



# Sartorius Conference Call Q1 2013 Results

Joachim Kreuzburg, CEO | April 23, 2013







## 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.

## Off to a Good Start in 2013

-  Group: High growth in order intake; robust sales development and further margin expansion
-  Mixed picture of order intake in the three divisions
-  Group guidance confirmed
-  Slight changes to reporting structure adopted; underlying EBITDA replaces underlying EBITA as KPI for earnings

## Slight Changes to 2013 Reporting

### Changes according to IFRS reporting practice

- Other taxes now included in functional expenses (mainly CoS)
- Amortization allocated to functional expenses (mainly S&D)
- No impact on net profit, cash flow or balance sheet reporting

### Application of these principles as of Q1 2013

- Restated 2012 figures have been provided ([www.sartorius.com](http://www.sartorius.com))
- 2013 earnings guidance now based on underlying EBITDA

## Excellent Growth in OI; Robust Sales and Margin Development

Sartorius Group in millions of € (unless otherwise specified)	3M 2012	3M 2013	Change in %	Change in % const. currencies
Order intake	220.0	239.8	9.0	10.1
Sales revenue	208.1	214.3	3.0	4.2
Underlying <sup>1)</sup> EBITDA	36.2	39.3	8.5	
Underlying <sup>1)</sup> EBITDA margin	17.4%	18.4%	+100 bps	
Underlying <sup>1)</sup> EBITA	29.7	31.4	5.5	
Underlying <sup>1)</sup> EBITA margin	14.3%	14.6%	+30 bps	
Underlying EPS (ord.) <sup>1)2)</sup> in €	0.82	0.86	5.1	
Underlying EPS (pref.) <sup>1)2)</sup> in €	0.84	0.88	5.0	

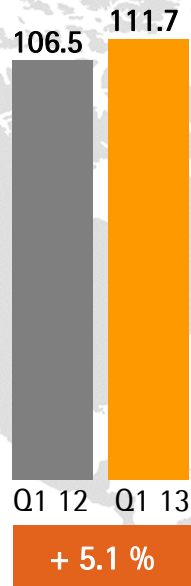
<sup>1)</sup> Excluding extraordinary items <sup>2)</sup> Excluding non-cash amortization and valuation adjustments of hedging instruments

## Asia Posted Strongest Growth; High Comps in North America

**North America**  
Sales<sup>1)</sup> in millions of €



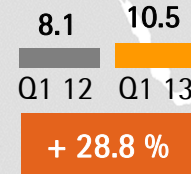
**Europe**  
Sales<sup>1)</sup> in millions of €



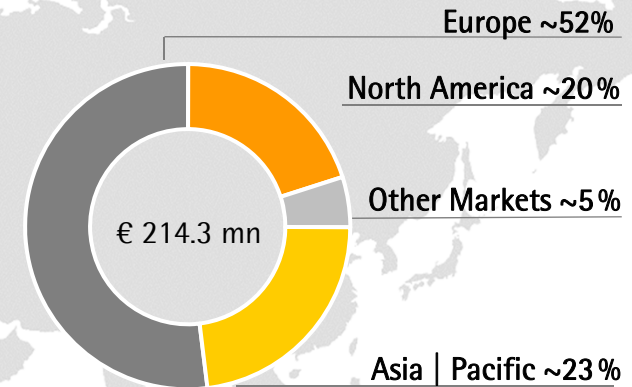
**Asia | Pacific**  
Sales<sup>1)</sup> in millions of €



