



sartorius



sartorius stedim
biotech



Conference Call Preliminary Full-Year Results 2013

Joachim Kreuzburg, CEO | January 28, 2014

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

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Sartorius Group:
FY 2013 Results and Guidance 2014

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Sartorius Stedim Biotech Group:
FY 2013 Results and Guidance 2014

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Questions & Answers



FY 2013 Targets Achieved

- High single-digit top-line growth
- Substantial margin increase despite adverse currency effects
- Diverse development in the divisions
- Strong first-year performance of cell culture media business
- BPS further strengthened by the acquisition of TAP Biosystems

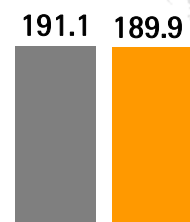
Dynamic Sales Revenue and Earnings Growth

Sartorius Group in millions of € (unless otherwise specified)	FY 2012	FY 2013	Change in %	Change in % const. FX
Order intake	866.8	912.3	5.2	8.0
Sales revenue	845.7	887.3	4.9	7.7
Underlying ¹⁾ EBITDA	161.1	172.6	7.1	
Underlying ¹⁾ EBITDA margin	19.0%	19.5%		
Underlying ¹⁾ EBITA	132.5	137.2	3.6	
Underlying ¹⁾ EBITA margin	15.7%	15.5%		
Underlying EPS (ord.) ¹⁾²⁾	3.69	3.79	2.8	
Underlying EPS (pref.) ¹⁾²⁾	3.71	3.81	2.8	

¹⁾ Excluding extraordinary items ²⁾ Excluding non-cash amortization and valuation adjustments of hedging instruments

