



Eppendorf. Worldwide.
On Site.

Our Competence Areas in the Life Science Laboratory

Liquid Handling



Pipettes



Pipette tips



Automated pipetting systems



Dispensers



Combitips



Pipette controllers



Bottletop dispensers and burettes

Cell Handling



Fermentors and bioreactors



Single-use reactors



Cell culture and imaging consumables



CO₂ incubators



Biological shakers



Photometer



Micromanipulators and injectors



Electroporators

Sample Handling



Centrifuges and vacuum concentrators



Rotors and accessories



Mixers and temperature control systems



Thermal cyclers



Ultra-low temperature freezers



Multiwell plates



Sample-prep tubes

epServices
for premium performance



Application Support

Our specialists advise you if you have application questions about Eppendorf instruments or consumables.



Seminars and Training

Expand your laboratory expertise in theory and practice.



Technical Support

Contact your local service organization with all your technical questions.



Maintenance and Certification Services

We offer services for maintenance, calibration, verification, Installation Qualification and Operational Qualification (IQ/OQ) and to meet your quality and legal requirements.

Key Financials

(IFRS)

		2011	2012	2013	2014	2015	+/- previous year
	in € thousands						
Total net sales		477,760	520,239	502,677	531,080	629,141	18.5%
North/South America	%	37.4	37.2	35.2	35.8	38.5	
Europe	%	38.7	38.1	39.9	40.5	36.7	
Asia/Pacific/Africa	%	23.9	24.7	24.9	23.7	24.8	
	in € thousands						
Operating profit		96,444	109,431	101,813	100,943	123,196	22.0%
Operating profit	%	20.2	21.0	20.3	19.0	19.6	
	in € thousands						
EBIT		91,038	101,543	93,768	95,658	119,256	24.7%
EBIT margin	%	19.1	19.5	18.7	18.0	19.0	
	in € thousands						
Net income ¹		61,887	70,582	67,461	65,746	80,835	23.0%
Net income ¹	%	13.0	13.6	13.4	12.4	12.8	
	in € thousands						
Cash flow		74,974	94,246	82,221	90,577	111,085	22.6%
Equity ratio ¹	%	60.5	60.3	63.6	60.8	65.2	
	in € thousands						
Total assets		530,528	601,617	630,006	716,784	810,877	13.1%
	in € thousands						
R&D expenses		24,838	27,500	28,177	29,369	31,911	8.7%
Earnings per share	in €	1.20	1.37	1.31	1.28	1.58	23.4%
Number of employees, annual average		2,585	2,650	2,798	2,880	2,969	3.1%

1 incl. non-controlling interests

Our competence areas in
the life science laboratory

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Foreword

Ladies and Gentlemen,

2015 was more than just the year in which we celebrated the 70th anniversary of Eppendorf; it was also another very successful fiscal year for Eppendorf. The favorable development of the company continued with sales growth of 18.5% and Group sales of €629.1 million.

The employees of Eppendorf are a major success factor in the achievement of results like these: because of them, we regularly reach our goals for growth and, this year as well, were able to grow at a level significantly higher than the industry's very positive development of 4–5%. For this reason, we would like to take this opportunity to express our very great thanks to our staff.

The markets in which we are active developed positively around the globe – a sign that our investments in sales and in our ever stronger presence in the service segment, epServices®, are paying off.

Changes to the Management Board of the Eppendorf Group took place according to plan: in August 2015, Thomas Bachmann took over as Chief Executive Officer of the Eppendorf Group. Prior to this, we said goodbye to two members of the Management Board – Dr. Michael Schroeder and Dr. Heinz Gerhard Köhn – who retired on June 30, 2015. We would like to thank them both very sincerely for the outstanding contributions they have made to the company over the past decades.

New product introductions made a particular contribution to strengthening our market position in 2015. The Centrifuge 5920 R enables us to offer a product in the 4-liter centrifugation segment, and thus represents a strategic enhancement to the product line. The Multipette® E3 rounds off the modernization of our dispenser Combitips® system. The new line of CryoCube® freezers, the new Conical Tubes 15 mL and 50 mL single-use vessels, and additional variants of the BioBLU® single-use bioreactors for the bioprocess area are other examples of the rigorous development of our product portfolio and our drive to tap into related market segments.

During 2015 we also continued the organizational changes we have begun to optimize our structures and processes. Portfolio management was bundled for the entire bioprocess area, and marketing and support functions were brought together under one leadership. We also invested further in our subsidiaries last year to expand both our global presence among our customers and our local service offer. Our Latin American subsidiary Eppendorf do Brasil moved into new offices and service space in São Paulo, Brazil, and the new Eppendorf India sales, service and logistics center celebrated its opening in Chennai, India in early 2016. In addition, in 2015 we commissioned our new centrifuge production facility in Leipzig, Germany.

Last year we also moved ahead with the expansion of our eCommerce presence, including the opening of additional eShops and connections to eProcurement platforms. These measures will offer our customers additional ordering options. Moreover, we have focused on broadening the digital information we provide, for example through 360° images of our products, video tutorials, and the expansion of our knowledge database within our online offer. Another highlight was the introduction of the Eppendorf app. In Chapter 1 of this Annual Report, you'll discover how we plan to enable our customers to understand and experience our products even better.

This Annual Report also focuses on what makes Eppendorf unique. From the first contact to the purchase of a product, product training, and extensive services: we are there for our customers, around the world, with expertise and the claim that they can always rely on products and services from Eppendorf. We have expanded our international presence strongly over the last twenty years through our own sales and service companies, and a substantial part of that success is that we speak the languages of our customers – in more than one respect.

We will continue to concentrate on meeting our customers' needs with our product and application development in 2016 as well, with a focus on the integration of the newest and most innovative technologies and the topic of device and data networking. In addition, we will make more investments in our sales, service, development and production locations, and our information and communications channels. The success of Eppendorf and our product and services portfolios is only possible with an in-depth understanding of different markets and customer needs. This is why we are present – whether online or in person – for our users and partners all over the world.

We would like to thank our customers for their loyalty, and we hope you enjoy reading this Annual Report.



