



Annual Financial Statement FY/2014 Conference Call

***aap* Implantate AG**

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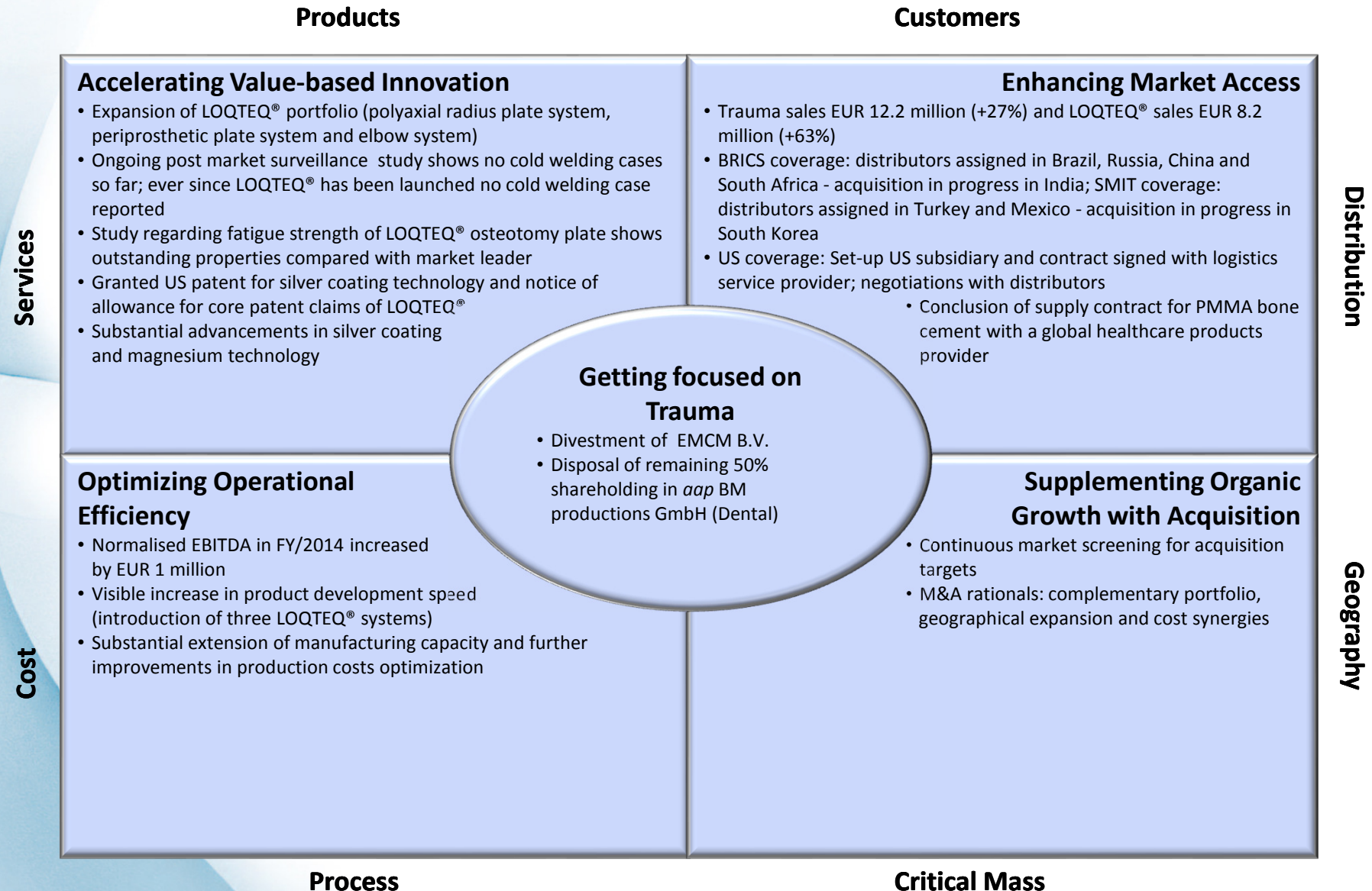
Berlin, April 7, 2015

Safe Harbor Statement

Our publication may include predictions, estimates or other information that might be considered forward-looking. While these forward-looking statements represent our current judgment on what the future holds, they are subject to risks and uncertainties that could cause actual results to differ materially. You are cautioned not to place undue reliance on these forward-looking statements, which reflect our opinions only as of the date of this presentation. Please keep in mind that we are not obligating ourselves to revise or publicly release the results of any revision to these forward-looking statements in light of new information or future events. Throughout today's discussion, we will attempt to present some important factors relating to our business that may affect our predictions.

