



Conference Call First-Half 2018 Results

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Disclaimer

This presentation contains statements concerning the future performance of the Sartorius Group and the Sartorius Stedim Biotech Group. 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 materialize. This is because our assumptions harbor risks and uncertainties that could lead to actual results diverging substantially from the expected ones. It is not planned to update our forward-looking statements.

Throughout this presentation, differences may be apparent as a result of rounding during addition.

Agenda

01 Sartorius Group
H1 2018 Results | FY 2018 Guidance

02 Sartorius Stedim Biotech Group
H1 2018 Results | FY 2018 Guidance

03 Questions & Answers



H1 2018 Highlights

- ▶ Double-digit growth in sales and order intake
- ▶ Dynamics in Bioprocess Solutions division ahead of expectations; continued positive performance of Lab Products & Services
- ▶ Increase in profit margin despite FX headwinds
- ▶ FY 2018 sales guidance raised for BPS and the Group



Strong top-line growth; earnings margin 25.0%

Sartorius Group

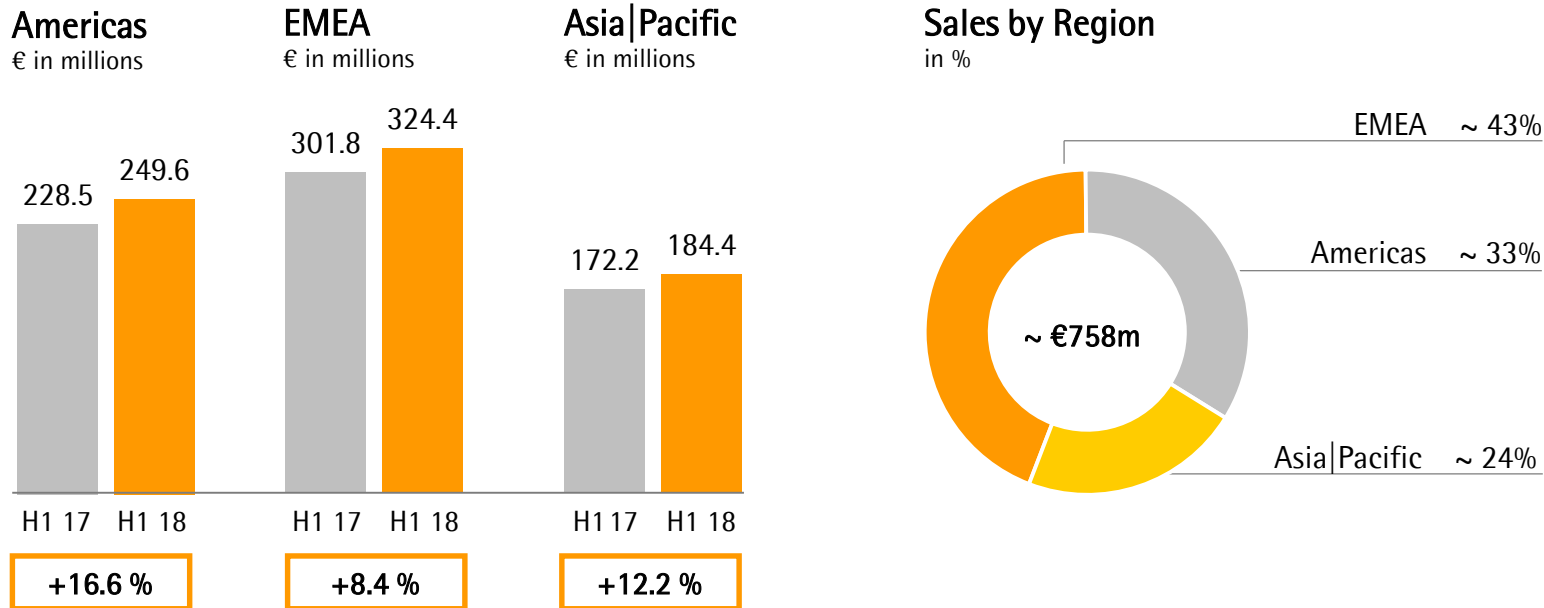
in millions of € unless otherwise specified

	H1 2017 ¹	H1 2018	Δ in %	Δ in % cc ²
Sales revenue	702.5	758.4	+8.0	+11.9
Order intake	741.9	807.6	+8.9	+12.7
Underlying EBITDA ³	172.9	189.5	+9.6	
Underlying EBITDA ³ margin in %	24.6	25.0	+0.4 pp	
Underlying EPS ⁴ (ord.) in €	1.02	1.16	+14.1	
Underlying EPS ⁴ (pref.) in €	1.03	1.17	+14.0	

- Acquisitions contribute ~ 2pp of non-organic sales growth
- Restatement of H1 2017 figures due to PPA finalization for Essen BioScience and Umetrics

