

Business figures for the first half of 2018: Sartorius records double-digit sales growth

- Group sales revenue up 11.9%; order intake up 12.7%; earnings margin¹⁾ 25.0%
- Both divisions with dynamic business performance
- Management raises sales forecast for the full year of 2018

Göttingen, July 24, 2018 – Sartorius, a leading international partner of the biopharmaceutical industry and the research sector, continued on the growth track, with significant increases in sales revenue and earnings. "The first half of 2018 was very successful overall for Sartorius," commented CEO Joachim Kreuzburg on the results after six months. "We grew dynamically in our two divisions and in all regions and, despite currency headwinds, further increased our profit margin. Due to the dynamics that were slightly above our expectations in Bioprocess Solutions, we have raised our sales forecast for this division and thus for the entire Group."

Business development of the Sartorius Group

In the first half of 2018, Sartorius increased its sales revenue by 11.9% (reported: +8.0%) in constant currencies to 758.4 million euros. Acquisitions contributed around 2 percentage points to this positive business performance. Order intake rose somewhat more strongly than sales revenue and was up 12.7% (reported: +8.9%).

Regionally, the Americas recorded the highest dynamics. Sales in this region were up 16.6% to 249.6 million euros, relative to a moderate revenue base in the previous year. In Asia|Pacific, Sartorius also grew by double digits, with sales up 12.2% to 184.4 million euros, while the company achieved higher revenue in the EMEA²⁾ region, recording 324.4 million euros, 8.4% up from the comparable period a year ago (regional growth rates in constant currencies).

Earnings also increased robustly: Underlying EBITDA rose 9.6% to 189.5 million euros, despite negative currency effects that occurred especially in the first quarter. The Group's underlying EBITDA margin improved to 25.0% compared with 24.6% a year ago. Relevant net profit³⁾ for the Group grew even more significantly, by 14.1% from 69.9 million euros to 79.8 million euros. This corresponds to earnings per ordinary share of 1.16 euros (H1 2017: 1.02 euros) and per preference share of 1.17 euros (H1 2017: 1.03 euros).

The Group's key financial indicators continued to remain at robust levels. At the end of the reporting period, the company's equity ratio was 34.9% and its ratio of net debt to underlying EBITDA¹⁾ stood at 2.6 (Dec. 31, 2017: 35.1% and 2.5, respectively). The first-half capex ratio was 13.2%, approximately at the previous year's level and thus within the planned range. Investment activities continued to focus on expansion of the plant for manufacturing single-use bags and filters in Puerto Rico, as well as on the combination and expansion of Group headquarters and production capacity levels in Göttingen, Germany.

As of the reporting date on June 30, 2018, Sartorius employed 7,738 people worldwide, 237 more than as of December 31, 2017 (approx. +3%).

Business development of the divisions

The Bioprocess Solutions Division, which offers a wide array of innovative technologies for the manufacturing of biopharmaceuticals, recorded sales growth of 11.9% in constant currencies to 550.3 million euros (reported: +7.9%) after dynamic business performance in the second half. Consolidation of Umetrics acquired in the previous year contributed close to one percentage point of non-organic growth to sales expansion. Order intake also rose slightly more strongly than expected, up 12.6% in constant currencies (reported: +8.7%).

Underlying EBITDA for the division increased by 10.0% to 153.9 million euros due to economies of scale and despite negative currency effects. The division's corresponding margin was 28.0% relative to 27.4% in the prior-year period.

The Lab Products & Services Division, which offers products and technologies for laboratories primarily in the pharma sector and for life science research, grew by double digits, with sales up 12.0% in constant currencies (reported: +8.1%) to 208.1 million euros. While the division's organic growth was around 7%, the prior-year acquisition of Essen BioScience, a specialist in cell analysis, contributed non-organic growth of around 5 percentage points. First-half order intake for the division was up 13.1% in constant currencies (reported: +9.2%).

Recording a gain of 7.8%, Lab Products & Services increased its underlying EBITDA from 33.0 million euros to 35.5 million euros. Within the context of the less favorable currency environment its margin remained at the prior-year figure of 17.1%.

Forecast for the full year of 2018 raised

In view of strong business performance in the first half of 2018, management has raised its sales forecast for the Bioprocess Solutions Division and thus for the entire Group. Consolidated sales revenue is projected to grow by about 12% to 15% (previous guidance: 9% to 12%). The Group's underlying EBITDA margin is still expected to increase by 0.5 percentage points compared with the year-earlier figure of 25.1%.

Given the dynamic growth of sales revenue and order intake in the first half for the Bioprocess Solutions Division, management now projects that division sales will increase by about 12% to 15% (previous guidance about 8% to 11%). This figure includes a non-organic growth contribution of slightly less than 0.5 percentage points. The division's underlying EBITDA margin is forecasted to gain about half a percentage point over the prior-year figure of 28.0%.

