

# PRESS RELEASE

## STRATEC reports further growth

- Sales of €55.0 million\* in Q1-Q2/2012 (+13.3%; Q1-Q2/2011: €48.5 million)
- EBIT margin of 17.1%\* in Q1-Q2/2012 (Q1-Q2/2011: 18.7%)
- Consolidated net income of €7.4 million in Q1-Q2/2012 (+5.6%; Q1-Q2/2011: €7.0 million)
- Earnings per share of €0.63 in Q1-Q2/2012 (+5.0%; Q1-Q2/2011: €0.60)
- Company forecast confirmed

Birkenfeld, July 24, 2012

STRATEC Biomedical AG (Frankfurt: SBS; Prime Standard, TecDAX) today announced its results for the period from January 1, 2012 to June 30, 2012 upon the publication of its Interim Report as of June 30, 2012.

Key figures (€000s)	01.01.- 06.30.2012	01.01.- 06.30.2011	Change
Sales	58,242	48,515	+20.0%
Adjusted sales*	54,974	48,515	+13.3%
Overall performance	60,870	54,800	+11.1%
EBITDA	11,443	10,750	+6.5%
EBIT	9,423	9,078	+3.8%
EBIT margin (%)*	17.1	18.7	- -
Consolidated net income	7,352	6,964	+5.6%
Earnings per share (€)	0.63	0.60	+5.0%

\* adjusted for a one-off item in the first quarter of 2012 due to an earnings-neutral transfer of unfinished services and prepayments received of €3.3 million due to the impairment of a development project. Unadjusted sales amount to €58.2 million and the resultant EBIT margin amounts to 16.2%.

### **Financial performance**

STRATEC continued the positive sales performance seen in the first three months in the second quarter of 2012. The year-on-year growth of 13.3% in sales for the first six months to €55.0 million was largely driven by rising supply volumes for systems already established in the market.

Moderate growth was reported for systems launched onto the market over the past 24 months. On an adjusted basis, the company's second-quarter sales were 15.0% up on the equivalent figure for the first three months of 2012.

The adjusted EBIT margin for the first six months amounted to 17.1%. At 17.3%, the EBIT margin for the second quarter showed a slightly positive development compared with the first three months of the current year, although several factors continued to impede any more substantial margin growth. In particular, the significant expansion in the company's non-capitalized development resources in connection with customer agreements led to a shift in the sales / development work ratio. Given forthcoming market launches, logistics and manufacturing processes are being prepared for the serial production of additional systems. Furthermore, despite nominal growth, the company has for the first time seen a slight decline in percentage terms in the share of sales generated with maintenance and spare parts. Our customers attribute this development to a temporary dip in testing volumes due to lower numbers of visits to the doctor, particularly in the USA.

At €7.4 million, consolidated net income for the first half was 5.6% higher than the previous year's figure, and corresponds to earnings per share of €0.63 (previous year: €0.60). At €0.34, earnings per share for the second quarter were €0.04 higher than the figure for the first quarter of 2012.

### **Project development**

Further new market launches are expected in the current and following financial years, as are follow-up launches and system approvals in various regions. Several additional new projects are currently in negotiation, and have reached advanced stages in some cases.

One major analyzer system replacing an existing system at a customer is currently being optimized in terms of its supply and production in order to satisfy growing demand for this system.

### **Other developments**

All of the resolutions at the company's Annual General Meeting on May 16, 2012 were approved, including the resolution to distribute a 10% higher dividend of €0.55 per share. The dividend was distributed the day after the Annual General Meeting.

The conversion in accounting from the total cost method to the cost of sales method, which is more widespread internationally and is expected to help in comparing the company's performance with that of other players, is to be implemented in the course of the 2012 financial year. In this respect, the current interim report has for the first time been prepared applying both methods in parallel to facilitate comparison of the two approaches.

### **Development in staff totals**

Including temporary employees, the STRATEC Group had a total of 524 employees as of June 30, 2012 (June 30, 2011: 466). Compared with March 31, 2012, the workforce has grown by a further 12 employees. The company has focused on expanding its development teams at various locations, as well as on a variety of associated integration and training measures.

### **Outlook**

Our customers' forecasts and further upcoming market launches give us reason to expect that our sales performance will show further improvement in the second half of the year.

To date, we have not observed any reluctance on the part of our customers to call up analyzer systems due to consolidation-related factors. In individual cases, the boosting of sales structures in the wake of takeovers leads us to expect further growth in the volume of systems collected in the medium term.

Due to new customer agreements, the increased number of negotiations in advanced stages and numerous feasibility studies, we are continuing to expand our development capacities. The resultant temporary negative impact on margins is expected to support the company's sustainably positive performance in the long term and the anticipated continuation in its double-digit growth rates beyond 2013 and 2014. STRATEC expects to be able to report further major new deals by the end of the year.

We confirm our company forecast of sales between € 125 million and € 139 million in the current financial year and average annual sales growth (CAGR) of between 14% and 16% in the 2012 to 2014 financial years. Our ability to exceed the € 160 million sales mark expected for 2013 is based on current production figures and is linked to the market launches planned to have been implemented by then. We expect to generate an EBIT margin of between 17% and 19% in 2012 and 2013.

Further details can be found in our Interim Report as of June 30, 2012 published at [www.stratec.com](http://www.stratec.com) > Investor Relations > IR News > Financial Reports.

**About STRATEC**

STRATEC Biomedical AG ([www.strattec.com](http://www.strattec.com)) designs and manufactures fully automated analyzer systems for its partners in the fields of clinical diagnostics and biotechnology. These partners market such systems, in general together with their own reagents, to laboratories, blood banks and research institutes around the world. The company develops its products on the basis of its own patented technologies.

Shares in the company (ISIN: DE0007289001) are traded in the Prime Standard segment of the Frankfurt Stock Exchange and are listed in the TecDAX select index of the German Stock Exchange.

**Further information can be obtained from:**

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