All Regions Contribute to Growth

North America
Sales¹⁾ in millions of €



2012 2013

+2.6%

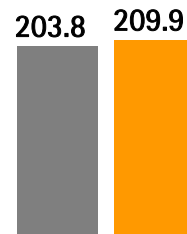
Europe
Sales¹⁾ in millions of €



2012 2013

+8.5%

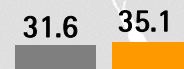
Asia | Pacific
Sales¹⁾ in millions of €



2012 2013

+10.3%

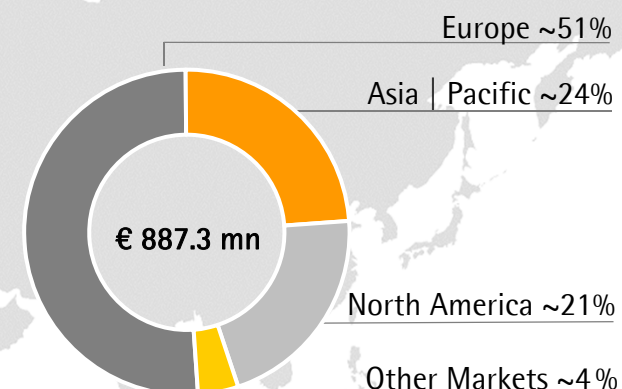
Other Markets
Sales¹⁾ in millions of €



2012 2013

+11.1%

Sales¹⁾ by Regions
in %

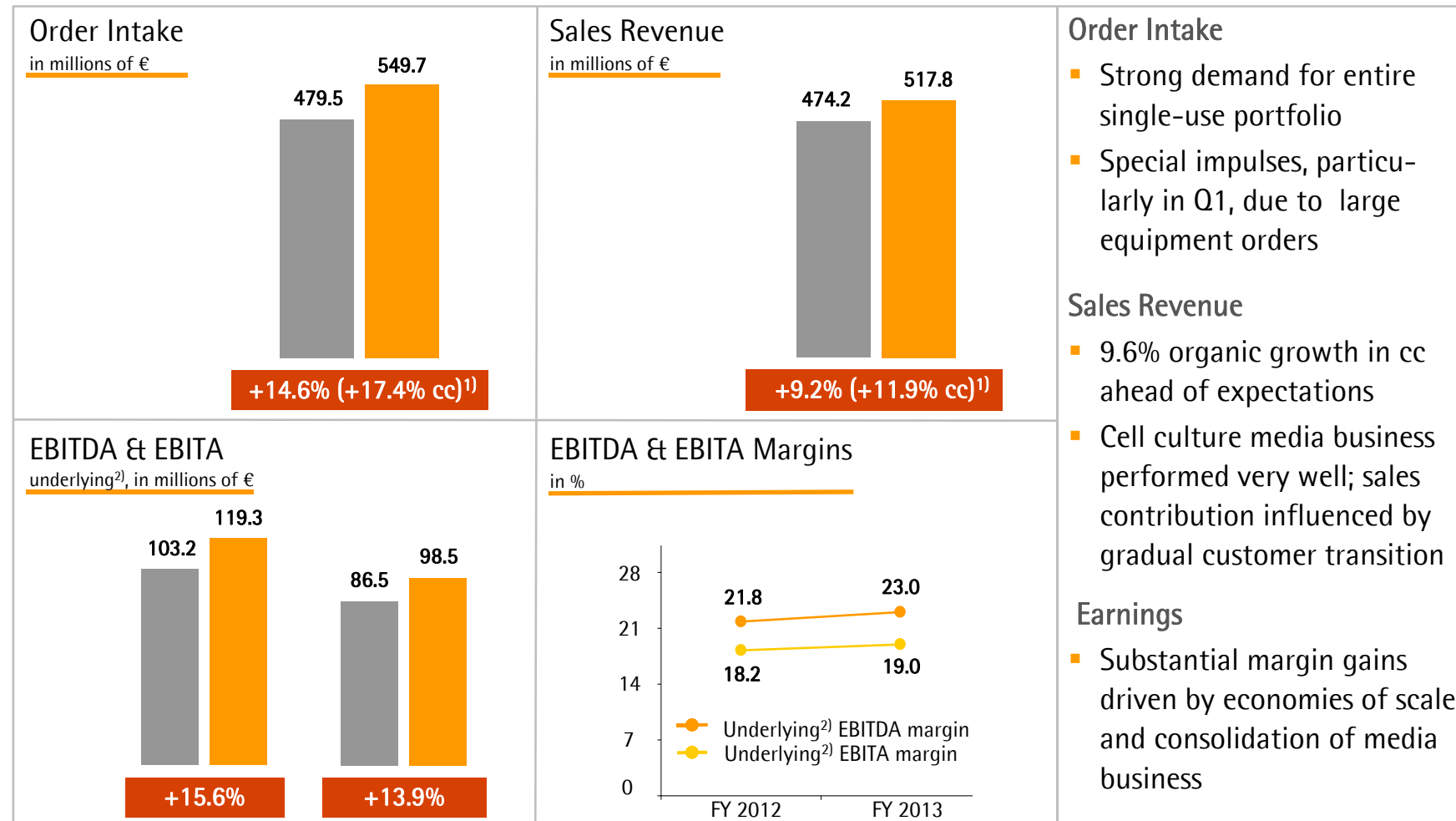


Growth in constant currencies

- Sales in North America exceed strong year-earlier level; OI substantially up yoy
- Sound performance in Europe in all divisions despite weak macroenvironment; BPS led growth
- Double-digit gains in Asia in spite of soft market environment for LPS and IW

