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B. Braun Melsungen Aktiengesellschaft

Melsungen

Annual financial statements for the business year from 01/01/2018 to 12/31/2018

Management report for the 2018 financial year

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1. Basics of B. Braun Melsungen AG

1.1 business model

B. Braun Melsungen AG develops, produces and sells products and services for medicine. The focus is on clinics, medical practices, pharmacies, nursing and emergency services as well as home care. We have supplemented our product portfolio with services and advice, making us a system provider who, in close partnership with customers, offers the best solution in each case in 18 different therapeutic areas designed for patients. The operative business of B. Braun Melsungen AG is divided into the divisions Hospital Care, Aesculap (Vascular Systems) and Out Patient Market. In addition to its operational activities, B. Braun Melsungen AG also takes on central functions for the B. Braun Group and holds significant investments. Therefore, the distributable net profit is one of our key performance indicators.

In the year under review, we reorganized the corporate structure above the B. Braun Group in order to ensure the continuation of B. Braun as a family company. We have transferred the corporate functions of finance, controlling, treasury, taxes, legal, internal auditing, international human resources and corporate communications to a higher-level family holding company with effect from September 1, 2018. This family holding company will carry out the group management functions in the future. B. Braun Melsungen AG continues to concentrate on its operational activities.

In its meeting on October 18, 2018, the Supervisory Board appointed Anna Maria Braun as CEO of B. Braun Melsungen AG from April 1, 2019. The current chairman of the board, Prof. Dr. Heinz-Walter Große is retiring after serving on the board for 14 years, of which he was chairman for eight years. The Supervisory Board and the Braun family thank Prof. Dr. Heinz-Walter Große for his work for the company and outstanding support over the past 40 years.

Hospital Care Division

Products and services for infusion therapy in intensive medicine and basic care form the global core business of the Hospital Care division. The core business is supplemented by products for anesthesia and other selected fields of treatment. Products for safe infusion therapy, clinical nutrition and automatic infusion systems form the division's central business areas. The main product lines include standard infusion solutions, solutions for volume replacement and parenteral nutrition, infusion

devices and accessories, intravenous cannulas and infusion pump systems. Medical single-use products and pharmaceuticals for specific areas of application complete the range.

Aesculap division

The Aesculap division produces products for interventional and diagnostic cardiology, radiology, hemodynamics and vascular surgery in Germany (Berlin), Poland, France and China. These include vascular prostheses, catheters as well as uncoated and drug-coated stents (drug eluting stents) as well as drug coated balloons of various types. Furthermore, customized kits are offered as a complete solution for cardiac catheter laboratories in hospitals.

Out Patient Market (OPM) division

The Out Patient Market (OPM) division focuses on the care of patients outside the hospital as well as long-term patients. The clientele includes, among other things, resident doctors, outpatient and inpatient nursing services and pharmacies.

With a holistic approach to advice and care, the division pursues the goal of offering patients care that combines high quality and cost-effectiveness. Core topics are inpatient-outpatient transfer concepts, outpatient infusion therapies, diabetes, skin and wound management, stoma and incontinence care as well as infection protection.

In addition, OPM offers a wide range of services for the outpatient sector. The aim is a cross-regional transfer of knowledge, for example when transferring parenterally fed patients from the inpatient to the outpatient area. The experienced employees relieve patients, relatives, hospitals, resident doctors and nursing services from administrative tasks and ensure that the therapy is of the highest quality.

1.2 Research and Development

The Hospital Care division focuses its research and development activities on increasing patient and user safety. In addition, processes in the hospital are to be improved and economic health care ensured. With the Compact Plus pump family and a new generation of IV sets, we are developing products that enable safe use and at the same time meet economic goals. As a portfolio addition, we launched ibuprofen preparations as the first "ready-to-use" product and Viant, a new parenteral multivitamin preparation.

The Aesculap division focuses its research and development in the field of vascular systems on coronary and peripheral angioplasty as well as access port systems in Berlin, Chasseneuil and Pforzheim. We want to provide products for holistic treatment concepts that can be supplemented by customer-specific and process-oriented package solutions. In 2018 we expanded our product portfolio with innovative new approvals in the field of catheter-based drug delivery systems. We will maintain our market leadership in drug coated balloons in the long term with new variants (e.g.

In the Out Patient Market division, we concentrate on the continuous development of the urology, ostomy, hand disinfection and wound care product areas.

2. Economic report

2.1 Course of business and situation

2.1.1 Course of business

With a sales increase of 6.9 percent, we are above the forecast target corridor of four to six percent for the 2018 financial year. The Hospital Care and Aesculap divisions in particular once again showed pleasing volume increases. The persistently high pressure of competition and prices, the start-up of new productions and the significant increase in our pension obligations, also as a result of the new biometric mortality tables, weighed on the earnings situation in the year under review. The result from business activities decreased by 52.6 percent to 57.3 million euros (previous year: 120.9 million euros), which was largely due to the reduction in the operating result by 54.0 million euros to -44, 3 million euros is justified. The rise in interest expenses by EUR 23.2 million to EUR 117.6 million, with an increase from EUR 20.7 million to EUR 75.9 million, is largely due to the interest paid on our pension provisions. Taking into account the investment result, the annual surplus amounts to 52.5 million euros after 101.4 million euros in the previous year.

Overall, B. Braun Melsungen AG is in a stable economic condition. We currently do not see any influencing factors that will have a materially negative impact on the company's position.

2.1.2 Profit situation

Sales development of B. Braun Melsungen AG

B. Braun Melsungen AG achieved sales of 2,230.0 million euros in the 2018 financial year (previous year: 2,085.3 million euros). This corresponds to an increase of 6.9 percent compared to the previous year.

The Hospital Care and OPM divisions increased sales by 4.7 percent and 2.3 percent, respectively. Aesculap was able to increase sales to 208.0 million euros (previous year: 193.3 million euros). This corresponds to an increase of 7.6 percent. The sales of the B. Braun Avitum division grew by 2.3 percent to 98.9 million euros (previous year: 96.7 million euros). The increase in other sales revenue by 58.0 million euros to 226.6 million euros, in addition to the higher sales from service charges, primarily in the amount of 40.2 million euros is due to our special machine construction.

Almost all regions were able to exceed the previous year's sales. We increased sales in our home market of Germany by 3.6 percent to 810.9 million euros (previous year: 782.5 million euros). Europe (excluding Germany) showed a positive development with sales growth of 7.3 percent to 795.6 million euros (previous year: 741.6 million euros). Sales in the Asia and Australia region achieved a very good increase in sales with an increase of 11.3 percent to 344.2 million euros (previous year 309.2 million euros). Demand from Latin America also increased again by 16.8 percent to 107.4 million euros (previous year: 92.0 million euros). Sales in the Africa and Middle East region increased again by + 4.9 percent to EUR 86.7 million (previous year: EUR 82.6 million). In the North America region, we recorded very gratifying growth of 10.3 percent in the year under review. Sales reached 85.2 million euros (previous year: 77.3 million euros)

Sales development of the Hospital Care division

In the 2018 financial year, the Hospital Care division achieved sales of EUR 1,420.4 million (previous year: EUR 1,356.7 million) with a growth rate of 4.7 percent. While Automatic Infusion Systems, Central Venous Catheters, Accessories and IV sets showed a gratifying increase in sales, exports of Parenteral Nutrition fell.

Sales development of the Out Patient Market (OPM) division

The sales of the OPM division increased by 2.3 percent to EUR 276.2 million in the 2018 financial year (previous year: EUR 270.1 million). While business in the Infection Prevention and Urinary Care divisions developed very positively in the reporting year, the Wound Management and Diabetes Care divisions recorded a slight decline in sales.

Sales development of the Aesculap division

With an increase of 7.6 percent, the Aesculap (Vascular Systems) division achieved sales of 208.0 million euros in the reporting year (previous year: 193.3 million euros). The decisive factor for this growth was the very good volume development both in the German market and in exports, which was able to more than compensate for the continuing decline in prices. The angioplasty catheter area in particular was very dynamic. Coronary and peripheral sets are also higher than last year's sales due to increasing sales volumes.

Development of the gross profit

In the year under review, while the gross margin fell to 19.8 percent (previous year: 22.5 percent), gross profit fell by 6.1 percent to EUR 441.0 million (previous year: EUR 469.5 million). The gross profit for the year under review is burdened by high start-up and downtime costs in our pharmaceutical plants, combined with considerable expenses from the destruction of non-salable products. In the year under review, we also recorded negative effects from invoicing in foreign currencies, especially in rubles, which could only be partially covered by our risk management policy to hedge against currency risks. In addition, the increased share of sales from service charges to Group companies and our special machine construction had a negative effect on the gross margin key figure due to the comparatively lower margins. Price and volume

increases at Automatic Infusion Systems and Central Venous Catheters as well as the positive price development for large-volume infusion solutions and volume development at Vascular Systems had a positive effect.

Development of functional costs

Selling costs increased by 4.4 percent to 277.1 million euros (previous year: 265.4 million euros). Tariff increases for personnel expenses and increased freight costs, which can also be attributed to higher volumes, had the effect of increasing costs. The administrative costs amounted to 68.8 million euros after 76.9 million euros in the previous year. The decrease is mainly the result of lower IT expenses, the outsourcing of corporate divisions to the higher-level family holding company and savings in travel and consulting costs. At 117.6 million euros, spending on research and development was 6.9 percent above the previous year's level of 110.0 million euros. We are thus confirming our sustained high investments in new products and technologies. The result after functional costs, which fell by EUR 39.6 million to EUR -22.4 million, is also influenced by an increase in personnel expenses of EUR 35.3 million or 7.2 percent compared to the previous year. The higher personnel expenses include an increase of EUR 18.9 million in expenses for pensions, of which EUR 13.7 million in the reporting year are due to extraordinary effects from the switch to new biometric mortality tables and other expenses not relating to the accounting period. The 4 million euros drop in earnings after functional costs is also influenced by an increase in personnel expenses of 35.3 million euros or 7.2 percent compared to the previous year. The higher personnel expenses include an increase of EUR 18.9 million in expenses for pensions, of which EUR 13.7 million in the reporting year are due to extraordinary effects from the switch to new biometric mortality tables and other expenses not relating to the accounting period. The 4 million euros lower result after functional costs is also influenced by an increase in personnel expenses of 35.3 million euros or 7.2 percent compared to the previous year. The higher personnel expenses include an increase of EUR 18.9 million in expenses for pensions, of which EUR 13.7 million in the reporting year are due to extraordinary effects from the switch to new biometric mortality tables and other expenses not relating to the accounting period.

Development of other comprehensive income

The negative balance from other operating income and expenses recorded a significant increase in the reporting year by 14.4 million euros to -21.9 million euros (previous year: -7.5 million euros). The expenses for exchange rate hedging transactions and exchange rate changes increased on balance by EUR 7.5 million to EUR -13.3 million after EUR -5.8 million in the previous year. B. Braun Melsungen AG performs financing tasks within the B. Braun Group and provides foreign B. Braun companies with loans in local currencies. Hedging transactions are concluded to reduce the resulting currency risk. In addition, cash flow hedges are concluded in accordance with our hedging strategy. Extraordinary expenses of 4.2 million euros from the merger or accrual of three subsidiaries as well as additions to provisions of 2.0 million euros that were 1.9 million euros higher had a negative impact on the other result.

Development of the financial result

The financial result including investment income decreased in the 2018 financial year by 9.6 million euros to 101.6 million euros (previous year: 111.2 million euros). At 117.6 million euros, interest expenses were 23.2 million euros higher than the previous year (94.4 million euros). The interest portion from the pension provisions, due to the lower actuarial interest rate, amounted to 75.9 million euros after 55.2 million euros in the previous year and 10.5 million euros in the 2016 financial year. The investment result fell by 6.6 percent to 196.2 million euros higher than in the previous year (184.0 million euros). The financial result also includes 9.3 million euros (previous year 4,

Development of the key earnings figures

The key figure EBIT including investment income ¹ reached 148.5 million euros in the reporting year, which is significantly below the previous year (193.6 million euros) and our forecast (155 to 170 million euros). Gross profit decreased by 28.5 million euros, functional costs increased by 11.1 million euros and a negative balance from other operating income and expenses increased by 14.4 million euros, resulting in an operating result that was 54.0 million euros lower at -44.3 Million Euros. The investment result, which improved by 12.2 million euros, had a positive effect. At 92.9 million euros, depreciation is 8.5 percent above the previous year (85.6 million euros) and leads to an EBITDA of 241, 4 million euros (forecast 258 to 268 million euros) over. The EBITDA thus decreased by 13.5 percent compared to the previous year (279.2 million euros). At 10.8 percent, the EBITDA margin is 2.6 percentage points below the previous year (13.4 percent).

