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Appendix
## Strong Position in Ophthalmology and Microsurgery

Continuous Growth over the Past Five Years

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Revenue</th>
<th>EBIT Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018/19</td>
<td>€ 1,459 million</td>
<td><strong>18.1%</strong></td>
</tr>
<tr>
<td>2017/18</td>
<td>€ 1,281 million</td>
<td><strong>15.4%</strong></td>
</tr>
<tr>
<td>2016/17</td>
<td>€ 1,190 million</td>
<td><strong>15.2%</strong></td>
</tr>
<tr>
<td>2015/16</td>
<td>€ 1,088 million</td>
<td><strong>14.2%</strong></td>
</tr>
<tr>
<td>2014/15</td>
<td>€ 1,040 million</td>
<td><strong>12.6%</strong></td>
</tr>
</tbody>
</table>

### MCS
- 27% of total revenue

### OPT
- 73% of total revenue

- Headquarters in Jena, Germany
- Around 3,200 employees worldwide
- Listed on the MDAX and TecDAX
- 59% of shares held by Carl Zeiss AG
- Leading market positions:
  - #2 in Ophthalmology - #1 in Microsurgery
Our Markets Benefit from Structural Tailwinds
Attractive Outlook for Medical Technology

1. Aging of the population and growing affluence
2. Growing patient load requires more efficient workflows
3. Need to improve surgical treatment outcomes
4. Increasing information access and awareness
5. Rising access to health care in RDEs
Ophthalmic Devices
Advancing Eye Care - Every Step of the Way

2018/19 € 1,068.6 million revenue
2017/18 € 933.2 million
2016/17 € 880.5 million
2015/16 € 791.9 million
2014/15 € 747.2 million

OPT 73% of total revenue

<table>
<thead>
<tr>
<th>Ophthalmic Diagnostics</th>
<th>Refractive Laser Surgery</th>
<th>Surgical Ophthalmology</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market size(^1): € 1.5 to 2bn</td>
<td>Market size(^1): € 0.8 to 1bn</td>
<td>Market size(^1): € 7.0 to 7.5bn</td>
</tr>
<tr>
<td>Diagnosis and chronic disease management</td>
<td>Corneal surgery for visual correction</td>
<td>Cataract and retinal treatment</td>
</tr>
</tbody>
</table>

Customers: ophthalmologists, optometrists, ambulatory surgery centers, hospitals/eye clinics

\(^1\) Market Scope\(^\circ\), CZM internal estimates
Microsurgery
Redefining Surgical Visualization

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018/19</td>
<td>€ 390.7 million</td>
</tr>
<tr>
<td>2017/18</td>
<td>€ 347.6 million</td>
</tr>
<tr>
<td>2016/17</td>
<td>€ 309.4 million</td>
</tr>
<tr>
<td>2015/16</td>
<td>€ 296.5 million</td>
</tr>
<tr>
<td>2014/15</td>
<td>€ 292.8 million</td>
</tr>
</tbody>
</table>

visualization
Tumor, aneurysm, reconstructive, dental surgery

Market size¹:
€ 0.6 to 0.7bn

Surgical Oncology
Intraoperative radiation

Customers: clinics and hospitals, dental offices/clinics

¹ Market Scope®, CZM internal estimates

MCS 27% of total revenue
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Strong Position in Key Technologies and Leading in Market Shaping Innovation

ZEISS innovates to drive customer value through superior solutions.

LEADING INNOVATION AND PUSHING THE BOUNDARIES OF TECHNOLOGY
Shaping technological progress by turning state-of-the-art technology into superior applications

History of gold standards in optical technologies

DEVELOPING WITH THE CUSTOMER
Involving customers and key opinion leaders from an early stage - integrated into optical R&D network of the ZEISS Group

Application-driven development

CONNECTIVITY & DATA MANAGEMENT
Specific applications and workplaces to handle data and to support decision-making

Lead the digitization of our business

WORKFLOW- AND OUTCOME-DRIVEN SOLUTIONS
Integrated solutions supporting strong treatment outcomes and efficient workflows

We integrate our products into systems

High commitment to R&D investment resulting in technology leadership across our portfolio.