Thomas Bachmann

Detmar Ammermann

Dr. Ralf Hermann

Dr. Wilhelm Plüster

Dr. Wilhelm Plüster
Chief Technology Officer

Thomas Bachmann
Chief Executive Officer

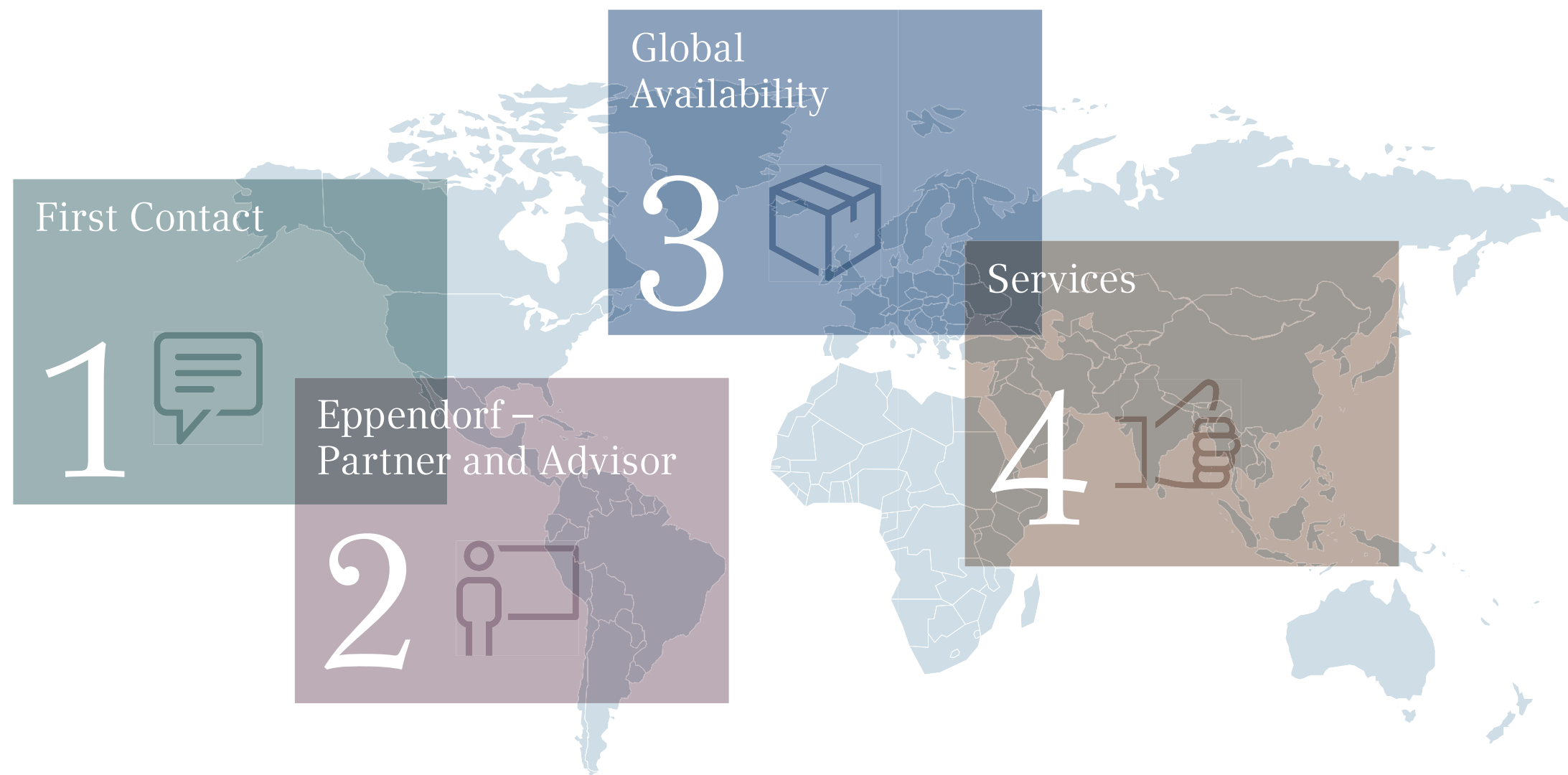
Detmar Ammermann
Vice Chairman of the
Management Board and
Chief Financial Officer

Dr. Ralf Hermann
Chief Marketing &
Portfolio Officer



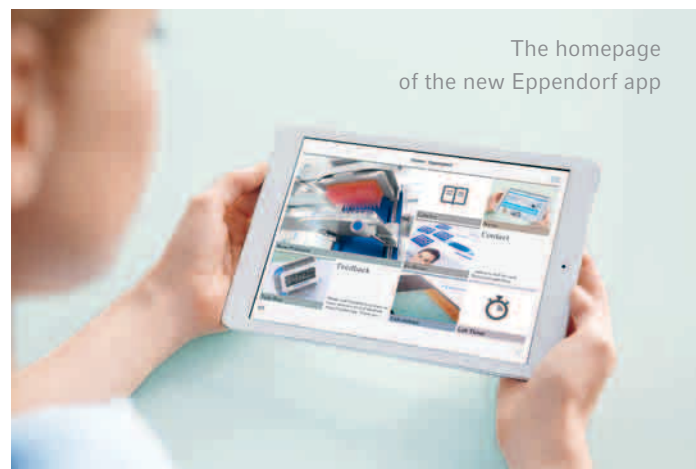
Eppendorf. Worldwide. On Site.

»You'll find products and services from Eppendorf wherever our customers research and work. Eppendorf has a presence in every large market, with sales representatives in more than thirty countries and an online presence in twelve languages. We are available to our customers for advice and support from the initial exchange of information to the moment of purchase, and afterward for comprehensive services, including training and user qualification.«



We Speak the Language of Our Customers.

First Contact



The homepage of the new Eppendorf app

Mobile access to the new Eppendorf app

- > A digital product catalog with laboratory and bioprocess products that can also be used offline once it has been downloaded. 360° view of our products. Detailed product support information such as user handbooks, application notes and a shop function.
- > Augmented reality: virtual, interactive presentation, including life-sized views of our products.
- > Tools and calculators: a programmable laboratory timer, a codon translator and a variety of calculators for routine laboratory applications (such as molarity calculation, determination of melting temperature or the conversion of various units of measurement).
- > News on Eppendorf products and services and the option of downloading the Eppendorf customer magazine BioNews.

Eppendorf is regarded as one of the most well-known brands in life sciences and is present in laboratories all over the world. Our customers value us as dedicated, expert advisors. Regardless of how customers get in touch with us – whether in person, online or offline, actively or passively – it is important to us that they sense our high quality standard from the very beginning.

»Making daily laboratory work easier for our users and offering customers an up-to-date digital presentation of our products – that's the comprehensive claim we want to underscore in the mobile world, too, with our new app.«

Frank Thormählen,
Director of Technical Writing,
Eppendorf, Germany

Download the app



The Eppendorf booth at the World of Technology and Science in Utrecht, the Netherlands

In response to the world's digital transformation, today's customers can reach Eppendorf through a variety of channels. And since 2015, the newly developed Eppendorf app ensures that all our information is also available via mobile terminals – from the latest product information to a search for the nearest Eppendorf location or contact partner, and all the way to our "Useful aids for everyday laboratory work". In addition, we are continually improving the spectrum of information on our website, which offers a wide variety of options, from product registration to our epPoints® bonus program. Details of products, contacts and certificates, but also application examples, protocols and detailed descriptions of workflows are available there – in 28 different country-specific versions and twelve languages. The integrated eShops offer the opportunity to order Eppendorf products and the matching accessories online, simply and easily.

And naturally Eppendorf is represented on social media networks: we interact with our customers on channels such as Facebook® or YouTube® and provide information on promotions and events. These new media also deliver us valuable feedback on the way our customers perceive our products and services, and this inspires and motivates us to improve our portfolio continuously.

»We experience daily how important smart marketing materials and programs are. From our revamped website to newsletters and programs such as myEppendorf, we offer great value to our customers and help create longstanding relationships.«

Kimberly Dewar, Marketing Manager,
Eppendorf, South Pacific

Local and personal

Even with an extensive digital presence, nothing replaces personal contact with our customers. That's why we have Eppendorf sales representatives in more than thirty countries and a presence at more than 100 trade shows and conferences. Eppendorf also participates in important networks, such as the trade show advisory board of the leading German life science trade shows, the Life Science Research department of the German Diagnostics Industry Association, Spectaris® (a German industry association for optical, medical and mechatronic technologies), and even international scientific professional societies such as the Society for Neuroscience®, the International Society for Transgenic Technologies or the International Society for Cellular Therapy®.

Communication is not a one-way street. Dialog with scientists, researchers and laboratory personnel is important to Eppendorf, and we especially want to know and understand our customers and their needs. Only if we speak the same professional language they do can we develop tailored product solutions for the challenges of daily laboratory work, and realize our vision of being an expert advisor to life science laboratories around the world.

Understanding What Matters – Together.

Eppendorf – Partner and Advisor



There's no doubt about it: Eppendorf's employees are a decisive competitive advantage – especially in sales. Here, a long tenure at a single company is normally the exception, but at Eppendorf it's the rule. You'll also find technical specialists at Eppendorf – experts who are good at listening, and who advise their customers individually and with a high level of competence. This expertise is based in part on long years of experience, but also on training and continuing education, both of which are very important at Eppendorf. Whether customers have application or industry-specific

»Eppendorf is proud to have such experienced sales employees to support its customers and respond individually to their needs and requirements with products and services. First-class laboratory training and continuing education ensure that our employees are outstanding advisors.«

Klaus Ambros, Vice President Sales Europe,
Eppendorf, Germany

requirements, the Eppendorf sales staff is there to meet them with in-depth knowledge and suitable product solutions. It's also self-evident to us that customer wishes should be fulfilled quickly and customer support should be holistic.

It is this customer proximity that makes the difference, because you can only provide appropriate solutions when you understand your customers and their individual demands. If we make daily laboratory work easier for our customers, then we've done everything right.

Recognizing and meeting customer needs

Customer benefit takes top priority when we develop new products. Eppendorf creates solutions that make customers' daily laboratory work safer, more reliable – and, at the same time, easier.