The result of business activities reached 57.3 million euros (previous year: 120.9 million euros) and was therefore 52.6 percent lower. In the 2018 reporting year, the tax expense was EUR 4.8 million (previous year: EUR 19.5 million). The annual net profit of B. Braun Melsungen AG decreased by 48.2 percent to 52.5 million euros (previous year: 101.4 million euros).

2.1.3 Financial position

Capital structure

The total assets of B. Braun Melsungen AG increased by 7.0 percent to EUR 4,613.2 million as of December 31, 2018 (previous year: EUR 4,310.5 million). The asset structure changed in favor of the long-term tied assets with a share of the balance sheet total of 63.1 percent after 60.3 percent in the previous year, which results from the sustained high investments, especially in financial assets. In terms of capital structure, the share of long-term borrowed capital (including special items and profit participation rights) in total assets increased from 28.2 percent to 30.7 percent. In addition to the increase in provisions for pensions by EUR 79.4 million, this results from borrower's note transactions of over EUR 300 million.

On the assets side, fixed assets increased by 12.1 percent to 2,911.2 million euros (previous year: 2,597.8 million euros). This results mainly from the further conversion of our group-internal financing of subsidiaries by B. Braun Melsungen AG to long-term loans, which at the same time led to a significant reduction in short-term receivables from affiliated companies from the granting of loans. In addition to further investments in participations, we have also maintained the high level of investment in the field of property, plant and equipment, particularly in technical systems and machines. As a result of the partial switch to long-term intragroup financing, the current assets (including prepaid expenses) decreased by a total of 0.6 percent to 1,702.0 million euros (previous year: 1,712.7 million euros). At 395.5 million euros on the balance sheet date, inventories were 4.1 percent above the previous year (379.8 million euros). Trade accounts receivable are down by 3.9 percent to EUR 80.3 million (previous year: EUR 83.5 million) below the previous year's figure. Receivables from affiliated companies decreased by 3.1 percent to 1,155.5 million euros (previous year: 1,192.6 million euros). At 102, Short-term loans, which were 9 million euros lower, were offset by an increase in trade receivables of 65.8 million euros. Liquid funds increased by 1.3 million euros to 2.6 million euros (previous year: 1.3 million euros).

On the liabilities side, the balance sheet equity increased by 1.9 percent to 1,101.3 million euros (previous year: 1,080.8 million euros). The provisions for pensions and similar obligations increased by 12.8 percent to 702.0 million euros (previous year: 622.6 million euros). Liabilities to banks rose by 11.2 percent to 1,666.3 million euros (previous year: 1,498.1 million euros). Of this, 371.8 million euros (previous year: 275.8 million euros) are short-term liabilities with a remaining term of less than one year. Most of the loans are in euros. In addition, there is an exchange rate-hedged foreign currency loan of 108 million US dollars. As of the balance sheet date, 84 percent (previous year: 77 percent) of financial liabilities to banks have a fixed interest rate and 16 percent (previous year: 23 percent) have a variable interest rate. In addition, there are 727.0 million euros (previous year: 682.3 million euros) committed but unused credit lines at our banks. Trade payables increased by 6.2 percent to EUR 82.4 million (previous year: EUR 77.6 million). The liabilities to affiliated companies increased by 3.4 percent to 687.3 million euros (previous year: 664, 8 million euros) in particular from higher trade payables. Other liabilities also increased due to increased liabilities to our employees from long-term accounts and the allocation to the demographic fund by 5.2 percent to 134.6 million euros after 127.9 million euros in the previous year.

All of the key financial figures agreed with our banks, which we have committed to adhere to, have been met.

Investments

In the 2018 financial year, the total of additions to property, plant and equipment, intangible assets and financial assets amounted to 421.9 million euros (previous year: 666.9 million euros).

The Hospital Care division invested in Melsungen in expanding capacities for transfer systems for infusion therapy and cytostatics. Also in production equipment for the preparation and filling of infusion solutions. At the Berlin location, we invested in the production of infusion solutions in small-volume glass and plastic containers.

The further development of the infusion pumps continued. Further investments were made in smaller replacement and expansion investments at various B. Braun Melsungen AG locations.

The additions to financial assets in the amount of 330.3 million euros (previous year: 546.1 million euros) result primarily from long-term loans to affiliated companies that were 316.3 million euros higher.

As of the balance sheet date, there were also investment commitments in the amount of 56.3 million euros. These are mainly related to replacement and expansion investments that have already started at our locations in Melsungen.

liquidity

The cash flow from operating activities amounted to -21.2 million euros (previous year: 38.3 million euros) and is thus 59.5 million euros lower than in the previous year. In addition to the decline in gross cash flow by EUR 15.4 million to EUR 45.1 million as a result of the significantly lower operating result, the amount of funds tied up increased by increasing net working capital by EUR 66.3 million after an additional commitment of EUR 27.5 million Euros in the previous year. The main reasons for this are the significantly higher trade receivables from affiliated companies. From investing activities ² There was a cash outflow of 216.2 million euros in the reporting year (previous year: cash outflow of 66.0 million euros). The cash outflow of 418.4 million for investments in property, plant and equipment and, above all, in financial assets contrasts with cash inflows of 202.2 million from investment income and the disposal of property, plant and equipment and financial assets. The net borrowing in the year under review amounted to 166.8 million euros (previous year: net borrowing of 263.8 million euros). At the same time, lower short-term loans to affiliated companies led to a cash inflow of 109.4 million euros (previous year: cash outflow of 213.0 million euros).

2.1.4 Personnel report

Development of the number of employees

As of December 31, 2018, B. Braun Melsungen AG had 7,288 employees (previous year: 7,315).

Share of female employees in management positions

For B. Braun Melsungen AG, the proportion of female employees as of the balance sheet date was 37 percent (previous year: 38 percent) and the proportion of male employees was 63 percent (previous year: 62 percent). Within the first management level below the management board, the proportion of women is 5.3 percent (previous year: 13.6 percent) and 7.4 percent (previous year: 7.1 percent) within the second management level. This significant change within the first management level compared to last year results from the transfer of around 180 employees to B. Braun Service SE & Co. KG on September 1, 2018.

The objective of increasing the proportion of women in management positions continues to apply. In 2018 the "Women in Leadership" project worked on measures and was able to make a significant contribution through the further development of family part-time work. The work on further measures includes increasing the attractiveness of technical and scientific training occupations as well as creating framework conditions that facilitate advancement to the upper management levels. The targeted promotion of potential female executives also plays an important role.

Site security

The company management and the works council have concluded a contract to secure employment and improve the competitiveness of B. Braun Melsungen AG for the Melsungen and Spangenberg locations. The contract entered into force on January 1, 2015 and ends on December 31, 2020. It thus follows on from the contracts to secure the location and future, which have been in effect since October 1, 2004. The core element of the agreements is the establishment of a time account in which working hours can be flexibly increased and decreased. In addition, there are no redundancies for operational reasons, and the employees participate in the Group's earnings development.

Vocational training

B. Braun has traditionally been involved in vocational training for many years. The design of modern and future-oriented training concepts form the basis for securing qualified young professionals. Well-trained young talent, combined with a future-oriented personnel policy, are an essential factor for the future viability of B. Braun Melsungen AG. This ensures employability, innovative strength and sustainability.

In 2018, 145 (previous year: 151) graduates successfully completed their training. We filled 140 (previous year: 154) trainee positions. University dropouts are increasingly interested in dual training and are accepting dual training offers. At B. Braun Melsungen AG there are currently 430 (previous year: 435) young people in training. In combination with in-company training, 47 (previous year: 60) trainees are currently studying at a university or vocational academy. This means that 11% of trainees combine their training with a degree. In order to meet the future challenges of digital transformation in a qualified manner, among others

B. Braun has been helping to improve the transition from school to work for many years in the form of target group-oriented initiative programs. We see our commitment and work as prevention and professional entry assistance in order to reduce school, apprenticeship and university drop-outs and to reflect professional misalignments at an early stage.

In addition to traditional training, B. Braun works with local associations to help integrate refugees into the community and young people into the labor market. In Melsungen, B. Braun's vocational training, the support association for a sustainable Melsungen eV, the integration office of the city of Melsungen and the Radko-Stöckl vocational school have launched the "Initiative for the professional orientation of refugees". This in turn developed the pilot project "Vocational Qualification Technology for Refugees" (QuaTeF), which helps refugees to find their professional orientation with internships.

Six migrants (previous year seven migrants) are currently taking part in an introductory qualification (EQ) in Melsungen as part of the PerspektivePLUS initiative program. Five migrants are currently learning a technical apprenticeship.

Success-based remuneration

As part of the B. Braun Incentive Scheme, B. Braun Melsungen AG is issuing a series of profit participation rights that executives with subscription rights can acquire on a voluntary basis. The term of the profit participation rights is 10 years each. The interest on the profit participation rights is linked to the dividend payment by B. Braun Melsungen AG and the repayment amount to the group equity.

3. Risk and opportunity report

3.1 Risks

The following risks that could affect B. Braun Melsungen AG do not always describe all risks to which B. Braun Melsungen AG is or can be exposed. Risks that are not known at the time the management report is prepared or that are assessed to be insignificant can, however, also influence the earnings and financial position of B. Braun Melsungen AG.

Risk management and controlling

At B. Braun Melsungen AG, all strategic and operational decisions of major importance are made taking into account the associated opportunities and risks. We basically pursue a cautious corporate strategy and avoid uncontrollable risk potential. Risk management and controlling are a central management task and an integral part of corporate management. The comprehensive risk management at B. Braun Melsungen AG helps ensure that risks can be identified, recorded, assessed, monitored and controlled. Risks that arise directly from business development are recognized and evaluated promptly by our systematic controlling processes. In addition, we identify and control risks that do not arise directly from operational business. Our risk management is completed by the internal audit and, ultimately, the annual audit.

Macroeconomic Risks

Overall, there is an increase in economic risks. In addition to geopolitical uncertainties, the introduction of additional tariffs announced by the USA will have a greater impact on the global economy in the future. An intensification of the currently simmering trade conflicts could affect the global value chains and in the medium term threaten the international, rule-based trading system. The development would particularly inhibit growth in open economies that are heavily involved in international trade. The weakening of the Chinese growth rates, combined with the enormous debt, also poses a risk for the economy as a whole. A possible recession in the country would be compounded by a financial crisis. The effects on the international capital markets could be much higher than the interdependencies of the Chinese capital market suggest at first glance, as foreign companies continue to do lively trade with China.

The monetary policy of the major central banks could also have a negative impact on economic growth in the national economies. The ongoing low interest rate policy leads to misallocations and weakens financial market stability. In the euro area, due to the good economy and higher inflation, the ECB is increasingly likely to raise key interest rates in the medium term. In order to counteract distortions on the financial markets in the event of an exit from the expansionary monetary policy, the ECB would have to adequately communicate the start of its normalization strategy in advance. The rapid transition to a more restrictive monetary policy in the USA could also lead to considerable price adjustments on the international financial markets. The resulting turbulence could adversely affect global economic growth, with rising global debt adding to this risk.

The economic development of Europe is influenced by the unclear process of the UK's exit from the EU. An uncoordinated Brexit harbors enormous risks, especially for Great Britain. At this point, the likely decline in FDI, which is an important source of finance for the country, and the possible further devaluation of the British pound should be mentioned. For the remaining member states of the EU, the negative consequences of the exit could primarily manifest themselves in the form of possible financial market turbulence. As an importer, B. Braun Melsungen AG would be burdened by a devaluation of the British pound as well as by possible customs duties and customs formalities. In addition, the approval of pharmaceutical and medical products after a Brexit can result in additional costs and additional work. In order to be able to absorb possible obstacles in the movement of goods, we have significantly increased our storage capacities in Great Britain. At the same time, B. Braun Melsungen AG occasionally purchases components or preliminary products from British suppliers. Here, too, we have taken precautions by increasing inventories outside of Great Britain in order to avoid influencing our production processes as far as possible. Due to the measures taken, we do not currently see any significant risk for B. Braun Melsungen AG from a disorderly Brexit.

The indebtedness of many member states in the euro area remains very high. For example, the national debt in Italy is over 130 percent of GDP. This could lead to another euro crisis if the financial markets lose confidence in the sustainability of the public debt due to the political uncertainties in the country. The stability of the financial markets is also weakened in some Member States by the uncertainty of the banks about the remaining non-performing loans.

The occurrence of individual macroeconomic risks appears likely and can slow the growth of B. Braun Melsungen AG.

