Investors Presentation

H1 2019 Results
Disclaimer

This presentation contains statements concerning Sartorius Stedim Biotech Group's future performance. 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.
Overview and Strategy
Mid-term Growth Prospects
FY 2019 Guidance | H1 2019 Results
Appendix
Sartorius Stedim Biotech at a glance

Industry focus
A leading partner of the biopharma industry

Clear mission
Making process development and production processes of innovative biologics more efficient

Attractive market
Biopharma market fueled by strong long-term growth drivers

Strong positioning
Double-digit market share in key technologies

Stable business
Diversified revenue base and high share of recurring revenues

~ €1.21bn
Sales revenue

~15%
Sales CAGR\(^1\) 2013-2018

28.2%
EBITDA margin\(^2\)

>20
Countries

~5,600
Employees

Based on FY 2018 figures  \(^1\) In constant currencies  \(^2\) Excluding extraordinary items
Covering most steps of the biopharma process chain

- Production process design is inalterable for the lifetime of most drugs
- Individually customized production process required for all drugs
- Decisions for process design, and thus supplier selection, are typically made during clinical trials
Strong market fundamentals

- Favorable demographics: 9bn people by 2050; >2bn 60 yrs or older
- Increasing healthcare spending: +6.4% CAGR worldwide for prescription drug sales 2018–2025
- Rise of biosimilars: ~30% CAGR for biosimilar sales 2018–2022
- Strong R&D pipeline; advances in gene and cell therapy: >40% Share of biologics in pharma R&D pipeline

~8% CAGR for biopharma market 2018–2025
Sales revenue more than doubled over the last 6 years

Sales CAGR ~ +14%
EBITDA\(^1\) margin +7.3pp

Sales growth and CAGR in constant currencies \(^1\) Excluding extraordinary items

\(\text{€}477\text{m}  \quad 20.9 \quad 21.5 \quad 23.0 \quad 23.5 \quad 26.2 \quad 27.5 \quad 27.3 \quad 28.2\)
M&A strategy – adding innovation, enhancing focus

- Portfolio: Complementary products or technologies
- Market Position: Either among the Top 3 or unique selling point
- Integration: Management capacity; cultural fit
- Price: Fair valuation; reach Sartorius’ profitability level in 2-3 years
**Leading positions in key technology platforms**

<table>
<thead>
<tr>
<th></th>
<th>Sartorius</th>
<th>Merck</th>
<th>Millipore</th>
<th>Danaher</th>
<th>Pall</th>
<th>Thermo Fisher</th>
<th>GE</th>
<th>Top 3 Players</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cell Culture Media(^1)</td>
<td>![Diagram]</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1. Thermo Fisher 2. Merck</td>
</tr>
</tbody>
</table>

*Pie charts indicate completeness of product offering*

\(^1\) As of 2019, changes to sales alliance in cell culture media with Lonza
\(^2\) Danaher announced acquisition of GE Biopharma; transaction is expected to be completed in Q4 2019
Leader in the growing single-use technology market

Single-use products offer advantages over conventional stainless-steel devices

- Capex/Opex reduction over entire lifecycle
- Reduced risk of cross-contamination
- Higher flexibility; advantageous for biosimilars

Single-use market penetration expected to increase from ~35% to ~75%
Limited dependence on individual accounts

- More than half of 2018 BPS sales were generated with the Top 50 customers
- No individual customer accounts for more than 5% of BPS sales revenue
- No single drug accounts for more than 3% of BPS sales revenue

Sales to Top 50 customers in 2018, € in millions

<table>
<thead>
<tr>
<th>Group</th>
<th>Cumulative Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 10</td>
<td>~25%</td>
</tr>
<tr>
<td>11 to 20</td>
<td>~35%</td>
</tr>
<tr>
<td>21 to 30</td>
<td>~45%</td>
</tr>
<tr>
<td>31 to 40</td>
<td>~50%</td>
</tr>
<tr>
<td>41 to 50</td>
<td>~55%</td>
</tr>
</tbody>
</table>