Our sales representatives gather valuable feedback about what our customers need, what they value, and about improvements we can make to products we have already introduced. In the development phases of new products that result from this feedback, we work closely with customers to ensure that we understand their needs and translate them into the right solutions. The beginning of product development is often a focus group, to which we invite selected customers and experts to talk to them about their product-specific wishes and needs. During the steps that follow, prototypes of the new product are presented and fine-tuned repeatedly to meet customer needs. In the implementation



Bioreactors from Eppendorf in use at
Genova Biopharmaceuticals Ltd. in India

»Genova Biopharmaceuticals Ltd. is one of the leading biotechnology companies in India and has used products from Eppendorf for more than a decade. Our journey in mammalian-based perfusion technology went through many phases, but with time, our joint efforts ironed out the technologies and processes and today, bioreactors from Eppendorf are our workhorses. Together with the sales staff from Eppendorf, we were able to find solutions that match our processes and needs perfectly.«

Santosh Sudhakar Deshpande,
Deputy General Manager Production,
Genova Biopharmaceuticals Ltd., India

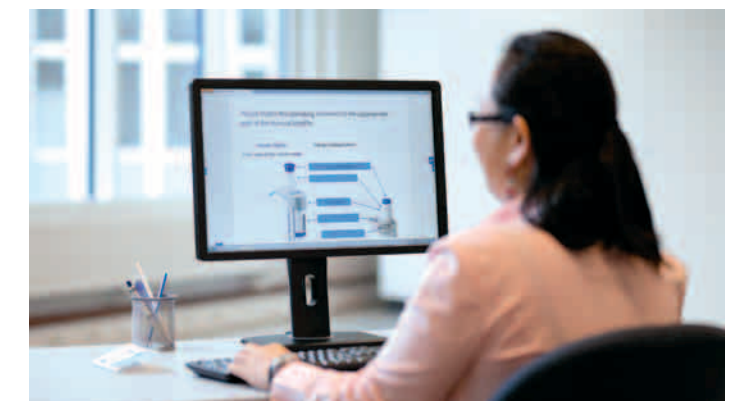
phase, we use these prototypes to test the product around the world for acceptance and functionality. When the series production stage is reached, the product is made available to selected customers for extensive tests in daily laboratory work. Series production only begins when their feedback is positive, because we only meet our own quality standard when our intelligent product solutions perform well in daily laboratory routines.

Individual training and continuing education

We train both our own sales representatives and the employees of our dealers. For this purpose we even have our own eLearning platform: the Eppendorf Academy. The eLearning program allows employees to train whenever they wish and at their own pace. Especially when new products are introduced or new sales representatives learn the ropes, it is advantageous to be able to communicate knowledge quickly and independently of location. Even so, we also carry out classroom training, because not all the practical skills needed for our products can be taught via computer. In addition, we offer our employees individual coaching that helps them identify and build on their strengths and close gaps in their knowledge.

»With more than 100 colleagues working in sales and service, coordinating training is a very difficult task. The eLearning platform offers individual learning that follows the employees' personal pace and needs. It's the ideal tool to ensure high-quality training on a personal level.«

Priya, Training Manager, Eppendorf, India



Individual learning via the Eppendorf Academy's
eLearning platform

Reliability Is More Than Just a Good Feeling.

Global Availability



Our products are available around the world, and Eppendorf has a well-developed, professional and global logistics network to ensure that they are delivered to our customers as quickly as possible. Since we produce most of our products in Germany, we operate cross-border logistics centers at our own central locations in Europe, America and Asia. Most of our product portfolio is always in stock at these centers and can be delivered to a customer immediately. In regions

where we have no warehouses of our own, we ensure the availability of Eppendorf products through cooperations with local dealers.

We know that correct, on-time delivery is critical for the efficiency and cost-effectiveness of the work of research institutions and industry in particular. So the Global Sales Logistics team ensures that everything functions smoothly and that our products are always in stock, whether at

»Many factors play a role in logistics planning. When we review and forecast global demand, we rely on a healthy balance between experience, IT-supported calculations and intensive exchanges with our own experts in the markets.«

Matthias Kuhl, Director Global Supply Chain Planning & Integration, Eppendorf, Germany



A view of the Eppendorf high-bay storage facility in Leipzig, Germany

»Eppendorf is a reliable supplier and an outstanding partner that wins the approval of its customers through the great accuracy and punctuality of its deliveries. Eppendorf's reliability is a prerequisite for the efficient design of our work processes.«

Joachim Jürgens, Managing Director, OMNILAB®-LABORZENTRUM GmbH & Co. KG, Germany

Eppendorf or at a sales partner's location. We have a track record of correct deliveries of almost 100%. In addition, certifications and agreements in many countries contribute to keeping delivery times to a necessary minimum. For example, Eppendorf has been classified as a "trusted shipper" at its distribution center in Hamburg. This means that goods shipped via air freight do not have to be inspected, which makes processing both smoother and more efficient. Moreover, in Germany Eppendorf AG is certified as an Authorized Economic Operator (AEO) and has the status of an "approved exporter". Like our "trusted shipper" classification, these approvals help us move through the export customs clearance process more quickly.

Sustainable and efficient

Reliability has top priority for us, but the topic of sustainability also plays a decisive role in our logistics structures. Foresighted planning of real and anticipated customer needs and the establishment of regional and local logistics centers have enabled us to reduce our CO₂ footprint by more than 60% over the last ten years. When selecting logistics service providers, we insist on working with environmentally conscious partners.

We use drop shipments to reduce delivery times: when dealers order our products for their customers, we deliver the items directly to the customer, which simplifies the delivery process for everyone involved. In addition, we enable larger institutes or companies to connect us to their existing electronic procurement systems, which simplifies ordering and has a positive effect on delivery times, too.

But we want our customers to be satisfied for more reasons than just a successful delivery. Eppendorf products also stand out for being easy to commission and operate. Even so, there are products that customers cannot simply start using on their own. An installation by the manufacturer at the customer site may be necessary, especially with technically complex products or custom-manufactured devices, such as bioreactors. In other words, depending on what the customer purchases, we deliver not just the product, but also an Eppendorf specialist to set it up and put it into operation, including on-site instruction so that users know how to operate the device correctly.

When the Customer Is Satisfied, So Are We.



Services

Support and service are important at Eppendorf. We are available to our customers even after the sales process concludes – for the entire life cycle of the products they purchase from us.

In line with the philosophy of thinking globally but acting locally, we rely on local contact partners who work according to global Eppendorf standards and are available to our customers for advice and support in their own time zones and languages. We believe in this approach to service regardless of whether a customer needs installation assistance, qualification, a service call, user training or technical services. We use the knowledge of our local organizations to respond to country-specific requirements and service wishes. Training and standards for our country subsidiaries and the dealers who sell our products ensure that we can offer our services at the same high level everywhere in the

»Eppendorf epServices' personnel are specialists with technical expertise, but also partners who listen and enable us, year after year, to meet the requirements of accreditation.«

Christophe Lehobey, Biomedical Maintenance Manager,
Institut Curie, France

world. That enables us to maximize synergies throughout the company, but it also guarantees the quality of our support in more than 120 countries around the globe. Naturally, not even Eppendorf can maintain a local specialist for every single product, so we have set up an internal hotline for our employees to provide fast help with special topics.



Eric Morvan (Eppendorf) performs maintenance on a centrifuge at the Institut Curie®.

The Institut Curie is part of the largest French oncology research center. Eppendorf France has been working with Institut Curie for 10 years, advising them in their product choices and also providing service and maintenance – first for the micropipettes multibrand park and then for instrumentation such as centrifuges, thermomixers, PCR devices and epMotion® (automatic pipetting system).



RJ Bacon, Manus Biosynthesis, Cambridge, MA, USA

»Here at Manus, we produce rare plant products by bacterial fermentation. As a fast-paced research lab, the uptime of our infrastructure is of the highest priority. This is why we work with Eppendorf and their great service team. They are quick and easy to work with, which gives us confidence in their equipment. Our DASGIP® systems are crucial to our work, and their service team understands that. They solve the most difficult of issues in a timely manner, including escalating to services in Germany when necessary. In short, the excellent service we get is the primary reason we choose Eppendorf.«

RJ Bacon, Lab Maintenance Technician,
Manus Biosynthesis, USA

Commissioning, service and qualification

In addition to the successful installation and commissioning of a product by the user or an Eppendorf specialist, we provide self-study videos and tutorials on our homepage. They offer users the best possible guidance in operating our products safely.