Industry risks

The health market is generally characterized by a low level of economic dependency, which means that we achieve relatively stable sales with our product portfolio of consumer goods. The capital goods manufactured by B. Braun Melsungen AG, on the other hand, are more dependent on macroeconomic developments. The economic trend usually also affects areas in which the patients themselves have to pay for health services. Due to the significant cost increases in the industry, almost all public health systems are required to take cost-saving measures. These cuts can have a negative impact on the demand for our entire range of products and services. In addition, the expansion of payment terms and the introduction or increase of compulsory discounts and other taxes in individual countries continues to increase.

In some markets there is a trend that foreign manufacturers have no or only limited access to tenders. This is particularly the case whenever domestic manufacturers can offer comparable products. This is the case, for example, in Russia. Here the government wants to increase the market share of local manufacturers to 90 percent. In order to counter this trend, we are expanding our regional presence. In this way, we want to maintain long-term access to global growth markets.

With regard to the risk of bankruptcy for hospitals in Germany, the current "Hospital Rating Report" by the RWI-Leibniz Institute for Economic Research shows that the risk has changed compared to the previous year. Last year around nine percent of hospitals were still in acute risk of insolvency, but the proportion has now been reduced to seven percent. Overall, the report attests that the clinics have a good profit situation. The average profit rose to 2.8 percent of sales, previously it was 1.8 percent. Nevertheless, according to the information, the annual investment requirement of hospitals remains at around 5,

Increased formalization of the international product approval process can be observed, which is associated with both increased effort and rising costs for B. Braun Melsungen AG. The "Medical Device Regulation (MDR)" passed in Europe in 2017 will bring with it new clinical requirements as well as reporting and documentation obligations. After a three-year transition period, it will come into force on May 26, 2020. However, important legal acts for the implementation of the MDR are still not available. For example, none of the independent "Notified Bodies" that play a decisive role in the market access of the products have been accredited. This means that in May 2020 companies run the risk of having to stop selling medical products in the EU. This could threaten the economic existence of small and medium-sized enterprises in particular. Ultimately, the increasing costs could reduce the research budget and thus the innovative strength in the industry. This is particularly noteworthy against the background of an aging population, the increase in multimorbidity and a lack of skilled workers. In the future, individualized therapies will increasingly be necessary, for which medical technology will make a significant contribution. This could threaten the economic existence of small and medium-sized enterprises in particular. Ultimately, the increasing costs could reduce the research budget and thus the innovative strength in the industry. This is particularly noteworthy against the background of an aging population, the increase in multimorbidity and a lack of skilled workers. In the future, individualized therapies will increasingly be necessary, for which medical technology will make a significant contribution. This could threaten the economic existence of small and medium-sized enterprises in particular. Ultimately, the increasing costs could reduce the research budget and thus the innovative strength in the industry. This is particularly noteworthy against the background of an aging population, the increase in multimorbidity and a lack of skilled workers. In the future, individualized therapies will increasingly be necessary, for which medical technology will make a significant contribution. This is particularly noteworthy against the background of an aging population, the increase in multimorbidity and a lack of skilled workers. In the future, individualized therapies will increasingly be necessary, for which medical technology will make a significant contribution.

The bundling of purchasing volumes through purchasing groups strengthens the market power of the demand side in the healthcare sector. This could lead to increased price pressure and dependency on individual customers.

The structural risks for companies operating in the healthcare market therefore remain. The occurrence of the risks can consequently have a negative impact on the earnings performance of B. Braun Melsungen AG.

Procurement risks

Risks generally arise from changes in raw material prices and supply bottlenecks on the procurement markets. The occurrence of these potential risks can have an impact on the supply of production and thus on B. Braun Melsungen AG's ability to deliver. As in previous years, there were potential supply bottlenecks in some cases. In the plastics market in particular, B. Braun, like other market participants, was directly and indirectly confronted with a number of "Force Majeure" declarations from several suppliers. In all cases it was possible to avert potential supply interruptions. Through the implemented purchasing processes and the global purchasing organization, countermeasures and strategies were developed that led to the averting of risks, so that there were no production delays or interruptions at any time. Our long, trusting and partnership-based cooperation with our suppliers is an essential basis for ensuring continuous supply. Building on this, we will strive for further partnerships with suppliers in the future. Wherever possible, we use strategies for long-term price hedging as part of active price management. For example, we bundle our purchasing needs, conclude long-term supply contracts to secure raw material prices for primary products and agree framework agreements. The aim is to reduce the price and delivery risks while maintaining the same high quality. In order to minimize the risks of supplier failures, risk assessments of our suppliers are carried out on a regular basis. If a high risk of failure is identified with a supplier, we can ensure continuous supply with established processes and instruments. This includes disaster recovery plans, an inventory build-up at B. Braun or the supplier, second and dual sourcing as well as a notarial deposit of documents on production processes and recipes. The existing risk management with regard to the supplier base is continuously being expanded. The situation in individual areas of the procurement markets continued to be challenging. With the established processes for price and delivery security, our purchasing organization was able to keep our risk position at a consistently low level, so that no significant procurement risks are discernible.

Product risks

We counter risks from side effects or interactions with quality management systems in our production units. These are based on international standards and ensure compliance with all legal requirements. A regular review of the quality management systems with the help of internal and external audits in connection with ongoing employee training rounds off our quality management.

In order to minimize product liability risks, B. Braun Melsungen AG has placed what is known as an international liability insurance program with a consortium consisting of four primary insurers. In order to ensure compliance with the respective country-specific and legal requirements, a local policy was placed in each country in which B.

Braun is represented with its own company (majority shareholding). Subsequent to this, a so-called excedent contract offers more extensive, globally uniform insurance protection.

Running processes do not pose any risks to the company's continued existence.

Personnel risks

Demographic development and digital transformation are changing society and the world of work at greater speed. Companies are faced with the task of inspiring suitable specialists and managers for themselves in the long term in an increasingly competitive environment. In addition to our own training and the hiring of new employees, early succession planning and further development of employees are an important part of strategic personnel planning, which is both nationally and internationally oriented. In order to counter a potential shortage of skilled workers early on, we are working on solutions that employees can use to promote their professional development on their own initiative. This enables executives around the world in particular to make their personal skills visible and to compare them with internal vacancies. B. Braun positions can be filled with qualified internal candidates through "active sourcing" and on the initiative of employees who want to change. In addition to the wide range of offers at the B. Braun Business School, employee development programs that are tailored to regional and local conditions enable early succession planning. We counter potential personnel risks with the existing personnel processes and initiatives, so that no significant impairment is to be expected from these risks.

IT risks

A failure of essential IT systems as well as the loss or unauthorized modification or disclosure of data can have serious consequences. These include interruptions in business processes, loss of reputation as well as fines and claims for recourse.

A number of security measures have been implemented to reduce the associated risks. These include regular data backups, redundancies, virus protection, firewalls, authorization concepts and employee training. In addition, an Information Security Management System (ISMS) according to the international standard ISO / IEC 27001 is currently being implemented. Such an ISMS systematically records the protection requirements of the IT systems and the information processed on them, as well as the risks to which they are subject, and defines appropriate protective measures. It is implemented as part of a cyclical "Plan-Do-Check-Act" process.

Against the background of increasing digitization and networking as well as a changed threat situation, however, it will also be necessary in the future to continuously check and implement further security measures. This includes in particular measures to detect and defend against cyber attacks

Reducing IT risks will continue to be an essential task in the future in order to ensure that internal group processes run smoothly - especially in light of the fact that individual B. Braun Melsungen AG locations have been subject to the IT Security Act since June 1, 2017 Protection of critical infrastructures (KRITIS) fall.

Due to the protective measures implemented, B. Braun Melsungen AG currently does not see any above-average threats from IT risks.

Financial risks

Due to its international orientation, B. Braun Melsungen AG is exposed to currency risks, which are reduced through currency hedging transactions with derivative financial instruments. With a rule-based, rolling hedging strategy ("layered hedging"), we achieve an average exchange rate for the period of our hedging horizon and reduce the influence of exchange rate changes on the consolidated annual result. In the event of a permanent shift in currency parities, however, these risks can arise if price adjustments cannot be implemented due to market conditions. The trading and administration of derivative financial instruments are regulated by internal guidelines and are subject to constant risk control. In order to reduce the risk of interest rate changes, variable-interest financing is partially secured by interest rate hedging transactions ("payer swaps").

We counter liquidity risk by holding a sufficient reserve of short-term and long-term approved credit lines. This includes in particular a syndicated loan agreement currently worth 520 million euros.

Another risk is a possible deterioration in the payment behavior of our customers or public payers. Limited financing options can have a negative impact on the liquidity and solvency of individual customers. Risks can also exist with our suppliers in the form that their liquidity situation is heavily burdened and, in the worst case, the continued existence of the supplier could be endangered.

Due to our participation in listed companies, we are exposed to market price fluctuations which, in the event of permanent devaluation, can lead to a decrease in value. With our active investment controlling and the established processes in risk management and controlling, we continuously monitor and analyze the development of our investments. This enables us to identify risks at an early stage and to take the necessary measures.

3.2 Opportunities

In addition to the risks, B. Braun Melsungen AG regularly identifies and evaluates the company's opportunities. In principle, opportunities can arise from the further development of medical standards or the launch of new products.

Opportunities through positive economic development

The general economic conditions have an impact on the business development of B. Braun Melsungen AG. Our statements on the further development of the company are based on the expected macroeconomic environment described in the forecast report. Should the global economy develop more dynamically than currently assumed, our forecasts for sales, earnings and financial position may be exceeded.

Opportunities through growth strategy

Capacity expansions enable us to participate in the increasing demand for health care and medical technology products. The new, ultra-modern production processes further improve our competitiveness. In addition, thanks to our extensive product range and our many years of experience, we can offer efficient solutions for our customers. Should the international healthcare markets develop faster than currently expected, this could have a positive effect on our sales and earnings position as well as our cash flows.

Opportunities through research and development

Innovations at product and process level are the basis of our growth strategy. In close cooperation with our customers and users, we work on bringing new and improved products and therapy concepts to the market. If our research and development projects are ready for the market earlier than currently expected, this could improve our sales, earnings and cash flows.

Opportunities through employees

The ideas of our employees are the engine for innovations and create added value through close exchange with customers, users and patients. The high level of identification with the company promotes their motivation and personal responsibility, which we want to further strengthen through personnel development measures. The successful implementation of these activities can additionally improve the competitive position of B. Braun Melsungen AG. This can have positive effects on sales, earnings and cash flows.

3.3 Overall statement on the risk and opportunity situation

From today's perspective, there are no identifiable risks or dependencies that could jeopardize the continued existence of B. Braun Melsungen AG in the foreseeable future. The net risk position increased only slightly compared to the previous year, and once again no risks to the continued existence of the company were identified. However, there is increasing protectionism in parts of the world, which can put a strain on an international company like B. Braun Melsungen AG. The build-up of trade barriers also increases uncertainty among investors and can have a lasting impact on economic development. The ongoing trouble spots in the Middle East can also have a destabilizing effect. The volatility in the currency markets is expected for 2019 to be comparable to the previous year. While the risks in the procurement markets remain unchanged, we are observing a further increase in IT risks. It must be assumed that the ongoing networking and digitization can lead to an exacerbation of IT risks both on the user side and in production. The EU regulation "Medical Device Regulation (MDR)" passed in 2017 will make it much more difficult to bring new medical technology products onto the market and thus increase the development risk for B. Braun Melsungen AG. While the risks in the procurement markets remain unchanged, we are observing a further increase in IT risks. It must be assumed that the ongoing networking and digitization can lead to an exacerbation of IT risks both on the user side and in production.

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As far as possible and appropriate, we are insured against liability risks and natural hazards as well as other risks. In order to minimize the financial impact of cyber risks, B. Braun Melsungen AG has taken out so-called cyber insurance from 2019. This essentially covers risks such as business interruption damage and third party liability claims resulting from information security breaches. Despite the high coverage of our insurance coverage, it is not possible to fully cover the potential risks from product liability. Overall, however, we are convinced that the development of B. Braun Melsungen AG is not burdened above average by the always existing market risks. These market risks are offset by significant opportunities that can enable the company to develop successfully.

4. Forecast report

The statements made here about the development of the overall economy and the company are forward-looking statements. The actual results can therefore differ significantly (both in a positive and in a negative way) from the expectations of the probable development. Our forecasts contain all significant events that were known to us when the management report was being drawn up and that could influence the business development of B. Braun Melsungen AG. The expectations are based, among other things, on the overall economic and sector-related development described.