¹⁾ According to customers' location

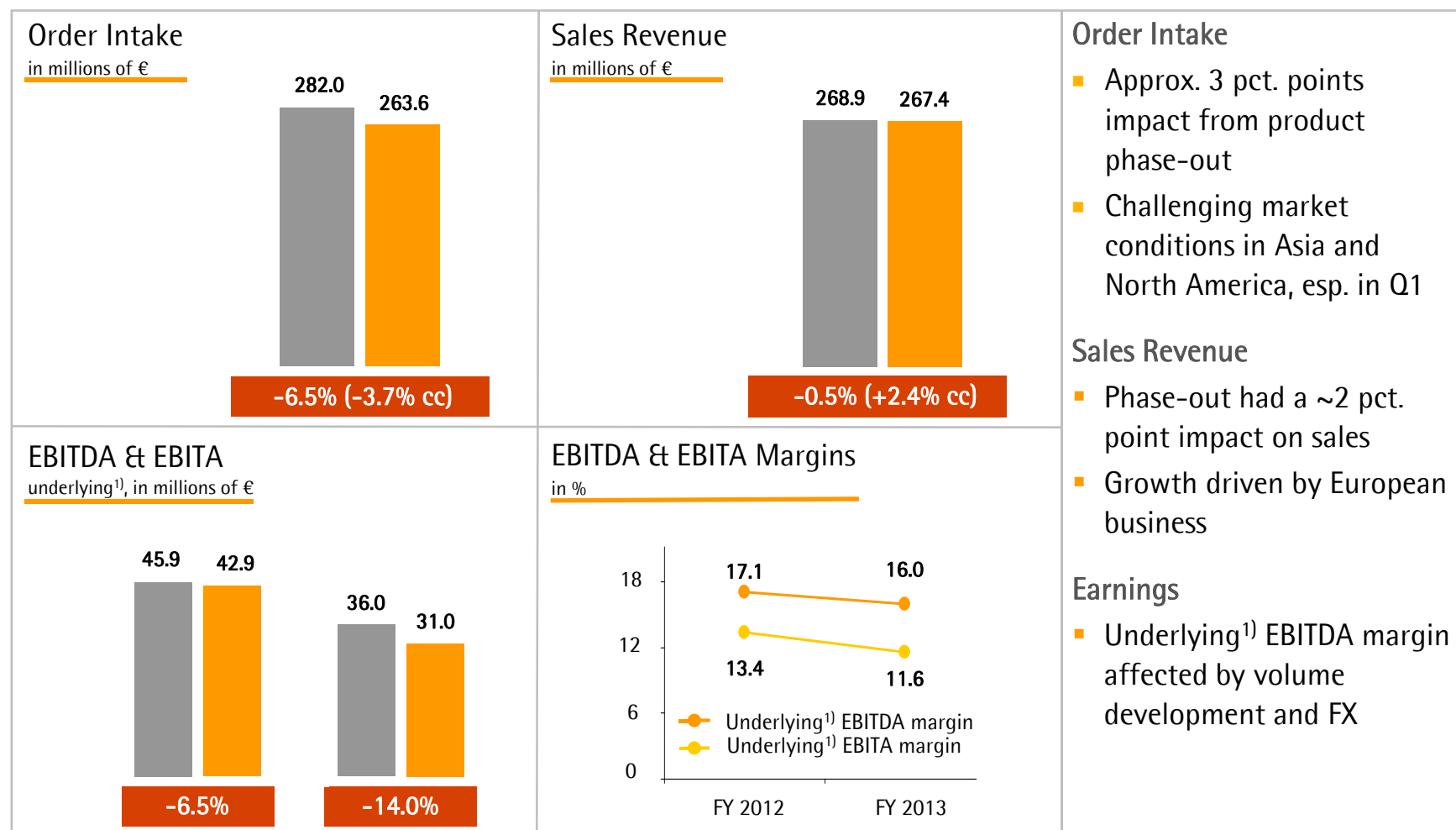
Bioprocess Solutions: Dynamic Business Expansion Yet Again