**Other Markets**  
Sales<sup>1)</sup> in millions of €



**Sales<sup>1)</sup> by Regions**  
in %

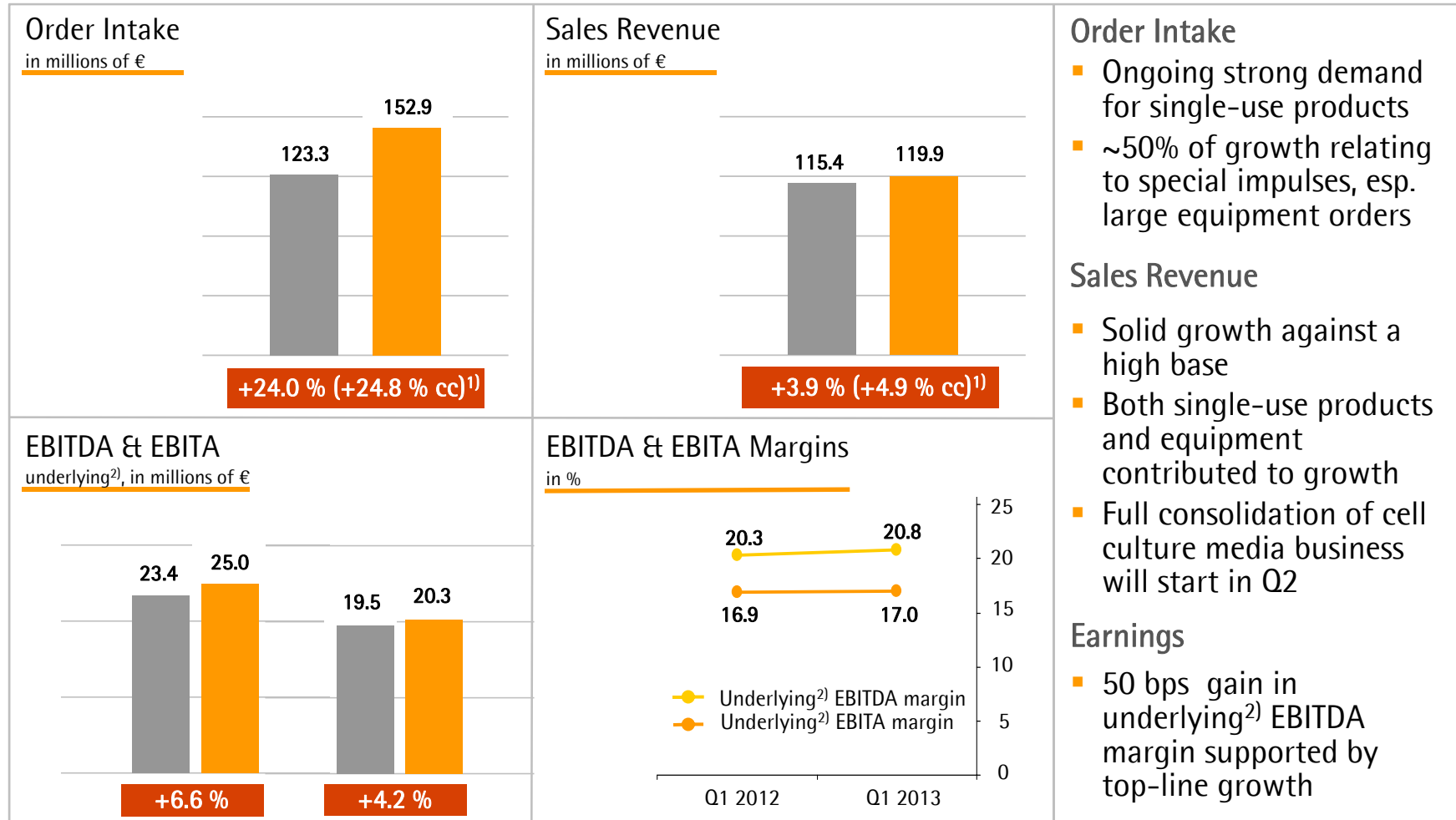


Growth in constant currencies

- Sales in North America compare against a strong previous year's quarter; order intake up year over year
- All divisions contributed to sales revenue growth in Europe
- Growth in Asia mainly fueled by BPS; business environment temporarily soft for LPS and IW

