



Conference Call First-Half 2016 Results

Joachim Kreuzburg, CEO | July 25, 2016

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 2016 Results | FY 2016 Guidance

02 Sartorius Stedim Biotech Group
H1 2016 Results | FY 2016 Guidance

03 Questions & Answers



H1 2016 Highlights

- ▶ Strong double-digit growth in sales revenue and earnings
- ▶ Excellent performance of Bioprocess Solutions division; order intake ahead of expectations
- ▶ Continued positive development of Lab Products & Services division
- ▶ Recent acquisitions add innovative, complementary technologies to portfolios of both divisions
- ▶ FY 2016 guidance raised



Double-digit Growth Across All Lines

Sartorius Group

in millions of € unless otherwise specified

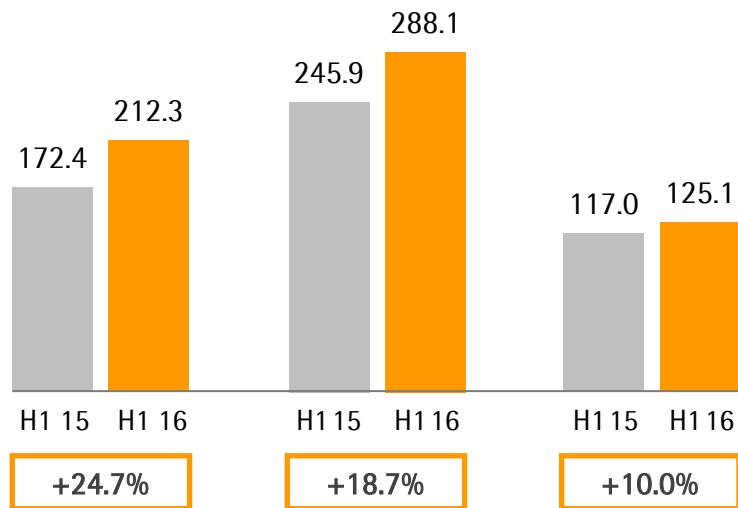
	H1 2015	H1 2016	Δ in %	Δ in % cc ¹
Sales revenue	535.3	625.4	+16.8	+18.7
Order intake	577.8	677.6	+17.3	+19.5
Underlying EBITDA ²	121.1	153.4	+26.6	
Underlying EBITDA ² margin	22.6	24.5	+1.9 pp	
Underlying EPS ^{3,4} (ord.) in €	0.70	0.91	+29.6	
Underlying EPS ^{3,4} (pref.) in €	0.71	0.92	+30.1	
Capex ratio in %	7.4	11.5		

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; H1 2015 continued operations

⁴ H1 2015 adjusted for stock split; rounded values

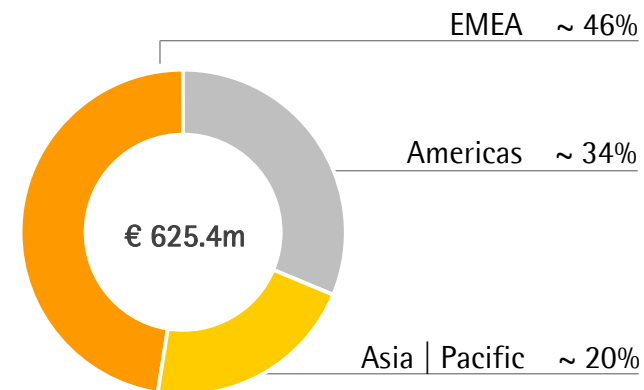
All Regions Fuel Expansion

Americas
€ in millions



Acc. to customers' location; growth in constant currencies

Sales by Region
in %

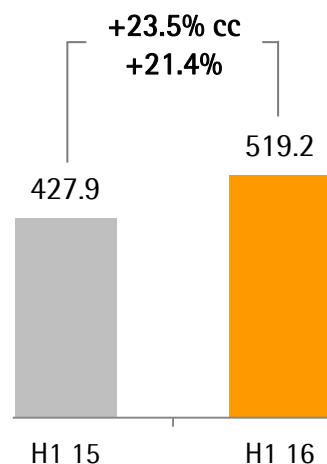


- The Americas continue to post strongest growth mainly driven by BPS
- Excellent performance in EMEA supported by consolidation of BioOutsource and Cellca
- Development in Asia | Pacific in line with expectations

