# HALF-YEARLY FINANCIAL REPORT H1|2017

January 1 to June 30, 2017

# PROFILE

STRATEC designs and manufactures fully automated analyzer systems for its partners in the fields of clinical diagnostics and biotechnology.

Furthermore, the company offers sample preparation solutions, integrated laboratory software, and complex consumables for diagnostic and medical applications. STRATEC covers the entire value chain – from development to design and production through to quality assurance.

Our partners market the systems, software and consumables, in general together with their own reagents, as system solutions to laboratories, blood banks and research institutes around the world. STRATEC develops its products on the basis of its own patented technologies.

## CONTENTS

# HIGHLIGHTS

- Sales of € 100.7 million in H1/2017 (+29.1%; H1/2016: € 78.0 million)
- Organic sales growth of 12.6%
- Adjusted EBIT margin of 12.8% in H1/2017 (H1/2016: 16.2%)
- Financial Forecast specified
- Further expansion in workforce due to extensive development activities
- Presentation of new 'KleeYa' and 'Aquila' platforms at AACC 2017

# MAJOR KEY FIGURES

| € 000s | 01.01. – 06.30.2017 | 01.01. – 06.30.2016 | Change |
|---|---|---|---|
| Sales | 100,723 | 78,032 | +29.1% |
| EBITDA[1] | 16,492 | 15,159 | +8.8% |
| EBITDA margin (%)[1] | 16.4 | 19.4 | -300 bps |
| EBIT[1] | 12,862 | 12,616 | +1.9% |
| EBIT margin (%)[1] | 12.8 | 16.2[2] | -340 bps |
| Consolidated net income[1] | 9,948 | 10,312[2] | -3.5% |
| Earnings per share (€)[1] | 0,84 | 0,87[2] | -3,4% |

| € 000s | 06.30.2017 | 12.31.2016 | Change |
|---|---|---|---|
| Shareholders' equity | 141,079 | 143,719 | -1.8% |
| Total assets | 252,290 | 257,967 | -2.2% |
| Equity ratio (%) | 55.9 | 55.7 | +20 bps |

[1] Figures adjusted for effects from acquisition activities
[2] Additionally adjusted for non-recurring items arising from the 2016 external tax audit for the assessment periods from 2009 to 2013

bps = basis points

# LETTER FROM THE BOARD OF MANAGEMENT

## Dear Shareholders,
## Dear Partners and Friends of STRATEC,

*STRATEC built on the pleasing performance already seen in the first quarter of 2017 and increased its sales by 29.1 % to € 100.7 million. A strong performance by the instrument business in particular provided the expected boost to growth. Following a slightly weaker summer period, the company expects to see similarly positive developments towards the end of the current year as well.*

*The end of the second quarter witnessed the European market launch of the major Panther Fusion® system by one of our partners. For STRATEC, this represents the next in a number of major project launches scheduled for the years ahead. Alongside various market launches by our partners, STRATEC and Diatron will also be presenting newly developed platforms at the AACC fair due to take place in the US in July and August. Here, we have significantly extended our existing platform concept and can offer our partners and potential customers an attractive solution based on state-of-the-art technology.*

*We are pleased to note that in the numerous negotiations currently underway for new system developments we have increasingly been able to integrate solutions offered by our Diatron and STRATEC Consumables business units. Although this will only be reflected in growth at these companies further down the line, they are both heading on a very good course. We will continue to see substantial earnings volatility here in the current year, but the trend is pointing in the right direction.*

*In recent months, we have received growing numbers of questions about the implications of political disruptions and uncertainties. To date, we have not witnessed any direct negative consequences. Given our partners' long-term planning, we are also optimistic that protectionist measures potentially introduced by individual countries, for example, will only impact on our industry to a very limited extent.*

*We would like to take this opportunity to thank our shareholders for the trust they have placed in us. They demonstrated this once again at this year's Annual General Meeting, where they approved a new record dividend of € 0.77 per share which was subsequently distributed in June.*

*Birkenfeld, July 2017*

*The Board of Management*
*STRATEC Biomedical AG*

*Marcus Wolfinger* | *Dr. Robert Siegle* | *Dr. Claus Vielsack*

# INTERIM GROUP MANAGEMENT REPORT

## Report on earnings, financial, and asset position

When considering the earnings, financial and net asset position of STRATEC Biomedical AG it should be noted that two companies were newly acquired in the 2016 financial year. Diatron was consolidated from April 1, 2016 onwards and is therefore included in the previous year's period on a prorated basis. STRATEC Consumables was consolidated from July 1, 2016 and is therefore not included in the previous year's period. The STRATEC Group activities designated as the 'organic business' therefore do not include either Diatron or STRATEC Consumables.

Adjustments have been made to the extent necessary to provide a clear understanding of the STRATEC Group's sustainable earnings strength.

### Earnings position

STRATEC's sales grew to € 100.7 million in the first six months of the 2017 financial year, up 29.1% on the figure of € 78.0 million for the equivalent period in the previous year. Sales from STRATEC Group activities designated for comparative purposes as 'organic' rose by 12.6% to € 75.7 million. Sales at the companies acquired in the 2016 financial year, which were consolidated only on a prorated basis in the first half of the previous year, came to € 25.1 million in the first half of 2017.

Gross profit (gross profit on sales) increased from € 29.8 million in the previous year to € 32.1 million in the first half of 2017. The cost of sales rose to € 68.6 million as of June 30, 2017, up from € 48.2 million in the previous year's period. The margins of the STRATEC Group as presented below have been diluted compared with the previous year due to the companies acquired in the 2016 financial year and now consolidated. As a result, the gross margin as of June 30, 2017 amounted to 31.9%, as against 38.2% in the previous year's period.

Gross development expenses rose by € 3.2 million to € 14.5 million, of which € 9.7 million was capitalized. This increase was due in particular to the high number of development projects and the associated rise in the number of employees working in development.

Sales-related expenses grew from € 5.4 million to € 7.1 million, while adjusted administration expenses rose by € 2.7 million to € 10.0 million. Adjusted depreciation and amortization decreased slightly to € 3.6 million in the period under report. The increase in sales-related and administration expenses was mainly driven by the companies acquired in the 2016 financial year, which were fully consolidated for the first time in the first half of the year.

At € 12.9 million, adjusted EBIT was € 0.3 million higher than in the previous year. The EBIT margin calculated on this basis came to 12.8% as of June 30, 2017.