Limited dependence on individual accounts

Long-term business relationships with leading global (bio-)pharma companies
Agenda

Overview and Strategy

Mid-term Growth Prospects

FY 2019 Guidance | H1 2019 Results

Appendix
Sartorius 2025 targets and initiatives

Strategic initiatives

Regional
• Participate in strong Chinese market growth
• Continue to outperform the important U.S. market

Portfolio
• Add high-impact innovation, e.g. digital tools
• Enhance process development capabilities
• Expand into adjacent applications

Operations
• Accelerate workflows across the organization through digitalization
• Extend manufacturing base in Asia

2025 targets are based on 2017 currency exchange rates; non-organic revenue growth is accounted for companies acquired from 2018 and onwards; EBITDA excluding extraordinary items

2025 targets
~ €2.8 bn
Sales revenue
~ 30%
EBITDA margin
U.S. remains most important market; China with highest growth rates

Biologics market growth forecast
CAGR 2018 to 2022, € in billions

- Biologic market in China is at an early stage, but has strong growth potential
- Supportive regulatory environment and solid industry foundation; biopharma considered a priority sector
- Growth of fermentation capacity in China of 80% (2018 to 2022)
Continuous market share gains in the Americas

Sales growth Americas

~ +16% CAGR\(^1\) 2011-18

130.9

\(\text{\(\rightarrow\)}\)

422.6

2011

2018

Footprint

Mexico City

New Oxford

Bohemia

Yauco

Production

Sales

Sales share Americas

2011: 27%

2018: 35%

Key initiatives:

- U.S. sales organization established
- Investment into optimized go-to-market approach
- Portfolio enhanced through 6 acquisitions
- Process development lab opened in Boston
Business development in Asia in line with strong market growth

Sales growth Asia

~ +17% CAGR\(^1\) 2011-18

Key initiatives:
- Investment into optimized go-to-market approach
- New sales and marketing headquarter in Shanghai
- Application and validation lab established
- Ambition to extend manufacturing base in Asia
Biosimilars: Strong growth, big opportunities

- Major blockbuster biologics are going off-patent
- Time-to-market is key as only the first providers are most likely profitable
- Several approvals in Asia and Europe; U.S. at the beginning
- For now, relatively small market but with strong growth
- Single-use is the preferred platform for biosimilars

Biosimilars will outperform the biologics market
€ in billions

Growing number of biosimilar approvals
E.U. and U.S.
The biopharma market is not yet mature, but is maturing

... not mature because
- Underpenetrated global market
- Strong flow of innovation
- Time-consuming product development

... but maturing because
- Increasing importance of product costs and time to market
- Robustness and ease of use of tools are becoming more important
- Companies invest in market consolidation

Cumulative investment and absolute survival rate in drug development

Digitalization is arriving in biopharma

- Enhanced process control and robustness
- Improved product quality
- Predictive process control

Sartorius offers the leading software for bioprocess data analytics

- Powerful solutions for modeling and optimizing development and manufacturing
- Help to gain insights from complex data sets
- Data analytics just at the beginning in biomanufacturing and shows high potential
Four strong pillars drive above-average growth

- Pharma market: CAGR 4-7%
- Biopharma market: CAGR ~8%
- Single-use penetration: Double-digit growth
- Market share gains: Esp. in North America

1) CAGR 2013 to 2019e, excluding FX effects and acquisitions
2) Midpoint of 2019 guidance
Agenda

