

**Q2 FY 2018 Conference call for journalists**

# **Siemens Healthineers: Shaping the future of healthcare**

**Bernd Montag, CEO | Jochen Schmitz, CFO**

**May 3, 2018**

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# Q2 FY2018 – On track to meet our targets

- Comparable **revenue up by 4% driven** by strong **Imaging** business
- **Adjusted Profit<sup>1</sup> margin at 17.4%** despite negative currency effects
- Continue to receive **excellent customer feedback** on **Atellica Solution** with 250+ analysers shipped
- **Structural cost savings** on track
- **Full year guidance reaffirmed**

1) Adjusted for severance charges and IPO costs

# Major innovations across all segments



**Magnetom Sola<sup>1</sup>**  
first 1.5 Tesla BioMatrix  
system



**Acuson Juniper**  
new ultrasound platform



**Cios Select with FD**  
Flat detector capabilities in  
routine surgery



**PCR kit for HPV**  
high-risk subtypes detection  
**Fast Track cycler & FastFinder**  
software



**New Somatom Force**  
Dual source with FAST workflow  
for precise patient positioning



**Mammomat Revelation**  
High resolution with 50 degree  
tomosynthesis



**Nexaris Therapy Suites**  
New solutions for interoperative  
multimodal imaging

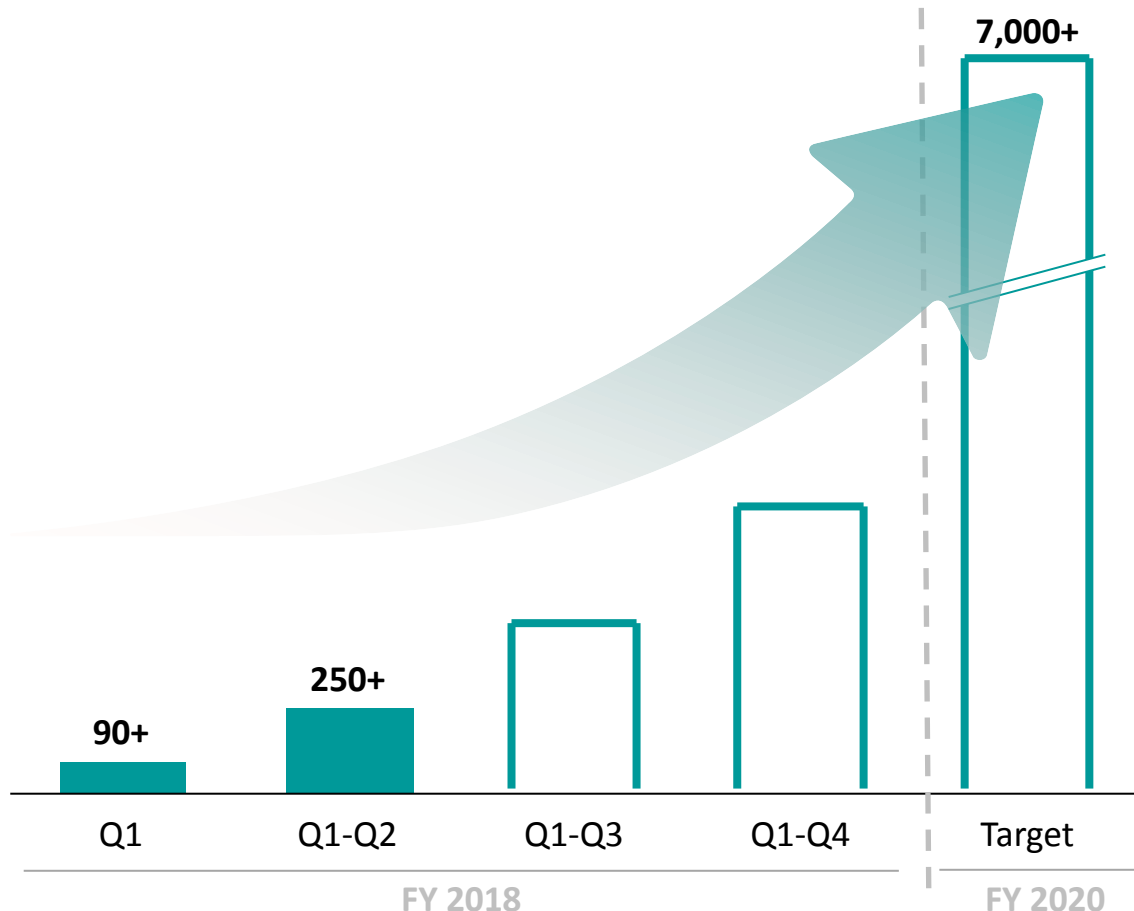


**Blood Urea Nitrogen & Total CO<sub>2</sub>**  
**POC Testing**

1) The Magnetom Sola is not commercially available in the U.S. and some other countries. Due to regulatory reasons its future availability cannot be guaranteed.