<sup>1)</sup> According to customers' location

# Bioprocess Solutions: Continued High Growth Momentum

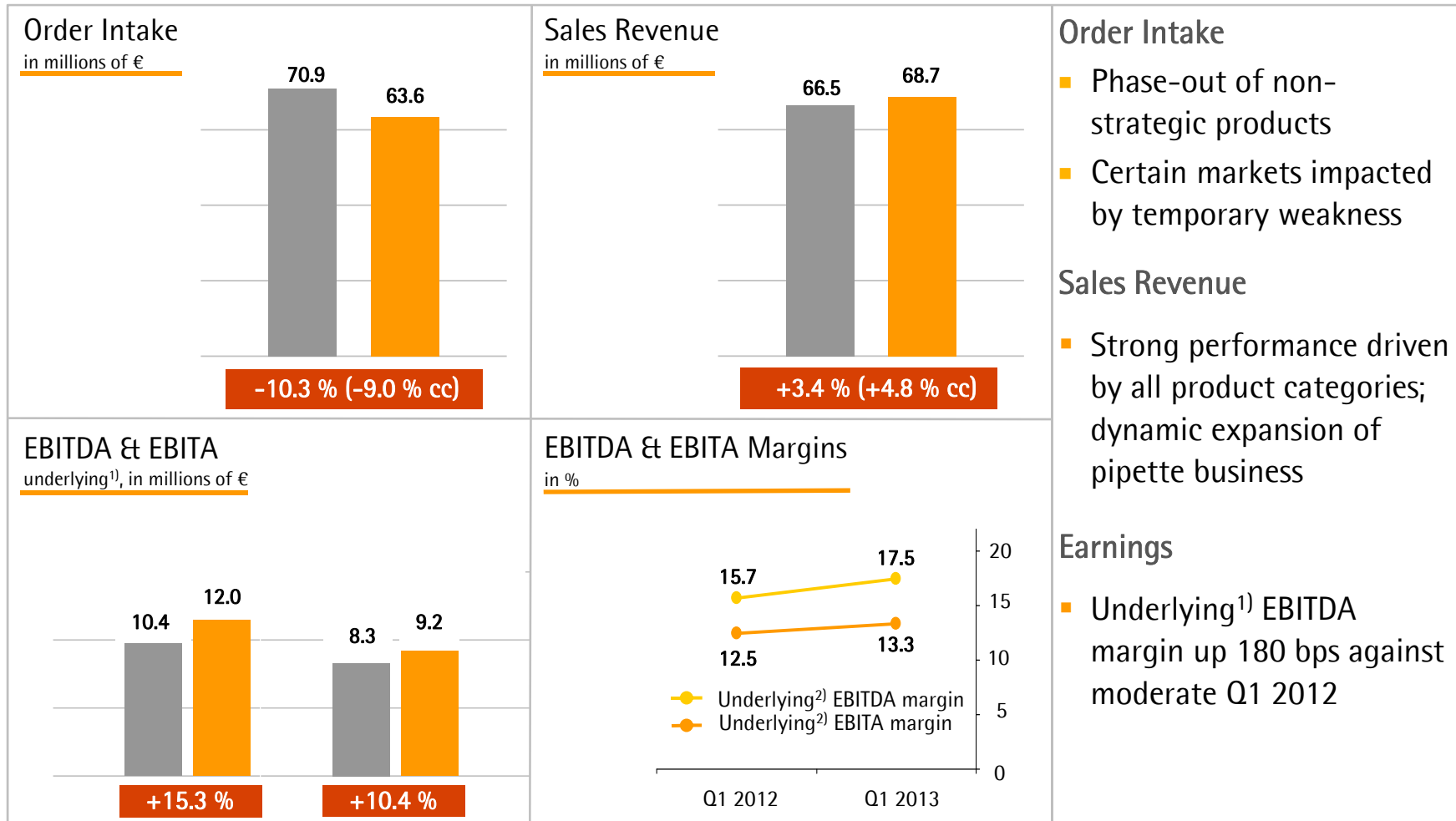


■ Q1 2012   ■ Q1 2013

¹) cc = Constant currencies    ²) Excluding extraordinary items

## Lab Products & Services:

# Sales and Margins on Track; OI Impacted by Special Factors

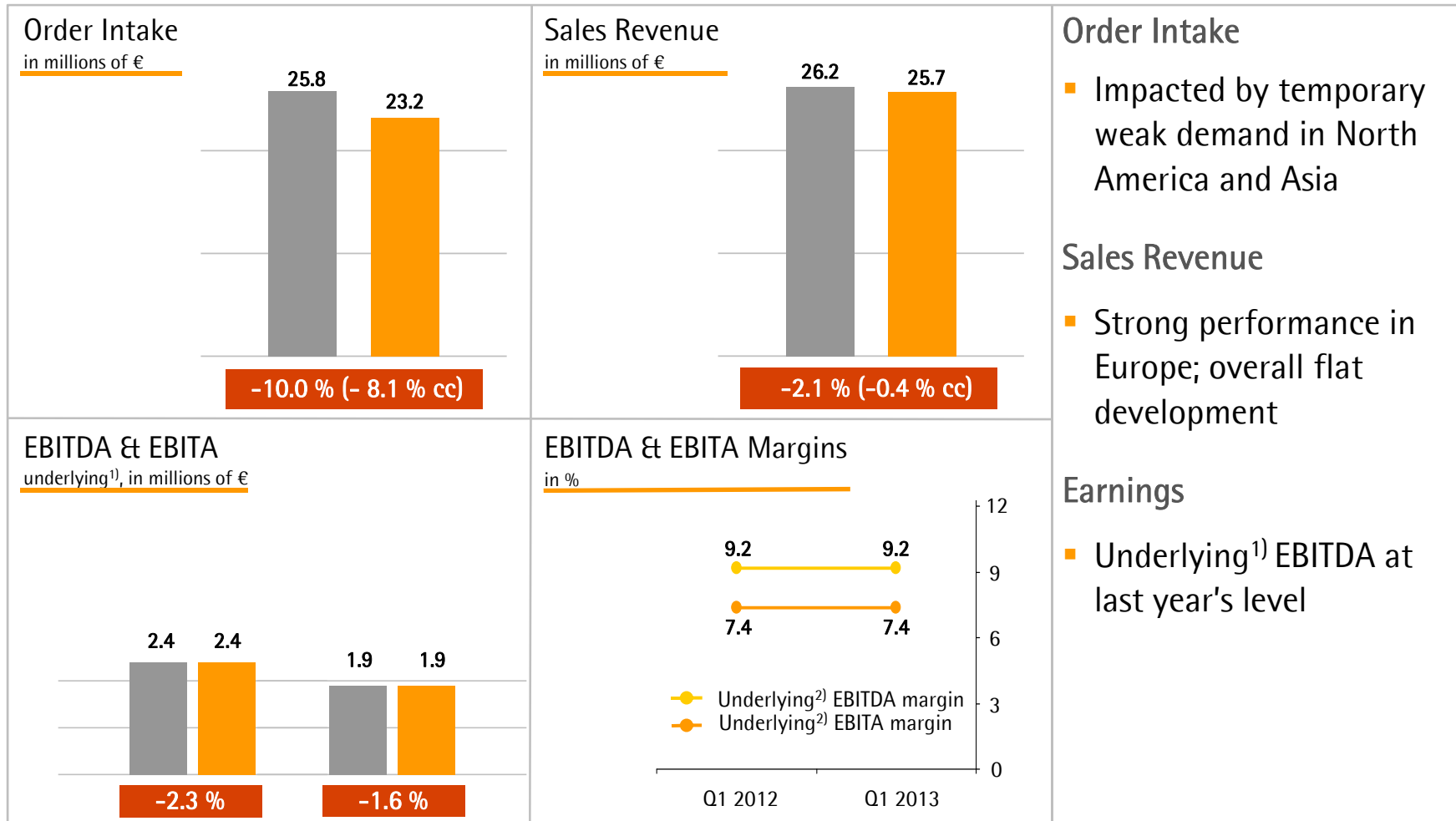


■ Q1 2012   ■ Q1 2013

<sup>1)</sup> Excluding extraordinary items



# Industrial Weighing: Stable Performance in Sales and Earnings; Temporary Weak Demand from NA and Asia



■ Q1 2012   ■ Q1 2013

<sup>1)</sup> Excluding extraordinary items

## Robust Bottom-Line Expansion and Cash Flow Performance

Sartorius Group in millions of € (unless otherwise specified)	3M 2012	3M 2013	Change in %	
Underlying <sup>1)</sup> EBITDA	36.2	39.3	8.5	<ul style="list-style-type: none"> <li>Q1 2012 financial result included gains from valuation adjustments of hedging instruments</li> </ul>
Extraordinary items	-3.2	-1.0	70.1	<ul style="list-style-type: none"> <li>Previous year's operating cash flow included €13mn tax payment due to implementation of holding structure</li> </ul>
Financial result	-0.8	-3.3	-334.4	
Underlying <sup>1)2)</sup> net profit after non-controlling interest	14.1	14.8	5.1	<ul style="list-style-type: none"> <li>Investments include payments related to acquisition of cell culture media business from Lonza</li> </ul>
Net operating cash flow	-15.7	11.3	n.a.	
Net investing cash flow <sup>2)</sup>	-19.0	-24.7	-30.3	