Installation Qualification and Operational Qualification (IQ/OQ) are also among the services provided by Eppendorf. These qualifications confirm the installation of the device according to specification and the correct functionality of its individual parts and, as necessary, its software. Qualification or certification can be repeated by Eppendorf at any time – even for individual functions such as temperature verification or the calibration of dispensing tools. Users, too, can become qualified and certified through our training courses – an important point for customers who must undergo regular audits of their quality management systems.

Application support and training

Beyond correct installation, the competent operation of our products is critical to achieving optimal test results and making full use of the potential of a device. Eppendorf offers its users a number of ways to ensure this, such as practice-oriented user training courses carried out by experts, or a hotline for application questions.

We are also continually expanding our portfolio of webinars as an enhancement of our classroom training. This enables us to share experience and application examples easily and quickly.

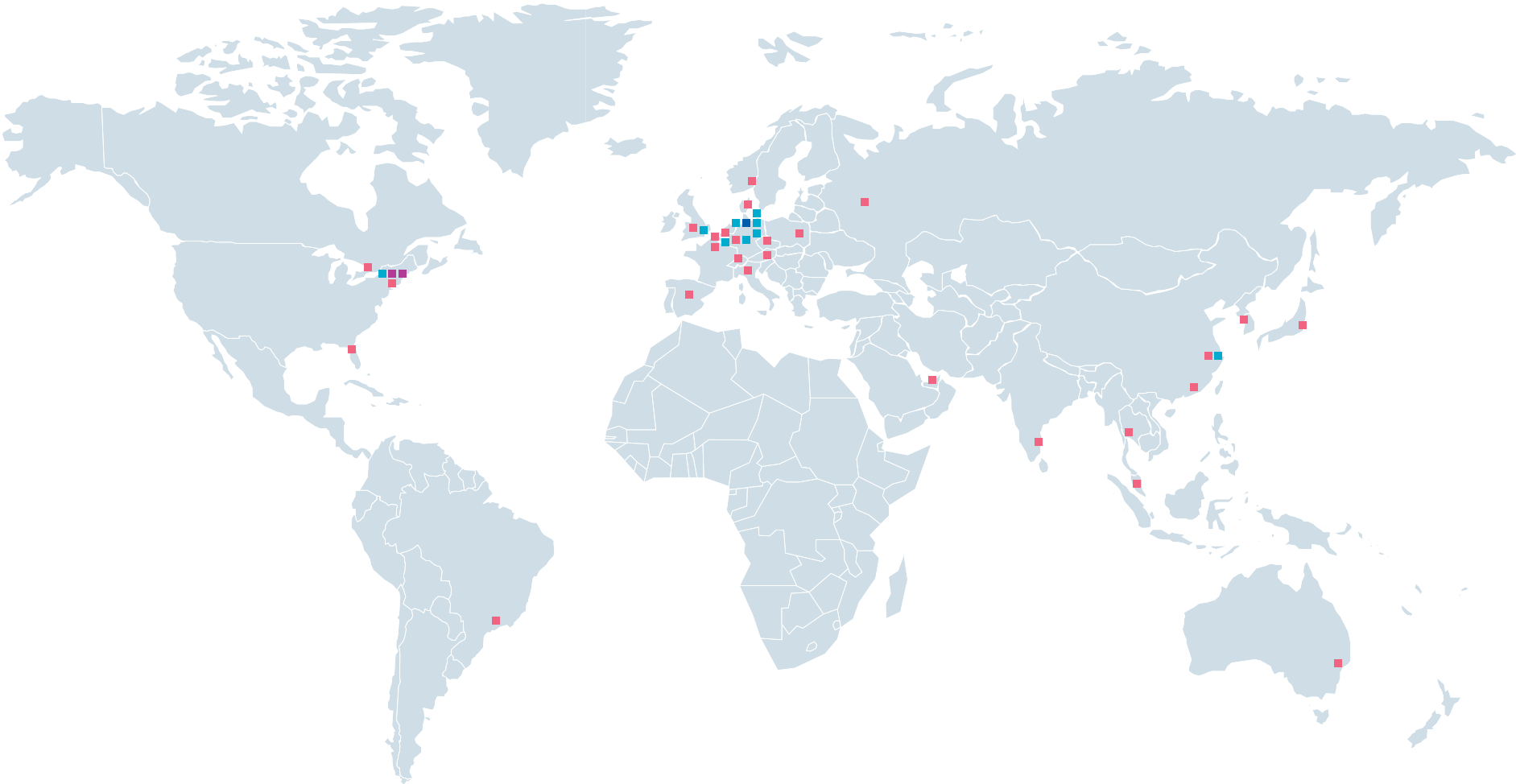
Technical service

If there is ever a problem, we never leave our customers to solve it alone. Someone is available to help at every Eppendorf location, whether via the hotline, e-mail or the contact form on the local website.

Maintenance schedules and certification service ensure the reliability of our products: There are performance plans for all Eppendorf products, including the automated pipetting system epMotion, the centrifuges and the pipettes. These performance plans support the customer in maintaining our devices and complying with national and international standards, laws and guidelines.

Regular maintenance and our calibration service ensure that the performance quality of a product is monitored and its precision is safeguarded. The maintenance plan is derived from the extent of the services desired by the customer. We also offer regular software updates and functional extension upgrades for our software-based products.

International Presence



Europe

- | | | |
|--|--|---|
| <ul style="list-style-type: none">■ Eppendorf AG
Hamburg/Germany■ Eppendorf Austria GmbH
Vienna/Austria■ Eppendorf Belgium NV/SA
Rotselaar/Belgium■ Eppendorf Czech & Slovakia s.r.o.
Říčany (Prague)/Czech Republic■ Eppendorf France SAS
Montesson (Paris)/France■ Eppendorf Ibérica S.L.U.
San Sebastian de los Reyes (Madrid)/Spain■ Eppendorf Nederland B.V.
Nijmegen/Netherlands■ Eppendorf Nordic ApS
Hørsholm (Copenhagen)/Denmark■ Eppendorf Norge AS
Oslo/Norway | <ul style="list-style-type: none">■ Eppendorf Poland sp. z o.o.
Warsaw/Poland■ Eppendorf Russia ooo
Moscow/Russia■ Eppendorf s.r.l.
Milan/Italy■ Eppendorf UK Ltd.
Stevenage/Great Britain■ Eppendorf Vertrieb Deutschland GmbH
Wesseling/Germany■ Vaudaux-Eppendorf AG
Schönenbuch (Basel)/Switzerland | <ul style="list-style-type: none">■ DASGIP Information and Process Technology GmbH
Jülich/Germany■ Eppendorf Application Technologies S.A.
Namur/Belgium■ Eppendorf Instrumente GmbH
Hamburg/Germany■ Eppendorf Liquid Handling GmbH
Hamburg/Germany■ Eppendorf Polymere GmbH
Oldenburg in Holstein/Germany■ Eppendorf Zentrifugen GmbH
Leipzig/Germany■ Eppendorf CryoTech Ltd.
Maldon/Great Britain |
|--|--|---|

America

- Eppendorf Holding Inc.
Enfield, Connecticut/USA
- Eppendorf, Inc.
Enfield, Connecticut/USA
- Eppendorf Canada Ltd.
Mississauga (Toronto)/Canada
- Eppendorf do Brasil Ltda.
São Paulo/Brazil
- Eppendorf North America, Inc.
Hauppauge, New York/USA
- USA Scientific, Inc.
Ocala, Florida/USA
- Eppendorf Manufacturing Corp.
Enfield, Connecticut/USA

Asia/Pacific/Africa

- | | |
|---|--|
| <ul style="list-style-type: none">■ Eppendorf Asia Pacific Sdn. Bhd
Kuala Lumpur/Malaysia■ Eppendorf (Shanghai) International Trade Co., Ltd.
Shanghai/China■ Eppendorf China Ltd.
Hongkong/China■ Eppendorf Co., Ltd.
Tokyo/Japan■ Eppendorf India Ltd.
Chennai/India■ Eppendorf Korea Ltd.
Seoul/South Korea■ Eppendorf Middle East & Africa FZ-LLC
Dubai/United Arab Emirates■ Eppendorf South Pacific Pty. Ltd.
North Ryde (Sydney)/Australia■ Eppendorf (Thailand) Co., Ltd.
Bangkok/Thailand■ Eppendorf Lab Technologies (Shanghai) Co., Ltd.
Shanghai/China | <ul style="list-style-type: none">■ Head office■ Sales subsidiary■ Entity with regional/global functions■ Competence center |
|---|--|

Management Report

Overall economic developments

In 2015, the global gross domestic product grew by 2.4%. The slight economic recovery enjoyed by the industrialized nations was countered by weaker growth in the world’s emerging and developing economies, in part owing to a decline in commodity prices. On the whole, the World Bank’s forecast of 3.0% growth in 2015 was not realized.