EBIT has been adjusted to exclude scheduled amortization on the intangible assets identified at the Diatron Group and at STRATEC Consumables in connection with the purchase price allocations (PPAs) and to exclude expenses incurred in connection with transactions and associated restructuring expenses. The reconciliation of adjusted EBIT with EBIT as reported in the consolidated statement of comprehensive income is presented below:

| € 000s | **01.01.–06.30.2017** |
|---|---|
| **Adjusted EBIT** | 12,862 |
| **Adjustments** | |
| • Expenses incurred in connection with transactions and associated restructuring expenses | -489 |
| • Scheduled amortization (PPA) | -3,727 |
| **EBIT** | 8,646 |

STRATEC reported adjusted consolidated net income of € 9.9 million for the period under report (previous year: € 10.3 million). Adjusted earnings per share amounted to € 0.84 (previous year: € 0.87).

In addition to the EBIT adjustments presented above, consolidated net income was further adjusted to exclude financing and tax expenses incurred in connection with the company acquisition. The reconciliation of adjusted consolidated net income with consolidated net income and of adjusted earnings per share with earnings per share is presented below:

| € 000s | 01.01. – 06.30.2017 |
|---|---|
| **Adjusted consolidated net income** | 9,948 |
| **Adjusted earnings per share in €** | 0.84 |
| **Adjustments** | |
| • Expenses incurred in connection with transactions and associated restructuring expenses | -489 |
| • Scheduled amortization (PPA) | -3,727 |
| • Financing expenses due to company acquisitions | -371 |
| • Deferred tax expenses | 236 |
| • Deferred tax income | 617 |
| **Consolidated net income** | 6,215 |
| **Earnings per share in €** | 0.52 |

### Financial position

The inflow of funds from operating activities rose from € 9.6 million to € 13.9 million. Given consistent consolidated net income and lower payments for taxes on income, this was due in particular to the year-on-year increase in scheduled amortization on those assets identified in the purchase price allocations.

Investments fell to € 6.6 million, down from € 101.5 million in the previous year. The high volume of investment activity in the first half of 2016 related in particular to the company acquisitions.

The increase in outlays for investments in intangible assets and property, plant and equipment was due to the introduction of a group-wide ERP system and the acquisition of a piece of land.

The outflow of funds for financing activities chiefly comprised the dividend paid to shareholders, which was raised once again to € 9.1 million, and loan repayments of € 8.6 million. In the previous year, the financing of company acquisitions led to a net inflow of funds of € 67.6 million. Cash and cash equivalents decreased to € 17.2 million, down from € 26.5 million as of June 30, 2017.

### Asset position

The increase in inventories to € 28.4 million chiefly resulted from higher stocks and higher volumes of unfinished products in the Instrumentation segment. This in turn was due to the large number of development projects. Receivables and other assets also increased, with this being due in particular to higher receivables from construction contracts, an increase in sundry receivables and assets, and higher income tax receivables. This development was opposed by a reduction in the volume of trade receivables reported as of the reporting date.

The equity ratio amounted to 55.9% as of June 30, 2017, as against 55.7% as of December 31, 2016. Non-current liabilities roses slightly from € 20.1 million to € 20.5 million as of June 30, 2017.

Mainly as a result of repayments of financial liabilities, current liabilities decreased from € 94.2 million to € 90.7 million.

## Changes in the business environment and implications for STRATEC

### Macroeconomic framework

Having updated its forecast in April, the International Monetary Fund (IMF) now expects the global economy to grow by 3.5% in 2017, compared with the growth of 3.4% still forecast in January 2016. The increase in the expected growth rate is due in particular to the Chinese economy regaining momentum, rising consumer prices, and the robust state of financial markets in 2017.

The IMF nevertheless also sees some problems confronting the global economy and has referred in particular to the increasing risk of geopolitical tension, the introduction of obstacles to trade, and rising US interest rates.

The IMF expects growth in the euro area to remain constant at 1.7%. Developments in the UK have so far not had any noticeable impact on STRATEC.

Irrespective of the aforementioned developments, global demographic developments represent one of the most serious challenges facing the world. The dynamic growth in the world's population, together with an unprecedented increase in the elderly share of the population and the sharp rise in the number of people with access to medical care, represent key factors which will shape the 21st century. This situation is accompanied by scientific and technological progress, which is opening up ever new possibilities in the fields of medicine, research, diagnostics, and science.

These developments will lead not only to an increase in the numbers of clinical diagnostics tests to be performed, but will also result in new, unique business opportunities for which STRATEC is optimally positioned with its automation solutions and on which it will continue focus its strategy and operations.

For the reasons outlined above, global economic risks only have a very limited impact on STRATEC's business performance and business model. Moreover, long-term supply agreements with our customers minimize the potential implications for STRATEC.

### Key industry and market-related data

Based on different estimates, in-vitro diagnostics (IVD) is and will remain a growth market, with average annual global growth of 4% to 5% in the years until 2018 and 2020 respectively. By 2018, the IVD market will thus have an estimated volume of USD 65 billion. The various segments within IVD are set to grow at different rates. STRATEC operates in particular in those segments that are forecast to generate high growth. These also include molecular diagnostics, for example, where annual growth rates are expected to average around 8% in the years from 2013 to 2018.

Other areas, such as blood sugar self-testing, are declining and are not among STRATEC's activities. Today, STRATEC offers products and solutions in numerous key areas of the IVD market. Consistently aging populations, increased prevalence of chronic diseases based on our current lifestyles, and the ever growing significance of personalized treatment – these are key market growth drivers. Over and above that, the research being performed on innovative technologies, such as specific biomarkers, will create new opportunities for future market growth.

As a standalone market, the UK is important to STRATEC's customers. Having said this, the implications of exchange rate movements in the wake of any potential Brexit are difficult to forecast. Overall, this factor is nevertheless deemed to be of subordinate significance. STRATEC's subsidiary STRATEC Biomedical UK, Ltd. develops software solutions in the UK. STRATEC does not expect its partners' turnover figures in the UK as an end-customer market to suffer to any significant extent from the effects of Brexit. Consistent with expectations, the US – still the most important individual market for STRATEC's customers – is developing positively. Developments in the healthcare market here have been positive overall for STRATEC in recent years. Not only that, the unemployment rate has been falling for years now and this has so far had an additional positive impact in terms of the number of people with insurance cover.

Upon publication of this half-yearly financial report, the future direction of healthcare policy under the new US administration was not yet foreseeable.

Currently, North America, Europe, and Japan account for 75% of the total IVD market. In the years ahead, emerging markets such as China, Brazil, Turkey, Korea, India, Russia, and Mexico in particular will report growing test volumes as the governments in these countries are investing heavily in healthcare systems.

