INVESTOR CALL
RESULTS OF THE FISCAL YEAR 2014/15

Mannheim, 13 May 2015

Oliver Windholz    Helmut Fischer
CEO            CFO
AGENDA

Overview
Fiscal Year 2014/15  Oliver Windholz (CEO)

Group Financials
Fiscal Year 2014/15  Helmut Fischer (CFO)

Questions & Answers
Highlights Business Year 2014/15

Important Milestones

- Total operating performance* on highest level in the history of PHOENIX with strong growth above industry average
- Leading market position in Germany further strengthened with significant profit improvements
- Strategy of profitable growth highlighted by planned acquisitions of Mediq Apotheken Nederland B.V. (NL) and Sunpharma (SK)

Finance

- Distinct increase of results
- Cash Flow on high level
- Equity ratio raised with a further reduction of net debt
- Third corporate bond successfully issued

* Total operating performance = revenue + handled volume (handling for service charge).
Wholesale: European position expanded

- Germany: Net Turnover with more than EUR 8 billion on company all-time high
- Finland: Record profit due to improved business with services
- Sweden: Significant market share improvement by OTC cooperation contract
- Czech Republic: Outstanding market position by supplier contracts

Retail: Consistent expansion of pharmacy portfolio

- Market leader to be in The Netherlands after acquisition of Mediq Apotheken Nederland B.V. (planned)
- Expansion of BENU portfolio through targeted acquisitions in Slovakia, Serbia, Czech Republic and Switzerland
- Leadership in the Norwegian market further strengthened

Pharma Services

- Strengthening of "All-in-One"-concept by substantial investments in Eastern Europe
- Preparations for large-scale project in Denmark successfully completed
- Further expansion of the collaboration with the pharmaceutical industry
- ADG grows by acquisitions of Sentris and Novodata (planned)
- Successful launch of ADG RAYCE T point of sale system
Yearly Growth of the European Pharma Market (IMS Health)

Total Operating Performance in mEUR

BY 13/14: 25,916
BY 14/15: 27,278

EBITDA in mEUR*

BY 13/14: 440.5
BY 14/15: 546.6

Personnel Expenses in% of Total Operating Perf. *

BY 13/14: 4.15%
BY 14/15: 3.79%

* Including pension effects of 68.5 Mio. EUR
Unique Presence in Europe

**Wholesale:**
153 distribution centres in 25 countries (incl. Health Care Logistics)

**Retail:**
1,646 pharmacies in 12 countries

**Pharma Services:**
Offering services to the pharmaceutical industry in 25 countries

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Wholesale and Retail:
Wholesale (including Health Care Logistics)
As of January 31, 2015
PHOENIX with a well-balanced and stable country portfolio

**Net Turnover per region**

- **Eastern Europe**: 13% of Net Turnover wholesale: 86%
- **Northern Europe**: 36% of Net Turnover wholesale: 90%
- **Western Europe**: 34% of Net Turnover wholesale: 71%
- **Germany**: 17% of Net Turnover wholesale: 100%

**Countries in comparison**

- **Wholesale (European countries)**
  - PHOENIX: 25 retail centres
  - Celesio: 12 retail centres
  - Alliance Boots: 11 retail centres

- **Retail (European countries)**
  - PHOENIX: 12 retail centres
  - Celesio: 8 retail centres
  - Alliance Boots: 5 retail centres

**Germany**
- #1 market position in wholesale
- 22 distribution centres*
- Net Turnover wholesale: 100%

**Western Europe**
- 786 pharmacies
- 74 distribution centres*
- Net Turnover wholesale: 86%

**Northern Europe**
- 514 pharmacies
- 18 distribution centres*
- Net Turnover wholesale: 71%

**Eastern Europe**
- 346 pharmacies
- 39 distribution centres*
- Net Turnover wholesale: 90%
Expanding business relationships to pharmaceutical industry: Focus areas of Pharma Services

**PHOENIX ALL-IN-ONE**

- Preferred Partnerships
- Health Care Logistics
- Patient Services
- Business Intelligence