Strategic Imperatives

Transformation to a pure trauma company



Financial Figures FY/2014

– Continued operations

In EUR million	FY/2014	FY/2013*	Change
Sales continued operations	30.6	28.6	7%
<i>Trauma</i>	12.2	9.6	27%
<i>of which LOQTEQ®</i>	8.2	5.0	63%
<i>Biomaterials</i>	16.4	15.0	10%
<i>Projects</i>	1.2	2.8	-58%
<i>Other</i>	0.8	1.2	-31%

In EUR million	FY/2014	FY/2013*	Change
EBITDA continued operations	2.3	5.1	-55%
<i>of which projects</i>	0.8	4.4	-82%
<i>of which one-off effects</i>	0.1	0.3	-67%
EBITDA continued operations normalised**	1.4	0.4	250%
EBIT continued operations	-0.1	0.8	-113%

*Figures relate solely to continued operations, with previous year's figures adjusted accordingly

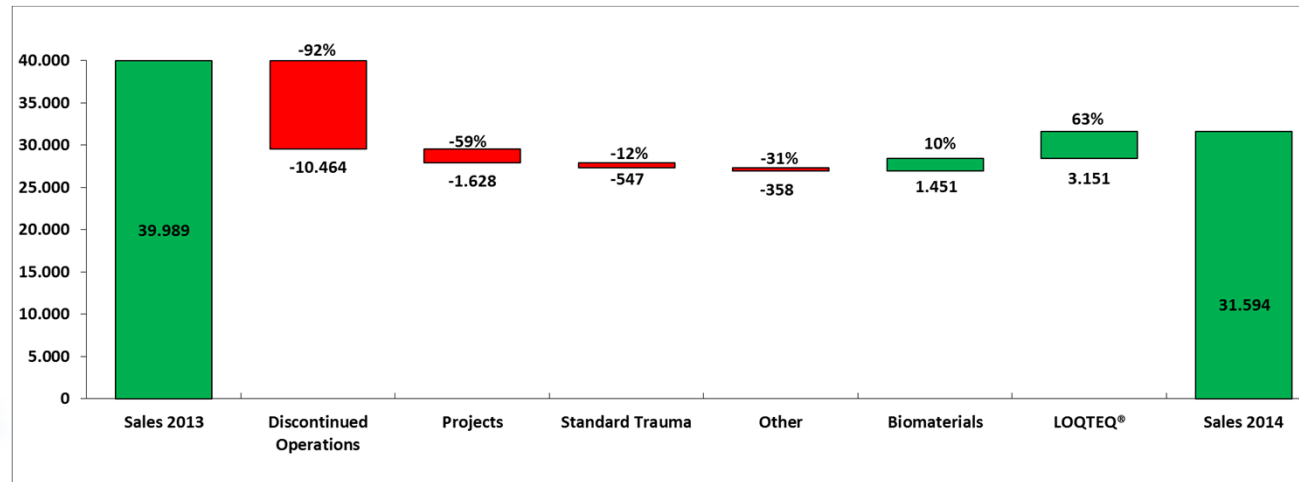
**EBITDA excluding one-off effects of equity disposal, one-off costs in connection with strategic measures and project proceeds and costs incurred in connection with them