R&D expenses in € million

<table>
<thead>
<tr>
<th>Year</th>
<th>2016/17</th>
<th>2017/18</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>12%</td>
<td>156</td>
<td>160</td>
<td>173</td>
</tr>
</tbody>
</table>

R&D ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>2017/18</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>12.3%</td>
<td>12.5%</td>
<td>11.9%</td>
</tr>
</tbody>
</table>

12% - 13% Ø R&D ratio

R&D expenses in € million

<table>
<thead>
<tr>
<th>Year</th>
<th>2016/17</th>
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<td>12%</td>
<td>156</td>
<td>160</td>
<td>173</td>
</tr>
</tbody>
</table>

R&D ratio

<table>
<thead>
<tr>
<th>Year</th>
<th>2017/18</th>
<th>2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>12.3%</td>
<td>12.5%</td>
<td>11.9%</td>
</tr>
</tbody>
</table>
Broad and Diversified Portfolio with Growing Share of Recurring-revenue Generating Products

We steadily enhance our share of recurring revenue over the last 10 years

- More recurring revenue has allowed for profitable growth and less cyclicality.
- We steadily broaden our service offering to complement our product offering and enhance the share of recurring revenue.
- Comprehensive sales and service excellence including technical service, training, consulting on practice management and efficient workflow as well as on reimbursement

1 Intraocular lenses (IOLs) and various consumables are sources of recurring revenue (e.g. viscoelastics, phaco cassettes, refractive laser treatment packs, drapes, etc.)
APAC has become the largest Region for Carl Zeiss Meditec AG

Carl Zeiss Meditec Group’s largest markets in terms of revenue
Ranked by proportion of total revenue

US #1
France #5
Germany #4
China #2
South Korea #6
Japan #3

Carl Zeiss Meditec Group’s regional split
In % of total revenue 2018/19

Americas 30.3%
EMEA 28.6%
APAC 41.1%
ZEISS Provides the most Comprehensive Diagnostic and Surgical Solution Portfolio in Eye Care

- ZEISS provides gold standard systems and solutions across eye diagnostics and surgery based on deep application know-how in optics and imaging.
- Connectivity of imaging and surgical devices used to support surgeons’ quest for premium treatment outcomes and workflow efficiency.
ZEISS leads Ophthalmic Diagnostics Industry with Broad Portfolio

- ZEISS has maintained its historic leadership in ophthalmic diagnostic technologies for management of chronic age-related eye diseases
- FORUM data management infrastructure provides best-in-class connectivity, data archiving and analytical features
- Revenue growth accelerated over last 3 yrs. due to significant product launches & portfolio overhaul in OCT and fundus imaging

1 Market Scope®, CZM internal estimates
ZEISS Ophthalmic Diagnostics
Solutions Managing & Supporting Practice Performance

Front Desk
Data Management

Pre-Test
Glaucoma and Retina Pretests

Exam
Slit Lamps Subjective Refraction

Advanced DX
OCT Solutions, Perimetry Fundus Cameras and Imaging Systems

Consultation
Data Management

Treatment
Therapeutic Lasers

Product examples

Reduce data entry errors
Fast Acquisition
Leading optics
Leading diagnostic tools
At-a-glance information
Refractive Laser has been a growth engine for ZEISS

- ZEISS entered the refractive laser business in 2002 through the acquisition of Asclepion Meditec
- Strong driver of recurring revenues: > 50% recurring from treatment packs and service in FY 2018/19

Key players and estimated market share in REF

- ZEISS has captured a majority of the growth in the refractive laser market over the past years as adoption of the SMILE technology has accelerated
- Strong growth in APAC (China, South Korea)

1 Market Scope®, CZM internal estimates
ZEISS Ophthalmic Surgical Solutions Cover a Patient’s Entire Ocular Lifecycle

Age
0 18 + 40 45 65 85

Condition
Ametropia (Myopia, Hyperopia, Astigmatism)

Presbyopia
Cataract

Solutions
LVC
Lenticule Extraction SMILE®
LASIC
PRK

IOLs
Monofocal & Monofocal toric
EDoF
Multifocal (trifocal/bifocal)

CT LUCIA® / CT ASPHINA® / CT SPHERIS® / AT TORBI®
AT LARA® family
AT LISA® & AT LISA® tri family
Surgical Ophthalmology has provided steady above-market growth over the past decade.