- Supply Chain Optimization
- Sales Support
- Clinical Trial Logistics
- Specialty Distribution
PHOENIX FORWARD: Strengthening for the future

Group-wide initiatives
- General Procurement
- Customer Service Center
- Warehouse Excellence
- Accounting & Controlling Excellence

Local initiatives

Organization Germany
- Dedicated management board for Germany
- Allocation of distribution centres in 8 regions
- Bundling of administrative functions
- Process optimization
- Productivity increase

> EUR 100m

Market- and cost leadership are principles of the PHOENIX group
AGENDA

Overview
Fiscal Year 2014/15
Oliver Windholz (CEO)

Group Financials
Fiscal Year 2014/15
Helmut Fischer (CFO)

Questions & Answers
New record results in fiscal year 2014/15 in an ongoing challenging environment

### Profit & Loss

<table>
<thead>
<tr>
<th></th>
<th>FY 2013/14*</th>
<th>FY 2014/15</th>
<th>Delta</th>
<th>FX-Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>in m€</td>
<td>in m€</td>
<td>in m€</td>
<td>in m€</td>
</tr>
<tr>
<td><strong>Total operating performance</strong></td>
<td>25,916.3</td>
<td>27,278.2</td>
<td>1361.9</td>
<td>-211.9</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>21,791.3</td>
<td>22,568.0</td>
<td>776.7</td>
<td>-104.2</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>2,077.3</td>
<td>2,134.1</td>
<td>56.8</td>
<td>-15.3</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>440.5</td>
<td>546.6</td>
<td>106.1</td>
<td>-6.8</td>
</tr>
<tr>
<td><strong>Depreciations</strong></td>
<td>-192.0</td>
<td>-111.1</td>
<td>80.9</td>
<td>-0.8</td>
</tr>
<tr>
<td><strong>EBIT</strong></td>
<td>248.4</td>
<td>435.5</td>
<td>187.1</td>
<td>-6.0</td>
</tr>
<tr>
<td><strong>Financial result</strong></td>
<td>-105.3</td>
<td>-74.2</td>
<td>31.1</td>
<td>3.0</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td>143.1</td>
<td>361.3</td>
<td>218.2</td>
<td>-3.0</td>
</tr>
<tr>
<td><strong>Income taxes total</strong></td>
<td>-73.1</td>
<td>-103.3</td>
<td>-30.2</td>
<td>1.0</td>
</tr>
<tr>
<td><strong>Profit for the period</strong></td>
<td>70.0</td>
<td>258.0</td>
<td>188.0</td>
<td>-2.0</td>
</tr>
<tr>
<td><strong>Non-contr. interests share of profit</strong></td>
<td>-19.9</td>
<td>-35.2</td>
<td>-15.3</td>
<td>0.1</td>
</tr>
<tr>
<td><strong>Group share of profit</strong></td>
<td>50.1</td>
<td>222.8</td>
<td>172.7</td>
<td>-1.9</td>
</tr>
</tbody>
</table>

1 2014/15: Effect of pension scheme modification included, 68.5 m€.
2 2013/14: Goodwill Impairment included, 85 m€.
3 Adjusted profit before tax 292.7 m€ (PY 253.1 m€).

* Prior year restated due to the first-time adoption of IFRS 11.
# Improved financial result, once more

The financial results for the fiscal year 2014/15 show improvements over the previous year. Here is a breakdown of the key components:

<table>
<thead>
<tr>
<th>Financial Result</th>
<th>FY 2013/14**</th>
<th>FY 2014/15</th>
<th>Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>22.5</td>
<td>22.5</td>
<td>0.0</td>
</tr>
<tr>
<td>Interest expenses</td>
<td>-134.0</td>
<td>-92.4</td>
<td>41.6</td>
</tr>
<tr>
<td><strong>Interest result</strong></td>
<td>-111.5</td>
<td>-69.9</td>
<td>41.6</td>
</tr>
<tr>
<td>Other net financial result*</td>
<td>6.2</td>
<td>-4.3</td>
<td>-10.5</td>
</tr>
<tr>
<td><strong>Financial result</strong></td>
<td>-105.3</td>
<td>-74.2</td>
<td>31.1</td>
</tr>
</tbody>
</table>