¹ Restated after PPA finalization ² Constant currencies ³ Underlying = excluding extraordinary items ⁴ Underlying EPS = based on net profit after non-controlling interest; adjusted for extraordinary items as well as amortization and based on a normalized financial result and tax rate

Growth in all regions; highest momentum in the Americas



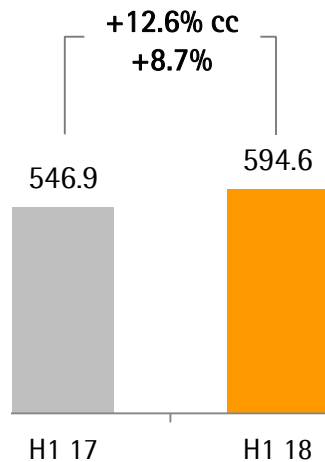
Acc. to customers' location; growth in constant currencies

- Americas: BPS with high momentum versus moderate comps; LPS growth fueled by Essen acquisition
- EMEA: Robust performance driven by BPS growth; weaker markets for LPS
- Asia|Pacific: Both divisions with solid growth rates against high comps

BPS: Strong performance in Q2

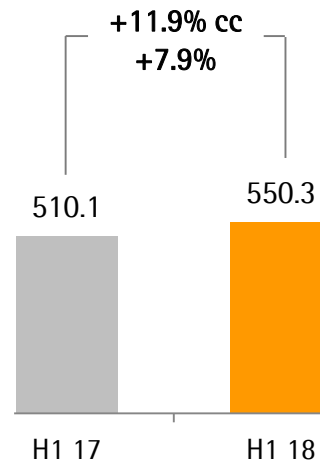
Order Intake

€ in millions



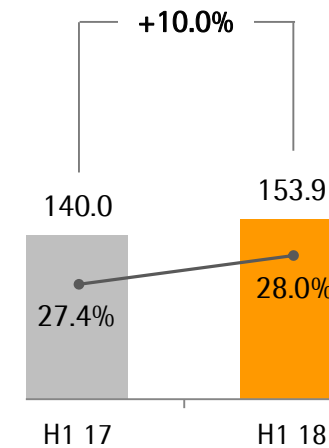
Sales Revenue

€ in millions



Underlying EBITDA & Margin

€ in millions

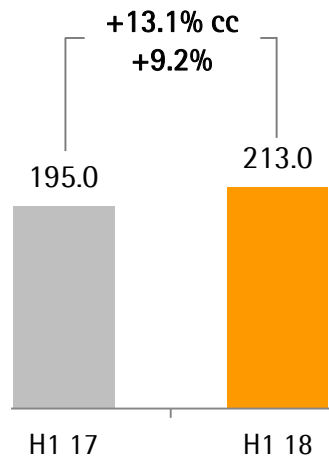


- Significant sales growth with single-use products; cell culture media business picking up
- Umetrics acquisition contributes close to 1pp of non-organic sales growth
- Order intake includes equipment projects; somewhat above expectations
- Underlying EBITDA margin rises against unfavorable FX due to economies of scale

LPS: Continued positive development in line with expectations

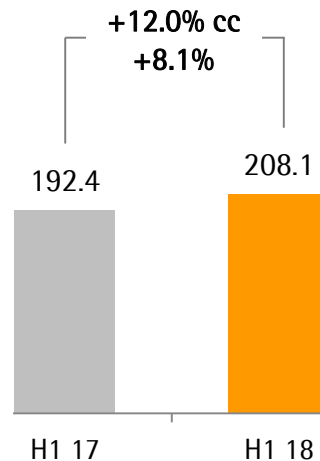
Order Intake

€ in millions



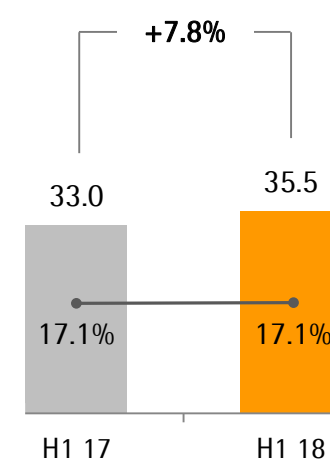
Sales Revenue

€ in millions



Underlying EBITDA & Margin

€ in millions



- Essen BioScience acquisition contributes ~5pp of non-organic sales growth
- EBITDA margin reached prior-year level as positive economies of scale and less favorable FX leveled out