Overview and Strategy

Mid-term Growth Prospects

FY 2019 Guidance | H1 2019 Results

Appendix
Dynamic growth driven by high demand across the entire portfolio

**Sartorius Stedim Biotech Group**
in millions of € unless otherwise specified

<table>
<thead>
<tr>
<th></th>
<th>H1 2018</th>
<th>H1 2019</th>
<th>Δ in %</th>
<th>Δ in % cc 1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue</td>
<td>585.7</td>
<td>709.3</td>
<td>+21.1</td>
<td>+19.0</td>
</tr>
<tr>
<td>Order intake</td>
<td>630.1</td>
<td>778.1</td>
<td>+23.5</td>
<td>+21.5</td>
</tr>
<tr>
<td>Underlying EBITDA 2)</td>
<td>162.8</td>
<td>205.3</td>
<td>+26.2</td>
<td></td>
</tr>
<tr>
<td>Underlying EBITDA 2) margin in %</td>
<td>27.8</td>
<td>28.9</td>
<td>+1.1pp</td>
<td></td>
</tr>
<tr>
<td>Underlying EPS 3) per share in €</td>
<td>1.12</td>
<td>1.42</td>
<td>+26.4</td>
<td></td>
</tr>
</tbody>
</table>

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

- Strong demand across all product categories; project business stands out
- Effects of modified setup of the cell culture media business started to play a role in Q2; full effect on sales expected in H2
- Underlying EBITDA margin rises due to economies of scale and changes to the IFRS accounting rules
Growth in all regions, Asia|Pacific with highest momentum

- **Americas**: Strong development relative to high comps
- **EMEA**: Dynamic, above-market growth
- **Asia|Pacific**: High momentum in sales and order intake accelerated in Q2; driven by project business

![Sales by Region](image)

Acc. to customers’ location; growth in constant currencies
Significant increase in operating cash flow

**Sartorius Stedim Biotech Group**

€ in millions unless otherwise specified

<table>
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<tr>
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<th>H1 2018</th>
<th>H1 2019</th>
<th>△ in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Underlying EBITDA</td>
<td>162.8</td>
<td>205.3</td>
<td>+26.2</td>
</tr>
<tr>
<td>Extraordinary items</td>
<td>-6.3</td>
<td>-6.0</td>
<td>+5.1</td>
</tr>
<tr>
<td>Financial result</td>
<td>-5.2</td>
<td>-2.8</td>
<td>+45.9</td>
</tr>
<tr>
<td>Underlying net profit&lt;sup&gt;1,2&lt;/sup&gt;</td>
<td>103.7</td>
<td>131.1</td>
<td>+26.4</td>
</tr>
<tr>
<td>Reported net profit&lt;sup&gt;2&lt;/sup&gt;</td>
<td>91.0</td>
<td>120.9</td>
<td>+32.9</td>
</tr>
<tr>
<td>Operating cash flow</td>
<td>106.1</td>
<td>140.0</td>
<td>+32.0</td>
</tr>
<tr>
<td>Investing cash flow&lt;sup&gt;3&lt;/sup&gt;</td>
<td>-91.6</td>
<td>-63.8</td>
<td>+30.3</td>
</tr>
<tr>
<td>CAPEX ratio (in %)&lt;sup&gt;4&lt;/sup&gt;</td>
<td>15.9</td>
<td>9.0</td>
<td>-6.9pp</td>
</tr>
</tbody>
</table>

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  
4) As of 2019, CAPEX is based on cash flow instead of balance sheet computation; CAPEX ratio H1 2018 restated: 15.6%

- Operating cash flow mostly driven by higher earnings
- Investing cash flow improves on reduced CAPEX ratio
- CAPEX in H1 2018 was influenced by acquisition of software-related assets from Sartorius AG
Financial position remains strong

### Key Financial Indicators

<table>
<thead>
<tr>
<th>Sartorius Stedim Biotech</th>
<th>Dec. 31, 2018</th>
<th>Jun. 30, 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity ratio in %</td>
<td>66.5</td>
<td>65.4</td>
</tr>
<tr>
<td>Net debt in millions of €</td>
<td>125.7</td>
<td>145.3</td>
</tr>
<tr>
<td>Net debt</td>
<td>underlying EBITDA</td>
<td>0.4</td>
</tr>
</tbody>
</table>

