



Conference Call Preliminary FY 2017 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:
FY 2017 Results | 2018 Guidance

02 Sartorius Stedim Biotech Group:
FY 2017 Results | 2018 Guidance

03 Questions & Answers



FY 2017 Highlights

- ▶ Continued profitable growth in a challenging market and FX environment
- ▶ Lab Products & Services develops dynamically driven by both strong organic growth and acquisitions
- ▶ Bioprocess Solutions Division impacted by some temporary effects; strong order intake in H2 2017
- ▶ Positive outlook for 2018



Continued profitable growth despite unfavorable FX trend

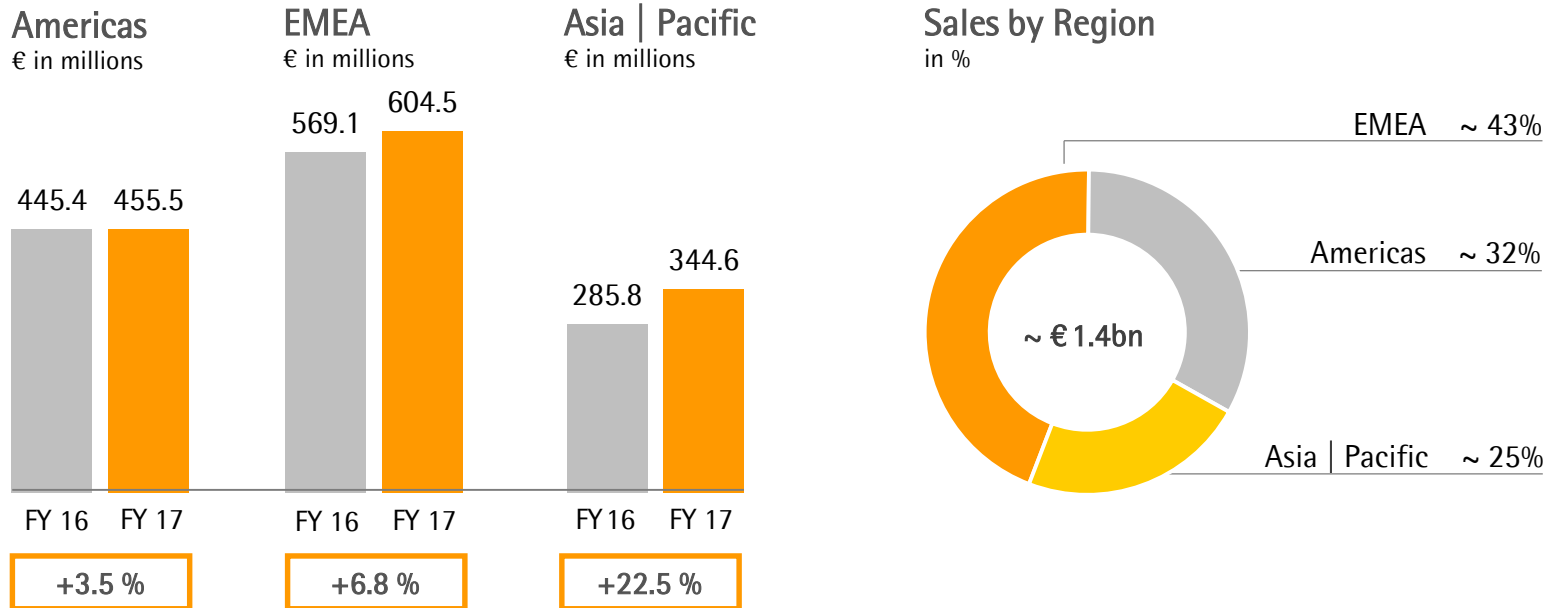
Sartorius Group

in millions of € unless otherwise specified

	FY 2016	FY 2017	Δ in %	Δ in % cc ¹
Sales revenue	1,300.3	1,404.6	+8.0	+9.3
Order intake	1,334.7	1,501.4	+12.5	+13.7
Underlying EBITDA ²	325.4	353.2	+8.5	
Underlying EBITDA ² margin in %	25.0	25.1	+0.1pp	
Underlying EPS ³ (ord.) in €	1.93	2.10	+8.6	
Underlying EPS ³ (pref.) in €	1.94	2.11	+8.6	
Capex ratio in %	11.7	14.9	+3.2pp	

