

2017 Nine-Month Figures

Sartorius Stedim Biotech: Growth dynamics temporarily dampened; continued strong mid-term perspectives

€ in millions unless otherwise specified	9 months 2017	9 months 2016	Growth in %	Growth in % const. fx
Sales revenue	806.5	785.1	2.7	3.3
EMEA ¹	345.9	342.7	1.0	2.0
Americas ¹	272.6	290.2	-6.1	-6.3
Asia Pacific ¹	187.9	152.2	23.4	23.5
Order intake	853.0	806.6	5.8	6.3
EBITDA ²	216.2	214.1	1.0	
EBITDA margin ² in %	26.8	27.3		
Net profit ³	132.1	131.3	0.6	
Earnings per share ³ in €	1.43	1.42	0.6	

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¹ According to customers' location

² Underlying EBITDA = earnings before interest, taxes, depreciation and amortization, and adjusted for extraordinary items

³ Underlying net profit = net profit after non-controlling interest; adjusted for extraordinary items and non-cash amortization, as well as based on a normalized financial result and tax rate

Revenue growth rate influenced by high comps and temporary effects

Sartorius Stedim Biotech, a leading supplier for the biopharmaceutical industry, increased its sales revenue in the first nine months of 2017 compared to a very high previous-year base by 3.3%. While business in Asia performed very dynamically, demand was soft in the Americas and parts of Europe. This was a result of customer inventory destocking, the temporary interruption of deliveries from the company's facility in Puerto Rico after Hurricane Maria, and ongoing restrictions of a partner's capacity to supply cell culture media in North America. The acquisitions of kSep and Umetrics contributed close to 1 percentage point to sales growth. Driven by double-digit growth in Q3, order intake was up by 6.3% in the reporting period.

Slight increase in underlying EBITDA

Influenced by unfavorable currency effects, SSB's underlying EBITDA increased by 1.0% to €216.2 million; the respective margin reached 26.8% (9M 2016: 27.3%) and would have been approx. at previous year's level in constant currencies. Underlying earnings per share were €1.43 (9M 2016: €1.42).

Financial position remains strong

In the reporting period, the financial position of Sartorius Stedim Biotech has remained very robust. Net debt at the end of September 2017 stood at €149.5 million. The equity ratio amounted to 61.4%, and the ratio of net debt to underlying EBITDA was 0.5.

Full-year 2017 guidance adjusted, mid-term outlook confirmed

Management assumes that the previously mentioned temporary factors will influence the financial results for the full year of 2017 as well. Therefore, SSB now expects that sales revenue growth will reach approx. 4% in constant currencies (previous guidance: approx. 8% to 12%) and due to adverse exchange rate effects the underlying EBITDA margin will be approx. at the prior-year level of 27.5% (previous guidance: approx. +0.5 percentage points in cc vs. FY 2016). Capital expenditures are expected to be at the upper end of the bandwidth of around 10% to 13% of sales. As the fundamental market drivers are

considered to be unchanged, management confirms its positive mid-term outlook for revenue growth and profitability.

Including the acquisition of Umetrics and excluding any further potential acquisitions, the ratio of net debt to underlying EBITDA at the end of 2017 remains to be expected slightly above the level of 0.2 reported for year-end 2016.

This news contains statements about the future development of the Sartorius Stedim Biotech Group. We cannot guarantee that the content of these statements will actually apply because these statements are based upon assumptions and estimates that harbor certain risks and uncertainties.

Conference Call

Joachim Kreuzburg, CEO and Chairman of the Board of the Sartorius Stedim Biotech Group, will discuss the company's results with analysts and investors on Wednesday, October 25, 2017, at 3:30 p.m. Central European Time (CET), in a teleconference. You may register for the teleconference at:

<http://services.choruscall.de/DiamondPassRegistration/register?confirmationNumber=8481620&linkSecurityString=2746420dc>