BPS: Excellent Performance in a Dynamic Market Environment

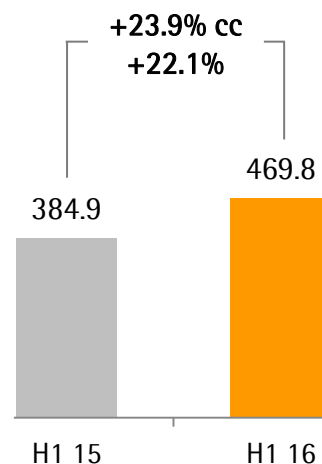
Order Intake

€ in millions



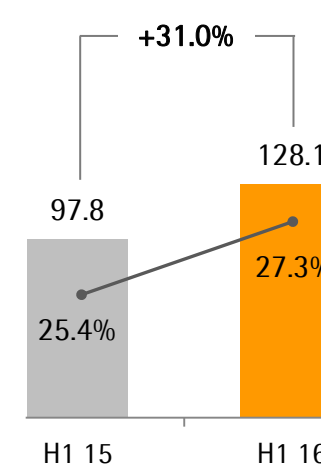
Sales Revenue

€ in millions



Underlying EBITDA & Margin

€ in millions

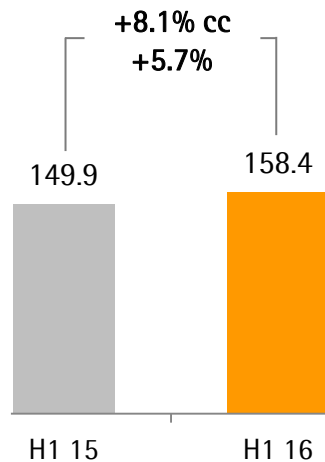


- Very strong organic growth driven by both single-use products and equipment
- BioOutsource and Cellca contributed approx. 3 pp of non-organic growth
- Q2 order intake exceeded expectations, in particular due to some large equipment orders
- Underlying EBITDA margin up by 1.9 pp, driven by economies of scale

LPS: Continued Positive Development in Line with Expectations

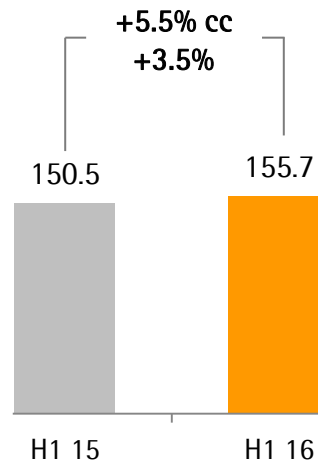
Order Intake

€ in millions



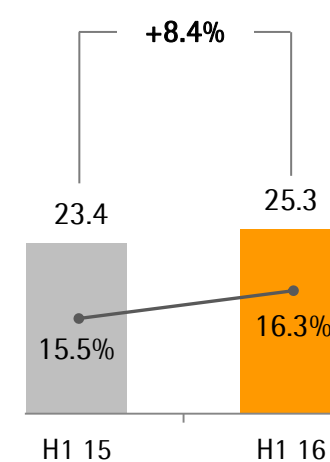
Sales Revenue

€ in millions



Underlying EBITDA & Margin

€ in millions



- Strong demand especially for consumables such as lab filters
- Moderate growth in Asia | Pacific due to strong prior-year base
- Underlying EBITDA margin up by 0.8 pp, driven by scale effects

Cash Flow Performance Influenced by Portfolio Changes

Sartorius Group

€ in millions

	H1 2015	H1 2016	Δ in %
Underlying EBITDA	121.1	153.4	+26.6
Extraordinary items	-3.8	-9.9	-162.6
Financial result	-15.2	-3.9	+74.2
Underlying net profit ^{1,2}	47.8	62.4	+30.4
Reported net profit ²	76.9	53.4	-30.5
Net operating cash flow	56.2	43.1	-23.3
Net investing cash flow ³	3.1	-148.1	n.m.

