

PRESS RELEASE

STRATEC – Results for 1st Half of 2016 and new Financial Guidance

- Two major company acquisitions successfully completed
- Substantial sales growth
 - 6M/2016 at € 78.0 million (+11.5%; 6M/2015: € 70.0 million)
 - Q2/2016 (organic) +2.6% to € 36.3 million (Q2/2015: € 35.5 million)
- Positive development in EBIT margin
 - 6M/2016 at 16.2%* (-95 basis points; 6M/2015: 17.1%)
 - Q2/2016 (organic) at 17.5% (Q2/2015: 17.3%)
- Financial forecast for the 2016 and 2017 financial years
 - 2016 sales: € 175 million to € 182 million
 - 2017 sales: € 205 million to € 220 million
- Earnings per share at € 0.87** in 6M/2016 (+4.8%; 6M/2015: € 0.83)

Birkenfeld, July 21, 2016

STRATEC Biomedical AG, Birkenfeld, Germany (Frankfurt: SBS; Prime Standard, TecDAX) today announced its financial results for the period from January 1, 2016 to June 30, 2016 with the publication of its interim report as of June 30, 2016.

Key figures (€ 000s)	01.01.- 06.30.2016	01.01.- 06.30.2015	Change
Sales	78,032	70,012	+11.5%
EBIT*	12,616	11,986	+5.3%
EBIT margin (%)*	16.2	17.1	-95 bps
Consolidated net income**	10,312	9,807	+5.8%
Earnings per share (€)**	0.87	0.83	+4.8%

bps = basis points

* 2016 figure adjusted to exclude non-recurring items for transaction activities

** 2016 figure additionally adjusted to exclude financing expenses and tax expenses in connection with the acquisition of the Diatron Group and non-recurring items arising from the external tax audit for the assessment periods from 2009 to 2013.

STRATEC announced the acquisition of two companies – Diatron and Sony DADC BioSciences (now STRATEC Consumables), – in March and June respectively of the current financial year. These transactions have been successfully completed and work has begun on integrating the new units into the STRATEC Group's activities and structures.

At STRATEC, the first six months of 2016 were characterized by a strong performance in the second quarter and the announcements of both acquisitions. The following comments on the Group's results refer to the figures adjusted to exclude the one-off items relating to the acquisitions.

Financial performance

Half-year sales at STRATEC AG grew by 11.5% to € 78.0 million. Diatron contributed time-apportioned sales of € 10.5 million in the period from April 1 to June 30, 2016. Following a gradual start in the first quarter, the second quarter brought a more notable increase in the systems delivered, especially those established at STRATEC's partners. The call-up figures in Asia reported in the first quarter by one customer have now stabilized at the level seen in the first three months. Organic second-quarter sales (excluding sales at acquired companies) grew year-on-year by 2.5% to € 36.3 million.

Six-month EBIT rose 5.3% to € 12.6 million. Due to the benefits of scale taking effect once again in the second quarter, the Group achieved an organic EBIT margin of 17.5%. The EBIT margin for the first half of 2016 came to 16.2%. The non-recurring items excluded for comparison include transaction and integration expenses of € 1.2 million and write-downs of € 1.5 million recognized upon the purchase price allocation for the Diatron Group.

In addition, the second quarter of 2016 saw the recognition of non-recurring items, amounting to € 1.4 million, arising from the near complete external tax audit for the periods from 2009 to 2013. Excluding this item, consolidated net income for the first half amounted to € 10.3 million and was a 5.1% increase on the previous year's equivalent figure. As a result, earnings per share rose by 5.3% to € 0.87 (previous year: € 0.83).

Following the distribution in June of € 8.9 million in dividends, outflows of around € 97 million for two company acquisitions, and the commencement of € 68 million in short-term loans, cash and cash equivalents came to € 22.4 million at the reporting date on June 30, 2016.

The equity ratio of STRATEC AG amounted to 53.2% as of June 30, 2016. The bridge financing taken up for the acquisitions is to be converted before the end of the year into medium to long-term financing facilities.

