PRESS RELEASE

STRATEC reports H1 2018 figures and adjusts financial guidance

- Organic sales decline of 3.9% (nominal: -10.5%) to € 90.2 million in H1 2018 (H1 2017: € 100.7 million)
- Adjusted EBIT in H1 2018 at € 8.8 million after € 12.8 million in the previous year
- Adjusted EBIT margin in H1 2018 9.8% (H1 2017: 12.7%)
- Negative sales and earnings effects in H1 2018 due to first-time adoption of IFRS 15
- High level of development projects and ongoing increase in the number of employees
- New development agreements signed and further promising project negotiations ongoing
- Adjustment of 2018 financial guidance

Birkenfeld, August 15, 2018

STRATEC Biomedical AG, Birkenfeld, Germany (Frankfurt: SBS; Prime Standard) today announced its financial results and major events for the period from January 1, 2018 through to June 30, 2018 with the publication of its Half-yearly Financial Report H1 2018.

Key figures 1, 2

<table>
<thead>
<tr>
<th>£ 000s</th>
<th>H1 2018</th>
<th>H1 2017</th>
<th>Change yoy</th>
<th>H1 2018 before adoption of IFRS 9 and 15</th>
<th>Change yoy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>90,165</td>
<td>100,723</td>
<td>-10.5%</td>
<td>93,536</td>
<td>-7.1%</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>12,178</td>
<td>16,446</td>
<td>-26.0%</td>
<td>13,850</td>
<td>-15.8%</td>
</tr>
<tr>
<td>Adjusted EBITDA margin (%)</td>
<td>13.5</td>
<td>16.3</td>
<td>-280 bps</td>
<td>14.8</td>
<td>-150 bps</td>
</tr>
<tr>
<td>Adjusted EBIT</td>
<td>8,846</td>
<td>12,816</td>
<td>-31.0%</td>
<td>10,167</td>
<td>-20.7%</td>
</tr>
<tr>
<td>Adjusted EBIT margin (%)</td>
<td>9.8</td>
<td>12.7</td>
<td>-290 bps</td>
<td>10.9</td>
<td>-180 bps</td>
</tr>
<tr>
<td>Adjusted consolidated net income</td>
<td>7,240</td>
<td>9,902</td>
<td>-26.9%</td>
<td>8,348</td>
<td>-15.7%</td>
</tr>
<tr>
<td>Adjusted earnings per share (€)</td>
<td>0.61</td>
<td>0.84</td>
<td>-27.4%</td>
<td>0.70</td>
<td>-16.7%</td>
</tr>
<tr>
<td>Earnings per share (€)</td>
<td>0.22</td>
<td>0.52</td>
<td>-57.7%</td>
<td>0.31</td>
<td>-40.4%</td>
</tr>
</tbody>
</table>

bps = basis points

1 For comparison purposes, adjusted figures exclude amortizations resulting from purchase price allocations in the context of acquisitions, associated reorganization expenses, as well as other one-off items.
2 Figures for H1 2018 in line with IFRS 9 and 15. The 2017 figures were not retroactively adjusted (modified retrospective method). Refer to the Half-yearly Financial Report H1 2018 for the impact of the first-time adoption of IFRS 9 and IFRS 15.
Business performance
In the first six months of 2018, sales of € 90.2 million (previous year: € 100.7 million) were generated, representing an organic sales decline of 3.9%. In nominal terms sales declined by 10.5%, with exchange rate effects and the first-time adoption of IFRS 15 each negatively impacting sales growth by 3.3 percentage points.

Restrained organic sales growth is due particularly to the weak first quarter of 2018, while in the second quarter positive organic sales growth was again achieved. In the first six months of 2018, revenues from the sale of systems declined, while sales with development and services was increased on an organic basis. The temporarily reduced call-up volume for systems at the beginning of the year due to internal reasons at some key customers improved in the second quarter. However, most recent overall order forecasts from customers for the second half of the year came in below original expectations.

In the first six months of 2018, adjusted EBIT was € 8.8 million after € 12.8 million in the same period of the previous year. This corresponds to an adjusted EBIT margin of 9.8% after 12.7% in the equivalent period of the previous year. The decline in profitability in comparison to the previous year is due particularly to higher expenses in connection with increased development activities and the lower sales volume with the resulting inability to leverage economies of scale. The first-time adoption of IFRS 15 also had a considerable negative effect of 110 basis points on the adjusted EBIT margin.

Due to temporarily lower operating profitability, in the first six months of 2018 adjusted consolidated net income also declined by 26.9% to € 7.2 million (previous year: € 9.9 million). Adjusted earnings per share are € 0.61 (previous year: € 0.84).

For comparison purposes, adjusted figures exclude amortizations resulting from purchase price allocations in the context of acquisitions, associated reorganization expenses, as well as other one-off items.

For a reconciliation of the adjusted figures to those shown in the consolidated statement of comprehensive income, refer to the Half-yearly Financial Report H1|2018.

