



sartorius stedim  
biotech



Sartorius Stedim Biotech Group  
First-Quarter Report  
January to March 2009

# Business Development and Outlook

- **Dynamic start into fiscal 2009**
- **Significant growth in order intake (+6.3%) and sales revenue (+6.1%)**
- **Overproportionate earnings increase to €12.6 million; EBITA margin jumped from 10.3% to 13.0%**
- **Sales growth and overproportionate increase in earnings expected for fiscal 2009**

## Order Intake

First-quarter order intake for the Sartorius Stedim Biotech Group in 2009 rose 6.3% from €98.5 million to €104.7 million. On the basis of constant currencies, this equates to a gain of 3.3%. Essentially, high-margin business with single-use products for biopharmaceutical applications fueled this increase at clearly double-digit growth rates. The dynamic growth trend of the last months of 2008 thus continued on into the first quarter of 2009. In North America, where measures for inventory reduction on the part of our customers were largely completed by the end of 2008, demand even increased by more than a third compared with the year-earlier quarter. In Europe and Asia | Pacific, business with single-use products also grew; however, overall order intake fell in this region. This can be attributed to the exceptionally high order intake for equipment business in the previous year.

## Sales Revenue

The Sartorius Stedim Biotech Group increased its sales revenue by 6.1% from €91.3 million to €96.8 million. Based on constant currencies, sales revenue grew 3.6%. This growth was driven by products in the segment of single-use technology. We reported the highest rates of increase in North America and Asia | Pacific.



## Key Figures

Unaudited financial data € in millions (unless otherwise specified)	1st quarter 2009	1st quarter 2008	Change in %	Change in % (in constant currencies)
Sales revenue	<b>96.8</b>	91.3	+6.1	+3.6
- Europe <sup>1)</sup>	<b>57.0</b>	58.1	-2.0	-0.1
- North America <sup>1)</sup>	<b>23.7</b>	19.2	+23.5	+7.7
- Asia   Pacific <sup>1)</sup>	<b>12.1</b>	11.3	+7.5	+4.5
- Other Markets <sup>1)</sup>	<b>4.0</b>	2.6	+50.7	+50.7
EBITA	<b>12.6</b>	9.4		
EBITA margin	<b>+13.0</b>	+10.3		
Net profit <sup>2)</sup>	<b>6.6</b>	4.6		
Earnings per share (€) <sup>2)</sup>				

<sup>1)</sup> Acc. to customers' location

<sup>2)</sup> Excluding amortization

## Earnings Development

Sartorius Stedim Biotech boosted its first-quarter operating earnings (EBITA = earnings before interest, taxes and amortization) 34.1% to €12.6 million in 2009. Its EBITA of the comparable year-earlier period was €9.4 million.

As a result, its EBITA margin significantly improved from 10.3% to 13.0%. In addition to sales revenue growth and the economies of scale resulting from this gain as well as favorable exchange rates, the enhanced product mix favoring single-use products strongly contributed to the division's significant boost in profitability.

Excluding the non-cash item of amortization, consolidated net profit after minority interest totaled €6.6 million, up from €4.6 million a year ago. The corresponding earnings per share were €0.39 relative to €0.27 in the first quarter of 2008.



## Balance Sheet and Cash Flow

The balance sheet total of the Sartorius Stedim Biotech Group rose slightly from €652.3 million as of December 31, 2008, to €654.5 million as of the reporting date on March 31, 2009. Equity also increased from €371.6 million as of December 31, 2008, to €377.8 million for the quarter ended on March 31, 2009. The equity ratio was 57.7% (December 31, 2008: 57.0%) and is thus at a very comfortable level.

In the first three months, gross debt was reduced from €163.3 million to €159.5 million. The ratio of net debt to EBITDA improved from 2.7 as of December 31, 2008, to 2.6. The interest coverage ratio (EBITDA divided by cash interest expense of the past 12 months) rose from 5.6 as of December 31, 2008, to 5.9. Gearing, which is calculated as the ratio of net debt to equity, has remained unchanged at 0.4. These key balance sheet ratios for assessing the company's financial condition thus continue to remain robust.

