

# 9M 2017 Financial Results

as of September **30, 2017**

Conference Call  
October 26, 2017

# SAFE HARBOR STATEMENT

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Forward-looking statements involve risks.

This company presentation contains various statements concerning the future performance of STRATEC. These statements are based on both assumptions and estimates. Although we are convinced that these forward-looking statements are realistic, we can provide no guarantee of this.

This is because our assumptions involve risks and uncertainties which could result in a substantial divergence between actual results and those expected.

It is not planned to update these forward-looking statements.

1. **Highlights of the first nine months of 2017**
2. Financials
3. Outlook & Focus

## HIGHLIGHTS 9M/2017

- 9M sales increased by 19.6% yoy to € 151.1 million → organic growth of 9.6%\*
- 9M adjusted EBIT margin improvement of 130 bps yoy to 15.9%
  - Q3 adjusted EBIT margin at 22.1% (+1.010 bps yoy)
- Operating cash flow after nine months increased by 107% yoy to € 25.8 million
- Several new product launches by our customers
- Signing of further development contracts
- Presentation of new “KleeYa” and “Aquila” platforms at AACCC 2017

\* Excluding acquisitions of 2016

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## FINANCIALS AT A GLANCE

### Key figures after the first nine months

(€ million)	Sep 30, 2017	Sep 30, 2016	Change
Sales	151,067	126,334	+19.6%
EBITDA <sup>1</sup>	29,464	22,671	+30.0%
EBITDA margin (%) <sup>1</sup>	19.5	17.9	+160 bps
EBIT <sup>1</sup>	23,973	18,391 <sup>1</sup>	+30.4%
EBIT margin (%) <sup>1</sup>	15.9	14.6 <sup>1</sup>	+130 bps
Cons. net income <sup>1</sup>	18,627 <sup>3</sup>	15,251 <sup>2</sup>	+22.1%
Earnings per share (€) <sup>1</sup>	1.57 <sup>3</sup>	1.29 <sup>2</sup>	+21.7%

<sup>1</sup> Adjusted to exclude items relating to acquisition activities

<sup>2</sup> Additionally adjusted to exclude one-off items resulting from tax audit performed for 2009 to 2013 assessment periods

<sup>3</sup> Additionally adjusted to exclude deferred tax benefits resulting from loss carry forwards at companies acquired in 2016

## Adjustments as of September 30, 2017

### EBIT

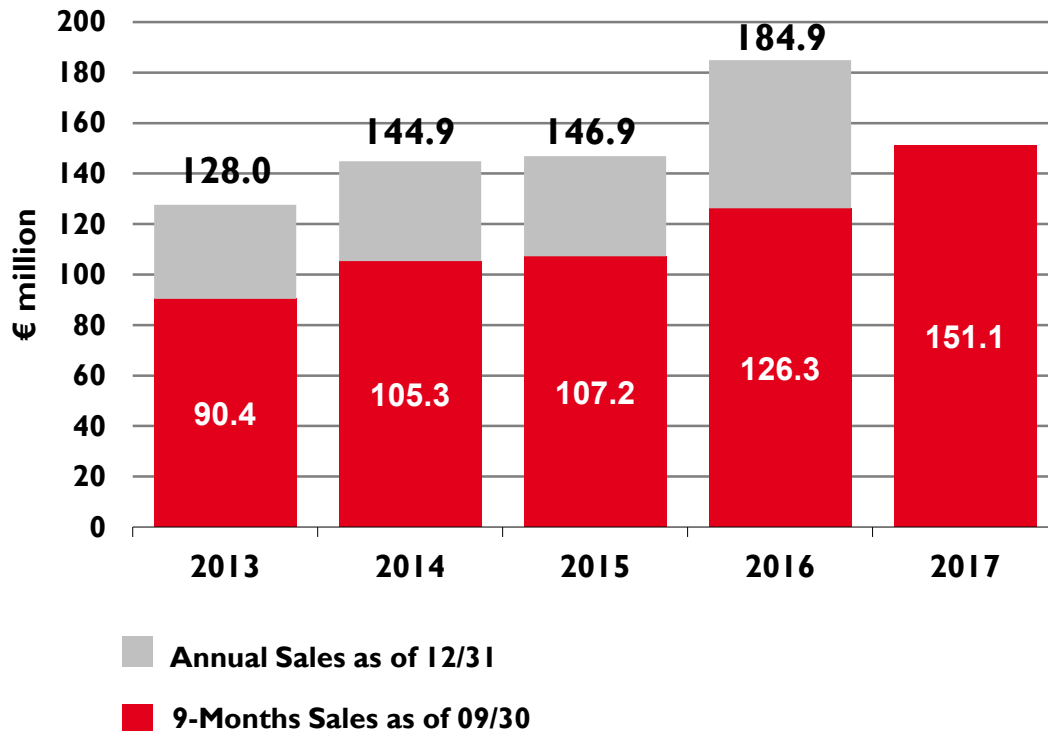
€ 000s	01.01. – 09.30.2017
<b>Adjusted EBIT</b>	<b>23,973</b>
<b>Adjustments</b>	
• Expenses incurred in connection with transactions and associated restructuring expenses	-861
• Scheduled amortization (PPA)	-5,587
<b>EBIT</b>	<b>17,525</b>