* Other net financial result comprises:
  - “other financial income and expenses”
  - “financial income and expenses from derivatives”
  - “exchange rate gains and losses” related to the financial result
  - Impairments on financial assets

** Prior year restated due to the first-time adoption of IFRS 11
### Solid development of the Equity Ratio

*(in Mio. EUR)*

<table>
<thead>
<tr>
<th></th>
<th>31.01.2014*</th>
<th></th>
<th>31.01.2015</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7,359</td>
<td>7,719</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assets</td>
<td>2,746</td>
<td>2,875</td>
<td>1,765</td>
<td>2,875</td>
</tr>
<tr>
<td>E &amp; L</td>
<td>2,162</td>
<td>2,418</td>
<td>708</td>
<td>744</td>
</tr>
<tr>
<td>Inventories</td>
<td>1,675</td>
<td>1,814</td>
<td>2,353</td>
<td>3,130</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>495</td>
<td>567</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash &amp; Equivalents</td>
<td>1,675</td>
<td>1,364</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td>22.8%</td>
<td>17.7%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity Financial Liabilities</td>
<td>29.4%</td>
<td>32.1%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Prior year restated due to the first-time adoption of IFRS 11.
Closely managed Net Working Capital

Days (Average) (in m€)

YE 2012/13
YE 2013/14
YE 2014/15

+0.9 days
-3.5 days
-3.2 days

30.1
30.5
31.0

48.2
45.8
44.7

37.5
36.2
34.3

Inventories
Trade receivables
Trade payables
NWC

YE 2012/13
YE 2013/14
YE 2014/15
YE 2012/13
YE 2013/14
YE 2014/15
YE 2012/13
YE 2013/14
YE 2014/15

1,701
1,765
1,841
2,421
2,353
2,436

-2,662
-2,814
-3,130

-40.8
-40.1
-41.4

-0.6 days

-41.4
-3,130

-40.1
-2,814

-40.8
-2,662

• Balance sheet figures as externally reported.
• Net working capital days: Average figures for the respective period; figures including ABS/factoring.
Solid Cash Flow Generation

Funds from operations

Changes in working capital

Cash flow from investing activities

Free cash flow

(in m€)

<table>
<thead>
<tr>
<th>Year</th>
<th>Funds from operations</th>
<th>Changes in working capital</th>
<th>Cash flow from investing activities</th>
<th>Free cash flow</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2013/14</td>
<td>351</td>
<td>+3</td>
<td>66</td>
<td>304 -62</td>
</tr>
<tr>
<td>FY 2014/15</td>
<td>354</td>
<td></td>
<td>34</td>
<td>242</td>
</tr>
</tbody>
</table>


16.05.2015 PHOENIX group Results of the Fiscal Year 2014/15
### Significant Net Debt reduction

(in m€)

<table>
<thead>
<tr>
<th>Year</th>
<th>Free Cash Flow</th>
<th>Dividends</th>
<th>Others</th>
<th>Net Debt* 31.01.2014</th>
<th>Free Cash Flow</th>
<th>Dividends</th>
<th>Others</th>
<th>Net Debt 31.01.2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012/13</td>
<td>577</td>
<td>568</td>
<td>1.88</td>
<td>1,069</td>
<td>242</td>
<td>6</td>
<td>26</td>
<td>1,612</td>
</tr>
<tr>
<td>2013/14</td>
<td>461</td>
<td>2014/15</td>
<td>1.88</td>
<td>1,069</td>
<td>242</td>
<td>6</td>
<td>26</td>
<td>1,612</td>
</tr>
<tr>
<td>2014/15</td>
<td>568</td>
<td>2014/15</td>
<td>1.88</td>
<td>1,069</td>
<td>242</td>
<td>6</td>
<td>26</td>
<td>1,612</td>
</tr>
</tbody>
</table>