Net cash flow from operating activities at €9.4 million was considerably higher than in the comparable reporting period in 2008 (€2.6 million). This increase can be essentially explained by the earnings gain and the slight decrease in inventories in the first-quarter reporting period compared with the significant build-up in inventories in the year-earlier period. In the same period, cash outflows from investing activities were slightly higher at €4.8 million than in the year before (€4.2 million). Due to repayment of bank liabilities, cash flows from financing activities were at - €8.4 million (2008: €0.8 million).

## Assessment of Business Development

We are satisfied with the dynamic development of our business. In particular, we take the clearly double-digit growth rates in our business with single-use products and the overproportionate increase in earnings as confirmation of our business model and our excellent prospects for the future.

### Outlook

In view of the positive development of first-quarter business and the number of promising projects on which we are currently working together with our customers, we project that sales revenue will grow and earnings will increase overproportionately in fiscal 2009.

Given the continued high uncertainty regarding the global economy, however, we do not consider it possible to make a precise quantitative forecast of Group business development in 2009.

### Dividends

On April 21, 2009, the Annual General Shareholders' Meeting of Sartorius Stedim Biotech S.A. resolved to pay a dividend of €0.30 per share to its shareholders for fiscal 2008. Thus, the total profit distributed amounts to €5.1 million (previous year: €5.1 million). In relation to consolidated net profit excluding non-cash amortization, this equates to a dividend payout ratio of 29.4% (previous year: 19.5%).





# Consolidated Income Statement

	1st quarter 2009		1st quarter 2008	
			Unaudited financial data	
	€ in mn	%	€ in mn	%
Sales revenue	96.8	100.0	91.3	100.0
Cost of sales	- 50.8	- 52.5	- 47.7	- 52.3
<b>Gross profit on sales</b>	<b>46.0</b>	<b>47.5</b>	<b>43.5</b>	<b>47.7</b>
Selling and distribution costs	- 21.2	- 21.9	- 21.9	- 24.0
Research and development costs	- 5.9	- 6.1	- 6.1	- 6.7
General administrative expenses	- 6.5	- 6.7	- 6.4	- 7.1
Other operating income and expenses	0.2	0.3	0.3	0.3
<b>Earnings before interest, taxes and amortization (EBITA)</b>	<b>12.6</b>	<b>13.0</b>	<b>9.4</b>	<b>10.3</b>
Amortization <sup>1)</sup>	- 1.8	- 1.8	- 1.6	- 1.7
<b>Earnings before interest and taxes (EBIT)</b>	<b>10.9</b>	<b>11.2</b>	<b>7.8</b>	<b>8.6</b>
Interest and similar income	0.0	0.0	0.3	0.3
Interest and similar expenses	- 2.6	- 2.7	- 2.4	- 2.7
<b>Financial result</b>	<b>- 2.5</b>	<b>- 2.6</b>	<b>- 2.1</b>	<b>- 2.3</b>
<b>Profit before tax</b>	<b>8.3</b>	<b>8.6</b>	<b>5.7</b>	<b>6.2</b>
Deferred tax income   expenses	0.0	0.0	0.1	0.1
Income tax expenses	- 2.5	- 2.5	- 1.7	- 1.9
Other taxes	- 0.5	- 0.5	- 0.5	- 0.6
<b>Taxes</b>	<b>- 3.0</b>	<b>- 3.1</b>	<b>- 2.2</b>	<b>- 2.4</b>
<b>Net profit for the period</b>	<b>5.3</b>	<b>5.5</b>	<b>3.5</b>	<b>3.9</b>
Attributable to:				
Equity holders of Sartorius Stedim Biotech	5.4	5.5	3.5	3.9
Minority interest	0.0	0.0	0.0	0.0
Earnings per share (€)	0.32		0.21	
Diluted earnings per share (€)	0.31		0.21	

<sup>1)</sup> Amortization refers to goodwill and to the purchase price allocation (PPA) to intangible assets according to IFRS 3.