¹ Constant currencies ² Underlying = excluding extraordinary items ³ Underlying EPS = based on net profit after non-controlling interest, adjusted for extraordinary items, amortization and based on a normalized financial result and tax rate

Growth strong in Asia, temporarily dampened in the Americas

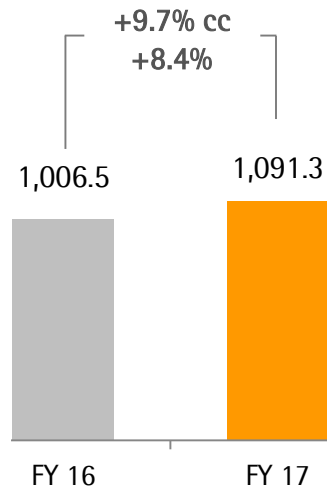


Acc. to customers' location; growth in constant currencies

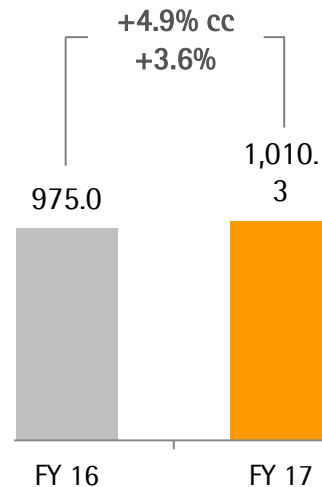
- Americas: high prior-year base; influenced by a few temporarily dampening effects in BPS
- EMEA: strong organic growth and acquisitions drive LPS; BPS affected by destocking by some customers
- Asia | Pacific: dynamic growth fueled by both divisions; some larger equipment projects in BPS

BPS: Order intake gaining momentum in H2

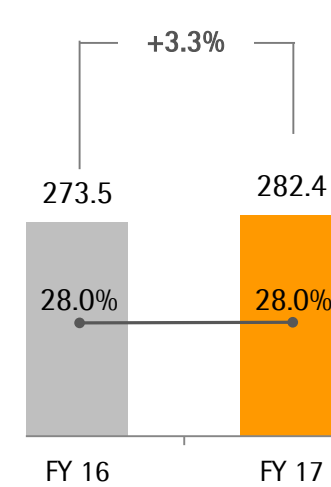
Order Intake
€ in millions



Sales Revenue
€ in millions



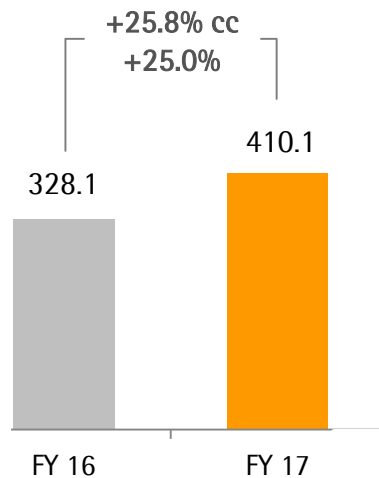
Underlying EBITDA & Margin
€ in millions



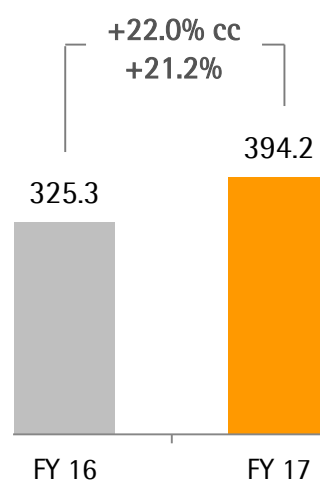
- Destocking by a few customers, transient manufacturing (Puerto Rico) and supply bottlenecks (cell culture media) weigh on growth
- Acquisitions of kSep and Umetrics contribute approx. 1pp to growth
- EBITDA margin on previous year's level despite significant FX headwind
- Strong order intake in H2 2017 supports confidence for current year