Demand for new tests and processes remains high, with particularly strong demand for cost-effective solutions.

Due not least to the increasing complexity of IVD tests, it is difficult for any company to develop proprietary products in all technology and market segments. In view of this, diagnostics groups frequently procure specific technologies to maintain their technological leadership and survive in the market. As a result, a process of consolidation has been apparent in the IVD market for years now and is expected to continue in future as well.

At the same time, the constant rise in regulation recently seen in the diagnostics industry also represents an increasingly high barrier to potential competitors to STRATEC entering the market. There are only very few comparable companies with the ability to offer a comparable range of products and services from compiling specifications, through development, approval, and production of the respective instruments and solutions. The competitive situation therefore remains very limited and, alongside in-house development departments, is restricted to a handful of specialist companies. With the companies acquired in 2016, STRATEC has further extended the range of products and services it can offer to customers and has accessed new market segments. This has further improved the company's competitive situation.

## Report on forecasts and other statements concerning the company's expected development

STRATEC aims to generate permanent, sustainable growth across all business divisions. We are continually building upon innovative solutions enabling our customers to serve their markets with high-quality and safe products. Alongside these activities within our group of companies, our performance is also influenced by further growth in our target markets, especially in the field of in-vitro diagnostics, on the continuing positive trend towards outsourcing at our partners and potential customers, and on any further external growth.

Given the amendments to STRATEC's future financial forecasts which are outlined below, the company is at present not issuing any specific statement concerning its expectations for 2018. For the 2017 financial year, STRATEC is upholding its current sales forecast, which provides for full-year sales of between € 205 million and € 220 million. We expect sales to significantly exceed the lower end of this range. The EBIT margin is expected to be around 17%.

Given upcoming market launches and the significant progress being made in numerous project negotiations, we continue to expect to generate average annual organic sales growth (CAGR) in the high single-digit or low double-digit percentage range in the years ahead. The expected positive development in profitability, due primarily to benefits of scale resulting from recent acquisitions, will be countered by a temporary increase in investment activity – to prepare the growth planned for the future – and by up-front financing of select customer projects. Overall, we therefore expect the EBIT margin to remain broadly consistent.

STRATEC will release a financial forecast for the 2018 financial year upon publication of its 2017 Annual Report The potential implications of IFRS 15, especially in terms of the time at which customer project revenues are recognized, are currently under review. Given the lack of practical experience in implementing these requirements in the industry and several detailed questions still requiring clarification, it is currently not yet possible to clarify these implications for 2018 precisely.

Going forward, STRATEC will communicate its financial forecast for the respective financial year, in keeping with DRS 20 requirements, upon publication of its Annual Report. Furthermore, the average sales growth expected in the coming years will also be disclosed. The company will not publish any more detailed medium-term forecast as regulatory approval processes affecting our customers and our own business may – as has been the case in the past – lead to postponements in system market launches and the resultant sales.

STRATEC's financial forecasts remain subject to risks and uncertainties. Instrument call-up volumes by STRATEC's customers can be budgeted with comparatively high precision. In the case of spare parts and consumables, however, orders are only submitted at short notice and are dependent on analyzer system placement volumes and their level of utilization at the respective laboratories. This share of sales is subject to fluctuations that impact in particular on the development in our margins. We therefore generally forecast a sales range, compliance with which may be significantly influenced by factors arising at short notice. Furthermore the Company's forecast may increasingly be impacted by economic and political uncertainties.

# Opportunity and risk report

We analyze and evaluate the risks facing the company and its business environment within the framework of our risk management system, which has been established as an early warning risk identification system. Furthermore, this system also includes an internal control system (IKS) and a compliance system to ensure compliance with the relevant legal and industry-specific requirements.

The core tasks of risk management at the STRATEC Group involve managing and monitoring the Group's internal financing requirements and securing the overall company's financial independence.

Financial risks are monitored by the reporting department and managed using detailed rolling financial and liquidity planning.

In respect of its financing and liquidity risks, STRATEC has witnessed a change in its financial risks due to taking up loans in connection with the acquisitions made in 2016. To secure sufficient liquidity and financial flexibility within the STRATEC Group at all times, a bridge financing facility taken up in connection with the acquisitions has been converted into a long-term master loan agreement. The loan facility has a total volume of up to € 70 million.

The Group's other financing requirements are secured with liquid funds and credit lines.

Due to the loans taken up, STRATEC is exposed to interest rate risks that may adversely affect its refinancing costs in particular. In view of current central bank policies and the overall macroeconomic situation, we nevertheless see only a low risk of interest rates rising in the short term. The company nevertheless plans to draw on the favorable terms currently available to increase its budgeting reliability by agreeing fixed interest rates.

Overall, STRATEC assesses its financing, liquidity, and interest rate risks as low.

Apart from the financial risks outlined above and the factors presented in the 'Report on forecasts and other statements concerning the company's expected development', we do not see any changes compared with the risks and opportunities identified in the Group Management Report for the 2016 financial year dated April 20, 2017. Details of our risk management system and our company's specific opportunity and risk profile can be found in Section D 'Opportunities and Risks' in our 2016 Group Management Report.

# CONSOLIDATED BALANCE SHEET
## as of June 30, 2017

### Assets

| € 000s | 06.30.2017 | 12.31.2016 |
|---|---|---|
| **Non-current assets** | | |
| Goodwill | 42,417 | 42,841 |
| Other intangible assets | 73,692 | 75,935 |
| Property, plant and equipment | 33,789 | 32,789 |
| Financial assets | 282 | 378 |
| Deferred taxes | 347 | 99 |
| | **150,526** | **152,042** |
| **Current assets** | | |
| Inventories | | |
| • Raw materials and supplies | 15,939 | 13,029 |
| • Unfinished products, unfinished services | 6,540 | 5,302 |
| • Finished products and merchandise | 5,900 | 6,188 |
| | **28,379** | **24,519** |
| Receivables and other assets | | |
| • Trade receivables | 34,018 | 38,890 |
| • Future receivables from construction contracts | 4,738 | 2,348 |
| • Receivables from associates | 391 | 22 |
| • Financial assets | 6,260 | 5,695 |
| • Other receivables and assets | 5,752 | 3,870 |
| • Income tax receivables | 5,043 | 4,081 |
| | **56,202** | **54,906** |
| Cash and cash equivalents | 17,183 | 26,500 |
| | **101,764** | **105,925** |
| | **252,290** | **257,967** |