# Consolidated Cash Flow Statement

	1st quarter 2009	1st quarter 2008
	Unaudited financial data	
	€ in mn	€ in mn
<b>Cash flows from operating activities</b>		
Net result	5.4	3.5
Minority interest	0.0	0.0
Tax expenses	3.0	2.2
Financial expenses	2.5	2.1
Depreciation   amortization of fixed assets	5.5	5.0
Increase   decrease in provisions	- 0.9	- 0.8
Increase   decrease in receivables	- 6.8	- 2.6
Increase   decrease in inventories	0.7	- 8.5
Increase   decrease in liabilities	0.8	4.7
Income taxes paid	- 0.9	- 3.1
<b>Net cash flow from operating activities</b>	<b>9.4</b>	<b>2.6</b>
<b>Cash flows from investing activities</b>		
Payments for financial assets	- 0.2	- 0.3
Payments for property, plant and equipment	- 3.8	- 3.4
Income from the disposal of fixed assets	0.4	0.5
Payments for intangible assets	- 1.2	- 1.0
Acquisition of subsidiaries	0.0	0.0
<b>Net cash flow from investing activities</b>	<b>- 4.8</b>	<b>- 4.2</b>
<b>Cash flows from financing activities</b>		
Changes in capital	0.0	0.0
Interest received	0.0	0.3
Interest paid	- 4.5	- 2.3
Other financial charges	- 0.2	
Dividends paid to:		
- Shareholders of the parent company	0.0	0.0
- Minority shareholders	0.0	0.0
Changes in minority interest	0.0	0.0
Loans and borrowings	- 3.8	2.8
<b>Net cash flow from financing activities</b>	<b>- 8.4</b>	<b>0.8</b>
Net increase   decrease in cash and cash equivalents	- 3.9	- 0.9
Cash and cash equivalents at the beginning of the period	13.2	7.5
<b>Net effect of currency translation on cash and cash equivalents</b>	<b>0.1</b>	<b>- 0.1</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>9.4</b>	<b>6.5</b>
<b>Gross debt owed to banks</b>	<b>159.5</b>	<b>163.3</b>
<b>Net debt owed to banks</b>	<b>150.1</b>	<b>156.8</b>

# Segments Reports

## Segment Reports by Division

Unaudited financial data € in millions (unless otherwise specified)	Biopharma			Group		
	1st quarter 2009	1st quarter 2008	Change	1st quarter 2009	1st quarter 2008	Change
Order intake	<b>104.7</b>	98.5	6%	<b>104.7</b>	98.5	6%
Sales revenue	<b>96.8</b>	91.3	6%	<b>96.8</b>	91.3	6%
- as a total %	<b>100.0%</b>	100.0%		<b>100.0%</b>	100.0%	
EBITDA	<b>16.3</b>	12.9	27%	<b>16.3</b>	12.9	27%
- as a % of sales revenue	<b>16.9%</b>	14.1%		<b>16.9%</b>	14.1%	
Depreciation and amortization	<b>7.2</b>	6.6	10%	<b>7.2</b>	6.6	10%
EBITA	<b>12.6</b>	9.4	34%	<b>12.6</b>	9.4	34%
- as a % of sales revenue	<b>13.0%</b>	10.3%		<b>13.0%</b>	10.3%	
Amortization	<b>1.8</b>	1.6	13%	<b>1.8</b>	1.6	13%
EBIT	<b>10.9</b>	7.8	38%	<b>10.9</b>	7.8	38%
- as a % of sales revenue	<b>11.2%</b>	8.6%		<b>11.2%</b>	8.6%	
R&D costs	<b>- 5.9</b>	- 6.1	- 3%	<b>- 5.9</b>	- 6.1	- 3%
No. of employees at December 31	<b>2,386</b>	2,302	4%	<b>2,386</b>	2,302	4%

## Segment Reports by Region

Unaudited financial data € in millions (unless otherwise specified)	Europe			North America		
	1st quarter 2009	1st quarter 2008	Change	1st quarter 2009	1st quarter 2008	Change
Sales revenue						
- acc. to customers' location	<b>57.0</b>	58.1	- 2%	<b>23.7</b>	19.2	23%
- as a total %	<b>58.9%</b>	63.7%		<b>24.5%</b>	21.0%	
- acc. to company location	<b>66.5</b>	66.3	0%	<b>23.6</b>	19.4	22%
EBITA	<b>9.3</b>	7.9	18%	<b>2.7</b>	0.8	254%
- as a % of sales revenue	<b>14.0%</b>	11.9%		<b>11.6%</b>	4.0%	
No. of employees at December 31	<b>1,653</b>	1,509	10%	<b>351</b>	388	- 10%

