

AD-HOC ANNOUNCEMENT

STRATEC adjusts financial forecast and launches initiative to improve earnings

Birkenfeld, October 4, 2018

On the basis of a now expected weak development in the Diatron segment in the remainder of the fiscal year, as well as a further delay in a new product launch originally scheduled for this year, and reduced order forecasts for some major North American customers for the fourth quarter of 2018, the Board of Management of STRATEC Biomedical AG (Frankfurt: SBS; Prime Standard) decided today to adjust its financial forecast.

For fiscal year 2018, STRATEC now expects sales to decline organically in the low- to mid-single-digit percentage range (previously: organic sales growth of 1% to 3%). The planned sale of the nucleic acid preparation business and its associated recognition as discontinued operations will also have a negative effect of around € 2.5 million on the sales to be reported in 2018. In light of diseconomies of scale and rising costs in connection with the development pipeline, which continued to grow sharply in 2018, STRATEC now expects an adjusted EBIT margin of around 11% to 13% (previously: around 16% to 17%) for fiscal year 2018.

Against the backdrop of the modest business performance in the first half of 2018, the Board of Management already began developing an initiative for a sustainable improvement in earnings in August of this year. The first measures taken, besides the sale of the nucleic acid preparation business (STRATEC Molecular GmbH, Berlin – elimination of the negative EBIT contribution of most recently € 0.9 million in 2017), include reassigning priorities for the allocation of development resources and increasingly insourcing assemblies that are currently produced externally. Due to the continued increase in the number of development projects with high sales potential, the initiative intentionally involves no personnel measures. STRATEC will announce further measures and details of this initiative and associated potential earnings improvements when it publishes its figures for the first nine months of 2018 on November 8, 2018.

On the basis of numerous upcoming launches of new products and the partial postponement of sales originally expected in 2018 to later periods, STRATEC expects significantly positive organic sales growth again in 2019. Due to the associated economies of scale and initial positive effects from the earnings improvement measures already defined, STRATEC expects the adjusted EBIT margin to be significantly higher in 2019 than in the previous year. Due to the long-term business policy as well as project phases that cannot be influenced by the company (i.e. timing of approval),

STRATEC has decided to change its forecasting policy in multiple steps and, starting immediately, is no longer publishing a medium-term financial forecast.

Further information can be obtained from:

STRATEC Biomedical AG

Jan Keppeler, Investor Relations & Corporate Communications

Gewerbestr. 37, 75217 Birkenfeld

Germany

Tel: +49 7082 7916-6515

Fax: +49 7082 7916-9190

ir@stratec.com

www.stratec.com