4.1 Expected macroeconomic and industry-specific framework conditions

Expected development of the overall economy³

For 2019, the International Monetary Fund (IMF) is forecasting constant global economic growth of 3.7 percent, whereby it can be assumed that the expansion has gradually reached its peak. In contrast to previous years, in which a general upswing in the global economy was recorded, developments in the individual countries will be increasingly different in 2019. Due to heightened political uncertainties, the moderate growth is accompanied by restrained investment intentions in many national economies. The declining business dynamics in several countries as well as declining reform efforts to dismantle competition-inhibiting product market regulations will also have a disadvantageous effect on the global economy. The dwindling excess capacity in the industrialized countries will lead to an increase in wages and prices. Oil prices are expected to be higher, which will increase production costs and consumer prices in all economies. The oil producing countries, on the other hand, are likely to benefit from additional investments in the oil sector and higher export revenues. The increasing tensions in international trade and the prevailing uncertainties in trade policy will gradually have a negative impact on the development of employment and the standard of living. This will particularly affect low-income households. Ultimately, these developments could also increase companies' production costs, with the effects being particularly serious for all those production processes that are distributed across several countries in the global value chain. Although the direct macroeconomic consequences of the restrictive trade policy measures will only slowly be felt, in the sectors in which higher tariffs have already been introduced or announced, some distorting effects can already be recognized. These development trends will continue in 2019 and thus have a lasting effect on global economic growth.

Expected development of the health market

In times of more volatile markets and ever shortening innovation cycles, the global healthcare markets are becoming more and more similar. They experience increasing internationalization, act more uniformly and connect with each other. Even today, the world's health systems are more networked and consumer-oriented than ever before. Nevertheless, given similar developments in different parts of the world, they can still learn from each other in the future. After all, demographic and social changes such as urbanization and the aging of the population are increasing the cost pressure on the industry. So it is expected that in Japan the proportion of people over 65 years of age will reach almost 30 percent by 2021. In Western Europe, the share should already be 21 percent at this point in time, so that in the industrialized countries the increasing expenditure in the health sector is primarily the result of the increased need for care and therapeutic advances. In the emerging and developing countries, both the increasing population numbers and a growing middle class with increased expectations of medical care are the main cost drivers. In addition, the health systems must face the challenge of how they want to better treat and contain infectious diseases and chronic diseases in the future. While the latter was once primarily a problem for the industrialized nations, the changing lifestyles in the emerging and developing countries are increasingly becoming a common health and cost problem. The developments mentioned will shape the demands on the healthcare industry in the future and significantly increase the demands on it.

In addition, increasing digitalization will place greater demands on international health systems. Patients of all age groups are increasingly overwhelmed with the increasing number of products in the mHealth market and feel insufficiently informed about technical progress, which reduces their trust in institutions and technologies. In the future, they will ask for more information about their treatment options before deciding which medical procedures to have. Here, the players in the health care system are called upon to take targeted measures to build trust and increase transparency in the industry. On the other hand, digital health care provides solutions that can meet the increasing need for better diagnostic functions and more individual therapeutic instruments. Technological innovations such as "cognitive computing", cloud-based, interactive electronic patient files and the "Internet of Things" (IoT) will offer health organizations the opportunity to gain knowledge from countless data sources. Unfortunately, the lack of connectivity between the systems currently limits the possibilities of big data. In the future, however, it could help to reduce costs and improve coordination in care. With the advent of open systems, data sharing should improve and the use of analytics should increase. However, the data generated in this way will also significantly increase the industry's risk of cyber attacks and render the existing data systems unusable. In terms of the number of cyber attacks, healthcare already ranks second behind the financial sector every year.

Improving financial performance and operating margins will remain an important topic in the healthcare sector over the next few years. Sales pressure, rising costs and stagnating or declining margins have been a burden for them for several years. This trend is expected to continue in both the public and private health sectors. The trigger for this is that the increasing demand, the modernization of the infrastructure and the advances in therapies and technologies are further increasing the pressure on the already limited financial resources. Health care providers are already using various strategies to counteract the developments outlined above. In the USA in particular, hospitals and other healthcare providers are increasingly participating in mergers and acquisitions in order to achieve economies of scale. One benefit of this growth strategy is that it makes it easier for players to raise capital to invest in facilities, technology and people. In another example, large medical facilities in China are trying to create a "closed" supply chain by acquiring hospitals. In general, it can be stated that the number of joint ventures

Expected business and earnings development

We expect B. Braun Melsungen AG to grow profitably in the 2019 financial year. Sales will range between 2,330 and 2,380 million euros (2018: 2,230.0 million euros). All divisions will contribute to the sales development. On the earnings side, we expect EBIT including investment income between 155 and 170 million euros for 2019 (2018: 148.5 million euros). We are assuming that depreciation will be slightly higher than the previous year, which can lead to an EBITDA of between 250 and 260 million euros (2018: 241.4 million euros). Taking into account the continued high interest expenses to be expected from the valuation of our pension obligations, we assume that we will slightly exceed the company's annual surplus compared to 2018 (52.5 million euros). Further intensifying price competition as well as more difficult approval of new medical and pharmaceutical products or similar measures can have an impact on profitability. There is also a dependency on the income from investments.

4.2 Overall statement on the expected development of B. Braun Melsungen AG

Based on the assumptions presented about the development of the global economy and the healthcare market, we expect B. Braun Melsungen AG to develop positively. We anticipate increasing sales and stable results beyond 2019 as well.

5. Relationships with Affiliated Companies

The report on the relationship with affiliated companies prepared in accordance with Section 312 of the AktG concludes with the following declaration:

"Our company received appropriate consideration for every legal transaction listed in the report on relationships with affiliated companies. Measures at the instigation or in the interest of the controlling company were not taken or omitted. This assessment is based on the circumstances known to us at the time of the reportable events were."

Melsungen, February 25, 2019

The board of directors

¹ EBIT including investment result = operating result + income from investments - depreciation on financial assets - expenses for loss absorption

² The difference between the addition to fixed assets and the cash outflow from investing activities results from the cash effectiveness of investments and from conversion effects in foreign currencies. ³ International Monetary Fund: World Economic Outlook, October 2018 / Ifo Institut; Ifo Economic Forecast Autumn 2018

Balance sheet as of December 31, 2018

assets

		December 31, 2018	December 31, 2017
	attachment	T €	T €
Intangible assets	(8th)	182.234	174,877
Property, plant and equipment	(9)	622.756	632.773
Financial assets	(10)	2,106,182	1,790,195
Capital assets		2,911,172	2,597,845
Stocks	(11)	395.508	379.791
Receivables and other assets	(12)	1,292,186	1,321,465
Cash and cash equivalents	(13)	2.570	1,309
Current assets		1,690,264	1,702,565
Prepaid expenses	(14)	11,743	10.124
		4,613,179	4,310,534

liabilities

		December 31, 2018	December 31, 2017
	attachment	T €	T €
Subscribed capital	(15)	800,000	800,000
Capital reserve		10,226	10,226
Retained earnings	(16)	176,625	153,999
retained profit		114,465	116,564
Equity		1,101,316	1,080,789
Special items with an equity portion	(17)	4,843	5,147
Profit participation capital	(18)	125.033	120,688
Provisions for pensions and similar obligations	(19)	701.996	622,583
Other provisions	(20)	99,327	102.127
accruals		801.323	724.710
Liabilities to banks		1,666,268	1,498,126
Other liabilities		913.864	881.074
liabilities	(21)	2,580,132	2,379,200
Prepaid expenses	(22)	532	0
		4,613,179	4,310,534

Income statement for the period from January 1 to December 31, 2018

		2018	2017
	attachment	T €	T €
Sales	(1)	2.230.030	2,085,273
Cost of sales	(2)	1,788,994	1,615,771
Gross profit on sales		441.036	469.502
Distribution costs		277.115	265,415
general administrative costs		68,765	76,878
Research and development costs		117,575	110.040
Other company income	(3)	138,467	151.119
Other operating expenses	(4)	160,348	158,623
Operating profit		-44,300	9,665
Financial result	(5)	101,611	111.210
Result of business activity		57,311	120,875
Taxes on income and earnings	(6)	4,784	19,456
Earnings after taxes / annual surplus		52,527	101,419
Profit carried forward		84,564	40,216
Settings in the legal reserve		-2,626	-5,071
Allocations to the other retained earnings		-20,000	-20,000

	attachment	2018 T €	2017 T €
retained profit		114,465	116,564
Earnings per share in €	(7)	2.71	5.23

The Annual General Meeting on March 28, 2018 resolved to distribute T € 32,000 from the balance sheet profit as of December 31, 2017 and to carry T € 84,564 forward to new account.

Appendix for the 2018 financial year

General principles and information

The annual financial statements of B. Braun Melsungen AG, based in Melsungen, are prepared in accordance with the provisions of the Commercial Code in the version of the Accounting Directive Implementation Act (BilRUG) and the supplementary provisions of the Stock Corporation Act. It covers the period from January 1 to December 31, 2018. Due to its importance, the structure of the income statement has been expanded to include the item "Research and development costs" and that of the balance sheet to include the item "Profit participation capital". The accounting and valuation methods applied in the previous year were essentially retained.

B. Braun Melsungen AG is registered under this company in the commercial register at the Fritzlar District Court (HR B 11000).

In order to improve the clarity of the presentation in the balance sheet and income statement, individual items have been combined. These items are shown separately in the notes.

With effect from September 1, 2018, corporate departments with central functions were transferred to B. Braun Service SE & Co. KG, based in Melsungen, which in turn is responsible for this strategic activity for the newly founded managing director B. Braun Familienholding SE & Co. KG provides. These include the areas of group accounting and reporting, taxes, treasury, corporate communications, legal and corporate HR. The 180 employees entrusted with these tasks have also moved to the new service company. The corresponding pension obligations of € 10,149 thousand, anniversary obligations of € 461 thousand and other personnel obligations of € 1 thousand. 165 have also been transferred to B. Braun Service SE & Co. KG in return for cash compensation. With the founding of the managing holding company, a new cost allocation concept was also established. The corporate functions are charged to the world's largest corporate entrepreneurs according to external entrepreneurial sales in the form of an allocation, whereby a share of around 1/3 is attributable to B. Braun Melsungen AG. Overall, this resulted in T € 4,433 lower expenses in the reporting year, which reduced administrative costs by T € 2,612 and sales costs by T € 1,821. With the founding of the managing holding company, a new cost allocation concept was also established. The corporate functions are charged to the world's largest corporate entrepreneurs based on external entrepreneurial sales in the form of an allocation, with a share of around 1/3 attributable to B. Braun Melsungen AG. Overall, this resulted in T € 4,433 lower expenses in the reporting year, which reduced administrative costs by T € 2,612 and sales costs by T € 1,821. With the founding of the managing holding company, a new cost allocation concept was also established. The corporate functions are charged to the world's largest corporate entrepreneurs according to external entrepreneurial sales in the form of an allocation, whereby a share of around 1/3 is attributable to B. Braun Melsungen AG. Overall, this resulted in T € 4,433 lower expenses in the reporting year, which reduced administrative costs by T € 2,612 and sales costs by T € 1,821. B. Braun Melsungen AG has a share of around 1/3. Overall, this resulted in T € 4,433 lower expenses in the reporting year, which reduced administrative costs by T € 2,612 and sales costs by T € 1,821. B. Braun Melsungen AG has a share of around 1/3. Overall, this resulted in T € 4,433 lower expenses in the reporting year, which reduced administrative costs by T € 2,612 and sales costs by T € 1,821.

The company is included in the consolidated financial statements of B. Braun Holding GmbH & Co. KG, Melsungen, as of December 31, 2018, which prepares the consolidated financial statements for both the smallest and largest group of companies. In addition, the company prepares consolidated financial statements. The consolidated financial statements are submitted to the electronic Federal Gazette.

The Management Board of B. Braun Melsungen AG approved the annual financial statements for submission to the Supervisory Board on February 25, 2019.

Currency conversion

Short-term receivables and liabilities in foreign currencies are valued at the mean rate on the balance sheet date. Medium and long-term currency receivables and liabilities are valued at the rates on the day they arise or at a lower (receivables) or higher (liabilities) rate on the balance sheet date.

Explanations of the income statement

(1) Sales

	2018		2017		+
	T €	%	T €	%	-
Sales by division					
Hospital Care	1,420,352	63.7	1,356,668	65.1	4.7
OPM	276.193	12.4	270.054	13.0	2.3
Aesculap	207.990	9.3	193.277	9.2	7.6
B. Braun Avitum	98,932	4.4	96,740	4.6	2.3
Other sales	226,563	10.2	168,534	8.1	34.4
	2.230.030	100.0	2,085,273	100.0	6.9
Sales by region					
inland	810.946	36.4	782,538	37.5	3.6
Europe	795,605	35.7	741,639	35.6	7.3
Asia and Australia	344.175	15.4	309.229	14.8	11.3
Latin America	107,404	4.8	91,952	4.4	16.8
Africa and Middle East	86,672	3.9	82,618	4.0	4.9
North America	85,228	3.8	77.297	3.7	10.3
	2.230.030	100.0	2,085,273	100.0	6.9

The sales revenues include amounts unrelated to the accounting period of T € 2,245 from the subsequent billing of services to affiliated companies for previous years.