■ FY 2012 ■ FY 2013

¹⁾ cc = Constant currencies ²⁾ Excluding extraordinary items

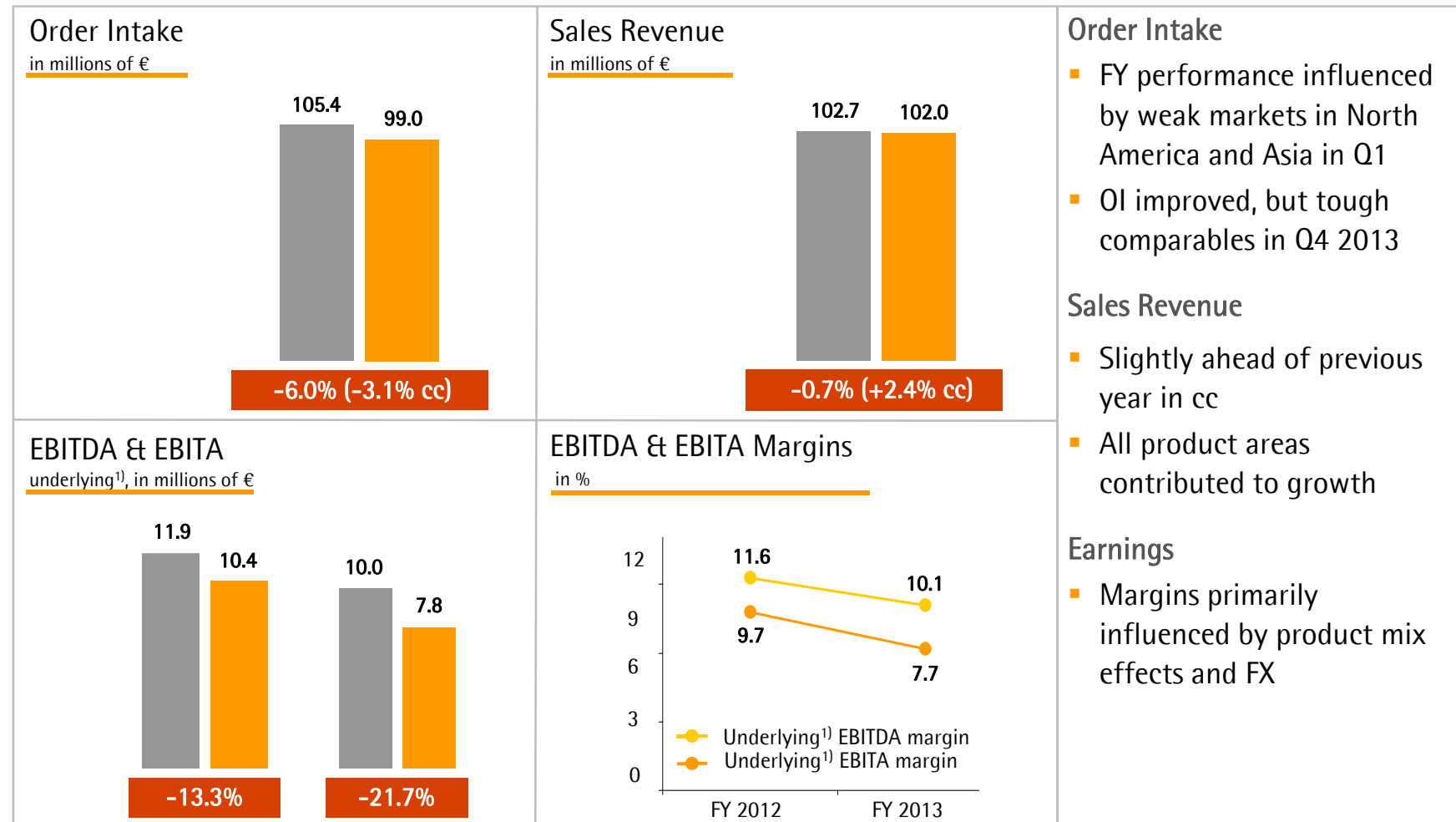
Lab Products & Services: A Year of Transition



■ FY 2012 ■ FY 2013

¹⁾ excluding extraordinary items

Industrial Weighing: Continued Recovery after Soft Start



■ FY 2012 ■ FY 2013

¹⁾ Excluding extraordinary items

Cash Flow Performance Strongly Enhanced

Sartorius Group in millions of € (unless otherwise specified)	Dec. 31 2012	Dec. 31 2013	Change in %	
Underlying ¹⁾ EBITDA	161.1	172.6	7.1	<ul style="list-style-type: none"> Extraordinary items related to various cross-divisional projects
Extraordinary items	-13.9	-8.4	39.3	<ul style="list-style-type: none"> Financial result impacted by financing mix and hedging instruments
Financial result	-12.9	-14.8	-14.6	<ul style="list-style-type: none"> Net operating cash flow significantly increased due to strong operating performance; prior-year cash flow included tax payment partly related to preceding years
Underlying ¹⁾²⁾ net profit ³⁾	63.0	64.8	2.8	<ul style="list-style-type: none"> Investments include acquisitions of cell culture media business and TAP Biosystems
Net operating cash flow	53.2	103.3	94.2	
Net investing cash flow ⁴⁾	-54.8	-101.3	-84.7	

¹⁾ Excluding extraordinary items ²⁾ Excluding non-cash amortization and fair value adjustments of hedging instruments