- Reported prior-year net profit included gain from Intec divestiture
- Net operating cash flow mainly influenced by growth related increase in working capital
- Besides CAPEX, net investing cash flow reflects payments and proceeds related to acquisitions and divestitures: 2015 BioOutsource acquisition and Intec sale; 2016 IntelliCyt acquisition

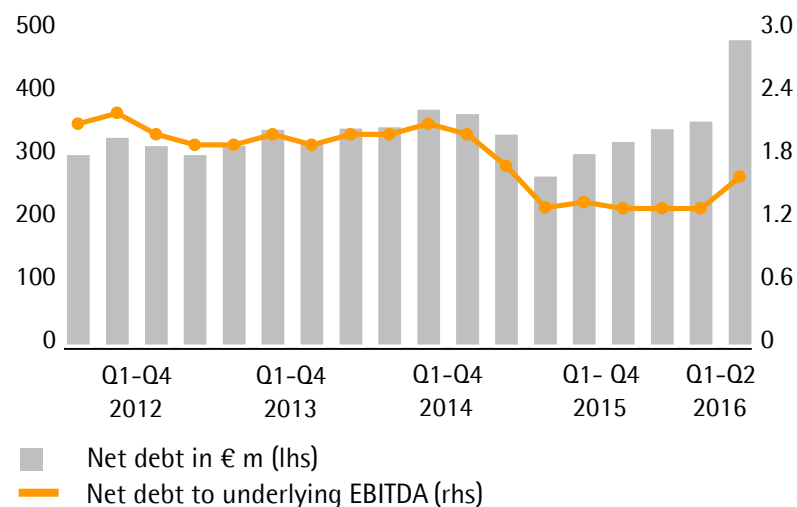
¹ Underlying net profit = net profit adjusted for extraordinary items, amortization and based on a normalized financial result and tax rate; continued operations for H1 2015 ² After non-controlling interest ³ Net cash flow from investing activities and acquisitions | disposals

Strong Financial Position

Key Financial Indicators

Sartorius Group	Dec. 31, 2015	Jun. 30, 2016
Equity ratio in %	44.9	39.1
Net debt in millions of €	344.0	483.9
Net debt underlying EBITDA	1.3	1.6

Net Debt to Underlying EBITDA



intellicyt[®] Acquisition Expands LPS Portfolio into Bioanalytics

- Award-winning technology for cell screening
- Strong growth with 2016 FY sales of >\$18m expected
- Break even on underlying EBITDA by end of 2017 targeted
- Acquired June 28 for \$90m including approx. \$5m in future tax savings



- Dynamically growing bioanalytical tool with strong USPs; no direct competitors
- Strengthens LPS' position with customers from pharma/biotech and academia
- Fit with LPS' existing portfolio and with ViroCyt products
- Business to be leveraged by Sartorius' global reach

A Further Addition to LPS' Bioanalytics Portfolio

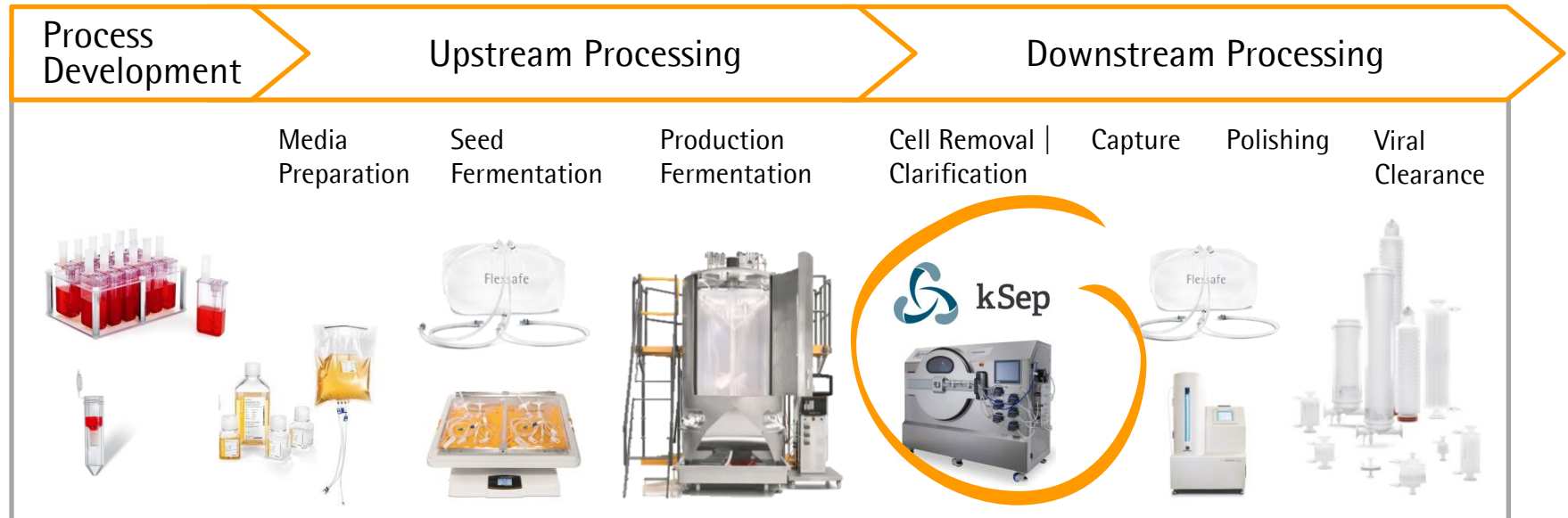
- Innovative platform for rapid virus quantification
- Annual sales of >\$3m expected for 2016
- Planned to break even on underlying EBITDA by end of 2018
- Acquired July 15 for ~ \$16m



