

9M 2016 Financial Results

as of September **30, 2016**

Conference Call
October 27, 2016

SAFE HARBOR STATEMENT

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 believe 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.

AGENDA

1. Highlights of the first nine months of 2016
2. Financials
3. Market & Outlook
4. Focus in 2016

Highlights 9M/2016

- **Revenues** increased by 17.8% to **€ 126.3 million**
- **EBIT margin** at **14.6 %** influenced by acquisitions and employee expansion
- Intensive development hiring of employees:
 - STRATEC Group: 981 + 71.2% as of September, 2016 (9M/2015: 573)
 - Taking 9M/2015 Diatron and STRATEC Consumables employees into account this represents an 8.3% increase year-over-year
- **New contracts** signed
- **New platform development** in advanced phase
- Long-term follow-up financing of bridge loan at < 1% interest

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FINANCIALS AT A GLANCE

Key figures after the first nine months

(in € thousand)	Sep 30, 2016	Sep 30, 2015	Change
Sales	126,334	107,200	+ 17.8%
EBITDA ¹	22,671	23,368	-3,0%
EBITDA margin (%) ¹	17.9	21.8	- 390 bps
EBIT ¹	18,391 ¹	19,235	- 4.4 %
EBIT margin (%) ¹	14.6 ¹	17.9	- 330 bps
Cons. net income ²	15,251 ²	15,916	- 4.2%
Earnings per share (€) ²	1.29 ²	1.35	- 4.4%

¹ 2016 figure adjusted for one-off items resulting from transaction activities and related reorganization expenses

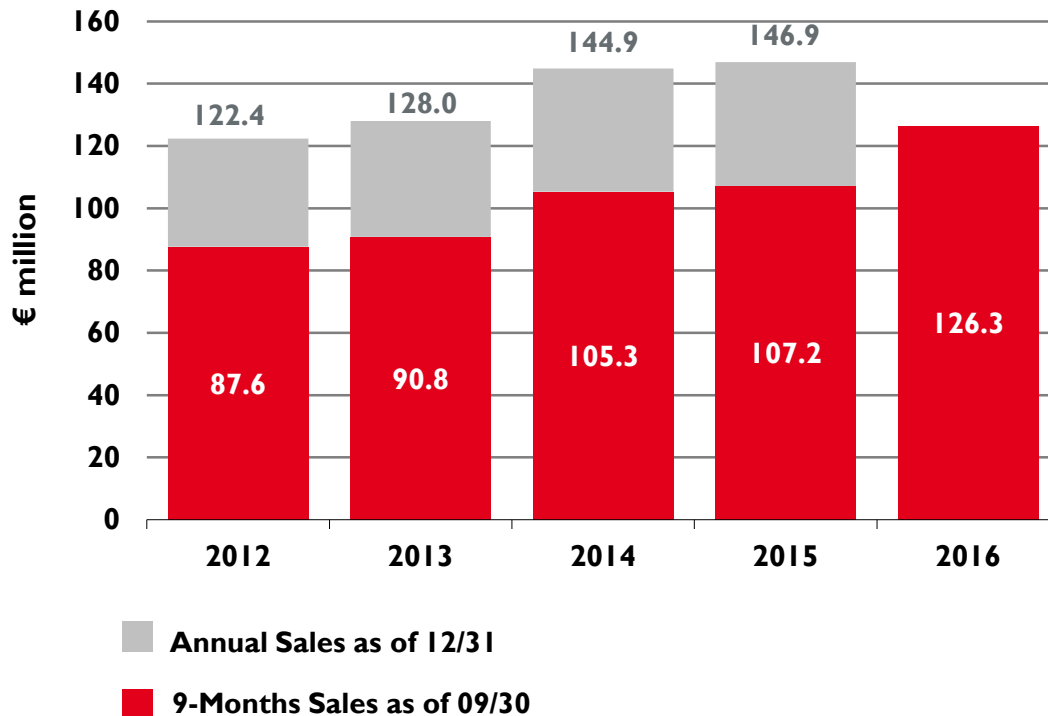
² 2016 figure additionally adjusted for financing expenses and tax expenses in connection with the acquisitions of the Diatron Group and STRATEC Consumables, for one-off items resulting from the tax audit for the 2009 to 2013 assessment periods, and for tax effects relating to reorganization expenses