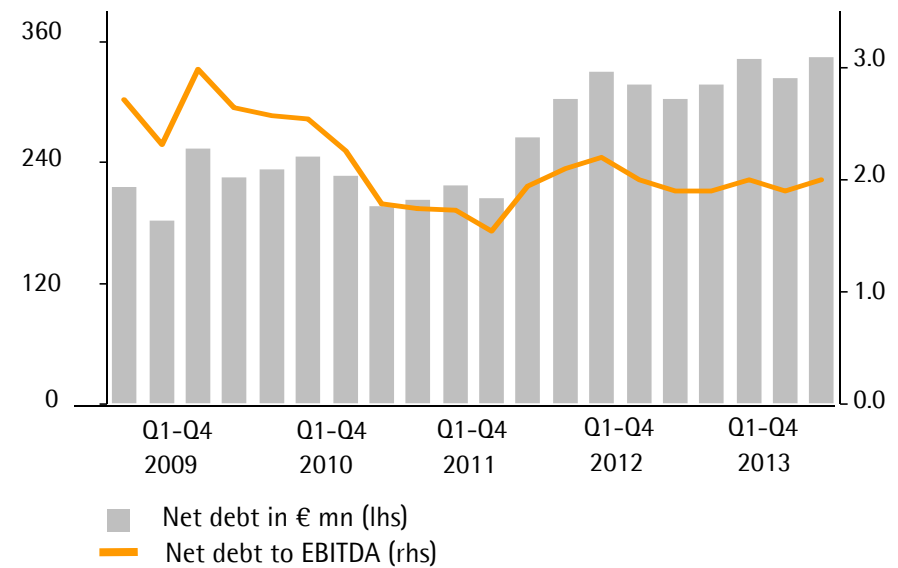
³⁾ After non-controlling interest ⁴⁾ Net cash flow from investing activities and acquisitions

All Key Financial Indicators at Comfortable Levels

Key Financial Indicators

Sartorius Group	Dec. 31 2012	Dec. 31 2013
Equity ratio in %	37.8	38.3
Net debt in millions of €	303.8	345.1
Gearing ratio	0.8	0.8
Net debt to underlying ¹⁾ EBITDA	1.9	2.0
Interest coverage ¹⁾	17.0	13.7

Net Debt to EBITDA¹⁾



¹⁾ Excluding extraordinary items

Guidance 2014

	FY 2013 ¹⁾		Guidance 2014	
	Sales revenue growth ²⁾	Underlying EBITDA margin ³⁾	Sales revenue growth ²⁾	Underlying EBITDA margin ²⁾³⁾
Sartorius Group	7.7%	19.5%	~8% - 10%	~20.0%
Bioprocess Solutions	11.9%	23.0%	~12% - 15%	~23.5%
Lab Products & Services	2.4%	16.0%	~1% - 4%	~16.5%
Industrial Weighing	2.4%	10.1%	~1% - 4%	~10.5%
	Capex ratio		Capex ratio	
Sartorius Group	7.1%		~8% - 10%	

¹⁾ Based on preliminary figures ²⁾ In constant currencies ³⁾ Excluding extraordinary items

Guidance 2014 – Key Considerations

Bioprocess Solutions	<ul style="list-style-type: none"> ▪ Robust organic growth expected for FY 2014 ▪ Recent acquisitions to contribute ~7 pct. points to sales growth ▪ Expansion of underlying EBITDA margin diluted by these acquisitions ▪ High Q1 2013 order intake due to special orders a tough comp for Q1 2014
Lab Products & Services	<ul style="list-style-type: none"> ▪ Healthy development anticipated based on recent product launches and positive economic outlook ▪ Phase-out of non-strategic products expected to dilute sales growth by ~2 pct. points
Industrial Weighing	<ul style="list-style-type: none"> ▪ Solid business performance projected based on positive macroeconomic outlook ▪ No near-term action planned regarding potential sale
Capex ratio	<ul style="list-style-type: none"> ▪ Multi-year program to consolidate and expand operations at Goettingen headquarters to be started in 2014 ▪ Further investments in global rollout of new ERP system ▪ Continued capacity expansion worldwide

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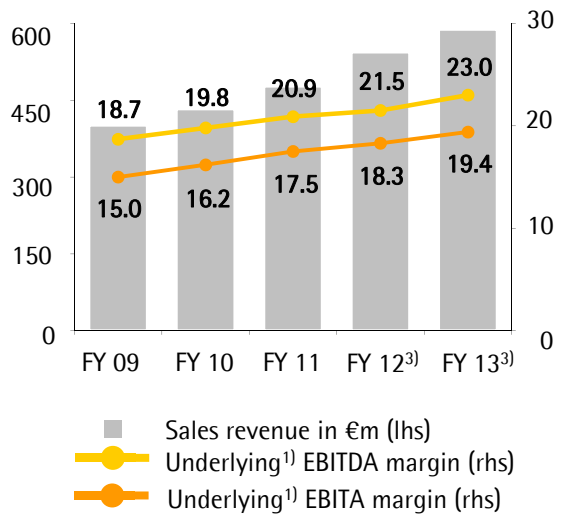
Questions & Answers