(2) Cost of sales

The cost of sales includes the manufacturing costs of the products sold and the acquisition costs of the merchandise sold, as well as other expenses in connection with the generation of sales.

(3) Other operating income

	2018 T €	2017 T €
Currencies	122.606	133,073
Income from the reversal of value adjustments	263	75

	2018 T €	2017 T €
Profits from asset disposals	265	81
Income from compensation payments	497	888
Income from the liquidation of special items with an equity portion	305	1,303
Income from the valuation of derivative financial instruments	5,399	3,886
Income from the release of provisions	1,574	2,698
income for other accounting periods	728	2,065
Rest	6,830	7,050
	138,467	151,119

The income unrelated to the accounting period mainly contains credits for previous years.

(4) Other operating expenses

	2018 T €	2017 T €
Currencies	139,999	138,436
Merger / Accrual Losses	4,239	0
Out-of-period expenses	708	1,443
Losses from impairment of current assets	534	513
Losses from the valuation of derivative financial instruments	1,271	4,341
Losses from asset disposals	269	281
Allocations to provisions	2,000	69
Rest	11,328	13,540
	160,348	158,623

The extraordinary merger and accrual losses result from the merger of two subsidiaries, as a result of which the assets of another subsidiary increased.

(5) Financial result

	2018 T €	2017 T €
Income from profit transfer agreements	94,837	97,429
Income from investments	106,109	89,402
of which from affiliated companies	(99,376)	(67,424)
Income from write-ups	30th	0
Depreciation on financial assets	-3,478	-107
Expenses from the assumption of losses	-4,697	-2,823
Income from other securities and loans from financial assets	9,348	4,141
of which from affiliated companies	(9,336)	(4,128)
Other interest and similar income	17,052	17,463
of which from affiliated companies	(16,805)	(17,337)
Interest income from discounting	3	55
Interest and similar expenses	-40,022	-37,756
of which to affiliated companies	(1,242)	(1,611)
of which from profit participation capital	(10,945)	(10,717)
Interest expense for pension provisions and other long-term personnel provisions	-77,511	-56,531
Other interest expense from compounding	-60	-63
	101,611	111,210

(6) Income taxes and deferred taxes

Corporate income tax and trade income tax are reported as income taxes. These relate to previous years with an expense of T € 1,205.

The other taxes of € 3,175 thousand (previous year: € 3,190 thousand) are allocated to the operational functions and are reported under the corresponding items. With an income of T € 366 (previous year expense: T € 342), these relate to previous years.

Deferred taxes are applied to the differences in the balance sheet items in the commercial balance sheet and the tax balance sheet, provided that these are likely to be reduced in later financial years.

According to the formal approach, the sole tax debtor is the company as the controlling company, ie actual and deferred taxes of the controlling companies must also be shown in full in the controlling company's annual financial statements, since they alone affect the taxation consequences. Accordingly, the temporary differences between the subsidiaries are recorded in the company's financial statements. In the event of an excess of deferred taxes as of the balance sheet date, the option to capitalize under Section 274, Paragraph 1, Clause 2 of the German Commercial Code (HGB) is not used.

The calculation of deferred taxes is based on an effective tax rate of 29.22% (15.83% for corporation tax including solidarity surcharge and 13.39% for trade tax), which is expected to arise when the differences are reduced. The tax rate for trade tax results from the average trade tax multiplier of 382.70%.

On the balance sheet date, after offsetting the deferred tax assets and liabilities (total differences consideration), the deferred tax asset surplus was € 141,550 thousand. The company does not make use of the option to capitalize under Section 274, Paragraph 1, Clause 2 of the German Commercial Code (HGB), so that overall there is no disclosure of deferred taxes in the balance sheet. The deferred tax liabilities determined result mainly from special tax depreciation not reproduced under commercial law or deviating depreciation on property, plant and equipment (land and buildings as well as technical equipment and machines).

(7) Earnings per share

The earnings per share are calculated by dividing the annual net income by the number of shares issued. As in the previous year, the number of shares entitled to dividends is 19,404,000. There were no outstanding shares as of December 31, 2018 or December 31, 2017 that could dilute earnings per share. The earnings per share are € 2.71 (previous year € 5.23).

Explanation of the balance sheet

For the development of the individual items of fixed assets, we refer to the schedule of fixed assets, which is attached as an attachment.

In addition, we provide the following explanations for the individual items.

(8) Intangible Assets

Purchased intangible assets are valued at cost and amortized on a straight-line basis over their respective useful lives (5 to 15 years). Investment grants received are deducted from the acquisition costs. Long-term reductions in value are taken into account through unscheduled depreciation. If the reasons for unscheduled depreciation no longer exist, corresponding write-ups are made.

(9) Property, plant and equipment

Tangible assets are valued at acquisition or production cost less the accumulated depreciation and depreciation carried out in the financial year. Investment grants and allowances received are deducted from the acquisition or production costs of the subsidized assets.

The scheduled depreciation of property, plant and equipment is essentially based on the following useful lives:

building	25 to 50 years
Technical systems and machines *	10 to 15 years
vehicles	3 to 5 years
Factory and office equipment	3 to 15 years
* including shift factor	

Unscheduled depreciation is carried out in the event of expected permanent impairment. Property, plant and equipment is depreciated using the straight-line method.

In accordance with the 2008 corporate tax reform, from January 1, 2008, all low-value assets of the calendar year with acquisition / production costs of more than € 150 net (from 2018 € 250 net) and up to € 1,000 net are combined in a yearly collective item. The collective item is depreciated uniformly over five years with 20% each. If an asset leaves the business assets prematurely, the collective item is not reduced. Due to the overall subordinate importance of the collective item, such a collective item is also formed for low-value assets, despite the reversal of the reversed relevance by the Accounting Law Modernization Act.

Additional depreciation according to tax regulations that occurred before January 1, 2010 is shown under the special item with an equity portion. These are resolved pro rata during the period of use.

In addition to the directly allocable costs, the production costs of the self-constructed systems also include proportional overheads and depreciation.

For property, plant and equipment (spare parts for technical systems and machines), a fixed value of € 7,154 thousand was formed in the previous year in accordance with Section 240 (3) HGB.

(10) Financial Assets

Financial assets are reported at acquisition cost or the lower applicable value. Loans to affiliated companies and other loans are reported at acquisition cost or the lower applicable value.

Unscheduled depreciation is carried out in the event of a decrease in value that is expected to be permanent. If the reasons for unscheduled depreciation no longer exist, corresponding write-ups are made.

Shares reported under fixed asset securities were written down by T € 828 to T € 1,552 and the shares in a fund reported under investments by T € 2,428 to T € 945 due to an expected permanent impairment.

The addition to the shares in affiliated companies results primarily from the acquisition of the remaining shares in a company in Germany.

The changes in loans to affiliated companies are due to the change in financing at subsidiaries. The unscheduled depreciation of T € 222 is due to exchange rates.

The changes in the investments relate in particular to the acquisition of further shares in investment funds.

With regard to shareholdings, we refer to the separate list in the appendix to the notes.

(11) Inventories

	December 31, 2018	December 31, 2017
	T €	T €
Raw materials and supplies	72.012	63.016
Unfinished products	101.195	119.438
Finished products, goods	222,301	197,337
	395.508	379.791

The inventories of raw materials, consumables and supplies as well as merchandise are valued at the actual or average acquisition cost or at the lower replacement cost.

The product inventories are capitalized at production cost. In addition to production material and production wages, material and production overheads are also taken into account in the production costs. In the income statement, the costs of the services sold are valued at full cost.

When valuing the inventories, the lower fair value on the balance sheet date was taken into account in all inventory groups. In connection with this, the risks that arise in particular from the storage period, reduced usability, etc., are taken into account through devaluations.

The emission allowances are shown under inventories at a memorable value. The fair value of the emission allowances on the reporting date was € 1,733 thousand.

(12) Receivables and other assets

	December 31, 2018	thereof remaining	December 31, 2017	thereof remaining
	Total	term > 1 year	Total	term > 1 year
	T €	T €	T €	T €
Requests from deliveries and services	80.258	4.171	83,530	3.817
Receivables from affiliated companies	1,155,489	1,350	1,192,622	11.802
thereof trade receivables	(281,350)	(1,350)	(215,594)	(580)
Claims against companies with which there is a participation relationship	2,466	0	2,024	0
thereof trade receivables	(1,265)	(0)	(353)	(0)
Other assets	53,973	0	43,289	0
of which tax refund claims	(47,055)	(0)	(32,962)	(0)
	1,292,186	5,521	1,321,465	15,619

Trade accounts receivable are stated at acquisition cost less appropriate individual devaluations. The general credit risk is adequately taken into account by means of a blanket write-down on receivables. The other receivables and assets are valued at their nominal values less appropriate individual devaluations.

B. Braun concluded an Asset Backed Securities (ABS) program with a volume of up to € 75 million in 2004, which was increased in November 2009 by € 25 million to € 100 million. In September 2018 the program was extended for another two years. As part of this program, B. Braun Melsungen AG sold receivables in the amount of €

34.5 million as of December 31, 2018 (previous year: € 33.0 million). The basis for the transaction is a non-recourse sale of trade receivables to a special purpose vehicle.

(13) Cash and cash equivalents

Cash and cash equivalents include cash on hand and credit balances at banks that are valued at their nominal value.

(14) Prepaid expenses

The prepaid expenses include expenses for rents, insurance premiums, capital procurement costs and maintenance work, insofar as they relate to the following year as an expense.

(15) Subscribed capital

With effect from April 2, 2014, B. Braun Melsungen AG increased the share capital from company funds from € 600 million to € 800 million without issuing new shares. The share capital is divided into 19,404,000 no-par value bearer shares. A no-par value share corresponds arithmetically to a share in the subscribed capital of € 41.23.

(16) Retained earnings

	December 31, 2018 T €	December 31, 2017 T €
legal reserve	59,555	56,929
Other retained earnings	117,070	97,070
	176,625	153,999

The balance sheet profit for the reporting year of T € 114,465 includes a profit carried forward of T € 84,564.

According to Section 253 (6) HGB, an amount of T € 122,311 is blocked for distribution.

(17) Special items with an equity portion

	December 31, 2018 T €	December 31, 2017 T €
Value adjustments to fixed assets in accordance with Section 3 (2) ZRFG, Section 14 BerlinFG, Section 4 Development Area Act	4,843	5,147
	4,843	5,147

(18) Profit participation capital

As part of the B. Braun Incentive Scheme, B. Braun Melsungen AG issues a series of profit participation rights that executives who are entitled to subscribe can acquire on a voluntary basis. With the issue of profit participation rights, the company grants the employee, as the holder of profit participation rights, property rights in the form of a participation in the profit and loss of B. Braun Melsungen AG for the transfer of capital in return.

The term of the profit participation rights is 10 years each. The interest on the profit participation rights is linked to the dividend payment by B. Braun Melsungen AG and the repayment amount to the group equity. The profit participation rights item contains the nominal amount of the profit participation rights issued in the amount of T € 3,616, the premium achieved on issue of T € 78,504 and the repayment amount, which is T € 42,913 higher.

As of December 31, 2018, a total of 657,560 shares had been issued.

In the 2016 financial year, the profit participation rights conditions were changed with the result that they were no longer shown in equity under commercial law. The expense from profit participation rights is shown separately at € 10,945 thousand (previous year: € 10,717 thousand) as the result from profit participation rights in the financial result.

The tranches were distributed over the years as follows:

Year of issue	piece
2002	49,625
2009	52,951
2010	60,619
2011	69,202
2012	54,071
2013	69,276
2014	62,481
2015	64,761
2016	75,228
2017	80,380
2018	68,591
	657,560

The profit participation rights have the following remaining terms:

	December 31, 2018 T €	December 31, 2017 T €
up to 1 year	12,482	17,329
> 1 year	112,551	103,359
(of which > 5 years)	(62,631)	(57,656)
	125,033	120,688

(19) Provisions for pensions and similar obligations

The pension obligations of B. Braun Melsungen AG are valued using a projected unit credit method. With this method, the pensions in progress on the reference date and the part of the entitlements (so-called earned) attributable to the previous period of service are assessed. In addition, the related, expected future increases due to salary increases or pension adjustments are also taken into account. The present value of the obligation (DBO) is determined by discounting the expected future pension benefits (the settlement amount within the meaning of Section 253 (1) sentence 2 HGB) in accordance with Section 253 (2) HGB using the average market interest rate of the past 10 years.