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

To view the presentation, log onto: www.sartorius-stedim.com

Upcoming financial dates

February 6, 2018 Publication of preliminary figures for 2017

A profile of Sartorius Stedim Biotech

Sartorius Stedim Biotech is a leading international supplier of products and services that enable the biopharmaceutical industry to develop and manufacture drugs safely and efficiently. As a total solutions provider, Sartorius Stedim Biotech offers a portfolio covering nearly all steps of biopharmaceutical manufacture. The company focuses on single-use technologies and value-added services to meet the rapidly changing technology requirements of the industry it serves. Headquartered in Aubagne, France, Sartorius Stedim Biotech is quoted on the Eurolist of Euronext Paris. With its own manufacturing and R&D sites in Europe, North America and Asia and an international network of sales companies, Sartorius Stedim Biotech has a global reach. In 2016, the company employed approx. 4,700 people, and earned sales revenue of 1,052 million euros.

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Statement of Profit or Loss

	3rd quarter 2017 € in mn	3rd quarter 2016 € in mn	9 months 2017 € in mn	9 months 2016 € in mn
Sales revenue	259.7	276.3	806.5	785.1
Cost of sales	-125.1	-135.1	-395.4	-387.1
Gross profit on sales	134.6	141.2	411.1	398.0
Selling and distribution costs	-45.2	-46.6	-143.9	-139.4
Research and development costs	-15.1	-12.5	-41.7	-36.5
General administrative expenses	-14.4	-15.7	-45.9	-42.5
Other operating income and expenses	-8.4	-3.3	-12.3	-6.1
Earnings before interest & taxes (EBIT)	51.6	63.2	167.3	173.5
Financial income	4.6	0.5	6.9	5.5
Financial expenses	-3.4	-1.3	-8.2	-8.4
Financial result	1.2	-0.7	-1.3	-2.8
Profit before tax	52.8	62.4	165.9	170.7
Income taxes	-14.8	-18.1	-46.5	-49.5
Net profit for the period	38.0	44.3	119.5	121.2
Attributable to:				
Shareholders of Sartorius Stedim Biotech	37.8	43.6	117.1	119.3
Non-controlling interest	0.3	0.7	2.3	1.8
Earnings per share (€)	0.41	0.47	1.27	1.29
Diluted earnings per share (€)	0.41	0.47	1.27	1.29

Statement of Comprehensive Income

	3rd quarter 2017 € in mn	3rd quarter 2016 € in mn	9 months 2017 € in mn	9 months 2016 € in mn
Net profit for the period	38.0	44.3	119.5	121.2
Cash flow hedges	5.1	1.9	24.4	2.9
of which effective portion of changes in fair value	5.6	1.6	23.1	0.7
of which reclassified to profit or loss	-0.5	0.3	1.3	2.2
Income tax on cash flow hedges	-1.5	-0.6	-7.3	-0.9
Net investment in a foreign operation	0.0	0.3	0.0	1.6
Income tax on net investment in a foreign operation	0.0	-0.1	0.0	-0.5
Foreign currency translation differences	-7.2	-3.9	-23.5	-17.4
Items that are or may be reclassified subsequently to profit or loss	-3.6	-2.3	-6.5	-14.2
Remeasurements of the net defined benefit liabilities	0.0	0.0	1.1	-3.9
Income tax on remeasurements of the net defined benefit liability	0.0	0.0	-0.3	1.0
Items that will not be reclassified in profit or loss	0.0	0.0	0.8	-2.9
Other comprehensive income for the period	-3.6	-2.4	-5.6	-17.1
Total comprehensive income for the period	34.4	42.0	113.8	104.1
Attributable to:				
Shareholders of Sartorius Stedim Biotech	34.4	41.0	111.9	102.0
Non-controlling interest	0.0	0.9	1.9	2.1