* Figures as reported in prior years.
Well balanced financing structure and maturity profile

Financial facilities and headroom

31.01.2015

<table>
<thead>
<tr>
<th>Facility Type</th>
<th>Amount (m€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>SFA revolver</td>
<td>1,050</td>
</tr>
<tr>
<td>SFA Italy</td>
<td>400</td>
</tr>
<tr>
<td>Bilateral loans</td>
<td>110</td>
</tr>
<tr>
<td>ABS/factoring</td>
<td>1,044</td>
</tr>
<tr>
<td>Bond 2021</td>
<td>300</td>
</tr>
<tr>
<td>Bond 2020</td>
<td>300</td>
</tr>
</tbody>
</table>

Headroom: Approx 1.5 bn €

Partly not used
Not used

Debt maturity profile

31.01.2015

Approx 1.5 bn €

Headroom
Summary: Development of key credit indicators

<table>
<thead>
<tr>
<th></th>
<th>31.01.2014</th>
<th>31.01.2015</th>
<th>Delta</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity (in m€)</td>
<td>2,161.8</td>
<td>2,481.5</td>
<td>14.8%</td>
</tr>
<tr>
<td>Equity ratio</td>
<td>29.4%</td>
<td>32.1%</td>
<td>+3.7pp</td>
</tr>
<tr>
<td>Net debt (in m€)</td>
<td>1,331.6**</td>
<td>1,068.7</td>
<td>-19.7%</td>
</tr>
<tr>
<td>Gearing (Net debt/equity)</td>
<td>61.6%</td>
<td>43.1%</td>
<td>-18.5pp</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>EBITDA (in m€)</td>
<td>440.5</td>
<td>546.6</td>
<td>24.1%</td>
</tr>
<tr>
<td>EBITDA-margin</td>
<td>2.0%</td>
<td>2.4%</td>
<td>+0.4pp</td>
</tr>
<tr>
<td>Adjusted EBITDA (in m€)</td>
<td>461.0</td>
<td>567.6</td>
<td>23.1%</td>
</tr>
<tr>
<td>Adj.-EBITDA-margin</td>
<td>2.1%</td>
<td>2.5%</td>
<td>+0.4pp</td>
</tr>
<tr>
<td>Net debt / adjusted EBITDA (LTM)</td>
<td>2.89</td>
<td>1.88</td>
<td>-34.9%</td>
</tr>
<tr>
<td>Interest coverage ratio (EBIT / Interest Expenses)*</td>
<td>1.90</td>
<td>4.71</td>
<td>148.1%</td>
</tr>
<tr>
<td>Profit before tax (in m€)</td>
<td>143.1</td>
<td>361.3</td>
<td>152.5%</td>
</tr>
<tr>
<td>PBT-margin</td>
<td>0.7%</td>
<td>1.6%</td>
<td>+0.9pp</td>
</tr>
</tbody>
</table>

* Interest expenses excluding FX-effects and other financial expenses.
** Figure as reported in prior year.
Favorable Development of the PHOENIX Bonds

Source: Bloomberg, 12.05.2015
Financial outlook for the fiscal year 2015/16

- Expected European pharmaceutical market growth is around 2%; approximately 3% market growth in Germany is anticipated
- Expansion of market position through organic growth and acquisitions
- Revenue growth expected in Germany, Western and Eastern Europe
- EBITDA for 2015/16 at the level of the prior-year value adjusted for special effects from pensions
- Equity ratio is again expected to increase slightly
- Further increase in efficiency for positive business development of the PHOENIX group in the long term
## Financial calendar 2015/16

<table>
<thead>
<tr>
<th>Reporting Event</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Results of the 1st quarter 2015/16</td>
<td>Monday, 22 June 2015</td>
</tr>
<tr>
<td>Results of the 1st half-year 2015/16</td>
<td>Monday, 28 September 2015</td>
</tr>
<tr>
<td>Results of the 3rd quarter 2015/16</td>
<td>Thursday, 17 December 2015</td>
</tr>
</tbody>
</table>