# Atellica Solution shipments gaining speed

## Ramp-up of analyzer shipments (cumulative)



## Comments

- **Targeting 7,000 Atellica Solution<sup>1</sup> systems by 2020**
  - 80% to come out of own installed base
  - 20% to come from new customer wins
  - **New customer wins currently well above 20%**
- **Large contracts won across the world, including**
  - Latin America (e.g., **Hermes Pardini** incl. 50+ Atellica analyzers)
  - EMEA<sup>2</sup> (e.g., **Al Gosaibi** – 24 analyzers)
  - North America (e.g., **Dynalife** – 6 analyzers)
- **On track with assay registrations and market introduction**
  - USA : **Five additional assays** approved (total of 150 assays); targeting **menu of 170+ assays** by Q4 FY18
  - Market introduction **on track in Japan** (H2 FY18) and **in China** (FY19)

# Two attractive bolt-on acquisitions closed in FY2018

## Epocal



- **Siemens Healthineers now only vendor** to offer a full solution in blood gas from benchtop to handheld
- **Very competitive low-cost cartridge design, no refrigeration required**
- Significant synergies:
  - leveraging our sales force with 150 critical care experts
  - process improvements and higher automation lowering production costs
- **>10% growth in Q2 FY18; after market entry of BUN/TCO<sub>2</sub> in the U.S.** further growth expected

## Fast Track Diagnostics

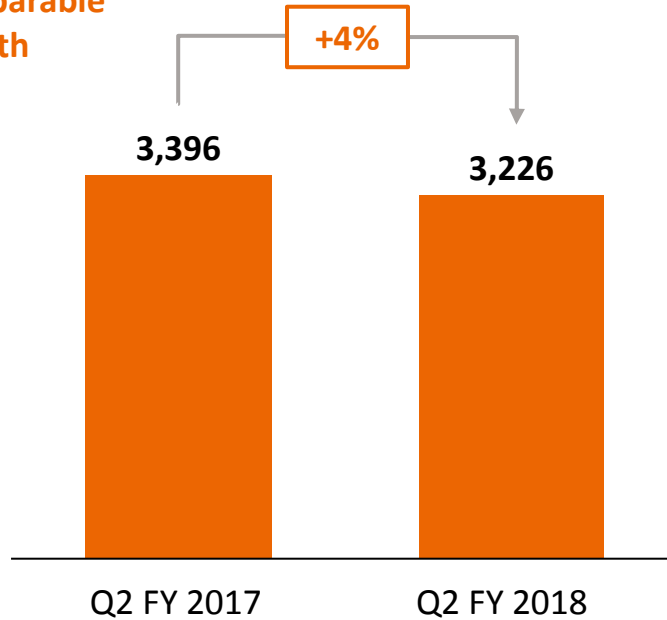


- **One of the largest Molecular PCR test menu** in the industry for infectious disease with 80+ tests with **highly attractive cost position**
- First company launching CE marked Artificial Intelligence for Multisyndromic testing;
- Just launched **high risk HPV multiplex test**
- Significant synergies:
  - selling additional assays into existing installed base
  - consolidation of operations
- **Strong Q2 growth with >40%** driven by flu season

# Strong performance despite FX headwinds

## Revenue (€m)

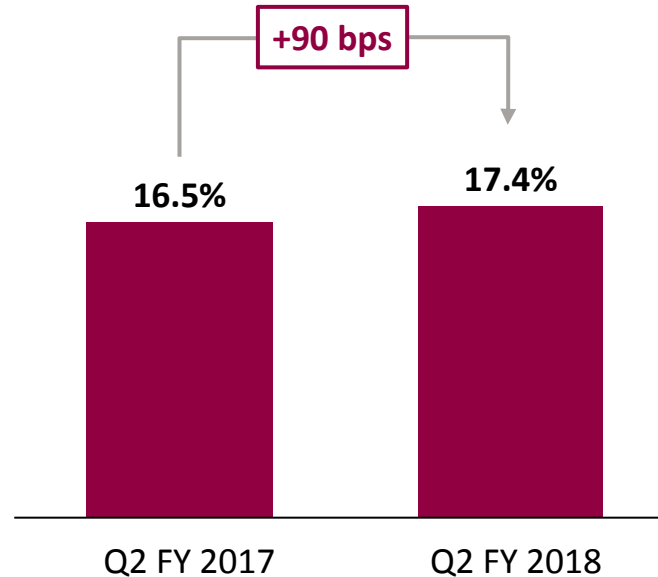
Comparable growth



- Overall comparable growth driven by strong Imaging business
- Regionally strong comparable growth in China (+12%) and solid growth in U.S. (+4%) and EMEA (+3%)

