartorius for 14 years

Report of the Supervisory Board

Dear Shareholders,

To summarize the opinion of the Supervisory Board, we look back upon 2012 as an exceptionally successful fiscal year. In all regions, the Sartorius Group succeeded in significantly growing its business in all regions and in further increasing its profitability. Aside from its strong financial performance, the company completed several relatively large investment projects on schedule in the reporting year and has also made excellent progress in implementing its various growth initiatives.

In fiscal 2012, the Supervisory Board thoroughly dealt with the situation and prospects of the company. We advised the Executive Board and performed the tasks assigned by German corporate law and the company's articles of association. In the reporting year, we focused especially on the relatively large investment projects of the Group; integration of the Biohit Liquid Handling business, acquired in December 2011, into the Lab Products & Services Division; as well as on various strategic initiatives of the Executive Board.

The Executive Board provided us with regular, prompt and detailed reports, both written and verbal, about all relevant corporate planning and strategic development issues, the progress of business in the divisions, the situation of the Group, including its risk situation, risk management, internal control systems, and about compliance. Both the Executive Task Committee and the full Supervisory Board discussed all of the company's significant transactions in depth on the basis of the reports provided by the Executive Board. Following thorough review, we cast a positive vote on the Executive Board's reports and proposed resolutions, where required.

Cooperation between the Supervisory Board and the Executive Board was always characterized by openness, constructive dialogue and trust.

Focus of the Supervisory Board's Conferences

In the reporting year, the Supervisory Board convened at four ordinary meetings and one extraordinary meeting, all of which the Executive Board also attended. These regular conferences primarily revolved around the development of sales revenue, earnings and employment trends for the Group, the financial situation of the company and of its affiliates and strategic projects.

At its meeting on March 1, 2012, the Supervisory Board thoroughly discussed the annual and consolidated financial statements for fiscal 2011 and endorsed them based on the reports given by the Audit Committee and the independent auditors who were present during this item of the agenda. Moreover, the board members conferred upon and approved the agenda, along with the proposed resolutions, for the 2012 Annual Shareholders' Meeting and the proposal for appropriation of the annual profit. In addition, following the preparations made by the Executive Task Committee and careful consideration by the plenary session of the Supervisory Board, we decided to adjust the Executive Board's remuneration in 2012.

After the new elections of the shareowner and employee representatives in March and April 2012, the new Supervisory Board was constituted at its meeting on April 19, 2012, and elected the chairman, vice chairman and the members of its committees. Furthermore, the Executive Board reported on the status of various growth initiatives, chiefly on the results of a project to expand the sales organization and activities in the USA. Moreover, various projects in conjunction with improvement of the company's information technology infrastructure were on the agenda.

At our meeting on August 23, 2012, we deliberated in detail on whether the remuneration of the Executive Board was adequate and in line with market practice based on a comparison with peer companies. We also



slightly adjusted the compensation system for the Executive Board. In addition, we resolved to sell the non-controlling interest in Munktell & Filtrak GmbH and discussed Group financing topics.

At the focus of an extraordinary Supervisory Board meeting on November 15, 2012 was the possible divestiture of the Industrial Weighing Division. Based on a report given by the Executive Board, we conferred in depth about the spectrum of interests along with the various options entailed.

After thorough consultation at the meeting on December 7, 2012, we decided upon the wording of the Declaration of Compliance in accordance with the Corporate Governance Code. This declaration confirms that Sartorius complies with the recommendations of the current code to the full extent. Moreover, we approved the budget submitted by the Executive Board for 2013. Following in-depth discussions on a further item on the agenda, we consented to signing a cooperation agreement with the Lonza group, which would enable the Sartorius Bioprocess Solutions Division to enter the business of bioprocess media. We also dealt with the results of the efficiency review of the Supervisory Board work and discussed questions about its remuneration.

Activity Report of the Committees

Four committees support the work of the Supervisory Board. These prepare topics that are then considered by the full Supervisory Board and, in individual cases, take decisions in lieu of the full board, as far as permitted. The committee chairmen reported regularly to the Supervisory Board on the details of their committee work.

The Executive Task Committee met five times during the reporting year. In addition to preparing for full Supervisory Board meetings, this committee primarily deliberated on considerations for implementation of the Group strategy as part of its intensive discussions. Furthermore, the committee dealt with matters involving the Executive Board and prepared for decisions on the remuneration of the latter. The committee additionally deliberated on topics involving the development of managers and succession planning.

In the year under review, the Audit Committee held four meetings. The committee prepared for the full Supervisory Board's conference on endorsement and approval of the consolidated annual financial statements for fiscal 2011 and intensively discussed the quarterly and first-half financial reports of 2012. The committee further concentrated on monitoring the effectiveness of the Group-wide risk management and internal control system as well as on in-house auditing and compliance. As part of this review, the committee members consulted in detail on the methods applied and followed presentations on the effectiveness of these methods. In view of the planned introduction of the new Group-wide ERP system, the committee requested regular oral reports on the progress and possible risks associated with this extensive project. In addition, the committee reviewed the Internal Audit Department report, which did not indicate any material discrepancies in business transactions, and also considered the department's plans for the upcoming months. With respect to the audit of the annual financial statements for fiscal 2012, the committee confirmed the independence of the auditors, and conferred in detail on the selection of auditors to recommend at the Annual Shareholders' Meeting for appointment, commissioning the appointed auditors to perform an audit review as well as on defining and monitoring the audit procedure and the focal points of the audit.

The Nomination Committee did not meet in past year. The Conciliation Committee pursuant to Section 27, Subsection 3, of the German Codetermination Law ("MitBestG") likewise did not have to be convened.

Audit of the Annual and Consolidated Financial Statements

The annual and consolidated financial statements prepared by the Executive Board for fiscal 2012 and the management report of Sartorius AG were reviewed by the independent auditing company Deloitte & Touche GmbH, Wirtschaftsprüfungsgesellschaft, based in Hanover, Germany. This company had been commissioned by the Audit Committee of the Supervisory Board pursuant to the resolution passed at the Annual Shareholders' Meeting on April 19, 2012. The independent auditors issued an unqualified audit certificate. Deloitte & Touche auditors attended the Audit Committee meeting on March 4, 2013, and the Supervisory Meeting on March 5, 2013, and reported on the essential results of their audits. Sufficient time was allotted for discussion of all issues with the auditors. Written information and audit reports had been sent to all Supervisory Board members on time and were intensely discussed during the meetings mentioned.

On the basis of its own examination of the annual Sartorius AG and consolidated financial statements, the Sartorius AG management report and the Group management report, the Supervisory Board concurred with the results of the audit conducted by Deloitte & Touche and, at the meeting on March 5, 2013, endorsed the financial statements of Sartorius AG and the Group on recommendation by the Audit Committee. The annual financial statements were thus approved. The Supervisory Board and the Executive Board will submit a proposal at the Annual Shareholders' Meeting on April 18, 2013, that shareholders be paid dividends of €0.96 per preference share and €0.94 per ordinary share from the retained profit.

Composition of the Supervisory Board and the Executive Board

In fiscal 2012, regular new elections of the shareowner and employee representatives to the Supervisory Board were held. Prof. Dr. rer. nat. Dr.-Ing. Heribert Offermanns retired from the Supervisory Board at the end of the Annual Shareholders' Meeting on April 19, 2012, on the grounds of age. We would like to thank Dr. Offermanns for his many years of commendable service on the Supervisory Board. We gained the services of Professor Dr. Thomas Scheper as his successor, who took up his new post at the Supervisory Board meeting on April 19, 2012. The other shareowner representatives were reelected. Concerning the employee representatives, Christiane Benner resigned as she had assumed new duties within the German Metalworkers' Association. Karoline Kleinschmidt was elected to succeed Ms. Benner, whom we would also like to thank for her many years highly dedicated service on our board. All other employee representatives were reelected. For information on the composition of the Supervisory Board and its individual committees, a list is provided on pages 134 et seq. of this Annual Report.

There were no changes to the membership of the Executive Board in the reporting year.

The Supervisory Board would like to thank the Executive Board and all employees across the globe for their great commitment and successful hard work throughout the fiscal year. In addition, the Supervisory Board expresses its appreciation to its shareholders for the confidence they have shown yet again in the company.

Munich, March 2013

For the Supervisory Board



Prof. Dr. Dres. h.c. Arnold Picot
Chairman

Sartorius Shares

Stock Market Climate

Persistently low interest rates and the adoption of additional bailout packages to shore up the finances of several countries – and the ensuing stabilization of the European single currency – provided support for stock markets in the reporting period. The DAX (Deutscher Aktienindex) performed strongly between the start of the year and the month of December, when it reached its high point for the year of 7,672 points. The DAX ended the year at 7,612 points, which represents an overall gain for 2012 of 29.1%. The TecDax technology index rose by 20.9% to 828 points over the same period.

Sartorius included in the TecDAX

The Sartorius preference share gained inclusion in the German technology share index TecDAX with effect from June 18, 2012. The TecDAX is the lead index of the 30 largest and most liquid German technology companies and follows on directly below the DAX German share index. Inclusion in the TecDAX is determined on the basis of free float market capitalization at the time of examination and exchange trading volumes over the previous twelve months.

The Sartorius preference share placed 13th (previous year: 17th) for market capitalization and 24th (previous year: 40th) for exchange trading volume (volume

traded on the Frankfurt Stock Exchange over the preceding twelve months) in the Deutsche Börse free float ranking at year end 2012.

Sartorius shares are additionally listed in Deutsche Börse's CDAX, Prime All Share and Technology All Share indexes and Norddeutsche Landesbank's NISAX20 index.

Share Price Development

The Sartorius shares once again performed significantly better than the wider market in 2012. The price of the ordinary share rose from €30.83 at the end of 2011 to €65.30 by the end of the reporting year. This represents a rise of 111.8%. The price of the Group's preference share rose by 89.4% from €35.50 at the end of 2011 to €67.25 as of December 31, 2012.

The preference share hit its lowest price for the year, €34.00, on January 15, 2012, while the lowest closing price for the ordinary share, €30.95, was reached on January 2, 2012. The ordinary and preference shares reached their peak, based on Xetra daily closing prices, at €74.00 on November 30, 2012 and at €72.05 on November 29, 2012 respectively, buoyed in part by the good progress of the business and an improved overall forecast for the year.

Facts about the Shares

ISIN	DE0007165607 (Ordinary share)
	DE0007165631 (Preference share)
Designated sponsor	Close Brothers Seydler Bank AG DZ Bank AG
Market segment	Prime Standard
Indexes	TecDAX CDAX Prime All Share Index Technology All Share Index NISAX20
Stock exchanges	Xetra Frankfurt Hanover Duesseldorf Munich Berlin Hamburg Bremen Stuttgart
Number of shares	18,720,000 no-par individual share certificates with a calculated par value of €1 per share
Of which	9,360,000 ordinary shares
	9,360,000 preference shares
Of which shares outstanding	8,528,056 ordinary shares
	8,519,017 preference shares

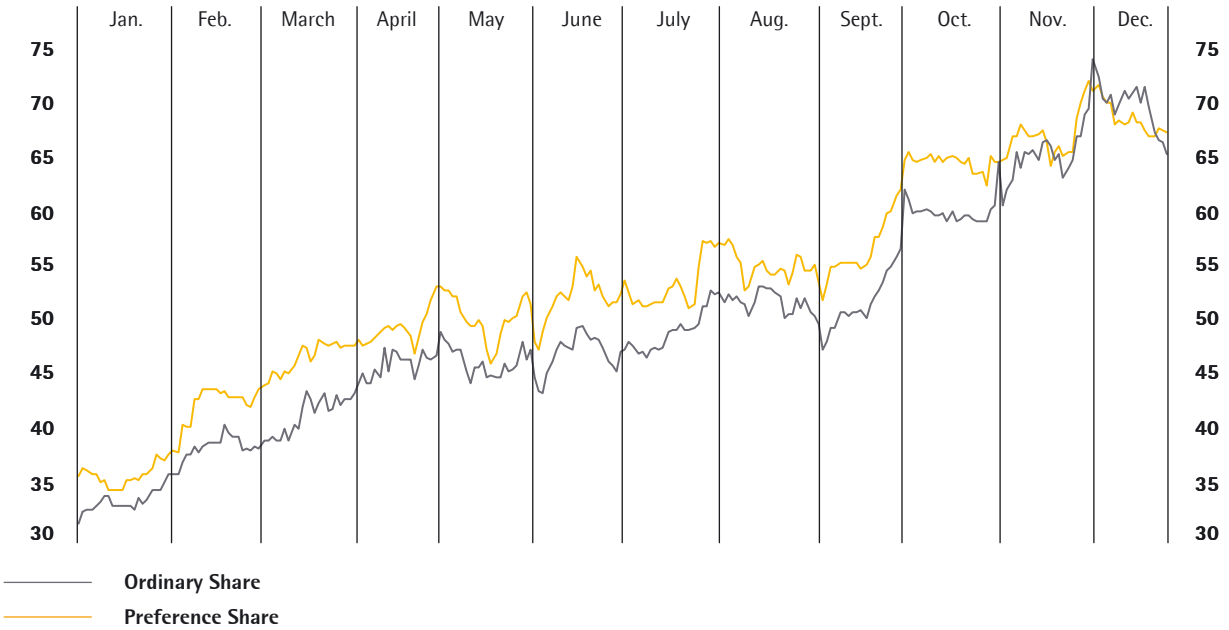
Trading Volume and Share Price Development

	2012	2011	Change in %
Preference share in € (Xetra year-end closing price)	67.25	35.50	89.4
Ordinary share in € (Xetra year-end closing price)	65.30	30.83	111.8
Market capitalization in millions of € ¹⁾	1,129.8	565.3	99.8
Average daily trading volume of preference shares	15,538	10,718	45.0
Average daily trading volume of ordinary shares	1,334	1,454	- 8.3
Trading volume of preference shares in millions of €	210.6	87.8	139.9
Trading volume of ordinary shares in millions of €	17.0	11.9	42.9
Total trading volume in millions of €	227.6	99.6	128.4
TecDAX	828	685	20.9
DAX	7,612	5,898	29.1

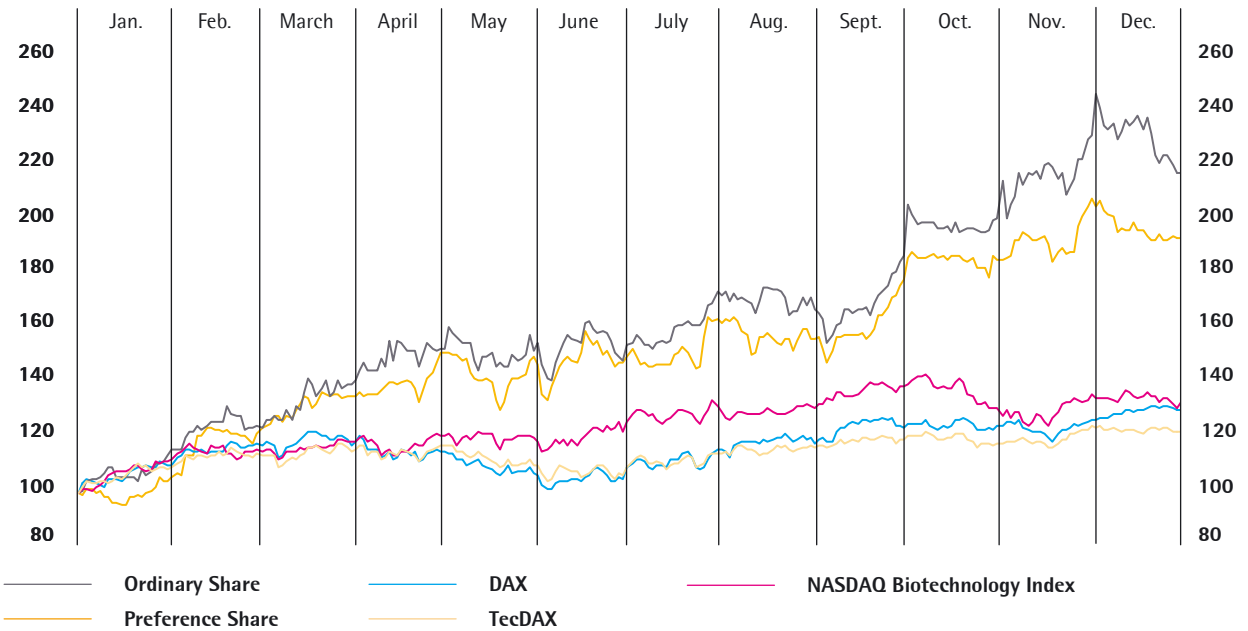
¹⁾ without treasury shares

Sources: Deutsche Börse AG, vwd

Sartorius Shares in €
January 02, 2012, to December 31, 2012



Sartorius Shares in Comparison to the DAX, TecDAX, and NASDAQ Biotechnology Index (indexed)
January 02, 2012, to December 31, 2012

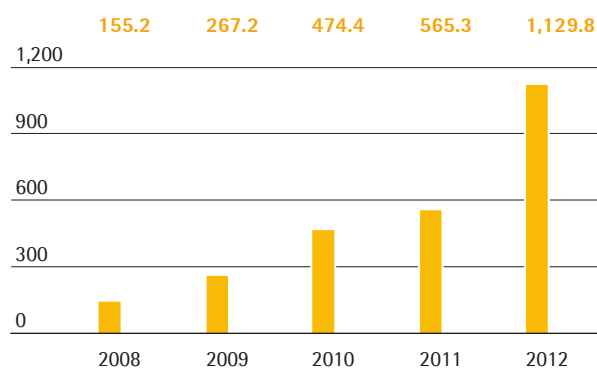


Market Capitalization and Trading Volume

Along with the positive development of the share price, market capitalization increased while the number of shares remained unchanged during the reporting period. Market capitalization as of December 31, 2012 amounted to €1.1 billion, which represents an increase over the previous year (€565.3 million) of 99.8%.

Market Capitalization¹⁾

€ in millions (without treasury shares, based on Xetra)

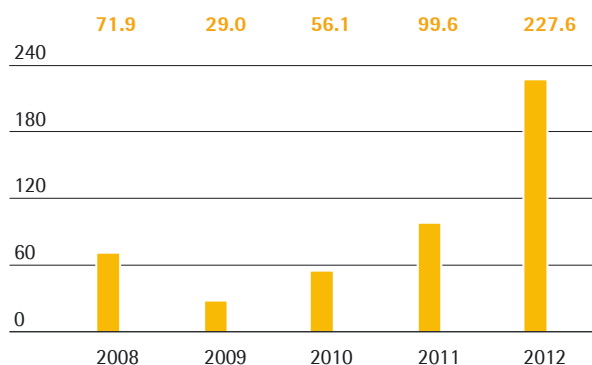


¹⁾ as of December 31 of the respective year

The average number of preference shares traded on the Frankfurt Stock Exchange (Xetra + trading floor) every day rose to 15,538 over the period under review (previous year: 10,718). The average number of ordinary shares traded every day amounted to 1,334 compared to 1,454 in the previous year.

Trading Volume

€ in millions (preference & ordinary shares, FSE)



Owing to the increased price of the Sartorius ordinary and preference shares and the greater numbers traded, the trading volumes for both types of share on the Frankfurt Stock Exchange were up significantly in 2012. The volume of ordinary shares traded amounted to €17.0 million (+42.9%) while the volume of preference shares traded rose by 139.9% to €210.6 million. The trading volume of the Sartorius shares thus grew significantly compared to a lower overall volume of shares traded in 2012 on the Frankfurt Stock Exchange, which declined by 23.2%.

Investor Relations Activities

Our investor relations work focuses on maintaining an ongoing, open dialogue with shareholders, potential investors and financial analysts. We ensure the highest possible level of transparency and provide shareholders and the interested general public alike with equal and timely access to information relevant to our share prices. Therefore, as part of our reporting, we regularly disclose detailed information about our strategic approach, the current progress of our business and about our prospects.

During 2012, we provided regular information on current business developments within the Sartorius Group via press releases and quarterly, half-year and annual reports. In addition to quarterly telephone/webcast conferences, we retained our contacts with the capital markets at a large number of roadshows in the financial centers London, Paris, Frankfurt am Main, Zurich and New York. We were also able to step up our regular dialog within the context of various international investor conferences and our analysts and investors meeting at the ACHEMA trade fair and numerous face-to-face meetings. Communication with investors focused in 2012 primarily on elucidating our corporate strategy in connection with the introduction of the new divisional structure and the new business model of the Lab Products & Services Division.

All information and publications relating to our company and its shares may be found on the website at www.sartorius.com. The Sartorius Investor Relations Team is available to private and institutional investors as well as financial analysts wishing to contact it directly on questions relating to the Sartorius Group.

Analysts

The recommendations of financial analysts serve as an important foundation for the decisions of private and institutional investors when investing in shares. Currently, the following institutions regularly prepare reports and updates on Sartorius AG's shares:

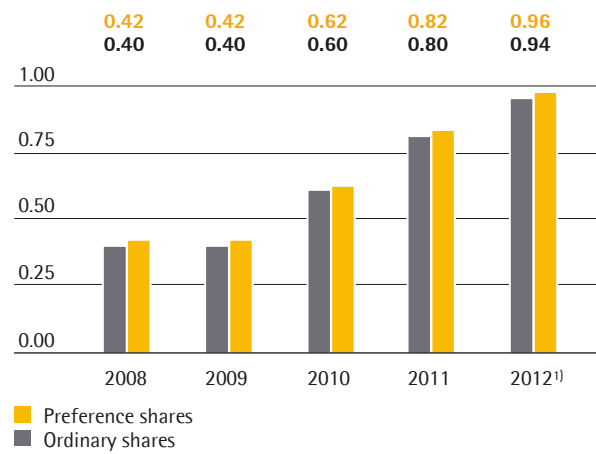
Research Coverage

Institute	Date	Vote
Berenberg	November 1, 2012	Buy
Cheuvreux	January 30, 2013	Underperform
Commerzbank	January 30, 2013	Hold
DZ Bank	January 31, 2013	Buy
Nord LB	February 1, 2013	Hold

Dividends

The management of Sartorius intends, as usual, to distribute an appropriate proportion of the company's profits for fiscal 2012 to shareholders. The dividend proposal presented by the Supervisory Board and the Executive Board at the Annual Shareholders' Meeting scheduled for April 18, 2013 will call for the payment of dividends of €0.96 (previous year: €0.82) per preference share and €0.94 (previous year: €0.80) per ordinary share.

Dividends in €



¹⁾ amounts suggested by the Supervisory Board and the Executive Board of Sartorius AG

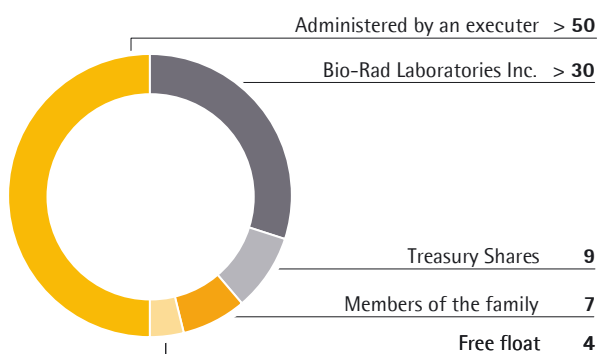
This would increase the total profit distributed by 17.3% from €13.8 million for the previous year to €16.2 million. The total profit distributed, based on the underlying net profit (see p. 26) would be 25.7%, compared with the previous year's figure of 26.2%. Based on the 2012 year-end share price, this would give a dividend yield of 1.4% (previous year: 2.3%) for Sartorius' preference shares, and 1.4% (previous year: 2.6%) for Sartorius' ordinary shares. Treasury shares held by Sartorius AG are not entitled to dividends.

Shareholder Structure

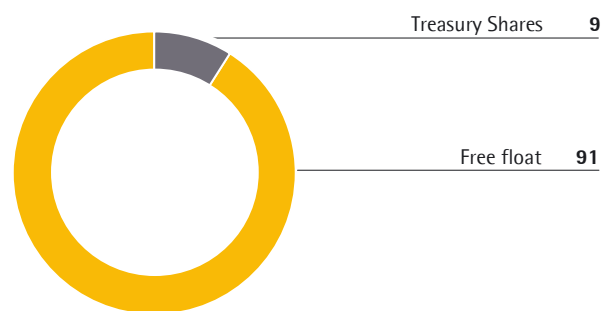
Sartorius AG's issued capital comprises 9.36 million ordinary shares and the same number of preference shares, each with a calculated par value of €1 per share. Roughly 9% of preference shares are held as treasury shares; the remaining 91% can be attributed to free float. The majority of the ordinary shares are held by the Sartorius family, with a good 50% under the management of an executor. Approximately 7%

are held directly by members of the family and approximately 9% are held as treasury shares by the corporation. According to the most recent information available the US company Bio-Rad Laboratories Inc. holds around 30% of the ordinary shares. According to our current information, the remaining portion, comprising around 4% of the ordinary shares, is in free float.

Shareholder Structure Ordinary Shares
in %



Shareholder Structure Preference Share
in %



Key Figures for Sartorius Shares

		2012	2011	2010	2009	2008
Ordinary shares ¹⁾ in €	Reporting date	65.30	30.83	28.21	15.45	10.05
	High	74.00	39.00	29.20	18.00	31.00
	Low	30.95	26.50	15.40	9.70	8.41
Preference shares ¹⁾ in €	Reporting date	67.25	35.50	27.45	15.90	8.16
	High	72.05	39.00	27.87	17.40	27.01
	Low	34.00	26.00	15.84	6.10	6.17
Market capitalization ²⁾ in millions of €		1,129.80	565.3	474.4	267.2	155.2
Dividend per ordinary share ³⁾ in €		0.94	0.80	0.60	0.40	0.40
Dividend per preference share ³⁾ in €		0.96	0.82	0.62	0.42	0.42
Total dividends ³⁾⁴⁾ in millions of €		16.2	13.8	10.4	7.0	7.0
Payout ratio ³⁾⁵⁾ in %		25.7	26.2	26.7	33.7	38.4
Dividend yield per ordinary share ⁶⁾ in %		1.4	2.6	2.1	2.6	4.0
Dividend yield per preference share ⁶⁾ in %		1.4	2.3	2.3	2.6	5.1

¹⁾ Xetra daily closing price

²⁾ Without treasury shares

³⁾ For 2012, amounts suggested by the Supervisory Board and the Executive Board of Sartorius AG

⁴⁾ Calculated on the basis of the number of shares entitled to dividends

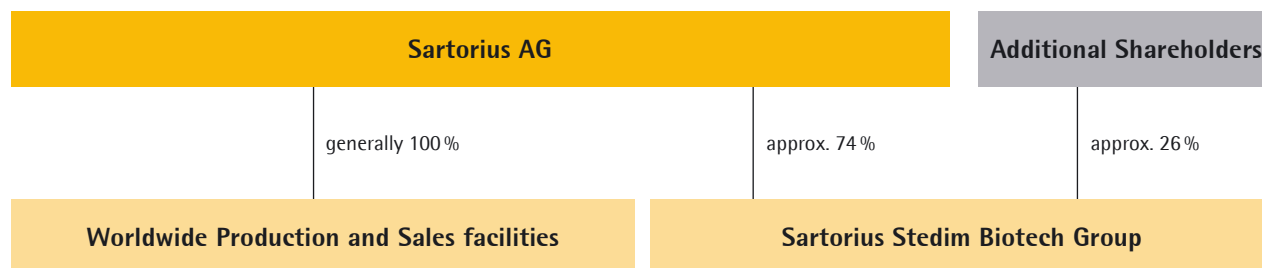
⁵⁾ Based on the underlying net result excluding non-cash amortization and, for 2011 and 2012, additional effects from fair value adjustments of hedging instruments, as well as excluding non-cash interest expenses for share price warrants in 2008 and 2009

⁶⁾ In relation to the closing price in the year concerned

Group Management Report

02

Structure and Management of the Group



Group Legal Structure

Sartorius is a globally operating company with more than 50 subsidiaries and some 5,500 employees around the world. The parent company of this Sartorius Group is Sartorius AG, which, as a holding company, controls the Group's direct and indirect affiliates.

Sartorius Stedim Biotech is run as a legally independent subgroup in which Sartorius AG holds approximately 74% of the shares outstanding and around 85% of the voting rights as reported for the year ended December 31, 2012. The parent company of Sartorius Stedim Biotech, Sartorius Stedim Biotech S.A., is listed on the Paris Bourse, has its headquarters at Aubagne in southern France and holds shares directly or indirectly in sales and manufacturing companies located across the globe. Its further sales and manufacturing companies are legally owned, mostly by 100%, by Sartorius AG.

New Division Structure Since the Start of 2012

As of January 1, 2012, Sartorius reorganized its division structure that had formerly comprised the two divisions of Biotechnology and Mechatronics. Since then, the company has been conducting its operating business in three divisions: Bioprocess Solutions, Lab Products & Services and Industrial Weighing. The new divisions each combine their respective businesses for the same customer groups and fields of application and thus more clearly reflect Sartorius' focus on its major markets.

Changes in the Group Portfolio

The consolidated financial statements include the parent company Sartorius AG and all major affiliates in which Sartorius AG has a controlling interest pursuant to IFRS 27.

Changes in the list of consolidation primarily arose from the integration of the Biohit Liquid Handling business that Sartorius had acquired on December 14,

2011. After this acquisition had already been recognized in the consolidated statement of financial position in 2011, it has been included in the income statement since 2012.

As part of the operational integration of this business activity, several former Biohit sales companies were merged during 2012 with the corresponding local Sartorius affiliates based worldwide.

Moreover, in the reporting year, Sartorius sold its non-consolidated stake of 49.05% in the joint venture Munktell & Filtrak GmbH, which had been held by Sartorius Stedim Biotech GmbH.

Organization and Management of the Group

The Sartorius Group is consistently organized by function worldwide and is accordingly controlled through its core operating functions.

The Group's central management entity is the Sartorius Group Executive Committee (GEC), which currently has a membership of six: the members of the Executive Board of Sartorius AG, the executive members of the Board of Directors of Sartorius Stedim Biotech S.A. and one further senior manager with cross-divisional responsibility.

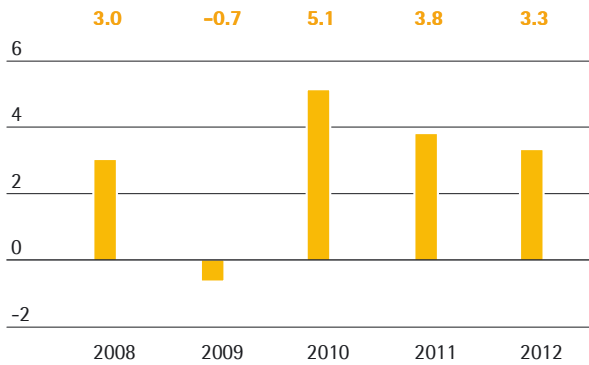
Functional responsibility is also assigned at a global level across all sites and regions in the senior management tiers immediately beneath the GEC. Implementing the Group's various strategies and projects at the local level is the responsibility of the national affiliates. The management bodies of the local companies manage their organizations in accordance with the applicable statutory provisions, articles of association and rules of procedure and in keeping with the principles of corporate governance that apply throughout the Sartorius Group worldwide.

Macroeconomic Environment and Conditions in the Sectors

Macroeconomic Environment

The global economy grew by around 3.3% in 2012 according to International Monetary Fund (IMF) estimates (previous year: 3.8%). The main cause of this slight dip in the rate of growth was the worsening sovereign debt crisis in many industrialized nations.

Global Development GDP (2008 to 2012)
in %



Source: International Monetary Fund

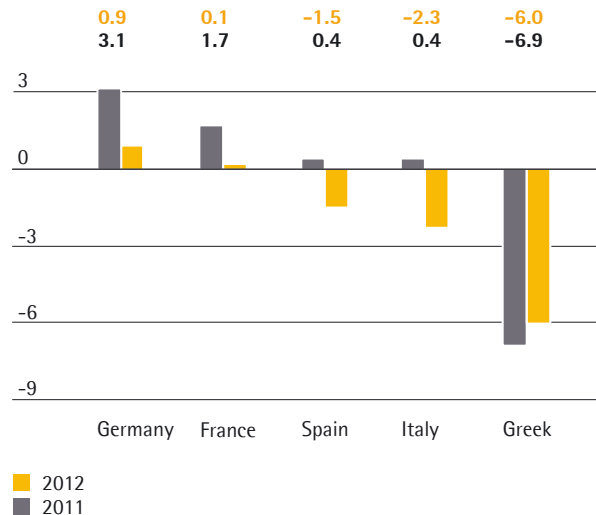
The IMF data shows that economic output in the industrialized countries increased by 1.3% in the reporting year (2011: 1.6%), with performance once again varying enormously from country to country.

The U.S. economy is predicted to have grown by 2.2% (2011: 1.8%) in the reporting year. Strong private demand was the main factor driving growth, but rising government spending and exports also made a significant contribution.

The slowdown of economic momentum evident since the end of 2011 in Germany persisted and while private consumers and the state both increased spending, companies responded to the uncertain business outlook by reducing capital expenditure and lowering inventories. Given these developments and softer demand from the eurozone, the IMF expects German gross domestic product to have risen by 0.9% in the reporting year (previous year: 3.1%).

Economic activity appears to have slowed in France too, with the rate of growth forecast to have dropped back from 1.7% in the previous year to just 0.1% in 2012. Rising unemployment and a sharp fall in capital expenditure are considered the main cause of this change.

Gross Domestic Product EU
in %



Source: International Monetary Fund

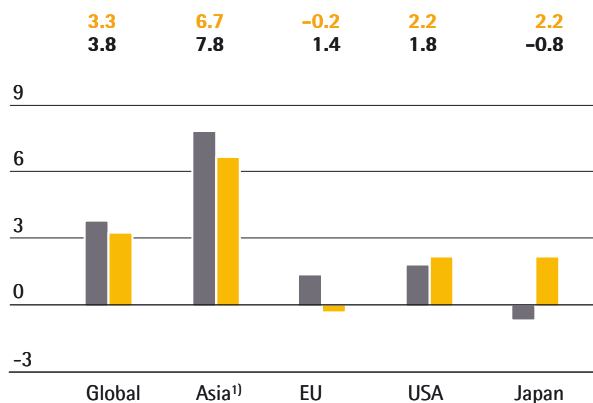
The rapid growth rates of many Asian countries (China, India, Indonesia, Malaysia, the Philippines, Thailand and Vietnam) slowed slightly in the reporting year in the face of weakening demand from the eurozone and the USA. They remained high by global standards, however, with overall growth in the region in 2012 expected to reach 6.7% (previous year: 7.8%).

China's economy is likely to have grown by around 7.8% in the reporting year according to the IMF (previous year: 9.2%). The main factors driving this growth were investment in plant and equipment and infrastructure measures.

India felt the effects of weak demand due to the debt crisis and the tightening of fiscal policy as part of efforts to combat budget deficit concerns and economic growth in the country consequently dropped back to 4.9% according to the IMF (previous year: 6.8%).

The IMF estimates that the Japanese economy will have grown by 2.2% in 2012 (previous year: -0.8%). This growth was driven mainly by the government investment program introduced following the natural disaster of the previous year. The positive effects of this spending were particularly pronounced in the first half of 2012.

Gross Domestic Product by Region
in %



■ 2012
■ 2011

¹⁾ Asia = China, India and Asean-5 (Indonesia, Malaysia,

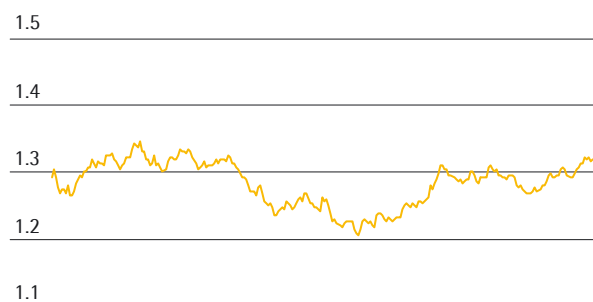
Source: International Monetary Fund

Exchange Rate Trends

Important currencies for the Sartorius Group include the U.S. dollar, to which a number of other significant currencies are linked, as well as the euro. The euro weakened against the U.S. dollar in the mid of the reporting period, reaching 1.20 U.S. dollars in July. However, the euro strengthened towards the end of the year 2012, registering a rate of 1.32 U.S. dollars.

Development of the EUR | U.S. Dollar

Period: January 02, 2012, to December 28, 2012



Source: vwd

Interest Rate Trends

Average global interest rates fell sharply during the year under review and reached historically low levels. The 3-month EURIBOR rate – the rate of interest on fixed-term deposits denominated in euros in interbank business – fell from 1.4% as at December 31, 2011 to 0.2% on December 31, 2012.

Sources: International Monetary Fund: World Economic Outlook October 2012; vwd; Deutsche Bundesbank.

Sector Conditions

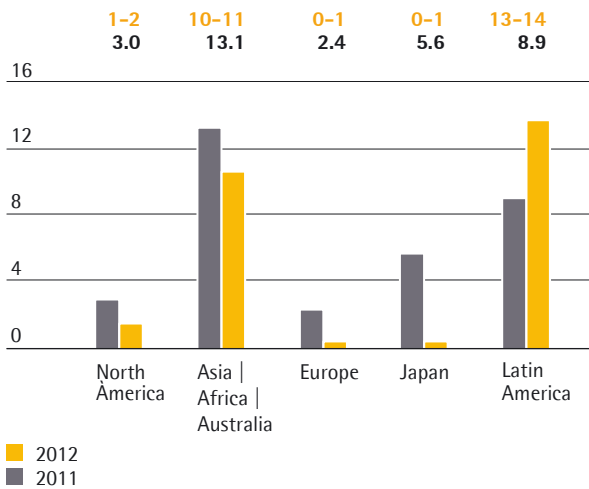
Sartorius serves customers mainly from the biopharmaceutical and pharmaceutical industry, the chemical and food industries and the public research sector. The progress of the Group's business accordingly depends to a considerable extent on developments in these areas.

Continued Stable Growth in the Pharmaceutical Markets

The key factors influencing the pharmaceutical sector remained largely unchanged during the reporting period. While demographic change, improving access to healthcare, particularly in the Emerging Markets, the increasing prevalence of lifestyle diseases and chronic illnesses and the development of new drugs continued to drive growth, austerity measures affecting the healthcare systems of the industrialized nations and the expiration of patents exerted a braking effect.

International market research institute IMS Health expects growth of 3% to 4% for the global pharmaceutical market in 2012 (previous year: 5.1%).

Growth of the Regional Pharma Markets
in %



Source: IMS Health

According to IMS, growth was once again strongest in the regions of Asia | Africa | Australia, at 10% to 11%, and Latin America, at 13% to 14%. The expansion of state-funded healthcare systems was the main factor behind the growth seen in this area.

Biotechnology Market Continues to Grow Faster than Market as a Whole

The biotechnology market again grew significantly faster than the global pharmaceutical market as a whole. This is attributable in particular to the launch of many new biopharmaceutical drugs in the last few years and expanded indications for existing medicines. IMS Health is forecasting an average annual growth rate for the period 2012-2015 of around 7.7%. Expert studies suggest that the proportion of sales revenue accounted for by medications manufactured using biotech methods rose from 10% to around 20% between 2002 and 2012. Therapeutic proteins, which play an important role in the treatment of conditions including diabetes and chronic anemia, still make up the largest category of active ingredients produced using biotech methods at the moment, but experts expect the importance of other categories, especially monoclonal antibodies, to continue growing over the next few years. Monoclonal antibodies are used for applications including the treatment of cancer, HIV and autoimmune diseases such as multiple sclerosis and rheumatoid arthritis. A study produced by the Boston Consulting Group found that there were approximately 300 monoclonal antibodies undergoing clinical development (Phase I-III) in 2011, which represents a significant increase even on the previous year.

Pronounced Move to Single-use Systems in Biopharmaceutical Production

Biotech production methods are much more complex than traditional methods and have so far also proved more cost-intensive. Manufacturers and suppliers are consequently engaged in an intensive search for more productive process technologies. Single-use products, which require significantly less capital expenditure, reduce cleaning and validation costs and minimize downtime, have a crucial role to play here. Single-use products deliver greater flexibility too and help to bring developments to market faster. Thanks in particular to their cost-efficiency, single-use products have now become well established in a large number of process steps.

The Public Research Sector – Emerging Countries Growing in Significance

A proportion of the demand for our laboratory equipment comes from public-sector research. The OECD reports that some countries have announced and instituted cuts in R&D budgets in the wake of the economic crisis but still expects overall global R&D spending to have risen from \$1.3 billion in 2011 to \$1.4 billion in 2012. It credits this increase chiefly to greater total spending on R&D in the emerging countries; no change is expected in R&D investment in the industrialized countries.

The Chemical Industry – Production Growth Slows

The rate of growth in global chemical production fell from 4.8% in 2011 to 2.0% in the 2012 reporting year according to the German Chemical Industry Federation (VCI). The U.S. chemical industry saw no growth in 2012 and chemical production in Germany actually contracted by 3%, but in China, for example, the rate of growth in the sector remained strong at 10.5%. The industry is expected to report disproportionately strong growth in sales revenue despite these contrasting fortunes due to a sharp rise in prices, particularly in the petrochemicals sector.

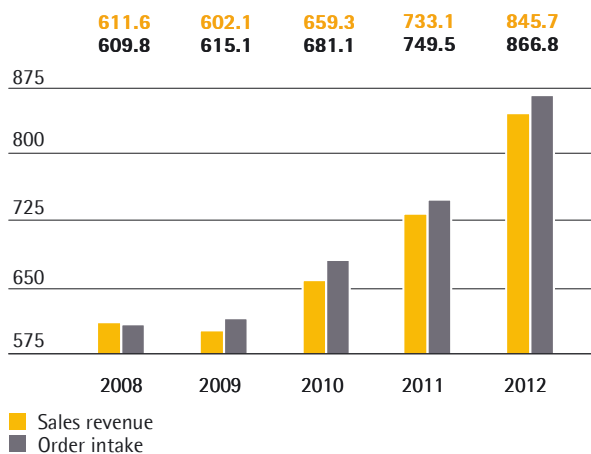
Sources: The Boston Consulting Group: "Medizinische Biotechnologie in Deutschland 2012" [Medical Biotechnology in Germany 2012]; Cefic: Chemicals Trends Report November 2012; Evaluate Pharma: World Preview 2018; OECD: Science, Technology and Industry Outlook 2012; IMS: IMS Health Market Prognosis May 2012.

Group Business Development

Order Intake and Sales Revenue

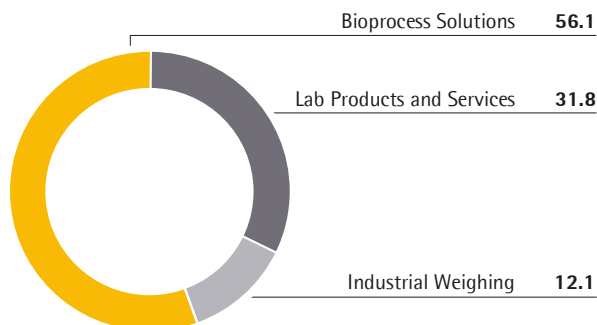
In the reporting year, business for the Sartorius Group performed very positively again, with substantial double-digit gains in sales revenue and earnings. Therefore, the Group developed even better than forecasted at the outset of the year, especially due to the strong North American business of the Bioprocess Solutions Division.

Group Order Intake and Sales Revenue
€ in millions



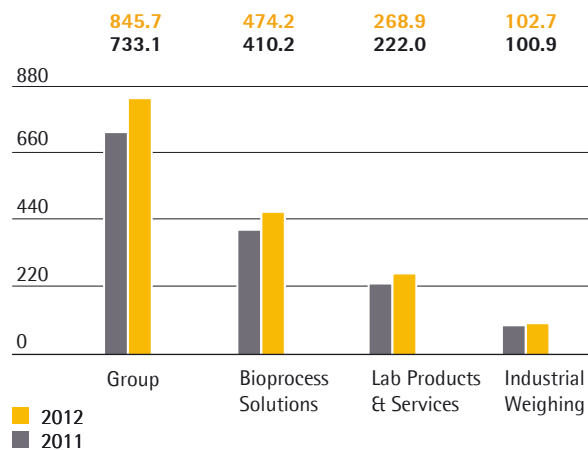
In 2012, order intake jumped 15.7%, or 12.0% in constant currencies, to €866.8 million. Group sales revenue rose 15.4%, or 11.7% in constant currencies, to €845.7 million. The Biohit Liquid Handling business acquired at the end of 2011 contributed around six percentage points to this expansion in sales revenue.

Group Sales Revenue by Division
in %



The Group divisions Bioprocess Solutions and Lab Products & Services posted significant growth in the reporting year. Order intake for the Bioprocess Solutions Division thus rose 11.0%, or 7.3% in constant currencies, to €479.5 million. Its sales revenue jumped 15.6%, or 11.8% in constant currencies, to €474.2 million, primarily as a result of the strong demand for our single-use products.

Group Sales Revenue and Growth¹⁾
€ in millions, unless otherwise specified



	Sales revenue € in millions	Growth in %	Growth ¹⁾ in %
Group	845.7	15.4	11.7
Bioprocess Solutions	474.2	15.6	11.8
Lab Products & Services	268.9	21.1	17.1
Industrial Weighing	102.7	1.8	-0.2

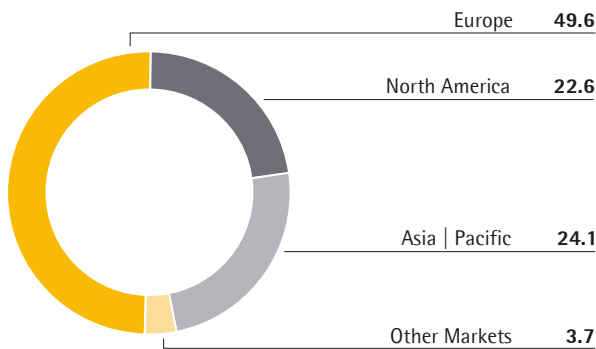
¹⁾ currency-adjusted (cc)

In the reporting year, the Lab Products & Services Division received orders amounting to €282.0 million, which equates to a sharp gain of 30.5%, or 26.2% in constant currencies. Its sales revenue soared 21.1%, or 17.1% in constant currencies, to €268.9 million. Initial consolidation of the Biohit Liquid Handling business contributed around 19 percentage points, based on constant currencies, to this sales increase. Without currency and acquisition effects, sales revenue was slightly below the excellent previous year's level that was favorably impacted by the comparably high order backlogs from 2010.

The Industrial Weighing Division increased its order intake by 3.9%, or 1.9% in constant currencies, to €105.4 million. With sales revenue up 1.8% (currency-adjusted -0.2%) at €102.7 million, the division approximately reached the good level it had posted in the year before.

Further information on the business development of the Group divisions is given on pp. 30 et seq. (Bioprocess Solutions Division), pp. 37 et seq. (Lab Products & Services Division) and on pp. 41 et seq. (Industrial Weighing Division).