Adjustments as of Sep 30, 2016

in € thousand	01.01. – 09.30.2016
EBITDA	19,600
Adjustments due to company acquisitions and reorganization expenses	3,071
Adjusted EBITDA	22,671
Depreciation and amortization	-7,884
Adjustments due to purchase price allocation	3,604
Adjusted EBIT	18,391
Net financial expenses	-932
Current and deferred tax expenses and income	-2,901
Adjustments due to Financing expenses due to company acquisitions	740
Adjustments due to Current and deferred tax expenses	-46
Adjusted Consolidated net income	15,251

SALES

9-Months Sales compared to Annual Sales



9M/2016 Sales

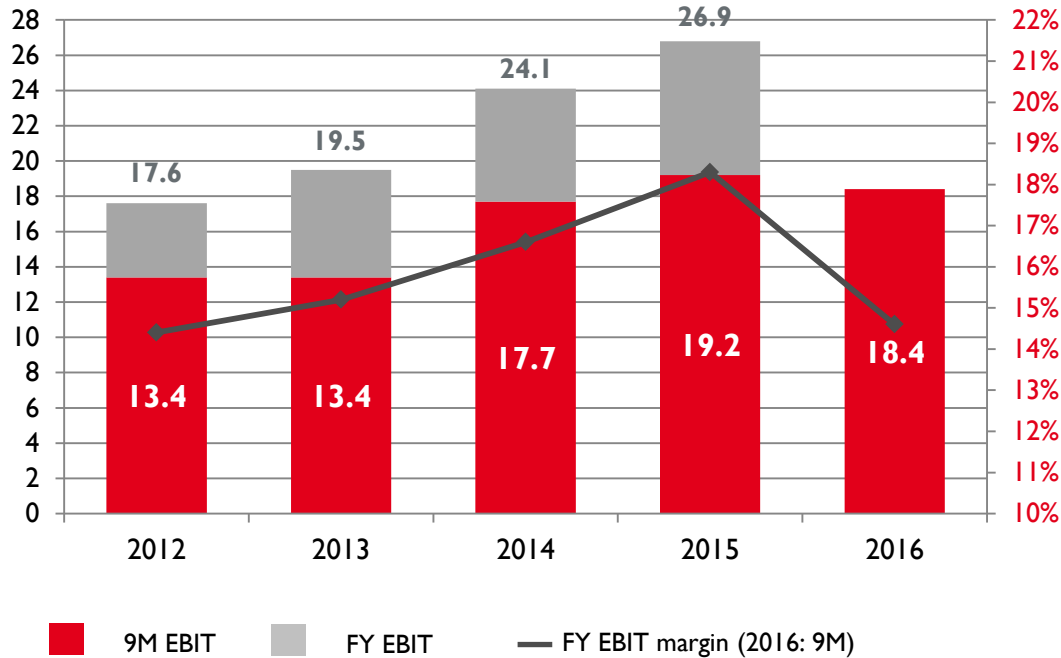
- +17.8% to € 126.3 million
- Significant contribution of Diatron and STRATEC Consumables
- Slower manufacturing ramp-ups due to limited customer menu at launch and incremental approval processes

