

# Investor call

## Results of the fiscal year PHOENIX group 2017/18

Mannheim, 24 May 2018

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## Fiscal year 2017/18 – Overview



Oliver Windholz (CEO)

## Fiscal year 2017/18 – Group financials



Helmut Fischer (CFO)

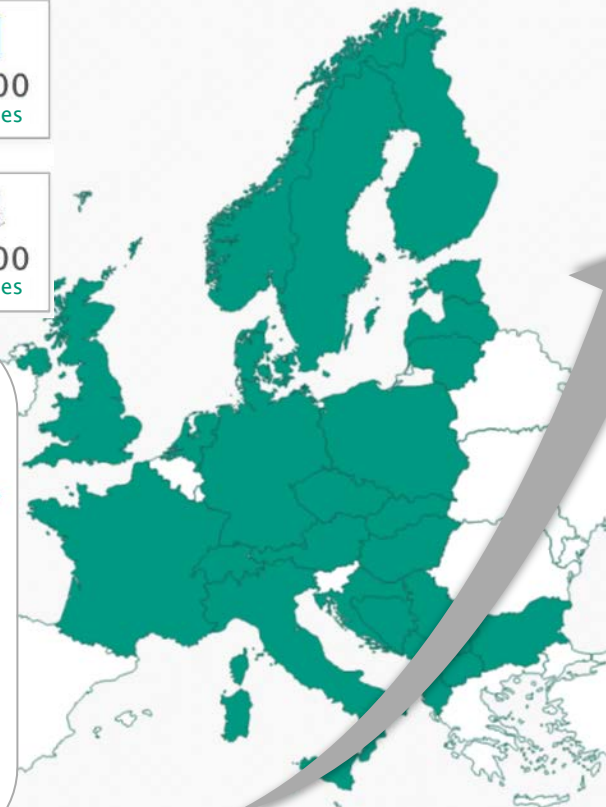
## Questions & answers

ASPIRATION: Be the best integrated healthcare provider – wherever we are.



## PHOENIX Pharma SE

- TOP 10**  
Family firms
- TOP 100**  
Companies
- TOP 30**  
Companies
- TOP 500**  
Companies





- Handled volume with new 31.5 bn € at record level
- Above market growth for 8 consecutive years
- Significant increase of operative result compared to prior year
- Expansion of position as integrated healthcare provider by acquisition of Goodwill, DeclaCare, Medaffcon
- Market entry in Romanian market with Farmexim and HelpNet\* acquisition
- Significant expansion of retail portfolio (2.237 pharmacies)
- Successful launch of private label LIVSANE in 11 countries
- Substantial infrastructure investments



- All relevant KPIs were improved:
  - ✓ EBITDA +9% above prior year
  - ✓ Improved equity ratio (31.7%)
  - ✓ Sufficient cash reserves available

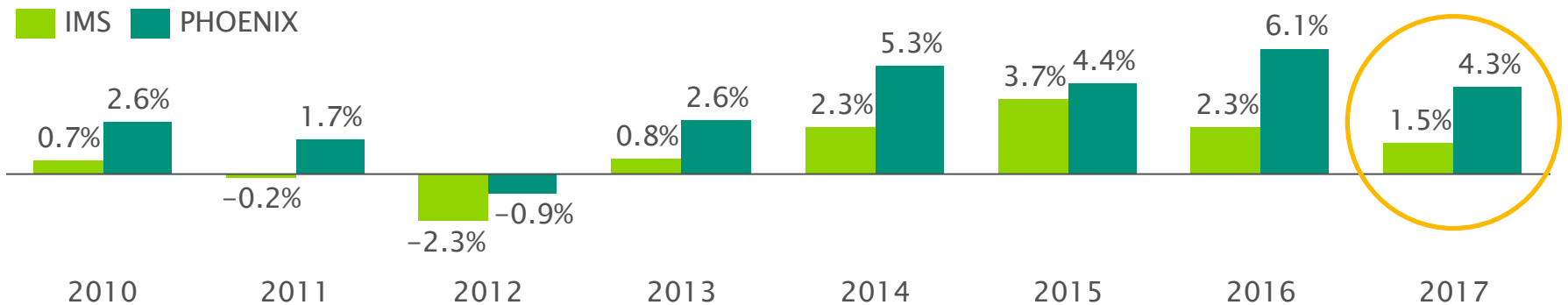
\*) subject to the approval of the relevant authorities

STRATEGY: Consistently focused on our customers' needs. BEING THERE.



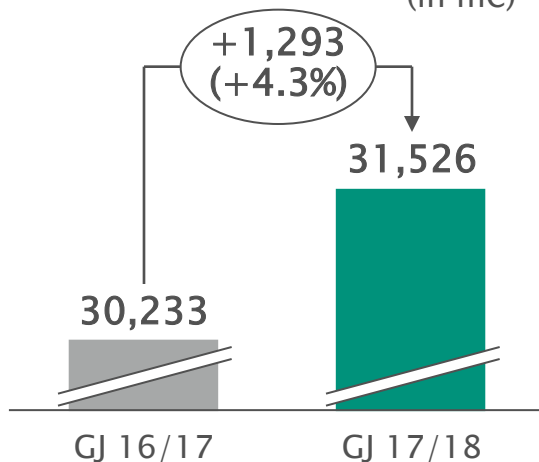
# PHOENIX group grows above market for 8 consecutive years ...