FY 2013 Guidance Reached

Sartorius Stedim Biotech in millions of € (unless otherwise specified)	FY 2012	FY 2013	Change in %	Change in % const. FX
Order intake	553.9	614.9	11.0	13.7
Sales revenue	544.0	588.4	8.2	10.8
Underlying ¹⁾ EBITDA	117.0	135.6	15.8	
Underlying ¹⁾ EBITDA margin	21.5%	23.0%		
Underlying ¹⁾ EBITA	99.5	114.2	14.8	
Underlying ¹⁾ EBITA margin	18.3%	19.4%		
Underlying EPS ¹⁾²⁾	4.21	4.90	16.4	

Margins
in %



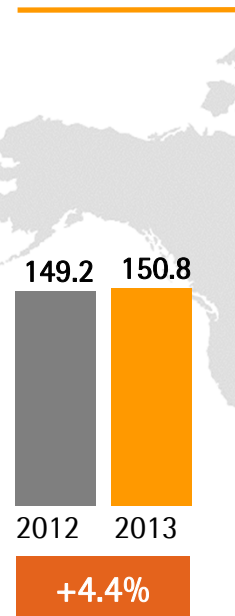
Fiscal Year	Sales revenue in €m (lhs)	Underlying ¹⁾ EBITDA margin (rhs)	Underlying ¹⁾ EBITA margin (rhs)
FY 09	450	18.7	15.0
FY 10	480	19.8	16.2
FY 11	500	20.9	17.5
FY 12 ³⁾	540	21.5	18.3
FY 13 ³⁾	588.4	23.0	19.4

- Order intake: Strong demand for single-use products; special growth impulses particularly in Q1 for equipment
- Sales revenue: Organic sales growth of 8.9% ahead of expectations fueled by both single-use products and equipment
- Very strong performance of cell culture media business; sales contribution influenced by customer switching effects

¹⁾ Excluding extraordinary items ²⁾ Excluding non-cash amortization and fair value adjustments of hedging instruments ³⁾ Restated

Double-Digit Growth in Asia and Europe

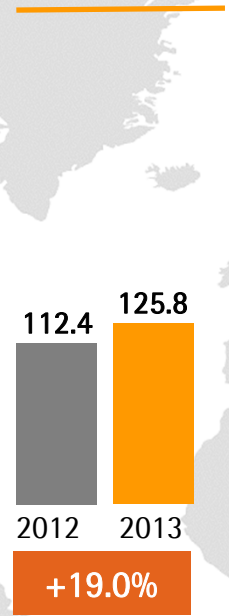
North America
Sales¹⁾ in millions of €



Europe
Sales¹⁾ in millions of €



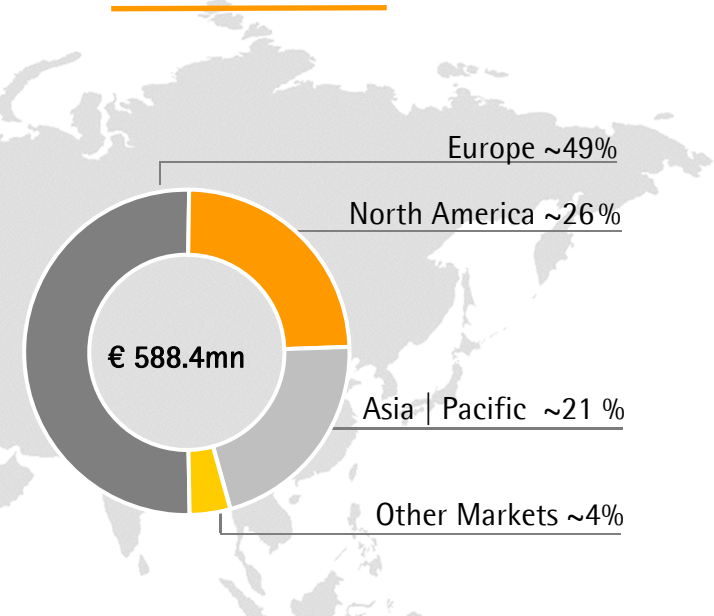
Asia | Pacific
Sales¹⁾ in millions of €



Other Markets
Sales¹⁾ in millions of €



Sales¹⁾ by Regions
in %



Growth in constant currencies

- Sales in North America ahead of very strong prior year level; substantial growth in order intake
- Double-digit growth in Europe based on high demand for single-use products
- Dynamic business expansion in Asia fueled by single-use products and equipment business