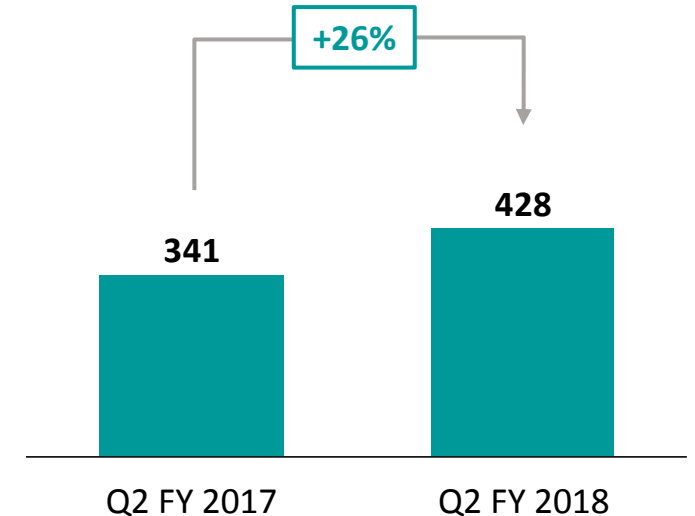
## Adj. Profit margin<sup>1</sup> (€m)

Y-o-y



- Adj. Profit margin up y-o-y by +90 bps despite FX headwinds
- Very good conversion of additional volume in Imaging combined with a favorable business mix

## Adj. net income<sup>1</sup> (€m)

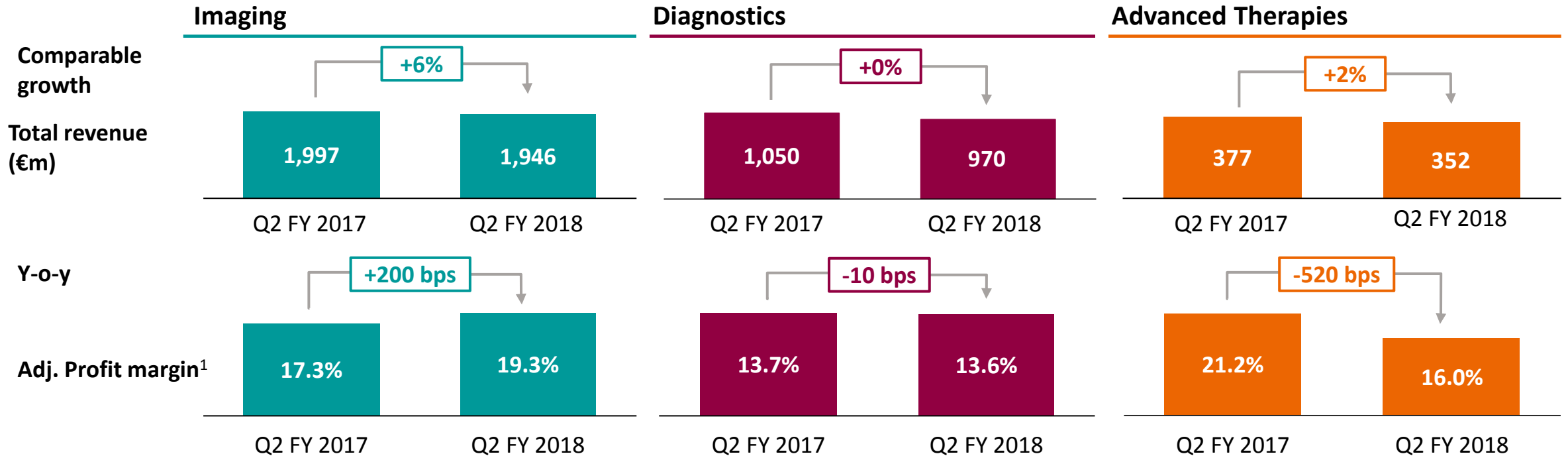


- Adj. net income up 26% on a one-off gain in financing interest and a low tax rate benefitting from one-time gains related to completed tax audits

Note: Comparable growth defined as growth net of currency translation effects and portfolio effects.

1) Adjusted for severance charges, IPO costs (Profit and Net income) and for amortization of intangible assets acquired in business combinations net of tax (Net income)

# Strong Imaging business driving overall performance



- Strong comparable growth driven by MR, CT and Ultrasound
- Regionally strong growth particularly in the U.S., China and Latin America
- Strong margins on good earnings conversion and favorable mix despite FX headwinds

- Flat overall Q2 growth with growth in EMEA and Asia-Pacific region offset by weak Americas
- Margin supported by modest FX tailwind, but still affected by Atellica transition costs

- Modest growth of 2% after a very strong growth Q1 FY2018 results in good H1 growth of 5%
- Lower margin on very tough comps, considerable FX headwind, higher R&D and unfavorable mix

Note: Comparable growth defined as growth net of currency translation effects and portfolio effects.

1) Adjusted for severance charges



- **We continue to expect comparable revenue growth to be in the range of 3% to 4% for the fiscal year 2018.**
- **We expect our adjusted profit margin for the fiscal year 2018 to be in the range of 17% to 18%.**