## European pharmaceutical market growth according to IMS Health



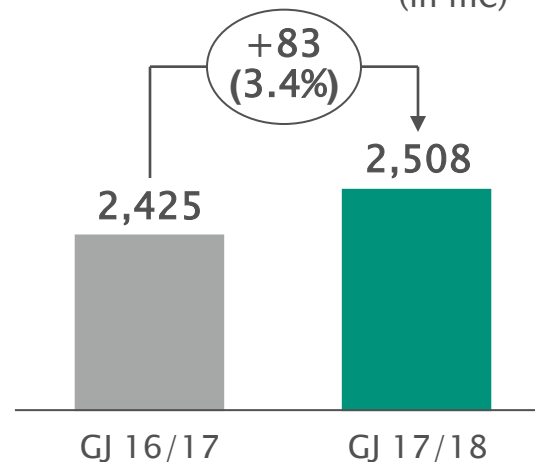
### Handled volume

(in m€)



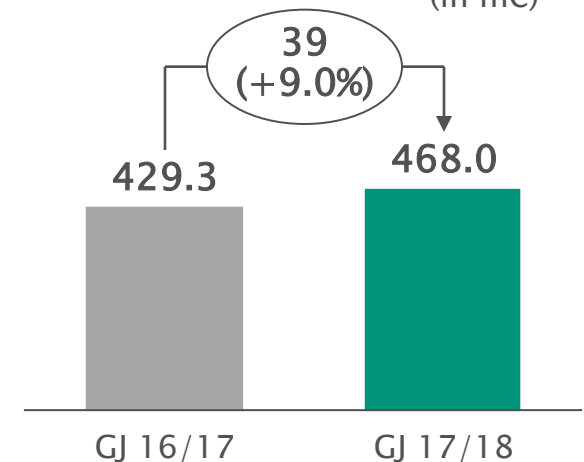
### Gross margin

(in m€)



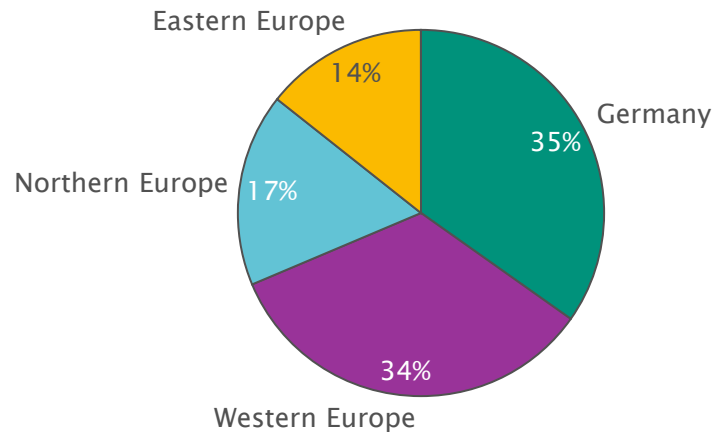
### EBITDA

(in m€)



... and has an unique market presence in Europe.

Turnover per region



Q4 2018: *approx. 2,500*

02/2018: 2,237

01/2018: 2,099

01/2017: 2,059



No. of pharmacies

Market presence



Q4 2018: *approx. 13,500*

01/2018: 12,712

01/2017: 12,501

<sup>\*)</sup> incl. Partner programs

Members PHOENIX Pharmacy Partnership<sup>\*)</sup>



# Agenda

Fiscal year 2017/18 – Overview



Oliver Windholz (CEO)

Fiscal year 2017/18 – Group financials



Helmut Fischer (CFO)

Questions & answers

# Group financials

## Fiscal year 2017/18

- PHOENIX Pharma SE (PP SE)
- PHOENIX Pharmahandel GmbH & Co KG (PPH KG)