¹⁾ According to customers' location

Strong Cash Flow Performance

Sartorius Stedim Biotech in millions of € (unless otherwise specified)	Dec. 31 2012	Dec. 31 2013	Change in %
Underlying¹⁾ EBITDA	117.0	135.6	15.8
Extraordinary items	-5.9	-3.7	37.5
Financial result	-3.7	-6.9	-84.4
Underlying ¹⁾²⁾ net profit ³⁾ after non-controlling interest	64.6	75.2	16.5
Net operating cash flow	48.9	90.1	84.2
Net investing cash flow ⁴⁾	-32.9	-73.4	-122.9

- Financial result impacted by valuation of hedging instruments
- Strong net operating cash flow driven by operating performance; previous year's cash flow impacted by non-periodic tax payments
- Investments include acquisition of cell culture media business and TAP Biosystems

¹⁾ Excluding extraordinary items ²⁾ Excluding non-cash amortization and fair value adjustments of hedging instruments

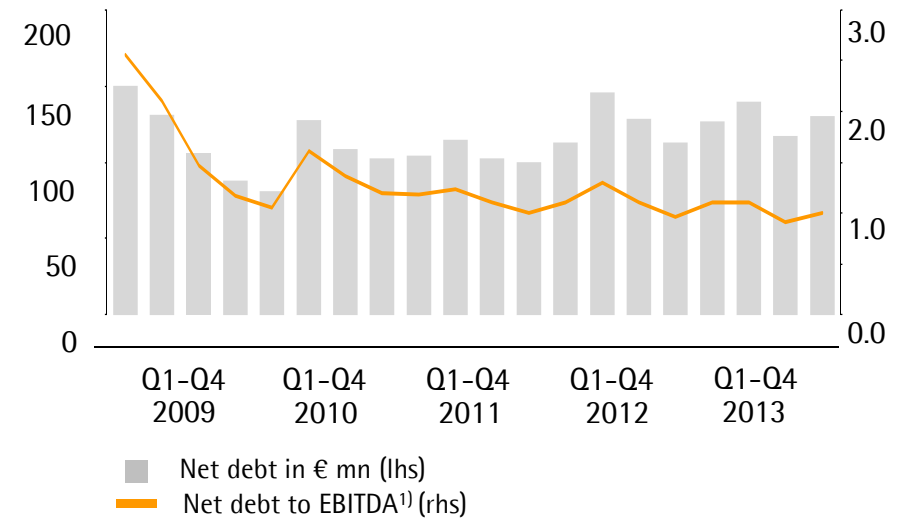
³⁾ After non-controlling interest ⁴⁾ Net cash flow from investing activities and acquisitions

All Key Financial Indicators at Very Comfortable Levels

Key Financial Indicators

Sartorius Stedim Biotech	Dec. 31 2012	Dec. 31 2013
Equity ratio in %	54.8	55.3
Net debt in millions of €	113.7	130.0
Gearing ratio	0.3	0.3
Net debt to underlying ¹⁾ EBITDA	1.0	1.0
Interest coverage ¹⁾	27.9	25.9

Net Debt to EBITDA¹⁾



¹⁾ Excluding extraordinary items

Guidance 2014

Sartorius Stedim Biotech Group	FY 2013 ¹⁾	Guidance 2014	Comment
Sales revenue growth ²⁾	10.8%	~11% - 14%	Recent acquisitions to contribute ~6 pct. points to sales growth
Underlying EBITDA margin ³⁾	23.0%	~23.5% ²⁾	Expansion of underlying EBITDA margin diluted by these acquisitions
Capex ratio	5.8%	~6% - 8%	Continued capacity expansion worldwide

¹⁾ Based on preliminary figures ²⁾ In constant currencies ³⁾ Excluding extraordinary items

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Questions & Answers





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Thank you for your attention.