## Shareholders' equity and debt

| € 000s | 06.30.2017 | 12.31.2016 |
|---|---|---|
| **Shareholders' equity** | | |
| Share capital | 11,895 | 11,861 |
| Capital reserve | 21,559 | 20,437 |
| Revenue reserves | 102,120 | 105,033 |
| Treasury stock | -118 | -118 |
| Other equity | 5,623 | 6,506 |
| | **141,079** | **143,719** |
| **Non-current debt** | | |
| Non-current financial liabilities | 3,246 | 3,035 |
| Other non-current liabilities | 526 | 434 |
| Provisions for pensions | 1,813 | 1,753 |
| Deferred taxes | 14,894 | 14,829 |
| | **20,479** | **20,051** |
| **Current debt** | | |
| Current financial liabilities | 65,314 | 72,793 |
| Trade payables | 9,946 | 7,100 |
| Liabilities to associates | 13 | 0 |
| Other current liabilities | 12,729 | 12,631 |
| Current provisions | 1,342 | 1,348 |
| Income tax liabilities | 1,389 | 325 |
| | **90,732** | **94,197** |
| | **252,290** | **257,967** |

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## for the period from January 1 to June 30, 2017

| € 000s | 01.01. – 06.30.2017 | 01.01. – 06.30.2016 |
|---|---|---|
| **Sales** | **100,723** | **78,032** |
| Cost of sales | -68,626 | -48,189 |
| **Gross profit** | **32,097** | **29,843** |
| Research and development expenses | -4,836 | -5,127 |
| Sales-related expenses | -7,103 | -5,363 |
| General administration expenses | -10,481 | -7,301 |
| Other operating income / expenses | -1,031 | -2,101 |
| **Earnings before interest and taxes (EBIT)** | **8,646** | **9,951** |
| Net financial expenses | -229 | -701 |
| **Earnings before taxes** | **8,417** | **9,250** |
| Current tax expenses | -2,452 | -3,095 |
| Deferred tax income / expenses | 250 | 245 |
| **Consolidated net income** | **6,215** | **6,399** |
| **Items that may be subsequently reclassified to profit or loss** | | |
| Currency translation differences from translation of foreign business operations | -1,195 | -923 |
| Change in value of financial investments | 313 | 2,046 |
| **Comprehensive income** | **5,333** | **7,522** |
| | | |
| **Basic earnings per share in €** | **0,52** | **0,54** |
| No. of shares used as basis (basic) | 11,856,063 | 11,845,226 |
| **Diluted earnings per share in €** | **0.52** | **0.54** |
| No. of shares used as basis (diluted) | 11,964,779 | 11,931,248 |

# CONSOLIDATED CASH FLOW STATEMENT
## for the period from January 1 to June 30, 2017

| € 000s | 01.01.–06.30.2017 | 01.01.–06.30.2016 |
|---|---|---|
| **I. Operations** | | |
| Consolidated net income (after taxes) | 6,215 | 6,399 |
| Depreciation and amortization | 7,357 | 3,742 |
| Current income tax expenses | 2,452 | 3,095 |
| Income taxes paid less income taxes received | -2,345 | -3,582 |
| Financial income | -15 | -62 |
| Financial expenses | 430 | 453 |
| Interest paid | -199 | -170 |
| Interest received | 15 | 62 |
| Other non-cash expenses | 1,094 | 954 |
| Other non-cash income | -526 | -790 |
| Change in net pension provisions through profit or loss | 60 | 0 |
| Change in deferred taxes through profit or loss | -250 | -245 |
| - Profit / + loss on disposals of non-current assets | 1 | -9 |
| - Increase / + reduction in inventories, trade receivables and other assets | -4,635 | -3,642 |
| + Increase / - reduction in trade payables and other liabilities | 4,240 | 3,423 |
| **Inflow of funds from operating activities** | **13,893** | **9,627** |
| **II. Investments** | | |
| Incoming payments from disposals of non-current assets | | |
| • Property, plant and equipment | 14 | 23 |
| • Financial assets | 2 | 0 |
| Outgoing payments for investments in non-current assets | | |
| • Intangible assets | -2,812 | -1,485 |
| • Property, plant and equipment | -3,825 | -3,138 |
| • Financial assets | -10 | -30,617 |
| Incoming / outgoing payments from granting / repayment of financial liabilities | 0 | -50 |
| Outgoing payments for acquisition of consolidated companies less acquired cash | 0 | -66,217 |
| **Outflow of funds for investing activities** | **-6,631** | **-101,484** |
| **III. Financing** | | |
| Incoming funds from taking up of financial liabilities | 24,500 | 67,550 |
| Outgoing payments for repayments of financial liabilities | -33,055 | -938 |
| Income payments from issue of shares for employee stock option programs | 1,065 | 157 |
| Dividend payments | -9,128 | -8,885 |
| **Outflow of funds for financing activities** | **-16,618** | **57,884** |
| **IV. Cash-effective change in cash and cash equivalents** | **-9,356** | **-33,973** |
| Cash and cash equivalents at start of period | 26,500 | 56,415 |
| Change in scope of consolidation | 0 | 25 |
| Impact of exchange rate movements | 41 | -56 |
| **Cash and cash equivalents at end of period** | **17,185** | **22,411** |

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
## for the period from January 1 to June 30, 2017

| € 000s | Share capital | Capital reserve |
|---|---|---|
| **Balance at 01.01.2016** | **11,853** | **20,061** |
| Equity transactions with owners | | |
| • Dividend payments | | |
| • Issue of subscription shares from stock option programs, less costs of capital issue after taxes | 5 | 152 |
| Allocations due to stock option plans | | 70 |
| Allocations due to employee participation program | | -9 |
| Comprehensive income in 2016 | | |
| **Balance at June 30, 2016** | **11,858** | **20,275** |
| | | |
| **Balance at 01.01.2017** | **11,861** | **20,437** |
| Equity transactions with owners | | |
| • Dividends paid | | |
| • Issue of subscription shares from stock option programs, less costs of capital issue after taxes | 34 | 1,031 |
| Allocations due to stock option plans | | 91 |
| Allocations due to employee participation program | | 0 |
| Comprehensive income in 2017 | | |
| **Balance at 06.30.2017** | **11,895** | **21,559** |

| | Revenue reserves | | | Other equity | | | |
|---|---|---|---|---|---|---|---|
| | Accumulated net income | Free revenue reserves | Treasury stock | Fair value reserve | Pension plans | Currency translation | Group equity |
| | **74,915** | **19,392** | **-172** | **0** | **-47** | **4,278** | **130,280** |
| | | | | | | | |
| | -8,885 | | | | | | -8,885 |
| | | | | | | | 157 |
| | | | | | | | 70 |
| | | | 54 | | | | 45 |
| | 6,399 | | | 2,046 | | -923 | 7,523 |
| | **72,429** | **19,392** | **-118** | **2,046** | **-47** | **3,355** | **129,189** |
| | | | | | | | |
| | **85,641** | **19,392** | **-118** | **1,040** | **198** | **5,266** | **143,718** |
| | | | | | | | |
| | -9,128 | | | | | | -9,128 |
| | | | | | | | 1,065 |
| | | | | | | | 91 |
| | | | 0 | | | | 0 |
| | 6,215 | | | 313 | 0 | -1,195 | 5,333 |
| | **82,728** | **19,392** | **-118** | **1,353** | **198** | **4,071** | **141,079** |