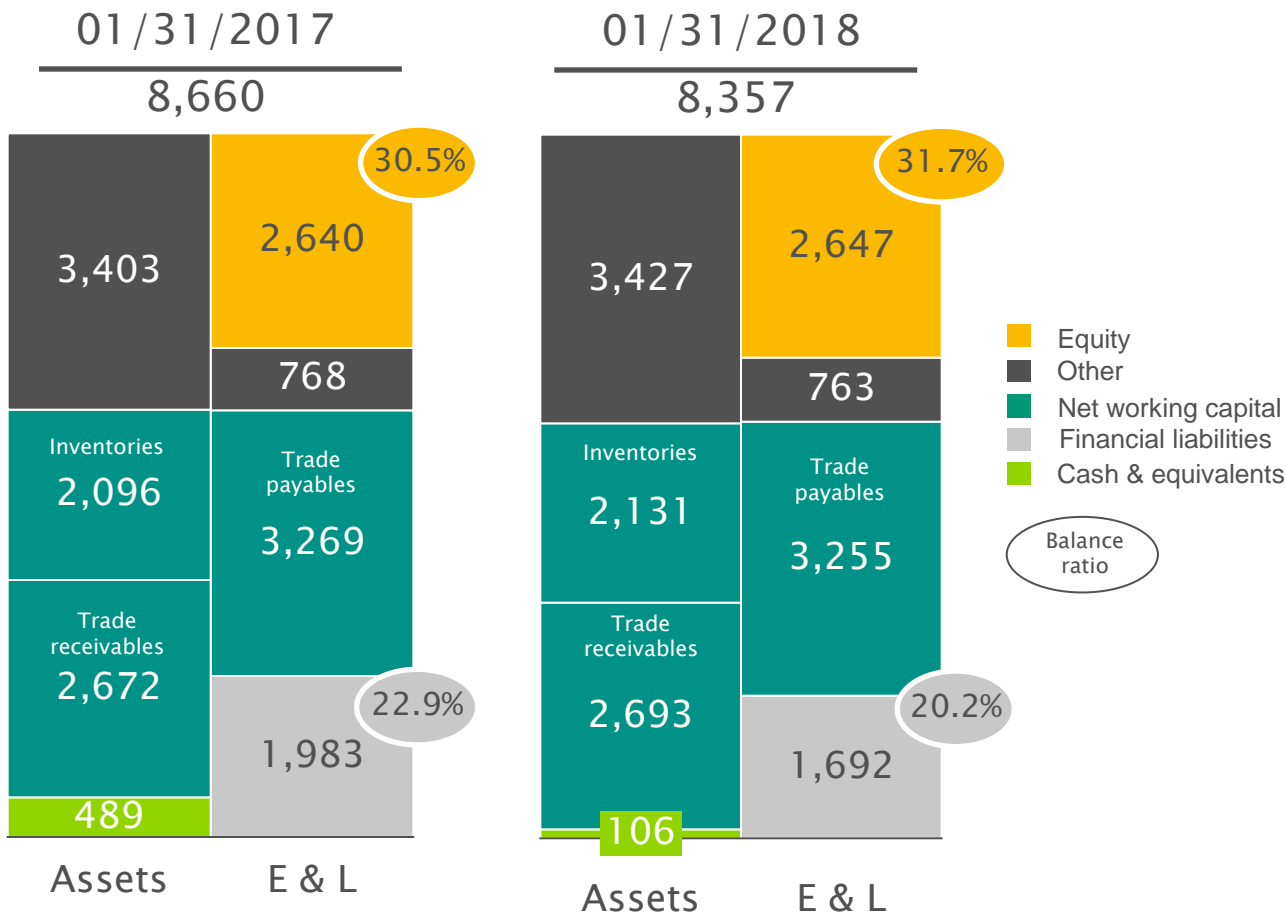
# PP SE | Strong increase of profit

(in m€)

Business performance	FY 2016/17	FY 2017/18	Delta	
Total operating performance	30,232.8	31,526.2	1,293.4	4.3%
<b>Revenue</b>	<b>24,436.7</b>	<b>24,909.8</b>	<b>473.1</b>	<b>1.9%</b>
Total income	2,567.6	2,667.9	100.3	3.9%
Personnel expenses	-1,289.2	-1,342.4	-53.2	4.1%
Other op. expenses	-853.2	-862.2	-9.0	1.1%
<b>EBITDA</b>	<b>429.3</b>	<b>468.0</b>	<b>38.7</b>	<b>9.0%</b>
<b>EBIT</b>	<b>301.2</b>	<b>319.5</b>	<b>18.3</b>	<b>6.1%</b>
Financial result	-53.8	-55.3	-1.5	2.8%
Profit before tax	247.4	264.2	16.8	6.8%
<b>Profit after tax</b>	<b>147.6</b>	<b>186.7</b>	<b>39.1</b>	<b>26.5%</b>

# PP SE | Solid development of the balance sheet

(in m€)



Net debt:

1,643.0 m€  
1,377.6 m€ (PPH KG)

1,783.0 m€  
1,569.1 m€ (PPH KG)

# Group financials

## Fiscal year 2017/18

- PHOENIX Pharma SE (PP SE)
- PHOENIX Pharmahandel GmbH & Co KG (PPH KG)



# PPH KG | Strong increase of profit

(in m€)

Business performance	FY 2016/17	FY 2017/18	Delta	
Total operating performance	30,232.8	31,526.2	1,293.4	4.3%
<b>Revenue</b>	<b>24,436.7</b>	<b>24,909.8</b>	<b>473.1</b>	<b>1.9%</b>
Total income	2,567.2	2,666.0	98.8	3.8%
Personnel expenses	-1,289.2	-1,342.4	-53.2	4.1%
Other op. expenses	-864.4	-873.4	-9.0	1.0%
<b>EBITDA</b>	<b>417.8</b>	<b>455.0</b>	<b>37.1</b>	<b>8.9%</b>
<b>EBIT</b>	<b>291.4</b>	<b>308.0</b>	<b>16.7</b>	<b>5.7%</b>
Financial result	-48.8	-50.6	-1.7	3.5%
Profit before tax	242.5	257.5	14.9	6.2%
<b>Profit after tax</b>	<b>142.8</b>	<b>180.2</b>	<b>37.4</b>	<b>26.2%</b>

