

PRESS RELEASE

STRATEC continues to deliver growth in the first nine months 2017

- Sales of € 151.1 million in 9M|2017 (+19.6%; 9M|2016: € 126.3 million)
Sales of € 50.3 million in Q3|2017 (+4.2%; Q3|2016: € 48.3 million)
- Organic sales growth of 9.6% in first nine months
- Adjusted EBIT margin of 15.9% in 9M|2017 (9M|2016: 14.6%)
Adjusted EBIT margin of 22.1% in Q3|2017 (Q3|2016: 12.0%)
- Outlook for 2017 financial year confirmed
- New platforms presented at AACC 2017

Birkenfeld, October 26, 2017

STRATEC Biomedical AG, Birkenfeld, Germany (Frankfurt: SBS; Prime Standard) today announced its financial results and major events for the period from January 1, 2017 through to September 30, 2017 with the publication of its Quarterly Statement 9M|2017.

Major key figures for 9M|2017 and Q3|2017

€ 000s	9M 2017	9M 2016	Change	Q3 2017	Q3 2016	Change
Sales	151,067	126,334	+19.6%	50,344	48,302	+4.2%
EBITDA ⁽¹⁾	29,464	22,671	+30.0%	12,972	7,512	+72.7%
EBITDA margin (%) ⁽¹⁾	19.5	17.9	+160 bps	25.8	15.6	+1,020 bps
EBIT ⁽¹⁾	23,973	18,391	+30.4%	11,111	5,775	+92.4%
EBIT margin (%) ⁽¹⁾	15.9	14.6	+130 bps	22.1	12.0	+1,010 bps
Consolidated net income ⁽¹⁾	18,627 ⁽³⁾	15,251 ⁽²⁾	+22.1%	8,679 ⁽³⁾	4,939	+75.7%
Earnings per share (€) ⁽¹⁾	1.57 ⁽³⁾	1.29 ⁽²⁾	+21.7%	0.73 ⁽³⁾	0.42	+73.8%

bps = basis points

(1) Adjusted to exclude items relating to acquisition activities

(2) Additionally adjusted to exclude one-off items resulting from tax audit performed for 2009 to 2013 assessment periods

(3) Additionally adjusted to exclude deferred tax benefits resulting from loss carry forwards at companies acquired in 2016

Business performance

Nine-month sales increased by 19.6% from € 126.3 million in the previous year to € 151.1 million for the same period in 2017. Excluding sales contributed by the subsidiaries acquired in the 2016 financial year, this corresponds to organic sales growth of 9.6%. Sales benefited in particular from the strong performance of the service parts business and from good call-up figures for established systems.

Nine-month adjusted EBIT grew by 30.4% from € 18.4 million in the previous year to € 24.0 million in 2017. The adjusted EBIT margin rose by 130 basis points to 15.9%, up from 14.6% in the previous year's nine-month period. The positive development in the margin was driven in particular by the Group's strong performance in the third quarter. Factors worth highlighting in this respect are a strong product mix, the recognition of revenues for development services performed in Q1 to Q3 2017, and the progress made in integrating and enhancing profitability at the subsidiaries acquired in 2016.

Adjusted consolidated net income increased year-on-year by 22.1% to € 18.6 million in the first nine months of the year. Earnings per share came to € 1.57 (+21.7%, previous year: € 1.29).

These earnings figures have been adjusted to exclude amortization for purchase price allocations (PPAs) resulting from acquisitions and to exclude one-off items incurred in connection with transaction activities and associated restructuring expenses. A detailed reconciliation of the adjusted and unadjusted figures can be found in the Quarterly Statement 9M|2017 also published today.

Projects and other developments

STRATEC is currently at an advanced stage of negotiations for several development and supply agreements and has signed further significant agreements in the third quarter. Furthermore, its partners are due to implement several market launches in the quarters ahead. Given the measures already taken at the Group to extend its capacities, STRATEC is prepared for this growth.

At the AACC, one of the most important fairs for the healthcare and diagnostics industries, which took place in July and August, the newly developed "KleeYa" and "Aquila" platforms were presented to a wider audience for the first time. The positive feedback received from customers confirms the Company's strategic approach of developing an extended platform concept as an additional offering for new and existing partners. In the period under report, STRATEC already managed to conclude two cooperation agreements for the KleeYa platform, a new fully automated chemiluminescence immunoassay system.

Hologic, one of STRATEC's largest customers, was able to report the successful European market launch of "Panther Fusion" in the first half of 2017. This was followed in October by FDA (Food and Drug Administration) approval for the first test using "Panther Fusion" in the US.

In the current financial year, STRATEC will continue to focus on achieving major development milestones and market launches.

Development in personnel

The STRATEC Group had a total of 1,075 employees as of September 30, 2017 including temporary employees and trainees. This corresponds to a 9.6% increase compared with the previous year's reporting date. This marked growth in the size of the workforce continues to be driven by the company's increased development activities in connection with planned new product launches.

STRATEC continues to seek suitably qualified personnel and expects to report further workforce growth in the coming quarters to enable it to manage the large numbers of development projects and seize future growth opportunities.

Financial forecast

Based on its positive performance in the first nine months and on its existing budgets, STRATEC confirms its sales forecast of € 205 million to € 220 million for the 2017 financial year. STRATEC continues to expect to exceed the lower end of the sales range and to generate an adjusted EBIT margin of around 17%.

Given upcoming market launches and the significant progress being made in numerous project negotiations, STRATEC continues 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, STRATEC expects the EBIT margin to remain broadly consistent.

Quarterly Statement

The Quarterly Statement 9M|2017 including consolidated balance sheet, consolidated statement of comprehensive income and consolidated cash flow statement can be found as a download on the company's website at www.stratec.com/financial_reports.

Conference call and audio webcast

To comment on the publication of our quarterly results, we will be holding a conference call in English today, Thursday, October 26, 2017, at 3.00 p.m. (CEST).

The access information (telephone number, password + individual PIN) will be provided following brief registration at the following link: www.stratec.com/registration

The call may also be followed as an audio webcast at www.stratec.com/audiowebcast20171026 (brief registration required). Please note that it is not possible to submit any questions via the audio webcast.

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.

Further information is available 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