# SELECT EXPLANATORY NOTE DISCLOSURES

for the Period from January 1 to June 30, 2017

## Information about the company

STRATEC Biomedical AG (hereinafter 'STRATEC AG'), with its legal domicile in Gewerbestrasse 35-37, 75217 Birkenfeld, Germany, designs and manufactures fully automated systems for its partners in the fields of clinical diagnostics and biotechnology. Furthermore, STRATEC AG provides sample preparation solutions, integrated laboratory software, and complex consumables for diagnostics and medical applications. In this, the company covers the entire value chain – from development and design through to production and quality assurance. The partners market the systems, software and consumables, in general together with their own reagents, as system solutions to laboratories, blood banks and research institutes around the world. STRATEC AG develops its products on the basis of its own patented technologies.

STRATEC AG is entered in the Commercial Register in Mannheim, Germany, under No. HRB 504390.

The half-yearly financial report was approved for publication by the Board of Management of STRATEC AG on July 25, 2017.

## Basis of preparation

Consistent with § 37w of the German Securities Trading Act (WpHG), the half-yearly financial report of STRATEC AG comprises interim consolidated financial statements, an interim group management report, and a responsibility statement. The interim consolidated financial statements, which have not been audited, have been prepared in accordance with the International Financial Reporting Standards (IFRS) applicable to interim financial statements and in accordance with the requirements of International Accounting Standard (IAS) 34 as applicable in the EU, while the interim group management report has been prepared in accordance with the applicable requirements of the German Securities Trading Act (WpHG). STRATEC AC has made application of all IFRS issued by the International Accounting Standards Board (IASB) and applicable in the European Union upon the preparation of these interim consolidated financial statements.

The interim consolidated financial statements should be read in conjunction with the consolidated financial statements of STRATEC AG as of December 31, 2016, as not all of the information required in a year-end set of consolidated financial statements is presented here. The Board of Management believes that these financial statements include all adjustments required to ensure the suitable presentation of the Group's earnings, financial, and net asset position.

The accounting policies applied in these interim consolidated financial statements are consistent with those applied when preparing the consolidated financial statements as of December 31, 2016.

The Group has not made premature application of new or amended standards and interpretations that have already been published but which do not yet require mandatory application.

The group currency is the euro. Unless otherwise indicated, all amounts have been stated in thousand euros (€ 000s).

## Scope of consolidation

The scope of consolidation of STRATEC AG (parent company) in the consolidated financial statements as of June 30, 2017 is set out below. Pursuant to the requirements of IFRS 10 (Consolidated Financial Statements), it basically includes all companies controlled by STRATEC AG (subsidiaries). Specifically, the scope of consolidation includes – as was already the case at December 31, 2016 – the following subsidiaries:

- STRATEC Biomedical Switzerland AG, Beringen, Switzerland
- STRATEC Biomedical UK, Ltd., Burton upon Trent, UK
- STRATEC Molecular GmbH, Berlin, Germany
- STRATEC Biomedical USA, Inc., Newbury Park, US
- STRATEC Biomedical S.R.L, Cluj-Napoca, Romania
- STRATEC Services AG, Beringen, Switzerland
- STRATEC Capital GmbH, Birkenfeld, Germany
- RE Medical Analyzers Luxembourg 2 S.à r.l., Luxembourg
- Medical Analyzers Holding GmbH, Zug, Switzerland
- Diatron Medicinai Instrumentumok Laboratóriumi Diagnosztikai Fejlesztö-Gyártó Zrt, Budapest, Hungary
- Diatron US, Inc., Delaware, US
- STRATEC PS Holding GmbH, Birkenfeld, Germany
- STRATEC Consumables GmbH, Anif, Austria
- STRATEC Biomedical Inc., Southington, US.

The level of shareholding and percentage of voting rights held as of June 30, 2017 amounted to 100% of voting capital at all of the companies listed.

Due to their immaterial significance, the following companies have not been fully consolidated in the interim consolidated financial statements:

- Sanguin International Inc., Southington, US
- STRATEC Biomedical (Taicang) Co. Ltd., Taicang, China
- Mod-n-More Kft., Budapest, Hungary.

# Segment disclosures

No changes in segmentation have arisen compared with the consolidated financial statements as of December 31, 2016.

**Segment data by operating segment for the period from January 1 to June 30, 2017**

| € 000s | Instrumentation (includes spare parts and consumables attributable to this business unit) | Diatron (includes spare parts and consumables attributable to this business unit) | Consumables | Other segments | Total | Reconciliation | Total |
|---|---|---|---|---|---|---|---|
| Sales with external customers | 72,590 | 19,037 | 7,280 | 1,421 | 100,328 | 395 | 100,723 |
| Inter-segmental sales | 1,412 | 26 | 3 | 1,275 | 2,717 | -2,717 | 0 |
| Depreciation and amortization | 2,735 | 2,630[2] | 1,933[2] | 58 | 7,357 | 0 | 7,357 |
| EBIT[1] | 12,425 | -64[2] | -3,206[2] | -1,017 | 8,139 | 508 | 8,646 |
| EBITDA[1] | 15,160 | 2,566 | -1,273 | -959 | 15,495 | 508 | 16,003 |
| Interest income | 1,107 | 1 | 2 | 0 | 1,110 | -1,096 | 15 |
| Interest expenses | 418 | 1,018 | 81 | 7 | 1,525 | -1,096 | 430 |
| Assets | 262,946 | 61,160 | 30,765 | 6,459 | 361,331 | -109,040 | 252,290 |
| Additions to non-current assets | 4,820 | 409 | 818 | 591 | 6,638 | 0 | 6,638 |

[1] Before consolidation and accounting for write-downs resulting from purchase price allocation (scheduled amortization: Diatron, STRATEC Consumables)
[2] Includes write-downs resulting from purchase price allocations (Diatron: € 2,408k; STRATEC Consumables: €1,257k)