On a regional level, the United States recorded positive economic development, as it had the year before. Economic tensions continued to ease in the euro area as well, with growth attributable to a rise in domestic demand and an increase in exports. At just under 7%, the increase in the gross domestic product in China was still above average in comparison with other countries, but here as well, growth was slower than in the years prior to 2015. Recessions in Brazil and Russia weakened both economies badly.

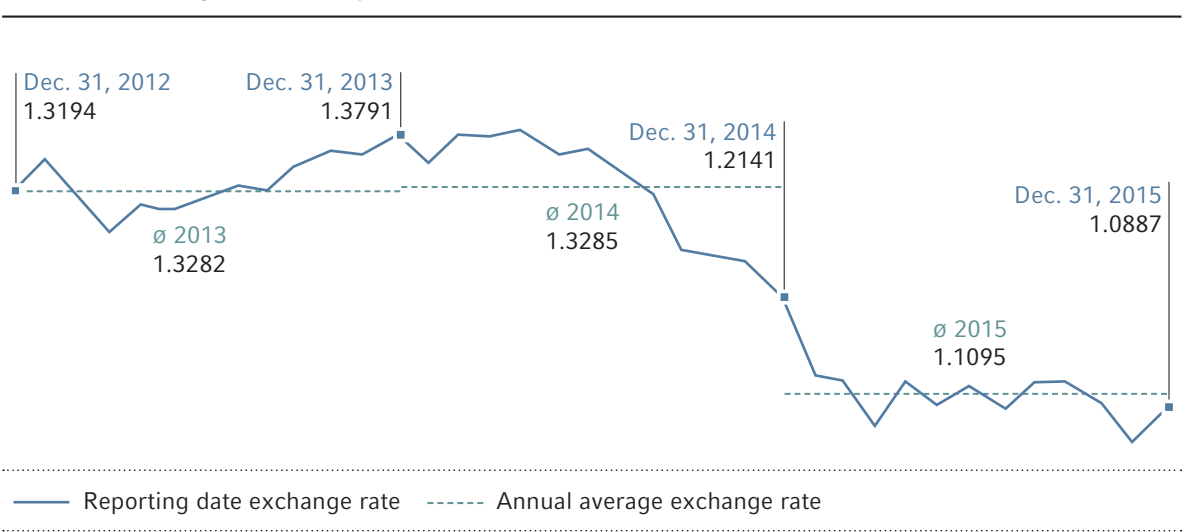
2015 also saw an increase in volatility on the financial markets. Price drops in the commodities markets were attributable primarily to surpluses. The U.S. dollar rose in value against other currencies at the beginning of the year amid anticipation of tighter fiscal policy on the part of the Federal

Reserve Board. The European Central Bank’s concurrent announcement that it would continue its expansive fiscal policy resulted in the euro losing value against the U.S. dollar. As a result, the annual euro average of 1.1095 USD lay clearly below the average rate of the year before (1.3285 USD per euro).

Industry developments

The segments of the life science industry relevant to Eppendorf grew significantly more strongly than the world’s economy, leveling out at at 4–5%, and exceeding our growth forecasts of 3%. The established markets contributed in particular to this achievement. In North America, the industry is continuing to recover: significant influences here included public spending, which rose again in 2015, and the very positive development of the biopharma segment. In Europe, too, the market for life science products developed positively. In contrast, 2015 was more heterogeneous in Asia and thus corresponded more closely to global economic growth.

USD-EUR exchange rate development 2013 – 2015



Operating activities

Eppendorf develops, produces and sells first-class products and services primarily for academic and industrial laboratories around the world. As a premium provider in the life science industry, we play a leading role on the world's laboratory products market, particularly in the public sector. It is our goal to strengthen this leadership through ongoing development with a focus on diversification in the strongly growing areas of the life science markets. In the process, we will focus on the continual development and expansion of our product portfolio and the steady broadening of our customer base through greater customer access, especially in the industrial sectors. Among the cornerstones of our business strategy is the consolidation of our global market position through targeted investments in our sales structure and in the expansion of our training and service portfolio. Our goal is to offer our customers high-quality, comprehensive support wherever they work.

Financial summary

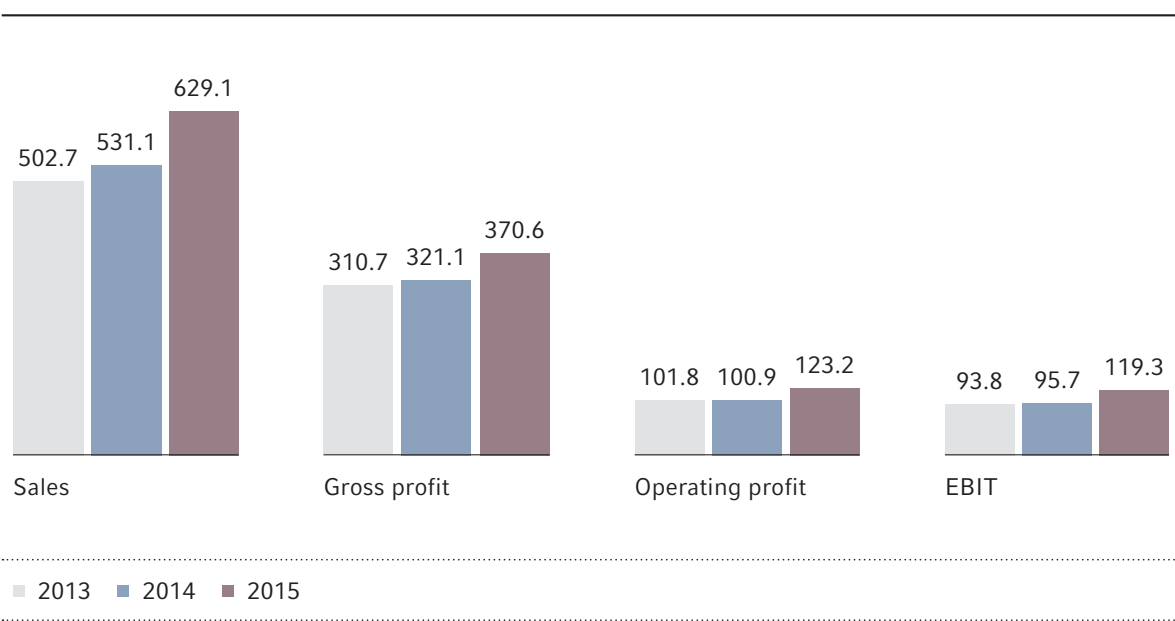
Business grew in every region in response to higher demand, and sales and earnings increased significantly over their prior-year levels. A year ago, we forecast sales growth just above the industry average and the corresponding improvement in the operating results for 2015. We have slightly exceeded this goal.

The implementation of our global sales strategy has made good progress. In addition to expanding our worldwide sales presence, we have continued to work on enhancing our Internet presence in order to be able to provide comprehensive information on our products and offers and to make access even easier for our customers.

A number of investments in our manufacturing and development sites also contributed to the positive development of our business. One example is the new centrifuge production facility in Leipzig, Germany, which we opened at the beginning of 2015.