– Group total with continued & discontinued operations

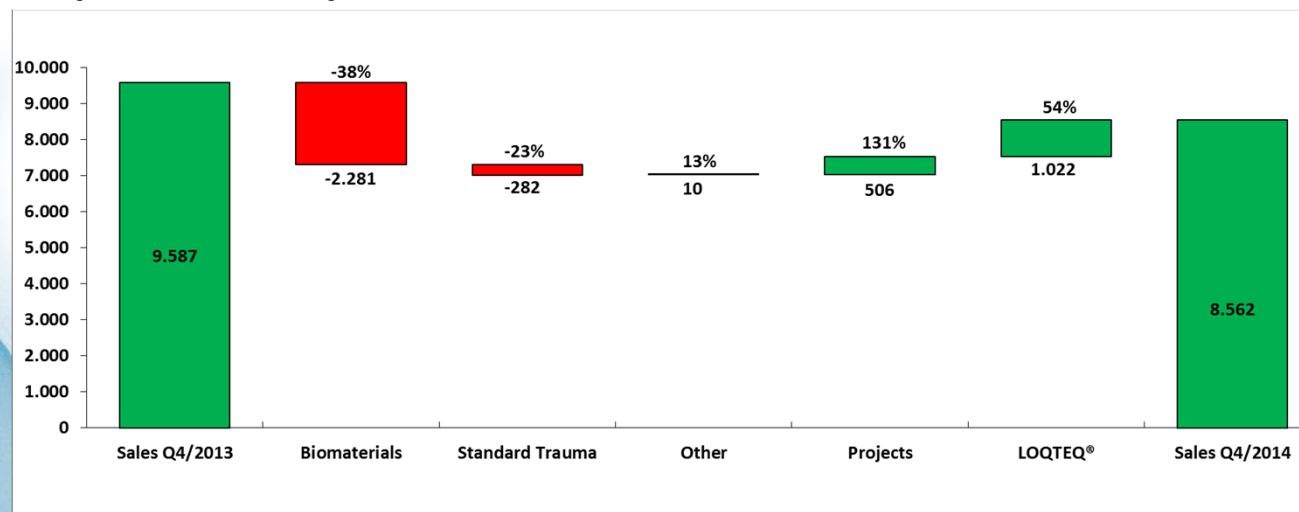
In EUR million	FY/2014	FY/2013	Change
Sales	31.6	40.0	-21%
EBITDA	2.3	7.4	-69%
EBIT	-0.1	-2.1	95%