Group Sales Revenue by Region¹⁾
in %



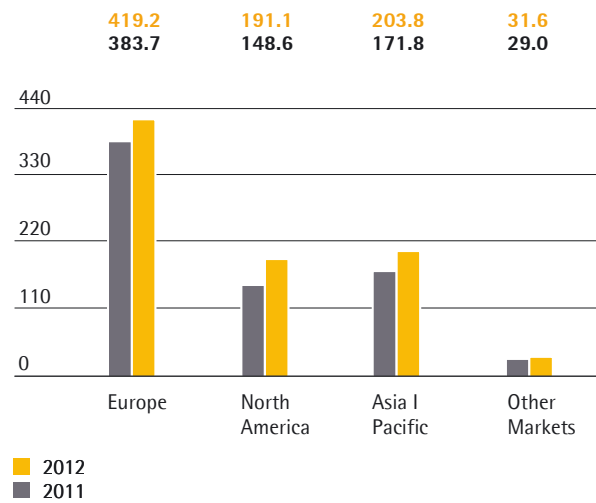
¹⁾ acc. to customers' location

In Europe, the region that generates the highest share of sales of around 50% for the Sartorius Group, we reported a gain in sales revenue of 8.6% in constant currencies. While the Bioprocess Solutions Division posted an increase of 7.6% in constant currencies for this region, the Lab Products & Services Division contributed overproportionately to positive business development in Europe by recording a gain of 17.5% in constant currencies, based on initial consolidation of the Biohit Liquid Handling business. Seen against the backdrop of the dampened economic environment, sales revenue for the Industrial Weighing Division eased slightly from the previous year's level (currency-adjusted -3.8%).

In the Asia | Pacific region that accounts for around 24% of sales, the Bioprocess Solutions Division posted sales up by 13.9% in constant currencies. While the Lab Products & Services Division reported a gain of 14.4% on a currency-adjusted basis, sales of the Industrial Weighing Division were up by 7.0% in constant currencies. On the whole, sales revenue for the region rose 13.0% in constant currencies.

North America, which represents approximately 23% of Group revenue, saw highly dynamic growth of 18.9% in constant currencies, which was driven by the Bioprocess Solutions Division (currency-adjusted +18.2%) and the Lab Products & Services Division (currency adjusted +25.4%). Revenue for the Industrial Weighing Division was approximately at the year-earlier level (currency-adjusted -0.7%).

Group Sales Revenue¹⁾ by Region
€ in millions, unless otherwise specified



	Sales revenue ¹⁾ € in millions	Growth in %	Growth ²⁾ in %
Group	845.7	15.4	11.7
Europe	419.2	9.3	8.6
North America	191.1	28.6	18.9
Asia Pacific	203.8	18.6	13.0
Other Markets	31.6	9.0	8.8

¹⁾ acc. to customers' location

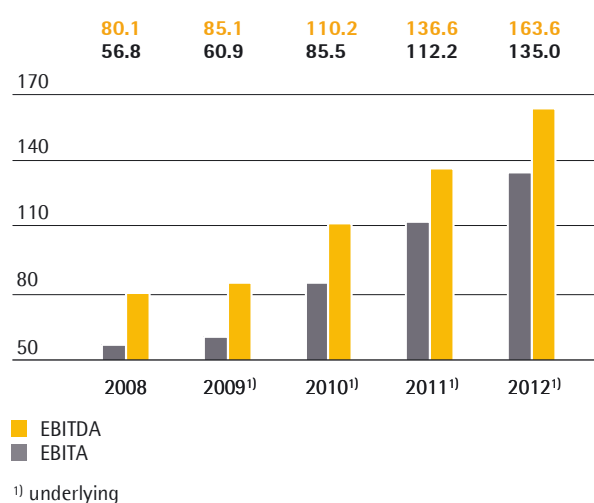
²⁾ currency-adjusted

Earnings

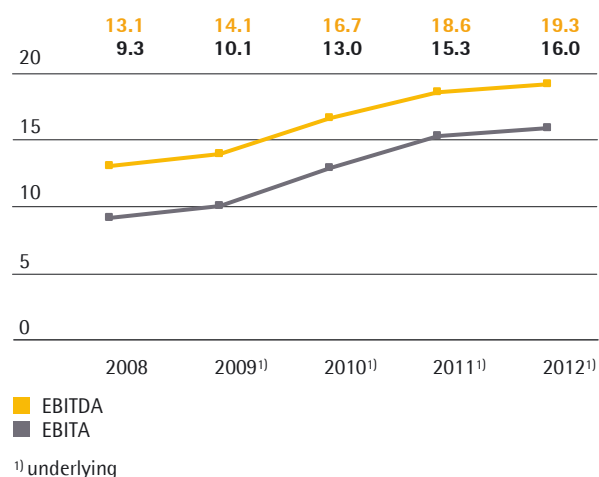
The Sartorius Group uses earnings before interest, taxes and amortization, EBITA, as the key profitability measure. Amortization in this context refers exclusively to purchase price allocation to intangible assets acquired, as specified by IFRS 3. To provide a complete and transparent presentation of the Group's profitability, we additionally report earnings adjusted for extraordinary expenses and income (= underlying EBITDA, underlying EBITA).

In fiscal 2012, earnings for the Sartorius Group again performed better than forecasted at the outset of the year. The strong business of the Bioprocess Solutions Division and positive currency effects primarily contributed to this performance. Underlying EBITDA thus increased overproportionately by 19.8% to €163.6 million. The underlying EBITA margin was at 19.3%, up from 18.6% a year ago. Underlying EBITA surged 20.3% to €135.0 million and the respective earnings margin improved from 15.3% to 16.0%.

Group EBITDA and EBITA
€ in millions



Group EBITDA and EBITA margin
in %



In the reporting year, the Bioprocess Solutions Division achieved the highest gain, with its underlying EBITA increasing overproportionately by 22.9% from €71.6 million to €88.0 million. The division's margin improved from 17.5% to 18.6%. The Lab Products & Services Division reported an underlying EBITA of

€36.9 million, which is up from €30.7 million a year ago and equates to a gain of 20.1%. At 13.7%, the division's margin remained as expected approximately at the previous year's level of 13.8%. The Industrial Weighing Division attained an underlying EBITA of €10.1 million, up from €9.9 million a year earlier; at 9.9%, its margin remained nearly constant relative to 9.8% a year ago.

	EBITA ¹⁾ € in millions	EBITA Margin ¹⁾ in %
Group	135.0	16.0
Bioprocess Solutions	88.0	18.6
Lab Products & Services	36.9	13.7
Industrial Weighing	10.1	9.9

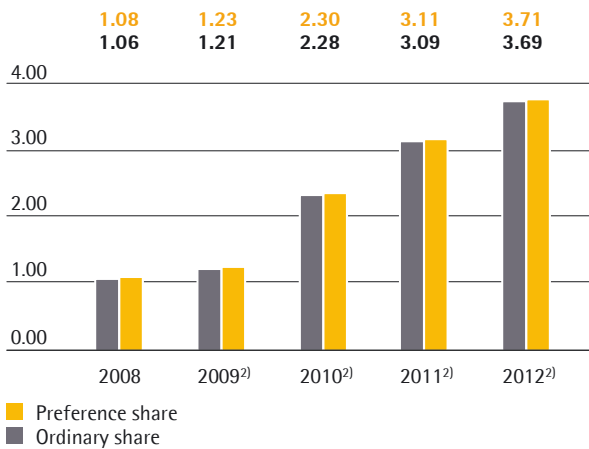
¹⁾ underlying

Including extraordinary items of -€13.9 million (2011: -€11.3 million), EBITA amounted to €121.1 million, up from €100.9 million a year earlier. Extraordinary items essentially covered the transfer of single-use bag manufacture from Concord, California, to Yauco, Puerto Rico; integration of the Biohit Liquid Handling business; and other non-operating expenses and income. The Group's respective EBITA margin was at 14.3%, compared with 13.8% a year ago. For the reporting year, unadjusted consolidated net profit after non-controlling interest totaled €48.5 million, up from €41.6 million in the year before.

The relevant underlying net profit for the Group surged 19.3% to €63.0 million from €52.8 million in the previous year. This figure is calculated by adjusting for extraordinary items, eliminating non-cash amortization and the effects of fair value adjustments of hedging instruments, including the respective tax effects, as well as by taking non-controlling interest into account. The corresponding earnings per ordinary share are at €3.69, up from €3.09 a year earlier, and per preference share, at €3.71 euros, up from €3.11 euros a year ago.

Further information on the earnings development and the extraordinary items for the Group divisions is given on pages 33, 38 et seq and 42 et seq.

Group Earnings per Share¹⁾ in €



¹⁾ excluding non-cash amortization and, for 2011 and 2012, additional effects from fair value adjustments of hedging instruments, as well as excluding non-cash interest expenses for share price warrants in 2008 and 2009

²⁾ underlying

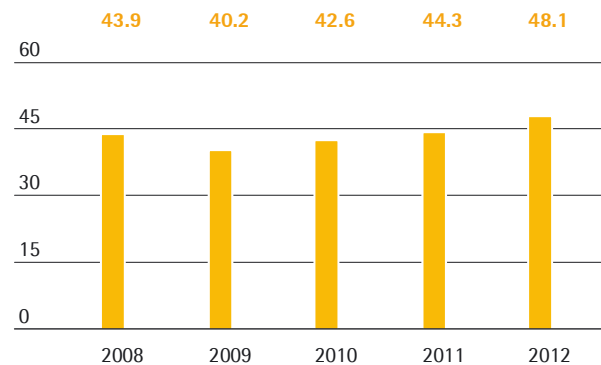
Appropriation of Profits

The Supervisory Board and the Executive Board will submit a proposal at the Annual Shareholders' Meeting on April 18, 2013, to raise dividends for fiscal 2012. According to this proposal, dividends are set to increase from €0.82 a year ago to €0.96 per preference share, and from €0.80 a year earlier to €0.94 per ordinary share. The total amount disbursed under this proposal would thus rise 17.3% from €13.8 million to €16.2 million.

Research and Development

The Group as a whole invested a total of €48.1 million in research and development (R&D) in the reporting year. This represents a year-on-year increase of 8.6% (previous year: €44.3 million). The ratio of R&D costs to sales revenue stands at 5.7%, down slightly from the previous year's mark (6.0%).

R&D Costs € in millions



We endeavor to expand our range of products continuously both via our own research and development and by integrating technologies through alliances.

We operate a strategic intellectual and industrial property rights policy across our divisions to protect our expertise. This entails a systematic program to detect any infringements of our rights plus reviews based on a cost|benefit approach to determine which specific individual rights need to be maintained.

The number of applications filed for intellectual and industrial property rights in 2012 remained high at 258 (previous year: 259) and we were issued 204 patents and trademarks in the reporting year as a result of past applications (previous year: 182). As of the balance sheet date, we had a total of 2,847 patents and trademarks in our portfolio (previous year: 2,365).

Further information may be found in the sections covering the individual divisions on pages 35 et seq, 40 and 44.

Capital Expenditure

We completed the construction projects undertaken to expand our production capacities on schedule in the reporting year, which contributed to capital expenditure at the Sartorius Group remaining high at €74.2 million (previous year: €51.8 million).

A new building for the production of filter membranes was opened at the Goettingen site in April, while the expansion of the Yauco site, which has become our main production and logistics facility for the North America market and now also manufactures bags as well as filters, was completed in the summer of 2012. In addition, fermenter and bioreactor production transferred in May 2012 from Melsungen to our newly developed site at Guxhagen.

Finally, Sartorius also commissioned a new ERP system in Goettingen in the reporting year. The system is based on the new business processes, which were defined in a standardized way across the group in 2011. This marked the passing of a significant milestone on the path to establishing a uniform global platform for sustainable and profitable growth. We intend to roll the harmonized business processes and the new ERP system out internationally in stages beginning in 2013.

Group Employees

The numbers of employees reported in the following include all staff members except for vocational trainees, interns, employees on extended leaves of absence and those participating in an early retirement plan. These numbers are recorded as head counts, meaning that all employees are counted regardless of whether they work full or part time.

The number of people employed by the Sartorius Group rose by 12.4% to 5,491 in the year to December 31, 2012. This increase stemmed in part from our dynamic growth and in part from the inclusion for the first time of around 400 employees who joined us with the Biohit Liquid Handling business. Our 2011 head count including the effect of this acquisition would have been 5,299.

Employees

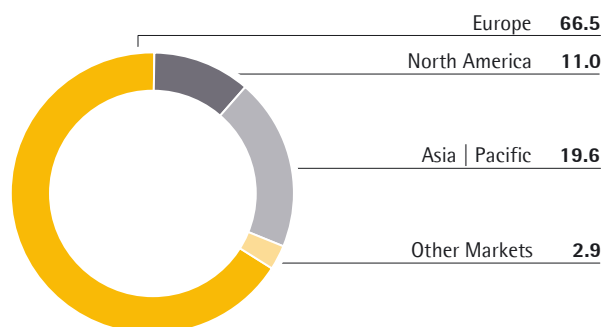
	2012	2011 ¹⁾	Growth in %
Bioprocess Solutions	2,777	2,621	5.9
Lab Products & Services	1,972	1,547	27.4
Industrial Weighing	742	718	3.4
Group	5,491	4,887	12.4

¹⁾ excluding Biohit Liquid Handling

Around half of our employees worked in the Bioprocess Solutions Division (2,777 or 50.6%), while the Lab Products & Services Division employed a good third (1,972). This division had the largest number of new staff added due to the acquisition of Biohit Liquid Handling. The Industrial Weighing Division had 742 employees as of the reporting date (13.5%).

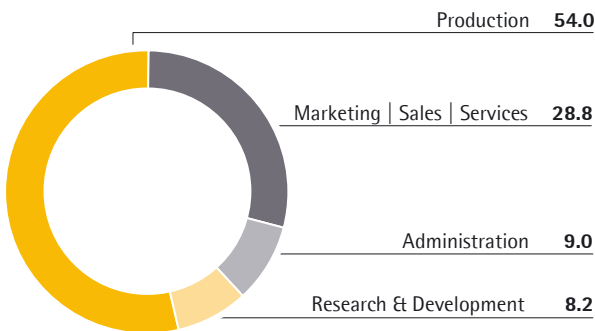
Employees by Region

December 31, 2012; in %



The regional breakdown shows that head count rose most quickly in Europe, where Sartorius had a total of 3,650 people in its employment on December 31, 2012. This represents an increase of 13.7% over the previous year's figure of 3,211. The number of people employed in the Asia | Pacific region rose by 9.4% to 1,078 (2011: 985). The increases recorded in both regions resulted principally from acquisitions. The number of people employed in North America rose by 6.1% year on year to 606 (2011: 571). Our recruitment activities in this part of the world focused in particular on sales and application specialists. We increased head count at our bag manufacturing site at Mohamdia (Tunisia), which we report under Other Markets, from 120 people to 157.

Employees by Function
December 31, 2012; in %



We had 2,965 people – that is to say 54.0% of our total workforce – employed in the Production function on the reporting date (previous year: 2,600). This 14.0% increase stems chiefly from the expansion of production capacities in response to strong demand for single-use products and the Biohit Liquid Handling acquisition. A total of 1,580 people, or nearly a third of the company's total workforce, work in the Marketing, Sales and Distribution and Service functions (previous year: 1,433). Our head count in research and development increased by 13.6% to 451 people, while the number of people employed in the Administrative units, which include Finance, Human Resources and IT, amounted at the end of the reporting year to 496 (previous year: 458).

Employees by Age

in %	2012
16 – 20 years	0.7
21 – 30 years	20.8
31 – 40 years	29.2
41 – 50 years	27.5
51 – 60 years	19.4
61 years and above	2.4

The Sartorius Group employed 1,856 women and 3,635 men as of December 31, 2012, meaning that women make up 34% of the total workforce and men 66%. More than half of our employees are between the ages of 31 and 50. The average employee age across the entire workforce in the reporting period was 40.7 years.

Attrition Rate, Recruitment, Length of Service and Absence

The attrition rate reported by Sartorius expresses the number of people leaving the company as a percentage of the average head count in the reporting year. It includes terminated contracts, retirements and other reasons for employees leaving the company. The calculated attrition rate for the Group as a whole amounted in 2012 to 11.3% (previous year: 7.6%). The relocation of jobs from Concord, California, to Yauco as well as head-count variations due to temporary workers at the French production sites accounted for this increase. Our German Group sites, which employ 43.6% of our people, recorded an improved attrition rate of 3.9% (previous year: 4.2%).

A total of 838 new employees joined the company in the reporting year. The average length of time for which employees remain with the company stood in 2012 at 10.3 years worldwide and 14.2 years in Germany.

The average period missed due to sickness amounted in the reporting year to 6.5 days per employee based on our total head count. This does not include time lost due to long-term health conditions and statutory maternity entitlements or absence as a result of work-related accidents.

Business Development of the Bioprocess Solutions Division

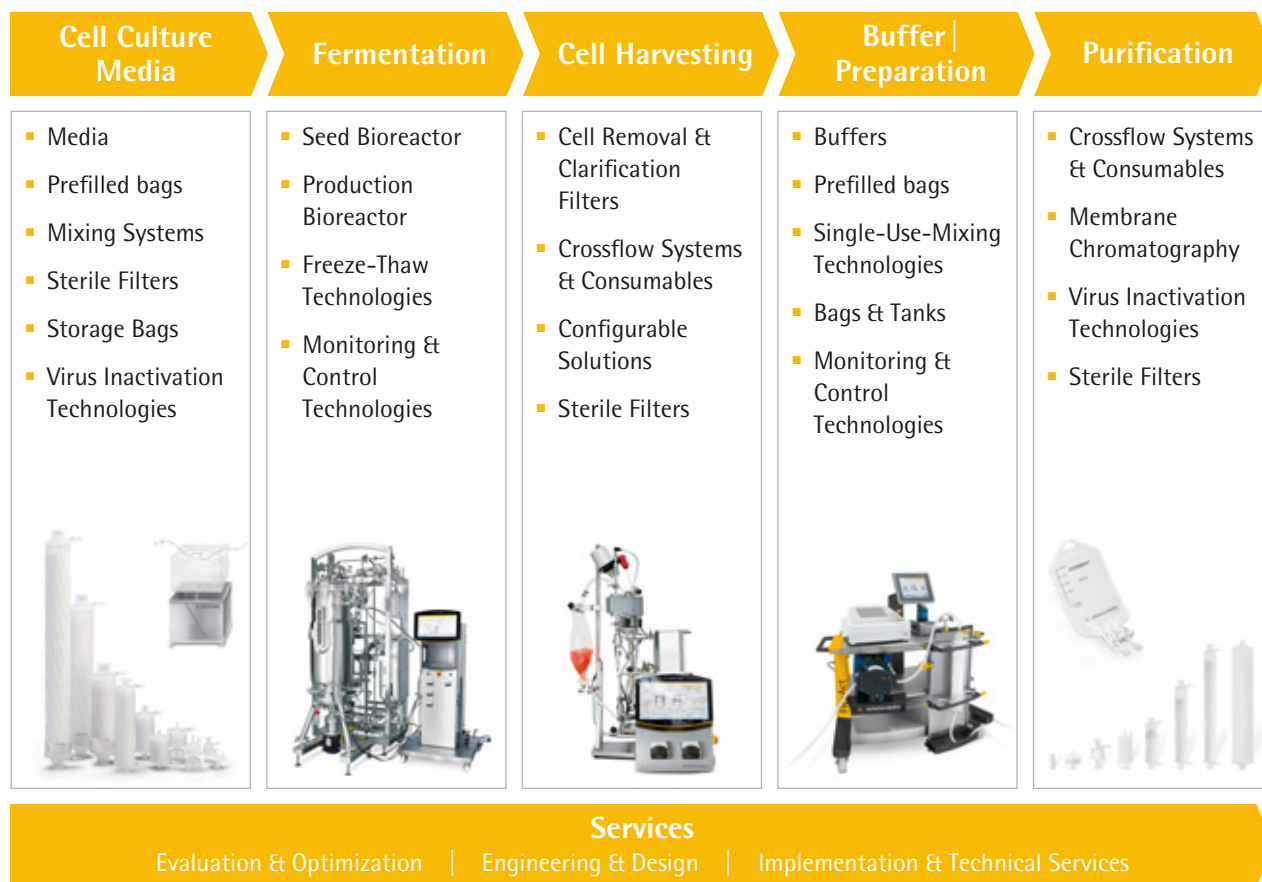
Strategy

Bioprocess Business Leads the Way

Bioprocess business, which dominated the activities of the former Biotechnology Division, has been pursued through its own dedicated division, Bioprocess Solutions, since the beginning of 2012. The remaining – and much smaller – part of the Biotechnology Division's operation, the business with laboratory consumables, became part of the Lab Products & Services Division at the start of the reporting year.

The Bioprocess Solutions Division operates as a total solution provider offering integrated solutions for the main process steps in biopharmaceutical production. Its extensive range of technologies, products and services helps customers to manufacture medications and vaccines safely and efficiently using biological methods. The division ranks as a global leader in process filtration, fermentation, fluid management technology and membrane chromatography.

Integrated Products and Services along the Customer's Process Chain



Extensive Single-use Portfolio

Our major focus is to provide single-use products to our biopharmaceutical customers to serve their needs in production processes. Our innovative single-use products, which account for approximately three quarters of our sales revenue, are an innovative alternative to conventional reusable stainless steel systems thanks to significant cost- and time-savings and reduce the risk of contamination. We have the most extensive portfolio of single-use technologies in the sector and also offer integrated single-use systems. Our services, which we tailor specifically to the requirements of individual applications, and our comprehensive technical consulting differentiate ourselves from the competition.

Total Solution Provider Strategy Offers Great Potential

The Bioprocess Solutions Division is continuing to consistently implement its solution provider strategy that has proven so successful over the past decade. Accordingly, we focus on the biopharmaceutical market, which we continue to regard as highly attractive with stable, above-average growth potential.

We aim to achieve further significant organic growth going forward. We plan to expand our existing business worldwide based on the strong position we have already attained and, in the process, to continue enhancing our regional presence. North America remains the leading market in the world for biopharmaceuticals and we have consequently expanded our capacities, especially in sales and distribution and application development, in this region in order to grow our business even faster and gain market share. We have also enlarged our organization in the dynamically expanding pharmaceutical markets of Asia, especially China, India and South Korea, which we have identified as our second regional focal point. Here too we have been concentrating on expanding capacity in sales, distribution and in application technology functions.

Expanding the Product Portfolio

The cooperation agreement signed with Swiss life sciences group Lonza in December 2012 concerning the marketing of cell culture media adds another key element to our product portfolio. In addition we intend to expand the Bioprocess Solutions product range – already one of the broadest and most attractive in the sector – step-by-step across the biopharmaceutical industry process chain.

Research and Development

Carefully chosen strategic partnerships and acquisitions play a central role alongside our own research and development activities in putting our strategy into practice. Our R&D department, which has actively expanded its expertise in technology integration in line with this approach, quickly combines the technologies contributed by our partners with our own components to create innovative new products.

Key figures for Bioprocess Solutions

€ in millions	2012	2011
Order intake	479.5	432.0
Sales revenue	474.2	410.2
EBITDA ¹⁾	104.7	87.7
- as a % of sales revenue	22.1	21.4
Depreciation and amortization	25.0	24.5
EBITA ¹⁾	88.0	71.6
- as a % of sales revenue	18.6	17.5
Employees as of Dec. 31	2,777	2,621

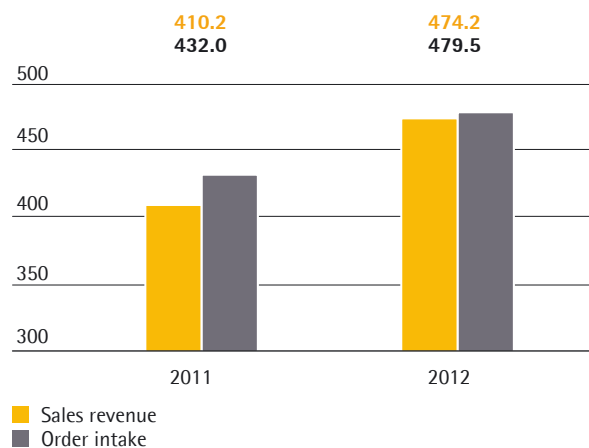
¹⁾ underlying

Order Intake and Sales Revenue

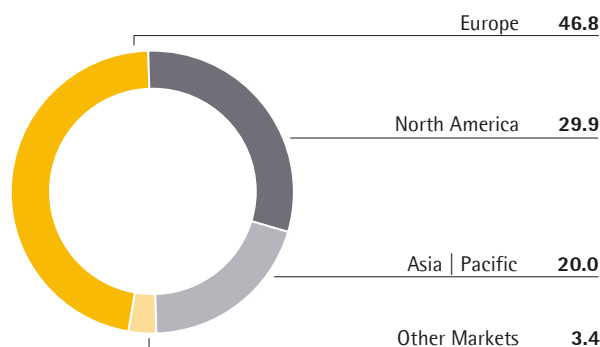
In the reporting year, the Bioprocess Solutions Division recorded a total volume of €479.5 million in order intake. This equates to a gain of 11.0%, or 7.3% in constant currencies. In the same period, sales revenue sharply increased 15.6%, or 11.8% in constant currencies, to €474.2 million and thus performed significantly better on account of strong business in North America than the currency-adjusted 6% to 8% growth we had forecasted at the outset of the year. According to our estimates in the period under review, the division gained further market shares.

Our business with single-use products continued to develop highly dynamically. In addition to our established single-use filters, our new sterilizing-grade membrane cartridge Sartopore Platinum elicited a highly positive response from customers. Business with single-use bags as well as our products for the purification of biopharmaceutical media also saw substantial growth.

Bioprocess Solutions Order Intake and Sales Revenue
€ in millions



Bioprocess Solutions Sales Revenue by Region¹⁾
in %

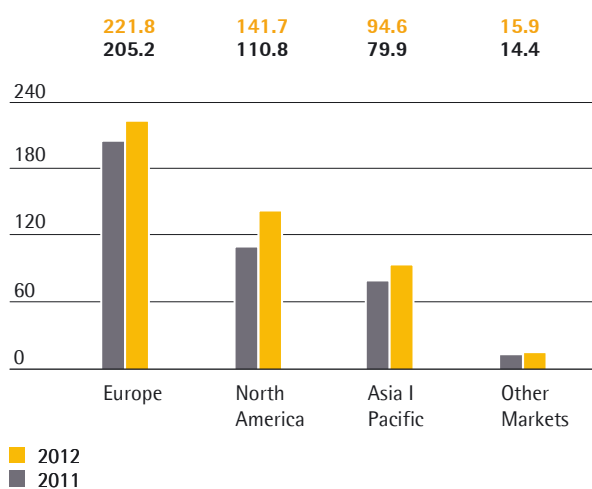


¹⁾ acc. to customers location

The division's business development in the reporting year was driven by all regions. Europe, our region that accounts for the highest revenues and for around 47% of our bioprocess business, posted a gain of 7.6% in currency-adjusted sales.

We earned around 30% of the division's sales in North America. Showing a significant gain of 18.2% in constant currencies, business in this region generated the highest growth momentum in the reporting year, well exceeding our expectations. In addition to our single-use products, good equipment business also contributed to this upsurge.

The Asia|Pacific region, which in 2012 constituted around 20% of the division's total business, again developed dynamically. In this region, we recorded an increase in sales of 13.9% in constant currencies relative to a strong year-earlier revenue base.

Bioprocess Solutions Sales Revenue¹⁾ by Region
 € in millions, unless otherwise specified


	Sales revenue ¹⁾ € in millions	Growth in %	Growth ²⁾ in %
Bioprocess Solutions	474.2	15.6	11.8
Europe	221.8	8.1	7.6
North America	141.7	27.9	18.2
Asia Pacific	94.6	18.5	13.9
Other Markets	15.9	10.7	10.6

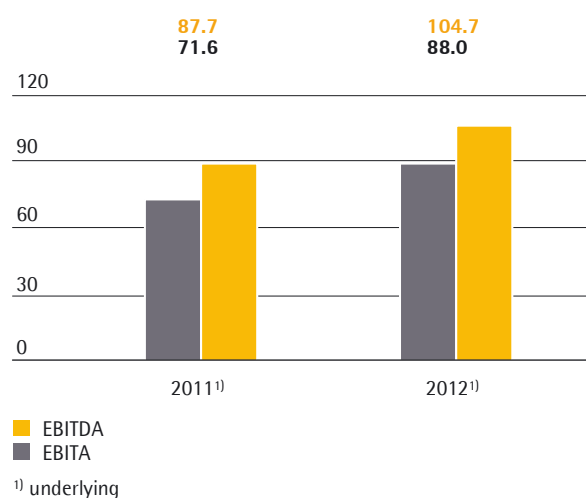
¹⁾ acc. to customers' location

²⁾ currency-adjusted

Earnings

To provide a complete and transparent presentation of the profitability of the Bioprocess Solutions Division, we additionally report earnings adjusted for extraordinary items (= underlying EBITDA, underlying EBITA).

In the reporting period, earnings for the Bioprocess Solutions Division developed significantly better than forecasted based on strong sales growth and positive currency effects. Underlying EBITDA thus increased overproportionately by 19.4% to €104.7 million. The division's margin rose accordingly from 21.4% to 22.1%. Underlying EBITA improved from €71.6 million to €88.0 million and was therefore up 22.9%. The respective margin rose from 17.5% to 18.6%.

Bioprocess Solutions EBITDA and EBITA
 € in millions

EBITDA and EBITA margin Bioprocess Solutions

	2012	2011
EBITDA margin ¹⁾ in %	22.1	21.4
EBITA margin ¹⁾ in %	18.6	17.5

¹⁾ underlying

The Bioprocess Solutions Division reported extraordinary items of -€8.9 million for the year under review, compared with -€4.5 million in the previous year. Including these extraordinary items, the division's EBITA rose from €67.1 million to €79.1 million; its respective margin increased from 16.4% to 16.7%.

Marketing | Sales and Distribution | Services

The Bioprocess Solutions Division offers a comprehensive range of products covering large parts of the biopharmaceutical process chain. Single-use products, which have now become established in almost all process steps and are increasingly replacing conventional solutions, are central to the portfolio and we consequently made a priority in the reporting year of launching new single-use products and complete system solutions based on single-use technology.

Sales Offensive Underway in the USA

We launched a sales initiative in the USA in the reporting year in a bid to optimize our activities in the world's largest pharmaceutical market. The initiative involved an analysis of our customers as well as a comprehensive examination of existing sales and distribution structures and processes. The results of these investigations led us to prioritize sales resources and adopt a sharper focus in certain biotech regions. Following its successful debut in the U.S.A. the sales initiative is now also to be rolled out in Europe and Asia.

Successful Marketing Communication

Our 2012 marketing highlights includedACHEMA, the world's largest process engineering trade fair, where we presented a host of product developments in the areas of filtration, fermentation and fluid management, and a supplement entitled "Experience Innovations" that we distributed through carefully selected technical journals in order to reach just the right customer groups. We also attended a series of other international exhibitions during the reporting year.

We significantly expanded our marketing communication in the online sphere in 2012 and now provide regular updates on new products, events and offers in a newsletter distributed to over 260,000 prospective customers. We comprehensively revised our global internet presence too: launched in April 2012, our new website provides comprehensive information about products and applications in a number of languages and also includes an expanded e-shop that represents an important sales channel for dealers and end customers.

Service Activities Established in Asia; Validation Services in Demand

We provide expertise-intensive services that ensure optimal support for the often highly complex production processes employed by our customers. These ser-

vices play an essential role in establishing new technological developments. Demand for our validation services increased notably in the reporting year and we received a particularly large volume of requests for validation studies in Asia, where we completed a project to expand our service structures during 2012. The "Extractables and Leachables Forum", which we extended to the USA as well for the first time in 2012, proved very popular with our customers.

PAT Software Distribution Partnership Agreed

We agreed a distribution partnership with Swedish company Umetrics in the reporting year to help optimize biopharmaceutical development and production processes. We are integrating Umetrics' software solutions into our own PAT portfolio and marketing the results to the pharmaceutical and biotech industry worldwide. This will enable us to offer customers a way to identify critical process parameters in cell culture and purification processes efficiently and speed up development.

Products

We supply customers in the biopharmaceutical industry with an extensive portfolio of products for the production of active ingredients for medical applications. Our range includes a considerable number of single-use products for use in upstream and downstream applications. We offer a broad array of filter membranes, the great majority of them single-use solutions, single-use and reusable bioreactors, single-use bags, tubing, connectors and containers plus filtration systems, filter integrity testing equipment and sophisticated services.

High-Performance Product Developments for Filtration

Highlights in the reporting year included the launch of the new Sartopore Platinum sterilizing-grade filter membrane, which, based on its outstanding performance, raises the bar considerably in the competitive arena. Sartopore Platinum increases product yields significantly thanks to its low protein binding. Other advantages of the new membrane include its exceptionally low water requirement for wetting and its exceptionally wide range of applications covering nearly all filtration processes. This filter helps improve the cost-efficiency of biopharmaceutical manufacturing processes substantially.

We completed our range of prefilters in 2012 with the addition of a new product line. We introduced more new filter modules for viral clearance and unveiled new cassettes for crossflow filtration. The new, highly compact SartoflowStudy filtration system makes it possible to concentrate very small product batches. Designed for flexibility, it can be used both for process development and for filtration tasks in small-scale production.

New Generation of Bioreactors Unveiled

We presented two new generations of established bioreactor lines for cell cultivation in the reporting year. The Biostat B type bioreactor, which can be used for both microbial and cell culture applications, has been comprehensively revised. A highly flexible system, it comes in a variety of configurations and can be employed in all kinds of processes in biotech research and development and in validated GMP environments. The arrival of the latest generation of the Biostat D-DCU marked our launch of standardized stainless steel bioreactors. The modular design of the system allows customers to configure their bioreactor to their specific requirements. Thanks to the line's shared technology platform, customers can also expect lower costs and faster delivery times.

Innovative Cleanroom System Presented

We unveiled the FlexMoSys modular cleanroom system together with our American partner G-Con at theACHEMA trade fair. This innovative GMP-compatible cleanroom module, which integrates our extensive portfolio of products and technologies, offers manufacturers in need of additional production capacity at short notice a way to create a cleanroom environment faster and more affordably than conventional alternatives.

Product Portfolio Enhanced with Cell Culture Media

The cooperation agreement signed with Swiss life sciences group Lonza at the end of 2012 significantly enhances our product range in the area of cell culture. The media and buffer solutions concerned are required in every biopharmaceutical manufacturing process, enabling us to supply customers with even more products from a single source.

Research and Development

The product and technology portfolio of the Bioprocess Solutions Division has been expanded significantly over recent years both through our own development activities and through alliances with external partners. We specialize in combining different technologies to create innovative products and use this approach in designing the modules of our FlexAct line, for example, for our single-use bioreactors and for our process analytics solutions.

In the reporting year, we stepped up our research and development activities and increased spending on R&D year over year by 16.2% from €23.9 million to €27.8 million. At 5.9%, the respective ratio of R&D costs to sales revenue was slightly higher than the previous year's figure of 5.8%.

High Number of New Developments for ACHEMA

In 2012, we focused our R&D efforts in 2012 on the development and completion of a large number of new products in time for ACHEMA, the world's leading trade fair, where we unveiled highlights including a new FlexAct module for integrity testing single-use bags, two new generations of bioreactor and the new Sartopore 3 and Sartoguard NF filter membranes. The new membrane structures and surface technologies we developed for these filter membranes are still unmatched in the market. We also developed a new generation of filter cartridges whose structure and membrane pleating enlarge the filter area and significantly enhance filtration performance.

New Plastic Films and Tubing Developed

The new plastic films we developed in the reporting year in cooperation with one of our partners are highly robust and break new ground with their particular suitability for microbial organisms and cell cultures. We are using these films for a new generation of single-use bags designed for fluid management and cell culture applications. Examples include an additional model for our successful Biostat STR line of single-use bioreactors. The 2,000 liter model completes this product line, giving customers a highly attractive alternative to conventional stainless steel systems for production-scale processes. We also conducted projects on single-use tubing for fluid management, too, developing not only new silicone tubing, but also another type of single-use tubing that we intend to use right across the fluid management product range.

Alliance to Develop Single-use Products for Pharmaceutical Filling Processes

We signed a cooperation agreement in the reporting year with Bosch Packaging Technology, a leading manufacturer of process and packing technology for the pharmaceutical industry, concerning a global collaboration in the area of pharmaceutical filling processes. As well as working with Bosch to develop single-use solutions for sterile medication filling, we are supplying our partner with preconfigured single-use sets that it will combine with its sterile filling and isolator technology to create new sterile filling systems.

	2012	2011
Number of patent and trademark applications	114	150
Registered patents and trademarks	112	76

Production and Supply Chain Management

Sartorius operates a well-developed global production network that ensures we supply customers around the world promptly and reliably. Our modern production facilities support the efficient manufacturing processes and short lead times and fast order processing we need to maintain our competitive edge around the world. Our largest sites are the plants at Goettingen in Germany and Aubagne in France, followed by the production facilities at Bangalore in India, Yauco in Puerto Rico and Guxhagen in Germany. The reporting year brought the successful completion of three major construction projects launched to expand, optimize and modernize our production infrastructure.

Membrane Production Capacity in Goettingen Increased

In April 2012, after approximately one year of construction, we officially opened our new production building in Goettingen and commissioned its advanced casting machine for filter membrane manufacture. This new casting machine and the technology upgrades completed on two other systems significantly increase our production capacity at the site. They also give us greater flexibility in configuring our manufacturing processes, enabling us to develop new products even faster and keep pace with our customers' ever more challenging quality requirements. The new building includes space for further expansion so that we can install another casting machine as necessary to accommodate future growth.

As we intend to establish the Goettingen site also as a center of competence for injection molding, we added a new annex to extend the production area available to Sartorius Stedim Plastics in the reporting year and increased the number of injection molding systems.

Yauco Plant Expanded and Upgraded; Single-use Bag Manufacture Successfully Relocated

We invested in the creation of new production capacity in Yauco, too, in response to rising demand from the pharmaceutical industry for single-use products. The expanded plant is now our central manufacturing and logistics site for the North American market. Single-use bags and filters are manufactured in an advanced new building that was completed on schedule in the summer of 2012 and includes space for clean-rooms, laboratories and offices. The building's cutting-edge energy management features and consistent use of natural resources earned it the best rating under the U.S. LEED certification system. Once the site expansion was complete, we relocated all single-use bag manufacturing activities to Yauco from their previous home at the Concord site in California, which was closed at the end of 2012.

New Production Facilities for Bioreactors at Guxhagen

In the summer of 2012, Group company Sartorius Stedim Systems moved into a new plant in Guxhagen near Kassel in Germany for the manufacture of bioreactors and other equipment for biopharmaceutical industry customers. Covering approximately 9,000 square meters, the new building provides for enhanced production processes and includes additional capacity to accommodate rising demand for single-use bioreactors. Sartorius vacated its old production site in nearby Melsungen when the Guxhagen facility opened.

Business Development of the Lab Products & Services Division

Strategy

Laboratory Portfolios Combined

We have merged the laboratory product portfolios of our two former divisions, Biotechnology and Mechatronics, into the new Lab Products & Services Division, whose range also includes the Biohit Liquid Handling business acquired in December 2011. The Lab Products & Services Division operates as a broad-based supplier of top-grade laboratory instruments and consumables backed by excellent service. As a premium provider, we not only supply our customers with products of superior quality and reliability, but also offer them an entire range of expert, high-performance services that are available worldwide.

Well Positioned with Laboratory Balances and Pipettes

Our laboratory business encompasses products such as laboratory balances, pipettes and water purification systems plus a wide range of consumables including laboratory filters, for example, and pipette tips. Sartorius is the world's second largest provider of laboratory weighing technology and also ranks among the leading global providers in the field of pipettes. Moreover, we dispose of a strong brand name and are very well positioned in our markets, especially in Europe and Asia.

Our products and services are used in both research and quality assurance labs. Therefore, we serve a broad customer base that includes the pharmaceutical, chemical and food industries and the academic sector. Lab instruments constitute the main strategic focus of the Division.

Attractive Potential for Growth

We see substantial potential for the Lab Products & Services Division to develop through organic growth. Thanks to the excellent reputation of our brand and our strong product portfolio, we have the critical mass necessary to achieve further substantial growth in our market shares. Addoringly, we have stepped up our direct sales as well as service activities in the reporting year, especially in regions like North America and Asia that offer above-average growth prospects.

We are aiming to add complementary laboratory products to our offering through both alliances and acquisitions as possible options.

Key figures for Lab Products & Services

€ in millions	2012	2011
Order intake	282.0	216.0
Sales revenue	268.9	222.0
EBITDA ¹⁾	46.8	37.0
- as a % of sales revenue	17.4	16.7
Depreciation and amortization	13.7	6.3
EBITA ¹⁾	36.9	30.7
- as a % of sales revenue	13.7	13.8
Employees as of Dec. 31 ²⁾	1,972	1,547

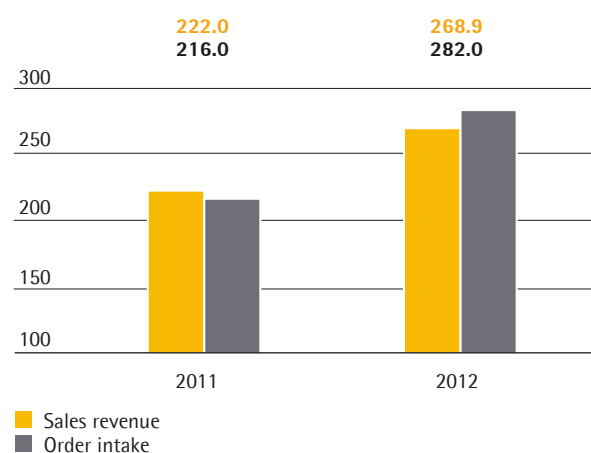
¹⁾ underlying

²⁾ For 2011, excluding Biohit Liquid Handling

Order Intake and Sales Revenue

In the Lab Products & Services Division, order intake surged in the reporting period by 30.5%, or 26.2%, in constant currencies, to €282.0 million. During the same period, sales revenue rose sharply by 21.1%, or 17.1% in constant currencies, to €268.9 million.

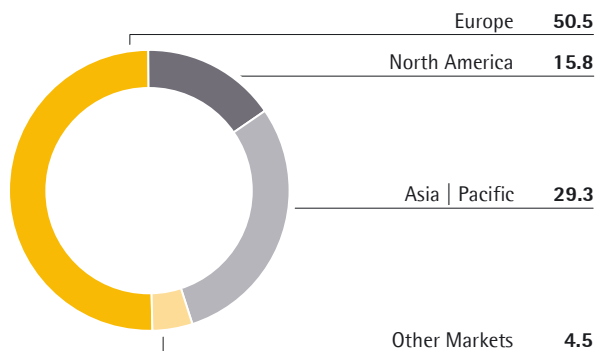
Lab Products and Services Order Intake and Sales Revenue
€ in millions



Initial consolidation of the Biohit Liquid Handling business contributed around 19 percentage points in constant currencies to this sales increase. Adjusted for currency and acquisition effects, sales revenue was slightly below the excellent previous year's level that

was favorably impacted by the comparably high order backlogs from 2010.

Lab Products & Services Sales Revenue by Region¹⁾
in %



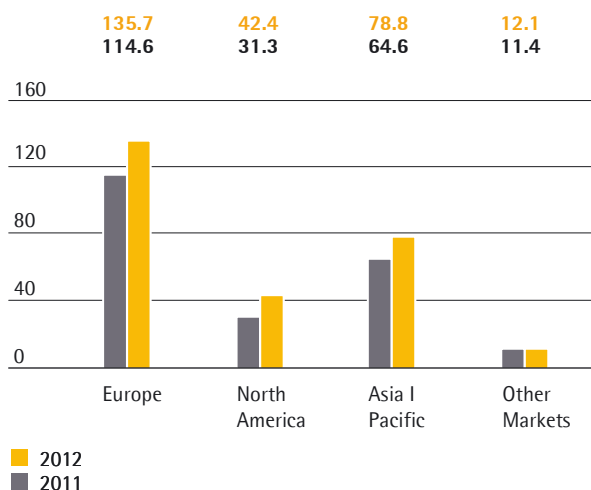
¹⁾ acc. to customers' location

In the reporting year, all regions contributed to the division's growth based on constant currencies. In Europe, the region contributing the highest share of sales revenue of around 50%, sales were substantially up 17.5% in constant currencies as a result of the Biohit Liquid Handling business acquired.

In the Asia | Pacific region, which accounts for approximately 29% of the total revenue of the Laboratory Products & Services Division, sales revenue rose 14.4% in constant currencies. Without currency and acquisition effects, sales revenue was up 3.1% year over year.

In North America, which generated around 16% of the division's total sales, the division reported a significant gain of 24.5%, or 3.9% based on constant currencies, without including the Biohit Liquid Handling business.

Lab Products & Services Sales Revenue¹⁾ by Region
€ in millions, unless otherwise specified



	Sales revenue ¹⁾ € in millions	Growth in %	Growth ²⁾ in %
Lab Products & Services	268.9	21.1	17.1
Europe	135.7	18.3	17.5
North America	42.4	35.5	25.4
Asia Pacific	78.8	21.9	14.4
Other Markets	12.1	5.7	5.3

¹⁾ acc. to customers' location

²⁾ currency-adjusted

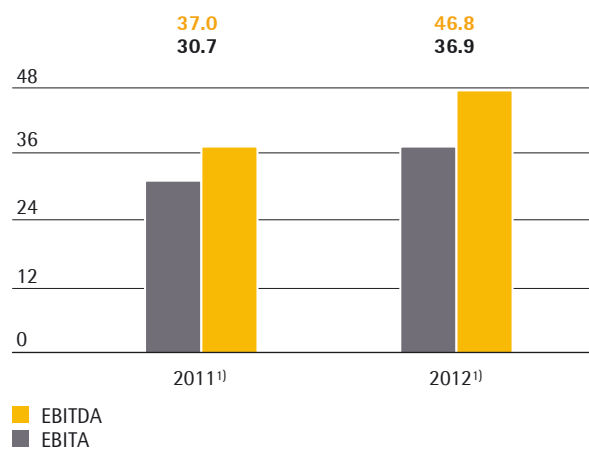
Earnings

To provide a complete and transparent presentation of the profitability of the Lab Products & Services Division, we additionally report earnings adjusted for extraordinary items (= underlying EBITDA, underlying EBITA).

In the reporting period, the Lab Products & Services Division boosted its underlying EBITDA by 26.6% to €46.8 million. Despite the higher expenses associated with the expansion of the division's sales organization, its margin rose from 16.7% to 17.4% because of sales-induced economies of scale and positive currency effects.

The division's underlying EBITA improved, in line with our forecast, by 20.1% to €36.9 million. In view of the higher depreciation as scheduled in conjunction with the acquisition of the Biohit Liquid Handling business, its margin was at 13.7% relative to 13.8% in the comparable year-earlier period.

Lab Products & Services EBITDA and EBITA



¹⁾ underlying

EBITDA and EBITA margin Lab Products & Services

	2012	2011
EBITDA margin ¹⁾ in %	17.4	16.7
EBITA margin ¹⁾ in %	13.7	13.8

¹⁾ underlying

In the reporting year, extraordinary items amounted to -€2.8 million (2011: -€5.2 million). Including these extraordinary expenses and income, the Lab Products & Services Division achieved an EBITA of €34.1 million, up from €25.5 million a year ago; its EBITA margin rose from 11.5% to 12.7%.

Marketing | Sales and Distribution | Services

Our laboratory instruments and consumables are specifically designed to help our customers improve the safety and precision of their work steps in the lab, to optimize the quality of their products and to ensure compliance with all the relevant international regulatory requirements. We create our products to be ergonomic and easy to use, preventing user errors and increasing efficiency in the lab.