LPS: Dynamic development in line with expectations

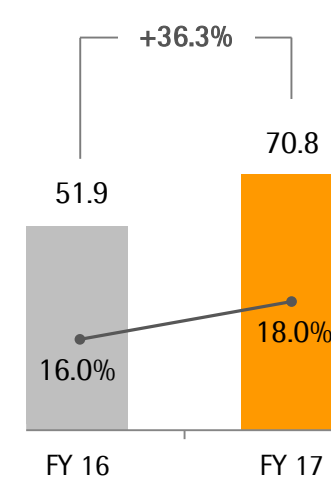
Order Intake
€ in millions



Sales Revenue
€ in millions



Underlying EBITDA & Margin
€ in millions



- All regions and all product categories drive strong organic growth of around 8%
- Recent acquisitions in the field of Bioanalytics contributed approx. 14 pp to sales growth
- Substantial increase in earnings due to scale effects and acquisitions; currencies dilutive

Cash flow influenced by recent acquisitions

Sartorius Group

€ in millions

	FY 2016	FY 2017	Δ in %
Underlying EBITDA	325.4	353.2	+8.5
Extraordinary items	-30.7	-35.5	-15.5
Financial result	-16.4	-20.8	-27.0
Underlying net profit ^{1,2}	132.6	144.0	+8.6
Reported net profit ²	102.9	114.7	+11.5
Net operating cash flow	170.4	206.5	+21.2
Net investing cash flow ³	-268.2	-555.1	-106.9

- Change in financial result due to debt-rel. interest expenses
- Increase in EBITDA and lower tax payments drive net operating cash flow
- Net investing cash flow primarily reflects the acquisitions of Essen and Umetrics; capex increased as planned

¹ Underlying net profit = net profit adjusted for extraordinary items, amortization and based on a normalized financial result and tax rate

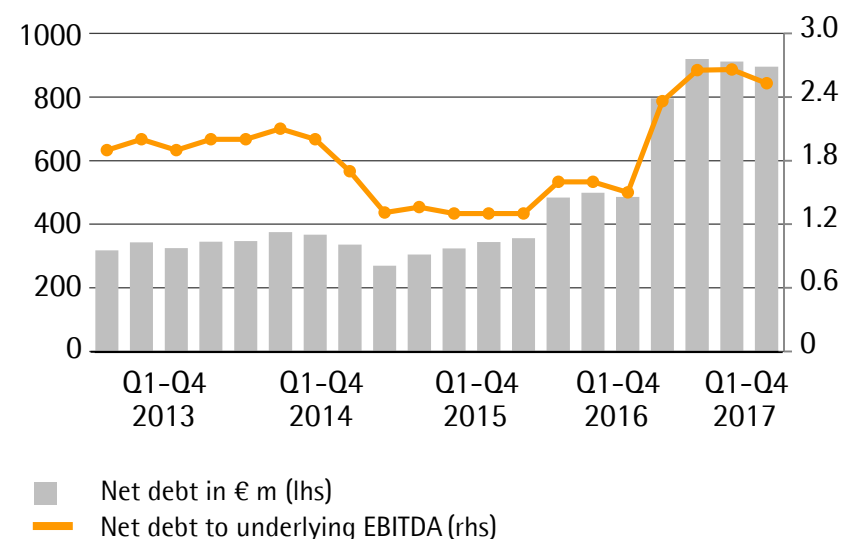
² After non-controlling interest ³ Net cash flow from investing activities and acquisitions | disposals

Key financial indicators remain at robust levels

Key Financial Indicators

Sartorius Group	Dec. 31, 2016	Dec. 31, 2017
Equity ratio in %	42.0	35.1
Net debt in millions of €	485.9	895.5
Net debt underlying EBITDA	1.5	2.5