Key business development figures are presented in the graphic below:

Key performance data in € millions



Sales trend

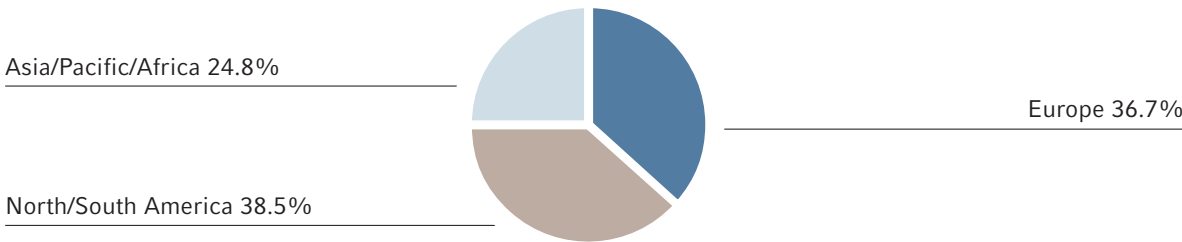
In fiscal year 2015, Group sales climbed by 18.5% to €629.1 million (prior year: €531.1 million). Growth in sales amounted to 7.1% when calculated in local currencies. All three sales regions made very positive contributions to overall growth:

North and South America recorded very good business, with a sales increase of 7.8% in local currencies. This improvement is due mainly to the clear recovery of the market in the United States.

Growth rates in Europe continued to develop positively during the reporting year, with a sales plus of 4.7% over the previous year when measured in local currencies. Continued stable growth thus characterizes this region.

Sales in Asia/Pacific/Africa increased by 10.6% in local currencies, but business was very heterogeneous owing to the weakening of the economy in Asia. Even so, strong growth in China and India drove this region to reach a double-digit growth rate.

Sales by region



in € millions	+/- previous year	2015	2014	2013	+/- previous year in local currencies
North/South America	+27.4%	242.1	189.9	176.7	+7.8%
Europe	+7.2%	230.7	215.3	200.7	+4.7%
Asia/Pacific/Africa	+24.2%	156.3	125.9	125.3	+10.6%
Net sales	+18.5%	629.1	531.1	502.7	+7.1%

Selected financial data

Gross profit increased in fiscal year 2015 to €370.6 million (prior year: €321.1 million). In contrast, the gross profit margin dropped to 58.9% (prior year: 60.5%) – a decline attributable purely to currency effects.

In relation to sales, operating expenses dropped from 41.5% to 39.3%, primarily as a result of currency effects, but also owing to disproportionately lower costs in comparison with the increase in sales. In absolute terms, however, operating expenses rose by 12.4% to €247.4 million (prior year: €220.2 million); currency effects played a role in this increase, as did a slight upswing in the annual average number of employees.

In absolute numbers, the operating result of €123.2 million (prior year: €100.9 million) is the best in the history of our company, and with it, we have greatly exceeded the goals we set ourselves. We also increased our return on sales from 19.0% to 19.6%.

Other expenses/income during the reporting year consisted mainly of the amortization of intangible assets from investment activities in the amount of €6.0 million (prior year: €5.4 million).

Income from operations (EBIT) in 2015 amounted to €119.3 million (prior year: €95.7 million), thus charting an increase of 24.7% over the year before. The EBIT margin was 19.0% (prior year: 18.0%).

Selected financial data

in € millions	2015	%	2014	%	2013	%
Net sales	629.1	100.0	531.1	100.0	502.7	100.0
Cost of sales	-258.5	-41.1	-210.0	-39.5	-192.0	-38.2
Gross profit	370.6	58.9	321.1	60.5	310.7	61.8
Sales and marketing expenses	-166.7	-26.5	-145.4	-27.4	-138.2	-27.5
Research and development expenses	-31.9	-5.1	-29.4	-5.5	-28.2	-5.6
Administrative expenses	-48.8	-7.7	-45.4	-8.6	-42.5	-8.4
Operating expenses	-247.4	-39.3	-220.2	-41.5	-208.9	-41.5
Operating profit	123.2	19.6	100.9	19.0	101.8	20.3
Other expenses/income	-3.9	-0.6	-5.2	-1.0	-8.0	-1.6
Income from operations (EBIT)	119.3	19.0	95.7	18.0	93.8	18.7

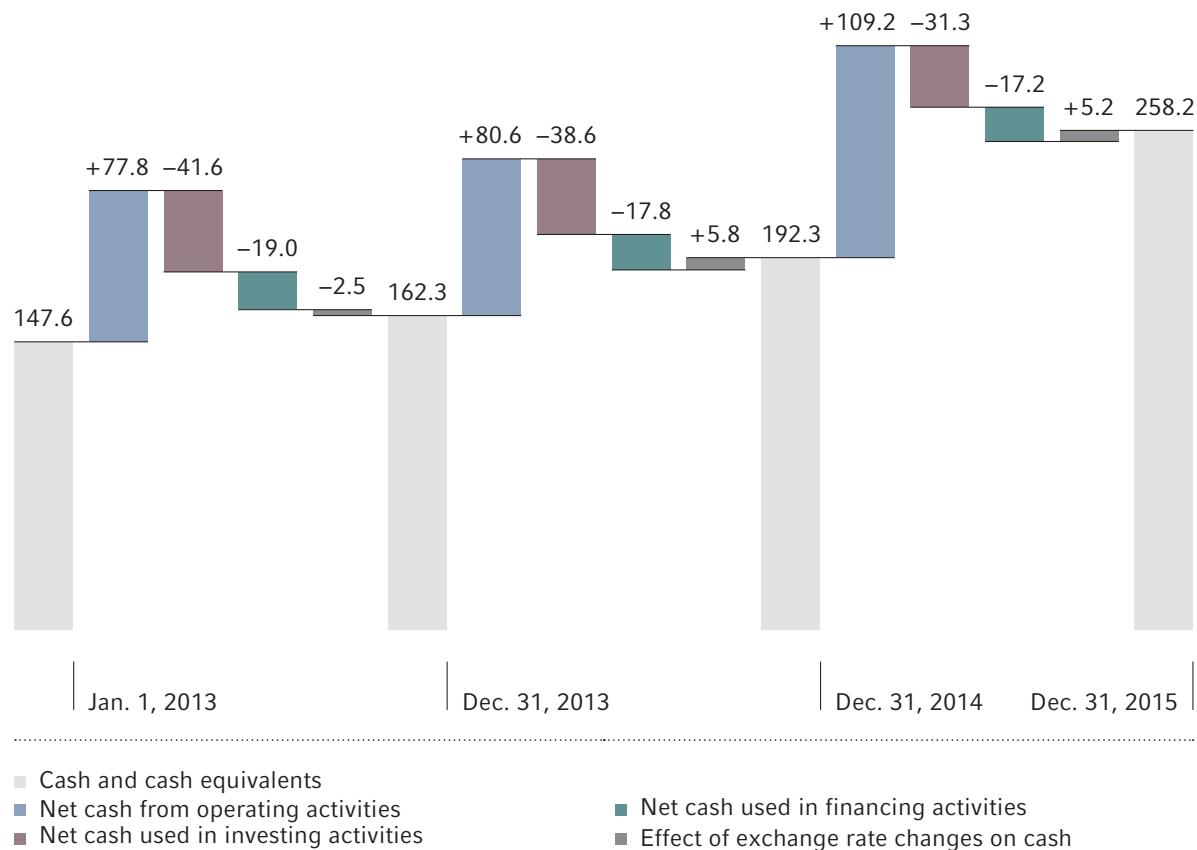
Financial position and capital investments

The positive business trend led to an increase in net cash generated by operating activities to €109.2 million (prior year: €80.6 million).

Net cash from investments declined nominally to €31.3 million (prior year: €38.6 million). We had outlays in 2015 of €29.6 million for the acquisition of new property, plant, and equipment (prior year: €33.9 million).

Overall, net bank deposits increased in 2015 by €65.9 million to €258.2 million (prior year: €192.3 million).

Changes in cash position 2013–2015 in € millions



Assets, equity and liabilities

The company's assets, equity and liabilities are valued using figures based on the exchange rates valid on the respective reporting date. On the whole, the assets and liabilities of our foreign subsidiaries increased in value as a result of exchange rate developments.

We invested €31.8 million in property, plant, equipment, and intangible assets during the reporting year (prior year: €36.7 million), of which just under half was used for investments in our domestic manufacturing capacities. Depreciation, amortization and impairment losses amounted to €27.4 million (prior year: €21.7 million).