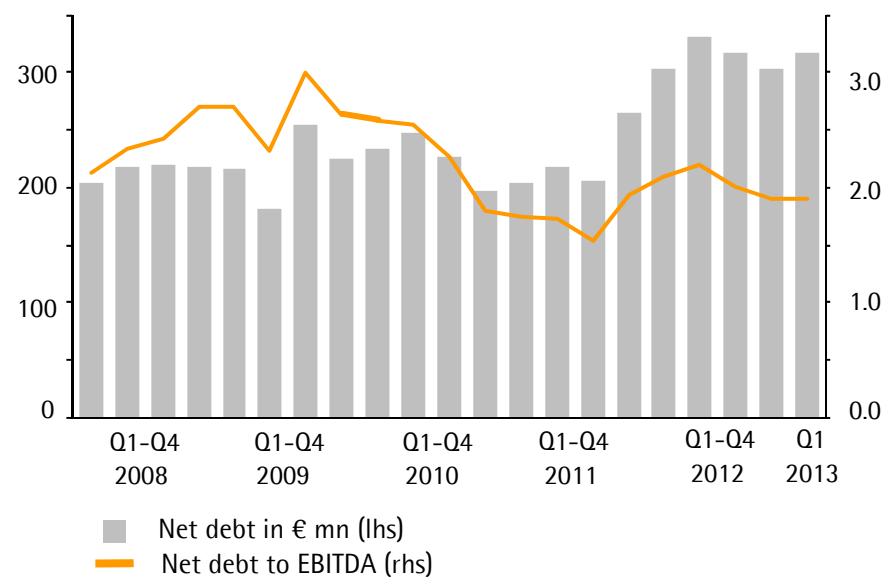
<sup>1)</sup> Excluding extraordinary items <sup>2)</sup> Net cash flow from investing activities and acquisitions

## All Key Financial Indicators at Comfortable Levels

### Key Financial Indicators

Sartorius Group	Dec 31, 2012	March 31, 2013
Equity ratio in %	37.8	38.7
Net debt in millions of €	303.8	317.7
Gearing ratio	0.8	0.7
Net debt to underlying <sup>1)</sup> EBITDA	1.9	1.9
Interest coverage <sup>1)</sup>	17.0	17.7

### Net Debt to EBITDA<sup>1)2)</sup>



<sup>1)</sup> Excluding extraordinary items

## Group Guidance Confirmed; Division Mix Might Be Different

	Sales revenue growth <sup>1)</sup>	Underlying EBITDA margin <sup>1)2)</sup> (after restatement)	Comment
Sartorius Group	6% - 9%	~19.5%	
Bioprocess Solutions	9% - 12%	~22.5%	Including ~3-4 pct. points due to Lonza cooperation
Lab Products & Services	3% - 6%	~17.5%	Assuming stable macro-economic environment
Industrial Weighing	0% - 3%	~11.5%	

- Update of division guidance in H1 2013 reporting
- CAPEX ratio expected to be around 7%

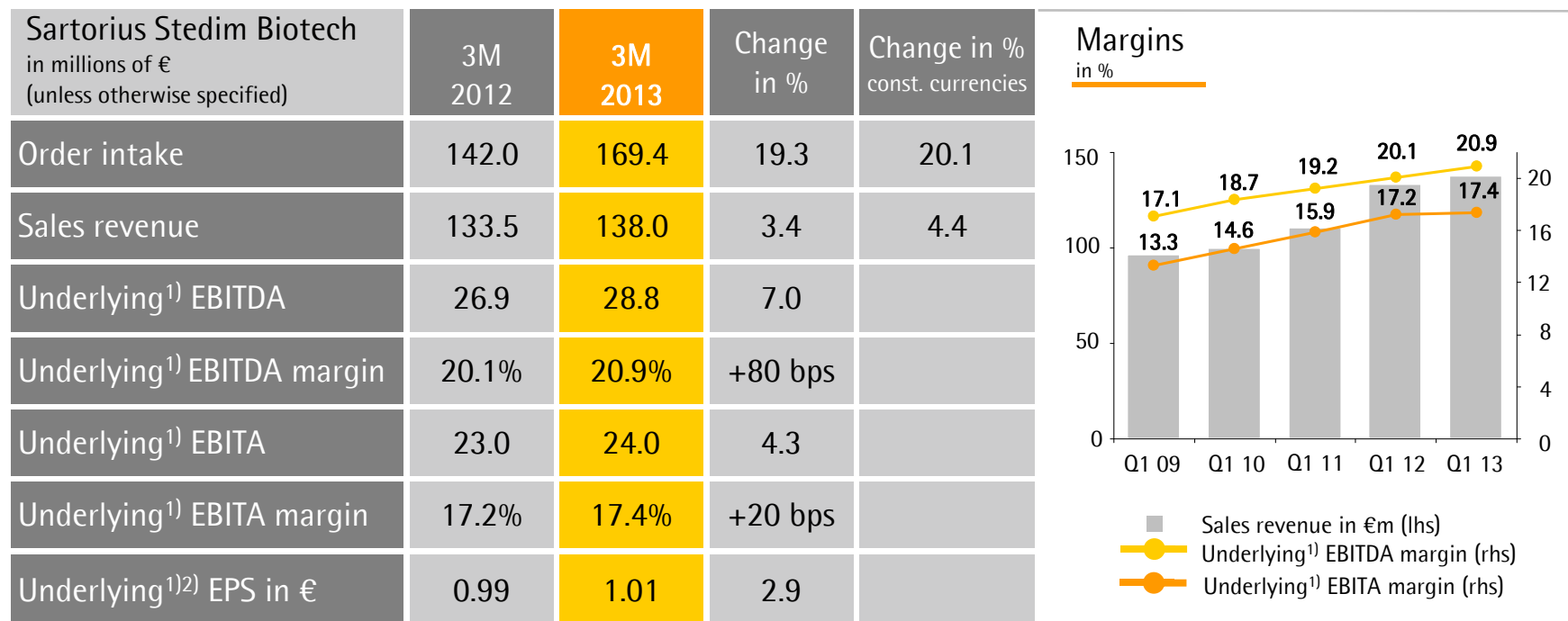
<sup>1)</sup> In constant currencies <sup>2)</sup> Excluding extraordinary items