Cash flow influenced by higher earnings and lower taxes

Sartorius Group

€ in millions unless otherwise specified

	H1 2017 ¹	H1 2018	Δ in %
Underlying EBITDA	172.9	189.5	+9.6
Extraordinary items	-14.7	-13.9	+6.0
Financial result	-14.9	-11.0	+26.0
Underlying net profit ^{2,3}	69.9	79.8	+14.1
Reported net profit ³	46.1	57.3	+24.4
Net operating cash flow	54.3	92.0	+69.2
Net investing cash flow ⁴	-436.1	-97.4	n.m.
CAPEX ratio (in %)	12.9	13.2	+0.3pp

- Net operating cash flow considerably enhanced by higher earnings
- Net investing cash flow in previous year primarily reflects the Essen and Umetrics acquisitions
- Capital expenditures in line with expectations

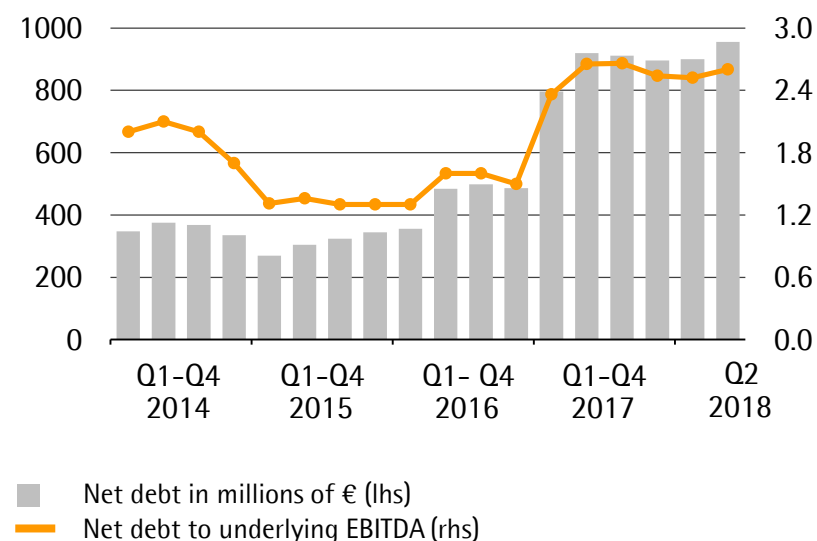
¹ Restated after PPA finalization ² Underlying net profit = net profit adjusted for extraordinary items, amortization and based on a normalized financial result and tax rate ³ After non-controlling interest ⁴ Net cash flow from investing activities and acquisitions

Key financial indicators remain at robust levels

Key Financial Indicators

Sartorius Group	Dec. 31, 2017	Jun. 30, 2018
Equity ratio in %	35.1	34.9
Net debt in millions of €	895.5	955.3
Net debt underlying EBITDA	2.5	2.6

Net Debt and Net Debt to Underlying EBITDA



2018 revenue outlook confirmed for LPS, raised for BPS and Group

FY 2018 Guidance ¹	Previous		New	
	Sales revenue growth	Underlying EBITDA margin	Sales revenue growth	Underlying EBITDA margin
Sartorius Group	~ 9% - 12%	~ +0.5pp vs. FY17: 25.1%	~ 12% - 15%	~ +0.5pp
Bioprocess Solutions	~ 8% - 11%	~ +0.5pp vs. FY17: 28.0%	~ 12% - 15%	~ +0.5pp
Lab Products & Services	~ 12% - 15%	~ +1.0pp vs. FY17: 18.0%	~ 12% - 15%	~ +1.0pp

¹ In constant currencies

- Growth guidance includes non-organic contribution by recent acquisitions: ~ 0.5pp for BPS and ~ 2.5pp for LPS, i.e. ~ 1.0pp for the Group
- CAPEX ratio ~ 15% (FY 2017: 14.9%)
- Due to the U.S. tax reform, SAG's tax rate is expected to decrease by 2pp to around 27% from 2018 onwards

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Double-digit growth in sales and profit

Sartorius Stedim Biotech Group

in millions of € unless otherwise specified

	H1 2017 ¹	H1 2018	Δ in %	Δ in % cc ²
Sales revenue	545.9	585.7	+7.3	+11.1
Order intake	583.0	630.1	+8.1	+11.8
Underlying EBITDA ³	146.5	162.8	+11.1	
Underlying EBITDA ³ margin in %	26.8	27.8	+1.0pp	
Underlying EPS ⁴ per share in €	0.97	1.12	+16.4	

- Substantial revenue growth with single-use products; cell culture media business picking up; several larger equipment projects in Q2 order intake
- Underlying EBITDA margin increases despite currency headwinds

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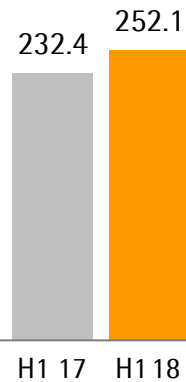
Growth in all regions, Americas with highest momentum