Sales Bridge

FY/2013 vs. FY/2014

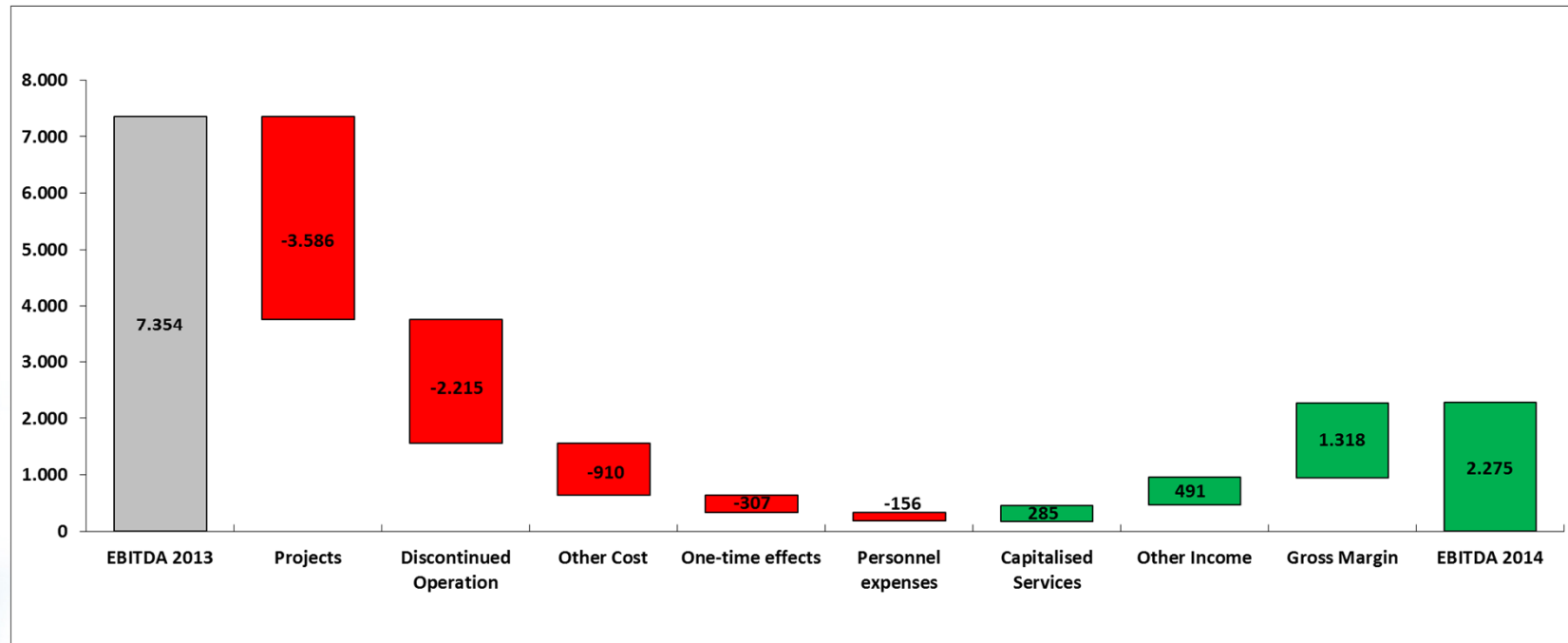


Q4/2013 vs. Q4/2014



EBITDA Bridge

FY/2013 vs. FY/2014



Highlights FY/2014 (Balance Sheet)

- Total assets 31.12.2014: EUR 57.9 million (31.12.2013: EUR 65.2 million) → -11%
 - Non-current assets: EUR +2.6 million
 - Capacity expansion Trauma (net of depreciation increase of EUR 1.8 million)
 - Relative share of intangible assets significantly reduced to 26% of total assets!
 - Current assets → EUR -10.0 million
 - Trade receivables: EUR +3.1 million
 - Cash at EUR 12.2 million (EUR +10.6 million): receipt of purchase price EMCM B.V. (net proceeds: EUR 16.9 million)
 - EUR -22.9 million deconsolidation effect from Dutch subsidiary EMCM B.V.
 - Equity → EUR -1.6 million
 - Effects from stock options in capital reserve → EUR -1.2 million
 - Net result 31.12.2014 → EUR -0.45 million
 - Debts → EUR -5.8 million
 - Decrease financial liabilities bank : -0.5 million EUR
 - EUR 5.5 million deconsolidation effect Dutch subsidiary EMCM B.V.
- Working Capital: EUR 16.9 million (31.12.2013: EUR 13.9 million)
- Working Capital-turn TTM (sales): 1.8 (FY 2013: 2.1)
- Equity ratio: 79% (31.12.2013: 72%)
- Net Cash 31.12.2014: EUR 7.7 million (Net debt 31.12.2013: EUR 3.4 million) → Strong cash basis

Highlights FY/2014 (Cash Flow)

- Operating Cash flow FY/2014: EUR -2.9 million
 - Net result of EUR -0.5 million
 - Invest in working capital of EUR -3.1 million (increase in trade receivables of EUR 3.1 million)
 - Cash settlement for stock options: EUR -1.4 million
- Investing Cash Flow FY/2014: EUR 13.2 million
 - Investments FY/2014: EUR -5.1 million (machinery and other equipment: EUR -3.2 million; intangibles: EUR -1.9 million)
 - Cash inflow for investment grants of EUR +0.5 million; disposal of remaining 50% shareholding in dental joint venture for EUR +1.0 million
 - Net cash inflow from sale of EMCM B.V. of EUR 16.7 million
- Financing FY/2014: EUR -0.6 million
 - “Repayment” of credit facility: EUR -0.8 million → no usage
 - Redemption financing for machinery: EUR -2.0 million also by using received investment grants
 - New long-term loans for financing machinery: EUR +2.2 million
- Cash Q4/2014: EUR 12.2 million (Q4/2013: EUR 1.6 million continued operations)
- Liquidity reserves (Cash and free credit facilities): EUR 16.7 million (Q4/2013 continued operations: EUR 5.3 million)