# PPH KG | Stable financial result on a low level

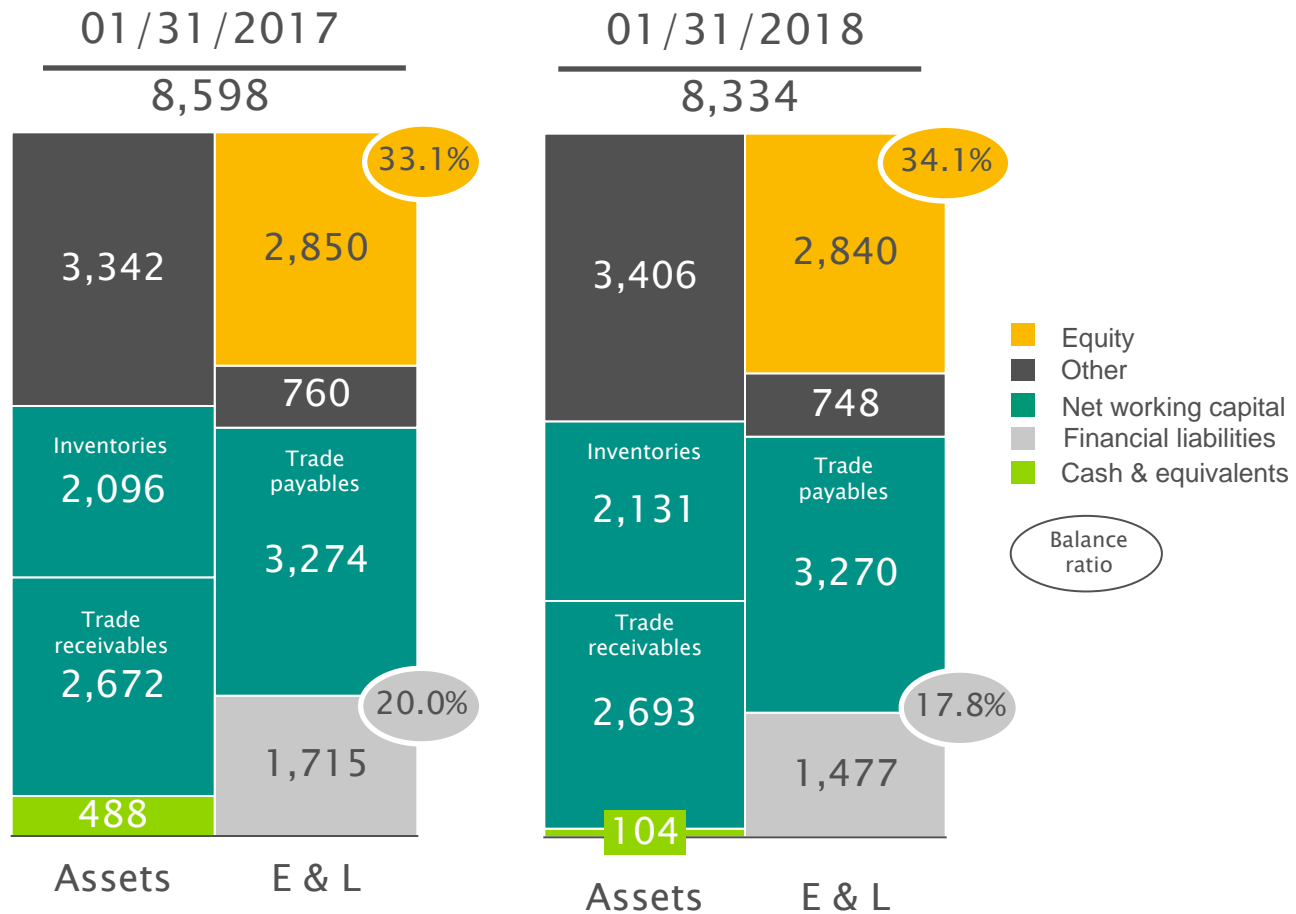
(in m€)

Financial result	FY 2016/17	FY 2017/18	Delta
Interest income	12.6	14.8	2.2
Interest expenses	-58.8	-50.1	8.7
Interest result	-46.2	-35.3	10.9
Other net financial result	-2.6	-15.3	-12.6
Financial result	-48.8	-50.6	-1.7

# PPH KG | Solid development of the balance sheet



(in m€)



Net debt:

1,377.6 m€

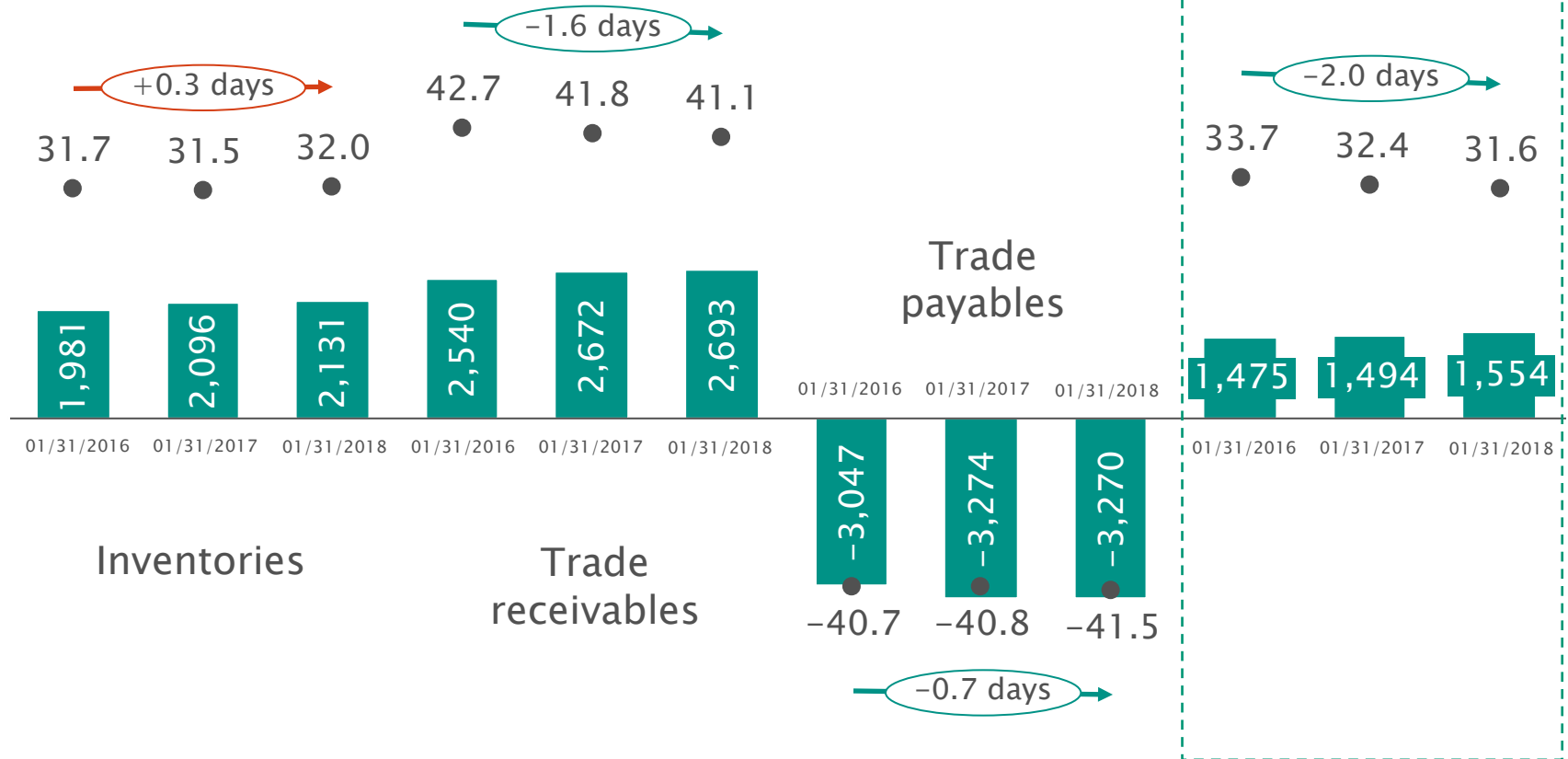
1,569.1 m€



# PPH KG | Favourable development of net working capital

(in m€)

● Days (average)