EBIT & EBIT MARGIN

As of September 30, 2016

EBIT in € million

EBIT margin in %



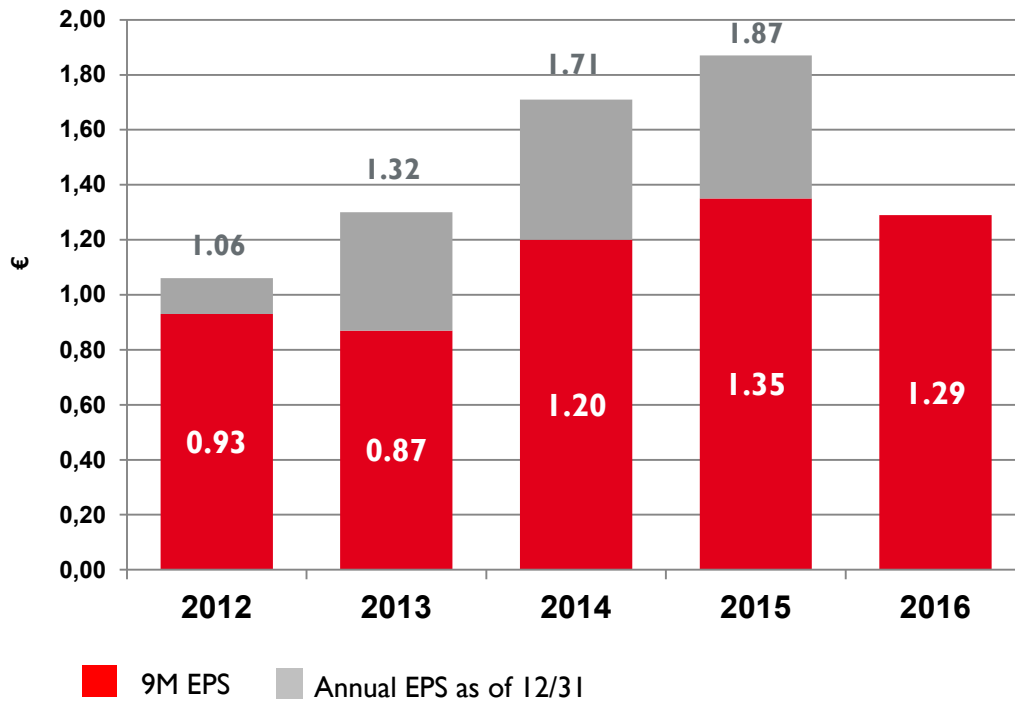
EBIT margin affected by

- Lower margins at the new subsidiaries
- Hiring of staff in connection with numerous product developments
- Postponed benefits of scale
- Sales / earnings catch-up expected to slowly become effective after 2013 project cancellation

2016 figure adjusted for one-off items resulting from transaction activities and related reorganization expenses

EARNINGS AFTER NINE MONTHS

Earnings per share as of Sep 30, 2016



- Adjusted EPS at € 1.29
(9M/2015: € 1.35)

2016 figure additionally adjusted for financing expenses and tax expenses in connection with the acquisitions of the Diatron Group and STRATEC Consumables, for one-off items resulting from the tax audit for the 2009 to 2013 assessment periods, and for tax effects relating to reorganization expenses

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Market & Projects

- **Market:**

- Mixed regional market expectations from STRATEC's partners
- Positive test volume development
- Focus on high-growth markets & industries
- Partners focusing on technologies with additional growth prospective

- **Projects:**

- Continuous development activities in molecular, high-sensitivity and high density technologies with partners
- Financial impact of 2013 project cancelation is noticeable this year
- Hologic expects „Panther Fusion“ market launch in 2017 (Europe) and 2018 (USA)
- Project developments for partners are progressing succesfully
- Initial tests on proprietary platforms are already performed with partners

STRATEC – FINANCIAL GUIDANCE

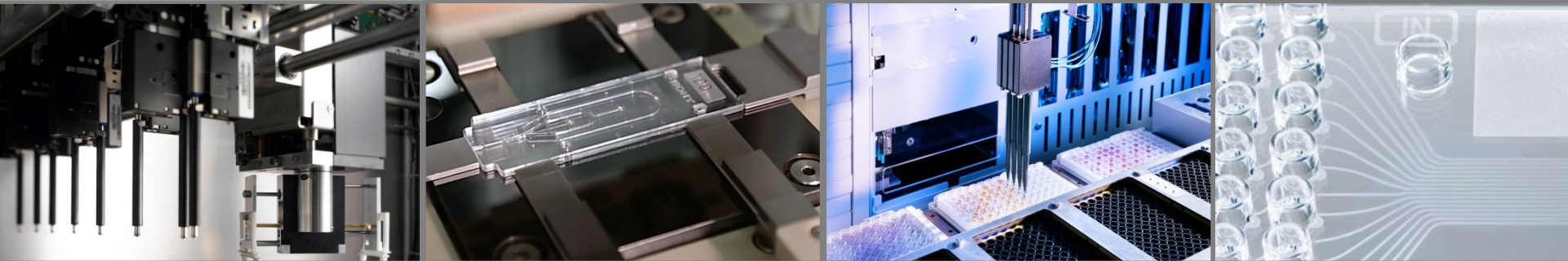
	FY 2016	FY 2017
Revenues	175 – 182 € million	205 – 220 € million
EBIT-Margin	16.0 % - 17.5 %	Slight growth compared to 2016

Organic growth (excluding Diatron and STRATEC Consumables acquisitions): CAGR ~6 % for 2016 and 2017

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Focus in 2016 and beyond

- Finalize post merger integration process
- Improve profitability across business (benefits of scale driven by top-line growth)
- Further realize synergies through development activities across STRATEC businesses
- Expand role as developer and manufacturer of instruments, consumables and software
- Facilitate integration process of instrument and consumables for partners
- Achieve milestones & market launches
- Accelerate development and supply agreement execution



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TICKER

Symbol:	SBS.DE
Bloomberg:	SBS:GR
Reuters:	SBSG.DE
ISIN:	DE000STRA555
WKN:	STRA55

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