For the Lab Products & Services Division, guidance remains unchanged. Sartorius expects division sales to grow by about 12% to 15%, which includes more than 2.5 percentage points of non-organic growth expected to be contributed by Essen BioScience that was consolidated as of the end of March in 2017. The division's underlying EBITDA margin is projected to rise by around one percentage point (previous year: 18.0%).

All forecasts are based on constant currencies. Due to the latest foreign exchange developments, our results reported in actual currencies may differ. We will explain any particular effects that occur during 2018.

- ¹⁾ Sartorius uses underlying EBITDA (earnings before interest, taxes, depreciation and amortization; adjusted for extraordinary items) as the key profitability indicator
- ²⁾ EMEA = Europe | Middle East | Africa
- ³⁾ After non-controlling interest, adjusted for extraordinary items and non-cash amortization, as well as based on the normalized financial result and corresponding tax effects.

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Current image files

Joachim Kreuzburg, CEO and Executive Board Chairman of Sartorius AG
www.sartorius.com/fileadmin/media/global/company/Sartorius_Kreuzburg.jpg

Sartorius products used in the manufacture of medications
https://www.sartorius.com/mediafile/corp/Sartorius_0232_PG9_01_RGB.jpg

Sartorius products used in pharmaceutical research
www.sartorius.com/mediafile/corp/Sartorius_0424_PG14.jpg

Conference call

Joachim Kreuzburg, CEO and Executive Board Chairman of Sartorius, and Rainer Lehmann, CFO of Sartorius, will discuss the company's business results with analysts and investors on Tuesday, July 24, 2018, at 3:30 p.m. Central European Time (CET) in a teleconference. You may register by clicking on the following link:
<http://services.choruscall.de/DiamondPassRegistration/register?confirmationNumber=2924053&linkSecurityString=122e29ee9>

Alternatively, you can dial into the teleconference, without registering, at:
+49 (0) 69 566 03 6000

The company presentation will be available on July 24, 2018, starting at 3:15 p.m. CET, for viewing on our website at:
<http://www.sartorius.com/com/group/investor-relations/sartorius-ag/>

Upcoming financial date:

October 23, 2018 Publication of nine-month figures (January to September 2018)

A profile of Sartorius

The Sartorius Group is a leading international pharmaceutical and laboratory equipment provider with two divisions: Bioprocess Solutions and Lab Products & Services. Bioprocess Solutions with its broad product portfolio focusing on single-use solutions helps customers produce biotech medications and vaccines safely and efficiently. Lab Products & Services, with its premium laboratory instruments, consumables and services, concentrates on serving the needs of laboratories performing research and quality assurance at pharma and biopharma companies and on those of academic research institutes. Founded in 1870, the company earned sales revenue of more than 1.4 billion euros in 2017. More than 7,500 people work at the Group's approximately 50 manufacturing and sales sites, serving customers around the globe.

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Key Figures for the First Half of 2018

In millions of € (unless otherwise specified)	Sartorius Group				Bioprocess Solutions				Lab Products & Services			
	H1 2018	H1 2017 ⁵⁾	Δ in % Reported	Δ in % cc ¹⁾	H1 2018	H1 2017 ⁵⁾	Δ in % Reported	Δ in % cc ¹⁾	H1 2018	H1 2017 ⁵⁾	Δ in % Reported	Δ in % cc ¹⁾
Sales Revenue and Order Intake												
Sales revenue	758.4	702.5	8.0	11,9	550.3	510.1	7.9	11,9	208.1	192.4	8.1	12.0
- EMEA ²⁾	324.4	301.8	7.5	8,4	229.5	208.5	10.0	10,7	94.9	93.3	1.8	3.3
- Americas ²⁾	249.6	228.5	9.3	16,6	195.8	181.3	8.0	15,4	53.9	47.2	14.1	20.9
- Asia Pacific ²⁾	184.4	172.2	7.1	12,2	125.1	120.3	4.0	8,9	59.3	51.9	14.2	19.9
Order intake	807.6	741.9	8.9	12,7	594.6	546.9	8.7	12,6	213.0	195.0	9.2	13.1
Earnings												
EBITDA ³⁾	189.5	172.9	9.6		153.9	140.0	10.0		35.5	33.0	7.8	
EBITDA margin ³⁾ in %	25.0	24.6			28.0	27.4			17.1	17.1		
Net profit for the period ⁴⁾	79.8	69.9	14.1									
Financial Data per Share												
Earnings per ordinary share ⁴⁾ in €	1.16	1.02	14.1									
Earnings per preference share ⁴⁾ in €	1.17	1.03	14.0									

¹⁾ In constant currencies

²⁾ Acc. to the customer's location

³⁾ Adjusted for extraordinary items

⁴⁾ After non-controlling interest, adjusted for extraordinary items and non-cash amortization, as well as based on the normalized financial result and corresponding tax effects

⁵⁾ The previous year's figures have been restated due to the finalization of the purchase price allocations for the acquisitions of 2017