Sartorius Stedim Biotech  
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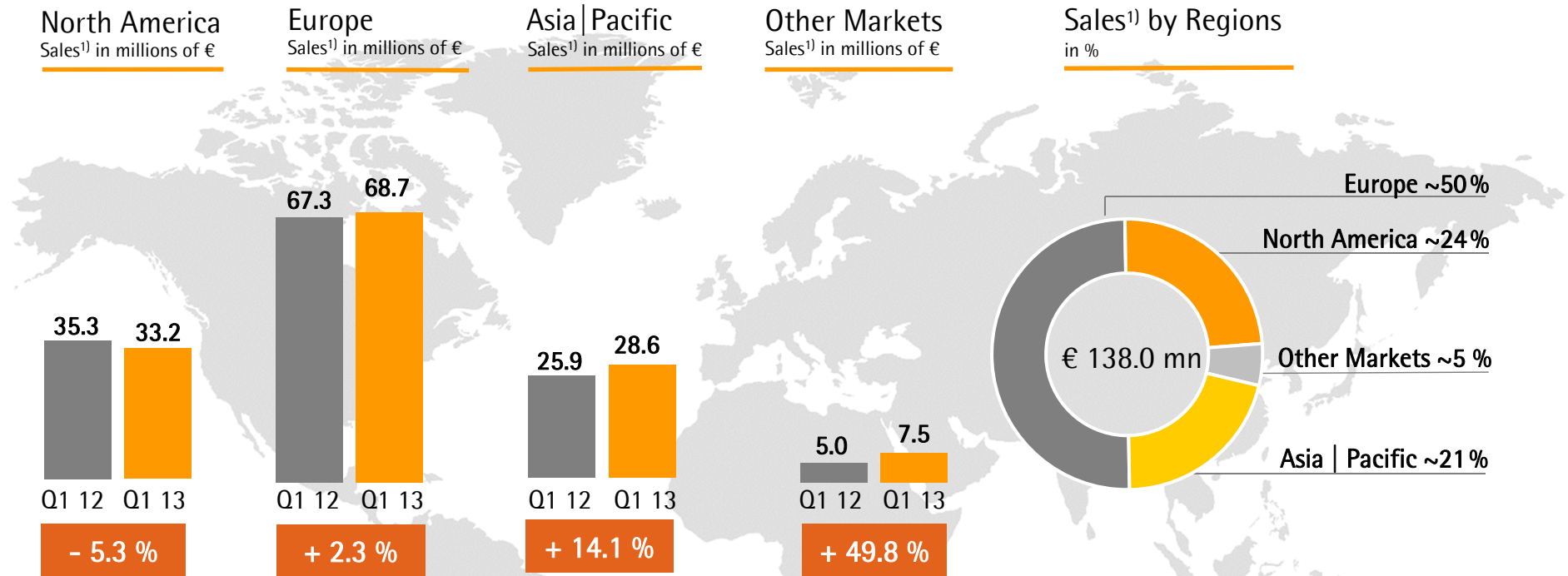
## SSB Group Continues on the Growth Track