- Unique bioanalytical tool focusing on applications in virology
- Further strengthens position of LPS with the pharma/biotech industry, vaccine manufacturers and academia
- Fit with LPS' existing portfolio and with IntelliCyt products
- Business to be leveraged by Sartorius' global reach

kSep Acquisition Complements BPS' Single-use Portfolio

- Unique single-use centrifugation systems for cell harvest in bioproduction
- Annual sales of around \$7m with a strong EBITDA margin expected for 2016
- Perfect fit with BPS's broad range of single-use products
- Closing expected by end of July; purchase price of ~ \$28m



Simplified diagram

FY 2016 Guidance Raised

FY 2016 Guidance ¹	Previous		New	
	Sales Revenue Growth	Underlying EBITDA Margin	Sales Revenue Growth	Underlying EBITDA Margin
Sartorius Group	~ 10% - 14%	~ +1 pp vs. FY 2015: 23.6%	~ 15% - 18%	~ 25%
Bioprocess Solutions	~ 13% - 17%	~ +1 pp vs. FY 2015: 26.5%	~ 19% - 22%	~ 28%
Lab Products & Services	~ 3% - 7%	~ +1 pp vs. FY 2015: 16.0%	~ 6% - 9%	~ 16%

¹ In constant currencies

- Guidance includes the following expectations on non-organic contribution from acquisitions:
 - BPS: a good ~ 2 pp from BioOutsource, Cellca and kSep (prev. ~1.5 pp)
 - LPS: ~ 3 pp from IntelliCyt and ViroCyt
- Capex ratio ~ 10%

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03 Questions & Answers



Strong Double-digit Growth at All Levels; OI Ahead of Expectations

Sartorius Stedim Biotech Group

in millions of € unless otherwise specified

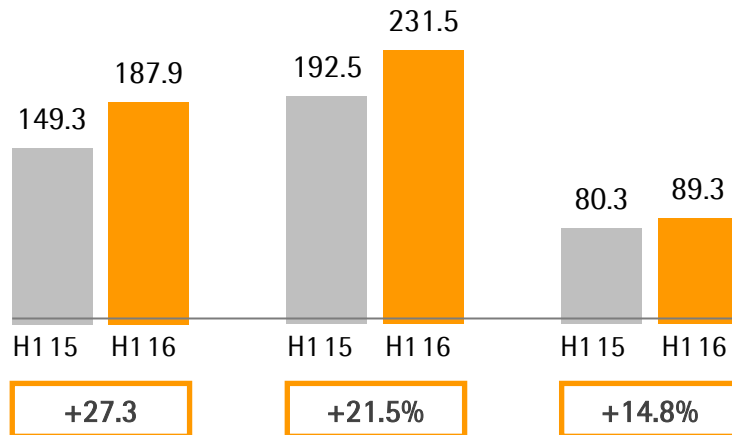
	H1 2015	H1 2016	Δ in %	Δ in % cc ¹
Sales revenue	422.0	508.8	+20.6	+22.3
Order intake	467.4	558.8	+19.6	+21.6
Underlying EBITDA ²	106.5	136.4	+28.0	
Underlying EBITDA ² margin	25.2	26.8	+1.6 pp	
Underlying EPS ³ per share in €	0.68	0.91	+32.6	
Capex ratio in %	5.0	6.6		

- Very dynamic organic performance driven by both single-use products and equipment
- BioOutsource and Cellca contributed ~ 3 pp of non-organic growth
- Q2 order intake exceeded expectations in particular due to some larger equipment orders
- Underlying EBITDA margin up by 1.6 pp, driven by economies of scale

