Press Release

Carl Zeiss Meditec increased revenue in the first six months of 2017/18 by 4.5 percent

Highest growth rate in Microsurgery strategic business unit

JENA, 15 May 2018

Carl Zeiss Meditec AG enjoyed further growth in the first six months of 2017/18, despite negative currency effects: Revenue increased by 4.5 percent (adjusted for currency effects: 9.5 percent), to €613.7m (prior year: €587.5m). Adjusted earnings before interest and taxes (EBIT) amounted to around €90m (prior year: €89.1m). The adjusted EBIT margin was 14.7 percent (prior year: 15.2 percent). Earnings per share reached €0.63 (prior year: €0.76).

Dr. Ludwin Monz, President and CEO of Carl Zeiss Meditec AG, comments on the first-half results: “Our business achieved significant organic growth in the first six months; we are winning market shares in both strategic business units. We are satisfied with the development of both the equipment business and recurring sales.”

Strongest growth in Microsurgery SBU

The Ophthalmic Devices strategic business unit increased its revenue by 3.7 percent (adjusted for currency effects: 8.6 percent), to €449.3m. This increase is attributable to both products and solutions in ophthalmic diagnostics, as well as to refractive laser systems and the strong demand for premium and standard intraocular lenses.

The Microsurgery strategic business unit increased its revenue by 6.5 percent in the first six months of the current fiscal year (adjusted for currency effects: 12.2 percent), to €164.4m, compared with €154.4m in the same period of the prior year. The new products launched on the market in the prior year in neuro and dental surgery performed well.

Solid currency-adjusted growth contributions from all regions

All regions exhibited a positive trend on a currency-adjusted basis, with the highest growth rate of 10.0 percent (adjusted for currency effects: 11.4 percent) being achieved in the EMEA region. At almost €193.0m, revenue was significantly higher than the prior-year figure of €175.4m. This increase was attributable to the stable development in the core markets, Germany and France, and to renewed growth in the UK and some markets of Southern Europe.

The reported revenue in the Americas region decreased by a slight 1.8 percent year-on-year, due to negative currency effects (adjusted for currency effects: +8.1 percent), and amounted to €181.6m. The U.S. business, in particular, developed strongly in local currency.

The APAC region achieved growth of 5.2 percent, to €239.1m. After adjustment for currency effects, this corresponds to growth of 9.2 percent. Once again, the largest contributions to growth came from China and South Korea.

Adjusted earnings before interest and taxes (EBIT) amounted to around €90m. The adjusted EBIT margin amounted to 14.7 percent (prior year: 15.2 percent). The decline is primarily attributable to negative currency effects and targeted investments in research and development and sales and marketing.

Earnings per share declined to €0.63 (prior year: €0.76). It was, however, predominantly non-operating factors that contributed to this, such as, in particular, the one-time proceeds in the prior year from the disposal of assets at the Ontario site, and the increase in the number of outstanding shares following the capital increase in March 2017.

Carl Zeiss Meditec AG expects revenue to be in a range of €1,230m to €1,280m for fiscal year 2017/18. The EBIT margin is expected to be within the range also forecast for the medium term, of 14 to 16 percent on an adjusted basis.

Revenue by strategic business unit

All figures in €m	6 Months 2017/18	6 Months 2016/17	Change from prior year	Change from prior year (adjusted for currency effects)
Ophthalmic Devices	449.3	433.1	+3.7%	+8.6%
Microsurgery	164.4	154.4	+6.5%	+12.2%
Total	**613.7**	**587.5**	**+4.5%**	**+9.5%**

Revenue by region

All figures in €m	6 Months 2017/18	6 Months 2016/17	Change from prior year	Change from prior year (adjusted for currency effects)
EMEA	193.0	175.4	+10.0%	+11.4%
Americas	181.6	184.9	-1.8%	+8.1%
APAC	239.1	227.2	+5.2%	+9.2%
Total	**613.7**	**587.5**	**+4.5%**	**+9.5%**

Contact for investors and press
Sebastian Frericks
Director Investor Relations Carl Zeiss Meditec AG
Phone: + 49 (0)3641 220-116
Email: investors.meditec@zeiss.com

www.zeiss.de/presse

Brief profile
Carl Zeiss Meditec AG (ISIN: DE 0005313704), which is listed on TecDAX of the German stock exchange, is one of the world's leading medical technology companies. The Company supplies innovative technologies and application-oriented solutions designed to help doctors improve the quality of life of their patients. The Company offers complete solutions, including implants and consumables, to diagnose and treat eye diseases. The Company creates innovative visualization solutions in the field of microsurgery. With approximately 3,000 employees worldwide, the Group generated revenue of €1,189.9m in financial year 2016/17 (to 30 September).

The Group's head office is located in Jena, Germany, and it has subsidiaries in Germany and abroad; more than 50 percent of its employees are based in the USA, Japan, Spain and France. The Center for Application and Research (CARIn) in Bangalore, India and the Carl Zeiss Innovations Center for Research and Development in Shanghai, China, strengthen the Company's presence in these rapidly developing economies. Around 41 percent of Carl Zeiss Meditec AG shares are in free float. The remaining approx. 59 percent are held by Carl Zeiss AG, one of the world's leading groups in the optical and optoelectronic industries.

For more information visit our website at: www.zeiss.de/med