Intangible assets from acquisitions are composed of goodwill amounting to €51.1 million (prior year: €46.9 million), and acquired customer bases, brands, and technologies amounting to €24.8 million (prior year: €28.8 million), with the increase in goodwill attributable purely to currency effects.

Provisions for pensions and similar obligations were subject to occasionally strong fluctuations spurred by yearly changes in discount rates. Most of the decline can be traced to an increase in the discount rate over the year before. The resulting actuarial gains and losses have been recognized directly in equity.

Assets

in € millions	+/- previous year	Dec. 31, 2015	Dec. 31, 2014	Dec. 31, 2013
Cash and cash equivalents	+34.3%	258.2	192.3	162.3
Trade accounts receivable	+7.4%	108.9	101.4	88.0
Inventories	+9.8%	138.7	126.4	114.6
Property, plant, equipment, and intangible assets	+6.4%	145.2	136.6	116.7
Goodwill and intangible assets from equity investments	+0.3%	75.9	75.7	74.8
Investments in associates	-2.9%	1.8	1.9	3.8
Other assets	-0.6%	82.2	82.5	69.8
Total assets	+13.1%	810.9	716.8	630.0

Equity and liabilities

in € millions	+/- previous year	Dec. 31, 2015	Dec. 31, 2014	Dec. 31, 2013
Borrowings from banks	+0.0%	0.0	0.0	0.0
Trade accounts payable	-6.5%	18.2	19.4	17.3
Short-term provisions	+36.9%	62.9	45.9	38.3
Provisions for pensions and similar obligations	-9.1%	153.6	169.0	129.4
Other liabilities	+2.6%	47.7	46.6	44.6
Equity	+21.3%	528.5	435.9	400.4
Total equity and liabilities	+13.1%	810.9	716.8	630.0

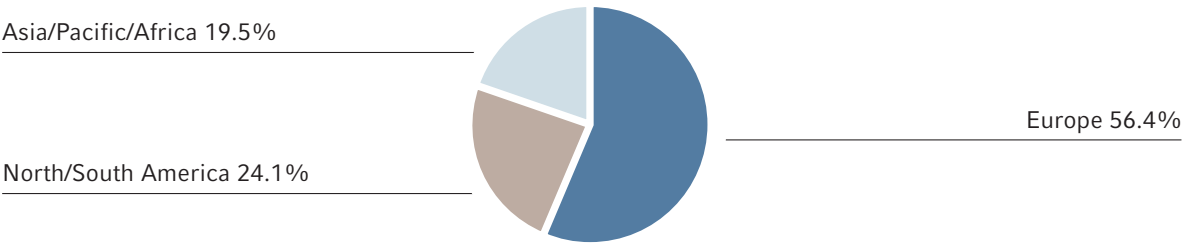
Employees

For many years now, Eppendorf has pursued a systematic employee development policy, because the brand and company values “premium, sincere and comprehensive” are expressed first and foremost through its employees. Changes in the market environment, the company’s growth and internationalization demand that all our employees engage in continuous learning. Both leadership development and intensified personnel development at the local and international levels are important success factors in building

the loyalty of our personnel – whether young employees, specialists or management – over the long term, and thus contributing to sustainable company success.

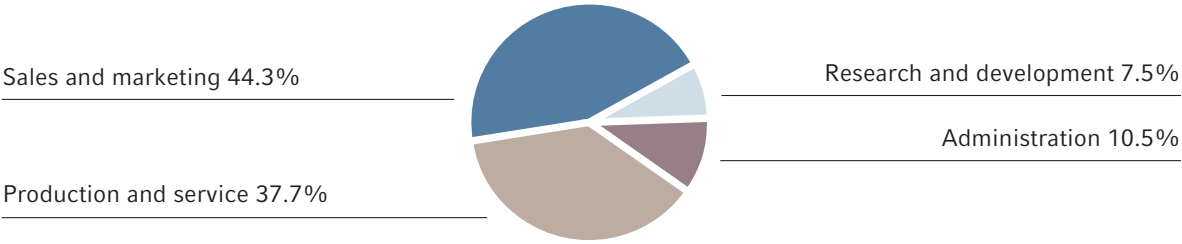
The Eppendorf Group employed an average of 2,969 people worldwide in fiscal year 2015 (prior year: 2,880). All employee figures represent full-time equivalents (FTE), corresponding to a 3.1% increase in employee numbers. On December 31, 2015 we had 3,001 employees (FTE) around the world (prior year: 2,927).

Employees by region



	+/- previous year	2015	2014	2013
Annual average				
Europe	+3.3%	1,674	1,621	1,609
North/South America	+2.1%	715	700	668
Asia/Pacific/Africa	+3.8%	580	559	521
Total	+3.1%	2,969	2,880	2,798

Employees by function



	+/- previous year	2015	2014	2013
Annual average				
Sales and marketing	+3.5%	1,314	1,270	1,240
Production and service	+3.3%	1,121	1,085	1,060
Administration	+2.0%	312	306	288
Research and development	+1.4%	222	219	210
Total	+3.1%	2,969	2,880	2,798

Risk management

Apart from general business risks, such as market changes, Eppendorf is exposed to specific risks largely associated with its global business, its customer base and sales channels, technological developments, and competitor products. The most important risks are described in the following risk categories.

As a company that operates globally, we are exposed to financial risks. A relatively large share of our sales transactions is billed in U.S. dollars. We compensate for the associated exchange rate risk in part through increased product manufacturing in dollar-denominated territories, and in part through currency hedging transactions that are regularly reviewed on the basis of developments expected on the international financial markets.

Market and business environment risks can also influence our business. Economic and political changes in individual countries can have a negative effect on the strength of the company's sales and earnings. For this reason, our regional sales management monitors local market trends and, if necessary, initiates cyclical or anticyclical measures.

Our business is also subject to industry-specific risks. Our customers are primarily active in life science research, thus reductions in R&D budgets or public and private funding may adversely affect our sales. We counter this risk by increasingly diversifying our customer segments.

It is part of Eppendorf's strategy to introduce innovative products and applications to the market on an ongoing basis. However, this policy is associated with a variety of product risks, since it often involves new and cutting-edge technologies for which only limited experience of use is available,

and which lie at the fringes of what is technically feasible. This could negatively affect product development or delay the introduction of new products. If these products are lacking in maturity and quality, this may result in warranty and product liability obligations or delivery problems. To minimize such risks, Eppendorf has introduced a comprehensive quality assurance and project management system.

The ongoing search for suitable new products, technologies and applied fields is an integral part of our business strategy. For Eppendorf, opportunities emerge in particular through the use of our products in areas that offer great potential for growth, such as laboratories where medical and basic scientific research is performed, the biotechnology and pharmaceutical industries, and the health and food industries. These industries profit from favorable factors such as increased life expectancy, rising health demands, and demands on food quality and safety as well as environmental protection. This is particularly true for strongly growing economies, which need to catch up in these areas.

Moreover, opportunities arise through the possible stabilization of the world's financial markets and positive exchange rate movements. In particular, increases in the value of the U.S. dollar against the euro have a positive effect on our business.

Subsequent events

No events subject to mandatory disclosure occurred after the balance sheet date.

Outlook

The World Bank expects growth of 2.9% in the global domestic product in 2016. Reasons for this expectation are the assumptions that the industrialized nations will continue to recover, that financing conditions will gradually tighten, that commodity prices will stabilize and that China will undergo a gradual reorientation. This forecast is subject to significant uncertainties, such as continued turbulence on the financial markets and geopolitical tensions. In particular, the weak economic climate in several emerging economies could have an adverse effect on the rest of the world.

Average growth in the life science industry in recent years has been stronger than that of the economy overall, and we expect that this trend will continue in 2016 in the segments of the industry that are relevant for us. We predict the highest rates of growth in China and India, and North America could likewise benefit from strong demand. In the euro area, we anticipate continued stability in the positive development of the industry. The growth of the life science industry depends to a great degree on the overall economy. Thus the uncertainties described above could have an effect on the development of the industry.