- Equity ratio decreased slightly mainly as a result of the change in accounting rules
Infrastructure prepared for further organic growth

CAPEX ratio in %

<table>
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<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>9.2</td>
<td>5.8</td>
<td>6.5</td>
<td>6.2</td>
<td>7.6</td>
<td>12.6</td>
<td>14.6</td>
<td>~11</td>
</tr>
</tbody>
</table>

1) Based on 2018 guidance

CAPEX composition 2019

- Major projects: ~X%
- Regular expansion: 3%
- Cap. R&;D: 2%
- Maintenance: 3%

Yauco, Puerto Rico
Doubling of fluid management and filter capacities

Goettingen, Germany
Consolidation of two sites; significant capacity expansion

Aubagne, France
Capacity extension of bag production

Group-wide
New IT systems for more efficient business processes
# Outlook for 2019

<table>
<thead>
<tr>
<th>FY 2019 Guidance (^1)</th>
<th>Previous</th>
<th>New</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue growth</td>
<td>~ 7% - 11%</td>
<td>~ 12% - 16%</td>
</tr>
<tr>
<td>Underlying EBITDA margin</td>
<td>slightly more than + 1pp</td>
<td>slightly more than + 1pp</td>
</tr>
<tr>
<td>CAPEX ratio</td>
<td>~ 11%</td>
<td>~ 11%</td>
</tr>
</tbody>
</table>

\(^1\) In constant currencies

- Of the margin increase ~ 0.5pp should be operational; remainder due to mandatory IFRS 16 changes
Appendix
Sartorius shares – an attractive investment

- Biopharma market fueled by long-term growth drivers
- Leading market positions in key technologies and high brand awareness
- Global presence with strong base in growth regions
- High entry barriers, low price-sensitivity and consolidated competitive landscape
- Diversified revenue base and high share of recurring revenues provide low volatility
- Proven growth track record: Sales CAGR of ~15% over the last five years
Share price performance

<table>
<thead>
<tr>
<th>Share key facts</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>ISIN</td>
<td>FR0013154002</td>
</tr>
<tr>
<td>Ticker</td>
<td>DIM</td>
</tr>
<tr>
<td>Number of shares</td>
<td>92,180,190</td>
</tr>
<tr>
<td>Indices</td>
<td>SBF 120</td>
</tr>
<tr>
<td>Market cap.¹)</td>
<td>€13.6bn</td>
</tr>
</tbody>
</table>

¹) As of July 19, 2019
Strong worldwide presence
Extract of the Bioprocess Solutions' product portfolio

Filtration

Fluid Management

Purification

Fermentation & Cell Culture Media
On track to meet 2020 targets

2020 targets are based on 2015 currency exchange rates; EBITDA excluding extraordinary items.

Strategic initiatives

Regional
• Further grow sales force effectiveness ✓
• Gain share in North America ✓
• Leverage market growth in Asia ✓

Portfolio
• Alliances and acquisitions ✓
• Own product development ✓

Infrastructure
• Continued capacity expansion ✓
• Drive digitalization and roll-out of efficient IT systems ✓

2020 targets

~ €1.5–1.6 bn
Sales revenue

~ 4|5
EBITDA margin

~ 1|5
Organic

~ 29–30%
Acquisitions
Financial calendar and contacts

- **August 27, 2019**  
  Commerzbank Sector Conf. | Frankfurt

- **August 28, 2019**  
  Hauck & Aufhaeuser Roadshow | Zurich

- **September 05, 2019**  

- **September 09, 2019**  
  Morgan Stanley Global HC Conf. | New York

- **September 10, 2019**  
  Janney HC Conf. | New York

- **September 24–25, 2019**  
  GS / Berenberg German Corporate Conf. | Munich

- **September 30, 2019**  
  Mainfirst Roadshow | Stockholm

- **October 22, 2019**  
  Publication Nine-Month Results 2019 | Göttingen

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