Net Debt to Underlying EBITDA



Implications of US tax reform for Sartorius

- In fiscal 2017, Sartorius realizes a non-cash-effective, one-time benefit from revaluation of deferred tax assets and liabilities of around € 16mn; therefore tax rate at 20% (prev. year: 29%)
- From 2018 onwards, Group's tax rate is expected to decrease by 2pp to around 27%

Outlook for 2018

	FY 2017		FY 2018 Guidance ¹	
	Sales Revenue Growth ¹	Underlying EBITDA Margin	Sales Revenue Growth	Underlying EBITDA Margin
Sartorius Group	9.3%	25.1%	~ 9% - 12%	~ +0.5pp
Bioprocess Solutions	4.9%	28.0%	~ 8% - 11%	~ +0.5pp
Lab Products & Services	22.0%	18.0%	~ 12% - 15%	~ +1.0pp

¹ In constant currencies

- Growth guidance includes non-organic contribution by recent acquisitions of ~ 0.5pp in BPS and ~ 2.5pp in LPS, i.e. ~ 1.0pp for the Group
- Capex ratio ~ 15% (FY 2017: 14.9%)

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EBITDA influenced by FX headwinds; Strong order intake momentum

Sartorius Stedim Biotech Group

in millions of € unless otherwise specified

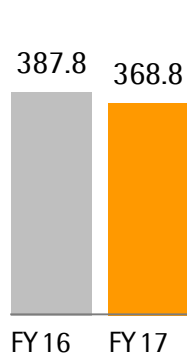
	FY 2016	FY 2017	Δ in %	Δ in % cc ¹
Sales revenue	1,051.6	1,081.0	+2.8	+4.1
Order intake	1,080.8	1,162.3	+7.5	+8.8
Underlying EBITDA ²	288.7	294.9	+2.2	
Underlying EBITDA ² margin in %	27.5	27.3	-0.2pp	
Underlying EPS ³ per share in €	1.92	1.96	+2.2	
Capex ratio in %	7.6	12.6	+5pp	

- High base after extraordinarily strong 2015 and 2016; Temporary destocking by some customers as well as manufacturing (Puerto Rico) and supply bottlenecks (cell culture media) dampened growth
- Acquisitions of kSep and Umetrics contributed ~1pp to growth
- Strong order intake growth in H2 supports positive 2018 outlook
- US tax reform without significant impact on net earnings in 2017

¹ Constant currencies ² Underlying = excluding extraordinary items ³ Underlying EPS = based on net profit after non-controlling interest, adjusted for extraordinary items, amortization and based on a normalized financial result and tax rate