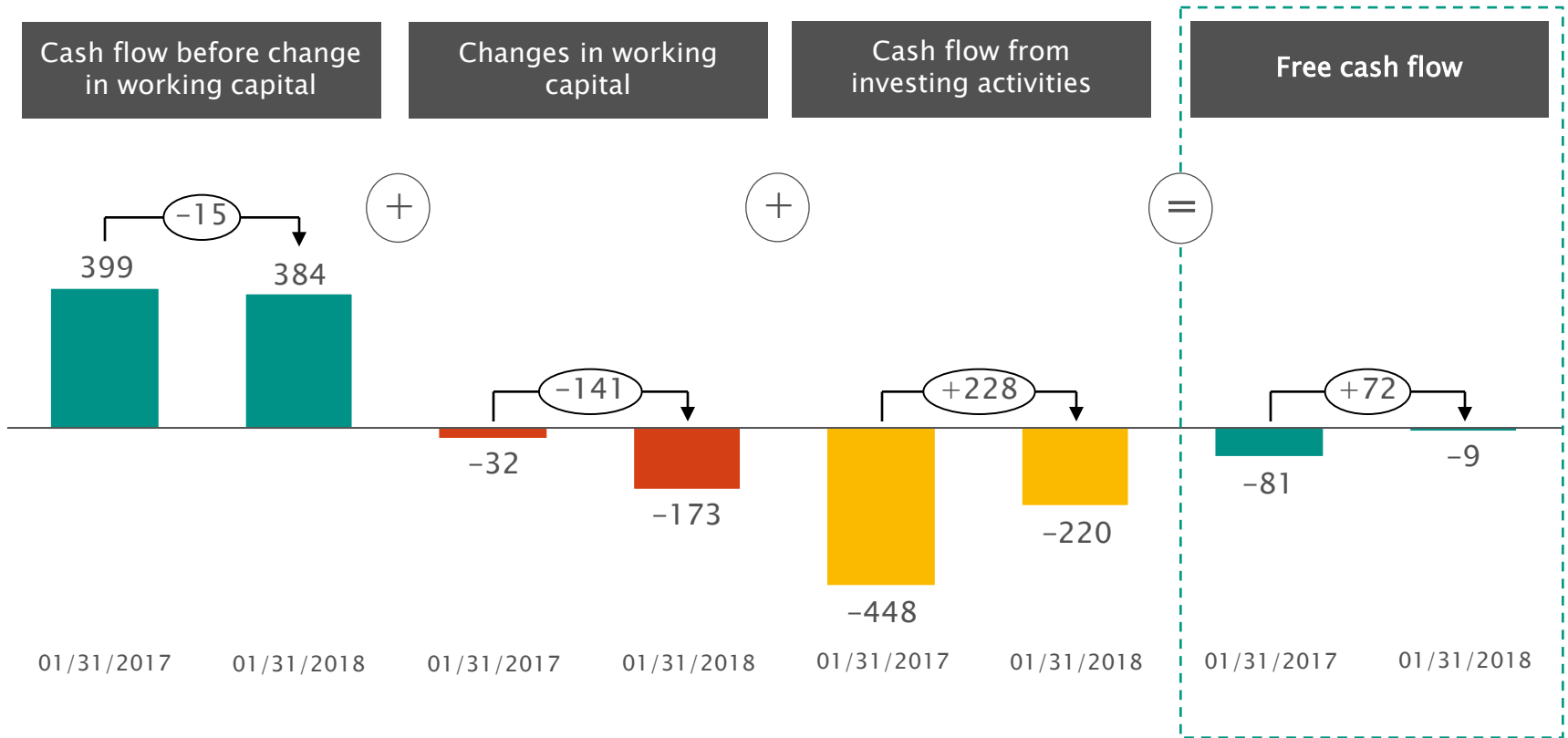


- Balance sheet figures as externally reported.
- Net working capital days: Average figures for the respective period; figures including ABS/factoring.

# PPH KG | Free cash flow substantially improved



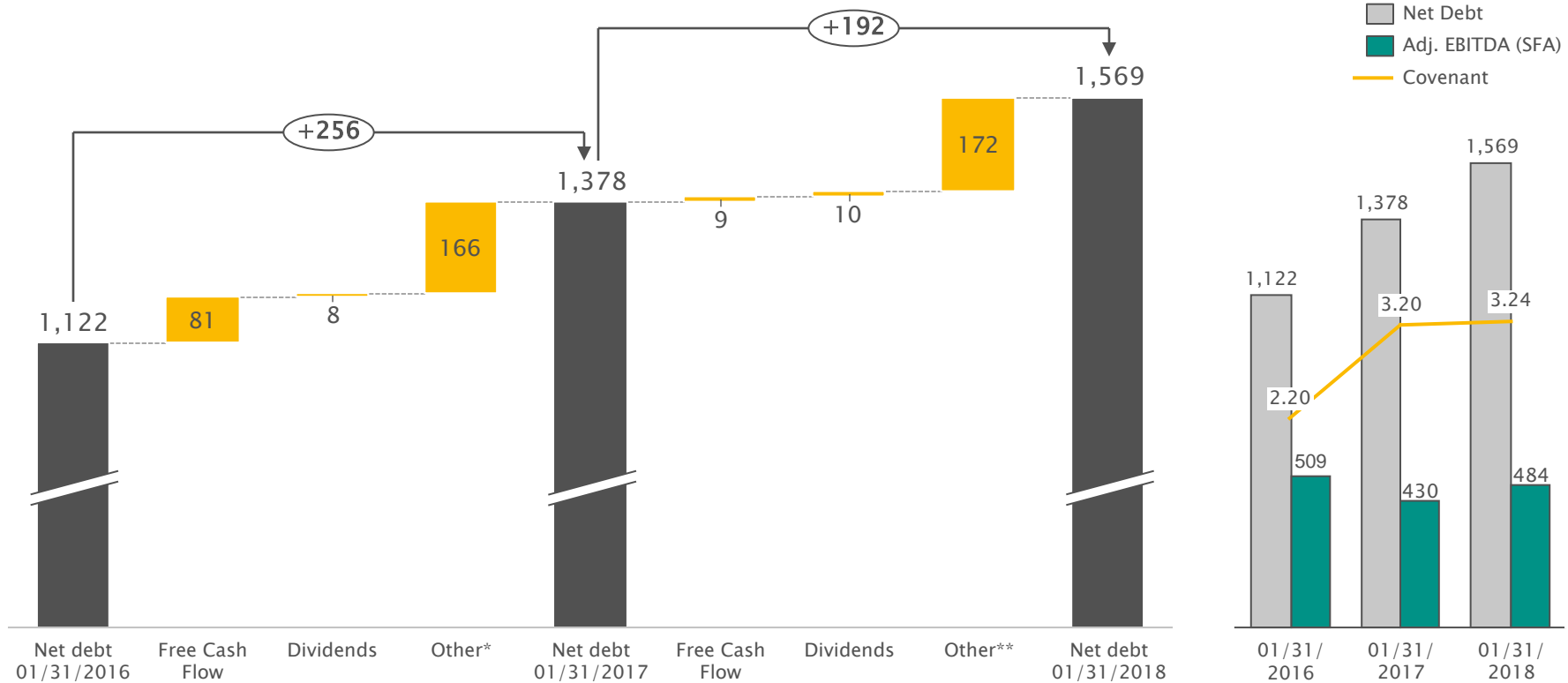
(in m€)