According to Section 253 (6) of the German Commercial Code (HGB), the difference between the provision of provisions based on the corresponding average market interest rate from the past 10 financial years and the provision of provisions based on the corresponding average market interest rate from the past 7 financial years must also be determined. Profits may only be distributed if the freely available reserves remaining after the distribution plus a profit carryforward and minus a loss carryforward are at least equal to this difference.

Pledged reinsurance policies exist for some pension commitments (deferred compensation), which represent plan assets within the meaning of Section 246 (2) sentence 2 of the German Commercial Code (HGB) and are therefore offset against the pension obligation. Since a fair value for life insurance contracts cannot be reliably determined, the reinsurance policies are valued at the tax asset value.

Since the corresponding pension commitments are based on the benefits from the reinsurance policies with the exception of a committed minimum benefit, they are securities-linked pension commitments within the meaning of Section 253 (1) sentence 3 of the German Commercial Code (HGB). The obligations were therefore also valued at the asset value of the corresponding reinsurance policy.

Expenses and income from the plan assets are offset against expenses and income from the discounting of provisions; the result is shown in the financial result. This also includes changes in the present value of the obligations due to changes in the average market interest rate compared to the previous year. The remaining expenses are shown as expenses for pensions in the operating result.

The value of the pension obligations developed as follows:

	2018 T €	2017 T €
Pension obligation at the beginning of the year	623.985	572.995
Interest expense (including the effect of interest rate changes)	75,883	55.204
Pension expenses	33,259	14,348
Transfer payments due to a change of company	-9,806	691
Utility payments	-20,145	-19,253
Pension obligation at the end of the year	703.176	623.985

The value of the reinsurance policies that are to be classified as cover assets after the transition to the BilMoG has developed as follows:

	2018 T €	2017 T €
Asset value at the beginning of the year	1,402	1,428
Revenue from the reinsurance	30th	42
Contributions	0	0
Insurance benefits paid out	-252	-68
Asset value at the end of the year	1,180	1,402

The obligation from deferred compensation, which is offset against the reinsurance, amounts to € 1,180 thousand as of December 31, 2018.

Accordingly, the pension provision is as follows:

	December 31, 2018 T €	December 31, 2017 T €
Value of pension obligations	703.176	623.985
Value of the reinsurance	1,180	1,402
Pension provisions	701.996	622,583

Applying the average market interest rate from the past 7 financial years (2.32%), the provisions for pensions and similar obligations would have been € 122,311 thousand higher.

The expenses in connection with the company pension scheme are broken down as follows:

	2018 T €	2017 T €
Pension expenses	33,259	14,348
of which transfer payments due to a change of company	9,806	-691
of which pension payments	20,145	19,253
of which other changes in pension obligations	-2,591	-4,214
of which unrelated to the period	5,899	0
Interest and similar expenses	75,853	55.162
of which expenses from the compounding of obligations	22,437	22,554
of which expenses due to a change in the actuarial interest rate	53,446	32,650
of which income from the plan assets	30th	42
	109,112	69,510

The following assumptions were used to determine the pension obligations:

	December 31, 2018	December 31, 2017
Discount rate	3.21%	3.68%
Salary increases	3.00%	3.00%
Pension increases	1.75%	1.75%
fluctuation	25% Mercer standard turnover	25% Mercer standard turnover

The valuation of the pension provisions of B. Braun Melsungen AG took place on December 31, 2018 on the basis of the "mortality tables 2018 G" by Klaus Heubeck (previous year: "mortality tables 2005 G"). The changeover to the new mortality tables resulted in an expense of T € 7,824 in the reporting year.

(20) Other provisions

The main groups of provisions have developed as follows:

	Taxes T €	Personnel expenses T €	Uncertain liabilities of T €	Warranties T €	Remaining T €	Total T €
01/01/2017	1,479	55,558	37,636	1,429	10.051	106.153
Feed	2,618	37,987	33,520	1,148	6,949	82,222
consumption	-1,342	-38,545	-32,588	-1,429	-9,624	-83,528
resolution	-22	-1,383	-1,251	0	-64	-2,720
December 31, 2017 / January 1, 2018	2,733	53,617	37,317	1,148	7,312	102.127

	Taxes T €	Personnel expenses T €	Uncertain liabilities of T €	Warranties T €	Remaining T €	Total T €
Feed	1,181	30,730	36,739	991	6,931	76,572
consumption	-2,299	-36.094	-31,256	-1,148	-6,997	-77,794
resolution	-4	-534	-944	0	-96	-1,578
December 31, 2018	1,611	47,719	41,856	991	7.150	99,327

The other provisions total T € 96,266 (previous year: T € 99,394).

Recognizable risks and uncertain liabilities have been adequately taken into account when forming the remaining provisions. They are set at the settlement amount and are measured in the amount that is necessary according to a reasonable commercial assessment.

In addition to amounts for the reporting year, the tax provisions primarily contain amounts for past financial years and the period not yet subject to the external tax audit.

The provisions for personnel expenses essentially relate to obligations for annual bonuses, severance payments, remaining vacation, partial retirement, preparatory work and anniversary bonuses.

The provision for anniversaries (€ 20.6 million, previous year: € 18.3 million) is recognized on the basis of an actuarial report. The "2018 G mortality tables" by Klaus Heubeck (previous year: "2005 G mortality tables") were used as the biometric calculation basis. used. The salary trend was assumed to be 3.0%. The discount rate is 2.32% pa The calculation is based on the same fluctuation assumptions as the calculation of the pension provisions (25% Mercer standard fluctuation).

The provisions with a remaining term of more than one year were discounted using the average market interest rate for the past seven financial years corresponding to their remaining term. The interest rates determined by the Deutsche Bundesbank were used for this.

The remaining other provisions contain amounts for impending losses from contracts, for subsequent expenses from services already billed, for legal and consultancy costs and expenses relating to the past financial year. T € 0 (previous year: T € 110) was set aside for maintenance that was not carried out and carried out within three months of the balance sheet date.

(21) Liabilities

	December 31, 2018 Total T €	thereof remaining term of up to 1 year T €	thereof remaining term > 1 year T €	thereof remaining term thereof > 5 years T €	December 31, 2017 Total T €	thereof remaining term of up to 1 year T €
Liabilities to credit institutions	1,666,268	371,768	1,294,500	611,000	1,498,126	275,774
Advance payments received on orders	5,172	5,172	0	0	5,882	5,882
liabilities from goods and services	82,383	82,383	0	0	77,606	77,606
Liabilities to affiliated companies	687.251	687.251	0	0	664.789	664.789
of which from deliveries and services	(180,234)	(180,234)	(0)	(0)	(160,734)	(160,734)
of this received down payments on orders	(31,079)	(31,079)	(0)	(0)	(33,730)	(33,730)
Liabilities to companies with which there is a participation relationship	4,438	4,438	0	0	4,926	4,926
of which from deliveries and services	(1,995)	(1,995)	(0)	(0)	(1,948)	(1,948)
Other liabilities	134,620	92,792	41,828	38,785	127,871	93,388
of which in the context of social security	(3432)	(692)	(2,740)	(2,740)	(2769)	(681)
of which from taxes	(5,800)	(5,800)	(0)	(0)	(6,168)	(6,168)
	2,580,132	1,243,804	1,336,328	649.785	2,379,200	1,122,365

The liabilities are recognized at the settlement amount.

Other liabilities include liabilities from borrowing from non-banks in the amount of € 28.4 million (previous year: € 35.3 million).

(22) Prepaid expenses

The prepaid expenses include income from a tool cost allowance insofar as this relates to the following year as income.

Other Information

(2 3) Cost of materials

The following cost of materials are included in the cost of sales and functional costs:

	2018 T €	2017 T €
Cost of raw materials and supplies	1,318,075	1,232,132
Expenses for purchased services	222.093	211,736
	1,540,168	1,443,868

(24) Personnel expenses / employees

The following personnel expenses are offset in the expense items of the income statement:

	2018 T €	2017 T €
Personnel expenses		
Wages and salaries	420,433	408.068
social taxes	73,631	69,542
Pension and support expenses	33,337	14,477
of that for pensions	33,259	(14,348)
	527.401	492.087
Employees by function (annual average, including temporary workers)		
production	3,941	3,826
Marketing and Sales	1,500	1,497
Research and Development	740	710
Technology and administration	1,170	1,178

	2018 T €	2017 T €
	7,351	7,211
of which part-time employees	1,235	1,165

(25) Contingent Liabilities

	December 31, 2018 T €	December 31, 2017 T €
Provision of collateral for third-party liabilities	354,705	295,853
of which in favor of affiliated companies	(354,705)	295,853
Contract performance guarantees	43,185	41,290
of which in favor of affiliated companies	(43,185)	(41,290)

The collateral for third-party liabilities consists of letters of comfort and credit guarantees to banks in favor of affiliated companies. The risks of claims resulting from the provision of collateral for third-party liabilities as well as from the contract performance guarantees are viewed as low due to the good economic situation of our subsidiaries.

(26) Other financial commitments

	December 31, 2018 T €	December 31, 2017 T €
Obligations from rental and leasing contracts		
due up to 1 year	22,490	22,578
due 1 to 3 years	25,582	25,836
due over 3 years	11,067	15,625
	59,139	64,039
(of which to affiliated companies)	(37,828)	(40,227)
Purchase commitments	56,295	20,486
Total amount	115,434	84,525

Obligations of € 9.8 million result from service contracts (previous year: € 13.4 million).

In addition, there are obligations from the leasing of other movables and hardware. The hardware leasing obligations are mainly based on sale-and-lease-back transactions.

A process steam and heat supply contract still results in an annual purchase obligation of currently € 3.0 million. The contract runs until December 31, 2034.

(2 7) Off-balance sheet transactions

With regard to off-balance-sheet transactions, reference is made to numbers 12 and 25. Off-balance sheet transactions are usually used to improve liquidity and reduce total assets. No particular risks are taken with them.

(2 8) Derivative financial instruments

Derivative financial instruments are used to hedge against currency and interest rate risks from business operations, cash investments and other financing transactions. These include, in particular, currency forwards and interest rate swaps. Internal group guidelines regulate their use. At B. Braun, derivative financial instruments are only used for hedging purposes. The risk management policy provides for the hedging of foreign currency risks from recognized assets and debts as well as a rolling hedge of up to 60 percent of the net inflows and outflows of major currencies expected in the following 12 months ("transactions expected with a high degree of probability")

The transactions are only concluded with banks that were generally assessed as having good creditworthiness at the time the contract was concluded. In addition, transactions are passed on to group companies. The general credit risk from the derivative financial instruments used is not considered to be material.

As of the reporting date, financial instruments are essentially combined into valuation units (underlying and hedging transaction). As part of the hedging of currency risks, no accounting entry of the hedging transactions is made in the balance sheet for valuation units formed in this way using the freezing method until the underlying transaction occurs. Once the underlying transaction has occurred, the underlying transaction and the hedging transaction are recorded using the direct booking method. For financial instruments not designated in valuation units, a provision is made for impending losses from pending transactions if the market value of the derivative financial instruments is negative on the reporting date.

The derivative financial instruments are recorded in the balance sheet items "Receivables and other assets" (T € 3,138, previous year: T € 2,455), "Other provisions" (T € 3,115, previous year: T € 4,780) and "Other liabilities" (T € 497, previous year: T € 2,278). In the case of financial instruments that are part of a valuation unit, the valuation loss exceeding the positive market values is taken into account through the formation of a provision for potential losses. A valuation gain does not affect income until it is realized.

Valuation units are created in the respective currency (macro hedges) to hedge against foreign currency risks from transactions that are expected with a high degree of probability. The transactions that are expected with a high degree of probability are determined on the basis of the B. Braun Melsungen AG business model and past experience. In addition, valuation units are formed from hedging transactions that are concluded externally and passed on to group companies as part of the group treasury. In all cases, the hedging relationships are very effective on the reporting date,

Valuation units (micro-hedges) are also formed to hedge interest rate risks from existing financing with variable interest rates. These hedging relationships are accounted for using the freezing method. The very high effectiveness of the hedging relationships is given on the balance sheet date, since the essential risk-determining parameters between the underlying and the hedging transaction match (critical terms match method).