Development in personnel
Including temporary staff, trainees and apprentices, the STRATEC Group had 1,148 employees as of June 30, 2018, up 13.0% year on year.

In order to realize the large number of development projects, STRATEC has already built up additional capacity and is still looking for qualified staff. This is why STRATEC is expecting rising employee numbers over the coming quarters.
Projects and other developments

In addition to other new projects, in the first six months of 2018, STRATEC also signed a major development agreement for an analyzer system with a globally operating diagnostics company. Negotiations on a large number of additional development and supply contracts with existing and potential partners are at a very advanced stage. In addition, in the coming quarters STRATEC expects a range of important launches on the part of its customers and the production start of “KleeYa”, its proprietary analyzer platform. In addition, at this year’s AACC in Chicago in July, the most important specialist trade fair for STRATEC, a new cartridge-based analyzer system for hematology and selected components of a proprietary molecular-diagnostic platform were presented for the first time.

In order to deal with this expected growth and the increased level of development activities, additional measures within the STRATEC Group are being taken to extend capacity. These include the recent start of the construction measures for a significant extension of business capacity at the headquarters in Birkenfeld, Germany. Completion of the first construction stage remains planned for the middle of 2019.

At operating level, a key focus for 2018 remains implementing a standardized ERP system across the group with the intention of considerably simplifying cooperation across locations and designing processes more efficiently. With the implementation of the system at our Austrian and Hungarian sites, it was possible to conclude the first rollout phase in January 2018. Currently, preparations are ongoing that include the implementation at the Birkenfeld headquarters, which is scheduled for completion at the beginning of 2019.

Financial guidance

The financial guidance communicated for the 2018 fiscal year did not take account of any impact resulting from the first-time adoption of IFRS 15 as the full assessment on the matter was not completed due to the large number of relevant contracts. After the completed assessment of the possible effects and on the basis of the recent operating developments, the financial guidance for the 2018 fiscal year has been adjusted as follows:

Taking account of the new accounting policies, for the 2018 fiscal year STRATEC now anticipates sales growth adjusted for exchange rate effects of approximately 3% to 5% (2017 basis: € 209.8 million). It is expected that the first-time adoption of IFRS 15 will impact the reported sales growth in 2018 with a positive factor of approximately two percentage points. Adjusted for this effect, the new guidance implies organic sales growth of between 1% and 3%. The previous guidance indicated organic growth in at least a mid-single-digit percentage range. Lower organic sales growth than originally forecast is due primarily to a slower than expected ramp-up phase for recently launched products and to lower purchase commitments at large customers. In addition, recently expressed expectations of individual market participants and the most recent political and economic trends globally have increased the risks for purchase commitments over the next few quarters.
In fiscal year 2018, an adjusted EBIT margin of approximately 16% to 17% is expected. Slightly reduced expectations on profitability against the previous guidance (around 17%) are due primarily to not being able to leverage economies of scale.

Due to pending launches and numerous very positive ongoing project negotiations, for the next few years STRATEC continues to anticipate compound annual organic sales growth rates (adjusted for exchange rate effects and acquisitions) in the high single-digit to low double-digit percentage range. The parallel positive development of profitability as a result of economies of scales will be attenuated by the temporary upturn in investment and development activities for the planned growth with selected customer projects. As a result, STRATEC anticipates the EBIT margin will develop at an approximately constant level of 17%.

Due to the planned conversion and extension activities at the Birkenfeld location, investments in the 2018 fiscal year are expected to be slightly higher than the level of the previous year.

Annual General Meeting
At the Annual General Meeting on May 30, 2018, all proposals from the management were accepted by a large majority. They included approval to convert STRATEC Biomedical AG into a so-called Societas Europaea (SE) with STRATEC SE as the name. Entry into the commercial register is expected in 2018. In addition, it was resolved to increase the dividend to € 0.80 for each share entitled to a dividend. Since the first dividend payment in 2004, the fourteenth successive higher dividend payment was distributed to shareholders in June.

Half-yearly financial report

Telephone conference and audio webcast
On the occasion of the publication of our quarterly figures, there is a telephone conference in English today, Wednesday, August 15, 2018, at 2 p.m. (CEST).

You will receive the access data (telephone number, password + individual PIN) after brief registration under the following link: www.stratec.com/registration

The telephone conference can also be followed as an audio webcast at www.stratec.com/audiocast20180815 (brief registration necessary). Please note that no questions can be asked in the audio webcast.
About STRATEC
STRATEC Biomedical AG (www.stratec.com) designs, develops and manufactures fully automatic analyzer systems for its partners in clinical diagnostics and biotechnology. The company also offers sample preparation solutions, integrated laboratory software and complex consumables for diagnostic and medical applications. In doing so, the entire value chain is covered, from development, across design and production to quality assurance.

The partners market the systems, software and consumables as system solutions, generally together with their own reagents, to laboratories, blood banks and research institutes around the world. STRATEC develops its products with its own patent-protected technologies.

The shares of the company (ISIN: DE000STRA555) are traded on the Prime Standard of the Frankfurt Stock Exchange.

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