- Stable cash flow before change in working capital
- Less cash out for investing activities than in 2016/17 when Mediq was acquired
- Strong development of free cash flow

# PPH KG | Stable operational net debt development

(in m€)



\* LTM per 01/2017 mainly acquired net debt (126 m€)

\*\* LTM per 01/2018 mainly capital repayment (170 m€)

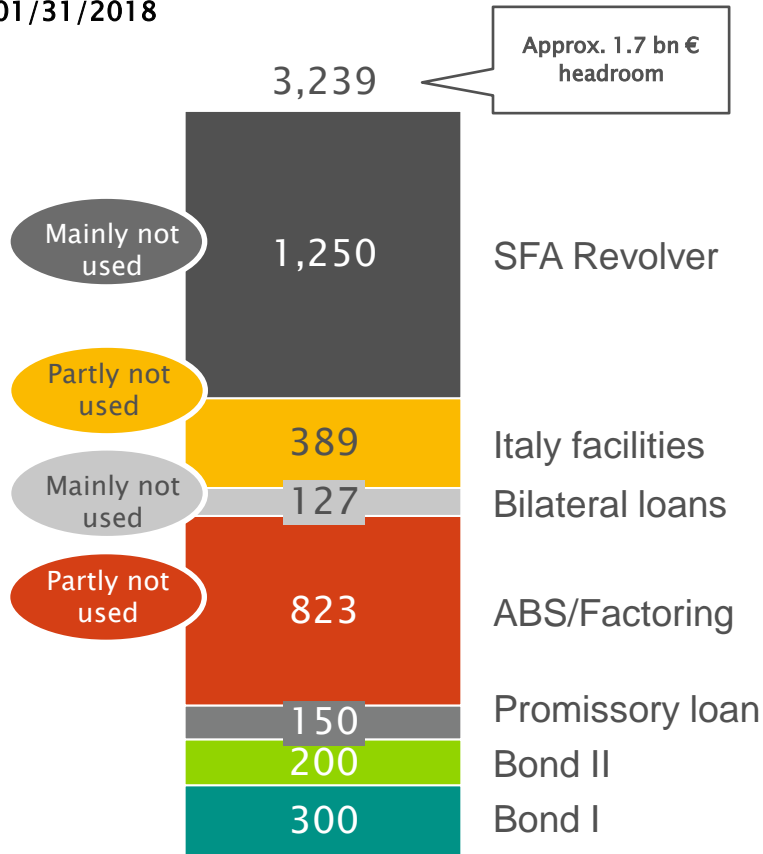
# PPH KG | Excellent liquidity headroom available



(in m€)