- Order intake: Continued strong demand for single-use products; ~50% of growth related to special impulses, especially large equipment orders
- Sales revenue: High base in Q1 2012; growth driven by both single-use products and equipment
- Underlying EBITDA: 80 bps gain supported by top-line growth

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

# Asia with Double-Digit Growth; High Comps in North America



Growth in constant currencies

- Sales in North America compare against a very strong Q1 2012; double-digit growth in order intake
- Robust gains in sales revenue in Europe
- Substantial business expansion in Asia driven by single-use products

<sup>1)</sup> According to customers' location



## Robust Bottom-Line Growth; Strong Operating Cash Flow

Sartorius Stedim Biotech in millions of € (unless otherwise specified)	3M 2012	3M 2013	Change in %
Underlying <sup>1)</sup> EBITDA	26.9	28.8	7.0
Extraordinary items	-1.8	-0.2	86.8
Financial result	0.5	-1.7	n.a.
Underlying <sup>1)2)</sup> net profit after non-controlling interest	15.1	15.6	2.9
Net operating cash flow	4.1	7.0	71.4
Net investing cash flow	-14.7	-21.1	-43.0

- Previous year's financial result included substantial gains from valuation adjustments of hedging instruments
- Investments include payments related to acquisition of cell culture media business from Lonza

<sup>1)</sup> Excluding extraordinary items <sup>2)</sup> Net cash flow from investing activities and acquisitions

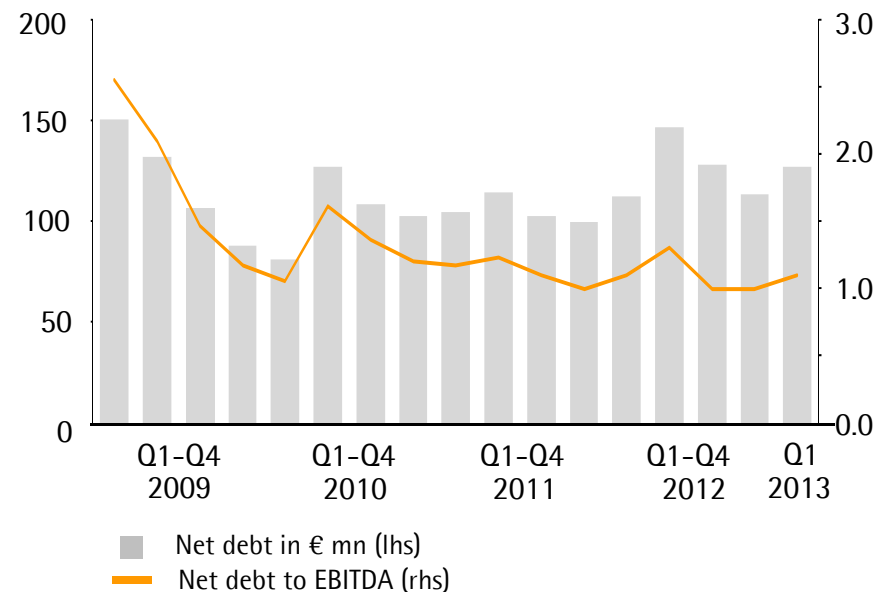


## All Key Financial Indicators at Very Comfortable Levels

### Key Financial Indicators

Sartorius Stedim Biotech	Dec. 31, 2012	March 31, 2013
Equity ratio in %	54.8	55.9
Net debt in millions of €	113.7	127.2
Gearing ratio	0.3	0.3
Net debt to underlying <sup>1)</sup> EBITDA	1.0	1.1
Interest coverage ratio <sup>1)</sup>	27.9	28.4

### Net Debt to EBITDA<sup>1)</sup>



<sup>1)</sup> Excluding extraordinary items

## FY Guidance Confirmed

	Sales revenue growth <sup>1)</sup>	Underlying EBITDA margin <sup>1)2)</sup>	Comment
Sartorius Stedim Biotech	8% - 11% <sup>1)</sup>	~22.5%	Including ~3 pct. points due to Lonza cooperation

- CAPEX ratio expected to be around 7%

<sup>1)</sup> In constant currencies <sup>2)</sup> Excluding extraordinary items



Thank You Very Much  
For Your Attention