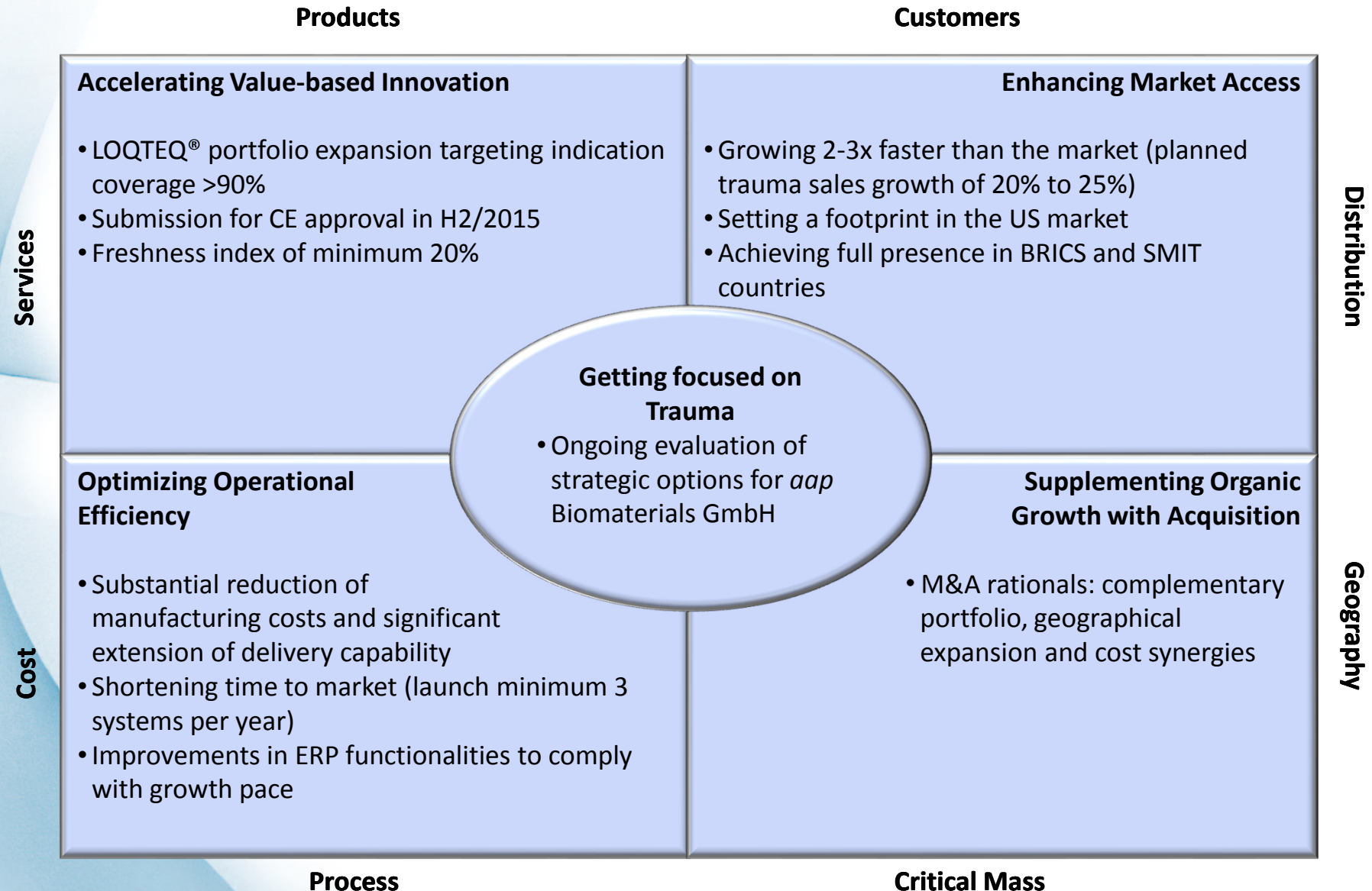
LOQTEQ® Progress

- LOQTEQ® performance
 - Strong LOQTEQ® sales growth (+63%)
 - Trauma sales in FY/2014 generated mainly from existing customers
 - Sales driver in FY/2014 were BRICS and SMIT countries as well as Middle East
- LOQTEQ® development, regulatory and IP status
 - Portfolio expansion to cover further indication areas on track
 - Continuous filing of registration documents for new LOQTEQ® products as line extension progresses
 - Notice of allowance from the US patent office for core patent claims of the LOQTEQ® system
 - Study shows fatigue strength of LOQTEQ® osteotomy plate with outstanding properties compared with market leader
 - Ongoing post market surveillance study shows no cold welding cases so far; ever since LOQTEQ® has been launched no cold welding case reported
 - New product introductions in 2014: polyaxial radius plate system, periprosthetic plate system and elbow system
- Silver coating technology
 - Preparations to provide CE approval submission in H2/2015 remain on track
 - Patent received from US patent office

Outlook 2015

- Target is to create a focused pure trauma player
- Sales growth to a value of EUR 33 million to EUR 35 million (FY 2014: EUR 30.6 million for continued operations)
- Trauma sales growth of 20% to 25% to a value of 14.8 million to EUR 15.4 million (FY 2014: EUR 12.2 million)
- EBITDA of EUR 2.5 million to EUR 3.5 million (FY 2014: EUR 2.3 million for continued operations)

Management Agenda 2015



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