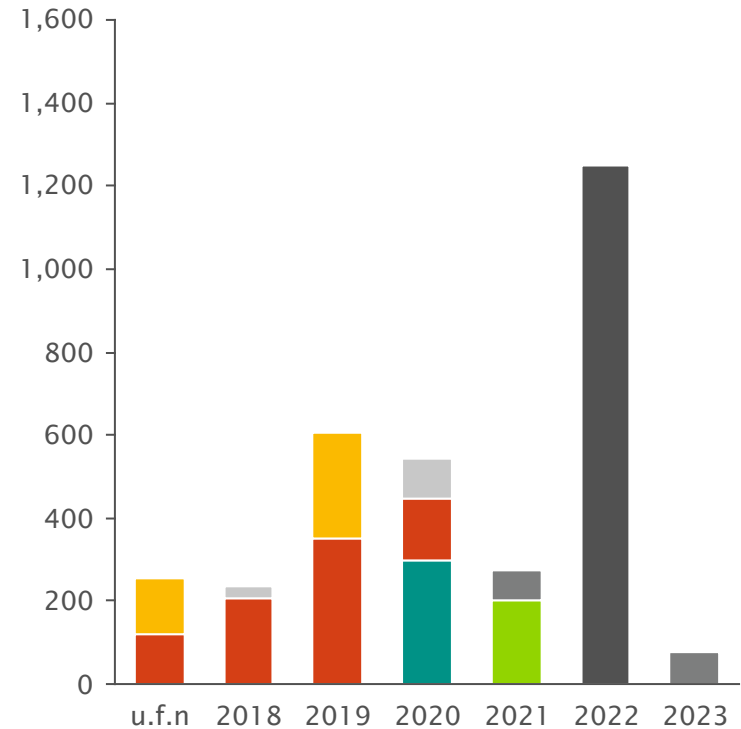
## Financial facilities and headroom

01/31/2018

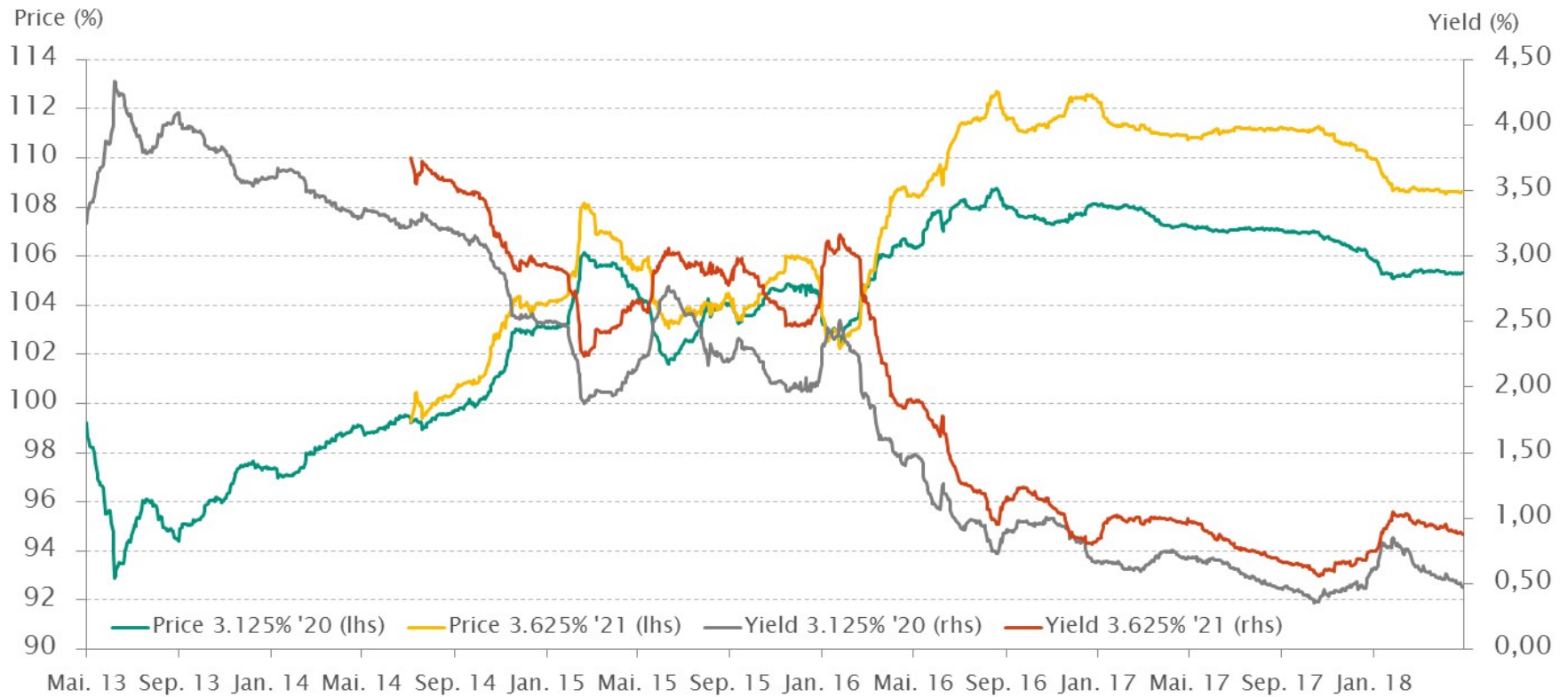


## Debt maturity profile

01/31/2018



# Positive development of the PHOENIX bonds



Source: Bloomberg. 05/18/2018

# Financial outlook for the fiscal year 2018/19

- Stable economic environment in 2018, with GDP in Germany and the Eurozone expected to grow by around 2%
- In 2018 pharmaceutical markets anticipated to record a positive market growth of 2.2% across Europe, in Germany of 2.9%
- Expansion of market position in Europe through organic growth and acquisitions
- Revenue growth estimated to be slightly above the level of growth on European pharmaceutical markets
- EBITDA in 2018/19 expected to be approx. at the level of 2017/18
- Mostly stable development of equity ratio expected



# Financial calendar 2018/19

Reporting event	Date
○ Quarterly report February to April 2018	26 June 2018
○ Half-year report February to July 2018	21 September 2018
○ Quarterly report February to October 2018	18 December 2018

# Agenda

Fiscal year 2017/18 – Overview



Oliver Windholz (CEO)

Fiscal year 2017/18 – Group financials



Helmut Fischer (CFO)

Questions & answers



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Thank you!