Integration of Biohit Nearly Completed

The marketing, sales and distribution and services units of the Biohit Liquid Handling business we acquired in 2011 were successfully integrated into our Lab Division in the reporting year, with sales companies being merged where expedient. We incorporated Biohit's liquid handling products into our range and trained our new employees in cross-selling of our laboratory products. We also began to offer our calibration services for laboratory balances and pipettes all from a single source in 2012 and planned to combine our calibration labs for laboratory balances and pipettes in Germany, France, Japan and the USA in 2013.

Direct Sales Activities Intensified

We reorganized our sales and distribution activities in 2012 following a comprehensive analysis of our customer structures. Specialized distributors play an important role in the sale and distribution of laboratory products. Thus, we collaborated with selected sales partners even more closely, focusing more strongly on performance results. As it is expedient to serve large customers directly, we intensified our direct sales activities, especially in North America. We intend to extend this approach to other sales regions as well starting in 2013.

Electronic sales platforms are other important channels for the sale of laboratory products, in particular as a way of reaching customers who are not contacted directly by our field sales teams. Earlier, our e-commerce activities used to focus predominantly on laboratory dealers. To additionally make it easier for end customers to purchase lab products, we launched a new online shop in the U.S. and the region comprising Germany, Austria and Switzerland in 2012. We intend to roll out this new sales platform in other core markets as of 2013.

Products

Generating the highest share of sales revenue, laboratory balances form the core of our current portfolio of laboratory products. A new laboratory balance developed specifically for the highly regulated pharmaceutical industry offers customers maximum security and precise and reliable measurement results in the lab. The integrated automatic calibration system and the sensor-controlled leveling function of the balance prevent operating errors and ensure compliance with all industry requirements.

Furthermore, we extended the range of applications for the Cubis premium balance. Our weighing applications, Q-Apps, guide the user automatically through the various process steps and monitor all prescribed tolerance limits to ensure compliance. This new approach to process control enables the balance to be fully integrated into laboratory workflows, minimizing potential sources of error.

A highlight in the Liquid Handling unit came with the launch of the new electronic pipette Picus. The smallest and lightest model currently on the market at just 100 grams, the Picus sets new standards in technology. Its ergonomic design reduces the workload of users facing long sequences of pipette work in the lab and protects them against common muscular disorders such as repetitive strain injury (RSI). The Picus received the "red dot design award 2012" in recognition of its excellent design.

Laboratory water systems are another area of the Sartorius core product range revised in 2012. Our new systems produce lab water of various purity classifications and supply the right water quality for every application. The new storage system for purified water comprises a closed housing with an integrated single-use bag tank. It protects purified water from contamination and is quick and easy to replace, which helps to reduce both downtime and maintenance for the customer.

Consumables and Services Extended

Consumables and service activities make up an important part of the Lab Products & Services Division's business, contributing approximately one-third of its sales revenue. In the reporting year, we added new products to our offering, most notably in the area of laboratory filters and microbiological tests. The highlights of 2012 include ready-to-use filter units for microbiological quality assurance, a new generation of ultrafilters for sample concentration and new rapid tests for detecting mycoplasma contamination in cell cultures.

Our laboratory services include calibration of laboratory instruments, as well as installation, maintenance and repair. In 2012, we brought our calibration services for balances and pipettes together under one roof, adding another important component to our laboratory service range.

Research and Development

For the Lab Products & Services Division, R&D costs were at €15.4 million, up 6.9% from the previous year (€14.4 million). Its R&D ratio decreased from 6.5% to 5.7% in 2012 on account of the division's substantial gain in sales revenue. Alliances with academic and industrial technology partners form an important component of our R&D strategy. Supplementing our own range with innovative technologies from external partners enables us to develop new products and process solutions quickly with relatively little risk. We consequently deepened our collaboration with research institutions, universities and companies again in the reporting year, for instance, in the area of lab water.

Further Development of Our Platform Strategy

The development of universal modular platforms for our laboratory balances, lab water systems and other equipment is a key part of our R&D activities. Standardizing components like electronic systems and displays so that they can be used throughout our range enables us to develop and manufacture new laboratory instruments more efficiently. We also strive to continuously improve the user interfaces of our laboratory instruments and their connectivity with respect to different IT environments and terminals.

	2012	2011
Number of patent and trademark applications	142	99
Registered patents and trademarks	87	92

Production and Supply Chain Management

We generally manufacture laboratory instruments and consumables close to our local markets in the various regions in order to ensure prompt, reliable and cost-effective supply for our customers. In addition to our largest factory at Goettingen in Germany, we operate production facilities at Beijing and Suzhou in China, Helsinki and Kajaani in Finland, Stonehouse in the UK and at Denver, Colorado, in the USA.

Modular Manufacturing Platform for Laboratory Balances

We reorganized the manufacture of the new laboratory balance lines in Goettingen in the reporting year. This primarily involved investing in automation and remodeling. In the future, all versions of our new balances will be manufactured on a single scalable, semi-automated production line. The components used in the balances are produced in advance as modular subassemblies first, then finally assembled according to order specifications. This accelerates the manufacturing process of our products and reduces their production cost. Based on this concept, the Beijing site will also begin producing laboratory balances for the Asian market as of 2013.

Business Development of the Industrial Weighing Division

Strategy

Our industrial weighing and control checkweighing technology business, which was formerly the junior segment of our Mechatronics Division with a share of sales revenue of around 40%, began operating as the separate Industrial Weighing Division at the beginning of 2012. A premium provider with a global presence in a highly fragmented market, the division supplies a broad spectrum of process-critical solutions and services for production applications in a range of different sectors.

Extensive Product Portfolio

The Industrial Weighing Division's range encompasses sophisticated analytical and inspection systems such as load cells for high load applications, checkweighers, metal detectors and industrial scales. Sartorius ranks as one of the leading providers worldwide in the area of silo and process vessel weighing in particular. The division is very well positioned, especially in Europe and Asia. It mainly serves customers from the food, chemical, pharmaceutical and primary industries.

Prospects Robust

The Industrial Weighing Division is well placed for significant future growth with its broad range of sophisticated products, extensive application expertise and strong customer base. However despite its good market position, especially in Europe and Asia, its market shares are relatively small given the highly fragmented nature of the market and Sartorius is consequently reviewing its options with respect to the possible sale of this activity.

Key figures for Industrial Weighing

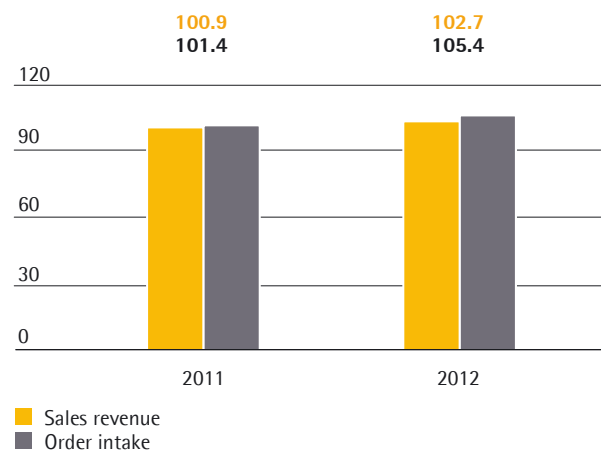
€ in millions	2012	2011
Order intake	105.4	101.4
Sales revenue	102.7	100.9
EBITDA ¹⁾	12.1	11.9
- as a % of sales revenue	11.8	11.8
Depreciation and amortization	1.9	2.0
EBITA ¹⁾	10.1	9.9
- as a % of sales revenue	9.9	9.8
Employees as of Dec. 31	742	718

¹⁾ underlying

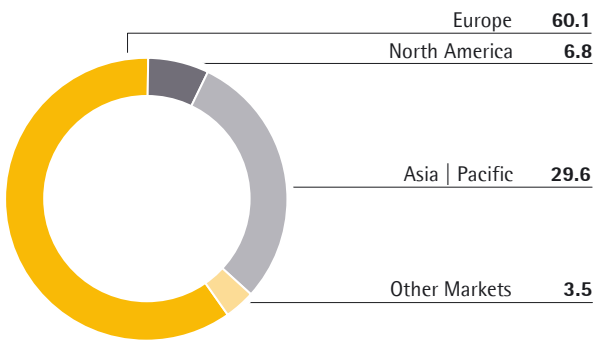
Order Intake and Sales Revenue

Business for the Industrial Weighing Division showed stable development as expected, given that economic momentum began to level off in 2012, particularly in Europe. Order intake thus rose 3.9%, or 1.9% in constant currencies, to €105.4 million. Relative to the division's strong year in 2011 in which it saw considerable gains, sales revenue in the reporting year edged up 1.8%, or -0.2% in constant currencies, to €102.7 million.

Industrial Weighing Order Intake and Sales Revenue
€ in millions



Industrial Weighing Sales Revenue by Region¹⁾
in %



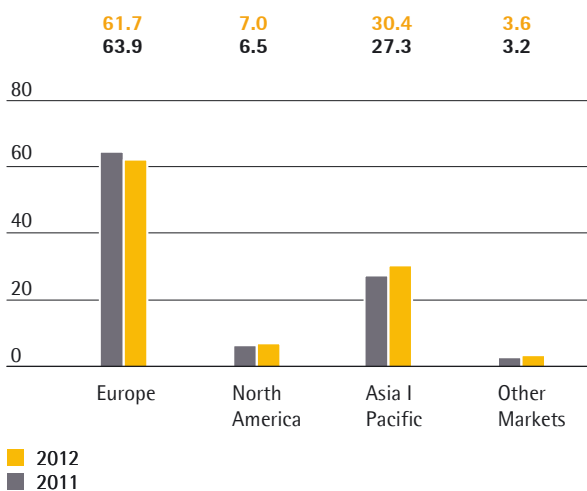
¹⁾ acc. to customers' location

In Europe, the region contributing the highest share of sales revenue of around 60%, the division did not quite reach its prior-year level of sales revenue in view of the difficult economic environment (currency-adjusted -3.8%).

By contrast, in the Asia | Pacific region that accounts for about 30% of the Industrial Weighing Division's total business, sales revenue in the reporting year rose 7.0% based on constant currencies.

In North America, which generates roughly 7% of total division sales, the division reported an overall stable development (currency-adjusted -0.7%).

Industrial Weighing Sales Revenue¹⁾ by Region
€ in millions, unless otherwise specified



	Sales revenue ¹⁾ € in millions	Growth in %	Growth ²⁾ in %
Industrial Weighing	102.7	1.8	- 0.2
Europe	61.7	3.4	- 3.8
North America	7.0	7.4	- 0.7
Asia Pacific	30.4	11.3	7.0
Other Markets	3.6	13.1	13.1

¹⁾ acc. to customers' location

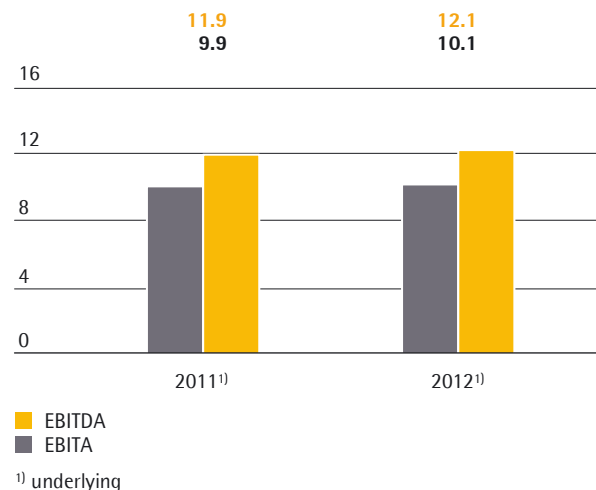
²⁾ currency-adjusted

Earnings

To provide a complete and transparent presentation of the profitability of the Industrial Weighing Division, we additionally report earnings adjusted for extraordinary items (= underlying EBITDA, underlying EBITA).

In conjunction with its sales expansion, the Industrial Weighing Division increased its earnings. Underlying EBITDA improved 1.5% to €12.1 million, which equates to a margin of 11.8% (previous year: 11.8%). Compared with 2011, underlying EBITA of the Industrial Weighing Division rose 2.6% from €9.9 million to €10.1 million and therefore developed as forecasted. The division's corresponding underlying EBITA margin was at 9.9% relative to 9.8% a year ago.

EBITDA and EBITA Industrial Weighing
in Mio. €



¹⁾ underlying

EBITDA and EBITA margin Industrial Weighing

	2012	2011
EBITDA margin ¹⁾ in %	11.8	11.8
EBITA margin ¹⁾ in %	9.9	9.8

¹⁾ underlying

Extraordinary items amounted to -€2.2 million (previous year: -€1.6 million). Including all extraordinary expenses and income, the Industrial Weighing Division achieved an EBITA of €7.9 million compared with €8.3 million a year earlier. Its EBITA margin was at 7.7% (previous year: 8.2%).

Marketing | Sales and Distribution | Services

Our solutions for industrial weighing and control equipment are used throughout the entire manufacturing process, from incoming goods inspection and production to final quality control and logistics. We pursue a multi-channel distribution strategy for our products. For the most part, our own sales staff members directly market customer-specific products requiring intensive sales support, such as checkweighers and metal detectors. These products are used mainly by customers in the food industry for dynamic average weight control, or checking the content of packages, and detection of contaminants, such as glass, metal and other substances in the final inspection and QC testing of packaged goods. We market our products that do not require such intensive sales support, like high-capacity load cells and industrial scales, primarily through specialized dealers and distributors.

We created a new incentive plan for our sales partners in the USA, the U.K. and Germany in 2012 in order to build even closer and more performance-based relationships with selected sales partners. As of 2013, we plan to introduce this policy in our other markets. We continue to support key accounts directly through our global sales and service organizations.

Products

In the reporting year, we added new products to the Industrial Weighing Division range in the areas of static and dynamic industrial scales, load cells and software solutions for statistical process control in the reporting year.

Innovative Weighing System for Process Vessels and New Checkweigher Presented

The product highlights of 2012 included the launch of a new weighing system for weighing small and medium-sized process vessels. This system combines the load cell and mounting kit into one module and complies with the special hygiene requirements in force in the food and pharmaceutical industries. The new weighing module is simple to install compared with conventional systems and can be brought into operation quickly by the user.

The new Econus dynamic checkweigher we presented in the reporting year was developed especially for checking packaged items and filling systems. User-friendly and highly accurate, this system can be configured individually as required and is suitable as an entry-level solution for a wide range of process lines.

Average Weight Control of Prepackages Along with Recipe Software Solutions

We also unveiled Combics SPC, a new generation of software for high-precision average weight control designed specifically for use with our successful Combics line of industrial scales. The software offers users a particularly broad range of applications thanks to the wealth of combination options provided by the Combics series. We presented another powerful software package for the monitoring and control of manual batching processes in the reporting year, too. Easily integrated into the infrastructure of industrial weighing systems, it makes it possible to log the entire process transparently for compliance with industry regulations.

Research and Development

Research and development (R&D) costs in the Industrial Weighing Division were reduced as planned from €6.0 million a year ago to €4.9 million in the reporting year. This equates to an R&D ratio of 4.8% (previous year: 5.9%).

We expand our portfolio through a combination of our own R&D work and strategic alliances in order to complete our offering across our customer's process chain. Industrial Weighing has long-term partnerships in the areas of pallet and flat-bed scales, X-ray inspection systems, equipment for average weight control of prepackaged products and associated software.

Industrial weighing and related control technologies are, in most cases, already very well established on the market, so in our R&D activities we accordingly concentrate on the development and integration of software solutions into our products. A further area of our R&D team's core expertise is in modifying and adapting existing technologies to specific customer manufacturing processes.

Production and Supply Chain Management

The Industrial Weighing Division operates specialized production centers at the Group's Goettingen, Aachen and Hamburg sites. Goettingen is home to the assembly of complete industrial scales, weight indicators and weighing platforms and, in cooperation with our Hamburg site, the development and programming of software solutions. The Aachen site specializes in the production of dynamic checkweighers and metal detectors, which are used particularly in process and quality control in the food industry. The Hamburg production site manufactures load cells, develops load cell mounting kits and produces electronic components, such as controllers, transmitters and indicators for hopper, silo and process vessel weighing. The sites at Bangalore in India and Beijing in China manufacture products for the Asian market and also support the German production centers.

Production of Industrial Scales Segregated, Supply Chain Processes Redefined

We have separated the manufacture of industrial scales from our laboratory balance production activities at the Goettingen site in view of the intended divestiture of the Industrial Weighing Division. This involved not only moving most of the assembly operations of industrial scales to a different building, but also separating supply chain management processes for logistics purposes and redefining them.

Manufacturing Processes Optimized

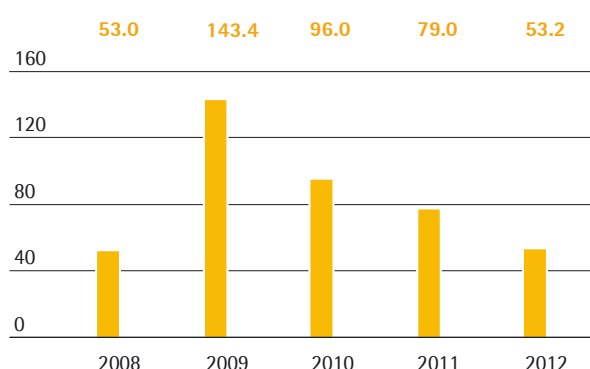
In the reporting year, we reorganized workstations in the preproduction area at our Hamburg site. The new arrangements provide both improved assembly processes and enhanced ergonomics. We have rearranged a large proportion of the workstations in production at the Aachen site, too, in order to optimize manufacturing processes and create new storage space in the incoming goods and dispatch areas. At the Aachen site, the reporting year also saw the arrival of a new milling machine for manufacturing components previously produced externally and of a new climate chamber that allows officially required compliance testing to be performed with significantly greater speed and efficiency. Until then, this testing procedure had to be performed in cooperation with the Goettingen site.

Net Worth and Financial Position

Cash Flow

In the reporting year, the Sartorius Group generated a net cash flow from operating activities of €53.2 million, relative to €79.0 million a year ago. Essentially, this development is due to non-periodic tax payments of approximately €16 million.

Net Cash Flow from Operating Activities € in millions



In view of our building projects completed for expanding production capacity, our investments in the reporting year continued to remain at a high level. At - €54.8 million, net cash flow from investing activities was substantially below the prior-year figure of - 122.7 million that primarily reflected the acquisition of the Biohit Liquid Handling business. The investments made in the reporting year were financed by cash flows from operating activities. Accordingly, net cash flow from financing activities amounted to €0.4 million compared with €53.0 million in 2011.

Cash Flow Statement Summary

€ in millions	2012	2011
Net cash flow from operating activities	53.2	79.0
Net cash flow from investing activities	- 54.8	- 122.7
Net cash flow from financing activities	0.4	53.0
Cash and cash equivalents	39.5	41.0
Gross debt owed to banks	343.3	305.8
Net debt owed to banks	303.8	264.8

Consolidated Statement of Financial Position

The balance sheet total reported by the Sartorius Group rose by €110.9 million to €1.1 billion as of the year ended December 31, 2012. This was mainly due to the buildup of working capital, predominantly induced by sales growth; expansion of our production capacities; and to cooperation in cell culture media according to the agreement signed in 2012.

On the assets side, non-current assets increased by €74.1 million to €756.0 million primarily on account of the investments made in our production capacities and the expansion of our product portfolio.

Current assets climbed from €278.3 million to €315.1 million. This increase can essentially be attributed to the buildup in working capital by €29.5 million.

Key Figures for Working Capital in days

		2012	2011
Rate of turnover for inventories			
Inventories			
Sales revenue	x 360	54	51
Rate of turnover for receivables			
Trade receivables			
Sales revenue	x 360	50	55
Rate of turnover for net working capital			
Net working capital ¹⁾			
Sales revenue	x 360	75	70

¹⁾ sum of inventories and trade receivables less the trade payables

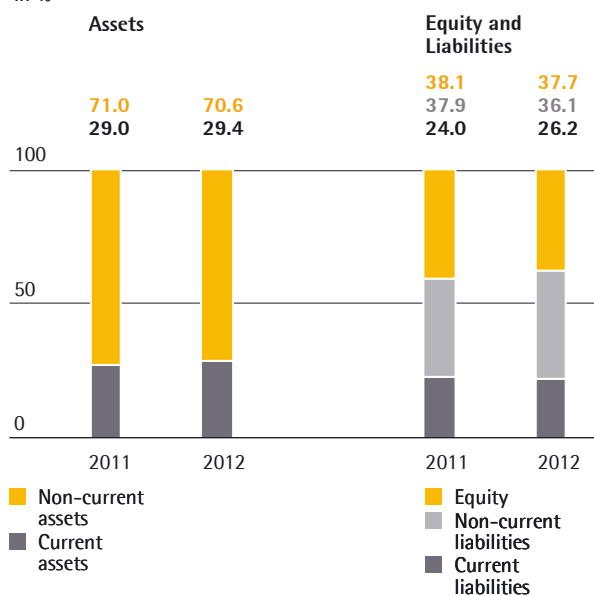
Key Balance Sheet Figures

	2012	2011
Equity ratio		
Equity		
Balance sheet total	37.7%	38.1%
Long-term-capital-to-fixed-assets ratio		
long-term capital fixed assets	108.5%	112.1%

On the equity and liabilities side, equity rose as a result of the positive consolidated earnings from €366.1 million to €403.8 million. In view of the increase in the balance sheet total, the equity ratio of the Sartorius Group, 37.7%, was approximately at the previous year's level of 38.1%.

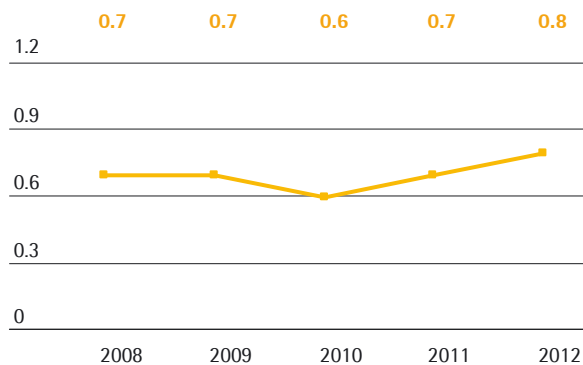
Non-current liabilities were up year over year from €363.6 million to €386.4 million, while current liabilities rose from €230.5 million a year ago to €280.8 million. This development is essentially due to the placement of a note loan ("Schuldscheindarlehen") and the classification of the syndicated loan due in September 2013 as a current liability.

Balance Sheet Structure
in %



In total, gross debt rose year on year from €305.8 million to €343.3 million. As of the reporting date, the ratio of long-term capital to fixed assets was at 108.5% relative to 112.1% as of December 31, 2011. The gearing ratio, which is calculated as the ratio of net debt to equity, increased slightly from 0.7 to 0.8.

Gearing



Financing | Treasury

The financing of the Sartorius Group is on a broad-based and long-term footing, and was further diversified in the reporting year.

A key element of this financing consists of two syndicated credit lines for an aggregate total of €378.0 million and for a term until September 2013 and until April 2016, respectively. The volume of the credit line for the Sartorius Stedim Biotech subgroup was at €168.0 million for the year ended December 31, 2012. The credit line for Sartorius AG amounted to €210.0 million.

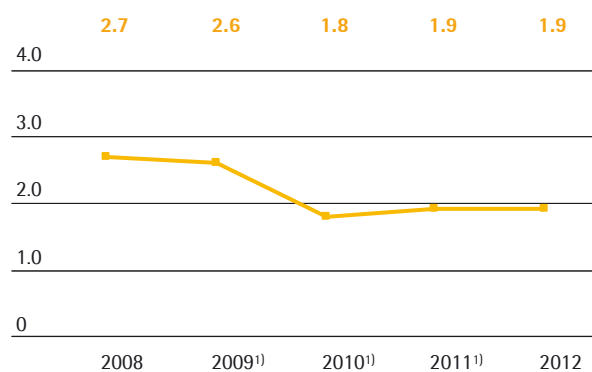
In order to even further broaden the company's financing, Sartorius added another key element in the reporting year and, for the first time, placed a note loan ("Schuldscheindarlehen") with a volume of €100 million and for a maturity term of five to ten years.

Moreover, the long-term promotional loan of €25 million provided by Kreditanstalt für Wiederaufbau (KfW) is a financing component for expanding our production capacity levels.

In addition, we have diverse bilateral credit lines totaling approximately €55 million and a factoring program with a volume of €50.0 million.

As of December 31, 2012, the ratio of net debt to underlying EBITDA was at 1.9, the same level as in the previous year. The interest coverage ratio – the ratio of underlying EBITDA to cash interest expense – improved from 13.9 to 17.0.

Ratio of Net Debt to Underlying EBITDA



¹⁾ underlying

As a consequence of our global sales and distribution structure, we generate payments in various foreign currencies. Essentially, these are payments in U.S. dollars, Japanese yen and British pounds. Using our global manufacturing network with production facilities in North America, the U.K., China and India, among other places, we can compensate for the majority of currency fluctuations (natural hedging).

We usually hedge approximately two-thirds of our remaining net currency exposure up to 1.5 years ahead through currency transactions.

Our Group financing covers instruments with variable interest rates as well as fixed interest rates. In principle, we pursue a strategy of hedging around two-thirds of our bank loans that we have taken out at variable interest rates against an increase in the general interest rate level for approximately the next five years.

Annual Financial Statements of Sartorius AG

The retained profit of Sartorius AG is the key reference value for the payment of dividends to our shareholders. Whereas the Sartorius Group financial statements were drawn up according to the International Financial Reporting Standards (IFRS), the annual financial statements for Sartorius AG were prepared by applying the rules and regulations of the German Commercial Code (HGB). The individual financial statements drawn up according to HGB for Sartorius AG disclose dividend income of its subsidiaries. This disclosure is due to the holding function of Sartorius AG within the Sartorius Group. Consolidated results reported according to IFRS are impacted by dividend payments only to a limited extent in the form of tax effects.

Since the beginning of fiscal 2011, Sartorius AG has been exclusively performing the function of a strategic management holding company that leads the Sartorius Group. In this connection, the laboratory weighing unit, which had been the only operating business unit of Sartorius AG until that time, was spun off from the latter in 2011 and transferred to subsidiaries.

As the business unit spun off in 2011 had been transferred by absorption at full fair values pursuant to German commercial law, the income statement for fiscal 2011 disclosed extraordinary income of €155.8 million.

In fiscal 2012, Sartorius AG issued a €100 million note loan ("Schuldscheindarlehen") with maturity terms of five to ten years in order to broaden its Group financing. The influx of funds obtained in this context was primarily provided to the company's operational subsidiaries. In the financial statements of Sartorius AG, this led to a corresponding change in the receivables and payables to companies in which investments are held.

Sartorius AG's equity decreased year over year by €11.1 million to €288.3 million. This change was yielded by the net profit for the financial year and the dividends paid out for the previous year. As of December 31, 2012, the company's equity ratio was at approximately 54.7%.

The income reported by Sartorius AG, particularly its remuneration for holding and management activities conducted for the companies of the Sartorius Group, rose in fiscal 2012 by €2.5 million to €6.7 million. Sartorius AG's profit before tax improved by €0.4 million to €2.5 million.

The complete annual financial statements of Sartorius AG, which were awarded an unqualified audit certificate by the independent auditing company, are published in the electronic German Federal Gazette (Bundesanzeiger).

Balance Sheet of Sartorius AG
According to HGB¹⁾, in millions of €

Assets	Dec. 31, 2012	Dec. 31, 2011
A. Fixed Assets		
I. Property, plant and equipment	5.7	5.6
II. Financial assets	468.3	466.8
	474.0	472.4
B. Current Assets		
I. Trade and other receivables	51.7	4.1
II. Cash on hand, deposits in banks	0.5	0.1
	52.2	4.2
C. Prepaid Expenses	1.0	1.4
	527.2	478.0
Equity and Liabilities	Dec. 31, 2012	Dec. 31, 2011
A. Equity		
I. Issued capital	17.0	17.0
II. Capital reserves	101.4	101.4
III. Earnings reserves	10.9	10.9
IV. Retained profits incl. net profit for the period	159.0	170.1
	288.3	299.4
B. Provisions	22.5	24.6
C. Liabilities	216.4	154.0
	527.2	478.0

Income Statement of Sartorius AG
According to HGB¹⁾, summary

€ in millions	2012	2011
Sales revenue	6.7	4.1
EBITDA	8.7	8.1
Depreciation and amortization	0.2	0.2
EBIT	8.5	7.9
Financial result	-6.0	-5.8
Profit before tax	2.5	2.1
Extraordinary result	0.0	155.8
Net profit for the period	2.7	153.5
Retained profit	159.0	170.1

¹⁾ HGB = German Commercial Code

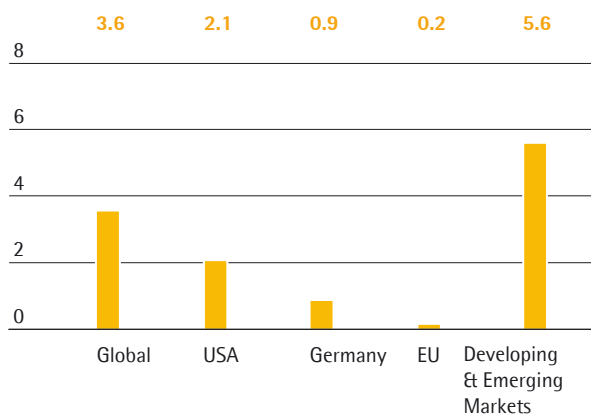
Forecast Report

Future Macroeconomic Environment

Global economic growth is likely to increase slightly year on year to 3.6% in 2013 according to figures from the IMF (2012: 3.3%).

Average economic growth in the industrialized countries is forecast to rise slightly from 1.3% in 2012 to 1.5% in 2013.

Forecasted GDP Growth Rates for 2013
in %



Source: International Monetary Fund

The IMF expects the rate of growth in the U.S. economy in 2013 to be broadly similar to the previous year at 2.1% (2012: +2.2%), although these figures are subject to significant risk factors in the form of the expiry of various tax cuts at the end of 2012 and the reduction of the budget deficit and associated spending curbs.

For Germany the IMF forecasts only negligible growth, with GDP expected to increase by 0.9% just as in the previous year. This figure reflects the general economic weakness of Europe as it wrestles with the debt crisis.

France can expect to see a mild improvement in economic activity leading to growth of 0.4% (2012: 0.1%) according to economists, who suggest the country's tax breaks for business will begin to bear fruit from the second half of 2013. Poor competitiveness, the experts suggest, will though continue to hold back the recovery in France.

Average growth across the emerging countries will increase to 5.6% in 2013 according to IMF (2012: 5.3%) with China leading the way at 8.2% (2012: 7.8%).

The IMF forecast for Japan puts estimated economic growth at 1.2%, significantly lower than in the previous year (2012: 2.2%).

Future Exchange and Interest Rate Trends

It is expected that the leading central banks will keep interest rates at their current low level during 2013. Further cuts in the main financing rates remain a possibility in the eurozone. Forecasts for the euro-U.S. dollar exchange rate over the course of 2013 range between 1.10 euro | U.S. dollar and 1.40 euro | U.S. dollar.

Sources: International Monetary Fund, World Economic Outlook October 2012; OECD: National Statistics; Reuters

Outlook for the Sectors

Stable Growth in the Pharmaceutical Sector

Experts at IMS Health expect continued growth in the global pharmaceutical markets going forward.

Demographic change, steadily increasing access to healthcare in the emerging and developing countries and a general rise in lifestyle and chronic diseases will remain the primary factors driving expansion in the sector, although the development of new drugs will also help to fuel growth.

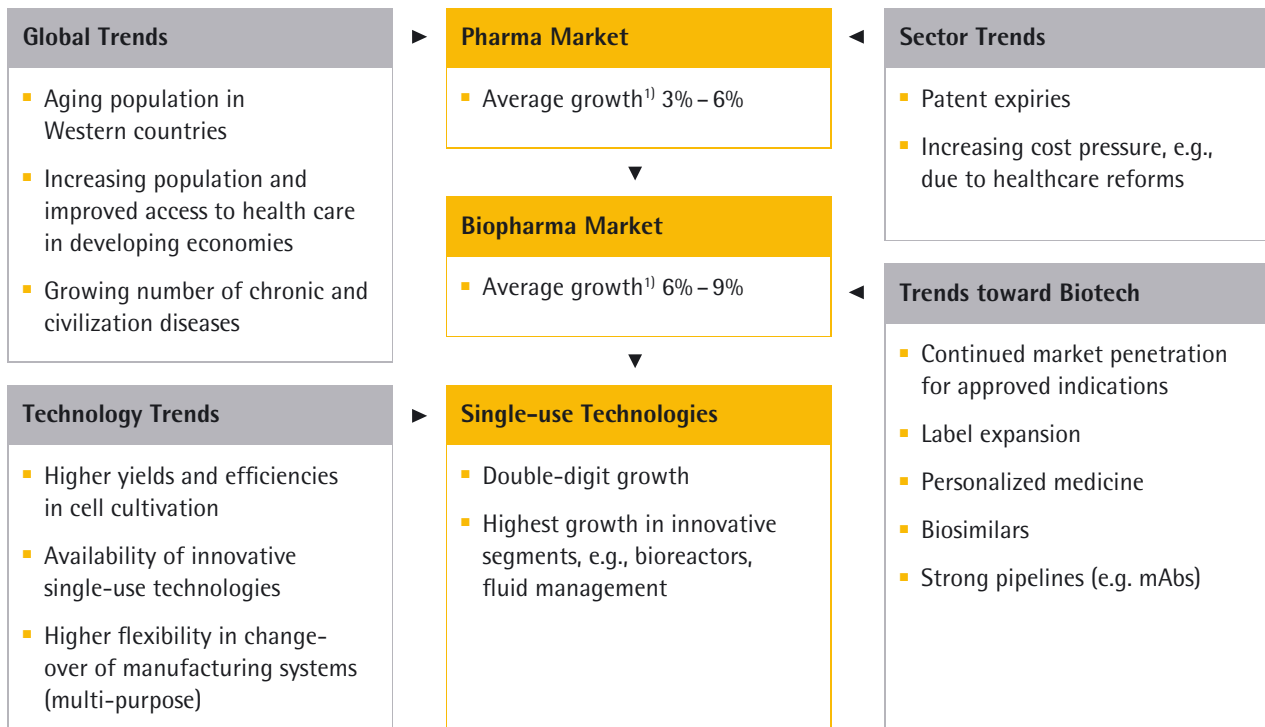
Market researchers at IMS Health are forecasting overall growth of between 3% and 6% for the global pharmaceutical industry in the period 2012 to 2016.

Growth in the Sector Especially Strong in the Emerging Countries

The strongest growth is again expected to come in what are known as the pharmerging markets, a label IMS Health applies to 17 countries: Argentina, Brazil, China, Egypt, India, Indonesia, Mexico, Pakistan, Poland, Romania, Russia, South Africa, Thailand, Turkey, Ukraine, Venezuela and Vietnam. Growth of between 12% to 15% is predicted here in the period 2012 to 2016. Population growth, the expansion of state healthcare provision and higher private spending are driving up demand for healthcare rapidly in these countries and the share of the global pharmaceutical market accounted for by the pharmerging markets is consequently forecast to increase by around ten percentage points to 30% over the next five years.

Pharmaceutical markets in the countries of the West, in contrast, are predicted to expand only moderately in the years 2012 to 2016. IMS is forecasting average growth of just 1% to 4% (CAGR 2012-2016) over the next few years for North America, for example, while Europe is expected to see a slight fall of 1-2% (CAGR 2012-2016) as a result of the austerity measures imposed on healthcare systems following the financial and debt crises.

Strong Long-Term Trends Drive Further Growth



¹⁾ Source: IMS Institute of Healthcare Informatics. The Global Use of Medicines: Outlook Through 2015 | 2016

Biopharma Sector Still Growing Faster than the Market as a Whole

The biopharma segment of the pharmaceutical market has been enjoying particularly strong growth for years. According to forecasts from the experts at IMS Health, it should continue to outperform the market as a whole going forward too, with growth of between 6% and 9% forecast for the segment in the period through 2015. Market researchers at Business Insights, meanwhile, expect average growth of around 8% (CAGR 2010-15).

EvaluatePharma predicts that the proportion of sales of the pharmaceuticals market accounted for by

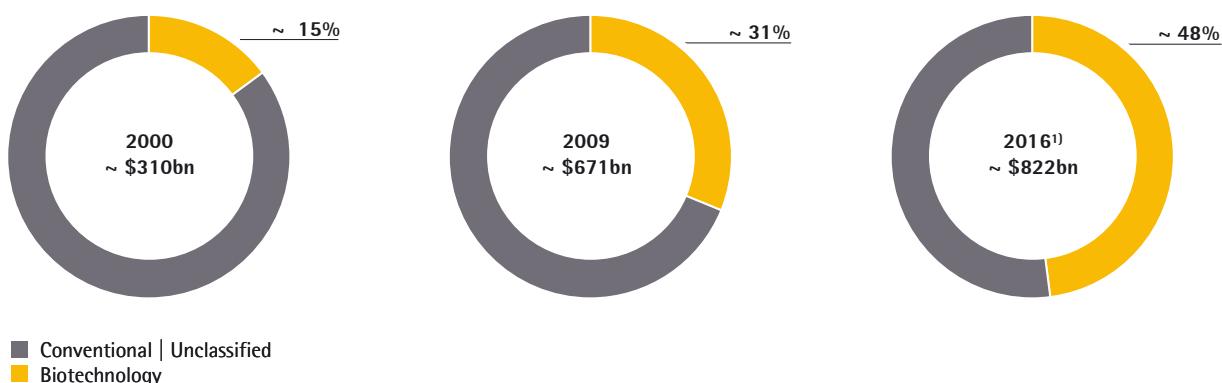
medications manufactured using biotech methods will increase from 20% in 2012 to 23% in 2016.

These predictions for future growth are largely based on the anticipated launch of numerous new biopharmaceuticals and the addition of new indications for existing drugs produced using biotech methods. Some 300 monoclonal antibodies are currently undergoing clinical development (Phase I-III). Total sales revenues generated with drugs produced using biotech methods are expected to rise to U.S.\$200-210billion in the medium term, while biosimilars are predicted to reach sales revenues of U.S.\$4-6billion or 2% of spending on biologics.

Biopharma: a Growth Market

Percentage of Worldwide Rx & OTC Pharmaceutical Sales from Biotech vs. Conventional Technology

Biotech Share within Top 100 Products



¹⁾ 2016 Split:
 Biotech: n=41 (avg. \$2.85bn), Conv.: n=59 (avg. \$2.2bn)

Source: Evaluate Pharma®, 30 APR 2010

Investment in Public-sector Research

Research economists generally believe public investment in research and development will pick up again in the long term despite the macroeconomic risks. Emerging countries with large markets, such as China and India, have made substantial funding available for business, science and education, as have several of the industrialized nations. Government plans in China provide for massive investment in pharmaceuticals research and the pharmaceutical industry.

Slight Overall Growth Expected in the Chemical Industry

The European Chemical Industry Council (Cefic) expects the European chemical industry to expand by 0.5% in 2013. This follows growth of approximately 2.0% in the reporting year. The growth will stem mainly from higher prices, Cefic indicates, as chemical production is likely to fall well short of the previous year's level.

Sources: 2012, IMS Health: IMS The Global Use of Medicine: Outlook Through 2015/2016, IMS Market Prognosis Global, IMS MIDAS (73 markets around the world); PhRMA sector report; EU Industrial R&D Investment Scoreboard; OECD Science Technology and Industry Outlook 2011; Business Insights: The future of the Biologicals Market; VCI: Annual Press Conference; Cefic: Facts and Figures 2012; Cefic.

Future Business Development

Sartorius expects significantly profitable growth for the year 2013 as well. The company anticipates that full-year sales for the Bioprocess Solutions Division, which generates the highest share of revenue, will increase by about 9% to 12% in constant currencies. Around three to four percentage points of this gain is projected to be contributed by cooperation in cell culture media and buffer solutions, based on the agreement signed in December 2012 with Lonza. In conjunction with the predicted increase in sales revenue, we forecast that the division's underlying EBITA margin will increase to approximately 19%.

For the Lab Products & Services Division, we expect that sales will grow by approximately 3% to 6% in constant currencies, assuming that the economic environment remains stable. In view of profitability, we are striving to achieve an underlying EBITA margin of around 14% in constant currencies.

Based on the economic scenario already mentioned, we project that sales for the Industrial Weighing Division will improve by up to 3% in constant currencies and that its underlying EBITA margin, likewise adjusted for currency effects, will reach approximately 10%.

For the Group, management forecasts that sales revenue based on constant currencies will increase by approximately 6% to 9%, and continues to anticipate that its underlying EBITA margin will rise to around 16.5% in constant currencies.

For the following year, we project that sales revenue and earnings will continue to grow, provided that the trends toward biopharmaceutical manufacture and increasing utilization of single-use technologies continue and that the economic environment remains stable.

Report on Material Events

No material events occurred after the close of fiscal 2012.

Risk and Opportunities Report

Risk Management System

The Sartorius Group is exposed to a variety of risks inherent to its operations around the world. To help us track existing and potential risks efficiently, we have implemented a risk management system (RMS). This RMS is designed to allow early identification, assessment and monitoring of risks. It keeps the Executive Board informed about the overall risk situation at all times, enabling it to take controlling action when required. In addition, the Audit Committee of the Supervisory Board receives a report every year on the development of the risk situation.

The prescribed reporting process obligates the managing directors and general managers of the individual Group companies as well as the business area managers and the managers of our central departments to review the risk situation within their area of responsibility regularly and to report any risks when defined critical threshold values are reached.

Where expedient and feasible, we adopted countermeasures and/or arranged for balance sheet measures during the reporting year to cover all discernible risks within the Sartorius Group that had the potential to damage our net worth, financial situation and profitability.

Independent auditors examine the early risk detection system every year as part of reviewing the annual financial statements.

Explanation of the Risk Situation

General Risks

Due to its various business areas, our company is insulated to a certain extent from the full force of wider cyclical effects. Nevertheless, our ability to foresee and mitigate the direct and indirect effects of risks in the broader sense, such as currency crises or natural disasters along with associated damage to commercially relevant or even critical infrastructure, is limited.

Supply Chain Risks

Our supply chain extends all the way from procurement and production to sales and distribution. Disruptions within this sequence can result, among other things, in delays to deliveries. The global supply chain

management system we have instituted to prevent such problems largely minimizes the associated risks by analyzing and controlling all of the operations involved. The various risks encountered within our supply chain are explained in detail below.

Procurement Risks

We purchase a wide range of raw materials, components, parts and services from suppliers and are consequently exposed to the risks of unexpected delivery bottlenecks and/or price increases. Our global supply chain management system reduces these risks by enabling us to monitor and supervise procurement activities. Moreover, we conduct regular supplier reviews and also use early warning systems. In the reporting year of 2012, we substantially increased the number of framework contracts with the suppliers of strategic raw materials. In addition, we always maintain reserve inventories for strategic raw materials and work with alternative suppliers where possible. Furthermore, in 2012 we introduced a management system for material groups in which our suppliers are also classified according to risk aspects and are centrally supported and managed.

Production Risks

We ourselves manufacture a large proportion of the products that belong to our core areas of technical expertise and involve a high level of vertical integration. Examples include filters and laboratory balances. Other products, such as reusable fermenters and bioreactors, are manufactured in collaboration with suppliers so that some of the production risk is transferred to external third parties. When we manufacture products ourselves, we also bear the associated risks of capacity bottlenecks/overcapacity, production downtimes, excessive reject rates and high levels of tied-up working capital. We limit and reduce these risks by planning production capacities carefully, using versatile machines, semi-automated individual workstations and flextime work schedules, and by continuously monitoring the production process. Moreover, our global manufacturing sites enable us to compensate for any capacity bottlenecks by shifting production to other regional plants.

Sales and Distribution Risks

We make use of a variety of channels to sell and distribute our products around the world. The potential risks entailed are unexpected changes in the demand structure, growing price pressure and non-compliance with supply agreements concluded with customers. We employ targeted market analyses to identify emerging demand trends in individual segments early on so that we have time to respond appropriately. Our technical innovations and our focus on less price-sensitive sales markets, such as products for validated production processes in the biopharmaceutical industry, reduce our exposure to the risk of growing price pressure. We have minimized our risk exposure in the area of logistics in recent years by setting up and using central warehouses to optimize distribution logistics.

Quality Risks

Our customers use Sartorius products in a wide range of critical production processes, including the manufacture of pharmaceuticals, foods and chemicals, and in research and development laboratories. The main risk encountered in these areas is non-compliance with agreed quality criteria, which can lead to losses for our customers for which we may be made liable through damage compensation claims. We employ rigorous quality checks and state-of-the-art manufacturing methods and processes, such as cleanroom technology, to ensure that our products satisfy the most stringent quality requirements. These manufacturing methods and processes are subject to constant review under our continuous improvement processes, moreover, and are refined appropriately as requirements evolve. Our successful completion of a host of annual audits by customers and our accreditation under ISO 9001 and ISO 13485 together document the high standard of quality achieved in Sartorius products and processes. Irrespective of these measures, we also maintain significant insurance coverage against product liability risks. To respond rapidly to any product defects and minimize any adverse consequences, Sartorius has established a traceability system that enables us to recall an entire production batch immediately, if necessary.

R&D Risks

We devote a considerable part of our resources to research and development. Potential risks in this area may arise from development results that diverge from market needs, exceeding planned development deadlines or unintentional transfer of know-how to competitors. Our advanced project management, intensive R&D controlling and early involvement of our custom-

ers in the development process substantially limit these R&D risks. Patents and continuous tracking of the technologies and competitors relevant to us safeguard our technology position.

Customer Risks

Our key Sartorius customers come from the pharmaceutical, chemical and food industries as well as from public sector research and educational institutions. These customers are usually relatively large organizations that have been in existence for some time and have strong credit ratings. As we have a highly diversified customer base in most of our business areas, the Group as a whole is not dependent on individual key accounts to any significant degree. Our factoring program, which was introduced in fiscal 2009, keeps our risk exposure as regards trade receivables from customers at a constantly low level. We also work continuously to enhance our trade receivables management and make use of external rating agencies to improve control of our credit risks.

Competitive Risks

Sartorius has a leading competitive position in most of its markets. Some of our competitors are larger than us and most share our status as a globally operating company. Our competitors include Merck Millipore, Pall and Mettler-Toledo. As we serve a large number of customers from highly regulated sectors like the pharmaceutical and food industries, and the technological barriers to market entry are substantially high, we regard the risk of new competitors emerging as low. Furthermore, our global presence significantly mitigates regional risks.

Personnel Risks

As an innovative technology group, Sartorius employs a large number of highly qualified people. We counter the threat posed by demographic change and the risk of losing employees, especially those in key positions, by offering performance-related remuneration models, targeted continuing professional development options, a range of other attractive employee benefits, continuous education and training for junior staff members within our organization and advice provided to our employees concerning interesting development opportunities. The success of these measures is apparent in the low attrition rates registered in recent years and the high seniority of our people on average. Employment contracts in certain cases contain a clause prohibiting any move to a direct competitor.

Financial Risks

The global nature of the Sartorius Group's operations means that its business activities are inevitably exposed to financial risks. In addition to specific risks associated with Group accounting, these are primarily exchange rate risks, interest rate risks and liquidity risks, all of which are described below and addressed in detail in the Notes to the Consolidated Financial Statements.

Specific Risks Associated with Group Accounting

Specific risks associated with Group accounting can arise, for example, from the arrangement of unconventional or complex transactions that cannot be processed by routine means and from the discretion granted to employees involved in the preparation of the consolidated financial statements with respect to the recognition and measurement of assets and liabilities. The outsourcing and transfer of tasks of specific relevance to accounting to external service providers, such as actuaries and management consultants, may also entail risks. Risks associated with accounting that stem from derivative financial instruments are explained in the Notes to the Consolidated Financial Statements.