Americas
in € millions



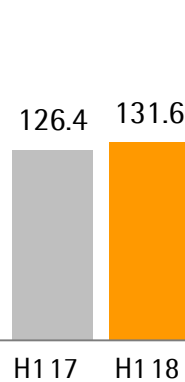
+15.3%

EMEA
in € millions



+9.1%

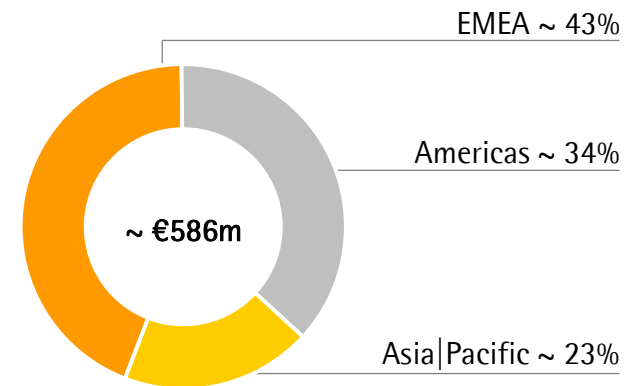
Asia|Pacific
in € millions



+8.9%

Acc. to customers' location; growth in constant currencies

Sales by Regions
in %



- Americas: High momentum against moderate comps
- EMEA: Robust growth in sales revenue and dynamic order intake
- Asia|Pacific: Strong sales growth versus high comps

Significant increase in operating cash flow

Sartorius Stedim Biotech Group

€ in millions unless otherwise specified

	H1 2017 ¹	H1 2018	Δ in %
Underlying EBITDA	146.5	162.8	+11.1
Extraordinary items	-6.9	-6.3	+8.6
Financial result	-2.6	-5.2	-104.5
Underlying net profit ^{2,3}	89.1	103.7	+16.4
Reported net profit ³	78.9	91.0	+15.4
Net operating cash flow	56.0	106.1	+89.3
Net investing cash flow ⁴	-117.1	-91.6	+21.8
CAPEX ratio (in %)	10.9	15.9	+5.0pp

- Net operating cash flow driven by higher earnings
- Net investing cash flow reflects execution of CAPEX program (IT investments; capacity additions in Yauco and Goettingen)
- Acquisition of software-related assets from Sartorius AG led to temporary peak in SSB's CAPEX; ratio is expected to decrease to projected levels in H2

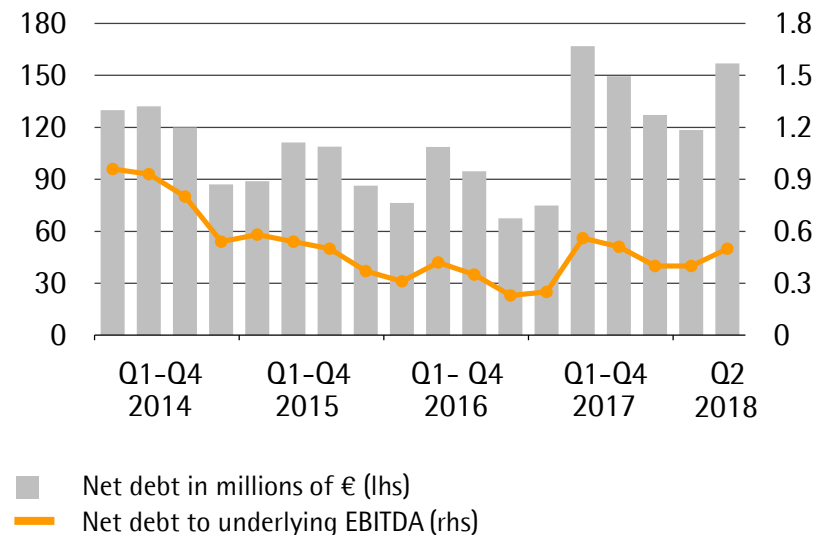
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Financial position remains strong

Key Financial Indicators

Sartorius Stedim Biotech	Dec. 31, 2017	Jun. 30, 2018
Equity ratio in %	62.6	61.5
Net debt in millions of €	127.1	156.9
Net debt underlying EBITDA	0.4	0.5

Net Debt and Net Debt to Underlying EBITDA



Higher revenue growth expected for FY 2018

FY 2018 Guidance¹	Previous	New
Sales revenue growth	7% - 10%	~ 11% - 14%
Underlying EBITDA margin	~ +0.5pp vs. FY17: 27.3%	28.0%
CAPEX ratio	~ 15%	~ 15%

¹ In constant currencies

- Growth guidance includes non-organic contribution by recent acquisition of ~ 0.5pp
- Due to the U.S. tax reform, SSB's tax rate is expected to decrease from 2018 onwards by 2pp to around 26%

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Thank you very much
for your attention