Investor call
Results of the 1\textsuperscript{st} quarter
PHOENIX group 2017/18

Helmut Fischer, CFO
Mannheim, 27 June 2017
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Agenda

- **Overview**
  1st quarter 2017/18

- **Group financials**
  1st quarter 2017/18

- **Questions & answers**
Expansion of market position through organic growth and acquisitions

Highlights

- Position as a leading pharmaceutical trader in Europe underlined
- Total operating performance and revenue increased again
- Gross profit increased compared to previous year
- Acquisition of Medaffcon Oy strengthens the service portfolio of PHOENIX
- Expansion of regional growth markets with new logistics centre in Serbia
- Launch of the Europe-wide private label LIVSANE
Agenda

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  1st quarter 2017/18

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## Profit & loss

(\text{in m€})

<table>
<thead>
<tr>
<th>Business performance</th>
<th>Q1 2016/17</th>
<th>Q1 2017/18</th>
<th>Delta</th>
<th>Delta %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total operating performance</td>
<td>7,260.5</td>
<td>7,587.4</td>
<td>326.9</td>
<td>4.5%</td>
</tr>
<tr>
<td>Revenue</td>
<td>5,877.2</td>
<td>6,044.0</td>
<td>166.8</td>
<td>2.8%</td>
</tr>
<tr>
<td>Gross profit</td>
<td>556.0</td>
<td>606.0</td>
<td>50.0</td>
<td>9.0%</td>
</tr>
<tr>
<td>Personnel expenses</td>
<td>-295.9</td>
<td>-336.6</td>
<td>-40.7</td>
<td>13.8%</td>
</tr>
<tr>
<td>Other op. expenses</td>
<td>-193.5</td>
<td>-215.0</td>
<td>-21.5</td>
<td>11.1%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>99.4</td>
<td>95.4</td>
<td>-4.0</td>
<td>-4.1%</td>
</tr>
<tr>
<td>EBITDA, before non–recurring items*</td>
<td>99.4</td>
<td>96.4</td>
<td>-3.0</td>
<td>-3.0%</td>
</tr>
<tr>
<td>EBIT</td>
<td>71.2</td>
<td>62.4</td>
<td>-8.7</td>
<td>-12.3%</td>
</tr>
<tr>
<td>Financial result</td>
<td>-9.7</td>
<td>-10.6</td>
<td>-0.9</td>
<td>9.1%</td>
</tr>
<tr>
<td>Profit before tax</td>
<td>61.5</td>
<td>51.9</td>
<td>-9.6</td>
<td>-15.6%</td>
</tr>
<tr>
<td>Profit after tax</td>
<td>43.4</td>
<td>37.0</td>
<td>-6.4</td>
<td>-14.8%</td>
</tr>
</tbody>
</table>

*foreign exchange rate effects and integration costs Mediq
Stable interest expenses on a moderate level

(in m€)

<table>
<thead>
<tr>
<th>Financial result</th>
<th>Q1 2016/17</th>
<th>Q1 2017/18</th>
<th>Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>3.3</td>
<td>3.1</td>
<td>-0.2</td>
</tr>
<tr>
<td>Interest expenses</td>
<td>-12.9</td>
<td>-13.1</td>
<td>-0.2</td>
</tr>
<tr>
<td>Interest result</td>
<td>-9.6</td>
<td>-10.0</td>
<td>-0.4</td>
</tr>
<tr>
<td>Other net financial result</td>
<td>-0.0</td>
<td>-0.5</td>
<td>-0.5</td>
</tr>
<tr>
<td>Financial result</td>
<td>-9.7</td>
<td>-10.6</td>
<td>-0.9</td>
</tr>
</tbody>
</table>
Solid development of the equity ratio

(in m€)

04/30/2016

7,897

Equity: 2,751
Inventories: 668
Trade receivables: 2,940
Trade payables: 1,538
Assets: 2,636
E & L: 336

04/30/2017

8,461

Equity: 2,720
Inventories: 753
Trade receivables: 3,135
Trade payables: 1,852
Assets: 2,629
E & L: 357

- Net debt: 1,638.5 m€ (04/30/2017) vs. 1,355.3 m€ (04/30/2016)
Closely managed net working capital

(in m€)

- Days (average)

<table>
<thead>
<tr>
<th></th>
<th>Q1 2015/16</th>
<th>Q1 2016/17</th>
<th>Q1 2017/18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventories</td>
<td>2,007</td>
<td>2,051</td>
<td>2,118</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>2,460</td>
<td>2,636</td>
<td>2,629</td>
</tr>
<tr>
<td>Trade payables</td>
<td>1,663</td>
<td>1,747</td>
<td>1,807</td>
</tr>
</tbody>
</table>

- Balance sheet figures as externally reported.
- Net working capital days: Average figures for the respective period; figures including ABS/factoring.
Strong cash flow development due to improvements in net working capital

(in m€)

- Solid development of cash flow before change in working capital
- Net working capital strongly improved compared to prior year
- Strong development of free cash flow
Moderate post acquisition development of the net debt

(in m€)

* Other: Positions not included in CF (mainly acquired net debt (-126 m€) and capital repayment (-170 m€))
Balanced financing structure and maturity profile

(in m€)

Financial facilities and headroom

04/30/2017

3,549

Approx. 1.7 bn € headroom

Mainly not used 1,250
Partly not used 335
Partly not used 310
Partly not used 904
Partly not used 150
Partly not used 300
Partly not used 300

SFA Revolver
SFA Italy
Bilateral loans
ABS/Factoring
Promissory loan
Bond II
Bond I

Debt maturity profile

04/30/2017

06/27/2017	PHOENIX group – Results of the first quarter 2017/18
Development of the PHOENIX bonds

Source: Bloomberg. 06/23/2017
Financial outlook for the fiscal year 2017/18

- PHOENIX has an excellent position in Europe and the best diversified portfolio
- Moderate growth predicted in Germany and in the euro area in 2017
- Expansion of market position through organic growth and acquisitions
- Revenue growth expected in nearly all markets
- Adjusted EBITDA for 2017/18 expected to be above prior year’s figure
- Stable development of equity ratio expected
# Financial calendar 2017/18

<table>
<thead>
<tr>
<th>Reporting event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Half-year report February to July 2017</td>
<td>27 September 2017</td>
</tr>
<tr>
<td>Quarterly report February to October 2017</td>
<td>21 December 2017</td>
</tr>
</tbody>
</table>
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Thank you!

PHOENIX Pharmahandel GmbH & Co KG
Pfingstweidstraße 10–12
68199 Mannheim