Statement of Cash Flows

	9 months 2017 € in mn	9 months 2016 € in mn
Profit before tax	165.9	170.7
Financial result	1.3	2.8
Earnings before interest & taxes (EBIT)	167.3	173.5
Depreciation amortization of intangible and tangible assets	37.2	32.7
Increase decrease in provisions	-0.3	2.6
Income taxes paid	-39.6	-55.4
Other non-cash items	0.3	0.0
Gross cash flows from operating activities	164.7	153.4
Increase decrease in receivables and other assets	-25.7	-45.7
Increase decrease in inventories	-19.4	-29.6
Increase decrease in liabilities	-11.0	22.4
Net cash flow from operating activities	108.8	100.5
Acquisitions of intangible and tangible assets	-84.4	-52.5
Proceeds from the disposal of fixed assets	0.0	0.3
Other payments	0.0	0.1
Net cash flow from investing activities	-84.4	-52.1
Payments for acquisitions of consolidated subsidiaries and other business operations; net of cash acquired	-68.1	-23.0
Net cash flow from investing activities and acquisitions	-152.5	-75.1
Changes in capital	0.0	-0.6
Interest received	0.2	0.1
Interest paid and other financial charges	-1.3	-1.2
Dividends paid to:		
- Shareholders of Sartorius Stedim Biotech SA	-38.7	-30.7
- Non-controlling Interest	-0.7	-0.8
Gross cash flows from financing activities	-40.5	-33.3
Repayments of loans and borrowings	83.5	16.1
Proceeds from loans and borrowings raised	-5.7	-4.9
Changes in non-controlling interest	0.0	0.0
Net cash flow from financing activities	37.2	-22.1
Net increase decrease in cash and cash equivalents	-6.5	3.4
Cash and cash equivalents at the beginning of the period	34.8	31.8
Net effect of currency translation on cash and cash equivalents	2.1	-0.1
Cash and cash equivalents at the end of the period	30.3	35.1



Statement of Financial Positions

Assets	Sept. 30, 2017 € in mn	Dec. 31, 2016 € in mn
Non-current assets		
Goodwill	388.1	344.8
Other intangible assets	167.3	144.0
Property, plant and equipment	311.0	261.5
Financial assets	11.5	2.3
Other assets	0.8	0.8
Deferred tax assets	10.6	10.8
	889.2	764.1
Current assets		
Inventories	184.0	171.1
Trade receivables	190.6	184.0
Other financial assets	29.3	8.5
Current tax assets	19.7	20.9
Other assets	21.7	12.5
Cash and cash equivalents	30.3	34.8
	475.6	431.7
Total assets	1,364.8	1,195.8
Equity and liabilities	Sept. 30, 2017 € in mn	Dec. 31, 2016 € in mn
Equity		
Attributable to SSB S.A. shareholders	831.2	758.0
Issued capital	18.4	18.1
Capital reserves	231.5	231.5
Retained earnings (including net profit)	581.2	508.4
Non-controlling interest	6.7	5.6
	837.9	763.6
Non-current liabilities		
Pension provisions	33.5	34.2
Other provisions	3.1	3.1
Loans and borrowings	47.5	9.4
Finance lease liabilities	16.0	16.7
Other financial liabilities	49.0	55.8
Deferred tax liabilities	41.8	28.8
	191.0	147.9
Current liabilities		
Provisions	8.2	9.3
Trade payables	104.5	107.8
Loans and borrowings	114.6	74.7
Finance lease liabilities	1.7	1.6
Employee benefits	36.1	28.6
Other financial liabilities	17.5	23.2
Current tax liabilities	27.3	21.0
Other liabilities	26.1	18.2
	336.0	284.4
Total equity and liabilities	1,364.8	1,195.8



Reconciliation

in millions of €	9 months 2017	9 months 2016
EBIT	167.3	173.5
Extraordinary items	11.8	7.9
Depreciation & Amortization	37.2	32.7
Underlying EBITDA	216.2	214.1

in millions of €	9 months 2017	9 months 2016
EBIT (operating result)	167.3	173.5
Extraordinary effects	11.8	7.9
Amortization IFRS 3	12.5	10.6
Normalized financial result ¹⁾	-5.0	-4.5
Normalized income tax (2017: 28%, 2016: 29%) ²⁾	-52.3	-54.4
Underlying net result	134.4	133.1
Non-controlling interest	-2.3	-1.8
Underlying net result after non-controlling interest	132.0	131.3
Underlying earnings per share (in €)	1.43	1.42

¹⁾ Financial result excluding fair value adjustments of hedging instruments, as well as currency effects from foreign currency loans

²⁾ Underlying income tax, based on the underlying profit before taxes and non-cash amortization