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Agenda

Fiscal year 2017/18 – Overview

Fiscal year 2017/18 – Group financials

Questions & answers
ASPIRATION: Be the best integrated healthcare provider – wherever we are.
Highlights

- 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

<table>
<thead>
<tr>
<th>Year</th>
<th>IMS Growth</th>
<th>PHOENIX Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>0.7%</td>
<td>2.6%</td>
</tr>
<tr>
<td>2011</td>
<td>-0.2%</td>
<td>1.7%</td>
</tr>
<tr>
<td>2012</td>
<td>-2.3%</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>0.8%</td>
<td>2.6%</td>
</tr>
<tr>
<td>2014</td>
<td>2.3%</td>
<td>5.3%</td>
</tr>
<tr>
<td>2015</td>
<td>3.7%</td>
<td>4.4%</td>
</tr>
<tr>
<td>2016</td>
<td>2.3%</td>
<td>6.1%</td>
</tr>
<tr>
<td>2017</td>
<td>1.5%</td>
<td>4.3%</td>
</tr>
</tbody>
</table>

Handled volume

- **GJ 16/17**: 30,233 m€
- **GJ 17/18**: 31,526 m€
- **Change**: +1,293 m€ (+4.3%)

Gross margin

- **GJ 16/17**: 2,425 m€
- **GJ 17/18**: 2,508 m€
- **Change**: +83 m€ (3.4%)

EBITDA

- **GJ 16/17**: 429.3 m€
- **GJ 17/18**: 468.0 m€
- **Change**: 39 m€ (+9.0%)
... and has an unique market presence in Europe.

### Turnover per region

- **Eastern Europe**: 14%
- **Northern Europe**: 17%
- **Western Europe**: 34%
- **Germany**: 35%

### Wholesale (countries in Europe)

- **PHOENIX**: 26 (27)
- **McK**: 12
- **WBA**: 12

### Retail (countries in Europe)

- **PHOENIX**: 13 (14)
- **McK**: 8
- **WBA**: 5

### No. of pharmacies

- **01/2017**: 2,059
- **02/2018**: 2,237
- **01/2018**: 2,099
- **Q4 2018**: approx. 2,500

### Members PHOENIX Pharmacy Partnership

- **01/2017**: 12,501
- **01/2018**: 12,712
- **Q4 2018**: approx. 13,500

*(incl. Partner programs)*
Agenda

Fiscal year 2017/18 – Overview

Fiscal year 2017/18 – Group financials

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€)

<table>
<thead>
<tr>
<th>Business performance</th>
<th>FY 2016/17</th>
<th>FY 2017/18</th>
<th>Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total operating performance</td>
<td>30,232.8</td>
<td>31,526.2</td>
<td>1,293.4</td>
</tr>
<tr>
<td>Revenue</td>
<td>24,436.7</td>
<td>24,909.8</td>
<td>473.1</td>
</tr>
<tr>
<td>Total income</td>
<td>2,567.6</td>
<td>2,667.9</td>
<td>100.3</td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>-1,289.2</td>
<td>-1,342.4</td>
<td>-53.2</td>
</tr>
<tr>
<td>Other op. expenses</td>
<td>-853.2</td>
<td>-862.2</td>
<td>-9.0</td>
</tr>
<tr>
<td>EBITDA</td>
<td>429.3</td>
<td>468.0</td>
<td>38.7</td>
</tr>
<tr>
<td>EBIT</td>
<td>301.2</td>
<td>319.5</td>
<td>18.3</td>
</tr>
<tr>
<td>Financial result</td>
<td>-53.8</td>
<td>-55.3</td>
<td>-1.5</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>247.4</td>
<td>264.2</td>
<td>16.8</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>147.6</td>
<td>186.7</td>
<td>39.1</td>
</tr>
</tbody>
</table>
PP SE | Solid development of the balance sheet

(in m€)

01/31/2017 | 8,660
---|---
Equity | 3,403
Trade receivables | 2,672
Trade payables | 3,269
Inventories | 2,096
Other | 768
Cash & equivalents | 489
E & L | 2,640

Balance ratio: 30.5%

01/31/2018 | 8,357
---|---
Equity | 3,427
Trade receivables | 2,693
Trade payables | 3,255
Inventories | 2,131
Other | 763
Cash & equivalents | 106
E & L | 2,647

Balance ratio: 31.7%

Net debt: 1,643.0 m€ 1,783.0 m€
1,377.6 m€ (PPH KG) 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€)