Unaudited financial data € in millions (unless otherwise specified)	Asia   Pacific			Other Markets			Group		
	1st quarter 2009	1st quarter 2008	Change	1st quarter 2009	1st quarter 2008	Change	1st quarter 2009	1st quarter 2008	Change
Sales revenue									
- acc. to customers' location	<b>12.1</b>	11.3	7%	<b>4.0</b>	2.6	51%	<b>96.8</b>	91.3	6%
- as a total %	<b>12.5%</b>	12.4%		<b>4.1%</b>	2.9%		<b>100.0%</b>	100.0%	
- acc. to company location	<b>6.7</b>	5.5	21%	<b>0.0</b>	0.0		<b>96.8</b>	91.3	6%
EBITA	<b>0.4</b>	0.6	- 27%	<b>0.1</b>	0.1	89%	<b>12.6</b>	9.4	34%
- as a % of sales revenue	<b>6.7%</b>	11.5%		<b>0.0%</b>	0.0%		<b>13.0%</b>	10.3%	
No. of employees at December 31	<b>304</b>	311	- 2%	<b>78</b>	94	- 17%	<b>2,386</b>	2,302	4%



# Consolidated Statement of Changes in Equity

Unaudited financial data € in millions (unless otherwise specified)							Foreign currency translation reserves	Group equity	Minority interest	Total equity
	Issued capital	Capital reserves	Hedging reserves	Pension reserves	Retained earnings					
<b>Balance at Jan. 1, 2008</b>	<b>10.3</b>	<b>338.2</b>	<b>1.1</b>	<b>- 0.2</b>	<b>18.2</b>	<b>- 4.8</b>	<b>362.8</b>	<b>0.0</b>	<b>362.8</b>	
Cash flow hedges	0.0	0.0	1.4	0.0	0.0	0.0	1.4	0.0	1.4	
Actuarial gains   losses from pension provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Currency translation differences	0.0	0.0	0.0	0.0	0.0	- 2.7	- 2.7	0.0	- 2.7	
Net investment in a foreign operation	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Deferred taxes	0.0	0.0	- 0.4	0.0	0.0	0.0	- 0.4	0.0	- 0.4	
<b>Net income recognized directly in equity</b>	<b>0.0</b>	<b>0.0</b>	<b>1.0</b>	<b>0.0</b>	<b>0.0</b>	<b>- 2.7</b>	<b>- 1.7</b>	<b>0.0</b>	<b>- 1.7</b>	
Net profit for the period	0.0	0.0	0.0	0.0	3.5	0.0	3.5	0.0	3.5	
<b>Total recognized income and expense for the period</b>	<b>0.0</b>	<b>0.0</b>	<b>1.0</b>	<b>0.0</b>	<b>3.5</b>	<b>- 2.7</b>	<b>1.8</b>	<b>0.0</b>	<b>1.8</b>	
Stock options	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Change in minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Dividends	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Other changes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
<b>Balance at March 31, 2008</b>	<b>10.3</b>	<b>338.2</b>	<b>2.1</b>	<b>- 0.2</b>	<b>21.7</b>	<b>- 7.5</b>	<b>364.6</b>	<b>0.0</b>	<b>364.6</b>	
<b>Balance at Jan. 1, 2009</b>	<b>10.3</b>	<b>338.4</b>	<b>- 0.5</b>	<b>0.2</b>	<b>26.1</b>	<b>- 4.7</b>	<b>369.8</b>	<b>1.9</b>	<b>371.6</b>	
Cash flow hedges	0.0	0.0	- 0.5	0.0	0.0	0.0	- 0.5	0.0	- 0.5	
Actuarial gains   losses from pension provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Currency translation differences	0.0	0.0	0.0	0.0	0.0	1.4	1.4	0.0	1.3	
Net investment in a foreign operation	0.0	0.0	0.0	0.0	- 0.1	0.0	- 0.1	0.0	- 0.1	
Deferred taxes	0.0	0.0	0.2	0.0	0.0	0.0	0.2	0.0	0.2	
<b>Net income recognized directly in equity</b>	<b>0.0</b>	<b>0.0</b>	<b>- 0.4</b>	<b>0.0</b>	<b>- 0.1</b>	<b>1.4</b>	<b>0.9</b>	<b>0.0</b>	<b>0.9</b>	
Net profit for the period	0.0	0.0	0.0	0.0	5.4	0.0	5.4	0.0	5.3	
<b>Total recognized income and expense for the period</b>	<b>0.0</b>	<b>0.0</b>	<b>- 0.4</b>	<b>0.0</b>	<b>5.3</b>	<b>1.4</b>	<b>6.3</b>	<b>- 0.1</b>	<b>6.2</b>	
Stock options	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Change in minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Dividends	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Other changes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
<b>Balance at March 31, 2009</b>	<b>10.3</b>	<b>338.4</b>	<b>- 0.9</b>	<b>0.2</b>	<b>31.3</b>	<b>- 3.3</b>	<b>376.0</b>	<b>1.8</b>	<b>377.8</b>	