Continuous revenue growth in SUR

- > €400mn
- ~ 9% CAGR

Key players and estimated market share in SUR

- Alcon: ~ 7%
- J&JV
- ZEISS
- B&L
- Hoya
- Staar

- SUR has grown significantly ahead of market growth for the last decade
- Largest contributor to recurring revenue

- Most innovative portfolio in industry with high share of premium IOLs
- Leading position in Surgical Microscopes and Biometry

1 Market Scope®, CZM internal estimates
ZEISS Cataract Suite
Integrated Solutions to Provide Highest Level of Care

Biometry
- Optical Biometry
  - IOLMaster® 700

Analysis
- Data Management
  - FORUM®

OR Management
- Visualization/
  Surgical Microscopes
  - ZEISS ARTEVO 800
    with CALLISTO eye®

PHACO
- Cataract Systems and
  Devices
  - VISALIS 500
    - ZEISS miLOOP

OVD
- ZEISS OVDs
  - VISTHESIA

Implantation
- Intraocular lenses (IOL) and Injectors
  - COMBIVISC®
  - EDoF®, Trifocal®, Bifocal®, Toric®, BLUEMIXS injector®

Product examples
Stable Revenue Growth in Microsurgery SBU

Stable revenue growth in MCS

Key players and estimated market share in MCS\(^1\)

\(^1\) Market Scope\(^6\), CZM internal estimates

- U.S., Japan and China are the key markets for Microsurgery – together accounting for more than half of revenue
- Strong leading position in Neurosurgery
- Neurosurgery/ENT is more than half of the overall Microsurgery business and contributes the largest share of the earnings
We Have been at the Forefront of Innovation for Decades, Applying our Specialized Know-how

- We have grown the market by replacing the installed base with next generation technology and driving system value (intraoperative diagnostics)
- Kinematics & Robotics – providing a maximum of flexibility, movement and ergonomics for the surgeon
- Intra-Operative Diagnostics – seeing beyond - additional diagnostic information live during surgery
- Digital Imaging – improving image quality in ocular and attached screens and facilitating video transmission on local and remote screens
We Have a Strong Position in Microsurgery with a Durable Competitive Advantage

- Largest R&D team for surgical visualization
  - Leading in bringing robotic and modern video technology to microsurgery
  - Close collaboration with our customers

- Technology leadership
  - Strong brand
  - High customer loyalty
  - High market share
  - Long product lifecycles
We Continue to Benefit from Several Growth Drivers in Microsurgery

**Innovation** – We remain at the cutting edge – our products provide added clinical value and/or efficiency gains for our customers

**Shortening of Replacement Cycles** – Technological progress and new applications lead to shorter replacement cycles, driving unit growth

**Demand in RDE’s** – Rapidly Developing Economies are becoming an ever more important source of our growth, already accounting for > 25% of revenue

**Pricing Power** – We have been able to slightly raise ASP’s over time
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Revenue and earnings under pressure due to the impact of the COVID-19 pandemic on our customers

### Revenue

<table>
<thead>
<tr>
<th></th>
<th>9M 2019/20</th>
<th>9M 2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>€ 967.9 million</td>
<td>1,027.6 million</td>
</tr>
<tr>
<td></td>
<td>-5.8%</td>
<td></td>
</tr>
</tbody>
</table>

- 9M revenue down by -6.9% - significant slowdown during Q3 due to impact of COVID-19 pandemic on our customers, particularly in hard-hit countries in Americas, Europe and parts of APAC
- Recovery of countries which are less affected by pandemic is well underway in May & June (China, Korea, Germany nearly stable at 9M)

### EBIT

<table>
<thead>
<tr>
<th></th>
<th>9M 2019/20</th>
<th>9M 2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT</td>
<td>€ 111.9 million</td>
<td>184.2 million</td>
</tr>
<tr>
<td></td>
<td>-39.3%</td>
<td></td>
</tr>
</tbody>
</table>

- EBIT margin reached 11.6% (prev. year 17.9%)
- EBIT significantly impacted by weak revenue development - cost discipline with opex savings > € 20 million ensured positive result in Q3
- Adj. EBIT margin amounted to 12.1% (prev. year 18.2%)