Financial forecast

For the 2016 financial year as a whole, STRATEC expects its sales – following the time-apportioned consolidation of Diatron and STRATEC Consumables – to increase to between € 175 million and € 182 million, with an EBIT margin (excluding acquisition and integration expenses) of 16.0% to 17.5%. In the 2017 financial year, the two companies acquired will be consolidated in the STRATEC Group for the first time for a full reporting period. Excluding further acquisitions, sales are expected to rise to between € 205 million and € 220 million, with a slight increase in the EBIT margin compared with 2016.

According to its most recent financial forecast, STRATEC expects its average annual sales growth, excluding newly acquired companies, to amount to around 6% in 2016 and 2017.

Acquisitions of Diatron and Sony DADC BioSciences

With its acquisitions in the first half of the year, STRATEC has implemented a core part of the strategic objectives set out in the previous year. The activities and products at the OEM specialists now acquired cover interesting growth segments within STRATEC's relevant target markets. The expansion and additions to the product range will enable STRATEC to extend its in-house range of services, while also significantly reducing risks for its partners. In addition, STRATEC expects to benefit from synergies in terms of development and production within the newly created STRATEC Group and from higher volumes of regularly recurring sales components.

The acquisition of Diatron, announced on March 23, 2016, has extended STRATEC's technology portfolio to include hematology and clinical chemistry for use in both human and veterinary diagnostics. Based in Budapest, Hungary, Diatron focuses in particular on low throughput and point-of-care solutions. This provides STRATEC with substantial new technology and expertise when it comes to producing smaller systems and modules. The Diatron Group has been included in STRATEC's scope of consolidation since April 1, 2016.

This acquisition was followed on June 8, 2016 by the announcement of the takeover of Sony DADC BioSciences in Anif, near Salzburg, Austria. This company unit, which will be consolidated from July 1, 2016 onwards and is now known as STRATEC Consumables, specializes in the development and production of smart consumables. These product solutions, which complement each other ideally, have already been used in joint development projects with various customers.

Annual General Meeting and dividend proposal

Shareholders attending the Annual General Meeting on June 9, 2016 approved all of the proposals submitted by the management. Alongside other measures, shareholders approved the eleventh consecutive increase in the dividend to € 0.75 per share with dividend entitlement.

Development in personnel

Including temporary employees and trainees, the total number of employees at the STRATEC Group rose by 49.8% from 562 on the previous year's reporting date to 842. This total includes 236 employees at the Diatron Group.

Projects and other developments

STRATEC is in numerous advanced-stage talks on future projects whilst also working to achieve important milestones on existing projects. Work on developing new platforms is progressing, as are numerous system developments at our partners. These will contribute to STRATEC's further growth from 2017 onwards. Individual partners communicate their plans concerning market launches in their own press releases and capital market publications. The market launch of Aquila, the new hematology analyzer system at Diatron, is already being prepared with a range of jointly agreed activities. This should contribute to sales from the fourth quarter onwards.

The new premises in Switzerland were occupied in the first half of 2016 and the new building in Romania is expected to be completed in the third quarter of 2016. STRATEC is also examining further measures to optimize locations with the aim of adjusting the company's future structures in line with its expected growth.

Interim report as of June 30, 2016

Further details can be found in the Interim Report as of June 30, 2016, which has been published today on the company's homepage at www.stratec.com/financial_reports.

About STRATEC

Die STRATEC Biomedical AG (www.stratec.com) projiziert, entwickelt und produziert vollautomatische Analysensysteme für Partner aus der klinischen Diagnostik und Biotechnologie. Darüber hinaus bietet das Unternehmen Probenvorbereitungslösungen, integrierte Laborsoftware sowie komplexe Verbrauchsmaterialien für diagnostische und medizinische Anwendungen an. Dabei wird die gesamte Wertschöpfungskette von der Entwicklung über das Design und die Produktion bis zur Qualitätssicherung abgedeckt.

Die Partner vermarkten die Systeme, Software und Verbrauchsmaterialien weltweit als Systemlösungen, in der Regel gemeinsam mit ihren Reagenzien, an Laboratorien, Blutbanken und Forschungseinrichtungen. STRATEC entwickelt seine Produkte mit eigenen patentgeschützten Technologien.

Die Aktien der Gesellschaft (ISIN: DE000STRA555) werden im Marktsegment Prime Standard an der Frankfurter Wertpapierbörse gehandelt und gehören dem Auswahlindex TecDAX der Deutschen Börse an.

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