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; adjusted for stock split

Considerable Sales Growth Recorded in All Regions

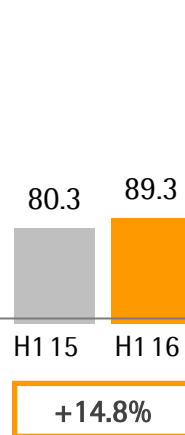
Americas
in € millions



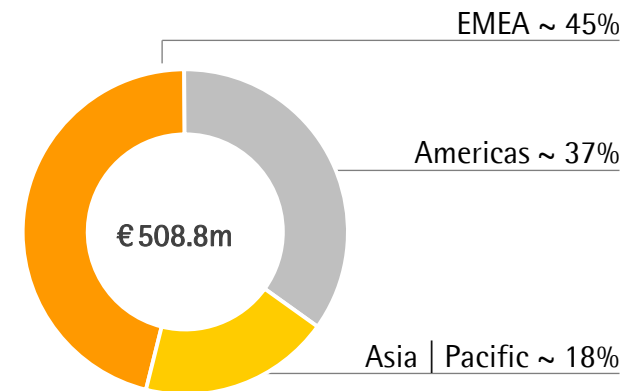
EMEA
in € millions



Asia | Pacific
in € millions



Sales by Regions
in %



Acc. to customers' location; growth in constant currencies

- The Americas posted the highest growth momentum yet again
- Strong double-digit growth in EMEA supported by consolidation of BioOutsource and Cellca
- Business performance in Asia | Pacific in line with expectations

Robust Cash Flow Performance

Sartorius Stedim Biotech Group

€ in millions

	H1 2015	H1 2016	Δ in %
Underlying EBITDA	106.5	136.4	+28.0
Extraordinary items	-1.5	-4.8	-224.7
Financial result	-12.6	-2.1	+83.4
Underlying net profit ¹	62.9	83.5	+32.6
Reported net profit	51.4	75.7	+47.4
Net operating cash flow	56.8	43.3	-23.7
Net investing cash flow ²	-50.1	-32.1	+36.0

- Net operating cash flow influenced by growth related increase in working capital
- Last year's net investing cash flow influenced by the acquisition of BioOutsource

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

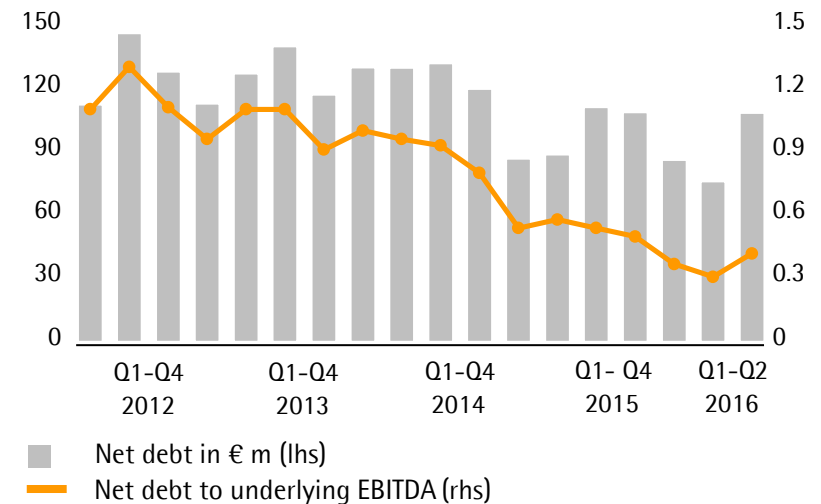
² Net cash flow from investing activities and acquisitions | disposals

Financial Position Remains Strong

Key Financial Indicators

Sartorius Stedim Biotech	Dec. 31, 2015	Jun. 30, 2016
Equity ratio in %	60.7	59.2
Net debt in millions of €	86.4	108.6
Net debt underlying EBITDA	0.4	0.4

Net Debt to Underlying EBITDA



FY 2016 Guidance Upgraded

FY 2016 Guidance	Previous	New
Sales revenue growth ¹	~ 12% - 16%	~ 17% - 20%
Underlying EBITDA margin ¹	~+1 pp vs. FY 2015: 26.2%	~+1.5 pp vs. FY 2015: 26.2%
Capex ratio	~ 6% - 8%	~ 6% - 8%

¹ In constant currencies

- Guidance includes ~ 2 pp of non-organic growth expected to be contributed by the acquisitions of BioOutsource, Cellca and kSep (prev. ~1.5 pp)


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A person wearing a blue protective suit, a white face mask, and clear safety goggles is looking through a window. The window frame is visible, and the background outside is a blurred view of a building and trees.

Thank you very much
for your attention