# Key Figures

All figures are given in millions of € according to the IFRS, unless otherwise specified	1st quarter 2009	1st quarter 2008	Change in %
		Unaudited financial data	
<b>Results</b>			
Order intake	104.7	98.5	6.3
Sales revenue	96.8	91.3	6.1
EBITDA	16.3	12.9	26.9
EBITA	12.6	9.4	34.1
EBIT	10.9	7.8	38.4
Profit before tax	8.3	5.7	45.7
Net profit for the period	5.3	3.5	51.0
Earnings per share (in €)	0.32	0.21	52.1
<b>As a % of sales revenue</b>			
EBITDA	16.9	14.1	
EBITA	13.0	10.3	
EBIT	11.2	8.6	
Net profit for the period	8.6	6.2	
<b>Balance sheet</b>			
Balance sheet total	0.7	649.0	
Equity	0.4	364.6	
Equity ratio (in %)	57.7	56.2	
Gearing	0.4	0.4	
<b>Financials</b>			
Capital expenditures	5.0	4.4	14.0
As a % of sales revenue	5.2	4.8	
Depreciation and amortization	5.5	5.0	8.9
Net cash flow from operating activities	7.3	2.6	186.6
Net debt	150.1	156.8	- 4.3
<b>Total number of employees as of December 31</b>	<b>2,386</b>	<b>2,302</b>	<b>3.6</b>
<b>R&amp;D</b>			
R&D costs	5.9	6.1	- 3.3
As a % of sales revenue	6.1	6.7	

# Notes to the Interim Financial Statements

## Recognition and Measurement Principles

The annual consolidated financial statements of the Sartorius Stedim Biotech Group for the period ended December 31, 2008, were prepared in accordance with the accounting standards of the International Accounting Standards Board (IASB), the International Financial Reporting Standards (IFRS). In the present interim financial statements that were prepared in conformance with the requirements of IAS 34 "Interim financial reporting," basically the same accounting and measurement principles were applied on which the past consolidated financial statements of fiscal 2008 were based.

Furthermore, all interpretations of the International Financial Reporting Interpretations Committee (IFRIC) to be applied effective March 31, 2009, were observed. An explanation of the individual accounting and measurement principles applied is given in the Notes to the Financial Statements of the Group for the year ended December 31, 2008.

## Other Disclosures

The first-quarter report was not reviewed by the Group auditors.

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## Financial Schedule

### May 14, 2009

Investors' day "Biotech Suppliers Finance Day" at the ACHEMA 2009 in Frankfurt am Main, Germany

### May 19, 2009

7th Midcap Healthcare Conference in Paris, France

### May 29, 2009

European Mid and Small Caps Conference in Nice, France

### July 2009\*

Publication of first-half figures for 2009

### September 21 to 22, 2009

Euronext Zone Midcap Event in Paris, France

### October 2009\*

Publication of nine-month figures for 2009

### December 8 to 9, 2009

European Midcap Event London in London, UK

\* Tentative date scheduled

This is a translation of the original French-language first-quarter financial report "Information financière trimestrielle." Sartorius Stedim Biotech S.A. shall not assume any liability for the correctness of this translation. The original French interim report is the legally binding version. Furthermore, Sartorius Stedim Biotech S.A. reserves the right not to be responsible for the topicality, correctness, completeness or quality of the information provided. Liability claims regarding damage caused by the use of any information provided, including any kind of information which is incomplete or incorrect, will therefore be rejected.

### Forward-looking Statements Contain Risks

This interim report contains various statements concerning the 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 apply. 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 the entire report, differences may be apparent as a result of rounding during addition.