The market values refer to the liquidation amounts (surrender value) of the financial derivatives on the balance sheet date. The determination is made using recognized valuation methods based on current market data, whereby these are determined at the value on the balance sheet date without taking into account the opposite development in value from the underlying transaction. For reasons of materiality, this determination is made without taking into account the own credit risk or the counterparty credit risk.

Doing business with banks	Nominal volume		Market values	
	December 31, 2018 T €	December 31, 2017 T €	December 31, 2018 T €	December 31, 2017 T €
Foreign exchange forwards with banks	876,564	769,034	1,847	-1,110
Interest rate hedges with banks	100,000	100,000	-716	-1,383
Derivative transactions with banks	976,564	869,034	1,131	-2,493
Forward exchange transactions with group companies	288,788	313,315	3,886	-4,083

The market values are the balance of positive and negative values. Market values from forward exchange transactions with banks in the amount of T € -938 (previous year: T € 1,666) were included in valuation units. From interest rate hedges, market values of T € -716 (previous year: T € -1,383) were included in valuation units. Forward exchange transactions with Group companies result in market values of € 3,946 thousand (previous year: € -4,099 thousand), which were included in valuation units.

The nominal volumes of the following basic transactions were combined into valuation units with hedging transactions:

	Nominal volume 12/31/2018 T €	Nominal volume 12/31/2017 T €
Foreign currency risks from expected with high probability Transactions from our operational business	97,943	91,999
Foreign currency risks from receivables	11,341	12,782
Foreign currency risks from liabilities	6,058	7,143
Foreign currency risks from pending foreign currency transactions with Group companies	282,383	307,483
Interest rate risks from existing financing with variable interest rates	100,000	100,000
	497,725	519,407

It is expected that the cash flows and changes in value of the hedged risks for foreign currency transactions in the 2019 to 2020 financial years and for interest rate hedges in the 2019 financial years will each fully offset each other.

In addition to the valuation units mentioned above, a valuation unit is also formed from two USD loans to secure the foreign currency risk (micro-hedge). The nominal amount of the bank loan taken out or the intercompany loan granted is USD 108 million each. The loans have a term until 2019. This hedging relationship is accounted for using the freezing method. The hedging relationship is very effective on the balance sheet date, as the key risk-determining parameters between the underlying and the hedging transaction match (critical terms match method).

The amount of the risks hedged with all valuation units was T € 23,061 as of December 31, 2018 (previous year: T € 23,498).

(2 9) Transactions with related companies and persons

Transactions with related companies and persons were carried out on customary market terms.

(30) Total auditor's fee

B. Braun Melsungen AG has made use of the exemption provision in Section 285 No. 17 of the German Commercial Code (HGB), as the total fee of the auditor is stated in the consolidated financial statements.

(31) Total remuneration of the Board of Management and the Supervisory Board

The total remuneration of the Management Board for the financial year was € 10,176 thousand. Of this amount, the CEO received € 623 thousand in fixed remuneration and € 784 thousand in variable remuneration from profit-sharing schemes. We spent an amount of T € 694 on the Supervisory Board in the financial year. A total of T € 23,047 has been set aside for pension obligations to former members of the Management Board and their surviving dependents; their total remuneration amounted to T € 3,957.

(32) Proposal for the appropriation of the retained earnings of B. Braun Melsungen AG

The Management Board proposes to the Annual General Meeting that the resulting balance sheet profit be used as follows after transferring T € 2,626 to the statutory reserve and T € 20,000 to the other revenue reserves:

	T €
Payment of a cash dividend	33,000
Allocation to the other revenue reserves	0
Carry forward on a new account	81,465
	114,465

(3 3) Supplementary report

From the end of the financial year up to the date of preparation of the annual financial statements, there were no matters with a material impact on the earnings, financial and asset position of the 2018 financial year.

(34) Notifications in accordance with Section 20 Paragraphs 1, 3 and 4 of the German Stock Corporation Act

B. Braun SE, Melsungen, registered in the commercial register of the Fritzlar Local Court under HRB 12 403, has informed us in accordance with Section 20 Paragraphs 1 and 4 of the German Stock Corporation Act that it owns a majority stake in B. Braun Melsungen AG.

BraHo Verwaltungsgesellschaft mbH, Melsungen, registered in the commercial register of the Fritzlar Local Court under HRB 11 305, B. Braun Holding GmbH & Co. KG, Melsungen, registered in the Commercial Register of the Fritzlar Local Court under HRA 14 031 and B. Braun Familienholding SE & Co. KG, Melsungen, registered in the commercial register of the Fritzlar Local Court under HRA 16 436 have informed us in accordance with Section 20 Paragraphs 1, 3 and 4 of the German Stock Corporation Act that they hold an indirect majority stake in B. Braun Melsungen AG.

Supervisory board

Prof. Dr. hc Ludwig Georg Braun

Chairman

Former CEO of B. Braun Melsungen AG, Melsungen

Peter Hohmann *

deputy chairman

Chairman of the Group Works Council of the B. Braun Group in Germany

Chairman of the works council of the Melsungen site of B. Braun Melsungen AG, Melsungen

Barbara Braun-Lüdicke

Clerk, Melsungen

Prof. Dr. Dr. hc. mult . Markus Büchler

Heidelberg University Hospital

Medical Director Department of General, Visceral and Transplant Surgery

Kathrin Dahnke

Member of the board of directors of Wilh. Werhahn KG, Neuss

Alexandra Friedrich *

Deputy Chairwoman of the Works Council of the Melsungen site of B. Braun Melsungen AG, Melsungen

Edeltraud Glänzer *

Member of the executive board of IG BCE, Hanover

Michael Guggemos *

Hans Böckler Foundation, Management Spokesman, Düsseldorf

Hans-Carsten Hansen

former President Human Resources at BASF SE, Ludwigshafen

Rainer Hepke *

Chairman of the General Works Council of B. Braun Melsungen AG, Melsungen

Manfred Herres *

Director of Production, B. Braun Avitum AG, Melsungen

Dr. Ing. Joachim Rauhut

former member of the Board of Management of Wacker Chemie AG, Munich

Ekkehard Rist *

Deputy Group Works Council Chairman of the B. Braun Group Germany

Chairman of the Works Council of Aesculap AG, Tuttlingen

Prof. Dr. rer. pole. Thomas Rödder

Tax consultants and auditors,

Partner of the law firm Flick Gocke Schaumburg, Bonn

Prof. Dr. med. Oliver Schnell

Founder and managing director of Sciaro GmbH, Baierbrunn

Mike Black *

Exempt works council of B. Braun Melsungen AG,

Melsungen

* elected by the employees

Board**Prof. Dr. rer. pole. Heinz-Walter Große**

Chairman of the Board of Directors

Central HR and Legal Department

Labor Director

Dr. rer. pole. Annette Beller

Central Finance, Taxes and Controlling department

Central area Central service areas

Anna Maria Braun, LL.M.

President Asia / Pacific

Dr.-Ing. Joachim Schulz

Chairman of the Board of Aesculap AG, Tuttlingen

Aesculap division

Dr. rer. nat. Meinrad Lugan

Hospital Care Division

OPM division

Caroll H. Neubauer, LL.M.

Chairman of the Board of Management of B. Braun of America Inc., Bethlehem / USA

North America region

Markus Strotmann

Chairman of the Board of Management of B. Braun Avitum AG, Melsungen

B. Braun Avitum division

Melsungen, February 25, 2019

The board of directors

Prof. Dr. rer. pole. Heinz-Walter Große

Dr. rer. pole. Annette Beller

Anna Maria Braun

Dr. rer. nat. Meinrad Lugan

Caroll H. Neubauer

Dr.-Ing. Joachim Schulz

Markus Strotmann

Development of fixed assets in the 2018 financial year

Acquisition or manufacturing costs

	01/01/2018 T €	Additions T €	Acquisitions T €	Transfer bookings T €	Compounding of T €	Grants and allowances T €
Intangible assets	01/01/2018 T €	Additions T €	Transfer bookings T €	Compounding of T €	Grants and allowances T €	
Acquired concessions, industrial property rights and similar rights and values, as well as licenses to such rights and values	170,951	9,351	37,208	0	-8th	
Advance payments made	97,729	17,926	-35,823	0	0	
	268,680	27,277	1,385	0	-8th	
Property, plant and equipment						
Land, leasehold rights and buildings, including buildings on third-party land	418,837	2,637	3,008	0	-78	
Technical equipment and machinery	826,981	14,175	27,098	0	-751	
Other equipment, factory and office equipment	123,503	6,196	1,156	0	-38	
Payments on account and assets under construction	66,372	41,318	-32,647	0	-220	
	1,435,693	64,326	-1,385	0	-1,087	
Financial assets						
Shares in affiliated companies	810,662	1,453	55	0	0	
Loans to affiliated companies	566,518	316,341	0	0	0	
Holdings	410,562	11,795	-55	0	0	
Fixed asset securities	5,005	0	0	0	0	
Other loans	842	750	0	0	0	
	1,793,589	330,339	0	0	0	
	3,497,962	421,942	0	0	-1,095	
Acquisition or manufacturing costs						
	Merger / accrual T €	Post-capitalization T €	Disposals T €	December 31, 2018 T €		
Intangible assets						
Acquired concessions, industrial property rights and similar rights and values, as well as licenses to such rights and values	1,116	0	1,559	217.059		
Advance payments made	0	0	976	78,856		
	1,116	0	2,535	295.915		
Property, plant and equipment						
Land, leasehold rights and buildings, including buildings on third-party land	0	0	5	424,399		
Technical equipment and machinery	0	0	7,090	860.413		
Other equipment, factory and office equipment	223	0	3,649	127.391		
Payments on account and assets under construction	0	0	466	74,357		
	223	0	11.210	1,486,560		
Financial assets						
Shares in affiliated companies	0	0	5,466	806.704		
Loans to affiliated companies	0	0	4,000	878.859		
Holdings	1	0	1,147	421.156		
Fixed asset securities	0	0	0	5,005		
Other loans	0	0	292	1,300		
	1	0	10,905	2,113,024		
	1,340	0	24,650	3,895,499		
Accumulated depreciation						
	01/01/2018 T €	Additions T €	Write-up of T €	Transfer bookings T €	Unscheduled T €	
Intangible assets						
Acquired concessions, industrial property rights and similar rights and values, as well as licenses to such rights and values	93,803	20,212	0	0	0	
Advance payments made	0	0	0	0	976	
	93,803	20,212	0	0	976	
Property, plant and equipment						
Land, leasehold rights and buildings, including buildings on third-party land	227,407	8,181	0	0	0	
Technical equipment and machinery	481.140	54,269	0	142	0	
Other equipment, factory and office equipment	94,373	8,827	0	0	0	
Payments on account and assets under construction	0	0	0	-142	469	
	802.920	71,277	0	0	469	
Financial assets						
Shares in affiliated companies	738	0	0	0	0	
Loans to affiliated companies	0	0	0	0	222	
Holdings	30th	0	30th	0	2,428	
Fixed asset securities	2,626	0	0	0	828	

	01/01/2018 T €	Additions T €	Accumulated depreciation		Unscheduled T €
			Write-up of T €	Transfer bookings T €	
Other loans	0	0	0	0	0
	3,394	0	30th	0	3,478
	900.117	91,489	30th	0	4,923
		Merger / accrual T €	Accumulated depreciation		December 31, 2018 T €
			Post-capitalization T €	Disposals T €	
Intangible assets					
Acquired concessions, industrial property rights and similar rights and values, as well as licenses to such rights and values		1,111	0	1,445	113,681
Advance payments made		0	0	976	0
		1,111	0	2,421	113,681
Property, plant and equipment					
Land, leasehold rights and buildings, including buildings on third-party land		0	0	0	235,588
Technical equipment and machinery		0	0	7,044	528,507
Other equipment, factory and office equipment		105	0	3,596	99,709
Payments on account and assets under construction		0	0	327	0
		105	0	10,967	863,804
Financial assets					
Shares in affiliated companies		0	0	0	738
Loans to affiliated companies		0	0	0	222
Holdings		0	0	0	2,428
Fixed asset securities		0	0	0	3,454
Other loans		0	0	0	0
		0	0	0	6,842
		1,216	0	13,388	984,327
Book values					
				December 31, 2018 T €	December 31, 2017 T €
Intangible assets					
Acquired concessions, industrial property rights and similar rights and values, as well as licenses to such rights and values				103,378	77,148
Advance payments made				78,856	97,729
				182,234	174,877
Property, plant and equipment					
Land, leasehold rights and buildings, including buildings on third-party land				188,811	191,430
Technical equipment and machinery				331,906	345,841
Other equipment, factory and office equipment				27,682	29,130
Payments on account and assets under construction				74,357	66,372
				622,756	632,773
Financial assets					
Shares in affiliated companies				805,966	809,924
Loans to affiliated companies				878,637	566,518
Holdings				418,728	410,532
Fixed asset securities				1,551	2,379
Other loans				1,300	842
				2,106,182	1,790,195
				2,911,172	2,597,845