### Consolidated net income

€ 000s	01.01. – 09.30.2017
<b>Adjusted consolidated net income</b>	<b>18,627</b>
<b>Adjusted earnings per share in €</b>	<b>1.57</b>
<b>Adjustments</b>	
• Expenses incurred in connection with transactions and associated restructuring expenses	-861
• Scheduled amortization (PPA)	-5,587
• Financing expenses due to company acquisitions	-510
• Current tax expenses	377
• Deferred tax income	3,680
<b>Consolidated net income</b>	<b>15,726</b>
<b>Earnings per share in €</b>	<b>1.32</b>

# SALES

## 9-Months Sales compared to Annual Sales



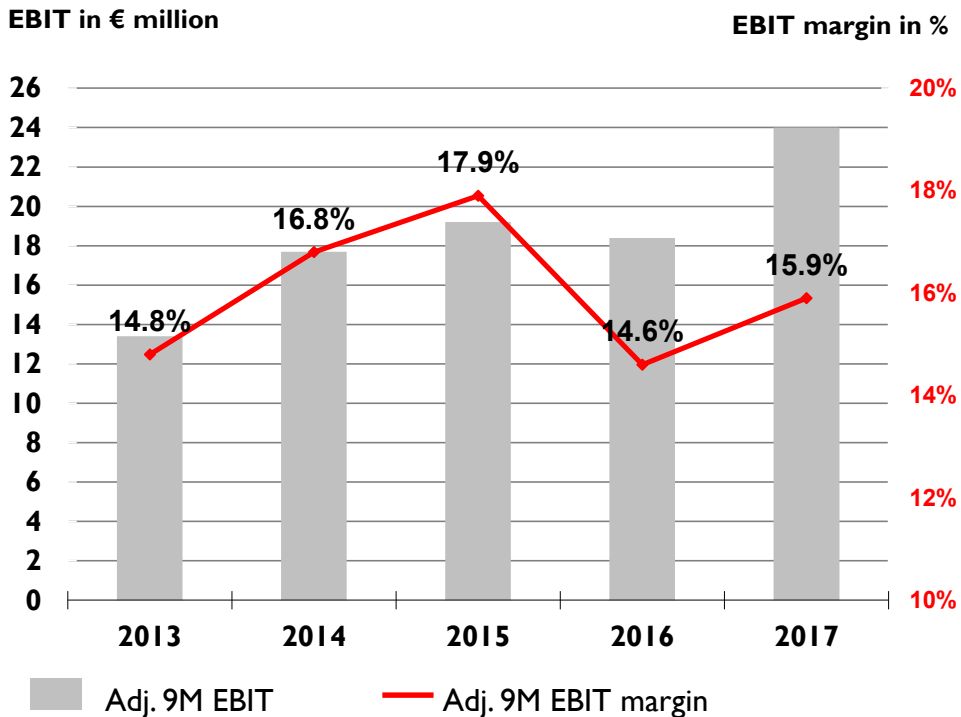
### 9M/2017 Sales

- Growth of 19.6% yoy to € 151.1 million
- Organic growth of 9.6%
  - (+) Good orders for established systems
  - (+) Strong service parts business



