

PRESS RELEASE

STRATEC POSTS DYNAMIC START TO FINANCIAL YEAR 2020

- Sales up by 21.3% to € 56.5 million in Q1/2020; organic growth of +20.1% (Q1/2019: € 46.6 million)
- Adjusted EBIT for Q1/2020 increases by 53.9% to € 7.7 million (Q1/2019: € 5.0 million)
- Adjusted EBIT margin for Q1/2020 up 290 basis points to 13.6% (Q1/2019: 10.7%)
- Significantly higher orders and order forecasts, but also growing supply chain complexity due to COVID-19 pandemic
- Outlook for 2020 confirmed: Organic sales growth in low double-digit percentage range and adjusted EBIT margin of around 15% expected

Birkenfeld, May 14, 2020

STRATEC SE, Birkenfeld, Germany, (Frankfurt: SBS; Prime Standard, SDAX) today announced its financial results and major events for the period from January 1, 2020 to March 31, 2020 with the publication of its Quarterly Statement Q1|2020.

KEY FIGURES¹

€ 000s	Q1/2020 ²	Q1/2019 ²	Change
Sales	56,504	46,569	+21.3%
Adj. EBITDA	10,142	7,177	+41.3%
Adj. EBITDA margin (%)	17.9	15.4	+250 bps
Adj. EBIT	7,658	4,975	+53.9%
Adj. EBIT margin (%)	13.6	10.7	+290 bps
Adj. consolidated net income ³	6,246	3,756	+66.3%
Adj. earnings per share (€) ³	0.52	0.31	+67.7%
Earnings per share (€) ³	0.37	0.11	+236.4%

Adj. = adjusted
bps = basis points

¹ For comparison purposes, adjusted figures exclude amortization resulting from purchase price allocations in the context of acquisitions and the associated reorganization expenses.

² To facilitate comparison, adjusted to account for the disposal of the Data Solutions business unit, which has been reported as a discontinued operation.

³ Result from continuing operations.

BUSINESS PERFORMANCE

STRATEC increased its consolidated sales year-on-year by 21.3% to € 56.5 million in the first quarter of 2020 (Q1/2019: € 46.6 million). Adjusted for exchange rate effects, this corresponds to organic sales growth of 20.1%. This dynamic sales performance was driven by all segments, while the COVID-19 pandemic, to date, had only a very minor positive impact on the sales performance in the first quarter. Within the Instrumentation segment, the business with service parts and consumables posted a particularly strong performance. System sales also rose substantially compared with the previous year. Diatron generated significant growth, not least in its business with veterinary diagnostics products. In the Smart Consumables segment, both product sales and sales with development and services increased in line with the budget.

Adjusted EBIT surged by 53.9% to € 7.7 million, up from € 5.0 million in the previous year's quarter. As a result, the adjusted EBIT margin improved year-on-year by 290 basis points to 13.6% (Q1/2019: 10.7%). This positive development in the margin was due in particular to positive benefits of scale, as well as to a good sales and product mix.

Given this increase in operating profitability and an additional reduction in the tax rate, consolidated net income from continuing operations increased by 66.3% to € 6.2 million (Q1/2019: € 3.8 million). Adjusted (basic) earnings per share from continuing operations amounted to € 0.52 in the first quarter of 2020, as against € 0.31 in the previous year.

To facilitate comparison, the figures stated above for the first quarter of 2020 and the previous year's figures have been adjusted to account for the disposal of the Data Solutions business unit, which has been reported as a discontinued operation. In the interests of comparability, the key earnings figures have also been adjusted to exclude amortization resulting from purchase price allocations in the context of acquisitions and associated reorganization expenses. A reconciliation of the adjusted figures with those reported in the consolidated income statement can be found in the Quarterly Statement Q1|2020 also published today.

FINANCIAL GUIDANCE

To account for its strong performance in the first four months and for current order forecasts from its customers, on May 4, 2020 STRATEC published an ad-hoc announcement in which it raised the guidance figure for its organic sales growth in financial year 2020.

Based on adjustments made to the previous year's figures to account for the disposal of the Data Solutions business unit (2019 sales basis: € 214.2 million), STRATEC now expects to generate constant-currency organic sales growth in a low double-digit percentage range. A figure of around 15% is forecast for the adjusted EBIT margin.

In connection with the COVID-19 pandemic, STRATEC is currently observing significantly positive and slightly negative effects in terms of its customer order and order forecasts. Overall, the company currently expects to see a notably positive impact on demand in the current financial year. All in all, the implications of the pandemic, such as those outlined above, but also potential interruptions within the supply chain, are still not fully visible. Apart from those effects that had already materialized by the end of April 2020, the above guidance therefore does not account for the effects of the pandemic.

For 2020, STRATEC has budgeted investments in property, plant and equipment and intangible assets at around 10% to 12% of sales. Investments in property, plant and equipment mainly relate to the construction work currently underway to significantly extend the buildings at the company's headquarters in Birkenfeld. This work is scheduled for completion in the third quarter of 2020. As a result, the investment ratio is expected to decrease further in 2021.

PROJECTS AND OTHER DEVELOPMENTS

Customers launched a number of new products designed by STRATEC onto the market once again in the first quarter of 2020. Examples worth mentioning include significant software and hardware extensions for a molecular diagnostics analyzer system of a North American partner. Among other benefits, these extensions will increase test capacity and further enhance the user-friendliness of the system. Not only that, the KleeYa instrument – STRATEC's proprietary next-generation analyzer platform for chemiluminescence immunoassays – achieved CE conformity.

Given the continuing trend within the in-vitro diagnostics industry to outsource automation solutions to specialist companies such as STRATEC, the company still has a well-filled development pipeline. In the first quarter, STRATEC also made further progress with numerous negotiations for promising future projects.

DEVELOPMENT IN PERSONNEL

In the first quarter, STRATEC once again increased its organic employee totals compared with the previous year. Excluding employees at the Data Solutions business unit, which was sold at the beginning of May 2020, and including personnel hired from a temporary employment agency and trainees, the STRATEC Group had a total of 1,292 employees as of March 31, 2020. This corresponds to organic growth of 3.8% in the workforce compared with December 31, 2019. Due to its ongoing high level of development activity, STRATEC expects to have a growing need for highly qualified staff in the years ahead as well.

QUARTERLY STATEMENT Q1|2020

The Quarterly Statement Q1|2020 of STRATEC SE has been published on the company's website at www.strattec.com/financial_reports.

FORTHCOMING DATES

The Annual General Meeting of STRATEC SE will be held as an online AGM on June 8, 2020. The Half-Year Financial Report H1|2020 will be published on August 13, 2020.

CONFERENCE CALL AND AUDIO WEBCAST

To mark the publication of the definitive results for the first quarter of 2020, STRATEC will be holding a conference call in English at 3.30 p.m. (CEST) today, Thursday, May 14, 2020.

You will receive the dial-in data (telephone number, password + individual PIN) following brief registration at the following link: www.strattec.com/registration

The conference call will also be available at the same time as an audio webcast at www.strattec.com/audiowebrtcast20200514 (brief registration required). Please note that no questions can

be submitted via the audio webcast. Clicking this link also enables you to follow or download the slide presentation.

ABOUT STRATEC

STRATEC SE (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 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 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 and are listed in the SDAX select index of the German Stock Exchange.

FURTHER INFORMATION IS AVAILABLE FROM:

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