**Segment data by operating segment for the period from January 1 to June 30, 2016**

| € 000s | Instrumentation | All other segments | Summe | Reconciliation | Total |
|---|---|---|---|---|---|
| Sales with external customers | 75,087 | 3,302 | 78,389 | -357 | 78,032 |
| Inter-segmental sales | 751 | 908 | 1,659 | -1,659 | 0 |
| Depreciation and amortization | 3,578[2] | 164 | 3,742 | 0 | 3,742 |
| EBIT[1] | 12,221[2] | -225 | 11,996 | -2,045 | 9,951 |
| Interest income | 606 | 8 | 614 | -553 | 62 |
| Interest expenses | -460 | -546 | -1,006 | 553 | -453 |
| Assets | 312,593 | 32,428 | 345,021 | -102,348 | 242,673 |
| Additions to non-current assets | 33,914 | 1,365 | 35,279 | -52 | 35,227 |

[1] Before consolidation and accounting for write-downs resulting from purchase price allocation (scheduled amortization: Instrumentation)
[2] Includes write-downs resulting from purchase price allocations (Diatron: € 1,199k)

# Property, Plant and Equipment

STRATEC AG invested a total of € 6,638k in intangible assets and property, plant and equipment in the first six months of the 2017 financial year (previous year: € 4,623k). These investments mainly related to the purchase of a group-wide ERP system, the acquisition of a piece of land, and tool purchases.

# Financial instruments

The following table presents the carrying amounts and fair values of individual financial assets and liabilities for each class of financial instruments and reconciles these with the corresponding balance sheet items.

## Abbreviations for IAS 39 measurement categories

| | |
|---|---|
| **LaR** | Loans and receivables |
| **AfS** | Available-for-sale financial assets |
| **FVTPL** | Assets measured at fair value through profit or loss |
| **FAHfT** | Financial assets held for trading |
| **FLAC** | Financial liabilities measured at amortized cost |

| **06.30.2017**<br>(12.31.2016)<br>€ 000s | **IAS 39 category** | **Carrying amount** | **Amortized cost** | **Fair value through profit or loss** | **Fair value in equity** | **Total** | **Not covered by IFRS 7** | **Fair value** |
|---|---|---|---|---|---|---|---|---|
| **Non-current assets** | | | | | | | | |
| • Investments in associates | AfS | 168<br>(160) | 168<br>(160) | | | 168<br>(160) | | |
| • Other financial assets | LaR | 114<br>(218) | 114<br>(218) | | | 114<br>(218) | | 114<br>(218) |
| **Current assets** | | | | | | | | |
| Trade receivables | LaR | 34,018<br>(38,890) | 34,018<br>(38,890) | | | 34,018<br>(38,890) | | 34,018<br>(38,890) |
| Receivables from construction contract | LaR | 4,738<br>(2,348) | 4,738<br>(2,348) | | | 4,738<br>(2,348) | | 4,738<br>(2,348) |
| Receivables from associates | LaR | 391<br>(22) | 391<br>(22) | | | 391<br>(22) | | 391<br>(22) |
| Financial assets | | 6,260<br>(5,696) | 458<br>(384) | 1,261<br>(2,561) | 4,542<br>2,751 | 6,260<br>(5,696) | | 6,260<br>(5,696) |
| • Available-for-sale financial instruments | AfS | 4,542<br>(2,751) | | | 4,542<br>(2,751) | 4,542<br>(2,751) | | 4,542<br>(2,751) |
| • Financial instruments measured at fair value through profit or loss | FVTPL | 243<br>(1,481) | | 243<br>(1,481) | | 243<br>(1,481) | | 243<br>(1,481) |
| • Assets held for trading | FAHfT | 1,018<br>(1,080) | | 1,018<br>(1,080) | | 1,018<br>(1,080) | | 1,018<br>(1,080) |
| • Loans and receivables | LaR | 457<br>(384) | 457<br>(384) | | | 457<br>(384) | | 457<br>(384) |
| Cash and cash equivalents | LaR | 17,183<br>(26,500) | 17,183<br>(26,500) | | | 17,183<br>(26,500) | | 17,183<br>(26,500) |
| **Non-current debt** | | | | | | | | |
| Non-current financial liabilities | FLAC | 3,246<br>(3,035) | 2,452<br>(2,552) | | | 2,452<br>(2,552) | 794<br>(483) | 2,451<br>(2,554) |
| **Current debt** | | | | | | | | |
| Other current financial liabilities | FLAC | 65,314<br>(72,793) | 63,925<br>(72,413) | | | 63,925<br>(72,413) | 1,389<br>(380) | 63,973<br>(72,524) |
| Trade payables | FLAC | 9,946<br>(7,100) | 9,946<br>(7,100) | | | 9,946<br>(7,100) | | 9,946<br>(7,100) |
| Liabilities to associates | FLAC | 13<br>(0) | 13<br>(0) | | | 13<br>(0) | | 13<br>(0) |

## Fair value hierarchy

To ensure the comparability and consistency of fair value measurements and related disclosures, IFRS 13 (Fair Value Measurement) stipulates a fair value hierarchy that allocates the input factor used in valuation methods to calculate fair value to three levels. The hierarchy grants the highest priority to prices (taken over without amendment) on active markets for identical assets or liabilities (Level 1 input factors) and the lowest priority to non-observable input factors (Level 3 input factors). The following specific definitions apply:

**Input factors:** Assumptions that would be used by market participants when determining the price of an asset or liability, including risk assumptions, such as:

(a) The risk involved in a specific valuation method used to calculate fair value (such as a price model), and

(b) The risk involved in the input factors used in the valuation method.

Input factors may be observable or non-observable.

**Level 1 input factors:** Listed prices (taken over without amendment) on active markets for identical assets or liabilities to which the company has access on the valuation date.

**Level 2 input factors:** Input factors other than the listed prices included in Level 1 that are either directly or indirectly observable for the asset or liability.

**Level 3 input factors:** Input factors not observable for the asset or liability.

**Observable input factors:** Input factors derived from market data, such as publicly available information about actual events or transactions, which reflect those assumptions that would be used by market participants when determining the price of the asset or liability.

**Non-observable input factors:** Input factors for which no market data is available and which are derived from the best information available concerning the assumptions that would be used by market participants when determining the price of the asset or liability.