Exchange Rate Risks

We generate a good third of consolidated sales revenue in U.S. dollars or in currencies pegged to the U.S. dollar and a smaller proportion in other foreign currencies. Therefore, exchange rate fluctuations are a matter of concern, especially when converting currencies for balance sheet and income statement items. At the same time, our global production network enables us to offset the lion's share of sales revenues received in foreign currency within the Group against costs likewise incurred in foreign currency. For example, we manufacture many of our products for the North American market locally, and are therefore not disadvantaged in any way in competition with our U.S. rivals. We use derivative financial instruments that are arranged centrally for the most part, predominantly with domestic banks, to hedge against net currency exposure, i.e., that proportion of our foreign currency sales revenue that remains after we have settled our costs. Our hedging strategy provides, in principle, for exposures to be hedged up to 1.5 years in advance. Hedging transactions are set up by one group of staff and monitored by another, separate group.

Interest Rate Risks

We have concluded fixed interest agreements for a comparatively small portion of our outstanding loans so these consequently pose no risk of fluctuations in payment flows. However, the major portion of the loans outstanding on the reporting date is subject to interest based on the market rate. Almost two-thirds of these are currently covered by interest hedges, so interest rate risks apply only to the remainder. We monitor interest rate trends constantly and have the facility to arrange additional hedging transactions where we consider it necessary and economically advisable to do so.

Liquidity Risks

In April 2011, we refinanced one of the two existing syndicated credit agreements at favorable terms and with an increased credit volume. This new agreement runs until April 2016. No changes have been made to the second syndicated credit agreement, which runs until September 2013 under the existing terms. We currently have an aggregate total of €378 million available under the two agreements. In November 2012, moreover, a note loan, a so-called "Schuldscheindarlehen," was issued with long terms of maturity. As a result, our Group financing moved onto an even broader long-term footing in the reporting year. The majority of our fixed assets are covered by long-term capital. We ensure solvency at all times throughout the Group by means of short-, mid- and long-term liquidity planning and the use of advanced treasury software.

Regulatory Risks

Our role as a supplier to the biopharmaceutical industry and healthcare providers means that Sartorius can also be affected by underlying developments in these areas. The possibility of the regulatory authorities (FDA, EMEA) adopting a more restrictive approach to the approval of new medications remains the principal source of risk in this context. Such a move would reduce the number of new pharmaceutical products to be marketed and would consequently downgrade future prospects for Sartorius over the medium term.

Environmental Risks

Sartorius has an environmental management system in place that encompasses, and is integrated into, all divisions and covers a whole series of environmentally relevant regulations to minimize risks in this area. This management system is certified for compliance with ISO 14001 at the company's relatively large manufacturing sites. The respective company organizational units ensure at the particular sites that the laws and regulations relating to environmental protection are observed and that further technical possibilities for limiting environmental risks are continuously identified.

IT Risks

Besides the risks already mentioned above, we face potential risks in the area of IT, since error-free operation of the corresponding systems is essential for the smooth functioning of the company's business operations. We reduce IT security risks by continuously devising and adopting enhanced IT security guidelines and policies. These rules and measures are based on the requirements of ISO 27001 and the standards of the German Federal Office for Information Security (BSI Standards). Furthermore, our company's existing IT applications and IT systems are checked for potential risks in regular external and internal IT audits, and appropriate measures are taken to minimize any risks identified. Continuous alignment of our IT strategy and business strategy, tracking of new technical developments and the use of advanced hardware and software minimize the risk inherent in the operation of our IT system environment. In 2012, Sartorius began operating a new ERP system that as of 2013 will be successively rolled out at further Group sites. In conducting this IT project, we have continued to focus on controlling the risks involved, such as by maintaining a running backup system.

Process Risks

There are no legal disputes or proceedings that could have a substantial negative impact on Group results, and allowances have been made on our balance sheet to cover the cost of any such potential proceedings.

Insurance

Where possible and economically advisable, we have taken out insurance policies to cover a wide range of risks. These insurance policies include coverage against liability, business interruption, transport, material and pecuniary damages and other risks, and provide comprehensive coverage for legal costs. An independent department working in conjunction with an external insurance broker regularly reviews the nature and extent of our insurance protection and makes any adjustments necessary.

Assessment of the Overall Risk Situation and Risk Outlook

After thorough analysis of the entire risk situation and according to our current review, there are no discernible risks at present that could jeopardize the continued existence of the Group.

Similarly, based on our current review, there are no discernible risks that could jeopardize the future existence of the Group.

Description of the Key Features of the Internal Control and Risk Management System

in relation to the Group Accounting Process (Section 289, Subsection 5, and Section 315, Subsection 2, No. 5, of the German Commercial Code [HGB])

Definitions and Elements of the Internal Control and Risk Management System at the Sartorius Group

The Sartorius Group's internal control system encompasses all of the principles, procedures and measures adopted to ensure the organizational implementation of management decisions. The main priority of the system as it relates to the Group accounting process is to make sure that accounting is effective, cost-efficient and formally correct and that it complies with the pertinent legal provisions.

The internal control system of the Sartorius Group consists of a combination of process-integrated and non-process-integrated monitoring measures. The process-integrated safeguarding measures are subdivided, in turn, into organizational measures, such as the "four eyes principle" for double verification and access restrictions in relation to IT, and control measures, such as manual target|actual checks and programmed plausibility checks in the software used. The Supervisory Board, in this case specifically the Audit Committee of Sartorius AG, and the Internal Control System / Compliance unit of Sartorius AG's Internal Auditing department are involved in the Sartorius Group's internal control system through their non-process-integrated audit activities.

The independent Group auditors and other auditing authorities, such as the tax auditor, also play a role in the control environment of the Sartorius Group through their non-process-integrated audit activities. The review of the consolidated financial statements by the independent Group auditors and the audit of the individual financial statements of the Sartorius Group companies included in the consolidated financial statements constitute the key non-process-integrated monitoring measures in relation to the Group accounting process.

The Finances unit represents another important element of the internal control system through its analysis of the monthly reports from the subsidiaries.

The risk management system concentrates in the context of Group accounting primarily on the risk of misstatements in the Group's bookkeeping and in external

reporting. It includes both operational risk management, which involves activities such as the transfer of risk to insurance companies through coverage for damage and liability risks and the arrangement of suitable hedges to limit currency and interest rate risks, and the monitoring system operated by the Sartorius Group for the early detection of risks with the potential to jeopardize the company's continued existence as defined in Section 91, Subsection 2, of the German Stock Corporation Law (AktG). The efficacy of the early risk detection system, which the Sartorius Group adapts quickly in response to any relevant changes in circumstances, is assessed by the independent Group auditors in accordance with Section 317, Subsection 4, of the German Commercial Code (HGB). Regular system reviews are also carried out to verify that the system remains functional and effective.

Use of IT Systems

Most transactions of relevance for accounting are recorded in the individual financial statements of the subsidiaries of Sartorius AG using software systems that have been rolled out worldwide. For the process of preparing the consolidated financial statements of Sartorius AG, Group companies add supplementary information to their individual financial statements to create standardized reporting packages, which are then submitted by all Group companies to the consolidated reporting system. The actual Sartorius AG consolidated financial statements are then prepared using the consolidation routines in the consolidated reporting system, most of which have been developed by Sartorius AG itself and which have been supplemented by manual adaptation. Both in-house auditors and the independent Group auditors of Sartorius AG regularly verify that the reporting packages submitted to the consolidated reporting system concur with the individual companies' financial statements on which the audit is based in each case. All of the consolidation procedures necessary to prepare the consolidated financial statements of Sartorius AG, such as the consolidation of investments, the elimination of intercompany payables and receivables and the elimination of intercompany revenue and expense, are performed using, and documented in, the consolidated reporting system. All of the components of the Sartorius AG consolidated financial statements, including the details presented in the notes, are developed using the consolidated reporting system, which also provides a wide range of analysis options.

Key Supervision and Control Activities to Ensure Proper and Reliable Group Accounting

The internal control system measures designed to maintain proper and reliable Group accounting ensure that transactions are recorded in full and in a timely manner in accordance with the applicable provisions of the law and the bylaws. In addition, these measures ensure that inventories are taken properly and that assets and liabilities are recognized, assessed and reported appropriately in the consolidated financial statements.

Examples of the control activities performed to ensure proper and reliable accounting include the analysis of situations and developments with reference to specific key indicators. The separation of administrative, executive, settlement and approval functions reduces the possibility of fraud. The organizational measures are also intended to record company- or Group-wide restructuring steps or changes in the nature of the operations of individual business areas quickly and accurately in Group accounting. Finally, the internal control system also ensures that changes in the Sartorius Group's economic or legal environment are mapped and that new or amended legal provisions are applied in Group accounting.

The Sartorius Group accounting principles govern the standard recognition and measurement principles for the German and non-German companies included in the Sartorius consolidated financial statements. In addition to the general recognition principles and methods, the rules applied to the balance sheet, income statement, notes, Group management report, cash flow statement and to the segment reports have been established in compliance with EU legislation and are primarily those of the IFRS and German commercial law.

The Sartorius Group accounting rules also govern specific formal requirements for the consolidated financial statements. These include the mandatory use of a standardized and complete reporting package. The Group Internal Accounting department assists the local units in resolving complex accounting issues, such as measuring fair value, to ensure consistent and accurate reporting in the consolidated financial statements.

The specific control activities performed at Group level to ensure proper and reliable Group accounting encompass the analysis and, where applicable, correction of the individual financial statements submitted by the Sartorius Group companies, in line with the reports authored by the independent auditors. Reporting packages containing errors are identified and, where necessary, corrected at Group level on the basis of a large number of control mechanisms already incorporated into the consolidated reporting system. Impairment tests are conducted centrally for the specific cash-generating units, known as CGUs, from the Group's perspective to ensure that consistent, standardized evaluation criteria are applied.

The scope of regulation at Group level also extends to the central definition of measurement rules and parameters, among other factors. Additional data for the presentation of external information in the notes and Group management report (including material events after the reporting date) is also prepared and aggregated at Group level.

Qualifying Statements

The internal control and risk management system enables the complete recording, processing and evaluation of company-related matters, on the basis of the organizational, control and monitoring structures defined in the Sartorius Group, and their accurate presentation in Group accounting.

Factors such as the exercise of personal discretion, erroneous controls, criminal acts and other variables that can impair the efficacy and reliability of the internal control and risk management system in place cannot be ruled out, however, so even the application throughout the Group of the systems adopted cannot provide an absolute assurance as to the accurate, complete and timely recording of matters in Group accounting.

The statements made relate solely to the subsidiaries included in the consolidated financial statements of Sartorius AG, whose financial and business policies Sartorius AG can directly or indirectly determine in order to obtain benefits from their activities.

Explanatory Report of the Executive Board

On the Disclosures Pursuant to Section 289, Subsections 4 and 5, and Section 315, Subsection 4, of the German Commercial Code (HGB)

Composition of the Issued Capital | Limitations to Voting Rights

Sartorius AG's capital stock totals €18,720,000. It comprises 18,720,000 no par value individual bearer shares, 9,360,000 of which are ordinary shares and 9,360,000 of which are non-voting preference shares. Each share certificate represents a calculated proportion of €1 of the issued capital.

The rights and obligations associated with these shares are governed by the provisions of the German Stock Corporation Law (Aktiengesetz, abbreviated "AktG"). According to the company's articles of association, preference shares are entitled to a dividend payment that is higher than the dividend payment for ordinary shares, by an amount equal to 2.0% of each preference share's calculated proportion of the issued capital (i.e., two euro cents per share). In any case, the dividend entitlement shall be at least 4.0% of each preference share's calculated proportion of the issued capital (i.e., four euro cents per share). Apart from the cases provided for in Sections 140 and 141 of the German Stock Corporation Law (AktG), preference shares are non-voting. However, they do grant all other rights to which every shareholder is entitled.

The company holds 831,944 ordinary shares and 840,983 preference shares; these do not entitle the company to any membership rights.

Direct or Indirect Equity Ownership Exceeding 10.0% of Voting Rights

The community of heirs consisting of Mrs. U. Baro, resident of Munich, Germany; Mrs. C. Franken, resident of Bovenden, Germany; and Mrs. K. Sartorius-Herbst, resident of Northeim, Germany; holds a voting percentage of approximately 50.1% in Sartorius AG (4,688,540 votes according to the list of attendees at the Annual Shareholders' Meeting on April 19, 2012). The decedent Horst Sartorius ordered that his will be executed. The appointed executor of the will is Prof. Dr. Dres. h.c. Arnold Picot, resident of Gauting, Germany, who exercises the specified voting rights at his own discretion as defined by Section 22, Subsection 1, Sentence 1, No. 6, of the German Securities Trading Act (Wertpapierhandelsgesetz, abbreviated "WpHG").

According to a mandatory announcement dated April 1, 2011, Bio-Rad Laboratories Inc., 1000 Alfred Nobel Drive, Hercules, California 94547, USA, to which the voting rights of Bio-Rad Laboratories GmbH, Heidemannstr. 164, 80939 Munich, Germany, are ascribed according to Section 22, Subsection 1, Sentence 1, No. 1 of the German Securities Trading Act (WpHG), holds 30.01% (2,809,299 votes) of the voting rights in Sartorius AG.

Appointment and Dismissal of Executive Board Members | Amendment to the Articles of Association

Executive Board members of Sartorius AG are nominated and/or appointed as well as dismissed in accordance with Sections 84 and 85 of the German Stock Corporation Law (AktG) and Sections 31 and 33 of the German Codetermination Law (Mitbestimmungsgesetz, abbreviated "MitBestG"). Amendments to Sartorius AG's articles of association are regulated by Sections 133 and 179 of the German Stock Corporation Law (AktG).

Powers of the Executive Board to Issue Shares

Subject to approval by the Supervisory Board, the Executive Board is authorized to sell treasury shares held by the corporation, including selling them through channels other than the stock exchange or by tendering an offer to all shareholders in proportion to their participation in the company, provided that these shares are offered within the scope of acquiring companies or shareholdings in companies in return. Under these circumstances, the preemptive rights of the shareholders are excluded.

All circumstances for which disclosure is mandatory pursuant to Section 289, Subsection 4, and Section 315, Subsection 4, of the German Commercial Code (HGB) are reported above, to the extent that such circumstances exist or are known to us.

Principal Features of the Internal Control System and the Risk Management System Pursuant to Section 289, Subsection 5, of the German Commercial Code (HGB)

Please refer to the Risk and Opportunities Report for a full description of the principal features of the internal control and risk management system.

Corporate Governance Report

The executive and supervisory bodies of Sartorius AG are guided in their actions by the principles of transparent and responsible corporate governance. The Executive Board and the Supervisory Board report here on corporate governance pursuant to Article 3.10 of the German Corporate Governance Code. This report also contains the Annual Corporate Governance Statement in accordance with Section 289a of the German Commercial Code (HGB), which statement presents details concerning the mode of operation of the Executive Board and Supervisory Board and other governance measures employed by the company.

Declaration of the Executive Board and of the Supervisory Board of Sartorius AG Concerning the Recommendations of the Government Commission on the German Corporate Governance Code Pursuant to § 161 of the German Stock Corporation Law ("Aktiengesetz")

The Executive Board and the Supervisory Board declare that full compliance will be achieved with the recommendations made by the Government Commission on the German Corporate Governance Code and published by the German Federal Ministry of Justice in the official section of the electronic German Federal Gazette ("Elektronischer Bundesanzeiger"), as amended on May 15, 2012.

Since last year's Declaration of Compliance was issued, Sartorius AG has complied with the recommendations in the valid version of the Government Commission on the German Corporate Governance Code to the full extent.

Goettingen, December 7, 2012

For the Supervisory Board

For the Executive Board



Prof. Dr. Dres. h.c.
Arnold Picot



Dr. Joachim Kreuzburg

Further Remarks Concerning Corporate Governance

In the reporting year, the Executive Board and the Supervisory Board dealt with the issues raised by the revised version of the German Corporate Governance Code dated May 15, 2012. Sartorius AG implemented the changes of the Code to the full extent. The targets for the composition of the Supervisory Board defined in 2010 continue to apply:

- Women are to make up no less than 25% of the Supervisory Board.
- Independent members shall account for no less than 25% of the Supervisory Board.
- The aim of selecting candidates having international experience or an international background is to be considered, as previously, when making appointments to the Supervisory Board.
- The upper age limit of 70 at the time of election should be taken into consideration, but may be waived in exceptional cases, provided there are no reservations about the suitability of the persons proposed and their election is expedient to the interests of the company in spite of the age limit being exceeded.

The company already meets these targets. The target for the proportion of women on the Supervisory Board is somewhat higher than the proportion of women in management positions within the Sartorius Group.

Corporate Governance Statement in Accordance with Section 289a of the German Commercial Code (HGB)

Mode of Operation of the Executive Board and Supervisory Board

Sartorius AG is a company under German law founded on the dual management system with an Executive Board and a Supervisory Board, each of which has its own independent competencies.

The Supervisory Board comprises twelve members as defined in the German Codetermination Law (Mitbestimmungsgesetz) and has an equal number of shareholder representatives and employee representatives. The Supervisory Board monitors and advises the Executive Board in its management of the company.

The Supervisory Board has established four committees: the Executive Task Committee, the Audit Committee, the Conciliation Committee and the Nomination Committee. The Executive Task Committee, Audit Committee and Conciliation Committee each have four members and have an equal number of shareholder representatives and employee representatives. The Executive Task Committee and Audit Committee hold regular meetings; the Conciliation Committee and the Nomination Committee meet only as necessary.

The Executive Task Committee carries out preparatory work for resolutions and issues to be addressed in the meetings of the Supervisory Board. It also looks after the preparations for appointments, including the remuneration and employment contract conditions of members of the Executive Board. The Audit Committee assists the Supervisory Board with the performance of its supervisory function. The chairperson of the Audit Committee is an independent member of the Supervisory Board and has detailed knowledge and extensive experience in the application of accounting standards and internal control systems from his or her own professional practice. The Conciliation Committee meets if the majority required in connection with the appointment of members to the bodies authorized to represent the company for legal purposes is not reached. The Nomination Committee comprises representatives of the shareholders only. Its function is to propose suitable candidates to the Supervisory Board for the latter's election proposals submitted to the Annual Shareholders' Meeting.

The Executive Board of Sartorius AG currently consists of three members. This board has full responsibility for its actions in managing the company in the latter's interest, with the aim of creating sustainable value. The Executive Board provides the Supervisory Board with regular, prompt and detailed reports, both written and oral, about all relevant corporate planning and strategic development issues and the progress of the Group's business. Significant transactions are discussed in depth by the full Supervisory Board in accordance with the rules of procedure of the Executive Board. The rules of procedure of the Executive Board additionally define the legal transactions that may not be effected without the approval of the Supervisory Board. The Executive Board and the Supervisory Board work closely together in a spirit of mutual trust on the management and supervision of the company.

Remuneration of the Executive Board and Supervisory Board

Details of the remuneration paid to the Executive Board and Supervisory Board are presented and disclosed in a standardized form in a Remuneration Report that forms an integral part of the Group Management Report. In order to avoid having to repeat these details, this Annual Corporate Governance Statement explicitly adopts and references the presentation included in the Group Management Report (see on pp. 64 et seq.).

Shareholders and Shareholders' Meeting

Sartorius AG shareholders exercise their rights at the company's Shareholders' Meeting. The Shareholders' Meeting is held at least once a year within the first eight months of the fiscal year. The Shareholders' Meeting decides on all of the matters for which it is responsible under the law.

Any shareholder who registers in due time may attend the Shareholders' Meeting. Shareholders who are unable to participate in the Shareholders' Meeting in person may arrange to have their vote cast by a bank, by a shareholders' association, by the proxies who are appointed by Sartorius AG and are bound to follow the instructions issued to them, or by a different proxy of their choice.

Risk Management

Conscientious management of commercial risks is a central pillar of good corporate governance. Sartorius AG and the Group have at their disposal enterprise-wide and company-specific reporting and control systems designed to facilitate the recording, assessment and management of commercial risks. These systems are developed and adapted continuously as conditions evolve; all of the changes made are verified by the independent auditors. The Executive Board notifies the Supervisory Board regularly of existing risks and their development. The Audit Committee is concerned in particular with monitoring of the following: the accounting process including reporting; the efficacy of the internal control system; risk management and the internal auditing system; compliance; and the independent audit. Details of risk management are presented in the Risk and Opportunities Report.

Transparency

Sartorius AG recognizes the importance of disclosing consistent and complete information promptly. Information about the economic position of the Group and relevant developments is consequently released regularly, without delay, as it becomes known for the use of participants in the capital market and interested members of the public at large. The annual report, first-half financial report and quarterly reports are published within the timeframes specified for this purpose. Current developments and material events are publicized as press releases and, where appropriate, ad hoc announcements. This information is usually made available in German and English simultaneously and published via suitable media and on the internet.

The chief recurring events and publications, such as the Annual Shareholders' Meeting, the annual report and the interim reports, are listed on a financial calendar that may be viewed at any time on the Group website.

Share Trading Activities of Supervisory and Executive Board Members

We received no reports under the applicable mandatory disclosure requirements of any purchases or sales of shares in Sartorius AG or related financial instruments made by the members of the Executive Board and the Supervisory Board or other persons with management responsibilities or their related parties.

Supervisory Board Chairman Prof. Dr. Dres. h.c. Arnold Picot holds approximately 50.1% of the ordinary shares issued by the company in his capacity as executor of the estate of Horst Sartorius, but otherwise no member of the Executive Board or Supervisory Board has any holding of shares or financial instruments subject to the mandatory reporting requirements that directly or indirectly exceeds 1% of the shares issued by the company.

Accounting and Independent Audit

The consolidated financial statements and consolidated interim financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as they are to be applied within the EU. The annual financial statements of Sartorius AG are prepared in accordance with German commercial law (the German Commercial Code or HGB). The consolidated financial statements and the annual financial statements are prepared by the Executive Board, audited by the independent auditors elected by the Annual Shareholders' Meeting and approved by the Supervisory Board.

It has been agreed with the independent auditors that they will notify the Supervisory Board directly of any potential disqualification or bias issues and any material findings and incidents identified during the audit. This also encompasses the corporate governance reporting duties pursuant to Section 161 of the German Stock Corporation Law (Aktiengesetz).

Code of Conduct

Central to the corporate culture of Sartorius AG is the understanding that we always conduct our business in a sustainable manner compatible with the pertinent economic, environmental and social imperatives. A uniform Code of Conduct applies across the entire Group in order to ensure that our actions are consistent throughout the organization. This Code of Conduct, which applies equally to all of the Group's people, whether they members of the Executive Board, managing directors, managers or other employees, establishes defined standards formulated to help users successfully navigate ethical and legal challenges in everyday operations. It is in the interest of all employees and of the company for breaches of the Code of Conduct to be investigated, through the Internal Control System/Compliance department established for the purpose, and for their causes to be eliminated.

The Supervisory Board | The Executive Board

Remuneration Report

1. Main Features of the Remuneration Plan for the Executive Board

General and Fixed Remuneration

The full Supervisory Board is responsible for establishing the remuneration paid to members of the Executive Board of Sartorius AG. The total value of the remuneration of an Executive Board member reflects the scope of the responsibilities of the Executive Board member concerned, the Executive Board member's personal performance, the company's economic situation and sustainable progress. In addition, the extent to which this amount of remuneration is typical is considered, taking into account peer companies and the remuneration structure in place in other areas of the company and in similar companies. Remuneration is comprised of both fixed and variable components and is reviewed annually to ensure that it remains appropriate. The variable remuneration components paid in addition to the fixed base salary represent approximately half of the total remuneration excluding pension commitments and fringe benefits in the case of 100% target achievement.

Variable Remuneration

The variable portion of this remuneration contains components that are paid annually (subordinate targets measured against sales revenue | order intake, EBITA and ratio of net debt to EBITDA) and components determined by multi-year assessment (measured against consolidated net profit and the phantom stock plan). The components to be annually paid and the elements determined by multi-year assessment each make up one half of the target achievement that is possible. A cap is provided for all variable components to be paid out. In the reporting year, the components to be annually paid were slightly adjusted. The individual goals that were weighted according to 10% in the year before were eliminated and their proportion was added to the three remaining components of sales revenue | order intake, EBITA and ratio of net debt to EBITDA. The new weighting is specified in the following paragraph.

Of the total that can be granted for 100% target achievement, the subordinate targets of the components to be annually paid are weighted as follows: sales revenue | order intake 12.5%; EBITA 18.75%; and ratio of net debt to EBITDA 18.75%. The subordinate targets constituted by consolidated net profit and the phantom stock plan as components determined by multi-year assessment are each weighted at 25%.

a) Annually paid variable remuneration

The portion of the variable remuneration that is to be paid annually depends on the degree to which the target is achieved, which the Supervisory Board defines by setting each individual subordinate target. Thus, target achievement is subdivided into the previously mentioned three subordinate targets, which are each separately paid.

Sales Revenue | Order Intake

If the degree of target achievement is below 90%, no remuneration is paid. If 90% of a target is achieved, 50% of the target amount is paid out. Thereafter, payment increases linearly up to a target achievement of 104%, at which a maximum of 120% of the target amount is paid out. The degree of payment of 120% constitutes the cap for this subordinate target at the same time.

EBITA

If the degree of target achievement is below 70%, no remuneration is paid. If 70% is achieved, 70% of the target amount is paid out. Thereafter, payment increases linearly up to a target achievement of 120%, at which a maximum of 120% of the target amount is paid out. The degree of payment of 120% constitutes the cap for this subordinate target at the same time.

Ratio of Net Debt to EBITDA

No remuneration is paid if the ratio of net debt to EBITDA achieved is below the lower limit defined. If this defined value is achieved, 50% of the target amount is paid out. Thereafter, payment increases linearly up to a target achievement of 120%, at which a maximum of 120% of the target amount is paid out. The degree of payment of 120% constitutes the cap for this subordinate target at the same time.

b) Variable remuneration with multi-year components

On the one hand, components determined by multi-year assessment depend on the degree to which the target is achieved, which the Supervisory Board defines by setting the subordinate target constituted by consolidated net profit. On the other hand, these multi-year components depend on the value of the monetary sum ascribed to the Executive Board member at the beginning of each year.

Consolidated Net Profit

For this subordinate target, the basis for assessment is the consolidated net profit after non-controlling interest excluding amortization (impairment of the value of intangible assets, such as customer databases or patents, which results from purchase price allocation within the scope of business combinations pursuant to IFRS 3). Target achievement for assessing annual variable remuneration is based on the average taken over a period of three fiscal years, beginning with the present fiscal year. To smooth the amounts to be paid out, a partial payment amounting to 50% of the target achievement for a fiscal year will be effected. Any overpayments as a result of these partial payments will be offset in the following year against other remuneration components (fixed or variable). No partial payment will be made in the year prior to an Executive Board member's resignation. Full account is thus taken of any negative results, and the effects of such results continue to have an impact on the remuneration of the Executive Board member concerned even after he or she has left the company. If a defined minimum value is attained, payment of the target amount will increase linearly from 0% to a maximum of 120% of the subordinate target achievement value defined by the Supervisory Board. The degree of payment of 120% constitutes the cap for this subordinate target at the same time.

Phantom Stock Plan

Through the issue of shadow shares, called phantom stock, Executive Board members are treated as if they were owners of a certain number of shares in Sartorius AG, without, however, being entitled to receive dividends. The development of the value of this phantom stock is linked with the development of the Sartorius share; both increases and decreases in the share price are taken into account. Later, the value of this phantom stock is assessed based on the share price at the time and its equivalent is paid out, provided that the associated conditions are met. Phantom stock cannot be traded and does not entail any share subscription rights.

According to the Sartorius phantom stock plan, each Executive Board member is credited at the beginning of every year with phantom stock units valued at an agreed monetary sum. The value of this phantom stock can be paid out only as an entire annual tranche. Payment can be requested, at the earliest, after a period of four years and no later than after eight years.

An Executive Board member is entitled to receive payment for phantom stock units only if the share price at the time of such payment request has appre-

ciated at least 7.5% per year relative to the time the phantom stock was assigned or if the share price outperformed the TecDAX as a comparative index. The phantom stock plan rules out subsequent changes to the parameters used for comparative stock valuation. The amount to be paid is capped at a maximum of 2.5 times the share price at the time the phantom stock was assigned, based in each case on the actual annual tranche concerned.

Assignment of this phantom stock and payment of its monetary equivalent depend on the mean value calculated from the average prices of both classes of Sartorius AG share in the closing auction of Xetra trading on the Frankfurt Stock Exchange over the last 20 days of trading of the previous year or the 20 days of trading prior to submission of a payment request. This serves to compensate for any short-term fluctuations in the share prices.

Payment for phantom stock is blocked for the four weeks preceding the scheduled publication date of quarterly and preliminary year-end results and for 20 days of trading on the stock exchange following the actual publication of quarterly and preliminary year-end results. These blackout periods are intended to prevent Executive Board members' profiting from their insider knowledge.

Pension Commitments

Executive Board members receive pension commitments when reappointed for the first time. Until now, the level of their entitlement to benefits paid under a company pension scheme had been calculated based on the salary of a German federal civil servant of salary class B for ministry officials according to the Federal Civil Service Remuneration Act (*Bundesbesoldungsgesetz*), and depended on the term of their respective appointments. Benefits under the company pension scheme are still granted in the form of a retirement pension for old age and invalidity and in the form of survivors' benefits for the surviving spouse and children of the decedent. After a member has turned 65, this shall be considered the regular age limit at which this member shall automatically retire.

If an Executive Board member is reappointed for a second time, the benefits under the company pension scheme used to be extended by an externally financed defined contribution plan commitment. Besides securing a basic retirement amount, this commitment used to provide for the third-term Executive Board member to make his own contribution from his variable earnings and for the company to match this contribution by a bonus amount.

This practice was modified by the resolution adopted by the Supervisory Board on August 24, 2011, in that upon being reappointed for the first time, an Executive Board member will receive an externally financed defined contribution plan commitment, which, in addition to securing a basic retirement amount, now provides for this second-term Executive Board member to make his own contribution from his variable earnings and for the company to match this contribution by a bonus amount.

Other Remuneration Components

In the reporting year, the remuneration policy was amended to include a rule to authorize the Supervisory Board to grant special remuneration, according to equitable discretion, to an Executive Board member for the latter's extraordinary performance.

Severance Cap

The employment contracts concluded in connection with new appointments and reappointments include a severance pay cap of a maximum of two annual salaries to cover cases in which membership of the Executive Board is terminated prematurely.

Fringe Benefits

The members of the Executive Board are each entitled to use a company car, reclaim expenses incurred on business travel and to be covered by accident insurance and D&O insurance as fringe benefits in addition to receiving the remuneration components mentioned. The D&O insurance provides for the application of a deductible or excess in the amount required by law.

2. Remuneration of the Executive Board Members

The remuneration expenses actually recognized in the income statement are used to increase transparency in disclosing the remuneration of the Executive Board. Variable remuneration for a fiscal year is not accounted for and paid out until the following year in which the annual financial statements for that respective fiscal year have been approved. Variable remuneration based on multi-year performance is paid out no earlier than two or three years after a fiscal year has ended and only then if the prerequisites for such payment have been met.

€ in K	2012	2011
Total Remuneration for the Executive Board		
Cash benefits	2,679	2,458
Fixed remuneration	1,246	1,186
Annually paid variable remuneration	558	659
Variable remuneration with multi-year components (fair value)	875	613
Change in the fair values of the multi-year components of remuneration from previous years	611	223
Pension commitments	283	120

€ in K	2012	2011
Dr. Joachim Kreuzburg		
Cash benefits	1,302	1,182
Fixed remuneration	603	568
Annually paid variable remuneration	272	318
Variable remuneration with multi-year components (fair value)	427	296
Change in the fair values of the multi-year components of remuneration from previous years	366	156
Pension commitments	172	120

€ in K	2012	2011
Jörg Pfirrmann		
Cash benefits	575	541
Fixed remuneration	269	262
Annually paid variable remuneration	119	145
Variable remuneration with multi-year components (fair value)	187	135
Change in the fair values of the multi-year components of remuneration from previous years	103	27
Pension commitments	111	0

€ in K	2012	2011
Reinhard Vogt		
Cash benefits	801	735
Fixed remuneration	374	356
Annually paid variable remuneration	166	197
Variable remuneration with multi-year components (fair value)	261	182
Change in the fair values of the multi-year components of remuneration from previous years	142	39

	Fair value when granted as of Jan. 1 of the particular year € in K	Fair value at year-end on Dec. 31, 2011 € in K	Fair value at year-end on Dec. 31, 2012 € in K	Change in value in fiscal 2012 € in K
Remuneration determined using multi-year assessment				
Dr. Joachim Kreuzburg				
Granted for fiscal 2010	138	149	153	4
Granted for fiscal 2011	138	140	142	2
Granted for fiscal 2012	146	0	148	2
Total	421	289	444	9
Jörg Pfirrmann				
Granted for fiscal 2010	53	57	59	2
Granted for fiscal 2011	63	64	64	1
Granted for fiscal 2012	64	0	65	1
Total	179	121	189	4
Reinhard Vogt				
Granted for fiscal 2010	75	81	84	2
Granted for fiscal 2011	85	86	88	1
Granted for fiscal 2012	90	0	91	1
Total	250	168	262	5

	Number of phantom stock units	Price on assignment ¹⁾ in €	Fair value when granted on Jan. 1 of the particular year € in K	Fair value at year-end on Dec. 31, 2011 € in K	Fair value at year-end on Dec. 31, 2012 € in K	Paid in fiscal 2012 € in K	Change in value in fiscal 2012 € in K	Status
Dr. Joachim Kreuzburg								
Tranche for 2006	3,871	21.31	83	128	0	128	0	Paid in 2012
Tranche for 2007	3,593	34.79	125	119	249	0	130	Exercisable
Tranche for 2009	16,851	8.16	138	344	0	344	0	Paid in 2012
Tranche for 2010	8,715	15.78	138	271	334	0	63	Not exercisable
Tranche for 2011	5,165	26.62	138	156	323	0	167	Not exercisable
Sum of the tranches from the previous years	38,195		622	1018	906	472	360	
Tranche for 2012	4,416	33.12	146	0	279	0	133	Not exercisable
Total sum of tranches	42,611		768	1,018	1,185	472	493	
Jörg Pfirrmann								
Tranche for 2009	2,703	8.16	22	55	0	55	0	Paid in 2012
Tranche for 2010	3,334	15.78	53	105	128	0	23	Not exercisable
Tranche for 2011	2,348	26.62	63	71	147	0	76	Not exercisable
Sum of the tranches from the previous years	8,385		138	231	275	55	99	
Tranche for 2012	1,937	33.12	64	0	122	0	58	Not exercisable
Total sum of tranches	10,322		202	231	397	55	157	
Reinhard Vogt								
Tranche for 2009	4,054	8.16	33	83	0	83	0	Paid in 2012
Tranche for 2010	4,754	15.78	75	148	182	0	34	Not exercisable
Tranche for 2011	3,193	26.62	85	96	200	0	104	Not exercisable
Sum of the tranches from the previous years	12,001		193	327	382	83	138	
Tranche for 2012	2,699	33.12	89	0	170	0	81	Not exercisable
Total sum of tranches	14,700		282	327	552	83	219	

¹⁾ Average share price over the last 20 days of trading in the previous fiscal year

3. Main Features of the Remuneration Plan for the Supervisory Board

The remuneration for Supervisory Board members is defined in the articles of association of Sartorius AG and comprises both fixed and performance-related components.

The members of the Supervisory Board receive fixed annual basic remuneration and meeting attendance fees. They also have their expenses reimbursed and receive performance-related remuneration that is calculated according to a defined index on the basis of the dividends paid to the ordinary shareholders. The Supervisory Board members serving as chairperson and vice chairperson of the Supervisory Board receive higher basic remuneration and a correspondingly higher dividend-dependent remuneration component than do the other Supervisory Board members.

Members and chairpersons of Supervisory Board committees are entitled to receive additional annual fixed amounts and meeting attendance fees and reimbursement of their additional expenses. These amounts do not apply in relation to the Nomination Committee or to the committee pursuant to Section 27, Subsection 3, of the German Codetermination Law (MitBestG).

4. Remuneration of the Supervisory Board Members

€ in K	2012	2011
Remuneration for the Supervisory Board Members		
Total remuneration	860	773
Fixed remuneration	300	290
Performance-related remuneration	283	217
Compensation for committee work	60	58
Meeting attendance fee	114	123
Remuneration from Sartorius Weighing Technology GmbH, Goettingen	20	2
Total remuneration for the Sartorius Stedim Biotech subgroup	83	83
Remuneration from Sartorius Stedim Biotech GmbH, Goettingen	38	38
Remuneration from Sartorius Stedim Biotech S.A., Aubagne	45	45

€ in K	2012	2011
Prof. Dr. Dres. h.c. Arnold Picot (Chairman)		
Total remuneration	255	230
Fixed remuneration	60	60
Performance-related remuneration	56	45
Compensation for committee work	18	20
Meeting attendance fee	18	20
Remuneration from Sartorius Weighing Technology GmbH, Goettingen	20	2
Total remuneration for the Sartorius Stedim Biotech subgroup	83	83
Remuneration from Sartorius Stedim Biotech GmbH, Goettingen	38	38
Remuneration from Sartorius Stedim Biotech S.A., Aubagne	45	45

€ in K	2012	2011
Gerd-Uwe Boguslawski¹⁾ (Vice Chairman)		
Total remuneration	103	102
Fixed remuneration	40	40
Performance-related remuneration	37	30
Compensation for committee work	12	12
Meeting attendance fee	14	20

€ in K	2012	2011
Dr. Dirk Basting		
Total remuneration	45	41
Fixed remuneration	20	20
Performance-related remuneration	19	15
Meeting attendance fee	6	6

€ in K	2012	2011
Annette Becker¹⁾		
Total remuneration	45	41
Fixed remuneration	20	20
Performance-related remuneration	19	15
Meeting attendance fee	6	6

€ in K	2012	2011
Christiane Benner¹⁾ (until April 19, 2012)		
Total remuneration	13	41
Fixed remuneration	6	20
Performance-related remuneration	6	15
Meeting attendance fee	1	6

€ in K	2012	2011
Uwe Bretthauer¹⁾		
Total remuneration	69	67
Fixed remuneration	20	20
Performance-related remuneration	19	15
Compensation for committee work	12	12
Meeting attendance fee	18	20

€ in K	2012	2011
Michael Dohrmann¹⁾		
Total remuneration	45	40
Fixed remuneration	20	20
Performance-related remuneration	19	15
Meeting attendance fee	6	5

€ in K	2012	2011
Dr. Lothar Kappich		
Total remuneration	45	48
Fixed remuneration	20	20
Performance-related remuneration	19	15
Compensation for committee work	0	3
Meeting attendance fee	6	10

€ in K	2012	2011
Petra Kirchhoff		
Total remuneration	45	41
Fixed remuneration	20	20
Performance-related remuneration	19	15
Meeting attendance fee	6	6

€ in K	2012	2011
Karoline Kleinschmidt¹⁾ (as of April 19, 2012)		
Total remuneration	32	0
Fixed remuneration	14	0
Performance-related remuneration	13	0
Meeting attendance fee	5	0

€ in K	2012	2011
Prof. Dr. Gerd Krieger		
Total remuneration	56	47
Fixed remuneration	20	20
Performance-related remuneration	19	15
Compensation for committee work	6	3
Meeting attendance fee	11	9

€ in K	2012	2011
Prof. Dr. rer. nat. Dr.-Ing. Heribert Offermanns (until April 19, 2012)		
Total remuneration	13	41
Fixed remuneration	6	20
Performance-related remuneration	6	15
Meeting attendance fee	1	6

€ in K	2012	2011
Prof. Dr. Thomas Scheper (as of April 19, 2012)		
Total remuneration	32	0
Fixed remuneration	14	0
Performance-related remuneration	13	0
Meeting attendance fee	5	0

€ in K	2012	2011
Dr. Michael Schulenburg (until May 20, 2012)		
Total remuneration	0	29
Fixed remuneration	0	8
Performance-related remuneration	0	6
Compensation for committee work	0	7
Meeting attendance fee	0	8

€ in K	2012	2011
Prof. Dr. Klaus Trützschler (as of November 29, 2011)		
Total remuneration	62	5
Fixed remuneration	20	2
Performance-related remuneration	19	1
Compensation for committee work	12	1
Meeting attendance fee	11	1

¹⁾ The employee representatives declared that they donate their Supervisory Board remuneration to the foundation Hans Böckler Stiftung according to the guidelines of the German Trade Union Association

Beyond their Supervisory Board remuneration, the employee representatives who are employees within the Sartorius Group receive compensation that is not related to their service on the Supervisory Board.

5. Remuneration of Former Managing Directors

€ in K	2012	2011
Remuneration of Former Managing Directors		
Remuneration of former managing directors, members of the Executive Board and their surviving dependents	386	390
Retirement benefits and pension obligations to former managing directors and members of the Executive Board and their surviving dependents	7,045	6,692

Sustainability Report

03

Sustainability at Sartorius

Sustainability is one of the core values that are firmly embedded in Sartorius corporate culture. Ever since the company was founded in 1870, the sustainable development of the company has been its major objective.

Our primary commercial mission is to offer attractive products and solutions to our customers. Innovation as well as strategic and operational excellence is key to meeting this objective. To us, sustainability in this context means that, in pursuing these business objectives, we take a long-term, broadly based view, which also specifically includes social and ecological interests. We take our responsibilities toward our various stakeholders seriously and believe in long-term relations that deliver benefits to all parties involved. Accordingly, we regard active management of social and ecological tasks not as compensation for our business activities, but rather as one of our success factors.

In line with this approach, we regard it as essential to comply with legal and ethical standards, manufacture with ecological responsibility, and keep the environmental impacts in mind when developing product innovations. Likewise, our HR policy is aimed at preserving the rights and interests of employees and at actively using and developing the potential of our global workforce. At our company's sites around the world, we as employers and customers take an active part in developing the regional environments, and increasing their attractiveness by supporting cultural and social projects.

Sartorius is continuously developing its sustainability reporting. In 2012 we introduced new environmental and human resources indicators and metrics and made further improvements to our Group-wide recording and reporting of environmental and personnel data in order to make our reporting even more transparent. These indicators are oriented towards general standards and thus permit comparison with those of other companies. Internally, these figures provide the basis for defining, reviewing and controlling environmental and personnel targets. The following report provides an overview on the key indicators activities and on the projects in the three areas of "Sustainable Corporate Management," "Ecological Sustainability" and "Contributing to Society."

Dimensions of Sustainability



Sustainable Corporate Governance

Detailed information on the economic dimension of sustainability at Sartorius is provided on pages 20 through 70 of the Group Management Report, where we explain the strategies and measures we use to achieve profitable growth.

Compliance with Legal and Ethical Standards

Our activities are based on our corporate values: sustainability, openness and enjoyment. These values govern how we treat our customers, business partners and investors as well as how we work together within our company. At the same time, these corporate values guide us in the direction in which we intend to further develop our company in the future.

Sartorius conducts its business in compliance with the legal regulations of individual countries and with globally accepted ethical standards. Our actions follow the principles of responsible corporate governance and control focused on sustainable value added. This includes compliance with legal and Group-internal regulations, consideration of our stakeholders' interests, transparent corporate communications, appropriate risk management and proper accounting and auditing. Sartorius complies with the stipulations and recommendations of the German Corporate Governance Code in the most recent version published on May 15, 2012. Further information on this topic is given in the Corporate Governance Report on page 61.

Sartorius operates a global compliance system to monitor legal and ethical standards. Intended to ensure that members of the executive bodies, managers and employees comply with all legal regulations, codes and internal guidelines, this pre-emptive system aims to prevent misconduct, financial losses and damage to our image by ensuring that all of our people are familiar with relevant compliance issues. The Internal Control Systems|Compliance department is responsible for internal auditing, corporate security, environmental management, data protection, risk management, anti-corruption and export control.

The Sartorius Code of Conduct and the Sartorius Anti-Corruption Code, which set out and expand on the minimum standards for legally compliant and ethical behavior, play a central role in maintaining compliance within our organization. Sartorius adheres to the principles of the United Nations Universal Declaration of Human Rights, the International Labor Organization (ILO) and the United Nations Global Compact. The company categorically rejects all forms of forced,

compulsory and child labor and explicitly expects its suppliers to do the same. We act with integrity in our dealings with competitors, suppliers and customers and aim to work in trusting partnership with relevant employee representative bodies. The remuneration paid by Sartorius for regular working hours, overtime and compensation for hours worked in excess of contract or regular work schedules either meets or exceeds industry standards or the legal minimum wage.

The Sartorius Code of Conduct helps employees to act ethically and in accordance with the law in their daily work. Its provisions and the specific rules of conduct to counter corruption are binding on all employees. All of our employees around the globe complete a training course that uses fictitious examples to train them to deal with ethically or legally problematic situations. A whistleblower portal and a telephone hotline enable employees, suppliers, customers and partners to report any dubious conduct.

Applying Different Perspectives

Our workforce reflects the diversity of the markets, business regions and customers served by our global operation. We take care when assembling teams to ensure that the different perspectives and experiences contributed by our people combine productively. Similarly we aim to achieve a mix of genders, age groups and cultures when filling management vacancies. As of December 31, 2012, 56.4% of the Group's employees were employed outside Germany (previous year: 52.8%). A good half of the company's managers likewise originated outside Germany. The proportion of women in our total workforce increased in 2012 from 30% to 34%. This trend was mirrored at management level, with the number of posts held by women in the two tiers of management immediately below the Executive Board increasing by three percentage points to just short of 21% in the year to December 31, 2012. Making our management team even more international and further increasing the proportion of women in managerial positions remain significant priorities for the medium term.

Sartorius employed 146 people in the reporting period who are registered as disabled, 118 of them in Germany.

Further Developing the Potential of Employees Worldwide

To grow successfully in a dynamic market environment, we need competent, qualified employees and therefore endeavor continuously to enhance our appeal as an employer further both internally and externally. Providing our employees with good opportunities for continuing personal development is central to this effort. Our employee annual performance reviews, the structure and assessment criteria for which we have standardized, cover development opportunities as well as targets and performance. Our ultimate objective here is to expand human resources programs to cover the whole of our global operation and, where appropriate and expedient, to harmonize them throughout the Group.

Sartorius fills management vacancies largely from within its own ranks and accordingly develops and promotes employees with management potential at an international level. A one-year program that we provided for young management level staff across all Sartorius divisions once again in 2012 helps junior managers to develop their own management qualities through a variety of measures including opportunities to engage in face-to-face discussions with longstanding managers.

Sartorius offers experienced managers a separate development program designed on the basis of our management guidelines. A second international course under this program was completed successfully in the reporting year. Among the particular strengths of the program are the way it helps to integrate employees from different cultural backgrounds around the world and reinforce the establishment of our common management culture.

Controlling change processes successfully is an issue of ever-increasing importance for companies. Our change management approach, which enhances employee flexibility and openness to change, helps our people to cope with and implement change processes successfully.

The Sartorius College at the Goettingen headquarters site offers a wide range of training and continuing personal development opportunities for all employees to help improve language and methodological skills. We support employees with targeted specialist training too: the Value Selling course, for example, teaches field sales representatives and application specialists worldwide the strategic skills necessary to provide a first class customer advisory service.