We regard our fundamental prospects for growth as positive based on the overall economic trend and industry-related development we have described here. However, this prospective development could be hindered by regional declines in public spending. With a view to fiscal year 2016, we anticipate growth for Eppendorf in the mid-single digits, slightly above the industry average. We assume that Eppendorf will profit from the new products it has introduced and the investments it has made in its existing sale structures. Overall, we estimate that our operating result will increase slightly relative to sales.

Consolidated Financial Statements

according to the IFRS (abbreviated version)

The information below provides an overview of the consolidated financial statements in accordance with the IFRS. They were audited by Ernst & Young® GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, Hamburg office, and received an unqualified auditor's opinion.

Consolidated income statement

for the period from January 1 to December 31, 2015

in € thousands	2015	2014	2013
Net sales	629,141	531,080	502,677
Cost of sales	-258,588	-209,941	-191,986
Gross profit	370,553	321,139	310,691
Sales and marketing expenses	-166,682	-145,454	-138,193
Research and development expenses	-31,911	-29,369	-28,177
Administrative expenses	-48,764	-45,373	-42,508
Operating profit	123,196	100,943	101,813
Other income	2,026	108	-2,601
Amortization of intangible assets from investment activities	-5,966	-5,393	-5,444
Income from operations (EBIT)	119,256	95,658	93,768
Financial result	374	337	217
Share of profit of associates	-611	-1,248	197
Income before tax	119,019	94,747	94,182
Income taxes	-38,184	-29,001	-26,721
Net income	80,835	65,746	67,461
Thereof attributable to			
Equity holders of the parent	80,541	65,635	66,763
Non-controlling interests	294	111	698

Consolidated balance sheet

at December 31, 2015

Assets

in € thousands	Dec. 31, 2015	Dec. 31, 2014	Dec. 31, 2013
Cash and cash equivalents	258,228	192,298	162,348
Trade accounts receivable	108,896	101,431	88,003
Inventories	138,745	126,397	114,649
Other current assets	17,194	13,226	16,491
Current assets	523,063	433,352	381,491
Property, plant, equipment, and intangible assets	138,997	136,559	116,720
Goodwill and intangible assets from equity investments	82,158	75,697	74,849
Investments in associates	1,801	1,855	3,758
Other non-current assets	1,566	2,125	2,140
Deferred tax assets	63,293	67,196	51,048
Non-current assets	287,814	283,432	248,515
Total assets	810,877	716,784	630,006

Equity and liabilities

in € thousands	Dec. 31, 2015	Dec. 31, 2014	Dec. 31, 2013
Borrowings from banks	0	0	0
Trade accounts payable	18,160	19,424	17,279
Provisions for income taxes	8,504	3,507	4,175
Other short-term provisions	62,896	45,936	38,326
Other current liabilities	23,845	20,133	18,195
Current liabilities	113,405	89,000	77,975
Provisions for pensions and similar obligations	153,611	169,048	129,369
Other non-current liabilities	1,317	7,718	7,245
Deferred tax liabilities	13,998	15,166	14,988
Non-current liabilities	168,926	191,932	151,602
Common stock	51,132	51,132	51,132
Retained earnings and other reserves	473,720	380,924	343,980
Non-controlling interests	3,694	3,796	5,317
Total equity	528,546	435,852	400,429
Total equity and liabilities	810,877	716,784	630,006

Consolidated cash flow statement

for the period from January 1 to December 31, 2015

in € thousands	2015	2014	2013
Cash flow	111,085	90,577	82,221
Changes in short-term assets and liabilities	-1,854	-9,969	-4,405
Net cash provided by operating activities	109,231	80,608	77,816
Net cash used in investing activities	-31,303	-38,627	-41,599
Net cash used in financing activities	-17,185	-17,772	-18,974
Effects of changes in exchange rates on cash	5,187	5,741	-2,449
Net change in cash and cash equivalents	65,930	29,950	14,794
Cash and cash equivalents at beginning of year	192,298	162,348	147,554
Cash and cash equivalents at end of year	258,228	192,298	162,348

Report of the Supervisory Board

In the year under review, the Supervisory Board of Eppendorf AG continuously monitored and advised the Management Board. The Management Board provided the Supervisory Board with regular, timely, and comprehensive information about the company’s business performance and major business transactions. In addition, the Chairman of the Supervisory Board was kept constantly informed by the Chairman or Spokesman of the Management Board and was consulted in cases of doubt or far-reaching decisions.

The Supervisory Board convened for a total of four meetings during the fiscal year now ended. During these meetings, the Supervisory Board focused on the financial situation and business development of the Group. The emphasis was on the revenue trend and earnings situation of the company and its affiliated businesses. In addition, there were discussions on development projects, capital expenditure plans, and other business transactions of particular significance for the Group. Transactions requiring the approval of the Supervisory Board were reviewed in detail and discussed jointly by the Supervisory and Management Boards.

Dr. Heinz Gerhard Köhn and Dr. Michael Schroeder stepped down from the Management Board on June 30, 2015. Thomas Bachmann became Chairman of the Management Board and Chief Executive Officer on August 1, 2015. The same day, Detmar Ammerman took over as Vice Chairman of the Management Board.

The Supervisory Board continues to have two committees, the Audit Committee and a Compensation Committee, which prepare the deliberations and resolutions of the Supervisory Board. The chairpersons of these committees report regularly at meetings of the Supervisory Board about the work of the committees.

The consolidated annual financial statements were prepared in accordance with the International Financial Reporting Standards (IFRS). These accounts, the annual financial statements of Eppendorf AG, and the management reports for the company and the Group were examined by the auditor, Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Stuttgart, who was elected by the Annual General Meeting and commissioned by the Supervisory Board. On March 7, 2016, the auditor issued an unqualified opinion. The documents named above and the associated audit reports, including the relevant reports prepared by the Management Board, were made available to all members of the Supervisory Board and were discussed.

Owing to a change in the profit appropriation resolution, the Management Board prepared the annual financial statements and the consolidated annual financial statements anew on March 22, 2016. The corresponding documents and the relevant reports prepared by the Management Board were made available to all members of the Supervisory Board and were discussed. The auditor was commissioned with the subsequent audit in accordance with Section 316 (3) of the German Commercial Code (HGB).

The Audit Committee specifically analyzed the annual and interim financial statements and obtained information about the activities of the Internal Audit Department. It performed a detailed review of the annual financial statements and management report, the consolidated annual financial statements, and the Group management report of Eppendorf AG, and recommended that the Supervisory Board approve the annual financial statements and the consolidated annual financial statements of March 22, 2016.

The auditor informed the Supervisory Board of the key findings of its audit. The Supervisory Board concurred with the audit result and the Audit Committee’s review, and concluded, on the basis of its own review, that there were no objections to be raised.

The Supervisory Board approved the annual financial statements of Eppendorf AG and the consolidated financial statements prepared by the Management Board on March 22, 2016. The annual financial statements are hereby established. In addition, the Supervisory Board also reviewed and approved the profit appropriation resolution.

The Supervisory Board would like to thank the Management Board and all the employees of the Eppendorf Group in Germany and internationally for their dedicated efforts and successful work for the company in fiscal year 2015.

Hamburg, March 23, 2016



Klaus Fink
Chairman of the Supervisory Board

Boards and Committees

Supervisory Board

- Klaus Fink**
Chairman
- Philipp von Loeper**
Vice Chairman
- Thomas Bachmann**
through July 31, 2015
- Hans Hinz**
- Dirk Höft**
Employee representative
- Marlis Kripke**
Employee representative
- Dr. Michael Schroeder**
since December 3, 2015

Management Board

- Thomas Bachmann**
Chairman
since August 1, 2015
- Detmar Ammermann**
Spokesman of the Management Board through July 31, 2015
- Vice Chairman of the Management Board and Chief Financial Officer as of August 1, 2015
- Dr. Ralf Hermann**
- Dr. Heinz Gerhard Köhn**
through June 30, 2015
- Dr. Wilhelm Plüster**
- Dr. Michael Schroeder**
through June 30, 2015

Scientific Advisory Committee

- Prof. Cornelius Knabbe**
Spokesman
- Michael Ehlers, M.D., Ph.D.**
- Dr. Heinz Gerhard Köhn**
- Prof. Dr. Jörg Lahann**

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