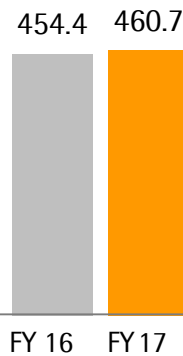
Different development in the regions

Americas
in € millions



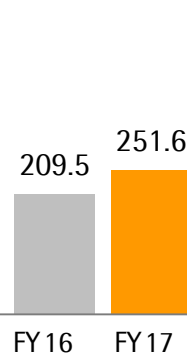
-3.5%

EMEA
in € millions



+2.2%

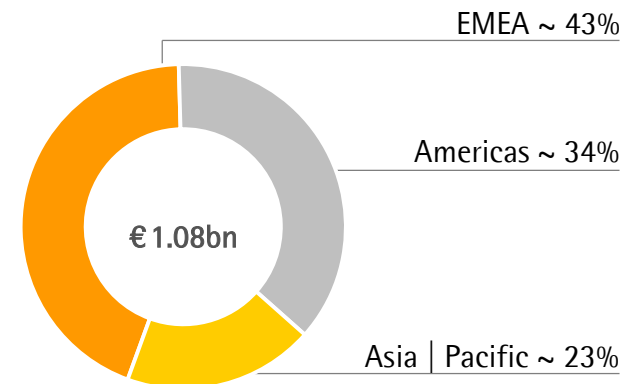
Asia | Pacific
in € millions



+21.4%

Acc. to customers' location; growth in constant currencies

Sales by Regions
in %



- Particularly the Americas & EMEA compare with a very high prior-year base; softer demand in the Americas and parts of Europe, additionally destocking by a few customers especially in Q3 2017
- Moreover, the Americas also influenced by transient manufacturing (Puerto Rico) and supply bottlenecks (cell culture media)
- Dynamic growth in Asia | Pacific supported by some large equipment projects

Healthy cash flow performance; influenced by acquisitions

Sartorius Stedim Biotech Group

€ in millions

	FY 2016	FY 2017	Δ in %
Underlying EBITDA	288.7	294.9	+2.2
Extraordinary items	-18.1	-22.6	-24.8
Financial result	-12.9	-1.1	+91.6
Underlying net profit ^{1,2}	176.6	180.4	+2.2
Reported net profit ²	153.7	161.1	+4.8
Net operating cash flow	156.7	174.8	+11.6
Net investing cash flow ³	-102.7	-194.9	-89.7

- Change in financial result mainly due to valuation effects of derivatives | fx loans
- Net operating cash flow developed as expected
- Net investing cash flow primarily reflects the acquisition of Umetrics and capex for capacity expansion

¹ Underlying net profit = net profit adjusted for extraordinary items, amortization and based on a normalized financial result and tax rate

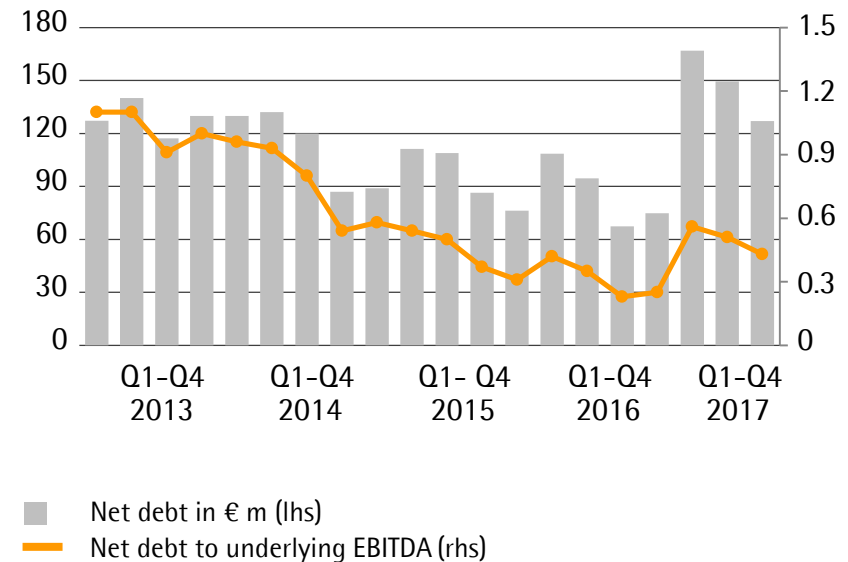
² After non-controlling interest ³ Net cash flow from investing activities and acquisitions | disposals

Financial position remains very strong

Key Financial Indicators

Sartorius Stedim Biotech	Dec. 31, 2016	Dec. 31, 2017
Equity ratio in %	63.9	62.6
Net debt in millions of €	67.6	127.1
Net debt underlying EBITDA	0.2	0.4

Net Debt to Underlying EBITDA



Outlook for 2018

	FY 2017	FY 2018 Guidance
Sales revenue growth ¹	4.1%	~ 7% - 10%
Underlying EBITDA margin	27.3%	~ +0.5pp ¹
Capex ratio	12.6%	~ 15%

¹ In constant currencies

- Growth guidance includes non-organic contribution by recent acquisition of ~ 0.5pp
- As a result from the US 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