A new training program for production staff devised in the reporting year at the Aubagne site aims primarily to teach and develop technical skills. We also enhanced training provision at the Yauco facility, where a new training center opened as part of the site expansion is helping us to train production staff in accordance with uniform standards and methods.

Finding and Developing Talented Young Staff

Sartorius offers thorough initial vocational training to secure a future workforce of highly qualified, talented professionals. In Germany, the Group provides training and education in a total of 19 different professions and eight work-study programs. Sartorius employed a total of 135 trainees and students as of the December 31, 2012 reporting date. We offered a total 53 training positions at our German sites in the reporting year, twelve more than in the previous year. At the Goettingen site alone, 43 young people started their training in 2012. The reporting year also brought the launch of four- to eight-week exchange programs allowing trainees to experience different Group sites. This opportunity to gain experience of working in other countries even while still in training is one we intend to expand in future. Highly practical work-study programs in the natural sciences and business administration, which provide targeted hands-on development, also give promising young individuals at Sartorius the opportunity to prepare themselves for future roles.

Sartorius offers internships for students in many different fields to help them expand their professional knowledge, skills and experience. Interns at the company are supported in a number of ways, moreover, not least through access to training initiatives. Thanks to one of our alliances, the international interns at our Aubagne site are able to attend the Master of Business Administration courses offered by the Euromed Business School in Marseille.

The Sartorius Bioscience Scholarship program provides financial, technical and personal support to talented students and graduates in scientific and technical disciplines. Previously only available to candidates in Germany, the program was extended to India during the reporting year and we plan to launch it to other sites as well in the future. Sartorius is also stepping up its internal and external talent management activities in order to facilitate the recruitment and retention of good people at an early stage in their career.

Certified Vocational Training and Work-study Programs at Sartorius in Germany

Vocational Study Programs Offered by the German Chamber of Commerce and Industry IHK

Recognized professions in commerce
Event manager, Industrial business administrator, Office communication management assistant, IT application specialist, Warehouse logistics specialist
Recognized professions in the natural sciences
Skilled chemistry technician, Physics laboratory assistant, Chemical laboratory assistant
Recognized professions in skilled trade and skilled technical jobs
Mechatronics engineer, Electronics technician for automation technology, Electronics technician for equipment and systems, Milling machine operator, Industrial mechatronics engineer, Construction technician, Skilled sheet metal worker for design engineering, Skilled machine and plant operator, Certified production technician
Work-study programs
Bachelor of Science, Biotechnology Bachelor of Engineering, Electrical and Electronic Engineering Information Technology Bachelor of Engineering, Physical Engineering Technologies Bachelor of Engineering, Precision Machinery Bachelor of Engineering, Production Technology achelor of Science, Business Information Management Systems Bachelor of Arts, Business Administration

Freedom and Flexibility at Work

Sartorius sets its employees demanding tasks, delegates responsibility to them at an early stage and gives them freedom to arrange their daily work. Flexible working hours are a key aspect in achieving a work-life balance. Our working time model gives employees at the German sites the option to arrange their working hours flexibly, for example through flextime, part-time work or teleworking. The Sartorius Group had 251 people, or 4.6% of employees, in part-time employment in the reporting year, most of them in Germany. Sartorius has already garnered a number of awards for its family-friendly policies.

Health protection and safety

Sartorius operates a corporate health management policy covering both the physical and the psychosocial elements of health in order to enhance employee performance and motivation and reduce the costs associated with sickness. Sartorius also promotes awareness of personal health among all of its employees through special action days at individual sites. We offer our Vice Presidents in Germany an annual medical checkup at a selected partner clinic.

Sartorius strives to improve technical and organizational working conditions continuously in order to bring about further reductions in job-related medical conditions, risks to health and potential causes of industrial accidents as well as providing regular employee training in the areas of occupational health and safety and environmental protection. We continuously adapt job safety and work organization conditions in line with the applicable laws and regulations and the provisions and guidance issued by the German Occupational Health and Safety Agency.

The company recorded 35 work-related accidents in the reporting year at its largest production site, Goettingen, 17 of which led to more than three days of work being missed and were consequently notifiable under German law. The great majority of accidents were minor in nature. One in every three accidents occurred not on company premises but rather on the employee's journey between home and work. The number of notifiable accidents per thousand employees at the Goettingen site amounted to 8.5 in the reporting year (2011: 16), meaning that it was again well below the statistical mean calculated by BG ETEM, the German institution for statutory accident insurance and prevention with responsibility for our industry (2011: 19.6 accidents per thousand employees). We review the effectiveness of our accident prevention measures regularly with reference to accident analyses.

Ecological Sustainability

Sustainable production processes and sustainable products are an important basis for our long-term financial success. Sartorius designs its manufacturing processes so that they conserve resources and offer customers products that are not only efficient and safe, but also provide ecological benefits. When planning our operations, we look beyond our own immediate use of resources to understand the entire life cycle of our products, including our customer's processes. Our suppliers are also required to meet the specifications of our green approach. Growth coupled with under proportionate use of natural resources – this is a goal Sartorius implements at various levels.

The data presented below on energy consumption, water and waste covers all Sartorius production sites. It does not include the Group's sales locations.

High Standards in Quality and in Environmental Protection

Sartorius is certified according to internationally recognized standards for environmental protection (ISO 14001) and quality (ISO 9001). These two management systems ensure that we are prudent in our use of resources and comply with quality requirements in the manufacture of our products. Originally introduced at our Group headquarters in Goettingen, the two standards today set the benchmark for our international sites. We strive to continuously improve these existing management systems and are working toward their gradual rollout to all our production sites. In the reporting year, all manufacturing sites, except for Tagelswangen, were certified for compliance with the ISO 9001 series of international standards. The ISO 14001 environmental management system has been introduced at both of our pipette production sites in Kajaani, Finland, and Suzhou, China, as well as in Goettingen and Beijing.

Efficient Use of Energy

Finding ways to improve our company's energy efficiency is one of our major approaches to reducing carbon dioxide emissions, which represent the only greenhouse gases Sartorius emits.

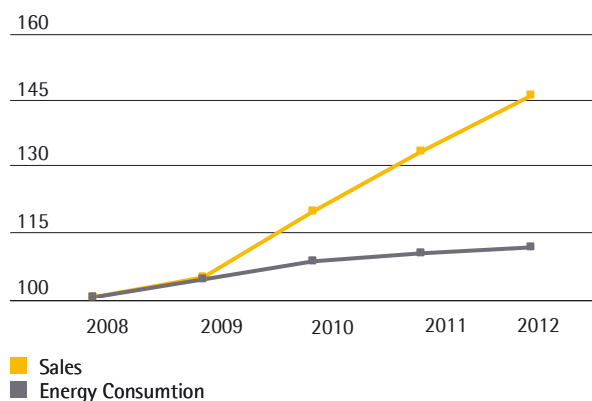
Our largest group site in Goettingen accounts for approximately 70% of total energy consumption. At this location, Sartorius has continuously invested over the past years in modern technology to increase energy efficiency. For example, we operate a combined

heat and power plant and a compressed air center there for controlling production machines. Compared with the former air center, the energy needs of the new unit have been reduced by approximately half. We have been able to reduce our energy consumption for functional tests in balance production significantly by using climate-controlled cabinets. These and other measures cut annual carbon dioxide emissions by at least 5,600 metric tons a year at the Goettingen site alone. Therefore, energy consumption in Goettingen has remained significantly underproportionate overall over the past years.

Energy consumption and greenhouse gases

	2012
Total energy consumption (in MWh)	90,785
- of which electricity (in MWh)	45,631
- of which natural gas (in MWh)	36,181
- of which fuels (in MWh)	7,838
- of which other energy sources (in MWh)	1,135
CO ₂ emissions (in metric tons)	26,840
CO ₂ emissions per employee (in metric tons)	6.81

Development of Sales¹⁾ and Energy Consumption in %



¹⁾ Source: Sartorius Stedim Biotech GmbH, Goettingen, for its own manufactured products

At its international sites as well, we continuously develop existing production processes and enhance building facilities to conserve resources. Particularly at our new buildings, we are increasing the proportion of renewable energy sources in our energy mix. At our plant in Yauco, we will be using solar energy to cover around 9% of our energy consumption requirements. Furthermore, at our Guxhagen factory, we source a part of our energy needs from the local photovoltaic plant.

On the whole, our strategy of supplying the various markets largely directly from our production sites helps to keep transport distances short, further reducing our carbon dioxide emissions.

Life Cycle Assessment Identifies Potential CO₂ Reductions

To obtain reliable data not just on our own emissions but the total impact of our business on the climate, we conducted an analysis of the environmental footprint of the whole of our main production site for single-use bags at Aubagne, France, at the end of 2010. Based on the French "Bilan Carbone" method, emissions of carbon dioxide and other greenhouse gases were measured in all processes performed upstream and downstream of our manufacturing. The result of this analysis is that raw materials delivered by our suppliers account for roughly 42% of the site's carbon footprint. Other sources adding to its footprint are freight (20%), packaging (12%) and business and work-related travel by employees (14%). Based on this study, we then drew up a plan of action to further reduce our CO₂ impact.

Sustainable Use of Water

Most of the water that Sartorius consumes is used for rinsing processes in the manufacture of filter membranes according to the precipitation bath method. Advanced casting machines help ensure the most efficient use of water. At its sites in Goettingen, Bangalore and Beijing, the company operates its own water treatment systems, thus contributing to sustainable use of this raw material. In Yauco, Puerto Rico, Sartorius reduces its usage of water by approximately 85% compared with a conventional plant. This is based on intelligent concept for the use of rain water, which we also employ at our production facility in India.

Water Consumption

	2012
Water consumption (in cbm)	329,347
Water consumption per employee (in cbm)	84
Waste water (in cbm) (Biological Oxygen Demand-BDO) ¹⁾ (in t)	176

¹⁾ Contaminated wastewater only; without sanitary wastewater

Return of Recyclable Materials

Sartorius strives to reduce the amount of waste generated and, by using waste sorting systems, contribute toward enabling reusable materials to be recycled and

the proportion of waste stored in landfills to be lowered. Moreover, the company safely disposes of hazardous waste.

Waste

	2012
Total quantity of waste (in metric tons)	3,711
- of which waste for recycling (in metric tons)	2,414
- of which waste for disposal (in metric tons)	1,296
- of which non-hazardous waste (in metric tons)	2,878
- of which hazardous waste (in metric tons)	833
Waste per employee (in metric tons)	0.94
Recycling quota (in %)	65
Rate of hazardous waste (in %)	22

To recycle organic solvents that Sartorius uses in the manufacture of membranes for filter cartridges, we work with a solvent recovery system at our Goettingen site, where the most solvents are needed. The alcohol effluents resulting from membrane production are purified directly on site and then fed back into the production process. In this way, we maintain closed material cycles, minimize transport requirements, and reduce the quantity of water used and the volume of waste water produced. By conducting our own research and development, we have also achieved an overall reduction in the amount of solvents required in membrane manufacture.

As a supplier to the pharmaceutical industry Sartorius is currently prohibited by regulatory requirements from using recycled plastics on the grounds of product safety. Yet we consistently send our plastic waste for recycling or have it disposed of in an environmentally responsible way. To name an example, in 2012 approximately 90% of all waste produced at our French sites in Aubagne and Lourdes and our Tunisian site in Mohamdia were recycled. Energy-rich, but composite, plastic waste resulting from our bag manufacture was used to generate energy by incineration in a special power plant. The larger proportion of polymer waste was separated and collected according to type of material, such as polyamide and polyethylene, and reused as secondary materials. In the reporting year, we reduced paper consumption at the sites mentioned by a further 5% and returned waste paper for recycling or disposal in an environmentally responsible manner.

Sartorius complies with the European Directive on Waste from Electrical and Electronic Equipment (WEEE). At our sites in Germany, we have been using the electronic signature for hazardous materials, such as caustic solutions and oil, since 2010. As a result, we document the production of hazardous waste and provide digital proof of its proper recovery and/or disposal, ensuring that such waste is fully tracked from end to end.

Environmentally Friendly Expansion of Our Infrastructure

Inside our new buildings and extended production facilities, we integrate advanced ecological utilities and technologies, and often exceed the requirements imposed on us by local environmental protection regulations. In 2012, Sartorius started up operations at three new buildings. For example, in Yauco, which we expanded to serve as the central manufacturing and logistics site for the North American market, Sartorius meets the highest U.S. standards for green, resource-saving and efficient construction. So far, Sartorius is the world's only supplier for the pharmaceutical industry to have received Platinum certification on the LEED scale, the certification system for green buildings in the USA. In Goettingen, we have invested in particular in energy-efficient air-conditioning systems and ventilation equipment and use energy-saving LED lighting. At our Guxhagen site, we substantially reduce our consumption of fossil fuels by using geothermal and solar energy.

Sustainable Product Innovations

Our efforts to optimize the environmental performance of our products and production methods begin at the research and development stage. Wherever safety and functionality permit, we increase the proportion of renewable raw materials used and reduce packaging. Sartorius also works with partners from industry and the scientific community on sustainable product solutions and efficient use of raw materials. For instance, we explore the possibilities for obtaining polymers for membranes and capsules from renewable raw materials or recycled substances, or determine the green house gas emissions released during the manufacture of filter cartridges.

High-Performance Products Improve Customers' Environmental Footprint

Single-use products are becoming increasingly widespread in the manufacture of medication. They are not only practical under economic aspects, but also provide ecological benefits: compared with conventional equipment made of steel and glass, single-use products eliminate the need for resource-intensive cleaning processes with ultrapure water as well as for subsequent waste-water processing. Studies have shown that single-use products made of plastic are far superior to complex reusable systems in their consumption of energy, water and chemicals over the product lifecycle. Experts have compared approaches based primarily on reusable materials with approaches

based predominantly on single-use materials across various scenarios, including a typical industrial manufacturing process for monoclonal antibodies. The result is clear-cut: manufacturers employing mostly single-use solutions consume around 87% less water and 30% less energy. In addition, the experts found that the deployment of single-use solutions reduces the size of production units. Manufacturers are said to require 30% less space, thus also saving energy and materials. Other research has confirmed that the energy required for sterilization, cleaning and materials in processes based on single-use products is around half that of conventional processes.¹⁾

Although single-use products have clear ecological benefits regarding energy and water consumption, their use generates more waste. Yet consistent reuse and recycling could improve environmental performance here as well. The ultrapure plastics we use to manufacture our various single-use products contain around 80% to 90% of the energy of pure crude oil and are thus valuable secondary raw materials. The high energy content of polymers, for example, means that they can be reused as fuel in heat and/or power generation.

The integrated solutions of the Sartorius FlexAct product range are a further example of this approach: beyond the ecological benefits generally offered by single-use technologies, FlexAct solutions reduce the need for stationary installation of equipment and thus the quantity of materials consumed. The versatile central control unit of FlexAct, for instance, can be used in a number of different biopharmaceutical processes.

Thanks to their innovative technology, the new membrane filter series of Sartorius reduces the consumption of ultrapure water for wetting and rinsing the membranes by around 95%. The filters' significantly lower adsorption lessens the amount of high-value protein solutions lost. As a result, pharmaceutical manufacturers can substantially reduce the quantity of resources they use, while recovering higher yields.

The Sartorius process monitoring and control technologies also reduce material consumption and help to prevent defective batches. Sartorius Service analyzes customer processes in the round and identifies areas harboring potential economic and environmental improvements.

1) Sources: Sinclair A., Lindsay I., et. al.: The Environmental Impact of Disposable Technologies. BioPharm Int. November 2, 2008. <http://www.biopharmservices.com/docs/EnvironmentImpactDisposables.pdf>. Rawlings B., Pora H.: Environmental Impact of Single-use and Reusable Bioprocess Systems. BioProcess Int. February 2009: 18 - 25.

Contributing to Society

Our business activities have many positive effects on the development of the cities and communities where we have been located, for many years in most cases. Especially at our main manufacturing sites, we, as usually one of the largest local private employers and customers, do our part in helping to increase growth and purchasing power. Together with our cooperation partners, we at Sartorius actively help shape the economic and social environment. By financially supporting projects in the areas of education, culture, social affairs and sports, we contribute toward making our particular business regions attractive also for our current and future employees alike.

In our social outreach activities that extend beyond individual regions, we concentrate on areas that have a connection to our core business. Fostering research and education, as well as supporting events for the scientific community, remain our chief priorities.

Contributing Toward Regional Employment and Development

The comparably large production facilities of Sartorius in Aubagne, Yauco and Goettingen are among the key industrial employers in their respective regions. Our Group headquarters site, for example, is the largest private employer in Goettingen with almost 2,000 employees. The company is also a major force in the local economy of the rural region surrounding nearby Guxhagen. For instance, at our headquarters in Aubagne, a city with some 40,000 inhabitants, we offer nearly 400 people long-term and attractive jobs. By expanding our plant in Yauco, we created at least 100 new jobs in the reporting year. As a result, 240 people in total have found employment directly at Yauco site of Sartorius and around 100 additional people work at the company's local suppliers and subcontractors.

Our locally based subsidiaries together with representatives from the political, industrial and social communities participate in initiatives that strengthen the competitiveness of their respective regions. Here we focus on areas that are directly or indirectly related to our business activities, such as infrastructure, logistics, environmental protection and education. We maintain an open and constructive dialogue with the various local stakeholder groups and inform them promptly and comprehensively about all our activities and developments that affect their concerns.

We make a priority of long-term cooperation and reliable partnerships in order to promote sustainable development in the regions. At the Goettingen Group headquarters site, for example, we are a longstanding member of the local logistics network and the Measurement Valley business association, an alliance of small and midsize measurement technology companies established to boost the local economy. We are also involved in the local climate protection initiative to reduce carbon dioxide emissions, collaborate with Goettingen's Georg-August University, are an industrial partner to several Goettingen high schools and feature among the backers of the internationally renowned Goettingen Handel Festival and the city's "Literaturherbst" fall literature festival.

Supporting Students and Graduates

Promoting academic excellence and interdisciplinary communication are key aspects of our long-term alliances with research and educational institutions. The Florenz Sartorius Prize we created to recognize outstanding academic achievement is awarded twice a year to the best in class in the Faculty of Economic Sciences at Goettingen's Georg-August University. We also provide financial support to ten outstanding students every year through participation in the "Deutschlandstipendium" national scholarship program. Sartorius has been funding a chair of precision metrology at the Technical University of Ilmenau in Germany since the winter semester of 2008 and also supports the International Graduate School of Metrology in Brunswick, Germany. At the Aubagne site Sartorius has been collaborating for many years with highly-regarded schools such as the renowned École Supérieure d'Ingénieurs de Luminy, the Euromed Business School in Marseille and the École Nationale Supérieure de Technologie des Biomolécules in Bordeaux to promote the education and training of young engineers in the field of biotechnology and help young graduates make a start in their career. Our own international Bioscience Scholarship provides financial, technical and personal support to talented students and graduates in scientific and technical disciplines. The program is intended to attract appropriately qualified young people from the global growth markets of Asia, Eastern Europe and Latin America in particular to our organization and enhance international project activities at Sartorius.

Supporting Events for the Scientific Community

In addition to maintaining long-term alliances with scientific institutions, we regularly take part in symposia, conventions and annual conferences. In 2012, these included, for example a science week at the Cambridge Healthtech Institute (CHI) for protein development and processing, as well as several events for the bioprocess industry on issues such as the virus safety of biomanufactured medications and the development of biopharmaceuticals. Moreover, Sartorius supported the annual meeting of the U.S. Parenteral Drug Association and Aix-Marseille University's biotech forum. We lent our support to events in the field of metrology in 2012 too, including the conference of the African Committee of Metrology (CAFMET), which looked at improving standards in measurement and testing technology in African countries, and the World Congress of the International Measurement Confederation (IMEKO) in Korea, to promote academic discussion in the field of measurement technologies.

Consolidated Financial Statements and Notes

04

Statement of Financial Position

Assets	Notes	Dec. 31, 2012 € in K	Dec. 31, 2011 € in K
A. Non-current Assets			
I. Goodwill	[10]	349,555	324,648
II. Intangible assets	[10]	165,576	138,212
III. Property, plant and equipment	[11]	208,499	179,647
IV. Financial assets	[12]	4,623	8,213
		728,253	650,719
V. Non-current trade and other receivables	[13]	1,645	819
VI. Deferred tax assets	[14]	26,062	30,278
		755,960	681,816
B. Current Assets			
I. Inventories	[15]	126,267	102,848
II. Trade receivables	[16]	117,138	111,072
III. Current tax assets		8,822	4,584
IV. Other assets	[16]	23,283	18,814
V. Cash and cash equivalents	[17]	39,549	41,016
		315,059	278,335
		1,071,020	960,151

K = thousand

Equity and Liabilities	Notes	Dec. 31, 2012 € in K	Dec. 31, 2011 € in K
A. Equity			
I. Issued capital	[18]	17,047	17,047
II. Capital reserves	[19]	86,988	86,988
III. Other reserves and retained earnings	[20/21/22]	229,742	202,871
IV. Non-controlling interest		70,048	59,156
		403,825	366,062
B. Non-current Liabilities			
I. Pension provisions	[23]	55,701	44,356
II. Deferred tax liabilities	[14]	32,287	33,552
III. Other provisions	[23]	10,362	10,523
IV. Loans and borrowings	[24]	246,630	271,244
V. Other liabilities	[24]	41,433	3,886
		386,413	363,561
C. Current Liabilities			
I. Provisions	[25]	8,727	11,633
II. Trade payables	[26]	66,599	72,008
III. Loans and borrowings	[26]	96,693	34,573
IV. Current tax liabilities	[26]	10,189	29,596
V. Other liabilities	[26]	98,573	82,717
		280,782	230,528
		1,071,020	960,151

The year-earlier figures were adjusted because of the final purchase price allocations of the Liquid Handling division of Biohit Oyj and of Sartorius Korea Biotech Co. Ltd. Further explanations are provided in the section on the Scope of Consolidation and List of Subsidiaries.

Income Statement

	Notes	2012 € in K	2011 € in K
1. Sales revenue	[30]	845,710	733,100
2. Cost of sales	[31]	- 425,715	- 375,661
3. Gross profit on sales		419,995	357,438
4. Selling and distribution costs	[32]	- 187,499	- 159,517
5. Research and development costs	[33]	- 48,115	- 44,305
6. General administrative expenses	[34]	- 49,133	- 41,645
7. Other operating income and expenses	[35]	- 14,145	- 11,112
		- 298,892	- 256,580
8. Earnings before interest, taxes and amortization (EBITA)		121,103	100,858
9. Amortization		- 11,701	- 7,711
10. Earnings before interest and taxes (EBIT)		109,402	93,148
11. Interest and similar income	[36]	3,220	801
12. Interest and similar expenses	[36]	- 16,133	- 14,903
13. Financial result		- 12,913	- 14,102
14. Profit before tax		96,489	79,045
15. Income tax expense	[37]	- 26,009	- 33,631
16. Deferred tax income expenses	[37]	- 3,667	10,090
17. Other taxes		- 2,560	- 2,709
		- 32,235	- 26,250
18. Net profit		64,254	52,795
Attributable to:			
Shareholders of Sartorius AG		48,510	41,563
Non-controlling interest		15,744	11,232
Earnings per ordinary share (€)	[38]	2.84	2.43
Earnings per preference share (€)	[38]	2.86	2.45

Statement of Comprehensive Income

	Notes	2012 € in K	2011 € in K
Net profit for the period		64,254	52,795
Cash flow hedges	[29]	2,822	- 9,555
Actuarial gains losses on defined benefit obligations	[23]	- 10,706	- 3
Currency translation differences		- 2,038	5,423
Net investment in a foreign operation		85	- 777
Tax effects relating to comprehensive income		1,201	3,130
Other comprehensive income after tax		- 8,637	- 1,782
Total comprehensive income		55,617	51,013
Attributable to:			
Shareholders of Sartorius AG		40,802	39,931
Non-controlling interest		14,815	11,082

The Notes to the Consolidated Financial Statements are an integral part of these statements.

Statement of Cash Flows

	Notes	2012 € in K	2011 € in K
Cash flows from operating activities			
Net profit		64,254	52,795
Tax expenses	[37]	32,235	26,250
Financial expenses	[36]	12,913	14,102
Depreciation amortization of fixed assets		40,630	32,807
Increase decrease in provisions	[23/25]	- 5,848	- 6,528
Increase decrease in receivables and other assets	[13/16]	- 6,539	- 16,305
Increase decrease in inventories	[15]	- 24,024	- 17,010
Increase decrease in liabilities (without loans and borrowings)	[24/26]	- 7,246	17,662
Gains from the disposal of fixed assets		- 3,559	- 818
Income taxes paid	[37]	- 49,654	- 23,922
Net cash flow from operating activities		53,163	79,034
Cash flows from investing activities			
Payments for financial assets	[12]	- 213	- 2,035
Payments for property, plant and equipment	[11]	- 41,615	- 38,860
Income from the sale of fixed assets		8,326	2,429
Payments for intangible assets	[10]	- 21,337	- 12,989
Effects from business combinations	[2/5]	0	- 71,266
Net cash flow from investing activities		- 54,838	- 122,721
Cash flows from financing activities			
Interest received	[36]	446	801
Interest paid and other financial charges	[36]	- 8,852	- 10,360
Dividends paid to:			
- Shareholders of Sartorius AG		- 13,808	- 10,399
- Non-controlling interest		- 4,017	- 3,508
Changes in non-controlling interest		385	215
Loans and borrowings raised repaid	[24/26]	26,208	76,243
Net cash flow from financing activities		362	52,992
Net increase decrease in cash and cash equivalents		- 1,314	9,304
Cash and cash equivalents at the beginning of the period		41,016	27,743
Net effect of currency translation on cash and cash equivalents		- 153	3,969
Cash and cash equivalents at the end of the period		39,549	41,016
Gross debt		343,323	305,817
Net debt		303,774	264,801

Statement of Changes in Equity

€ in K	Issued capital	Capital reserves	Hedging reserves	Pension reserves	Earnings reserves and retained profits
Balance at Jan. 1, 2011	17,047	86,988	1,537	- 4,551	181,271
Other comprehensive income after tax	0	0	- 5,903	- 19	- 380
Net profit for the period	0	0	0	0	41,563
Total comprehensive income	0	0	- 5,903	- 19	41,183
Dividends	0	0	0	0	- 10,399
Change in non-controlling interest	0	0	0	0	- 78
Other changes in equity	0	0	0	0	276
Balance at Dec. 31, 2011 Jan. 1, 2012	17,047	86,988	- 4,366	- 4,570	212,253
Other comprehensive income after tax	0	0	1,279	- 7,320	5
Net profit for the period	0	0	0	0	48,510
Total comprehensive income	0	0	1,279	- 7,320	48,515
Dividends	0	0	0	0	- 13,808
Change in non-controlling interest	0	0	0	0	- 89
Other changes in equity	0	0	0	0	- 34
Balance at December 31, 2012	17,047	86,988	- 3,087	- 11,890	246,837

The dividends paid per share are as follows:

	Per share in €	2012 Total € in K	Per share in €	2011 Total € in K
Dividend for ordinary shares	0.80	6,822	0.60	5,117
Dividend for preference shares	0.82	6,986	0.62	5,282
		13,808		10,399

Difference resulting from currency translation	Equity attributable to shareholders of Sartorius AG	Non-controlling interest	Total equity
- 5,116	277,176	50,006	327,182
4,670	- 1,632	- 151	- 1,783
0	41,563	11,232	52,795
4,670	39,931	11,082	51,013
0	- 10,399	- 3,508	- 13,907
0	- 78	1,567	1,489
0	276	9	285
- 446	306,906	59,156	366,062
- 1,672	- 7,708	- 929	- 8,637
0	48,510	15,744	64,254
- 1,672	40,802	14,815	55,617
0	- 13,808	- 4,017	- 17,825
0	- 89	89	0
0	- 34	4	- 30
- 2,118	333,777	70,048	403,825

Segment Reports

Operating Segments

€ in millions	Bioprocess Solutions			Lab Products & Services			Industrial Weighing		
	2012	2011	Change	2012	2011	Change	2012	2011	Change
Order intake	479.5	432.0	11.0%	282.0	216.0	30.5%	105.4	101.4	3.9%
Sales revenue	474.2	410.2	15.6%	268.9	222.0	21.1%	102.7	100.9	1.8%
EBITDA	96.2	83.9	14.6%	44.0	31.8	38.5%	9.9	10.3	-4.1%
Underlying EBITA	88.0	71.6	22.9%	36.9	30.7	20.1%	10.1	9.9	2.6%
EBITA	79.1	67.1	17.9%	34.1	25.5	33.6%	7.9	8.3	-4.2%
Depreciation and amortization	25.0	24.5	2.2%	13.7	6.3	116.7%	1.9	2.0	-4.0%
Capital expenditures	47.3	17.8	165.7%	25.1	32.9	-23.9%	1.8	1.1	61.0%
No. of employees at Dec. 31	2,777	2,621	5.9%	1,972	1,959	0.6%	742	718	3.4%

Geographical Information

€ in millions	Europe			North America			Asia Pacific		
	2012	2011	Change	2012	2011	Change	2012	2011	Change
Sales revenue									
- acc. to customers' location	419.2	383.7	9.3%	191.1	148.6	28.6%	203.8	171.8	18.6%
- acc. to company location	493.2	460.0	7.2%	190.2	150.7	26.2%	162.3	122.4	32.6%
Non-current assets	664.7	592.8	12.1%	29.4	24.7	19.0%	28.2	27.3	3.1%
No. of employees at Dec. 31	3,650	3,493	4.5%	606	598	1.3%	1,078	1,088	-0.9%

Reconciliation of segment earnings to consolidated earnings before tax:

	2012 € in K	2011 € in K
Segment earnings (EBITA)	121,103	100,858
Amortization	- 11,701	- 7,711
Financial result	- 12,913	- 14,102
Profit before tax	96,489	79,045

			2012	2011	Group Change
			866.8	749.5	15.7%
			845.7	733.1	15.4%
			150.0	126.0	19.1%
			135.0	112.2	20.3%
			121.1	100.9	20.1%
			40.6	32.8	23.8%
			74.2	51.8	43.0%
			5,491	5,299	3.6%

	Other Markets					Group Change
2012	2011	Change	2012	2011		Change
31.6	29.0	9.0%	845.7	733.1		15.4%
0.0	0.0		845.7	733.1		15.4%
1.4	1.4	-2.7%	723.6	646.3		12.0%
157	120	30.8%	5,491	5,299		3.6%

Notes to the Consolidated Financial Statements

Sartorius AG is a listed joint stock corporation established according to German law and is the highest-level parent company of the Sartorius Group. The corporation is recorded in the German Commercial Register of the District Court of Goettingen (HRB 1970) and is headquartered in Weender Landstrasse 94–108, Goettingen, Federal Republic of Germany.

The Sartorius Group is a leading international laboratory and process technology provider with three segments: Bioprocess Solutions, Lab Products & Services and Industrial Weighing. The Bioprocess Solutions segment focuses on the major areas of activity of filtration, fluid management, fermentation, purification, laboratory applications and services. In the Lab Products & Services segment, the Sartorius Group primarily manufactures and markets laboratory instruments and lab consumables. Industrial Weighing concentrates on weighing and control applications in the manufacturing processes of the food, chemical and pharmaceutical sectors.

1. Accounting Principles

The consolidated financial statements of Sartorius AG for the year ended December 31, 2012, were prepared in accordance with §315a, Subsection 1, of the German Commercial Code (HGB) in conjunction with Art. 4 of the Regulation (EC) No. 1606/2002 of the European Parliament and Council, dated July 19, 2002 (OJ L243 p. 1). These statements conform to the accounting standards of the International Accounting Standards Board (IASB) – the International Financial Reporting Standards (IFRS) – observing all IFRS | IAS to be applied effective December 31, 2011, as well as the corresponding Interpretations of the International Financial Reporting Interpretations Committee (IFRS IC). The requirements imposed by these regulations were met without exception so that the consolidated financial statements of Sartorius AG present a true and fair view of the financial, liquidity and earnings positions, as well as the cash flows during the past financial year. The Executive Board is scheduled to submit the consolidated financial statements on March 5, 2013, to the Supervisory Board.

The consolidated financial statements are prepared in euros. Unless otherwise specified, all amounts are disclosed in thousands of euros (abbreviated as € in K). In some cases, the sum of the figures given in this report may not precisely equal the stated totals and percentages may not be exact due to rounding.

2. Cash Flow Statement

In the statement of cash flows, these figures are presented according to operating activities, investing activities and financing activities.

In this instance, cash flows from operating activities are calculated using the indirect method; i.e., expenses not affecting payments are added to the net profit, while income without an effect on payments is subtracted.

Besides including operating investments in intangible assets and in property, plant and equipment, cash flows from investing activities in the reporting year covered the acquisition of the liquid handling business of Biohit Oyj, the Finnish laboratory supplier, as well as the takeover of 49% of the shares in Sartorius Korea Biotech Co. Ltd. The addition to the property, plant and equipment entailed by the relocation of our site from Melsungen to Guxhagen, Germany, was made within the scope of a financial leasing relationship and did not result in any cash outflows from investing activities in the reporting year.

Cash flows from financing activities are comprised of loans and borrowings and dividend payments, as well as transactions between owners. Cash and cash equivalents include all liquid assets, i.e., all cash on hand and deposits to banks.

3. Segment Reporting

According to IFRS 8, Operating Segments, segments are defined by the so-called management approach; i.e., the segments are defined analogously to the internal control and reporting structure of an entity. Therefore, an area of activity is to be considered an operating segment if its business activities may result in revenues and expenses, its operating results are regularly reviewed by the entity's chief operating decision maker (the Executive Board of Sartorius AG) and discrete financial information is available in its internal reporting. Internal control and reporting in the Sartorius Group changed in the reporting year of 2012. Identification of the segments was adapted accordingly. The operating segments are now identified as the newly organized divisions of Bioprocess Solutions, Lab Products & Services and Industrial Weighing.

The key performance indicators of the operating segments of the Sartorius Group continue to be EBITA and so-called "underlying EBITA." EBITA corresponds to earnings before interest, taxes and amortization (EBIT), adjusted for amortization expenses. Amortization in this context refers to impairments of goodwill and to the purchase price allocation (PPA) to intangible assets according to IFRS 3. Therefore, amortization and income tax, as well as interest expense and income, are not included in the operating results of the segments for the respective reporting period. In addition to EBITA, "underlying EBITA" is also used as an internal key performance indicator. This denotes operating earnings adjusted for extraordinary items. In this connection, extraordinary items are expenses and income that are of an exceptional or a one-time nature and accordingly distort the sustainable profitability of a segment and, from the Group's viewpoint, also have a material impact on the net worth, financial position and earnings of the Group. Examples of such items are restructuring expenses, relatively large Group projects as well as proceeds or losses from the disposal, sale or other transfer of financial assets or of property, plant and equipment, provided that these are not of a recurrent nature. The recognition and measurement methods for the reportable segments conform to the general Group accounting guidelines.

For intersegment receivables, internal transfer prices are set that would have been agreed upon with external third parties in the particular situation and under the given framework conditions. Essentially, these prices are calculated by applying the cost-plus-margin method and the resale price method or a combination of the two methods. The methods for determining the internal transfer prices are documented promptly and continuously maintained.

The results reported by the Bioprocess Solutions segment for fiscal 2012 include impairment expenses of €0.3 million (2011: Biotechnology Division €0.7 million); as in the previous reporting year, the Lab Products & Services and the Industrial Weighing segments did not incur any impairment expenses.

Segment assets and debt are not reported on a regular basis to the chief operating decision maker and are thus not an integral part of our segment reporting.

In fiscal 2012, all employees responsible for Group-wide administrative tasks at Sartorius Corporate Administration GmbH (SCA) were mathematically allocated to the Lab Products & Services Division in fiscal 2012.

Concerning the geographical information, the following applies: The European region includes the markets of Western and Eastern Europe. The North American region reflects the U.S. marketplace and the Canadian market. Japan, China, Australia and India, among other countries, were allocated to the Asia|Pacific region. The Other Markets segment primarily consists of Latin America and Africa. The key figures of the regional segments refer to the company location, except for sales revenue, which is also reported according to the customer's location. The non-current assets correspond to property, plant and equipment as well as to intangible assets of the Group affiliates that are to be allocated to these various regions. In the European region, the following countries account for the material non-current assets: Germany (€245.4 million; €155.9 million in 2011) and France €351.5 million; €351.8 million in 2011). Goodwill resulting from purchase price allocation concerning the Stedim acquisition and the associated intangible assets were regionally allocated to France.

4. Principles and Methods of Consolidation

The consolidated financial statements of Sartorius AG include the annual financial statements of all material companies, which are controlled directly or indirectly by Sartorius AG via its subsidiaries. As defined by IAS 27, Consolidated Financial Statements and Accounting for Investments in Subsidiaries, a controlling interest exists if Sartorius AG or its subsidiaries have the power to govern the financial and operating policies of an enterprise so as to obtain economic benefits from its activities. Such enterprises are included in the consolidated financial statements from the time when Sartorius AG or its subsidiaries acquired such control. They are no longer included as of the time control is relinquished.

Capital has been consolidated in accordance with the purchase method, under which the acquisition costs of the shareholding are offset against their equity share at the time of the acquisition. Any excess of the acquisition costs over the fair value of the identifiable assets and liabilities is disclosed as goodwill, unless it can be allocated to the other assets of the subsidiary. Goodwill may not be amortized as scheduled, but rather must be tested for impairment at least annually according to IAS 36. Any impairment loss is immediately recognized in the result for the period and is not reversed in subsequent periods.

Any excess of the parent corporation's interest beyond the cost of the business combination, which resulted from initial consolidation, is recognized in the income statement, provided that after reassessment it cannot be allocated as identifiable assets, liabilities and contingent liabilities of the acquiree.

Non-controlling interest is recognized as the percentage of the identifiable net assets of the acquiree.

The acquisition of additional shares in a subsidiary is treated as a transaction between owners. The difference between the cost of acquisition and the non-controlling share is directly recognized in equity.

Subsidiaries have been included on the basis of their annual financial statements, which have been adapted to uniform Group recognition and measurement methods.

Accounts receivable and debts between the consolidated companies have been netted out, and internal Group valuation allowances and provisions reversed. Intragroup results, revenues and expenses have been eliminated. Taxes are deferred on consolidation processes.

The consolidation methods applied have remained unchanged with respect to the 2011 figures that were contrasted with the figures of fiscal 2012 for comparative purposes. Therefore, a description of the effect on the net worth, financial situation and profitability is omitted.

5. Scope of Consolidation and List of Subsidiaries

The Group financial statements include the financial statements of Sartorius AG and of the following fully consolidated subsidiaries and investments in subsidiaries and participating interests carried at cost:

	Ownership in %	Consolidated
Sartorius AG, Goettingen, Germany	Parent corporation	X
Sartorius Stedim Biotech S.A., Aubagne, France, along with its subsidiaries:	74.4	X
Europe		
Sartorius Stedim Belgium N.V., Vilvoorde, Belgium	100.0	X
Distribo GmbH, Goettingen, Germany	26.0	
Sartorius Stedim Nordic A/S, Taastrup, Denmark	100.0	X
Sartorius Stedim Biotech GmbH, Goettingen, Germany	100.0	X
Sartorius Stedim Systems GmbH, Guxhagen, Germany	100.0	X
Sartorius Stedim Plastics GmbH, Goettingen, Germany	100.0	X
Sartorius Stedim UK Ltd., Epsom, U.K.	100.0	X
Sartorius Stedim Lab Ltd., Louth, U.K.	100.0	X
Sartorius Stedim France S.A.S., Aubagne, France	100.0	X
Sartorius Stedim Aseptics S.A., Lourdes, France	100.0	X
Sartorius Stedim Ireland Ltd., Dublin, Ireland	100.0	X
Sartorius Stedim Italy S.p.A., Florence, Italy	100.0	X
Sartorius Stedim Netherlands B.V., Nieuwegein, Netherlands	100.0	X
Sartorius Stedim Austria GmbH, Vienna, Austria	100.0	X
Sartorius Stedim Poland Sp. z o.o., Kostrzyn, Poland	100.0	
OOO Sartorius ICR, St. Petersburg, Russia	100.0	
Sartorius Stedim Switzerland AG, Tagelswangen, Switzerland	100.0	X
Sartorius Stedim Spain S.A., Madrid, Spain	100.0	X
Sartorius Stedim Hungaria Kft., Budapest, Hungary	100.0	
North America		
Sartorius Stedim Filters Inc., Yauco, Puerto Rico	100.0	X
Sartorius Stedim North America Inc., Bohemia, New York, USA	100.0	X
Asia Pacific		
Sartorius Stedim Australia Pty. Ltd., Dandenong South, Victoria, Australia	100.0	X
Sartorius Stedim Biotech (Beijing) Co. Ltd., Beijing, China	100.0	X
Sartorius Stedim India Pvt. Ltd., Bangalore, India	100.0	X
Sartorius Stedim Japan K.K., Tokyo, Japan	100.0	X
Sartorius Korea Biotech Co. Ltd., Seoul, South Korea ¹⁾	49.0	X
Sartorius Stedim Malaysia Sdn. Bhd., Kuala Lumpur, Malaysia	100.0	X
Sartorius Stedim Singapore Pte. Ltd., Singapore	100.0	X
Other Markets		
Sartorius Stedim SUS S.A.R.L., M'Hamdia, Tunisia	100.0	X

	Ownership in %	Consolidated
Europe		
Sartorius Belgium N.V., Vilvoorde, Belgium	100.0	X
Sartorius Nordic A/S, Taastrup, Denmark	100.0	X
Sartorius Weighing Technology GmbH, Goettingen, Germany	100.0	X
Denver Instrument GmbH, Goettingen, Germany	100.0	X
Sartorius Mechatronics C&D GmbH & Co. KG, Aachen, Germany, including Sartorius-Verwaltungs-GmbH	100.0	X
Sartorius Mechatronics T&H Hamburg GmbH, Hamburg, Germany	100.0	X
Sartorius Corporate Administration GmbH, Goettingen, Germany	100.0	X
SI Weende-Verwaltungs-GmbH, Goettingen, Germany	100.0	X
SIV Weende GmbH & Co. KG, Goettingen, Germany	100.0	X
SI Grone 1-Verwaltungs-GmbH, Goettingen, Germany	100.0	X
SIV Grone 1 GmbH & Co. KG, Goettingen, Germany	100.0	X
SI Grone 2-Verwaltungs-GmbH, Goettingen, Germany	100.0	X
SIV Grone 2 GmbH & Co. KG, Goettingen, Germany	100.0	X
Sartorius Lab Holding GmbH, Goettingen, Germany	100.0	X
Sartorius UK Ltd., Epsom, UK	100.0	X
Biohit Ltd., Torquay, UK	100.0	X
Sartorius Biohit Liquid Handling Oy, Helsinki, Finland	100.0	X
Sartorius France S.A.S., Aubagne, France	100.0	X
VL Finance S.A.S., Aubagne, France	100.0	X
Biohit S.A.S., Dourdan, France	100.0	X
Sartorius Ireland Ltd., Dublin, Ireland	100.0	X
Sartorius Italy S.r.l., Florence, Italy	100.0	X
Sartorius Mechatronics B.V., Nieuwegein, Netherlands	100.0	X
Sartorius Austria GmbH, Vienna, Austria	100.0	X
Sartorius Poland Sp. z.o.o., Kostrzyn, Poland	100.0	
ZAO Sartogsm, St. Petersburg, Russia	51.0	
Biohit OOO, St. Petersburg, Russia	100.0	X
Sartorius Mechatronics Switzerland AG, Tagelswangen, Switzerland	100.0	X
Sartorius Spain S.A., Madrid, Spain	100.0	X
Sartorius Hungaria Kft., Budapest, Hungary	100.0	
North America		
Sartorius North America Inc., Bohemia, New York, USA	100.0	X
Sartorius Corporation, Bohemia, New York, USA	100.0	X
Sartorius TCC Company, Arvada, Colorado, USA	100.0	X
Sartorius Canada Inc., Mississauga, Canada	100.0	X

	Ownership in %	Consolidated
Asia Pacific		
Sartorius Australia Pty. Ltd., Dandenong South, Victoria, Australia	100.0	X
Denver Instrument (Beijing) Co. Ltd., Beijing, China	100.0	X
Sartorius Scientific Instruments (Beijing) Co. Ltd., Beijing, China	100.0	X
Biohit Biotech (Suzhou) Co. Ltd., Shanghai, China	100.0	X
Sartorius Hong Kong Ltd., Kowloon, Hong Kong	100.0	X
Sartorius Mechatronics India Pvt. Ltd., Bangalore, India	100.0	X
Sartorius Weighing India Pvt. Ltd., Bangalore, India	100.0	X
Biohit Biotech Systems (India) Pvt. Ltd., Chennai, India	100.0	X
Sartorius Japan K.K., Tokyo, Japan	100.0	X
Sartorius Malaysia Sdn. Bhd., Kuala Lumpur, Malaysia	100.0	X
Sartorius Mechatronics Philippines Inc., Makati City, Philippines	100.0	
Sartorius Singapore Pte. Ltd., Singapore	100.0	X
Sartorius Korea Ltd., Seoul, South Korea	100.0	X
Sartorius (Thailand) Co. Ltd., Bangkok, Thailand ¹⁾	49.0	X
Other Markets		
Sartorius Argentina S.A., Buenos Aires, Argentina	99.0	
Sartorius do Brasil Ltda., São Paulo, Brazil	100.0	
Sartorius de México S.A. de C.V., Naucalpan, Mexico	99.0	

¹⁾ Control due to contractual arrangements

The non-consolidated companies were not included in the consolidated Group financial statements because they have minor importance for assessment of the actual net worth, financial situation and profitability of the Sartorius Group. Instead, these companies were accounted for at acquisition cost.

Change in the Scope of Consolidation

The subsidiary Sartorius Malaysia Sdn. Bhd. was consolidated in the Group financial statements for the first time. This company was founded in the reporting year. Furthermore, a few internal Group entities were merged.

In the previous year, the liquid handling business of the Finnish laboratory supplier Biohit Oyj was acquired. In this connection, Sartorius Biohit Liquid Handling Oy, Finland, as well as several production and sales companies, were initially consolidated in the Group financial statements in fiscal 2011.

Effective November 1, 2011, 49% of the shares in Sartorius Korea Biotech Co. Ltd. were acquired. As a call option exercisable at any time was additionally agreed upon for the purchase of the remaining 51% shares, control of this subsidiary exists as defined by IAS 27. For that reason, this South Korean subsidiary was fully consolidated in the financial statements of the parent company.

Details of the transactions are given in the subsections below.

The shares of the companies not included in the consolidated financial statements were not accounted for at fair value because no active market exists for them, and an appraisal report was not obtained due to their minor importance.

Acquisition of the Liquid Handling Segment of Biohit Oyj

In December 2011, the Sartorius Group acquired the liquid handling segment from the Finnish laboratory supplier Biohit Oyj based in Helsinki to expand the Sartorius laboratory product portfolio.

The purchase price allocation that was preliminarily made for the 2011 consolidated annual financial statements was finalized in the reporting year. The final fair values of the assets and liabilities acquired are disclosed as follows:

	Preliminary purchase price allocation € in K	Final purchase price allocation € in K
Intangible assets	25,480	26,645
Property, plant and equipment	8,616	8,516
Inventories	6,569	6,612
Trade receivables	5,834	5,834
Other assets	1,782	1,613
Cash and cash equivalents	1,657	1,657
Net deferred taxes	- 6,656	- 2,245
Provisions	- 303	- 579
Financial liabilities	- 2,780	- 2,780
Other liabilities	- 5,526	- 5,576
Net assets acquired	34,673	39,697
Acquisition cost	68,000	68,156
Goodwill	33,327	28,459

In comparison with preliminary measurement, predominantly the deferred taxes and intangible assets in the final disclosure changed on account of new information. The goodwill resulting from such changes is now approximately €4.8 million lower than had originally been estimated.