### EPS

<table>
<thead>
<tr>
<th></th>
<th>9M 2019/20</th>
<th>9M 2018/19</th>
</tr>
</thead>
<tbody>
<tr>
<td>EPS</td>
<td>€ 0.77</td>
<td>1.22</td>
</tr>
<tr>
<td></td>
<td>-36.5%</td>
<td></td>
</tr>
</tbody>
</table>

- Earnings per share down in line with EBIT, no significant impact from financial result & taxes
Ophthalmic Devices
Strong impact from closures of clinics and deferrals of elective surgeries in Q3

Revenue

<table>
<thead>
<tr>
<th>9M 2019/20</th>
<th>€ 709.1 million</th>
<th>9M 2018/19</th>
<th>762.7</th>
</tr>
</thead>
</table>

- FX-adj. revenue decline of -8.0%
- Significant declines in both consumables and equipment business in Q3 due to temporary closures of clinics and deferrals of elective surgeries during COVID-19 pandemic

EBIT margin

<table>
<thead>
<tr>
<th>9M 2019/20</th>
<th>6.9%</th>
<th>9M 2018/19</th>
<th>16.5%</th>
</tr>
</thead>
</table>

- EBIT margin down sharply y/y due to negative operating leverage from revenue decline and significantly lower consumables revenue
- Cost discipline and reductions in sales & marketing expenses helped to mitigate impact of top line decline, maintaining break-even in Q3

Revenue Split

- OPT 73.3% of total revenue
Microsurgery
Hospital closures have created difficult environment in Q3

Revenue

- FX-adj. revenue decline of -3.6%
- Q3 revenue down by ~30% due to hospital closures for elective procedures

EBIT margin

- EBIT margin remains at strong level supported by disciplined cost management in manufacturing and sales & marketing

Revenue Split

- MCS: 26.7% of total revenue

Robust APAC performance supported mainly by China and South Korea not enough to offset declines in EMEA and Americas region

<table>
<thead>
<tr>
<th>Region</th>
<th>9M 2019/20</th>
<th>9M 2018/19</th>
<th>Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>€ 272.3 million</td>
<td>€ 292.5 million</td>
<td>-20.2 million</td>
<td>-6.9%</td>
</tr>
<tr>
<td>EMEA</td>
<td>€ 268.8 million</td>
<td>€ 308.2 million</td>
<td>-39.4 million</td>
<td>-12.8%</td>
</tr>
<tr>
<td>APAC</td>
<td>€ 426.8 million</td>
<td>€ 426.9 million</td>
<td>0.0 million</td>
<td>+0.0%</td>
</tr>
</tbody>
</table>

**Americas**
- FX-adj. revenue decline of -9.0%
- US and Brazil in particular showed a significant decline in Q3 while these regions had achieved growth at the beginning of fiscal year 2019/20

**EMEA**
- FX-adj. revenue decline of -12.7%
- Declines particularly evident in markets most affected by the COVID-19 pandemic in Western Europe, Great Britain, Turkey and Middle East
- In Germany, recovery well underway towards the end of the reporting period

**APAC**
- Revenue nearly on previous year’s level (FX-adj. -1.1%)
- Revenue was supported by robust performance in key markets of China and South Korea in the third quarter
- Japan, India, Southeast Asia, Australia/NZ remain sharply below PY during Q3
Headwind to EBIT margin due to negative operating leverage, but resilient gross margin and reduction of sales & marketing expenses provide backstop

**Income Statement**

<table>
<thead>
<tr>
<th></th>
<th>in € million</th>
<th>in % of sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross profit</td>
<td>535.4</td>
<td>55.3</td>
</tr>
<tr>
<td>Selling &amp; marketing expenses</td>
<td>222.4</td>
<td>23.0</td>
</tr>
<tr>
<td>General admin. expenses</td>
<td>42.5</td>
<td>4.4</td>
</tr>
<tr>
<td>R&amp;D expenses</td>
<td>158.6</td>
<td>16.4</td>
</tr>
<tr>
<td>EBIT [adj.]</td>
<td>111.9 [116.9]</td>
<td>11.6 [12.1]</td>
</tr>
</tbody>
</table>