# ADJUSTED EBIT & EBIT MARGIN

As of September 30, 2017



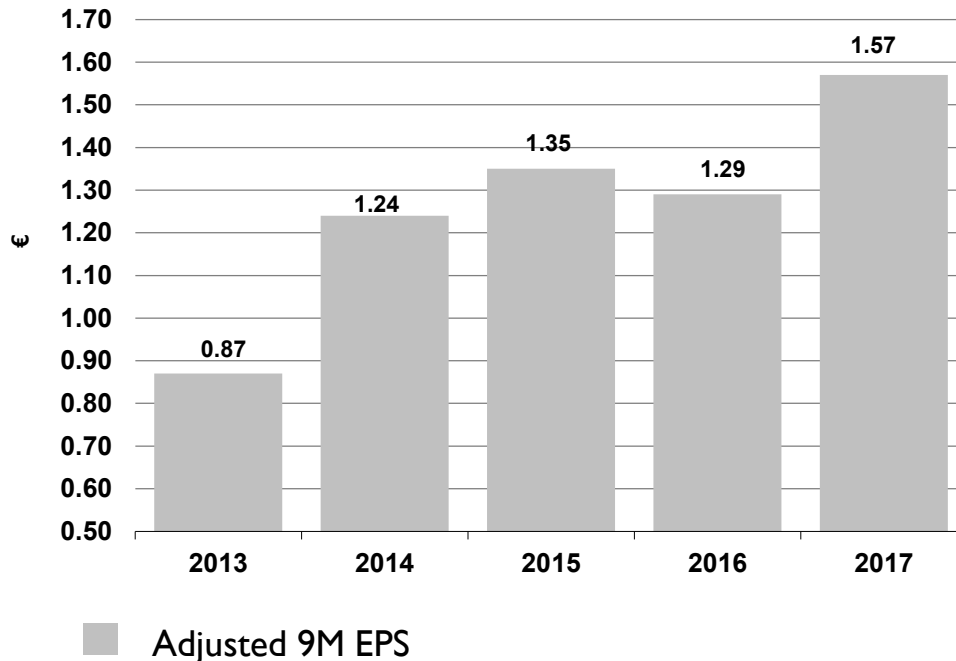
9M adjusted EBIT margin at 15.9%

- Improvement of 130 bps yoy
  - (+) Positive product mix triggered by strong service parts business
  - (+) Profitability improvements at subsidiaries during Q3
  - (-) Additional staffing related to strong project pipeline
  - (-) Margin dilutive capitalization of development activities

Figures adjusted for effects from acquisition activities

## ADJUSTED EARNINGS PER SHARE

As of September 30, 2017

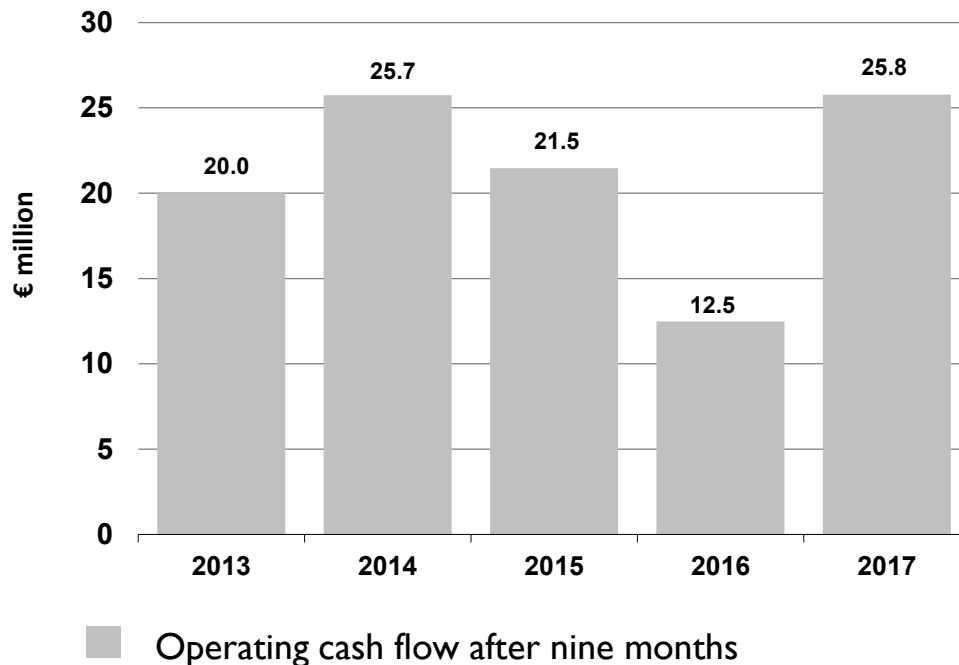


- Adjusted EPS at € 1.57 (9M/2016: € 1.29)
- Adjusted 9M tax rate at 22.6% (9M/2016: 16.2%)

Figures adjusted for effects from acquisition activities; 2016 figure additionally adjusted for one-off items resulting from the tax audit for the 2009 to 2013 assessment periods

## CASH FLOW & NET DEBT

### Operating cash flow as of Sep 30, 2017



- Operating cash flow after nine months increased by 107% yoy to € 25.8 million
- Net debt decreased by 12% to € 43.6 million versus € 49.3 million as of Sep 30, 2016

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## STRATEC – FINANCIAL GUIDANCE

### Outlook for 2017

- Sales guidance of € 205 million to € 220 million
- Adjusted EBIT margin of around 17%

### Medium-term expectations

- Average annual organic sales growth (CAGR) in the high single-digit or low double-digit percentage range
- Broadly consistent EBIT margin development
  - Positive scale effects partly offset by growth activities related to packed development pipeline

## FOCUS IN 2017 AND BEYOND

- Improve profitability across business units
- Further realize synergies through development activities across STRATEC businesses
- Expand leading market role
- Leverage expanded platform offering
- Facilitate process of instrument/consumables integration for partners
- Achieve milestones & market launches
- Execute important development and supply agreements



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**TICKER**

Symbol:	SBS.DE
Bloomberg:	SBS:GR
Reuters:	SBSG.DE
ISIN:	DE0007289001
WKN:	728900

THANK **YOU**  
FOR **YOUR**  
**ATTENTION!**