The goodwill disclosed primarily continues to reflect Sartorius's position in its relevant laboratory market. Sartorius's position was enhanced by the expansion of its laboratory product offering, as well as by the synergies resulting from the business combination.

Acquisition of Sartorius Korea Biotech Co. Ltd.

Also in 2011, Sartorius Stedim Biotech GmbH acquired 49% of the shares in Sartorius Korea Biotech Co. Ltd., based in Seoul, South Korea. Because a call option that can be exercised at any time exists for the remaining 51% shares in this subsidiary, it was included in the consolidated financial statements. Final purchase price allocation did not result in any material changes compared with the preliminary allocation made in the previous reporting year:

	Fair values on the acquisition date € in K
Intangible assets	1,468
Property, plant and equipment	718
Inventories	1,817
Trade receivables	3,343
Other assets	960
Cash and cash equivalents	694
Net deferred taxes	- 350
Provisions	- 328
Financial liabilities	- 2,165
Other liabilities	- 3,172
Net assets acquired	2,985
Non-controlling interest	1,522
Shares held by the Group	1,463
Acquisition cost	5,806
Goodwill	4,343

The shares of the non-controlling owners were measured according to their respective proportion of the identifiable net assets in the acquiree.

Before its acquisition, the biotech subsidiary had already operated as a sales partner for the Sartorius Biotechnology Division in South Korea. By having acquired its shares, Sartorius aims to further reinforce its position in the relevant markets in Asia, which is also shown by the company's goodwill disclosed.

Acquisition of Cell Culture Media Business from Lonza

Based on the contract signed on December 18, 2012, Sartorius acquired the exclusive global sales and distribution rights for the culture media business of the Swiss life science group, Lonza, headquartered in Basel, as well as incorporated the employees in these business areas into the Sartorius workforce. Therefore, the rules of IFRS 3, "Business Combinations" apply to the acquisition of these sales and distribution rights as well as to the business associated with such rights. In the preliminary purchase price allocation, it was assumed that approximately half would be allocated to goodwill and the other to customer relationships. The purchase price was measured at the fair value of the payments to be made in cash (first installment at the beginning of 2013; two further installments, after 5 and 10 years, respectively).

Preliminary purchase price allocation:

	Fair values on the acquisition date € in K
Intangible assets	24,519
Net assets acquired	24,519
Acquisition cost	49,140
Goodwill	24,621

The goodwill disclosed represents the position of Sartorius, which has been strengthened in the relevant pharmaceutical market by the expansion of its portfolio in the Bioprocess Solutions Division as well as by the synergies resulting from the business combination.

As the business was acquired close to the Sartorius Group's reporting date, this did not have any impact on the sales revenue or earnings of fiscal 2012. The business was acquired immediately before the reporting date, and the expenses and income from this business will not be fully recognized in the Sartorius Group until after its integration will have been completed during the second quarter of 2013. For this reason, it is not possible to disclose reliably measurable figures for sales revenue or earnings by assuming that the acquisition had taken place at the beginning of fiscal 2012.

6. Recognition and Measurement Principles

The consolidated financial statements of Sartorius AG have been prepared in accordance with the regulations of the IASB. In the course of the transition to the International Financial Reporting Standards, methods of recognition and measurement have been applied which diverge from the provisions of German commercial law.

Compared to the year-earlier consolidated financial statements, the following Amendments of a Standard were to be obligatorily applied for the first time:

- Amendments to IFRS 7: Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities

The first-time application of the Amendments to the Standard mentioned above did not result in any material impacts on the Group financial statements of Sartorius AG.

The following Standards, Interpretations or Revisions and Amendments were not yet applied to the consolidated financial statements of the reporting year as they had not yet been adopted by the EU or their application was not obligatory for 2012:

Standard Interpretation	Title	Applicable for financial years from	Endorsement by the EU Commission
Standard			
Amendments to IAS 1	Presentation of Items of Other Comprehensive Income	July 1, 2012	Yes
Amendments to IFRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	January 1, 2013 ¹⁾	Yes
Amendments to IFRS 1	Government Loans	January 1, 2013	No
Amendments to IFRS 1	First-time Adoption of International Financial Reporting (relief for retrospective application for first-time adoptors)	January 1, 2013 ¹⁾	Yes
Amendments to IFRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities	January 1, 2013	Yes
IFRS 13	Fair Value Measurement	January 1, 2013	Yes
Amendments to IAS 12	Deferred Tax: Recovery of Underlying Assets	January 1, 2013 ¹⁾	Yes
Amendments to IAS 19	Employee Benefits	January 1, 2013	Yes
Various	Annual Improvements to IFRSs 2009–2011 (issued in May 2012)	January 1, 2013	No
IFRS 10	Consolidated Financial Statements	January 1, 2014 ¹⁾	Yes
IFRS 11	Joint Arrangements	January 1, 2014 ¹⁾	Yes
IFRS 12	Disclosures of Interests in Other Entities	January 1, 2014 ¹⁾	Yes
Amendments to IFRS 10, IFRS 11 and IFRS 12	Transition Guidance	January 1, 2014	No
Amendments to IFRS 10, IFRS 12 and IAS 27	Investment Entities	January 1, 2014	No
Revised IAS 27	Separate Financial Statements	January 1, 2014 ¹⁾	Yes
Revised IAS 28	Investments in Associates and Joint Ventures	January 1, 2014 ¹⁾	Yes
Amendments to IAS 32	Offsetting Financial Assets and Financial Liabilities	January 1, 2014	Yes
IFRS 9	Financial Instruments	January 1, 2015	No
Interpretation			
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	January 1, 2013	Yes

¹⁾ These are required to be applied once they are endorsed by the EU Commission. The Standards themselves provide for earlier mandatory application.

The process of measuring the potential impact of these Standards and Interpretations on the net worth, financial position and earnings of the Sartorius Group is in progress and so a reliable assessment of this impact cannot be given at this point. Presently, first-time application is planned for each reporting period in which the Standards, Interpretations or Amendments must be obligatorily applied.

During the preparation of consolidated financial statements, estimates must be used to a certain degree, and these affect the recognized sums of the assets, equity and liabilities as well as income and expenses for the reporting period. The major issues affected by such estimates, assessments and assumptions concern the following:

- Recoverable amounts of trade receivables;
- Assumptions about the future cash flows of cash-generating units and development projects, e.g., within the scope of impairment tests;
- Measurement of net realizable value of assets reported in inventories;
- Recoverability of deferred tax assets, including the usability of tax loss carry-forwards;
- Periods of useful life of property, plant and equipment;
- Assets and obligations related to employee benefits (e.g., for determining the parameters for measurement of pension provisions);
- Choice of parameters for the measurement of derivatives; and
- Recognition of the fair values of intangible assets, plant, property and equipment and liabilities acquired within the scope of a business combination.

The amounts actually yielded may differ from these estimates.

7. Presentation of the Statement of Financial Position and the Statement of Comprehensive Income

To enhance the clarity of the presentation, individual balance sheet and income statement items have been combined and reported separately in the Notes.

The income and expenses disclosed for the period were reported in two statements an income statement presented using the cost-of-sales method and a statement of comprehensive income that discloses the total comprehensive income.

The Sartorius Group uses earnings before interest, taxes and amortization (EBITA) as the key profitability measure. Amortization in this context refers to impairments and amortization of goodwill and to the intangible assets resulting from purchase price allocation (PPA) according to IFRS 3.

8. Currency Translation

The consolidated financial statements of Sartorius AG are prepared in thousands of euros [abbreviated throughout text and tables as K]. In the annual financial statements of the individual companies, foreign currency transactions have been translated at the exchange rates applicable at the time of the transaction. Monetary assets and debts whose value is given in a foreign currency have been translated at the exchange rate on the balance sheet date. Rate gains and losses have been recognized directly in the item "Other operating income and expenses."

The Group concludes forward contracts to hedge against currency risks. The Group's recognition and measurement methods with respect to these derivative financial instruments are presented under Section 29.

Subsidiaries' annual financial statements prepared in foreign currencies are translated pursuant to IAS 21, The Effects of Changes in Foreign Exchange Rates, in accordance with the concept of a functional currency. Foreign subsidiaries are regarded as economically independent subsidiary entities of the Sartorius Group. Balance sheet items are translated at the exchange rates on the balance sheet date, with the exception of the equity of consolidated subsidiaries, which is translated at historical exchange rates. Income and expense items are converted at the average annual rates. Any translation differences resulting from the use of different exchange rates for balance sheet items and the income statement are recognized directly in shareholders' equity.

For certain defined loans granted on a long-term basis, the Group applies the concept of "net investments in a foreign operation." The foreign exchange translation differences resulting from these loans are recognized directly in equity according to IAS 21.32.

The following exchange rates were used for currency translation:

	Year-end exchange rates		Average annual exchange rates	
	2012	2011	2012	2011
USD	1.31940	1.29320	1.28519	1.39154
GBP	0.81610	0.83670	0.81107	0.86769
CAD	1.31370	1.31920	1.28457	1.37570
AUD	1.27120	1.27140	1.24096	1.34857
HKD	10.22600	10.04920	9.97097	10.83423
JPY	113.61000	100.07000	102.55169	110.92595
INR	72.56000	68.58550	68.57962	64.85982
CNY	8.22070	8.14350	8.11078	8.99564
KRW	1,406.23	1,499.59	1,446.84	1,540.00
CHF	1.20720	1.21700	1.20525	1.23336
SGD	1.61110	1.68130	1.60568	1.74896
MYR	4.03470	4.10100	3.96801	4.25512
THB	40.34700	40.82900	39.93505	42.41945
TND	2.04720	1.93230	2.00325	1.95676
DKK	7.46100	7.43400	7.44412	7.45072
RUB	40.32950	41.68680	39.92478	40.88420

9. Related Companies and Persons

In addition to the subsidiaries included in the consolidated financial statements, the Sartorius Group carries out transactions with further related companies as defined by IAS 24. These transactions with non-consolidated subsidiaries and associated companies are concluded according to the customary market terms. Details on the transactions completed in the reporting year and the balances outstanding on the reporting date are provided in the relevant sections of these Notes to the Financial Statements, specifically in Sections 16, 26 and 30.

According to IAS 24, related persons are those who are responsible for planning, management and control of a reporting entity. In particular, such persons include the members of the Executive Board and of the Supervisory Board of Sartorius AG. In particular, such

persons include the members of the Executive Board and of the Supervisory Board of Sartorius AG. In the reporting year, the total remuneration of the Supervisory Board members was €860K (2011: €773K); that of the Executive Board €2,679K (2011: €2,458K). The remuneration of former managing directors and members of the Executive Board and their surviving dependents was €386K (2011: €390K). The pension obligations to former managing directors and members of the Executive Board and their surviving dependents totaled €7,045K (2011: €6,692K). For details on remuneration, please refer to the Remuneration Report, which is an integral part of the Group Management Report. Further transactions with related persons, such as remuneration payments to employee representatives of the Supervisory Board totaled €353K (2011:€327K) for fiscal 2012.

Notes to the Individual Balance Sheet Items

Non-current Assets

10. Goodwill and Intangible Assets

Goodwill

	Goodwill ¹⁾ € in K
Gross book values at Jan. 1, 2011	291,856
Change in the scope of consolidation Other Acquisitions	32,802
Investments	0
Disposals	0
Currency translation	- 10
Gross book values at Dec. 31, 2011	324,648
Impairment losses at Jan. 1, 2011	0
Change in the scope of consolidation	0
Impairment losses in 2011	0
Disposals	0
Impairment losses at Dec. 31, 2011	0
Net book values at Dec. 31, 2011	324,648
Gross book values at Jan. 1, 2012	324,648
Change in the scope of consolidation Other Acquisitions	24,621
Investments	0
Disposals	0
Currency translation	286
Gross book values at Dec. 31, 2012	349,555
Impairment losses at Jan. 1, 2012	0
Impairment losses in 2012	0
Disposals	0
Impairment losses at Dec. 31, 2012	0
Net book values at Dec. 31, 2012	349,555

¹⁾ The year-earlier figures were adjusted on account of the final purchase price allocation of Biohit and Sartorius Korea.

The item reported as goodwill in the amount of €349,555K (2010: €324,648K) is the capitalized difference in assets resulting from capital consolidation, which to some extent also covers asset deals. According to IAS 36, goodwill may not be amortized on a scheduled basis, but rather, must be tested annually for impairment.

In connection with the new setup of our business areas as of January 1, 2012, the resulting goodwill had to be reallocated to new cash-generating units. Because of the increasing level of integration of our businesses in the individual divisions Bioprocess Solutions, Lab Products & Services and Industrial Weighing and our respective positioning as a total solution provider, we regard these segments on the whole as cash-generating units. Thus, goodwill is distributed as of January 1, 2012, on the basis of the relative fair value of the segments as follows:

	Dec. 31, 2012 € in K	Jan. 01, 2012 € in K
Bioprocess Solutions	294,802	269,896
Lab Products & Services	52,279	52,279
Industrial Weighing	2,473	2,473
	349,555	324,648

The impairment tests conducted for fiscal 2012 measure the recoverable amount on the basis of the value in use of the particular cash-generating unit. Our cash flow forecasts consider previous experiences and are generally based on the budgets approved by the Executive Board for a period of three to five years. For the Bioprocess Solutions Division, calculations were based on an average terminal growth rate of 2.5% for the fiscal years after 2017. This terminal growth rate is derived from market expectations, which forecast medium-term growth rates in the high upper single-digit range for the biopharmaceutical market targeted by the division. The major growth driver will be, among others, the currently ongoing paradigm shift from the employment of reusable products to utilization of single-use products, such as filters and bags, in biomanufacturing of pharmaceuticals. For the Lab Products & Services Division, a terminal growth rate of 1.5% was used for the fiscal years after 2017 and for the Industrial Weighing Division, 1.0%.

The discount rates of the cash-generating units correspond to their weighted capital cost rates and were recognized as follows:

	Before tax	2012 After tax	Before tax	2011 After tax
Bioprocess Solutions	7.8%	6.0%	-	-
Lab Products & Services	10.1%	6.9%	-	-
Industrial Weighing	10.3%	6.9%	-	-
Biotechnology	-	-	7.0%	5.8%
Mechatronics	-	-	8.5%	6.2%

In fiscal 2012, our impairment tests did not result in the recognition of impairment losses. Even realistic changes in the basic assumptions upon which measurement of the value in use is based would not result in the carrying amount of the cash-generating units exceeding their value in use.

Intangible Assets

	Patents, licenses, technologies and similar rights € in K	Brand name € in K	Customer relationships € in K	Capitalized development costs € in K	Payments on account € in K	Total € in K
Gross book values at Jan. 1, 2011	46,070	10,779	81,319	38,689	166	177,023
Change in the scope of consolidation Other acquisitions	8,768	4,108	13,489	1,748	0	28,113
Investments	5,975	0	0	6,913	101	12,989
Disposals	- 341	0	0	0	0	- 341
Currency translation	337	0	57	69	0	463
Transfers	40	0	0	0	- 144	- 104
Gross book values at Dec. 31, 2011	60,849	14,887	94,865	47,419	123	218,143
Amortization at Jan. 1, 2011	- 27,236	0	- 19,216	- 19,899	4	- 66,347
Amortization in 2011	- 3,953	0	- 5,400	- 4,420	0	- 13,773
Impairment losses in 2011	0	0	0	0	0	0
Disposals	314	0	0	0	0	314
Currency translation	- 107	0	- 8	- 9	0	- 124
Transfers	0	0	0	0	0	0
Depreciation at Dec. 31, 2011	- 30,982	0	- 24,624	- 24,328	4	- 79,930
Net book values at Dec. 31, 2011	29,866	14,887	70,241	23,091	127	138,212
Gross book values at Jan. 1, 2012	60,849	14,887	94,865	47,419	123	218,143
Change in the scope of consolidation Other acquisitions	0	0	24,519	0	0	24,519
Investments	12,994	0	0	8,234	109	21,337
Disposals	- 485	0	0	0	0	- 485
Currency translation	27	0	11	19	0	57
Transfers	- 5,966	0	6,532	0	- 44	522
Gross book values at Dec. 31, 2012	67,419	14,887	125,927	55,672	188	264,093
Depreciation at Jan. 1, 2012	- 30,982	0	- 24,624	- 24,328	4	- 79,930
Amortization in 2012	- 4,507	- 412	- 8,655	- 5,022	0	- 18,596
Impairment losses in 2012	0	0	0	0	0	0
Disposals	482	0	0	0	0	482
Currency translation	13	0	24	- 3	0	34
Transfers	4,443	0	- 4,949	0	0	- 506
Depreciation at Dec. 31, 2012	- 30,551	- 412	- 38,204	- 29,353	4	- 98,516
Net book values at Dec. 31, 2012	36,867	14,475	87,723	26,319	192	165,576

Intangible assets acquired are stated at cost less the accumulated, regular amortization that is calculated according to the straight-line method.

The brand name acquired in the Stedim transaction is considered to have an indefinite useful life as there is no foreseeable limit to the period over which it is expected to generate net cash inflows for the company. Because of the integration of the "Stedim" brand into the "Sartorius Stedim Biotech" brand, a separate measurement of relevant cash flows is not possible, however. The recoverability of the brand name and of other intangible assets acquired within the scope of this business combination was considered at the next-higher level of the cash-generating unit (CGU), i.e., the Bioprocess Solutions Division.

The customer relationships obtained as part of the acquisition of Stedim likewise constitute a material intangible asset. The fair value of these customer relationships amounted to €51.3 million (2011: €56.7 million) for the year ended December 31, 2012; the remaining period of useful life is ten years.

For brand names acquired in conjunction with the Biohit Liquid Handling business, their limited periods of useful life are estimated as ten years on average.

Costs incurred within the scope of the development of new products and methods in the entities are capitalized as internally generated intangible assets if the following criteria are met:

The development costs of the asset can be reliably measured; and the product or method as an internally generated asset is technically and economically feasible and is likely to generate future economic benefits. Moreover, the reporting entity must have the intention to and ensure the availability of adequate technical, financial and other resources to complete the development of the intangible asset and to use or sell it.

In fiscal 2012, the development costs of €8,234K (2011: €6,913K) were recognized as assets. The capitalized development costs essentially covered the costs that were to be allocated to the projects for staff involved in the R&D effort, raw materials and supplies, outside services and directly attributable overhead. Internally generated intangible assets were amortized according to the straight-line method over their useful life, which usually did not exceed four years.

If an internally generated intangible asset may not be recognized, the development costs are included as expenses in the period in which they are incurred. If an internally generated intangible asset may not be recognized, the development costs are included as expenses in the period in which they are incurred. Costs for research activities are also reported as expenses in the period in which they are incurred.

Amortization of intangible assets is based on the following periods of useful life:

Software	2 to 10 years
Customer relationships and technologies	5 to 15 years
Brand name	10 years to an indefinite period

Amortization of intangible assets is allocated to the corresponding functions in the income statement. For capitalized development costs, amortization is disclosed in the research and development costs. Amortization of intangible assets identifiable within the scope of purchase price allocation is reported in the "Amortization" item.

In fiscal 2012, as well as in the year before, no material impairment expenses were recognized.

11. Property, Plant and Equipment

	Land and leasehold rights and improvements including buildings on third-party land € in K	Technical machinery and equipment € in K	Leasing of equipment € in K	Other equipment, factory and office equipment € in K	Payments on account relating to equipment and construction in progress € in K	Total € in K
Gross book values at Jan. 1, 2011	137,750	87,931	4,134	94,358	4,481	328,654
Change in scope of consolidation	3,620	4,021	0	929	664	9,234
Investments	3,513	4,456	0	8,991	21,901	38,861
Disposals	- 775	- 1,820	- 234	- 2,673	- 161	- 5,663
Currency translation	618	389	0	196	527	1,730
Transfers	277	537	0	766	- 1,476	104
Gross book values at Dec. 31, 2011	145,003	95,514	3,900	102,567	25,936	372,920
Depreciation at Jan. 1, 2011	- 42,856	- 61,889	- 3,735	- 68,986	0	- 177,466
Depreciation in 2011	- 4,503	- 5,350	- 163	- 8,300	0	- 18,316
Impairment losses in 2011	- 719	0	0	0	0	- 719
Disposals	376	1,588	230	2,023	0	4,217
Currency translation	- 305	- 469	0	- 215	0	- 989
Transfers	0	- 29	0	29	0	0
Depreciation at Dec. 31, 2011	- 48,007	- 66,149	- 3,668	- 75,449	0	- 193,273
Net book values at Dec. 31, 2011	96,996	29,365	232	27,118	25,936	179,647
Gross book values at Jan. 1, 2012	145,003	95,514	3,900	102,567	25,936	372,920
Change in the scope of consolidation	0	0	0	0	0	0
Investments	21,574	12,508	0	12,194	6,553	52,829
Disposals	- 1,255	- 2,681	- 187	- 8,267	- 68	- 12,458
Currency translation	- 973	- 376	0	- 272	48	- 1,573
Transfers	12,984	6,102	0	2,518	- 22,126	- 522
Gross book values at Dec. 31, 2012	177,333	111,067	3,713	108,740	10,343	411,196
Depreciation at Jan. 1, 2012	- 48,007	- 66,149	- 3,668	- 75,449	0	- 193,273
Depreciation in 2012	- 5,522	- 6,629	- 131	- 9,429	0	- 21,711
Impairment losses in 2012	0	- 324	0	0	0	- 324
Disposals	1,288	2,250	102	7,890	0	11,530
Currency translation	146	227	0	202	0	575
Transfers	106	1,901	0	- 1,502	0	506
Depreciation at Dec. 31, 2012	- 51,989	- 68,724	- 3,697	- 78,288	0	- 202,698
Net book values at Dec. 31, 2012	125,344	42,343	16	30,453	10,343	208,499

The item "Property, plant and equipment" is reported at cost, and if subject to depreciation, is depreciated as scheduled. The straight-line method is used to standardize the depreciation reported in the consolidated financial statements. The cost of conversion covers full production-related costs.

Depreciation of fixed assets is based on the following periods of useful life:

Buildings	15 to 50 years
Machinery	5 to 15 years
Factory and office equipment	3 to 13 years

Depreciation is included in the income statement according to use of the assets in the cost of conversion of sales revenue, selling and distribution costs, research and development costs, administrative expenses and other operating expenses.

Leases

A lease is considered an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time. We distinguish between a finance lease and an operating lease.

A finance lease is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. All other leases are designated as operating leases.

If a group is a lessee in a finance lease, the amount equal to the fair value of the leased property, or if lower, the present value of the minimum lease payments is recognized as an asset on the balance sheet and simultaneously recognized as financial liabilities. The minimum lease payments essentially consist of the finance charge and the reduction of the outstanding liability, which are measured according to the effective interest method. A leased asset is depreciated on a straight-line basis over the period of its expected useful life or over the shorter lease term.

If a group is a lessor in a finance lease, the amount sales revenue is equal to its net investment in the lease is recognized as a receivable. The leasing rates it receives are also apportioned between the finance charge and the reduction of liability according to the effective interest method.

For an operating lease, the lease rates to be paid by the lessee are recognized as expenses and the lease rates received by the lessor are recognized as income, respectively. The leased asset continues to be recognized on the lessor's balance sheet as property, plant and equipment.

The Sartorius Group leases its filtration systems and equipment to third parties within the scope of operating leases pursuant to IAS 17, Leases. This leasing business essentially covers Italy, France and Germany, and has no longer been actively pursued for quite some time. In fiscal 2012, the Sartorius Group received lease payments totaling €544K (2010: €545K) from the contracts already concluded in the previous years. The expected lease payments for existing leasing contracts are presented in the following table:

	Dec. 31, 2012 € in K	Dec. 31, 2011 € in K
Subsequent year	426	498
in the 2nd to 5th years	806	655
after 5 years	0	0
	1,232	1,153

Impairment of Assets

The book values (carrying amounts) of property, plant and equipment as well as intangible assets are examined at each balance sheet date for indications that an asset might be impaired, pursuant to IAS 36, Impairment of Assets. If an asset is impaired, the recoverable amount of the asset is estimated in order to determine the amount of the potential impairment loss.

In the event that the individual asset's recoverable amount cannot be estimated, the recoverable amount of the asset's cash-generating unit is estimated.

If the estimated recoverable amount of an asset (or a cash-generating unit) goes below its book value (carrying amount), this carrying amount is reduced to the recoverable amount. If the causes of the asset impairment are removed, the book value of the asset (or the cash-generating unit) is credited to the newly estimated recoverable amount in a manner recognized in net profit. However, the book value increase is limited to the value that the asset (or cash-generating unit) would have had if no asset impairment loss would have been assessed in previous years.

For 2012, impairment losses for plant, property and equipment of €0.3 million were recognized (2011: €0.7 million). The recoverable amounts of the respective assets were measured according to their value in use.

12. Financial Assets

	Investment in affiliated companies € in K	Participating interests € in K	Securities as fixed assets and other loans € in K	Total € in K
Gross book values at Jan. 1, 2011	3,869	3,486	390	7,745
Change in the scope of consolidation	- 100	0	489	389
Investments	0	2,014	20	2,034
Disposals	0	- 11	0	- 11
Currency translation	0	0	14	14
Transfers	0	0	0	0
Gross book values at Dec. 31, 2011	3,769	5,489	913	10,171
Impairment losses at Jan. 1, 2011	- 388	- 1,550	- 17	- 1,955
Impairment losses in 2011	0	0	- 3	- 3
Disposals	0	0	0	0
Impairment losses at Dec. 31, 2011	- 388	- 1,550	- 20	- 1,958
Net book values at Dec. 31, 2011	3,381	3,939	893	8,213
Gross book values at Jan. 1, 2012	3,769	5,489	913	10,171
Change in the scope of consolidation	0	0	0	0
Investments	0	92	121	213
Disposals	- 43	- 4,789	- 165	- 4,997
Currency translation	0	- 1	38	37
Transfers	0	0	0	0
Gross book values at Dec. 31, 2012	3,726	791	907	5,424
Impairment losses at Jan. 1, 2012	- 388	- 1,550	- 20	- 1,958
Impairment losses in 2012	0	- 508	- 4	- 512
Disposals	0	1,661	8	1,669
Impairment losses at Dec. 31, 2012	- 388	- 397	- 16	- 801
Net book values at Dec. 31, 2012	3,338	394	891	4,623

Investments in subsidiaries, participating interest and securities as fixed assets are measured at cost because they do not have a quoted market price in an active market, and the fair values of these assets cannot be reliably measured at a reasonable cost. Please refer to the Scope of Consolidation and List of Subsidiaries.

13. Non-current Trade and Other Receivables

	Dec. 31, 2012 € in K	Dec. 31, 2011 € in K
Non-current receivables	26	83
Other non-current assets	478	736
Derivative financial instruments	1,141	0
	1,645	819

14. Deferred Taxes

In accordance with IAS 12, Income Taxes, deferred taxes are measured using the balance sheet liability method. Accordingly, temporary differences between the carrying amount of assets and liabilities in the consolidated balance sheet, which is prepared according to IFRS, and their corresponding tax base used for calculating the result to be taxed is considered. Deferred taxes on the level of the individual companies as well as those resulting from consolidation are recognized in this manner.

On principle, deferred tax liabilities are recognized for all taxable temporary differences and are reported separately as deferred tax provisions on the liabilities side of the statement of financial position. Deferred

tax assets are recognized if it is probable that taxable profits will be available in future, against which the deductible temporary difference or unused tax loss and interest amounts carried forward can be used.

In principle, deferred taxes are not recognized if the temporary difference is yielded by goodwill or negative goodwill resulting from capital consolidation.

Deferred taxes are measured based on the tax rates expected when the temporary differences are realized or anticipated. In Germany, it can be assumed that the corporate tax rate will be 15%. Taking into account the 5.5% solidarity surcharge on the corporate tax rate amount, as well as the average Group trade income tax rate, the tax rate used to calculate deferred domestic taxes is thus approximately 30%.

In fiscal 2012, as in the previous years, a tax effect was yielded by reporting derivative financial instruments recognized outside the income statement according to IAS 39 rules for hedge accounting, and the deferred tax assets from recognition of actuarial gains and losses in the pension reserves were recognized directly in the consolidated equity. Likewise, the amount of current income taxes incurred by net investment in a foreign operation was recognized directly in equity. The deferred and current income taxes recognized directly in equity are disclosed as follows in the table:

	2012 € in K	2011 € in K
Cash flow hedges	- 1,087	2,866
Actuarial gains losses on defined benefit obligations	2,263	31
Net investment in a foreign operation	25	233
Total	1,201	3,130

On the balance sheet date, the Group had unused tax loss amounts carried forward of about €34 million (2011: around €29 million) to be deducted from future taxable profits. A deferred tax amount was reported on approx. €13 million (2011: approx. €16 million) of these losses.

Concerning the remaining losses to be carried forward, no deferred tax amounts were recognized because of the lack of foreseeability of future taxable profits.

Deferred tax assets of approximately €2 million (2011: around €2 million) relate to companies that reported losses in this year under review or in the earlier reporting year. These losses carried forward were reported as assets because it is assumed that taxable profits would be available in future, against which the unused tax losses and the deductible temporary differences can be offset.

In addition, the Group had unused interest carry-forwards from German companies of the Group in the amount of €8 million (2011: €4 million). As in the previous year, deferred tax assets were not considered for these carry-forwards in the reporting year because from today's stance, use is not sufficiently probable for the remaining amounts carried forward

The company has taxable temporary differences of €112 million (2011: €108 million) with respect to its shareholdings in subsidiaries ("Investments in subsidiaries"). Deferred tax liabilities of €2.1 million (2011: €1.6 million) were recognized on these temporary differences as their realization can be expected within the foreseeable future. For temporary differences in conjunction with retained earnings of subsidiaries in the amount of €152 million (2011: €107 million), no deferred tax liabilities were measured as their realization was not foreseeable or planned. If these retained earnings were to be distributed, they would be subject to taxation at a rate of 5% in Germany; in addition, foreign withholding tax might be incurred. Determination of the tax effect would entail unreasonable expense and effort.

The balance sheet items for deferred taxes are disclosed as follows for fiscal 2011 and 2012:

	Deferred tax assets		Deferred tax liabilities	
	Dec. 31, 2012 € in K	Dec. 31, 2011 € in K	Dec. 31, 2012 € in K	Dec. 31, 2011 € in K
Intangible assets	6,639	11,009	27,886	30,528
Tangible assets	49	656	4,530	4,603
Inventories	4,435	3,588	769	0
Receivables and other current assets	722	1,093	2,859	1,225
Provisions	8,310	7,618	0	0
Liabilities	1,843	1,437	0	0
Gross amount	21,998	25,401	36,044	36,356
Taxable losses carried forward	4,064	4,877	0	0
Tax on non-distributed earnings of subsidiaries	0	0	2,125	1,621
Offset	0	0	- 5,882	- 4,425
	26,062	30,278	32,287	33,552

Current Assets

15. Inventories

	Dec. 31, 2012 € in K	Dec. 31, 2011 € in K
Raw materials and supplies	35,182	31,426
Work in progress	32,259	25,657
Finished goods and merchandise	53,854	43,666
Payments on account	4,972	2,100
	126,267	102,848

Raw materials and supplies, including merchandise, are reported under "Inventories" at average cost. Finished goods and work in progress are reported at cost of conversion. This cost includes direct costs, which can be allocated to these materials, and the appropriate portion of production and materials handling overhead, general administrative expenses and fixed assets at normal depreciation | amortization rates, provided that these expenses are caused by production. Interest on borrowings is not capitalized.

In fiscal 2012, inventories in the amount of approximately €201 million were recognized as expenses (2011: around €200 million).

Lower net realizable values are recognized by devaluation. The net realizable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the direct costs for marketing, sales and distribution. Where inventory risks exist, such as the risk of reduced shelf life as a result of storage periods or limited usability, inventories are marked down accordingly. As in the year earlier, no material extraordinary impairment losses were recognized in fiscal 2012 in the income statement.

16. Current Trade and Other Receivables

	Dec. 31, 2012 € in K	Dec. 31, 2011 € in K
Trade receivables	117,138	111,072
- of which to third parties	103,447	98,443
- of which to affiliated companies	5,911	5,051
- of which to companies in which investments are held	0	99
- of which from construction contracts	7,780	7,480
Other assets	23,283	18,814
Remaining assets	18,931	16,062
Derivative financial Instruments	2,201	0
Prepaid expenses	2,152	2,752
	140,421	129,886

Trade and other receivables are reported so that all discernable risks are covered. Valuation allowances are determined on the basis of past experience with actual credit losses. Concerning the expenses and income resulting from these allowances that are reported on the income statement, we refer to Section 35. In the opinion of the Executive Board, the carrying amounts of trade receivables and other financial instruments reported in the other receivables approximate their respective fair value based on their short-term maturity.

Within the scope of implementing our factoring program, we retained part of the risks (essentially credit risks) associated with these assets. The carrying amount of this continuing involvement stood at €2.5 million at the end of fiscal 2012 (2011: €2.5 million); that of the associated liabilities, €3.1 million (2011: €3.1 million). The total amount of the original assets was €34.4 million (2011: €36.7 million).

In the fiscal year, valuation allowances developed as follows:

	Dec. 31, 2012 € in K	Dec. 31, 2011 € in K
Valuation allowances at the beginning of the year	- 9,117	- 8,878
Increases during the fiscal year	- 2,715	- 3,415
Derecognition and consumption	426	1,017
Recoveries of amounts previously impaired	1,355	2,130
Changes in the scope of consolidation	0	- 54
Currency translation differences	- 50	83
Valuation allowances at the end of the year	- 10,101	- 9,117

The recoverability of trade receivables is determined on the basis of estimates and assessments of individual receivables that depend on the creditworthiness of the particular customer, the current economic developments and analysis of the history of uncollectable receivables. There are no significant concentrations of credit risks due to the large base of unrelated customers. Accordingly, the Executive Board believes that it is not necessary to make any further provision to cover risks beyond the allowances already considered.

The following table shows the aging of trade receivables past due, but not impaired:

	Dec. 31, 2012 € in K	Dec. 31, 2011 € in K
1–30 days	15,278	11,349
31–90 days	10,177	7,392
91–180 days	3,681	3,103
181–360 days	998	684
More than 360 days	661	741

For trade receivables of €30,793K (2011: €23,269K) that were past due on the reporting date, no valuation allowances were made as there was no material change in the creditworthiness of the debtors and it could be expected that they would pay the amounts outstanding. The trade receivables not yet due and other financial assets were not written down as there was no indication of impairment.

Customer-specific construction contracts are recognized by the application of IAS 11, Construction Contracts, based on the percentage of completion method. The amount requiring capitalization is reported under the receivables and other assets, while an equal amount is recorded as "sales revenue." The stage of completion corresponds to the partial performance rendered by the Group as of the date for the statement of financial position, and is equal to the ratio of expenses accrued prior to this balance sheet date to the expected total expense (Cost to Cost Method). Expected contract losses are taken into account through allowances. Revenues fixed by contract are defined as contract revenues. In the reporting year, contract revenues of €6,513K were earned (2011: €11,026K); the aggregate amount of costs incurred and recognized profits|losses for projects in progress on the reporting date is €11,248K (2011: €16,426K). For these projects, advance payments of €13,514K were received in 2011 (2011: €12,806K).

17. Cash and Cash Equivalents

Cash and cash equivalents are comprised exclusively of cash on hand and deposits in banks. The book values of these assets approximate their fair values.

18. Issued Capital

Sartorius AG's capital stock is divided into 9,360,000 bearer-type ordinary shares and 9,360,000 non-voting preference shares, each having a calculated par value of €1.00. According to the company's Articles of Association, preference shares are entitled to a dividend payment that is higher than the dividend payment for ordinary shares, by an amount equal to 2.0% of each preference share's calculated proportion of the issued capital (i.e., two euro cents per share). In any case, dividend entitlement shall be at least 4.0% of each preference share's calculated proportion of the issued capital (i.e., four euro cents per share). All shares have been paid in full.

The development of issued capital is shown in the "Statement of Changes in Equity."

Sartorius AG exercised the authority granted at the Annual Shareholders' Meeting on June 21, 2000, to repurchase treasury shares in the amount of €16,082K pursuant to §71, Subsection 1, No. 8, of the German Stock Corporation Law (AktG). According to IAS 32, treasury shares must be deducted from equity.

These shares are held in particular as currency for future acquisitions of companies. From October 27, 2000, to the reporting date, 831,944 ordinary shares were repurchased at an average price of €11.27 and 840,983 preference shares at an average price of €7.98. This corresponds to a portion of €1,673 (8.9%) of the capital stock. In fiscal 2012, no treasury shares were purchased.

The shares were deducted from the company's issued capital and capital reserves.

19. Capital Reserves

The development of the capital reserves is presented in the "Statement of Changes in Equity."

20. Hedging Reserves

The hedging reserves recognize the offsetting effects of the changes in the fair value of derivative financial instruments, which meet the requirements of IAS 39 for effective hedging of the exposure of the corresponding underlying transactions. The development of hedging reserves is presented in the "Statement of Changes in Equity."

21. Pension Reserves

Actuarial gains and losses from measurement of the pension provisions according to IAS 19 are allocated to the pension reserves. The development of the pension reserves is presented in the "Statement of Changes in Equity."

22. Other Earnings Reserves and Retained Profits

The development of the earnings reserves and retained profits is presented in the "Statement of Changes in Equity."

Non-current Liabilities

23. Non-current Provisions

	Dec. 31, 2012 € in K	Dec. 31, 2011 € in K
Pension provisions and similar obligations	55,701	44,356
Other non-current provisions	10,362	10,523
	66,062	54,879

Most of the companies of the Group have defined contribution plans, frequently in the form of government-backed retirement insurance. In some countries, the percentage the companies pay as social security contributions, or national insurance contributions, for old-age retirement benefits cannot be reliably determined. In fiscal 2012, an amount of €20.2 million was recognized for defined contribution plans (2011: €17.6 million) for the remaining Group companies.

A substantial portion of the pension provisions for defined benefit plans refers to Sartorius AG. In this case, the obligations measured pertain to the General Pension Plan for employees whose employment commenced prior to January 1, 1983, on the one hand. On the other, individual commitments to active and former Executive Board members and executives exist in the form of performance-based post-employment benefit plans.

Pension provisions and similar obligations have been recognized as defined benefit plans in the consolidated financial statements of Sartorius AG in accordance with actuarial principles. IAS 19, Employee Benefits, stipulates the Projected Unit Credit Method as the method of measurement. In addition to known pensions and expectancies, this expected cash value method takes into account future salary and pension increases.

The assumed discount factors reflect the interest rates that were paid on the reporting date for prime corporate (industrial) bonds with matching maturities and denominated in the relevant currencies. If such corporate bonds are not available with matching long-term maturities or are insufficiently available, their matching interest rates are determined by extrapolation.

As permitted by the IAS 19.93A option, all actuarial gains and losses are recognized in their full amounts outside profit or loss (recognized in equity outside the income statement). The actuarial losses, which were transferred to the pension reserves, essentially resulted from changes in the discount rate and totaled €17,832K (2011: €7,264K).

Measurement of the post-employment benefit obligations of the German Group companies, which account for approximately 90% of the total provisions, is based on the following actuarial assumptions:

	2012	2011
Discount rate	3.30%	4.80%
Future salary increases	3.00%	3.00%
Future pension increases	2.00%	2.00%
Expected return on plan assets	2.25%	2.25%

The following parameters were used for the French companies:

	2012	2011
Discount rate	2.80%	4.50%
Future salary increases	2.25– 4.00%	3.00%
Future pension increases	2.00%	2.00%

The amounts reported in the income statement consist of the following:

	2012 € in K	2011 € in K
Current service cost	1,444	968
Interest cost	2,098	2,052
Expected return on plan assets	- 143	- 140
	3,399	2,880

In the income statement, the current service cost is disclosed according to the assignment of employees to the respective functions.

The net value, or the present value, respectively, recognized in the balance sheet developed as follows in fiscal 2012:

	2012 € in K	2011 € in K
Present value of obligations as of Dec. 31 of the prior year	50,474	47,762
Change in the scope of consolidation	0	716
Current service cost	1,444	968
Interest cost	2,098	2,052
Actuarial gains losses	10,735	- 3
Currency translation differences	- 62	291
Retirement benefits paid in the reporting year	- 3,274	- 2,298
Other changes	348	986
Present value of obligations as of Dec. 31	61,763	50,474

Plan assets developed as follows:

	2012 € in K	2011 € in K
Plan assets at Jan. 1	6,118	4,990
Expected income	143	140
Actuarial gains losses	29	- 6
Group contributions and pension payments	- 737	557
Foreign exchange differences	73	142
Change in the scope of consolidation	0	316
Other changes	437	- 21
Plan assets at Dec. 31	6,063	6,118

For fiscal 2013, payments for defined benefit plan obligations are expected to be at around €4 million. These cover contributions to plan assets and payments of retirement benefits.

The plan assets essentially consist of fixed-interest securities and life insurance policies. The net liability on the reporting date that was wholly unfunded was €51.6 million (2011: €40.0 million).

The present value of the defined benefit plans and experience adjustments developed as follows during the past years:

	2012 € in K	2011 € in K	2010 € in K	2009 € in K	2008 € in K
Present value of obligations	61,763	50,474	47,762	37,682	35,754
Fair value of the plan assets	6,063	6,118	4,990	713	670
Net liability	55,701	44,356	42,772	36,969	35,084
Experience adjustments					
Present value of obligations	249	36	- 165	- 251	779
Fair value of the plan assets	32	- 7	3	4	4

Other Non-current Provisions:

	Payments to employees on early retirement plan € in K	Provisions for company anniversaries € in K	Other € in K	Total € in K
Balance at Jan. 1, 2011	7,201	879	2,229	10,309
Currency translation	0	0	176	176
Change in the scope of consolidation	0	0	149	149
Consumption	- 735	- 5	- 141	- 881
Reversals Utilization	- 50	- 16	- 5	- 71
Additions	357	52	410	819
Transfers	25	- 9	5	21
Balance at Dec. 31, 2011	6,798	901	2,824	10,523
	Payments to employees on early retirement plan € in K	Provisions for company anniversaries € in K	Other € in K	Total € in K
Balance at Jan. 1, 2012	6,798	901	2,824	10,523
Currency translation	0	0	- 225	- 225
Change in the scope of consolidation	0	0	0	0
Consumption	- 514	- 14	- 229	- 757
Reversals Utilization	- 512	0	- 106	- 618
Additions	740	162	538	1,440
Transfers	0	0	0	0
Balance at Dec. 31, 2012	6,512	1,049	2,801	10,362

The other non-current provisions essentially encompass provisions for employees on the early retirement plan to offset payment for reduced workhours as well as provisions for company anniversaries, which generally only exist for German companies. The early retirement plans are agreements with elder employees who participate in a part-time work schedule for a period of three to five years ("semi-retirement") immediately preceding normal retirement. This combined semi-retirement and part-time work schedule is financially supported by the company.

Bonuses for company anniversaries are generally granted to employees who have accumulated seniorities of 20, 25, 30 and 40 years, and cover additional special vacation as well as relatively small sums of money.

Non-current provisions are reported at their present value on the reporting date. The discount rate for employees on the early retirement plan and for provisions accrued for company anniversaries is 0.7%. In fiscal 2012, the effect from compounding non-current provisions was €667K (2011: €289K). According to the rules of IAS 19, actuarial gains and losses as well as past service costs are immediately recognized in profit and loss.

24. Non-current Liabilities

This item consists of the following:

	Balance at Dec. 31, 2012 € in K	Remaining term of more than five years € in K	Balance at Dec. 31, 2011 € in K	Remaining term of more than five years € in K
Loans and borrowings	246,630	70,499	271,244	14,472
- of which finance leases	12,200	7,404	2,288	1,843
Other non-current liabilities	41,433	19,353	3,886	0
	288,063	89,852	275,130	14,472

The Sartorius Group has two syndicated loans. The credit line agreement for the Sartorius Stedim Biotech subgroup was concluded in 2008 with a lending syndicate of 13 banks. As of the reporting date, the volume of this credit line is €168 million (2011: €181 million). The Group plans to refinance this loan agreement, which will expire in fiscal 2013, at comparable terms and conditions.

The syndicated loan agreement for Sartorius AG with a total of seven banks was refinanced in April 2011 with a volume of €225 million. The term of this agreement will end in April 2016.

To diversify the financing structure of the Sartorius Group, Sartorius AG issued a €100 million note loan ("Schuldscheindarlehen") with maturity terms of five to ten years. The individual tranches of this loan have been agreed upon at normal market interest rates, i.e. predominantly fixed rates of interest.

The major terms and conditions of the credit lines that the Group uses are presented in Section 29.

The increase in the other non-current liabilities is related to the long-term proportion of the acquisition of sales and distribution rights to Lonza's culture media business.

25. Current Provisions

In fiscal 2011, current provisions developed as follows:

	Warranties € in K	Restructurings € in K	Other € in K	Total € in K
Balance at Jan. 1, 2011	4,884	8,618	3,753	17,255
Currency translation	47	0	58	105
Change in the scope of consolidation	316	0	19	335
Consumption	- 1,470	- 6,309	- 312	- 8,091
Reversals Utilization	- 446	- 1,512	- 128	- 2,085
Additions	2,008	16	1,945	3,969
Transfers	0	- 5	151	146
Balance at Dec. 31, 2011	5,339	808	5,486	11,633
	Warranties € in K	Restructurings € in K	Other € in K	Total € in K
Balance at Jan. 1, 2012	5,339	808	5,486	11,633
Currency translation	- 50	0	- 93	- 143
Change in the scope of consolidation	0	0	0	0
Consumption	- 1,870	- 757	- 1,721	- 4,348
Reversals Utilization	- 947	- 51	- 1,909	- 2,907
Additions	1,311	0	3,180	4,491
Transfers	0	0	0	0
Balance at Dec. 31, 2012	3,783	0	4,943	8,727

In measuring the other provisions, all recognizable obligations that are based on past business transactions or past events and are of uncertain timing or amount are recognized.

Provisions are considered only if they result from a legal or constructive obligation with respect to third parties.

The other provisions include obligations of €1.0 million (2011: €1.7 million), which essentially arose as a consequence of our reorganization of equipment business in North America.

26. Current Liabilities

	Dec. 31, 2012 € in K	Dec. 31, 2011 € in K
Payments received on account of orders	19,604	14,407
Payables to non-Group entities	46,295	56,925
Payables to companies in which investments are held	323	428
Payables to affiliated companies	378	249
Trade payables	66,599	72,008
Loans and borrowings	96,693	34,573
- of which finance leases	2,568	467
Income tax expense	10,189	29,596
Other liabilities	98,573	82,716
	272,055	218,893

The current loans and borrowings primarily consist of the syndicated credit line used and of account credits within bilateral credit lines. The year-over-year increase can be primarily attributed to the classification of the remaining liabilities from the syndicated loan of the Sartorius Stedim Biotech subgroup as current liabilities as the maturity term of this loan ends in 2013.

The "Other liabilities" item includes liabilities relating to taxes of €8,358K (2011: €7,224K) and liabilities relating to social security of €4,051K (2011: €4,010K).