<table>
<thead>
<tr>
<th>Business performance</th>
<th>FY 2016/17</th>
<th>FY 2017/18</th>
<th>Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total operating performance</td>
<td>30,232.8</td>
<td>31,526.2</td>
<td>1,293.4</td>
</tr>
<tr>
<td>Revenue</td>
<td>24,436.7</td>
<td>24,909.8</td>
<td>473.1</td>
</tr>
<tr>
<td>Total income</td>
<td>2,567.2</td>
<td>2,666.0</td>
<td>98.8</td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>-1,289.2</td>
<td>-1,342.4</td>
<td>-53.2</td>
</tr>
<tr>
<td>Other op. expenses</td>
<td>-864.4</td>
<td>-873.4</td>
<td>-9.0</td>
</tr>
<tr>
<td>EBITDA</td>
<td>417.8</td>
<td>455.0</td>
<td>37.1</td>
</tr>
<tr>
<td>EBIT</td>
<td>291.4</td>
<td>308.0</td>
<td>16.7</td>
</tr>
<tr>
<td>Financial result</td>
<td>-48.8</td>
<td>-50.6</td>
<td>-1.7</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>242.5</td>
<td>257.5</td>
<td>14.9</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>142.8</td>
<td>180.2</td>
<td>37.4</td>
</tr>
</tbody>
</table>
## PPH KG | Stable financial result on a low level

(in m€)

<table>
<thead>
<tr>
<th>Financial result</th>
<th>FY 2016/17</th>
<th>FY 2017/18</th>
<th>Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>12.6</td>
<td>14.8</td>
<td>2.2</td>
</tr>
<tr>
<td>Interest expenses</td>
<td>-58.8</td>
<td>-50.1</td>
<td>8.7</td>
</tr>
<tr>
<td><strong>Interest result</strong></td>
<td><strong>-46.2</strong></td>
<td><strong>-35.3</strong></td>
<td><strong>10.9</strong></td>
</tr>
<tr>
<td>Other net financial result</td>
<td>-2.6</td>
<td>-15.3</td>
<td>-12.6</td>
</tr>
<tr>
<td><strong>Financial result</strong></td>
<td><strong>-48.8</strong></td>
<td><strong>-50.6</strong></td>
<td><strong>-1.7</strong></td>
</tr>
</tbody>
</table>
## PPH KG | Solid development of the balance sheet

(in m€)

<table>
<thead>
<tr>
<th></th>
<th>01/31/2017</th>
<th>01/31/2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade receivables</td>
<td>2,096</td>
<td>2,131</td>
</tr>
<tr>
<td>Inventories</td>
<td>2,672</td>
<td>2,693</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>7,468</td>
<td>7,554</td>
</tr>
<tr>
<td><strong>E &amp; L</strong></td>
<td>2,850</td>
<td>2,840</td>
</tr>
<tr>
<td><strong>Total E &amp; L</strong></td>
<td>2,850</td>
<td>2,840</td>
</tr>
<tr>
<td><strong>Net working capital</strong></td>
<td>760</td>
<td>748</td>
</tr>
<tr>
<td><strong>Balance ratio</strong></td>
<td>33.1%</td>
<td>34.1%</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td>3,342</td>
<td>3,406</td>
</tr>
<tr>
<td><strong>Financial liabilities</strong></td>
<td>1,715</td>
<td>1,477</td>
</tr>
<tr>
<td><strong>Net debt</strong></td>
<td>1,377.6 m€</td>
<td>1,569.1 m€</td>
</tr>
</tbody>
</table>

Net debt: 1,377.6 m€  

05/24/2018 PHOENIX group – Results of the fiscal year 2017/18
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

Approx. 1.7 bn € headroom

SFA Revolver

Mainly not used

Partly not used

Mainly not used

Partly not used

Italy facilities

Bilateral loans

ABS/Factoring

Promissory loan

Bond II

Bond I

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

<table>
<thead>
<tr>
<th>Reporting event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quarterly report February to April 2018</td>
<td>26 June 2018</td>
</tr>
<tr>
<td>Half-year report February to July 2018</td>
<td>21 September 2018</td>
</tr>
<tr>
<td>Quarterly report February to October 2018</td>
<td>18 December 2018</td>
</tr>
</tbody>
</table>
Agenda

Fiscal year 2017/18 – Overview

Fiscal year 2017/18 – Group financials

Questions & answers
Thank you!

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