- Pressure on gross margin primarily due to lower consumables sales in EMEA following cancellation of elective procedures in many countries - mitigated in part by ongoing recovery in large consumables markets of China & South Korea

- Strong operating cost controls implemented, leading to opex reductions of > € 20 million, mainly in sales & marketing

- Sharp increase in R&D expenses partly overstated due to approx. € 10 million effect from higher level of R&D capitalization in previous year

- Strategic R&D investment largely ring-fenced and continuing in line with long-term objectives: focus on digital transformation and Surgical Ophthalmology roadmap
### Adjusted EBIT Margin amounted to 12.1% - remaining at healthy level

<table>
<thead>
<tr>
<th></th>
<th>9M 2019/20 € million</th>
<th>9M 2018/19 € million</th>
<th>Change to PY %</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT</td>
<td>111.9</td>
<td>184.2</td>
<td>-39.3</td>
</tr>
<tr>
<td>Acquisition-related special effects</td>
<td>5.0</td>
<td>2.6</td>
<td></td>
</tr>
<tr>
<td>Adjusted EBIT</td>
<td>116.9</td>
<td>186.8</td>
<td>-37.4</td>
</tr>
<tr>
<td>Adjusted EBIT in % of revenue</td>
<td>12.1%</td>
<td>18.2%</td>
<td>-6.1 pts.</td>
</tr>
</tbody>
</table>

- Mainly non-cash charges related to the acquisitions of Aaren Scientific, Inc. and IanTech, Inc.
Operating cash-flow remains solid despite of sharp earnings decline due to strict management of net working capital

- **Operating cash flow** declined compared to prev. year partly due mainly to lower operating earnings as well as an increase in safety stocks of certain products and components to secure deliveries in the context of the COVID-19 pandemic.
- Strict working capital management helped to avoid a material impact on trade receivables and inventory levels from COVID-19 pandemic
- **Cash flow from investing activities** in the previous year mainly influenced by acquisition of IanTECH, Inc., in current period including some capacity expansion in surgical business
- Net liquidity at record high of € 696.8 million
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**Favourable Long-Term Trends**

- Aging of the population and growing affluence
- Rising access to health care in RDEs
- Increasing information access and awareness
- Growing patient load, growing patient expectations

**COVID-19 Impact**

- Surgical procedures have taken a sharp decline but tend to ramp back up fast following end of containment measures
- Equipment business expected to need more time to recover to strong pre-crisis levels as clinics need to first and most urgently redesign workflows and cope with patient backlog
- Rising relevance of tele-medicine and digital, AI driven solutions for diagnostics and surgery will re-shape ophthalmology, ZEISS needs to continue to invest in digitalization in order to stay on top

**FY 2019/20 Outlook**

- Assuming a recovery of the relevant markets and, in particular, that no significant additional measures for the containment of the COVID-19 pandemic will impact the development, management anticipates revenue of around € 1.3 billion for fiscal year 2019/20 (approx. -11% vs. prev. year € 1.459 billion).
- Mid-term return to pre-crisis revenue and profitability envisaged; Duration of recovery is highly uncertain
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Medical Technology is a Deeply Integrated Core Business for the ZEISS Group

Carl Zeiss Foundation
Heidenheim/Jena, Germany

100%

Carl Zeiss AG
Oberkochen, Germany
2018/19: EUR 6.4bn revenue

Medical Technology
Industrial Quality & Research
Semiconductor Manufacturing Technology
Consumer Markets

Shareholder structure of Carl Zeiss Meditec AG

41% 59%
Free float ZEISS Group

- Carl Zeiss Foundation created in 1889 as sole stakeholder of Carl Zeiss AG. Statutory goal to promote natural science, engineering. Envisioned close partnership of industry and science.
- Areas of business for foundation company Carl Zeiss AG defined as optics, fine mechanics and optoelectronics.
- Commitment to sustainability: safeguarding the future by responsible management, fulfilling special responsibility toward employees and society.
- Carl Zeiss Meditec AG formally created in 2002 through merger of ZEISS Ophthalmic business with listed laser technology maker Asclepion Meditec AG (AFX) and strengthened by acquisition of Carl Zeiss’ Surgical business in 2006.
Events 2019/20

- 11 Dec 2020  Publication of FY 19/20 results
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Director Investor Relations

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