27. Contingent Liabilities

As of the reporting date, the Group had the following contingent liabilities:

	Dec. 31, 2012 € in K	Dec. 31, 2011 € in K
Contingent liabilities and similar liabilities	60	1,826

28. Other Financial Obligations

Besides provisions, liabilities and contingent liabilities, our other financial obligations consist of the following:

	Dec. 31, 2012 € in K	Dec. 31, 2011 € in K
Due within one year	10,167	11,164
Due within 2 to 5 years	17,991	17,770
Due thereafter	991	1,011

In the reporting period, payments incurred from operating leases were recognized in the amount of €11 million (2011: €10 million) as expenses. These payments are essentially related to buildings and company cars.

As part of the carve-out of the Biotechnology Division, numerous reorganization measures required by corporate law were taken worldwide in fiscal 2007. Despite careful auditing conducted by the companies concerned and the tax consultants involved, we cannot exclude the possibility that these reorganization measures may entail the risk of future tax impacts. We do not consider it probable that this contingent liability will be incurred and therefore did not account for this in the balance sheet. The total risk is approximately €3 million.

In individual legal decisions, the transfer of company shares in connection with the spin-off of the operating business from Sartorius AG in fiscal 2011 may result in contingent liabilities comprised of withholding taxes and similar fees. In individual legal decisions, the transfer of company shares in connection with the spin-off of the operating business from Sartorius AG in fiscal 2011 may result in contingent liabilities comprised of withholding taxes and similar fees. The risk of such tax impacts is estimated at around €2 million.

29. Other Information on Financial Instruments

A. General Information

This section gives a comprehensive overview of the significance of financial instruments for Sartorius and provides additional information on the items that contain financial instruments in the statement of financial position.

Derivatives are measured at fair value determined according to the marking-to-market method in which recognized mathematical methods are used. The fair values are based on the market data available at the time the value of these derivatives is calculated and reflect the estimates of the banks concerning the market conditions at the time fair values are calculated.

B. Definitions and General Principles

Financial instruments are contracts that give rise to a financial asset for one contractual entity and to a financial liability or an equity instrument for the other entity. Accordingly, financial assets primarily cover cash, trade receivables, other liabilities, securities, financial investments and derivatives that are assets. Financial liabilities particularly include trade payables, contractual obligations to exchange financial assets or liabilities that are potentially unfavorable to the entity and derivatives that are liabilities. Financial instruments are initially recognized at fair value.

The particular classification of these financial instruments according to the categories defined in IAS 39 is decisive for their subsequent measurement:

Loans and receivables: Trade receivables, other receivables and cash are mainly recognized in this category. The item "Cash and cash equivalents" disclosed on our statement of financial position is essentially comprised of checks, cash on hand and deposits in banks.

After initial recognition, the other financial assets assigned to this category are measured at amortized cost using the effective interest method less any impairments. Receivables are derecognized if they are settled or become uncollectible. Other assets are derecognized after disposal on the settlement date or due to the lack of recoverability of their carrying amounts.

Financial assets recognized at fair value through profit or loss: This category consists of securities "held for trading" that have been acquired with the intention of being sold over the short term. Derivatives that are assets are also classified as securities held for trading unless they form part of a hedging relationship according to IAS 39. They are recognized at fair value. Changes in their fair value are recognized directly in profit or loss.

Available-for-sale financial assets: This category covers all financial assets not assigned to any of the categories stated above. Securities are basically classified as available-for-sale assets unless a different categorization is required for an explicitly designated purpose. These available-for-sale assets are initially recognized on the settlement date of purchase. Equity instruments, such as investments in (non-consolidated) affiliates and shares held in companies quoted on a stock exchange, likewise fall under this category.

Essentially, financial instruments of this category are subsequently recognized at fair value. Changes in fair value resulting upon subsequent measurement are recorded in the revaluation surplus and not recognized in profit or loss. Realized gains or losses are recognized in profit or loss only at the time of sale of financial assets. The amount recorded in the revaluation surplus is derecognized without being recognized in profit or loss. Subsequent impairment reversals are not recognized in profit or loss.

Financial liabilities carried at amortized cost: All financial liabilities, except for derivative financial instruments, are measured at amortized cost using the effective interest method. These liabilities are derecognized on settlement or if the reasons for recognizing a liability no longer apply.

Financial liabilities measured at fair value through profit or loss (held for trading): Derivative financial instruments that are liabilities are basically classified in this category as liabilities held for trading. This rule excludes derivatives that form part of a hedging relationship according to IAS 39.

Derivatives: In the Sartorius Group, derivatives are regularly held for hedging purposes. These derivatives are recognized as their particular market value. Changes in market value in derivatives held for hedging purposes are considered in other income and allocated to the hedging reserve, whereas derivatives held for trading purposes are recognized directly in profit or loss. These derivatives are derecognized on the settlement date.

C. Classes of Financial Instruments | Net Earnings | Maturity

The following tables compare the carrying amounts and the fair values of all categories of financial instruments and reconcile these with the items disclosed in the statement of financial position. The fair values of the financial assets and liabilities approximate the carrying amounts on account of their predominantly short-term maturity. With respect to the non-current liabilities, the fair values also approximate the carrying amounts because of the variable interest rate and/or to the temporal proximity of borrowing to the reporting date (e.g., note loan "Schuldscheindarlehen").

	Held up to maturity € in K	Loans and receivables at amortized cost € in K	Held for hedging purposes at fair value € in K	Available for sale € in K	Carrying amount at Dec. 31, 2011 € in K	Not in the scope of IAS 39 € in K	Disclosed on Dec. 31, 2011 € in K
Non-current assets							
Financial assets	0	0	0	8,213	8,213	0	8,213
Receivables and other assets	0	819	0	0	819	0	819
- of which receivables	0	83	0	0	83	0	83
- of which other assets	0	736	0	0	736	0	736
Current assets							
Trade receivables	0	103,592	0	0	103,592	7,480	111,072
Other assets	0	9,356	0	0	9,356	9,458	18,814
- of which derivatives	0	94	0	0	94	0	94
- of which other assets	0	9,262	0	0	9,262	9,458	18,720
Cash and cash equivalents	0	41,016	0	0	41,016	0	41,016

	Financial liabilities accounted for at cost € in K	Financial liabilities held for trading € in K	Held for hedging purposes at fair value € in K	Carrying amount at Dec. 31, 2011 € in K	Not in the scope of IAS 39 € in K	Disclosed on Dec. 31, 2011 € in K
Non-current liabilities						
Loans and borrowings	271,244	0	0	271,244	0	271,244
Other liabilities	32	106	3,748	3,886	0	3,886
- of which derivatives	0	106	3,748	3,854	0	3,854
- of which other liabilities	32	0	0	32	0	32
Current liabilities						
Loans and borrowings	34,573	0	0	34,573	0	34,573
Trade payables	57,601	0	0	57,601	14,407	72,008
Other liabilities	28,380	2,342	3,702	34,424	48,293	82,717
- of which derivatives	0	2,342	3,702	6,044	0	6,044
- of which other liabilities	28,380	0	0	28,380	48,293	76,673

	Loans and receivables at amortized cost € in K	Held for hedging purposes at fair value € in K	Financial assets held for trading € in K	Available for sale € in K	Carrying amount at Dec. 31, 2012 € in K	Not in the scope of IAS 39 € in K	Disclosed on Dec. 31, 2012 € in K
Non-current assets							
Financial assets	0	0	0	4,623	4,623	0	4,623
Receivables and other assets	504	1,141	0	0	1,645	0	1,645
- of which receivables	26	0	0	0	26	0	26
- of which derivatives	0	1,141	0	0	1,141	0	1,141
- of which other assets	478	0	0	0	478	0	478
Current assets							
Trade receivables	109,358	0	0	0	109,358	7,780	117,138
Other assets	12,800	1,729	472	0	15,001	8,282	23,283
- of which derivatives	0	1,729	472	0	2,201	0	2,201
- of which other assets	12,800	0	0	0	12,800	8,282	21,082
Cash and cash equivalents	39,549	0	0	0	39,549	0	39,549

	Financial liabilities accounted for at cost € in K	Financial liabilities held for trading € in K	Held for hedging purposes at fair value € in K	Carrying amount at Dec. 31, 2012 € in K	Not in the scope of IAS 39 € in K	Disclosed on Dec. 31, 2012 € in K
Non-current liabilities						
Loans and borrowings	246,630	0	0	246,630	0	246,630
- of which finance leases	12,200	0	0	12,200	0	12,200
Other liabilities	34,255	1,165	6,013	41,433	0	41,433
- of which derivatives	0	1,165	6,013	7,178	0	7,178
- of which other liabilities	34,255	0	0	34,255	0	34,255
Current liabilities						
Loans and borrowings	96,693	0	0	96,693	0	96,693
- of which finance leases	2,568	0	0	2,568	0	2,568
Trade payables	46,996	0	0	46,996	19,603	66,599
Other liabilities	81,211	655	1,648	83,513	15,060	98,573
- of which derivatives	0	655	1,648	2,303	0	2,303
- of which other liabilities	81,211	0	0	81,211	15,060	96,271

The maximum credit risk exposure resulting from financial assets is equal to their carrying amounts.

The derivatives indicated in the table above were measured within the scope of a so-called Level 2 assessment at fair value; i.e., their assessment is based on parameters that are derived from their quoted prices. In assessing the option for acquisition of additional shares in Sartorius Korea Biotech, the company has also used in-house parameters to some extent. The net gains and losses per category are as follows:

	2012 € in K	2011 € in K
Result from loans and receivables		
Impairment losses	- 2,715	- 3,415
Impairment reversals	1,355	2,130
Results from currency translation	- 2,155	- 1,867
Interest income from affiliates	130	104
	- 3,385	- 3,048

	2012 € in K	2011 € in K
Result from financial liabilities accounted for at cost		
Interest expenses	- 8,676	- 8,660
	- 8,676	- 8,660

In the category "Available-for-sale financial assets," the company earned net income of €4,376K from dividends and the disposal of ownership stakes (2011: dividends of €494K). These dividends are reported in the cash flows from operating activities; disposals of ownership stakes, in cash flows from investing activities. In fiscal 2012, the financial assets or liabilities held for trading resulted in a profit of €2,158K (2011: a loss of €2,448K).

The following table shows the liquidity analysis of the financial liabilities in the form of contractually agreed undiscounted cash flows:

	Carrying amount	Cash flows			
	Dec. 31, 2011 € in K	Total € in K	< 1 year € in K	1– 5 years € in K	> 5 years € in K
Loans and borrowings	305,817	333,387	42,433	275,085	15,869
Trade payables	57,601	57,601	57,601	0	0
Other liabilities	38,310				
- of which derivatives	9,898				
Settled gross ¹⁾	6,044	6,044	6,044	0	0
Settled net	3,854	5,063	1,625	3,438	0
- of which other liabilities	28,412	28,412	28,380	32	0
Financial liabilities	401,728	430,507	136,083	278,555	15,869

	Carrying amount	Cash flows			
	Dec. 31, 2012 € in K	Total € in K	< 1 year € in K	1– 5 years € in K	> 5 years € in K
Loans and borrowings	343,323	410,225	105,083	168,207	136,935
- thereof Finance Leases	12,200	35,508	1,841	7,364	26,303
Trade payables	46,996	46,996	46,996	0	0
Other liabilities	124,946				
- of which derivatives	9,481				
Settled gross ¹⁾	0	0	0	0	0
Settled net	9,481	9,481	2,303	7,178	0
- of which other liabilities	115,466	126,796	81,211	16,592	28,993
Financial liabilities	527,465	629,005	237,433	199,341	192,231

¹⁾The forward contracts (derivative financial instruments settled gross) included in the "Other liabilities" are disclosed at their carrying amounts in the presentation for fiscal 2011. Based on the exchange rates as of the reporting date, it is assumed that these gross-settled derivatives have led to cash outflows of approximately €62.1 million in 2012 and will lead to outflows of around €20.8 million in 2013. These cash outflows are offset by inflows of a similar amount. Forward contracts existing as of December 31, 2012, have a positive market value and are therefore disclosed under assets. Based on the exchange rates of the reporting dates, the cash outflows expected in this context are approximately €53.5 million for 2013 and approximately €10.5 million for 2014.

D. Capital Risk Management

In the Sartorius Group, capital is managed in order to maximize earnings of those participating in the company by optimizing the ratio of equity to liabilities. Furthermore, we ensure that all Group companies can operate under the premise of the going-concern principle.

The financial liabilities detailed in Sections 24 and 26 are regarded as managed capital and, furthermore, so are the cash and cash equivalents as well as equity capital in Sections 18-22.

E. Goals of Financial Risk Management

The Treasury Department of the Sartorius Group is centrally focused in Sartorius Corporate Administration GmbH, and performs services for all companies of the Sartorius Group as well as coordinates access to national and international financial markets. In addition, the Treasury Department monitors and controls financial risks by internal risk reporting; these risks essentially entail currency, interest rate and liquidity risks.

The Group strives to minimize the impact of currency risks using derivative financial instruments. Hedging transactions and their controlling are carried out by different staff members. Moreover, the Group's Internal Auditing Department regularly monitors the use of such financial instruments. Trading with derivative financial instruments is done for hedging purposes only. We counteract liquidity risks by maintaining sufficient credit lines as well as by planning short-, mid- and long-term liquidity using the advanced treasury software.

F. Management of Exchange Rate Risks

The Sartorius Group is exposed to currency risks as a good third of its sales revenue is generated in U.S. dollars or currencies linked to the U.S. dollar and, to a lesser extent, in other foreign currencies. At the same time, our global production network enables us to offset the lion's share of sales revenues received in foreign currency within the Group against costs likewise incurred in foreign currency. We use derivative financial instruments to a considerable extent to hedge against net currency exposure – i.e., the proportion of our foreign currency sales revenue that remains after we have settled our costs. Our hedging strategy provides for exposures to be hedged approximately up to one-and-a-half years in advance. These hedging measures are reviewed at regular intervals to adapt them, when necessary, to expected exchange rate fluctuations.

For currency hedging, we use foreign currency options and forward contracts and, to a limited extent, structured hedge transactions.

Using forward contracts entered into up to the reporting date, we secure the right, and simultaneously enter into an obligation, to sell an established foreign currency amount on the exercise date at a specific exchange rate against the euro, independently of the exchange rate actually valid on this date. The profit or loss resulting from the difference between the current and the previously established exchange rate is measured as income or an expense in the income statement.

Derivative financial instruments are measured at the time of acquisition and, on subsequent balance sheet dates, at fair value. The changes in value of the derivative financial instruments are to be recognized in the income statement on the reporting date. If the derivative financial instruments serve to hedge against cash flow risk and a qualified hedging relationship exists based on the criteria of IAS 39, the value adjustments are recognized directly in equity. The non-effective portion of the hedged transactions is recognized in the result of the respective period. In fiscal 2012, expense for non-effective hedging relationships was -€150K (2011: income of €14K); an amount of €3,020K was recognized in the other comprehensive income (2011: €3,716K). The amount of -€372K recognized in equity in 2012 (2011: -€62K) was reclassified to profit or loss under the other operating expenses for the period in the reporting year.

The following chart provides an overview of the forward contracts concluded as currency hedges; these transactions are presented by quarter (Q1, Q2, etc.):

Reporting date: December 31, 2011

Currency	Volume	Maturity	Forward rate	Fair value € in K
USD	14,000,000	Q1 2012	1.3455	- 388
USD	22,000,000	Q2 2012	1.3519	- 673
USD	14,500,000	Q3 2012	1.3648	- 531
USD	13,000,000	Q4 2012	1.3821	- 571
USD	7,500,000	Q1 2013	1.3793	- 310
USD	11,000,000	Q2 2013	1.3472	- 296
	82,000,000			- 2,769

Currency	Volume	Maturity	Forward rate	Fair value € in K
JPY	200,000,000	Q1 2012	109.7650	- 179
JPY	400,000,000	Q2 2012	103.0275	- 115
JPY	300,000,000	Q3 2012	104.2700	- 117
JPY	400,000,000	Q4 2012	109.0825	- 329
JPY	350,000,000	Q1 2013	103.8614	- 138
JPY	300,000,000	Q2 2013	101.4800	- 56
	1,950,000,000			- 933

Reporting date: December 31, 2012

Currency	Volume	Maturity	Forward rate	Fair value € in K
USD	7,500,000	Q1 2013	1.3806	- 243
USD	17,000,000	Q2 2013	1.3304	- 96
USD	13,000,000	Q3 2013	1.3053	131
USD	14,500,000	Q4 2013	1.3070	148
USD	11,000,000	Q1 2014	1.2224	703
	63,000,000			642

Currency	Volume	Maturity	Forward rate	Fair value € in K
JPY	350,000,000	Q1 2013	103.8350	289
JPY	300,000,000	Q2 2013	101.4800	316
JPY	300,000,000	Q3 2013	99.1500	346
JPY	650,000,000	Q4 2013	98.9750	834
JPY	250,000,000	Q1 2014	94.6400	442
	1,850,000,000			2,228

In addition, we use target profit forwards to optimize our hedging transactions. With the target forwards transacted up to the reporting date, we have secured the right, and have simultaneously entered into the obligation, of swapping an agreed amount in a foreign currency for the corresponding euro amount at a fixed exchange rate on several target dates as long as the profit resulting from these exchange transactions does not exceed a contractually defined limit. As soon as the profit limit is reached, the transaction is terminated without entailing any further obligations for either contractual party.

As of December 31, 2012, we had target profit forwards for a total volume of \$18 million (2011: \$81 million) and with a maximum maturity date of December 31, 2013 (2011: December 31, 2013). As of the reporting date for fiscal 2012, the fair value of these derivatives was €472K (2011: -€2,342K). This change in fair value was recognized in the financial result as no hedging relationship defined by IAS 39 was designated in this case.

Concerning the exchange rate of the U.S. dollar to the euro, the follow sensitivities provide the estimated impacts: If the exchange rate of the U.S. dollar to the euro would have dropped 5%, equity would have been around €3.6 million higher than actually reported (2011: €7.4 million) and annual profit before tax would have been up €0.7 million (2011: €3.4 million) from the currently disclosed figure. Had the exchange rate of the U.S. dollar to the euro risen by 5%, the impact would have been -€0.5 million on the annual profit before tax (2011: -€0.9 million) and -€4.2 million on equity (2011: -€4.2 million). These impacts allow for the effects of internal Group loans that would be compensated to some extent by translation effects in the currency reserves.

G. Interest Risk Management

Financing of the entire Group is usually done through Sartorius AG and Sartorius Stedim Biotech S.A. as well as by a few additional companies, which ensure the financing of all Group companies using internal group loans. In this case, the Sartorius Group is exposed to interest rate risks as these loans are taken out mostly at variable interest rates. To hedge against rising interest rates, the Group concluded interest rate hedges in the form of interest swaps, which cover the majority of the loans outstanding at variable interest rates. As a result, the Group receives the particular (variable) interest rate valid on the market and pays a fixed interest rate. The transactions concluded for the year ended December 31, 2012, are presented in the following table:

Instrument	Hedged volume as at Dec. 31, 2012 € in K	Hedged volume at Dec. 31, 2011 € in K	Held for hedging purposes	End of term	Hedged interest rate	Fair value Dec. 31, 2012 € in K	Fair value Dec. 31, 2011 € in K
Swaps	190,000	190,000	Yes	Sept. 13 - Mar. 16	1.48% - 1.95%	-3,361	-1,531
Forward swaps	145,000	145,000	Yes	Sept. 15 - Mar. 16	2.28% - 2.89%	-6,014	-2,323
						- 9,375	- 3,854

From the assessment of the interest hedging transactions, an amount of €7,662K was reported in equity (2011: €3,748K); an amount of €2,913K was recognized in the income statement (2011: €106K). The expenses reported for fiscal 2012 include effects from the reversal of the hedging relationships as the basis for such transactions ceased to exist.

These hedging measures are reviewed at regular intervals to adapt them, when necessary, to expected interest rates and risk coverage.

If the market interest rate for the financial instruments held as of the reporting date would have changed by plus or minus 1.0 percentage point, the impact on the financial result would have been virtually neutralized by the offsetting effects of the interest rate swaps without a hedging relationship (2011: -€1.0 million). The impact on equity in conjunction with market assessment of financial instruments held as hedged items would have been €4.4 million (2011: €7.4 million). As the interest rate level on the reporting date was approximately 0.3%, only a reduction of the interest rate to 0.0% was assumed for analyzing the sensitivity. The corresponding impacts on equity and on annual profit before tax would have been -€3.2 million (2011: -€4.8 million) and -€0.8 million (2011: +€1.3 million), respectively.

H. Liquidity Risk Management

The Group controls liquidity risks by maintaining credit lines and additional facilities with banks, selling trade receivables within the scope of a factoring program, continuously tracking the forecasted and actual cash flows and by managing the maturity profiles of financial assets and liabilities.

The credit lines agreed as of December 31, 2012 stand at €559.7 million (2011: €485.4 million). The amounts of these credit lines used, including off-balance-sheet guarantees, total €342.4 million (2011: €312.2 million) so that the remaining unused credit lines amount to €217.3 million in the reporting year (2011: €173.2 million).

The table below provides an overview of the credit lines available on the reporting date.

	Dec. 31, 2012 € in K	Credit lines Dec. 31, 2011 € in K	Interest rate	End of term
Syndicated loans	378,000	406,000	Variable interest rate	2013 and 2016
Note loan (Schuldscheindarlehen)	100,000	0	variable and fixed	2017–2022
Bilateral credit lines	81,700	79,400	Variable interest rate	Until further notice
	559,700	485,400		

When we concluded syndicated credit facilities, we committed to maintaining the usual key financial ratios, called covenants. Based on current information, we consider it rather unlikely that we would temporarily not comply with these covenants and that, as a consequence, we would incur higher financing costs.

I. Other Risks Associated with Financial Instruments

As of the reporting date, the Sartorius Group has not been exposed to the risk of volatility in share prices. In the previous year, available-for-sale instruments valued at €2.0million were held. Had the share price changed by 10%, the sensitivity analysis shows that this would have had an impact of €0.2 million.

J. Share-based Payments

Within the Sartorius Group, share-based payments exist in the form of so-called phantom stock units at Sartorius AG and stock option plans at Sartorius Stedim Biotech S.A. The fair value of the phantom stock units is disclosed as follows:

Components with a long-term incentive effect	Number of phantom stock units	Fair value at year-end on Dec. 31, 2012 € in K	Fair value at year-end on Dec. 31, 2011 € in K	Paid out € in K
Tranche for 2006	3,871	0	128	128
Tranche for 2007	3,593	249	119	0
Tranche for 2008	0	0	0	0
Tranche for 2009	28,770	0	587	587
Tranche for 2010	16,803	644	523	0
Tranche for 2011	10,706	670	323	0
Tranche for 2012	9,052	571	0	0
	72,795	2,134	1,680	715

In fiscal 2012, expenses related to granting and valuation of phantom stock units were €1,168K (2011: €523K). For details on phantom stock units, please refer to the Remuneration Report that is an integral part of the Group Management Report. On the reporting date, 3,593 phantom stock units totaling €249K were exercisable. The stock option plans for staff of the Sartorius Stedim Biotech Group relate to shares of Sartorius Stedim Biotech S.A. The various stock option plans outstanding or exercisable on the reporting date are shown in the adjacent table:

	Dec. 31, 2012	Dec. 31, 2011
Outstanding at the beginning of the period	40,000	52,500
Granted during the period	0	0
Forfeited during the period	0	0
Exercised during the period	- 15,358	- 12,500
Expired in the period	0	0
Outstanding at the end of the period	24,642	40,000
Exercisable at the end of the period	24,642	40,000

The various stock option plans outstanding at December 31, 2011, and December 31, 2012, are summarized as follows:

December 31, 2012

Date the General Annual Shareholders' Meeting authorized the plan	Date on which the Board granted approval	Initial number of shares to be subscribed	Number of shares to be subscribed by directors and executives	Number of directors and executives concerned	Total number of beneficiaries	Subscription price in €	Number of shares subscribed over fiscal 2012	Number of options granted and exercisable on Dec. 31, 2012	Number of options subject to target performance as of Dec. 31, 2012	Number of beneficiaries of valid options
June 23, 2000	Aug. 2, 2000	139,105	0	0	5	8.59	0	0	0	0
June 23, 2000	Sept. 28, 2001	142,855	0	0	7	11.94	0	0	0	0
June 23, 2000	Nov. 14, 2002	12,100	0	0	1	6.78	0	0	0	0
June 23, 2000	Sept. 10, 2003	22,000	0	0	1	7.90	0	0	0	0
June 23, 2000	Feb. 11, 2004	66,000	0	0	1	6.42	0	0	0	0
June 23, 2000	July 23, 2004	140,000	0	0	19	9.23	3,358	16,642	0	2
June 10, 2005	Sept. 15, 2005	127,500	0	0	15	18.87	0	5,000	0	1
June 10, 2006	Nov. 10, 2006	35,000	0	0	2	29.51	12,000	3,000	0	1
Total		684,560	0	0	51		15,358	24,642	0	4

December 31, 2011

Date the General Annual Shareholders' Meeting authorized the plan	Date on which the Board granted approval	Initial number of shares to be subscribed	Number of shares to be subscribed by directors and executives	Number of directors and executives concerned	Total number of beneficiaries	Subscription price in €	Number of shares subscribed over fiscal 2011	Number of options granted and exercisable on Dec. 31, 2011	Number of options subject to target performance as of Dec. 31, 2011	Number of beneficiaries of valid options
June 23, 2000	Aug. 2, 2000	139,105	0	0	5	8.59	0	0	0	0
June 23, 2000	Sept. 28, 2001	142,855	0	0	7	11.94	0	0	0	0
June 23, 2000	Nov. 14, 2002	12,100	0	0	1	6.78	0	0	0	0
June 23, 2000	Sept. 10, 2003	22,000	0	0	1	7.90	0	0	0	0
June 23, 2000	Feb. 11, 2004	66,000	0	0	1	6.42	0	0	0	0
June 23, 2000	July 23, 2004	140,000	0	0	19	9.23	5,000	20,000	0	2
June 10, 2005	Sept. 15, 2005	127,500	0	0	15	18.87	5,000	5,000	0	1
June 10, 2006	Nov. 10, 2006	35,000	0	0	2	29.51	2,500	15,000	0	2
Total		684,560	0	0	51		12,500	40,000	0	5

Sartorius Stedim Biotech share purchase options have been allocated to some of its employees and directors of the subgroup. These plans have been inactive since 2006 and no new stock options have been issued since this time. The options exercised in the reporting year were based on an average share price of €63.67 on the date of exercise. The share options still outstanding as of the reporting date for the statement of financial position will be exercisable until November 9, 2016, at the very latest. The fair value of services performed is measured by reference to the fair value of these options at the date of allocation, using a binomial-type mathematic model. During the entitlement acquisition period, the total fair value thus measured is recognized as an expense spread over the full vesting period of the plan, provided that this entitlement has actually been acquired.

In fiscal 2012, the expenses for share-based payments recognized in the income statement were €1,168K (2011: expenses of €523K) and account entirely for phantom stock units of Sartorius AG. Cash received upon the exercise of these options is recognized in the cash and cash equivalents by disclosing a corresponding item in the non-controlling interest for equity.

Notes to the Income Statement

30. Sales Revenue

Sales revenue is recognized at the time the risk has passed to the purchaser. An exception is contract revenue from customer-specific construction contracts, which are accounted for according to the percentage of completion method.

Sales revenue, which is broken down by operating segments and geographical markets (according to the customer's location), consists of the following:

2012	Bioprocess Solutions € in K	Lab Products & Services € in K	Industrial Weighing € in K	Total € in K
Germany	55,078	48,674	21,368	125,120
All other countries	419,073	220,182	81,334	720,590
	474,151	268,857	102,702	845,710

2011	Bioprocess Solutions € in K	Lab Products & Services € in K	Industrial Weighing € in K	Total € in K
Germany	49,290	48,553	24,219	122,062
All other countries	360,950	173,408	76,679	611,037
	410,241	221,961	100,898	733,100

In 2012, sales revenue for the Sartorius Group rose 15.4% to €845,710K (2011: €733,100K). Currency-adjusted, the increase for the Group was 11.7%. An amount of €17,187K was earned with affiliated companies (2011: €15,004K).

A sum of approximately €62 million was earned by providing services (2011: €56 million).

31. Cost of Sales

This item reports the costs of products sold and the acquisition costs of merchandise sold.

Besides the directly allocatable expenses, such as raw materials and supplies, employee benefits expense and energy expenses, the cost of sales also includes overhead, which is attributed to the manufacturing area, and the corresponding depreciation and amortization.

32. Selling and Distribution Costs

These costs pertain, in particular, to the expenses of the sales and marketing organization, distribution, advertising and market research.

33. Research and Development Costs

This item reports the costs for research and product and process development. Development costs are recognized as assets, provided that they fully meet the prerequisites of IAS 38 for recognition of intangible assets. Amortization on development costs recognized as assets is also indicated in this item.

34. General Administrative Expenses

Above all, this item includes employee benefits expense and the cost of materials of the general administrative area.

35. Other Operating Income and Expenses

	2012 € in K	2011 € in K
Currency translation gains	15,173	11,413
Income from release and use of provisions and liabilities	3,063	1,868
Income from grants	2,206	2,340
Income from the decrease in allowances for bad debts	1,355	2,130
Other income	2,874	2,561
Other operating income	24,671	20,312
Reorganization expenses	- 13,915	- 11,334
Currency translation losses	- 17,328	- 13,280
Allowances for bad debts	- 2,715	- 3,415
Other expenses	- 4,857	- 3,395
Other operating expenses	- 38,815	- 31,424
Other operating income and expenses	- 14,145	- 11,112

The item reported as income from grants discloses the grants for expenses (essentially related to research and development projects), which are measured as income as soon as there is sufficiently reliable indication that the necessary prerequisites for this are met.

Reorganization expenses in fiscal 2012 essentially were incurred for relocation of our U.S. manufacturing site for single-use bags (Biotechnology Division) from Concord, California, to Yauco, Puerto, the integration of the Biohit Liquid Handling business and for various cross-divisional projects.

36. Financial Result

	2012 € in K	2011 € in K
Interest and similar income	570	698
- of which from affiliated companies	[130]	[104]
Income from derivative financial instruments	2,650	103
Interest and similar expenses	-8,676	-8,660
- of which from affiliated companies	[0]	[0]
Expenses for derivative financial instruments	-3,013	-2,750
Interest for pensions and other retirement benefits	-2,765	-2,201
Interest expenses for factoring	-925	-1,172
Other financial charges	-754	-120
	- 12,913	- 14,102

In fiscal 2012, no interest expenses were recognized as assets (2011: €0.3 million).

37. Income Tax Expense

	2012 € in K	2011 € in K
Current income taxes	-26,009	-33,631
Deferred taxes	-3,667	10,090
	- 29,676	- 23,541

As a matter of principle, domestic income taxes have been calculated at 30.0% of the estimated taxable profit for fiscal 2012. Income generated outside Germany is taxed at the particular rates that are valid in the corresponding country.

The expected income tax rate must be used for deferred taxes at the time the temporary difference is reversed. This rate has been calculated for German companies on the basis of the tax rates of around 30% that have been applicable since 2008. Taking the local tax rates that are to be applied for subsidiaries outside

Germany into account, it is assumed that the income tax rate will average 32.0%. The following table shows the difference between the tax expense to be expected and the income tax expenses reported for each particular fiscal year:

	2012 € in K	2011 € in K
Expected tax expense (32.0%)	-30,059	-24,428
Difference from the Group average income tax rate	1,289	2,565
Effects from losses and interest carried forward and from temporary differences for which no deferred taxes were accrued	-1,615	-3,047
Tax-free income and tax credits	1,927	999
Expenses not deductible for tax purposes	-1,988	-2,853
Adjustments from previous years	1,698	4,219
Withholding and similar taxes	-1,068	-901
Other	140	-96
	- 29,676	- 23,541
Effective tax rate	31.6%	30.8%

The effects arising from losses and interest carried forward, for which no deferred taxes were accrued, involve, to a partial extent, the consequential effects resulting from the spin-off of the operating business of Sartorius AG and transfer to its 100% subsidiary Sartorius Weighing Technology GmbH in 2011. The item "Adjustments from previous years" discloses, in particular, the positive effects from the use of losses and interest carried forward for which no deferred taxes had to be accrued. Taxation of the hidden assets and liabilities disclosed offset these positive effects.

38. Earnings per Share

According to IAS 33, Earnings per Share, the earnings per share for each class must be determined separately. In this case, the higher dividend entitlement of currently two euro cents for preference shares must be taken into account. The undiluted earnings per share (basic EPS) are calculated on the basis of the number of shares outstanding during the period. Diluted earnings per share (diluted EPS) were not calculated because there are no option or conversion rights to be exercised on Sartorius shares.

	2012	2011
Ordinary shares		
Basis for calculating undiluted earnings per ordinary share (net profit after minority interest) in €	24,182,426	20,707,442
Weighted average number of shares outstanding	8,528,056	8,528,056
Earnings per ordinary share in €	2.84	2.43
Preference shares		
Basis for calculating undiluted earnings per preference share (net profit after minority interest) in €	24,327,175	20,855,875
Weighted average number of shares outstanding	8,519,017	8,519,017
Earnings per preference share in €	2.86	2.45

Treasury shares may not be included for calculating the average number of shares outstanding.

39. Other Disclosures

The consolidated financial statements were prepared on a going-concern basis.

No material events occurred up to the end of the preparation of these consolidated financial statements.

For the annual financial statements reported by Sartorius Mechatronics C&D GmbH & Co. KG, Aachen, Germany, for the year ended December 31, 2012, the exemption provided by §264 b of the German Commercial Code (HGB) was applied.

Declaration According to § 314, Subsec. 1, No. 8, of the German Commercial Code (HGB)

The declaration prescribed by §161 of the German Stock Corporation Law (AktG) was submitted on December 7, 2012, and made available to the shareholders of Sartorius AG on the company's website "www.sartorius.com."

Members of the Supervisory Board and the Executive Board

The members of the Supervisory Board and the Executive Board are listed at the end of this section.

Raw Materials and Supplies

This item consists of the following:

	2012 € in K	2011 € in K
Expenses for raw materials, supplies and purchased materials including changes in inventory)	201,125	200,179
Cost of purchased services	18,737	18,096
	219,862	218,274

Employee Benefits Expense

This item can be broken down as follows:

	2012 € in K	2011 € in K
Wages and salaries	254,180	218,166
Social security	51,573	42,621
Expenses for retirement benefits and pensions	4,747	3,160
	310,500	263,947

Number of Employees

This table shows the average workforce employed during the fiscal year:

	2012	2011
Bioprocess Solutions	2,786	2,503
Lab Products & Services	1,967	1,609
Industrial Weighing	738	732
	5,492	4,845

Auditors' Fee

In fiscal 2012, the following fees were incurred by the Group for the auditors Deloitte & Touche GmbH:

	2012 € in K	2011 € in K
Audits	452	473
Other certification and verification services	199	493
Tax consultation services	171	248
Other services	93	139
	915	1,353

The other certification and verification services include the audit review fee of €102K (2011: €105K) for the first-half financial report pursuant to § 37w of the German Securities Trading Act (WpHG).

Proposal for Appropriation of Profits

The Supervisory Board and the Executive Board will submit a proposal to the Annual Shareholders' Meeting to appropriate the retained profit of €158,991,646.29 reported by Sartorius AG for the year ended December 31, 2012, as follows:

	€
Payment of a dividend of €0.94 per ordinary share	8,016,372.64
Payment of a dividend of €0.96 per preference share	8,178,256.32
Unappropriated profit carried forward	142,797,017.33
	158,991,646.29

Goettingen, February 18, 2013

Sartorius Aktiengesellschaft

The Executive Board

Declaration of the Executive Board

We declare to the best of our knowledge that the consolidated financial statements for fiscal 2012 present a true and fair view of the actual net worth, financial situation and profitability of the Group in accordance with the accounting standards used in preparing these statements. We also certify that the progress of the Group's business, including its business performance and its situation, are represented accurately in the Group Management Report in all material respects and present the most important opportunities and risks of the Group's future development during the fiscal year.

Goettingen, February 18, 2013

Sartorius Aktiengesellschaft
The Executive Board

Dr. Joachim Kreuzburg

Jörg Pfirrmann

Reinhard Vogt

Independent Auditors' Report

We audited the consolidated year-end financial statements, which consist of the consolidated statement of financial position, income statement along with the statement of comprehensive income, statement of changes in equity, statement of cash flows and notes to the financial statements – along with the management report integrated into the Group Management Report – and which Sartorius Aktiengesellschaft, Germany, prepared for the fiscal year from January 1 through December 31, 2012. Preparation of the consolidated financial statements and the Group Management Report according to the International Financial Reporting Standards (IFRS), as they are to be applied in the EU, and according to the commercial rules to be additionally applied in conformance with §315a, Subsection 1, of the German Commercial Code (HGB), is the responsibility of the Executive Board of the parent corporation, Sartorius Aktiengesellschaft. Our responsibility is to express an opinion on the consolidated financial statements and on the Group Management Report based on our audit.

We conducted our audit in accordance with §317 HGB, taking into account the principles of proper auditing established by the German Institute of Independent Auditors, "Institut der Wirtschaftsprüfer." These principles require that we plan and perform the audit to obtain reasonable assurance that there are no misrepresentations or infractions that have a material impact on the presentation of the net worth, financial position and earnings in the consolidated financial statements, in consideration of the accounting principles to be applied, or in the Group Management Report. In determining the audit focus, information on the business activities and the economic and legal background of the Group as well as expectations on possible errors are taken into account. Within the scope of the audit, the effectiveness of the accounting-related internal control system as well as evidence supporting the amounts and disclosures made in the consolidated financial statements and the Group Management Report are predominantly examined on a test basis.

This audit covers assessment of the annual financial statements of the companies included in the consolidated financial statements, definition of the scope of consolidation, the accounting and consolidation principles applied and the significant estimates made by the Executive Board as well as evaluation of the overall presentation of the consolidated year-end financial statements and the Group Management Report. We believe that our audit provides a reasonable basis for our opinion.

Our audit did not result in any objections.

According to our assessment based on the information we obtained during the audit, the consolidated financial statements of Sartorius Aktiengesellschaft, Goettingen, conform to the IFRS, as they are to be applied in the EU, and to the commercial rules to be additionally applied in compliance with §315a, Subsection 1, of HGB, and present fairly, in all material respects, the net worth, financial position and earnings of the Group. The Group Management Report is consistent with the consolidated financial statements and provides an overall true and fair view of the Group's situation, and accurately presents the opportunities and risks of its future development.

Hanover, Germany, February 18, 2013

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft
(name of the independent auditing company)

Henning Scharpenberg
Auditor

Dr. Christian Meyer
Auditor

Executive Board and Supervisory Board

During Fiscal 2012¹⁾

Executive Board

Dr. rer. pol. Joachim Kreuzburg

Dipl.-Ingenieur (Graduate Engineer)
CEO and Chairman
Executive for Labor Relations until July 23, 2012
Corporate Strategy, Operations, Legal Affairs,
Compliance and Corporate Communications
Born April 22, 1965
Resident of Hanover, Germany
Member since November 11, 2002
"Sprecher" (Spokesman) from May 1, 2003, to
November 10, 2005
Chairman since November 11, 2005
Executive for Labor Relations from
July 24, 2009, to July 23, 2012
Appointed until November 10, 2015

Jörg Pfirrmann

Dipl.-Ökonom (Graduate Economist)
Executive for Labor Relations since July 24, 2012
Finance, Human Resources, IT and
General Administration
Born November 30, 1972
Resident of Noerten-Hardenberg, Germany
Member since July 24, 2009
Executive for Labor Relations since July 24, 2012
Appointed until July 23, 2017

Reinhard Vogt

Industriekaufmann (Industrial Business Manager)
Marketing, Sales and Service
Born August 4, 1955
Resident of Dransfeld, Germany
Member since July 24, 2009
Appointed until July 23, 2014

Supervisory Board

Prof. Dr. Dres. h.c. Arnold Picot

Dipl.-Kaufmann (Graduate in Business Administration)
University professor
Chairman
Executive Director of the Institute of Information,
Organization and Management, Faculty of Economics,
Ludwig Maximilian University in Munich
Resident of Gauting, Germany

Gerd-Uwe Boguslawski

Dipl.-Sozialwirt (Graduate Social Manager)
Vice Chairman
German Metalworkers' Union (IG Metall) in the
Southern Lower Saxony/Harz region
in Northeim, Germany
Resident of Hoeckelheim, Germany

Dr. Dirk Basting

Dipl.-Chemiker (Graduate Chemical Engineer)
Resident of Fort Lauderdale, Florida, USA

Annette Becker

Personalfachkauffrau (HR Specialist)
Chairwoman of the Employees' Council of
Sartorius Corporate Administration GmbH
in Goettingen, Germany
Resident of Uslar, Germany

Uwe Bretthauer

Dipl.-Ingenieur (Graduate Engineer)
Chairman of the Employees' Council of
Sartorius Weighing Technology GmbH,
Chairman of the Group Employees' Council of
Sartorius AG in Goettingen, Germany
Resident of Goettingen, Germany

Michael Dohrmann

Feinmechaniker (Precision Engineer)
Chairman of the Employees' Council of
Sartorius Stedim Biotech GmbH in
Goettingen, Germany
Resident of Reinhausen, Germany

Dr. Lothar Kappich

Dipl.-Ökonom (Graduate Economist)
Managing Director of
ECE Projektmanagement GmbH & Co. KG in
Hamburg, Germany
Resident of Hamburg, Germany

¹⁾ Information required pursuant to Sec. 285, No. 10,
of the German Commercial Code (HGB)

Petra Kirchhoff

Dipl.-Volkswirtin (Graduate Political Economist)
Vice President of Corporate Communications
and Investor Relations,
Sartorius Corporate Administration GmbH
in Goettingen, Germany
Resident of Goettingen, Germany

Karoline Kleinschmidt

Dipl.-Sozialwirtin (Graduate Social Economist)
Member since April 19, 2012
Secretary of the German Metalworkers' Union (IG Metall)
of the district management of Lower Saxony and
Sachsen-Anhalt in Hanover, Germany
Resident of Hanover, Germany

Prof. Dr. Gerd Krieger

Rechtsanwalt (Lawyer)
Honorary Professor at the
Heinrich-Heine University in Duesseldorf
Resident of Duesseldorf, Germany

Prof. Dr. Thomas Sheper

Dipl.-Chemiker (Graduate Chemical Engineer)
Member since April 19, 2012
University professor and head of the Institute
of Technical Chemistry, Leibnitz University
in Hanover, Germany
Resident of Hanover, Germany

Prof. Dr. Klaus Rüdiger Trützschler

Dipl.-Wirtschaftsmathematiker
(Graduate Business Mathematician) and
Dipl.-Mathematiker (Graduate Mathematician)
Honorary Professor at the University (WHU Münster)
in Münster, Germany
Resident of Essen, Germany

Christiane Benner

Dipl.-Soziologin (Graduate Sociologist)
Member until April 19, 2012
Executive member of the managing committee of
the German Metalworkers' Union (IG Metall) in
Frankfurt | Main, Germany
Resident of Frankfurt | Main, Germany

Prof. Dr. rer. nat. Dr.-Ing.

E.h. Heribert Offermanns

Dipl.-Chemiker (Graduate Chemical Engineer)
Member until April 19, 2012
Honorary Professor at the Johann Wolfgang Goethe
University in Frankfurt am Main, Germany
Resident of Hanau, Germany

Committees of the Supervisory Board

Executive Task Committee

Prof. Dr. Dres. h.c. Arnold Picot (Chairman)
Gerd-Uwe Boguslawski
Uwe Bretthauer
Prof. Dr. Gerd Krieger

Audit Committee

Prof. Dr. Klaus Rüdiger Trützschler (Chairman)
Gerd-Uwe Boguslawski
Uwe Bretthauer
Prof. Dr. Dres. h.c. Arnold Picot

Conciliation Committee

Prof. Dr. Dres. h.c. Arnold Picot (Chairman)
Gerd-Uwe Boguslawski
Uwe Bretthauer
Prof. Dr. Gerd Krieger

Nomination Committee

Prof. Dr. Gerd Krieger
Prof. Dr. Dres. h.c. Arnold Picot
Dr. Lothar Kappich

¹⁾ Information required pursuant to Sec. 285, No. 10,
of the German Commercial Code (HGB)

Positions Held by the Members of the Executive Board¹⁾ as of December 31, 2012

Dr. rer. pol. Joachim Kreuzburg

Président-Directeur Général (CEO) of:

- Sartorius Stedim Biotech S.A., France²⁾

On the Supervisory Board of:

- Sartorius Stedim Biotech GmbH, Germany, Vice Chairman²⁾
- Sartorius Weighing Technology GmbH, Germany, Vice Chairman²⁾

On the Board of Directors of:

- Sartorius Stedim North America, Inc., USA²⁾
- Sartorius Stedim Filters, Inc., Puerto Rico²⁾
- Sartorius Japan K.K., Japan²⁾
- Sartorius Stedim Japan K.K., Japan²⁾
- Denver Instrument (Beijing) Co. Ltd., China²⁾
- Sartorius Scientific Instruments (Beijing) Co. Ltd., China²⁾
- Sartorius Hong Kong Ltd., China²⁾
- Sartorius Stedim Lab Ltd., UK²⁾
- Sartorius Biohit Liquid Handling Oy, Finland²⁾

On the Regionalbeirat (Regional Advisory Board) of:

- Commerzbank AG, Hamburg, Germany³⁾

On the Beirat (Advisory Board) of:

- Hameln Group GmbH, Germany³⁾

On the Wirtschaftsbeirat (Economic Advisory Board) of:

- Norddeutsche Landesbank, Germany³⁾

Jörg Pfirrmann

On the Administrative Board of:

- Sartorius Mechatronics Switzerland AG, Switzerland²⁾

On the Board of Directors of:

- Sartorius North America, Inc., USA²⁾
- Sartorius Corporation, USA²⁾
- Sartorius TCC Company, USA²⁾
- Sartorius Stedim UK Ltd., United Kingdom²⁾
- Sartorius Stedim Ireland Ltd., Ireland²⁾
- Sartorius Stedim Biotech (Beijing), Co. Ltd., China²⁾

On the Comité Exécutif (Executive Committee) of:

- Sartorius Stedim France S.A.S., France²⁾

On the Consiglio di Amministrazione

(Board of Management) of:

- Sartorius Stedim Italy S.p.A., Italy²⁾

On the Consejo de Administración

(Board of Directors) of:

- Sartorius Stedim Spain S.A., Spain²⁾

On the Supervisory Board of:

- Sartorius Stedim Nordic A/S, Denmark²⁾
- Sartorius Nordic A/S, Denmark²⁾

On the Unternehmerbeirat (Employers' Advisory Board) of:

- Gothaer Versicherungsbank WaG³⁾

Reinhard Vogt

On the Conseil d'Administration (Board of Directors) of:

- Sartorius Stedim Biotech S.A., France²⁾

On the Board of Directors of:

- Sartorius Stedim North America, Inc., USA²⁾
- Denver Instrument (Beijing) Co. Ltd., China²⁾
- Sartorius Scientific Instruments (Beijing) Co. Ltd., China²⁾
- Sartorius Stedim Biotech (Beijing) Co. Ltd., China²⁾
- Sartorius Stedim India Pvt. Ltd., India²⁾
- Sartorius Stedim Malaysia Sdn. Bhd., Malaysia²⁾
- Sartorius Japan K.K., Japan²⁾
- Sartorius Stedim Japan K.K., Japan²⁾
- Sartorius Hong Kong Ltd., China²⁾
- Sartorius Korea Ltd., South Korea²⁾

– Sartorius Stedim Australia Pty. Ltd., Australia²⁾

On the Verwaltungsrat (Administrative Board) of:

- Sartorius Stedim Switzerland AG, Switzerland, Chairman²⁾

¹⁾ Information required pursuant to Sec. 285, No. 10, of the German Commercial Code (HGB)

²⁾ Positions held within the Group

³⁾ External positions held by members of the Executive Board as of December 31, 2012

Positions Held by the Members of the Supervisory Board¹⁾ as of December 31, 2012

Prof. Dr. Dres. h.c. Arnold Picot

On the Conseil d'Administration (Board of Directors) of:

– Sartorius Stedim Biotech S.A., France²⁾

On the Supervisory Board of:

– Sartorius Stedim Biotech GmbH, Germany, Chairman²⁾

– Sartorius Weighing Technology GmbH, Germany, Chairman²⁾

– Takkt AG, Germany³⁾

– Wissenschaftliches Institut für Infrastruktur und Kommunikationsdienste GmbH (Scientific Institute for Communication Services) and WIK-Consult GmbH, Germany³⁾

Gerd-Uwe Boguslawski

On the Supervisory Board of:

– Demag Cranes & Components GmbH, Germany³⁾

– Demag Cranes AG, Germany³⁾

Dr. Dirk Basting

None

Annette Becker

None

Uwe Bretthauer

None

Michael Dohrmann

None

Dr. Lothar Kappich

None

Petra Kirchhoff

None

Karoline Kleinschmidt

None

Prof. Dr. Gerd Krieger

On the Supervisory Board of:

– ARAG Lebensversicherungs-AG, Germany³⁾

– ARAG Krankenversicherungs-AG, Germany³⁾

Prof. Dr. Thomas Scheper

None

Prof. Dr. Klaus Rüdiger Trützscher

On the Supervisory Board of:

– Takkt AG, Germany, Chairman³⁾

– Wuppermann AG, Germany, Chairman³⁾

– Zwiesel Kristallglas AG, Germany, Chairman³⁾

– Bilfinger Berger AG, Germany³⁾

– Deutsche Bank AG, Germany³⁾

On the Verwaltungsrat (Administrative Board) of:

– Wilh. Werhahn KG, Germany³⁾

¹⁾ Information required pursuant to Sec. 285, No. 10, of the German Commercial Code (HGB)

²⁾ Positions held within the Group

³⁾ External positions held by members of the Supervisory Board as of December 31, 2012

Supplementary Information

05

Glossary

Industrial | Product-specific Terms

Bioreactor

In English-speaking countries, a bioreactor is a vessel used for cultivating animal or human cells in a culture medium. In non-English-speaking countries, the term bioreactor is also used synonymously with the term fermentor to denote a system used to multiply microorganisms. In either case, the vessel is used to obtain cells, parts of these or one of their metabolites.