Financial assets measured at fair value have been allocated to the three input factor levels as follows:

| **06.30.2017**<br>(12.31.2016)<br>€ 000s | **Total carrying amount** | **of which Level 1** | **of which Level 2** | **of which Level 3** |
|---|---|---|---|---|
| **Non-current assets** | | | | |
| Financial assets | 5,803<br>(5,312) | 1,018<br>(1,080) | 243<br>(0) | 4,542<br>(4,232) |

As in the 2016 financial year, no items were reclassified within the three input factors in the period from January 1 to June 30, 2017. The financial assets allocated to Level 1 involve shares in publicly listed companies. These have been measured by reference to the closing price on the securities exchange with the highest trading volume on the reporting date. Currency futures have been measured by reference to Level 2 input factors.

The other financial assets measured at fair value relate to shares held in unlisted companies. These shares result from the development cooperation in place with Quanterix Corporation, US. This company is not traded on any active market. To measure its option rights, STRATEC AG has obtained a value survey in which an independent surveyor determined the value of the 'common stocks' and 'preferred stocks'. This value survey has been updated to account for current information as of June 30, 2017. At the balance sheet date on June 30, 2017, STRATEC AG possessed zero option rights to preferred stocks in the A-3 series (12.31.2016: 700,000) and 2,000,000 preferred stocks in the A-3 series (12.31.2016: 1,300,000). The option rights reported as of December 31, 2016 were exercised on January 25, 2017 in return for payment of an amount of USD 0.001 per option right, thus amounting to a total of USD 700.00.

Unlike preferred stocks in the A-1, A-2, B, C, and C-1 series, the stocks in the A-3 series do not have rights to a cumulative dividend. In the event of a liquidation (in the sense used for companies financed by venture capital) of Quanterix Corporation, US, there are liquidation preferences for the different series and classes of shares. B, C, and C-1 series stocks thus have precedence over all others, while A-1, A-2, and A-3 series stocks have precedence over common stocks. In the event of an IPO at Quanterix Corporation, US, with a minimum share price of USD 5.00 per share and gross proceeds of at least USD 40.0 million, the preferred stocks are mandatorily converted at a ratio of 1:1 into common stocks. In measuring the common stocks, the surveyor applied a hybrid method accounting for two scenarios: on the one hand, an IPO scenario that would be followed by crossover financing and on the other a 'remain private' scenario. Measurement for the IPO scenario uses a market-based valuation method, while measurement for the 'remain private' scenario has been based on a DCF method. Each scenario was weighted on the basis of its likelihood as estimated by the Board of Management of Quanterix Corporation, US. Furthermore, the surveyor accounted for a discount for lack of marketability for the common stocks. The change in the fair value of the option rights resulted in expenses of € 9k in the first half of 2017 (1.1.–6.30.2016:income of € 425k; 1.1.–12.31.2016: income of € 535k), which has been recognized in the 'Other operating expenses' item in the consolidated statement of comprehensive income. The change in the fair value of the stocks resulted in income of € 305k in the first half of 2017 (1.1.– 6.30.2016: € 2,075k; 1.1.– 12.31.2016: € 1,055k), which has been recognized directly in equity in the 'Changes in value of financial investments' item in the consolidated statement of comprehensive income. The measurement of the Quanterix option rights and stocks involves a fair value measurement based on Level 3 input factors pursuant to IFRS 13 (Fair Value Measurement).

A reconciliation of the financial assets repeatedly measured at fair value in Level 3 of the measurement hierarchy is presented below:

| € 000s | |
|---|---|
| **Balance at 01.01.2016** | **1,271** |
| Total gains and losses recognized through profit or loss<br>• Other operating income (+) / expenses (-) | 425 |
| Total gains and losses recognized in other comprehensive income | 2,075 |
| Purchases | 1 |
| **Balance at 06.30.2016** | **3,772** |
| Total gains and losses recognized through profit or loss<br>• Other operating income (+) / expenses (-) | 110 |
| Total gains and losses recognized in other comprehensive income | -1,020 |
| Purchases | 1,370 |
| **Balance at 12.31.2016** | **4,232** |
| Total gains and losses recognized through profit or loss<br>• Other operating income (+) / expenses (-) | -9 |
| Total gains and losses recognized in other comprehensive income | 318 |
| Purchases | 1 |
| **Balance at 06.30.2017** | **4,542** |

Financial assets measured at fair value comprise shares in listed companies (€ 1,018k; 12.31.2016: € 1,080k), currency futures (€ 243k; 12.31.2016: € 0k), and shares (12.31.2016: option rights) in the unlisted company Quanterix (€ 4,542k; 12.31.2016: shares of € 2,751k, option rights of € 1,481k).

## Financial liabilities

Financial liabilities include liabilities to banks of € 63,060k (12.31.2016: € 71,514k).

The company concluded a master loan agreement with a five-year term with several banks on February 28, 2017. This converted two bridge financing facilities taken up in the context of the company acquisitions in the 2016 financial year into a long-term master loan agreement with a total volume of up to € 70 million, thus improving the plannability of the company's liquidity and financial situation. This refinancing measure led to cash-effective inflows of € 24,500k and outflows of €32,500k. The master loan agreement includes contractual clauses concerning compliance with key financial figures and general covenants.

## Risk management activities

The STRATEC Group concluded hedging transactions as of June 30, 2017. These involve currency futures intended to secure future cash flows from sales in USD.

## Shareholders' equity

The development in the shareholders' equity of the STRATEC Group and dividends paid are presented in the consolidated statement of changes in equity on Pages 14 and 15. The number of ordinary shares issued by STRATEC Biomedical AG as of June 30, 2017 amounts to 11,895,445. All shares are fully paid in and are registered shares.

## Disclosures on the volume of treasury stock and on subscription rights held by the company's directors, officers and employees pursuant to § 160 (1) Nos. 2 and 5 AktG

The company owned a total of 6,690 treasury stock shares at the interim balance sheet date. This corresponds to a prorated amount of € 6,690.00 of the company's shares capital and to a 0.06 % share of its equity.

### Stock option programs

Since the 2015 financial year, individual members of the Board of Management have only participated in the stock option program in respect of stock options already granted but have not been granted any further options.

The members of the Board of Management and managing directors held the following number of subscription rights (stock option rights) as of the interim reporting date:

| Stock option rights | Board of Management/ Managing Directors | Employees | Total |
|---|---|---|---|
| **Outstanding on 01.01.2017** | 144,000 | 100,450 | 244,450 |
| **Granted** | 5,000 | 17,250 | 22,250 |
| **Exercised** | 25,000 | 9,450 | 34,450 |
| **Lapsed** | 0 | 0 | 0 |
| **Forfeited** | 0 | 500 | 500 |
| **Outstanding on 06.30.2017** | 124,000 | 107,750 | 231,750 |

Of the stock option rights granted in the first six months, a total of 5,000 were granted to managing directors of subsidiaries (previous year: 1,500) and 17,250 to employees (previous year: 11,000).