Capsule

Ready-to-use filter unit consisting of a filter housing with hose connectors and of an incorporated filter cartridge

cGMPs – Current Good Manufacturing Practices

U.S. quality assurance guidelines for the manufacture of pharmaceuticals, active ingredients, food and animal feed. In Europe, the standards are referred to as GMPs.

Crossflow

Term taken from filtration technology. Instead of directly flowing through the filter (static filtration), a liquid flows perpendicularly to the filter surface; this prevents filter blockage, resulting in a longer in-service life of the filter.

Disposable

Used synonymously with "single-use"

Downstream processing

Collective term for the various steps that follow fermentation or cell cultivation (upstream processing) in the production of biopharmaceuticals; for example, separation, purification and concentration

FDA – Food and Drug Administration

U.S. regulatory agency responsible for ensuring the safety and efficacy of human and veterinary pharmaceuticals, biological products, medical devices and foods

Fermentation

Technical process used to produce or transform intra- or extracellular substances with the help of microorganisms

Fluid management technologies

Technologies and systems for the transportation and storage of biological liquids

Mechatronics

Interdisciplinary field that combines mechanical, electrical and electronic engineering, intelligent control technology and computer science. These technologies interact to compensate for the distorting effects that material properties and ambient conditions may have on the accuracy of measured results.

Membrane chromatography

Selective separation of mixtures of substances by adsorption to specifically modified membranes (membrane adsorbers) in a flowing system

Membrane (filter)

Thin film or foil made of polymers; because of the porous structure, this film is suitable for filtration applications.

Metal detector

A system integrated into a manufacturing process to detect product contaminants, such as foreign metal particles, in order to protect consumers against potential harm to their health and manufacturers against potential negative financial implications.

Monoclonal antibodies

Synthetic antibodies used, in particular, in the treatment of cancer, HIV and autoimmune diseases.

PAT – Process Analytical Technology

A strategy for the design, analysis and control of manufacturing processes according to which quality characteristics of intermediate or finished products are defined and then analyzed and monitored using the critical process parameters identified

Purification

An important step in downstream processing

Recombinant proteins

Proteins manufactured using genetically modified organisms that are used in the production of therapeutic proteins, such as insulin and vaccines

Scale-up

Transfer of scale or increase in size. Used to denote the progression of a process that increases in a range from lab scale to pilot scale to process scale, while retaining the same technology, materials of construction and geometries throughout

Single-use | Reusable product

Disposable product, i.e., for one-time usage. A reusable product is designed for repeated use.

Sterile filter, sterilizing-grade filter

Membrane filter whose pore size is usually 0.2 μm or smaller; product- and process-specific validation tests are required to confirm that the filter type selected delivers a sterile filtrate.

Sterility test, sterility testing

Test to verify that a sample contains no living or viable substances

Validation

Documented verification that systems, devices and processes reproducibly deliver the desired result

Business | Economic Terms**Amortization**

Amortization relates exclusively to potential reductions in the value of goodwill and the allocation of the purchase price to intangible assets acquired as carried out in accordance with IFRS 3

Cash flow

The flow of funds or financial resources that are earned through day-to-day business activities; the amount of cash earned after paying all expenses and taxes; in other words, the cash balance of inflows and outflows of funds

Compliance

Observance of applicable laws, codes and other relevant rules and regulations

DAX®, MDAX®, SDAX®, TecDAX®

German stock indexes of the transaction service provider and marketplace organizer Deutsche Börse AG

D&O insurance

Directors' and Officers' liability insurance that covers Supervisory and Executive Board members and managerial employees

DVFA | SG

The Methods Commission of the Society of Investment Professionals in Germany (DFVA e.V.) – also commonly referred to as the German association for financial analysis and asset management – and the Schmalenbach-Gesellschaft (SG), one of the leading scientific societies in the area of business administration and financial reporting

EBITA

Earnings before interest, taxes and amortization; in this context, amortization refers exclusively to the purchase price allocation (PPA) to intangible assets acquired according to IFRS 3

EBITA margin

The ratio of EBITA (earnings before interest, taxes and amortization) to sales revenue

EBITDA

Earnings before interest, taxes, depreciation and amortization; in this context, amortization refers exclusively to the purchase price allocation (PPA) to intangible assets acquired according to IFRS 3.

Equity ratio

The ratio of equity to the balance sheet total

ERP

Stands for "Enterprise Resource Planning"; IT-based resource planning system

Fixed assets

The sum of intangible assets, property, plant and equipment and financial assets

Free float

Proportion of a public company's shares that are freely available to the investing public (by definition at least 5%)

Goodwill

The difference between the price paid for a company or business and its net assets; a form of intangible asset

Holding company

A parent company that exists for the purpose of owning a controlling interest or shares in several legally independent subsidiaries that are subordinate to the parent company within the organizational hierarchy; this holding company conducts its business exclusively through these subsidiaries.

IAS

International Accounting Standards – internationally recognized accounting principles

IFRS

International Financial Reporting Standards – internationally recognized accounting principles

Market capitalization

The total number of shares outstanding of both classes issued by the company, multiplied by the corresponding share price

Prime Standard

Market segment of the Frankfurt Stock Exchange with high, internationally accepted transparency requirements; this segment is intended to meet the needs of companies seeking to attract the attention of international investors.

Supply chain management

Setup and coordination of integrated flows of materials, information and finances (supply chains) over the entire value-added process

Treasury

Short- and medium-term liquidity management

Underlying

Adjusted to eliminate extraordinary items; the main extraordinary items are restructuring charges and other non-operating expenses.

Index

A

Acquisition | 20 | 24 | 28 f. | 32 | 37 f. | 45 | 90 ff. | 96 f. | 98 | 101 ff. | 110 | 115 | 121 f. | 128 f.
 Addresses | 146 ff.
 Annual financial statements | 11 f. | 48 f. | 63 | 66 | 91 f. | 96 | 99 | 131
 Annual Shareholders' Meeting | 10 ff. | 17 | 20 | 27 | 60 | 62 f. | 110 | 132
 Amortization **Cover fold-out** | 18 | 25 ff. | 32 | 37 | 41 | 49 | 65 | 84 f. | 88 | 91 | 99 | 102 f. | 108 | 129 | 141
 Appropriation of profits | 27 | 132
 Assets | 20 | 25 | 45 f. | 49 | 56 | 59 | 65 | 82 | 85 | 88 | 90 ff. | 97 ff. | 101 ff. | 118 ff. | 126 | 129 f. | 141
 Auditor(s) | 10 ff. | 54 | 58 f. | 62 f. | 132 f.

B

Balance sheet | 27 | 45 f. | 49 | 54 | 56 f. | 59 | 99 | 101 ff. | 141
 Bioprocess Solutions **Cover fold-out** | 6 f. | 11 | 24 ff. | 28 | 30 ff. | 53 | 88 | 90 f. | 97 | 101 ff. | 129
 Business development | 16 | 24 ff. | 53

C

Capital expenditures | **Cover fold-out** | 88
 Capital, issued | 18 | 49 | 60 | 83 | 86 | 110
 Cash flow(s) | **Cover fold-out** | 45 | 60 | 86 f. | 92 | 99 | 107 | 120 ff.
 Cash flow statement | 45 | 59 | 84 f. | 90 | 99 | 101 | 103 | 107 | 121 ff. | 126
 Compliance | 10 f. | 39 | 43 f. | 55 | 57 ff. | 61 ff. | 73 | 76 | 133 | 141
 Consolidated financial statements | 10 | 12 | 20 | 56 | 58 f. | 63 | 82 ff.
 Consolidation principles | 133
 Corporate governance | 11 | 20 | 61 ff. | 73 ff.
 Currency | 13 | 24 ff. | 32 f. | 37 f. | 42 | 47 | 53 f. | 56 | 58 | 110 | 123 ff. | 129
 Currency translation | 84 f. | 87 | 99 ff. | 104 | 106 | 109 | 112 | 114 | 116 | 121 | 129

D

Depreciation | 32 | 37 f. | 41 | 49 | 85 | 88 | 102 | 104 f. | 108 | 129 | 141
 Distribution | 29 | 31 | 34 | 39 | 43 | 47 | 54 f. | 84 | 97 | 105 | 108 | 115 | 129
 Dividend(s) | **Cover fold-out** | 6 | 12 | 17 f. | 27 | 48 | 60 | 65 | 69 | 85 f. | 90 | 110 | 121 | 131 f.

E

Earnings | **Cover fold-out** | 6 f. | 10 | 24 ff. | 33 | 38 | 42 | 46 | 49 | 53 | 65 f. | 83 f. | 88 | 90 f. | 97 | 99 | 107 f. | 111 | 119 | 123 | 131 f. | 141
 Earnings per share | **Cover fold-out** | 27 | 131
 Earnings reserves | 49 | 86 | 111
 EBIT | 49 | 84 | 91
 EBITA | **Cover fold-out** | 7 | 25 f. | 32 f. | 37 ff. | 41 ff. | 53 | 64 | 84 | 88 | 91 | 99 | 141
 EBITDA | **Cover fold-out** | 25 f. | 32 f. | 37 ff. | 41 ff. | 47 | 49 | 64 | 88 | 141
 Employees | **Cover fold-out** | 7 | 12 | 20 | 28 f. | 32 | 37 | 39 | 41 | 55 f. | 63 | 70 | 72 ff. | 77 | 79 | 88 | 91 | 97 | 111 f. | 114 | 128 | 131
 Employee benefits expense | 129 | 131
 Equity | **Cover fold-out** | 45 f. | 48 f. | 60 | 83 | 86 f. | 91 f. | 99 f. | 107 | 110 ff. | 118 | 125 f. | 128 | 133 | 141
 Executive Board | 6 f. | 10 ff. | 17 f. | 20 | 27 | 48 | 54 | 60 ff. | 70 | 73 | 90 | 100 f. | 109 | 111 | 131 ff. | 141

F

Financial assets | 49 | 82 | 85 | 91 | 97 f. | 106 | 110 | 118 ff. | 126 | 141
 Financial instrument | 56 | 63 | 97 ff. | 106 f. | 109 | 111 | 118 f. | 122 f. | 126 f. | 130
 Financing | 11 | 45 ff. | 50 | 56 | 85 | 90 | 115 | 125 f.
 Financial result | 6
 Fixed assets | 45 f. | 49 | 56 | 85 | 104 | 106 | 108 | 141
 Forecast report | 50 ff.
 Foreign exchange, foreign exchange rates | 99 f. | 113
 Foreign subsidiaries | 99

G

Gearing ratio | **Cover fold-out** | 46
 Group companies | 54 | 58 f. | 111 f. | 123 | 125
 Group earnings | 27
 Group Executive Committee | 20
 Group financial statements | 48 | 93 | 95 | 97
 Group management report | 12 | 18 ff. | 73 | 100 | 127 | 132 f.

H

Hedging | 18 | 26 f. | 47 | 56 | 86 | 111 | 118 ff. | 123 | 125 f.

I

Impairment | 59 | 65 | 91 | 99 | 101 ff. | 108 | 110 | 118 | 121
 Impairment loss(es) | 91 | 101 f. | 104 ff. | 108 | 121
 Income statement | 48 f. | 56 | 59 | 66 | 84 | 92 | 99 | 103 |
 105 | 107 ff. | 112 | 123 | 126 | 128 ff.
 Industrial Weighing | Cover fold-out | 7 | 11 | 20 | 24 ff. | 28 |
 41 ff. | 53 | 88 | 90 f. | 101 f. | 129 | 131
 Intangible assets | 25 | 65 | 82 | 85 | 90 | 91 | 96 f. | 99 |
 101 ff. | 105 | 108 | 129 | 141
 Interest income | 121
 Inventories | 21 | 45 | 54 | 59 | 82 | 85 | 96 | 108
 Investments | Cover fold-out | 6 | 45 | 48 | 58 | 90 f. | 93 |
 98 | 100 ff. | 104 | 106 f. | 109 | 117 f.
 Investor relations | 16 | 135

L

Lab Products & Services | Cover fold-out | 6 f. | 10 | 16 |
 24 ff. | 28 | 30 | 37 ff. | 53 | 88 |
 90 f. | 101 f. | 129 | 131
 Liabilities | 46 | 49 | 56 | 59 | 83 | 85 | 91 f. | 96 ff. | 105 ff. |
 111 | 115 | 117 ff. | 26 | 129 f.

M

Macroeconomic environment | 21 ff. | 50
 Marketing | 29 | 31 | 34 | 39 | 41 | 43 | 108 | 129
 Market capitalization | 13 f. | 16 | 18 | 141

N

Net debt | Cover fold-out | 45 ff. | 64 | 85
 Net profit | 17 | 26 | 48 f. | 64 f. | 84 ff. | 90 | 105 | 131

P

Pension provisions | 83 | 99 | 111
 Phantom stock, phantom stock units | 64 f. | 68 | 127 f.
 Positions held | 136 f.
 Procurement | 54
 Production | 20 | 23 | 28 ff. | 34 ff. | 40 f. | 43 ff. | 52 | 54 ff. |
 74 ff | 95 | 98 | 104 | 108 | 123 | 140
 Products | Cover fold-out | 23 f. | 27 | 29 f. | 31 ff. | 33 ff. |
 52 | 54 ff. | 72 | 76 f. | 101 | 103 | 129 | 140
 Profit | 10 | 12 | 17 | 26 f. | 48 f. | 64 f. | 84 ff. | 90 | 105 |
 107 | 110 ff. | 114 | 118 f. | 121 f. | 125 f. | 130 ff.
 Property, plant and equipment | 49 | 82 | 85 | 90 f. | 96 | 99 |
 104 f. | 141
 Provisions | 20 | 49 | 58 ff. | 63 | 75 | 83 | 85 | 92 | 96 f. | 99 |
 106 | 108 | 111 f. | 114 | 116 f. | 129

R

Ratio of net debt to EBITDA | Cover fold-out | 64
 Receivables | 45 | 48 f. | 55 | 58 | 82 | 85 | 91 | 96 | 99 | 106 |
 108 ff. | 118 ff. | 126
 Regions | 6 | 10 | 20 | 23 | 29 | 32 | 34 | 37 ff. | 40 | 71 |
 79 | 91
 Remuneration of the Executive Board | 10 | 62 | 65 f.
 Research & Development | 27 | 29 | 32 | 35 | 40 | 44 | 52 |
 55 | 77 f. | 84 | 103 | 105 | 129
 Reserves | 49 | 83 | 86 | 107 | 110 ff. | 125
 Restructuring | 59 | 91 | 116 | 141
 Results | 6 | 10 ff. | 34 | 39 | 48 | 55 | 57 | 65 | 90 ff. |
 121 | 140
 Retained profit | 12 | 48 f. | 86 | 111 | 132
 Risk management system | 54 | 58 ff.
 Risk and opportunities report | 54 ff.

S

Sales (and distribution) | 6 f. | 10 | 20 | 24 f. | 29 | 31 ff. | 37 ff. |
 42 f. | 45 | 47 | 52 ff. | 63 | 74 | 76 |
 84 | 95 ff. | 99 | 108 | 115 | 129
 Sales revenue | Cover fold-out | 6 f. | 10 | 23 ff. | 27 | 31 ff. |
 35 | 37 ff. | 45 | 49 | 52 f. | 56 | 64 | 84 | 88 |
 91 | 97 | 105 | 110 | 123 | 129 | 141
 Sartorius Mechatronics | 94 f. | 131 | 136 | 146 | 148 | 150 f.
 Sartorius Stedim Biotech | 20 | 46 | 69 | 76 | 93 | 96 | 103 |
 115 | 117 | 125 | 127 f. | 136 f. |
 146 f. | 150
 Securities | 60 | 106 | 113 | 118
 Segment reports | 59 | 88 f.
 Shareholder structure | 18
 Shareholding | 60 | 91 | 107
 Share indexes | 13
 Share(s) | Cover fold-out | 6 | 12 ff. | 20 | 25 ff. | 31 f. | 35 |
 37 ff. | 41 f. | 51 ff. | 55 f. | 60 | 63 | 65 | 68 | 84 |
 86 | 90 ff. | 95 f. | 110 | 117 f. | 121 | 123 | 127 f. |
 131 f. | 141
 Single-use technologies | 31 | 53
 Stedim transaction | 103
 Supervisory Board | 6 | 10 ff. | 17 f. | 27 | 54 | 58 | 60 ff. |
 69 f. | 90 | 100 | 131 f. | 134 ff.
 Supply chain management | 36 | 40 | 44 | 54 | 141
 Sustainability report | 72 ff.

T

Taxes | 25 | 84 f. | 91 f. | 96 | 99 | 106 ff. | 117 | 130 | 141
 Trading volume | 6 | 13 f. | 16
 Treasury | 14 | 16 ff. | 46 | 56 | 60 | 110 | 123 | 131 | 141

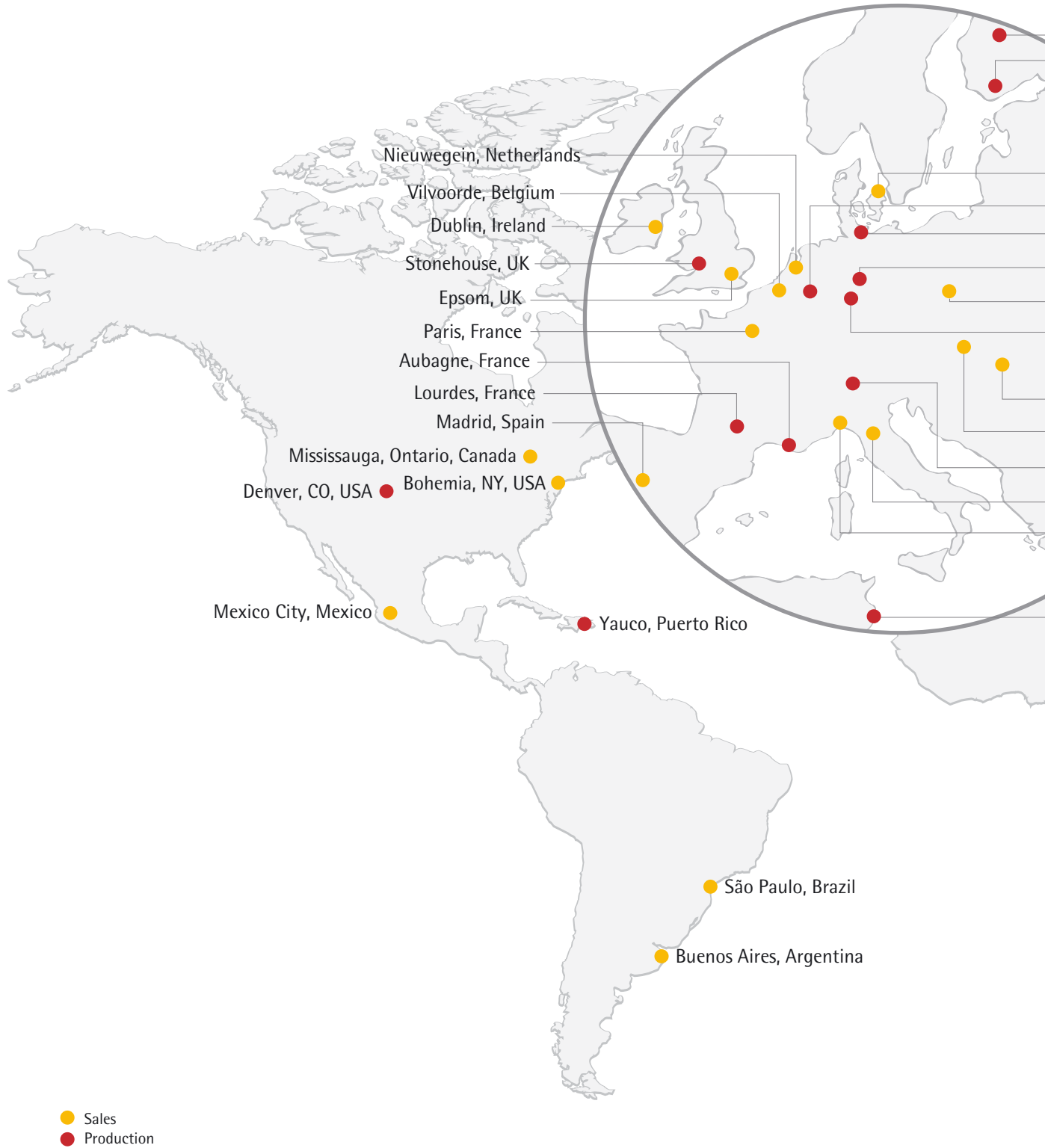
U

Unqualified audit certificate | 12 | 48

W

Working capital | 45 | 54

A Local Presence Worldwide





Addresses

Europe

Germany

Sartorius AG
Weender Landstrasse 94–108
37075 Goettingen
Phone +49.551.308.0
Fax +49.551.308.3289
info@sartorius.com

Sartorius Stedim Biotech GmbH
August-Spindler-Str. 11
37079 Goettingen
Phone +49.551.308.0
Fax +49.551.308.3289
info@sartorius-stedim.com

Sartorius Lab Holding GmbH
Weender Landstrasse 94–108
37075 Goettingen
Phone + 49.551.308.0
Fax + 49.551.308.3289
info@sartorius.com

Sartorius Weighing Technology GmbH
Weender Landstrasse 94–108
37075 Goettingen
Phone + 49.551.308.0
Fax + 49.551.308.3289
info@sartorius.com

Sartorius Stedim Plastics GmbH
Karl-Arnold-Str. 21
37079 Goettingen
Phone +49.551.50450.0
Fax +49.551.50450.50
info@sartorius-stedim.com

Sartorius Stedim Systems GmbH
Robert-Bosch-Straße 5–7
34302 Guxhagen
Phone +49.5665.407.0
Fax +49.5665.407.2200
info@sartorius-stedim.com

Sartorius Mechatronics T&H GmbH
Meiendorfer Str. 205
22145 Hamburg
Phone +49.40.67960.303
Fax +49.40.67960.383
sales.hamburg@sartorius.com

Sartorius Mechatronics C&D GmbH & Co. KG
Am Gut Wolf 11
52070 Aachen
Phone +49.241.1827.0
Fax +49.241.1827.213
info.ac@sartorius.com

Denver Instrument GmbH
Weender Landstrasse 94–108
37079 Goettingen
Phone +49.551.209.7730
Fax +49.551.209.7739
info@denverinstrument.de

Sartorius Corporate Administration GmbH
Weender Landstrasse 94–108
37075 Goettingen
Phone +49.551.308.0
Fax +49.551.308.3289
info@sartorius.com

Austria

Sartorius Stedim Austria GmbH
Franzosengraben 12
1030 Vienna
Phone +43.1.796.5763.0
Fax +43.1.796.5763.44
separation.austria@sartorius.com

Sartorius Austria GmbH
Franzosengraben 12
1030 Vienna
Phone +43.1.796.5760.0
Fax +43.1.796.5760.24
info.austria@sartorius.com

Belgium

Sartorius Stedim Belgium N.V.
Leuvensesteenweg 248/B
1800 Vilvoorde
Phone +32.2.756.06.80
Fax +32.2.756.06.81
lind.reymen@sartorius.com

Sartorius Belgium N.V.
Leuvensesteenweg 248/B
1800 Vilvoorde
Phone +32.2.756.06.71
Fax +32.2.253.45.95
info.belgium@sartorius.com

Denmark

Sartorius Stedim Nordic A/S
Hørskættten 6D
2630 Taastrup
Phone +45.7023.4400
Fax +45.4630.4030
info.dk@sartorius-stedim.com

Sartorius Nordic A/S
Hørskættten 6D
2630 Taastrup
Phone +45.7023.4400
Fax +45.4630.4030
info.dk@sartorius.com

Finland

Sartorius Biohit Liquid Handling Oy
Laippatie 1
00880 Helsinki
Phone +358.9.75.59.51
Fax +358.9.75.59.52.92
linfo.finland@sartorius.com

France

Sartorius Stedim Biotech S.A.
Zone Industrielle Les Paluds
Avenue de Jouques – CS 91051
13781 Aubagne Cedex
Phone +33.4.42.84.56.00
Fax +33.4.42.84.56.19
info@sartorius-stedim.com

Sartorius Stedim France S.A.S.
Zone Industrielle Les Paluds
Avenue de Jouques – CS 71058
13781 Aubagne Cedex
Phone +33.4.42.84.56.00
Fax +33.4.42.84.65.45
info-biotech.france@
sartorius-stedim.com

Sartorius Stedim Aseptics S.A.
Zone Industrielle de Saux, 6 Rue Ampère
65100 Lourdes
Phone +33.5.62.42.73.73
Fax +33.5.62.42.08.44
info@sartorius-stedim.com

Sartorius France S.A.S.
Zone Industrielle Les Paluds
Avenue de Jouques – CS 31090
13781 Aubagne Cedex
Phone +33.4.42.84.65.51
Fax +33.4.42.84.65.45
info@sartorius-stedim.com

Biohit France S.A.S.
2, rue Antoine Laurent de Lavoisier
Zone d'Activité de la Gaudrée
91410 Dourdan
Phone + 33.1.70.62.50.00
Fax + 33.1.64.59.76.39
commercial.france@biohit.com

Hungary

Sartorius Stedim Hungary Kft.
Kagyló u. 5
2092 Budakeszi
Phone +36.23.457.227
Fax +36.23.457.147
ssb@sartorius.hu

Sartorius Hungary Kft.
Kagyló u. 5
2092 Budakeszi
Phone +36.23.457.227
Fax +36.23.457.147
mechatronika@sartorius.hu

Ireland

Sartorius Stedim Ireland Ltd.
Unit 41, The Business Centre
Stadium Business Park
Ballycoolin Road
Dublin 11
Phone +353.1.823.4394
Fax +353.1.808.9388
info.ireland@sartorius-stedim.com

Sartorius Ireland Ltd.
Unit 41, The Business Centre
Stadium Business Park
Ballycoolin Road
Dublin 11
Phone +353.1.808.9050
Fax +353.1.808.9388
info.ireland@sartorius.com

Italy

Sartorius Stedim Italy S.p.A.
Via dell'Antella 76/A
50012 Antella – Bagno a Ripoli (Florence)
Phone +39.055.6340.41
Fax +39.055.6340.526
info.italy@sartorius.com

Sartorius Italy S.r.l.
Viale Alfonso Casati 4
20835 Muggiò (Monza e Brianza)
Phone +39.039.46591
Fax +39.039.46598
info.italy@sartorius.com

Netherlands

Sartorius Stedim Netherlands B.V.
Postbus 1265, 3430 BG Nieuwegein
Edisonbaan 24, 3439 MN Nieuwegein
Phone +31.30.602.5080
Fax +31.30.602.5099
filtratie.nederland@sartorius.com

Sartorius Netherlands B.V.
Postbus 1265, 3430 BG Nieuwegein
Edisonbaan 24, 3439 MN Nieuwegein
Phone +31.30.605.3001
Fax +31.30.605.2917
weegetechniek.nl@sartorius.com

Poland

Sartorius Stedim Poland Sp. z.o.o.
ul. Wrzesinska 70
62-025 Kostrzyn
Phone +48.61.647.38.40
Fax +48.61.879.25.04
biuro.pl@sartorius.com

Sartorius Poland Sp z.o.o.
ul. Wrzesinska 70
62 - 025 Kostrzyn
Phone +48.61.647.38.30
Fax +48.61.647.38.39
info.pl@sartorius.com

Portugal

Sartorius Stedim Spain S.A.
C/Isabel Colbrand 10-12, Oficina 69/70
Polígono Industrial de Fuencarral
28050 Madrid
Phone 800.8.55800
Fax 800.8.55799
biotech_spain@sartorius-stedim.com

Sartorius Mechatronics Spain S.A.
C/Isabel Colbrand 10-12, Oficina 69/70
Polígono Industrial de Fuencarral
28050 Madrid
Phone 800.8.55800
Fax 800.8.55799
spain.weighing@sartorius.com

Russia

Sartorius ICR 000, Saint-Petersburg
Rasstannaya str. 2, building 2, letter A
192007 St. Petersburg
Phone +7.812.327.53.27
Fax +7.812.327.53.23
russia@sartorius.com

Sartogsm ZAO
Rasstannaya str. 2, building 2, letter A
192007 St. Petersburg
Phone +7.812.380.25.69
Fax +7.812.380.25.62
info@sartogsm.ru

Biohit 000, Saint-Petersburg
Vasilyevskiy ostrov, line 5, 68, building 4,
letter D
199178 St. Petersburg
Phone + 7.812.327.53.27
Fax + 7.812.327.53.23
main@biohit.ru

Biohit 000, Moscow
Petrovsko-Razumovsky, proyezd 29,
building 2
127287 Moscow
Phone + 7.495.748.16.13
Fax + 7.495.613.55.77
main.moscow@biohit.ru

Spain

Sartorius Stedim Spain S.A.
C/Isabel Colbrand 10-12, Oficina 69/70
Polígono Industrial de Fuencarral
28050 Madrid
Phone +34.91.358.6091
Fax +34.91.358.9623
biotech_spain@sartorius-stedim.com

Sartorius Spain S.A.
C/Isabel Colbrand 10-12, Oficina 69/70
Polígono Industrial de Fuencarral
28050 Madrid
Phone +34.91.358.6095
Fax +34.91.358.8485
spain.weighing@sartorius.com

Switzerland

Sartorius Stedim Switzerland AG
Ringstrasse 24a
8317 Tagelswangen
Phone +41.52.354.36.36
Fax +41.52.354.36.46
biotech.switzerland@sartorius-stedim.com

Sartorius Mechatronics Switzerland AG
Ringstrasse 24a
8317 Tagelswangen
Phone +41.44.746.50.00
Fax +41.44.746.50.50
mechatronics.switzerland@sartorius.com

UK

Sartorius Stedim UK Ltd.
Longmead Business Centre
Blenheim Road
Epsom, Surrey KT19 9QQ
Phone +44.1372.737159
Fax +44.1372.726171
uk.sartorius@sartorius-stedim.com

Sartorius Stedim Lab Ltd.
Unit 6, Oldends Lane Industrial Estate
Stonedale Road
Stonehouse Gloucestershire GL10 3RQ
Phone +44.1453.821972
Fax +44.1453.827928
uk.stedimlab@sartorius-stedim.com

Sartorius UK Ltd.
Longmead Business Centre
Blenheim Road
Epsom, Surrey KT19 9QQ
Phone +44.1372.737102
Fax +44.1372.729927
uk.sartorius@sartorius.com

Africa**Tunisia**

Sartorius Stedim Bioprocess S.A.R.L.
 Km 24, Route de Zaghouan
 Bourbiâa – BP 87 – Tunisia
 Phone +216.79.397.014
 Fax +216.79.397.019
 info@sartorius-stedim.com

North America**Canada**

Sartorius Canada Inc.
 2179 Dunwin Drive, Units 4+5
 Mississauga, Ontario L5 L 1X2
 Phone +1.905.569.7977
 Fax +1.905.569.7021
 sales.canada@sartorius.com

Puerto Rico

Sartorius Stedim Filters Inc.
 Carretera 128 Int. 376
 Barriada Arturo Lluveras
 P.O. Box 6
 Yauco, Puerto Rico 00698
 Phone +1.787.856.5020
 Fax +1.787.856.7945
 marcos.lopez@sartorius.com

USA

Sartorius Stedim North America Inc.
 5 Orville Drive
 Bohemia, New York 11716
 Phone +1.631.254.4249
 Fax +1.631.254.4253
 ny.reception@sartorius.com

Sartorius Stedim North America Inc.
 5 Orville Drive
 Bohemia, New York 11716
 Phone +1.631.254.4249
 Fax +1.631.254.4264
 info@sartorius-stedim.com

Sartorius Corporation
 5 Orville Drive
 Bohemia, New York 11716
 Phone +1.631.254.4249
 Fax +1.631.254.4252
 info@sartorius.com

Sartorius TCC Company
 6542 Fig Street
 Arvada, Colorado 80004
 Phone +1.303.403.4690
 Fax +1.303.431.4540
 iwt.sales@sartorius.com

Latin America**Argentina**

Sartorius Argentina S.A.
Int. A. Avalos 4251
B1605ECS Munro
Buenos Aires
Phone +54.11.47.210505
Fax +54.11.47.622333
sartorius@sartorius.com.ar

Brazil

Sartorius do Brasil Ltda.
Av. Dom Pedro I, 241
Bairro Vila Pires
Santo André - São Paulo
CEP 09110-001
Phone +55.11.4451.6226
Fax +55.11.4451.4369
sartorius@sartorius.com.br

Mexico

Sartorius de México S.A. de C.V.
Circuito Circunvalación Poniente No. 149
Ciudad Satélite
53100 Naucalpan, Estado de México
Phone +52.55.5562.1102
Fax +52.55.5562.2942
sartorius@sartomex.com.mx

Asia | Pacific**China**

Sartorius Scientific Instruments
(Beijing) Co. Ltd.
33 Yu An Road, Tianzhu Airport
Industrial Park Zone B
Shun Yi District, 101300 Beijing
Phone +86.10.8042.6300
Fax +86.10.8042.6486
ssil@sartorius.com

Denver Instrument (Beijing) Co. Ltd.
33 Yu An Road, Tianzhu Airport
Industrial Park Zone B
Shun Yi District, 101300 Beijing
Phone +86.10.8042.6300
Fax +86.10.8042.6486
sisl@sartorius.com

Sartorius Hong Kong Ltd.
Unit 1012, Lu Plaza,
2 Wing Yip Street
Kwun Tong, Kowloon, Hong Kong
Phone +85.2.2774.2678
Fax +85.2.2766.3526
enquiry.hongkong@sartorius.com

Sartorius Stedim Biotech (Beijing) Co., Ltd.
33 Yu An Road, Tianzhu Airport
Industrial Park Zone B
Shun Yi District, 101300 Beijing
Phone + 86.10.8042.6516
Fax + 86.10.8042.6580
enquiry.cn@sartorius-stedim.com

Biohit Biotech (Suzhou) Co. Ltd.
Block 6 No. 2 West Jinzhi Rd.
Suzhou City, Jiangsu Province 215151
Phone + 86.512.6616.0490
Fax + 86.512.6616.0690
info.china@biohit.com

India

Sartorius Stedim India Pvt. Ltd.
No: 69/2 & 69/3, Jakkasandra,
Kunigal Road
Nelamangala, Bangalore - 562123
Phone +91.80.435052.50
Fax +91.80.435052.55
biotech.india@sartorius-stedim.com

Sartorius Mechatronics India Pvt. Ltd.
No: 69/2 & 69/3, Jakkasandra
Kunigal Road
Nelamangala, Bangalore - 562123
Phone +91.80.435052.50
Fax +91.80.435052.55
mechatronics.india@sartorius.com

Sartorius Weighing India Pvt. Ltd.
No: 69/2 & 69/3, Jakkasandra
Kunigal Road
Nelamangala, Bangalore - 562123
Phone +91.80.435052.50
Fax +91.80.435052.55
swi.lps@sartorius.com

Japan

Sartorius Stedim Japan K.K.
1st Floor, Kiba Koen Bldg.
5-11-13 Kiba, Koto-Ku
Tokyo 135-0042
Phone +81.3.5639.9981
Fax +81.3.5639.9983
info@sartorius.co.jp

Sartorius Japan K.K.
4th Floor, Daiwa Shinagawa North Bldg.
1-8-11 Kita-Shinagawa, Shinagawa-Ku
Tokyo 140-0001
Phone +81.3.3740.5407
Fax +81.3.3740.5406
info@sartorius.co.jp

Malaysia

Sartorius Stedim Malaysia Sdn. Bhd.
 Lot L3-E-3B, Enterprise 4
 Technology Park Malaysia
 Bukit Jalil
 57000 Kuala Lumpur
 Phone +60.3.899.60622
 Fax +60.3.899.60755
 ehtan@sartorius.com.my

Sartorius Malaysia Sdn. Bhd.
 Lot L3-E-3B, Enterprise 4
 Technology Park Malaysia
 Bukit Jalil
 57000 Kuala Lumpur
 Phone +60.3.899.60622
 Fax +60.3.899.60755
 ehtan@sartorius.com.my

Philippines

Sartorius Mechatronics Philippines Inc.
 Unit 20-A The World Centre Building
 330 Senator Gil Puyat Avenue
 Makati City
 Philippines 1209
 Phone +63.2.864.0929
 Fax +63.2.864.0932
 enquiry.philippines@sartorius.com

Singapore

Sartorius Stedim Singapore Pte. Ltd.
 1 Science Park Road
 #05-08A, The Capricorn
 Singapore Science Park II
 Singapore 117528
 Phone +65.6872.3966
 Fax +65.6778.2494
 choolee.pang@sartorius-stedim.com

Sartorius Singapore Pte. Ltd.
 1 Science Park Road
 #05-08A, The Capricorn
 Singapore Science Park II
 Singapore 117528
 Phone +65.6872.3966
 Fax +65.6778.2494
 enquiry.singapore@sartorius.com

South Korea

Sartorius Korea Biotech Co. Ltd.
 8th Floor, Solid Space
 220 Pangyoyeok-Ro
 Bundang-Gu, Seongnam-Si,
 Gyeonggi-Do, 463 - 400
 Phone: + 82.31.622.5700
 Fax: + 82.31.622.5798
 info@sartorius.co.kr

Sartorius Korea Ltd.
 8th Floor, Solid Space
 220 Pangyoyeok-Ro
 Bundang-Gu, Seongnam-Si,
 Gyeonggi-Do, 463 - 400
 Phone: + 82.31.622.5700
 Fax: + 82.31.622.5798
 info@sartorius.co.kr

Thailand

Sartorius (Thailand) Co. Ltd.
 No. 129 Rama IX Road.
 Huaykwang
 Bangkok 10310
 Phone +66.2643.8361
 Fax +66.2643.8367
 enquiry.thailand@sartorius.com

Vietnam

Sartorius Representative Office
 Unit C, 17th floor, A Tower, BIG Building
 18 Pham Hung Street
 My Dinh, Tu Liem, Hanoi
 Phone +84.4.3795.5587
 Fax +84.4.3795.5589
 sartoriusvn@hn.vnn.vn

Australia

Sartorius Stedim Australia Pty. Ltd.
 Unit 5, 7 - 11 Rodeo Drive
 Dandenong South, Melbourne
 Victoria 3175
 Phone +61.3.8762.1800
 Fax +61.3. 8762.1828
 info.australia@sartorius-stedim.com

Sartorius Australia Pty. Ltd.
 Unit 5, 7-11 Rodeo Drive
 Dandenong South Melbourne,
 Victoria 3175
 Phone +61.3.8762.1800
 Fax +61.3.8762.1828
 info.australia@sartorius-stedim.com

For further addresses, please visit our website
 on the Internet at: www.sartorius.com.

Product Highlights in 2012



Bioprocess Solutions

Bioprocess Solutions concentrates on bioprocess business for pharmaceutical customers. With a broad product portfolio, the division helps biotech medications and vaccines to be manufactured safely and efficiently. Its key mission is to optimize pharmaceutical manufacturing processes, primarily by increased usage of single-use products and solutions. The division is a global leader in filtration, fermentation, cell cultivation, membrane chromatography and in fluid management.



BIostat® Cultibag STR
Single-use bioreactor system for cell culture processes, scalable up to 1,000 L



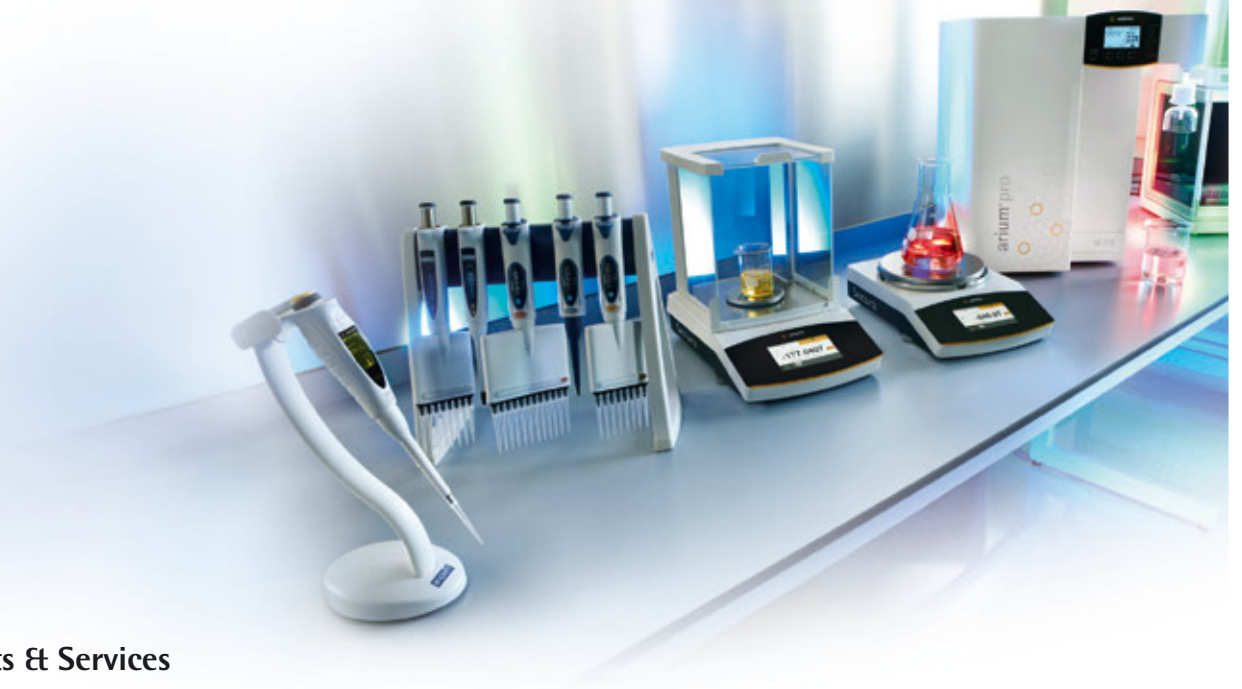
Sartopore® Platinum
New, highly efficient filter generation for sterile filtration of biopharmaceutical media



FlexAct®
Preconfigured system based on single-use components and designed in upstream and downstream processes



Virosart® HC
Filter for robust and efficient removal of viruses



Lab Products & Services

Offering premium laboratory instruments, high-grade lab consumables and excellent services, the Lab Products & Services Division is positioned as a broad-based laboratory supplier. Its major customers are research and quality assurance laboratories of the pharmaceutical, chemical and food industries, as well as academic laboratories. Sartorius lab products permit reliable and efficient analyses in the laboratory and help enable and accelerate scientific progress.



Vivaspin® Turbo 15
Single-use ultrafiltration unit for fast concentration of samples containing proteins



arium® pro, comfort & advance
New generation of laboratory water systems with an innovative single-use bagtank system for safe storage of pure water



Picus
The lightest and smallest electronic pipette on the market and winner of the red dot award for ergonomic design



Secura®
Laboratory balance for accurate, reliable and easy weighing in regulated pharmaceutical laboratories

Industrial Weighing

The high-quality measurement and inspection equipment of the Industrial Weighing Division addresses technical monitoring and control needs in the manufacturing processes of various industries. The division's main customers are from the food, chemical, pharmaceutical and basic industry sectors.



Contego®
Innovative module for weighing small and medium-size process vessels



CombiCS
Modular-design and flexibly-configurable series of scales for industrial use



ECONUS®
Dynamic checkweigher for monitoring the weights of conveyed packages and for checking filling systems

Financial Schedule

Annual Shareholders' Meeting in Goettingen, Germany	April 18, 2013
Payment of dividends ¹⁾	April 19, 2013
Publication of first-quarter figures for 2013	April 23, 2013
Publication of first-half figures for 2013	July 23, 2013
Publication of nine-month figures for 2013	October 21, 2013
German Equity Forum in Frankfurt Main, Germany	November 12-13, 2013
Publication of preliminary figures for fiscal 2013	January 2014
Annual press conference in Goettingen, Germany	March 2014
Annual Shareholders' Meeting in Goettingen, Germany	April 10, 2014
Publication of first-quarter figures for 2014	April 2014

¹⁾ Subject to approval by the Annual Shareholders' Meeting

Contacts

Petra Kirchhoff
Vice President
Corporate Communications & IR
Phone: +49.551.308.1686
petra.kirchhoff@sartorius.com

Andreas Theisen
Director
Investor Relations
Phone: +49.551.308.1668
andreas.theisen@sartorius.com

About This Publication

Published by
Sartorius AG
Corporate Communications
37070 Goettingen, Germany

Editorial Deadline
March 5, 2013

Published on
March 7, 2013

Financial Reporting System FIRE.sys
Michael Konrad GmbH
Frankfurt | Main, Germany

Photography
Peter Ginter | Lohmar, Germany

This is a translation of the original
German-language annual report.

Sartorius AG
Weender Landstrasse 94–108
37075 Goettingen, Germany

Phone: +49.551.308.0
Fax: +49.551.308.3289

info@sartorius.com
www.sartorius.com

turning science **into solutions**