A total of 25,000 stock option rights were exercised by members of the Board of Management in the first six months (previous year: 0). As in the previous year, the managing directors of subsidiaries did not exercise any stock option rights in this period. Employees exercised 9,450 stock option rights (previous year: 5,050). Of the stock option rights exercised by employees, 3,000 stock option rights (previous year: 0) involved stock option rights exercised by a member of the Board of Management prior to his appointment to the Board. In order to service the stock option rights thereby exercised, a total of 34,450 shares were created from conditional capital (previous year: 5,050).

As in the previous year, no stock option rights lapsed in the period under report. A total of 500 employee stock option rights were forfeited in the period under report (previous year: 2,400).

## Stock appreciation rights

The fair value of stock appreciation rights (SARs) developed as follows:

| Stock appreciation rights (SARs) | Tranche 1/2015 | Tranche 2/2016 | Tranche 3/2017 |
|---|---|---|---|
| **Issue date** | 08.03.2015 | 04.01.2016 | 01.23. 2017 |
| **Fair value at issue date** | 11.28 € | 11.36 € | 10.90 € |
| **Fair value at 12.31.2016** | 9.50 € | 12.07 € | n/a |
| **Fair value at 06.30.2017** | 14.85 € | 19.88 € | 19.85 € |

The development in the number of stock appreciation rights (SARs) is presented below:

| Number | Total at 01.01.2017 | Granted | Exercised / lapsed / forfeited | Total at 06.30.2017 | of which exercisable |
|---|---|---|---|---|---|
| **Tranche 1/2015** | 40,000 | 0 | 0 | 40,000 | 0 |
| **Tranche 2/2016** | 40,000 | 0 | 0 | 40,000 | 0 |
| **Tranche 3/2017** | 0 | 40,000 | 0 | 40,000 | 0 |
| **Total** | 80,000 | 40,000 | 0 | 120,000 | 0 |

The total obligation for the payments expected in connection with the stock appreciation rights (SARs) granted as of the reporting date amounted to € 2,184k (December 31, 2016: € 863k). This item has been recognized under financial liabilities.

## Components of other comprehensive income (OCI)

The currency translation reserve of € 4,071k recognized within other comprehensive income (OCI) as of the reporting date (12.31.2016: € 5,267k) comprises currency differences arising upon the translation of the separate financial statements of companies whose functional currency is not the euro and from the translation within equity of group-internal net investments as of the reporting date. The change in this item is recognized in the 'Currency translation differences from translation of foreign business operations' line item in the statement of comprehensive income.

The fair value measurement of available-for-sale financial instruments resulted in the recognition in other comprehensive income of gains after taxes of € 313k (previous year: € 2,046k). This item relates to the measurement of the Quanterix shares as of the reporting date. Reference is also made to the comments on Page 20.

## Research and development expenses

Outlays for research and development expenses not meeting the criteria for capitalization set out in IAS 38 (Intangible Assets) totaled € 4.8 million in the first six months of the 2017 financial year (previous year: € 5.1 million) and mainly involved personnel expenses and costs of materials. Overall, the STRATEC Group invested a total of € 14.5 million in research and development in the first six months of 2017 (previous year: € 11.3 million).

## Select related party disclosures

In the first half of 2017, STRATEC AG generated revenues of € 4k from transactions with STRATEC Biomedical (Taicang) Co. Ltd. (previous year: € 2k) and purchased services of € 127k from this company (previous year: € 155k). Furthermore, in the first half of 2017 Diatron generated revenues of € 196k from transactions with Mod-n-More Kft. (previous year: € 0k) and granted loans of € 120k to this company (previous year: € 0k).

As of June 30, 2017, the STRATEC Group had outstanding balances of € 3,195k in connection with profit participation by members of the Board of Management (12.31.2016: € 2,115k).

## Employees

Including temporary employees, the STRATEC Group had a total of workforce of 1,016 employees as of June 30, 2017 (previous year: 842).

## Major events after the interim reporting date

No events of particular significance which can be expected to materially influence the Group's earnings, financial, or asset position have occurred since the interim reporting date.

## Responsibility Statement

We hereby affirm that, to the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group consistent with the principles of proper accounting, and the interim group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group in the remainder of the financial year.

# FINANCIAL CALENDAR

**07**

**07.25.2017**
Half-yearly Financial Report
H1|2017

**10**

**10.26.2017**
Quarterly Statement
9M|2017

**11**

**11.28.2017**
German Equity Forum,
Frankfurt/Main,
Germany
(Analysts Conference)

Subject to amendment

Quarterly statements and half-yearly financial reports are neither audited nor subject to an audit review by the group auditor Ebner Stolz GmbH & Co. KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Stuttgart.

# ABOUT STRATEC

STRATEC Biomedical AG (www.stratec.com) designs and manufactures fully automated analyzer systems for its partners in the fields of clinical diagnostics and biotechnology. Furthermore, the company offers sample preparation solutions, integrated laboratory software, and complex consumables for diagnostic and medical applications. STRATEC covers the entire value chain – from development to design and production through to quality assurance.

The partners market the systems, software and consumables, in general together with their own reagents, as system solutions to laboratories, blood banks, and research institutes around the world. STRATEC develops its products on the basis of its own patented technologies.

Shares in the company (ISIN: DE000STRA555) are traded in the Prime Standard segment of the Frankfurt Stock Exchange.

# IMPRINT AND CONTACT


**Published by**
STRATEC Biomedical AG
Gewerbestr. 37
75217 Birkenfeld
Germany
Phone: +49 7082 7916-0
Fax: +49 7082 7916-999
info@stratec.com
www.stratec.com



**Corporate Communications**
Andre Loy
Phone: +49 7082 7916-190
a.loy@stratec.com

**Investor Relations**
Sandra Eberle
Phone: +49 7082 7916-197
s.eberle@stratec.com


**Notice**
Forward-looking statements involve risks: This half-yearly financial report 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.

This half-yearly financial report contains various disclosures that from an economic point of view are not required by the relevant accounting standards. These disclosures should be regarded as a supplement, rather than a substitute for the IFRS disclosures.

Apparent discrepancies may arise throughout this half-yearly financial report on account of mathematical rounding up or down in the course of addition.

This half-yearly financial report is available in both German and English. Both versions can be downloaded from the company's website at www.stratec.com. In the event of any discrepancies between the two, the German report is the definitive version.