SHAREHOLDINGS OF B. BRAUN MELSUNGEN AG AND THE GROUP

(AS OF 12/31/2018, AMOUNTS IN T €)

Name and seat of the company	Share of capital in% 1)	Equity	Result	Sales	Employees 6)
Germany					
0102 AESCULAP AG, Tuttlingen 2)	100.0	175,824	22,480	803,767	3,636
0179 AESCULAP AKADEMIE GMBH, Tuttlingen 2)	100.0	26	0	0	0
0108 AESCULAP INTERNATIONAL GMBH, Tuttlingen 2)	100.0	205,777	0	0	0
0180 AESCULAP SUHL GMBH, Suhl 2)	100.0	3,711	-16	13,806	110
0103 ALMO products E. Busch GmbH, Bad Arolsen	60.0	24,496	-843	62,979	382

Name and seat of the company	Share of capital in% 1)	Equity	Result	Sales	Employees 6)
0147 BBM Group Insurance Broker GmbH, Melsungen 2)	100.0	97	27	2,426	10
0742 B. Braun Outpatient Heart Center Kassel MVZ GmbH, Kassel 2)	94.0	25th	0	0	0
0189 B. Braun Avitum AG, Melsungen 2)	94.0	95,960	7,582	488,217	1.004
0155 B. Braun Avitum Saxonia GmbH, Radeberg 2)	94.0	15,983	1,264	105,882	957
0760 B. Braun Germany GmbH & Co. KG, Melsungen	98.0	30th	0	0	0
0171 B. Braun Facility Services GmbH & Co. KG, Melsungen	100.0	-3,160	-40	64	100
0172 B. Braun Facility Services Verwaltungs GmbH, Melsungen	100.0	34	1	0	0
0159 B. Braun IT Service GmbH, Melsungen 2)	100.0	-697	-26	0	2
0144 B. Braun Medical AG, Melsungen 2)	100.0	14,616	902	6,859	0
0758 B. Braun Miethke GmbH & Co. KG, Potsdam	75.1	959	-539	0	5
0759 B. Braun Miethke Verwaltungs GmbH, Potsdam	75.1	24	1	0	0
0120 B. Braun North America Verwaltungsgesellschaft mbH, Melsungen 2)	100.0	149,309	410	0	0
0142 B. Braun Petzold GmbH, Melsungen 2)	100.0	26	0	0	0
0755 B. Braun prolabor GmbH, Hilter aTW 2)	100.0	2,719	-245	14,570	106
0105 B. Braun Surgical GmbH, Melsungen 2)	100.0	154,428	17th	0	0
0157 B. Braun TravaCare GmbH, Hallbergmoos 2)	100.0	44	-3	38,260	63
0136 B. Braun Vertriebs GmbH, Melsungen 2)	100.0	24	0	0	0
0177 B. Braun Vet Care GmbH, Tuttlingen 2)	100.0	212	148	15,393	18th
0711 B. Braun via medis GmbH, Melsungen	94.0	-252	-4,158	192	7th
0146 Bibliomed Med. Verlagsges.mbH, Melsungen 2)	100.0	42	-1	6,688	0
0765 CeCaVa GmbH & Co. KG, Tuebingen	65.1	156	-119	0	0
0766 CeCaVa Verwaltungs GmbH, Tübingen	65.1	23	-2	0	0
0732 DTZ Dialyse Training Centers GmbH, Nuremberg 2)	94.0	36,946	-24	18,183	219
0737 DTZ Sigmaringen MVZ GmbH, Sigmaringen 2)	94.0	404	217	464	10
0709 Hansepharm GmbH & Co. KG, Roth	100.0	1,633	75	292	0
0734 Hubertus Immobilien Verwaltungs GmbH, Nuremberg	94.0	11	0	0	0
0702 Inko Internationale Handelskontor GmbH, Roth 2)	100.0	4,556	0	12,508	20th
0128 Invitec GmbH & Co. KG, Duisburg 2)	100.0	1,766	571	4,358	48
0127 Invitec Verwaltungs GmbH, Duisburg	100.0	23	1	0	0
0116 Kultur-Fabrik Melsungen GmbH & Co. Betriebs KG, Melsungen 3)	51.0	-8th	-21	72	2
0117 Kultur-Fabrik Melsungen Verwaltungs GmbH, Melsungen 3)	50.4	47	1	0	0
0175 Langenbeck-Virchow-Haus-Veranstaltungs GmbH, Berlin 3)	100.0	35	-5	724	2
0176 Langenbeck-Virchow-Haus-Verwaltung GmbH, Berlin 3)	50.8	204	103	720	0
0752 Lauer Membran Wassertechnik GmbH, Wittlingen	94.0	3,450	444	16,989	55
0731 medicut Stent Technology GmbH, Pforzheim	100.0	-2,227	-1,973	3,036	38
0717 Medical Supply Center ViaMedis Remscheid GmbH, Remscheid 2)	94.0	55	-4	2,007	19th
0726 MVZ Hagenow GmbH, Hagenow 2)	94.0	96	-70	1,690	21
0727 MVZ Ludwigslust GmbH, Ludwigslust 2)	94.0	142	-107	1,674	18th
0724 MVZ Medical Supply Center Saarbrücken GmbH, Saarbrücken 2)	94.0	2,482	-492	6,469	65
0728 MVZ Parchim GmbH, Parchim 2)	94.0	183	-144	2,215	25th
0729 MVZ Schwerin Ost GmbH, Schwerin 2)	94.0	43	4th	973	14th
0730 MVZ Schwerin West GmbH, Schwerin 2)	94.0	509	-395	7,387	112
0753 Neuroloop GmbH, Freiburg	60.2	7,013	-2,315	0	22nd
0169 Kidney Center Bad Kissingen MVZ GmbH, Bad Kissingen 2)	94.0	2,155	301	1,782	26
0130 Noah Beteiligungs GbR, Melsungen	100.0	1,682	0	0	0
0701 Nutrichem diät + pharma GmbH, Roth 2)	100.0	30,440	267	51,645	347

Name and seat of the company	Share of capital in% 1)	Equity	Result	Sales	Employees 6)
0152 Paul Müller Technical Products GmbH, Melsungen 2)	100.0	315	-20	9,331	41
0150 PNS Professional Nutrition Services GmbH, Melsungen 2)	100.0	316	21	2,780	17th
0143 PPC Project Planning & Consulting GmbH, Melsungen 2)	100.0	1,351	-5	2,454	21
0163 REVIUM Rückversicherung AG, Melsungen	100.0	19,823	3,039	4,627	0
0186 SteriLog GmbH, Tuttlingen	100.0	412	188	7,382	43
0192 TETEC Tissue Engineering Technologies AG, Reutlingen	92.5	-25,539	-5,397	9,306	92
0149 TransCare Gesundheitsservice GmbH, Melsungen 2)	100.0	-224	-63	0	0
0126 TransCare Service GmbH, Neuwied	100.0	1,520	-1,821	13,485	135
0710 Management company Hansepharm GmbH, Roth	100.0	69	0	0	0
0719 via medis Medical Supply Center Südharz GmbH, Herzberg am Harz 2)	94.0	393	-51	4,097	50
0738 via medis Kidney Center Bad Zwischenahn MVZ GmbH, Bad Zwischenahn 2)	94.0	254	184	1,061	13th
0712 via medis Kidney Center Braunschweig MVZ GmbH, Braunschweig 2)	94.0	416	-117	6,427	57
0713 via medis Kidney Center Bremerhaven MVZ GmbH, Bremerhaven 2)	94.0	143	-47	3,185	35
0714 via medis Kidney Center Bremerhaven-Speckenbüttel MVZ GmbH, Bremerhaven 2)	94.0	-705	381	1,674	26
0744 via medis Kidney Center Dresden MVZ GmbH, Dresden 2)	94.0	255	230	492	13th
0740 via medis Kidney Center Dudweiler MVZ GmbH, Saarbrücken-Dudweiler 2)	94.0	68	43	547	19th
0716 ViaMedis Kidney Center Gifhorn MVZ GmbH, Gifhorn 2)	94.0	307	-207	3,101	37
0739 via medis Kidney Center Neu-Ulm MVZ GmbH, Neu-Ulm 2)	94.0	25th	0	0	0
0723 via medis Kidney Center Oldenburg MVZ GmbH, Oldenburg 2)	94.0	1,568	502	3,294	32
0718 via medis Kidney Center Riesa MVZ GmbH, Riesa 2)	94.0	335	249	3,954	46
0721 via medis Kidney Center Südpfalz MVZ GmbH, Landau in der Pfalz 2)	94.0	2,698	1,206	4,730	52
0722 via medis Kidney Center Suhl MVZ GmbH, Suhl 2)	94.0	1,025	430	4,580	40
0741 via medis Kidney Center Shelf Company No. 5 MVZ GmbH, Nuremberg 2)	94.0	25th	0	0	0
0743 via medis Kidney Center Shelf Company No. 7 MVZ GmbH, Nuremberg 2)	94.0	25th	0	0	0
0736 via medis Kidney Center Wolfenbüttel MVZ GmbH, Wolfenbüttel 2)	94.0	1,714	835	2,724	29
Europe					
0248 ACC Beruhazo Kft., Budapest / Hungary	94.0	1,530	36	837	6th
0552 AESCULAP AKADEMIJA doo, Zagreb / Croatia	36.0	-10	3	0	0
0236 Aesculap Chifa Sp. Z oo, Nowy Tomyśl / Poland	98.9	130,542	10,547	178,499	2,189
0237 Aesculap SAS, Chaumont / France	100.0	12,205	725	14,243	120
0673 Aide au Traitement de l'Insuffisante Rénale en Rhône Alpes SAS, Gradignan / France	94.0	755	90	3,741	37
0670 ANDRA, Gradignan / France	94.0	244	-191	3,228	34
0648 Asociatia Aesculap Pentru Educatie, Remetea Mare / Romania	72.2	30th	-1	0	0
0659 ATS Italia Srl Milano / Italy	65.0	1,073	44	1,151	6th
0635 Avitum Srl, Timișoara / Romania	94.0	5,582	2,694	24,599	545
0650 B. Braun Adria doo, Zagreb / Croatia	36.0	13,220	3,083	16,153	36
0562 B. Braun Adria BH doo, Sarajevo / Bosnia-Herzegovina	36.0	1	1	0	0
0651 B. Braun Adria RSRB doo, Novi Beograd / Serbia	36.0	3,032	1,465	9,734	23

Name and seat of the company	Share of capital in% 1)	Equity	Result	Sales	Employees 6)
0220 B. Braun Austria Ges. MbH, Maria Enzersdorf / Austria	60.0	71,705	11,594	64,849	143
0566 B. Braun Avitum AB, Danderyd / Sweden	94.0	790	10	573	14th
0631 B. Braun Avitum Ankara Diyaliz Hizmetleri AS, Ankara / Turkey	94.0	-1,193	-563	806	27
0297 B. Braun Avitum Austerlitz sro, Slavkov and Brna / Czech Republic	93.7	1,632	-187	4,478	103
0283 B. Braun Avitum Austria Ges. MbH, Maria Enzersdorf / Austria	62.1	10.157	72	0	4th
0625 B. Braun Avitum Bulgaria EOOD, Sofia / Bulgaria	94.0	4th	0	0	0
0641 B. Braun Avitum Cedival SL, Valencia / Spain	96.4	1,846	154	1,656	21
0287 B. Braun Avitum Croatia doo, Zagreb / Croatia	94.0	768	0	0	0
0205 B. Braun Avitum Espana SA, Rubí / Spain	96.4	1,373	-1,218	0	11
0202 B. Braun Avitum France SAS, Gradignan / France	94.0	16,758	2,511	0	0
0241 B. Braun Avitum Hungary Egészségügyi Szolgáltató Zrt., Budapest / Hungary	94.0	20,411	848	30,643	706
0691 B. Braun Avitum Ireland Ltd., Dublin / Ireland	94.0	-273	-14	0	0
0231 B. Braun Avitum Italy SpA, Mirandola / Italy	94.0	36,981	5,319	78,039	365
0227 B. Braun Avitum Nefrovall SL, Vall D'Uixó / Spain	96.4	2,575	142	1,957	26
0680 B. Braun Avitum Oy, Helsinki / Finland	94.0	1,733	-842	2,871	31
0285 B. Braun Avitum Poland Sp.z oo, Nowy Tomyśl / Poland	95.1	12,056	1,394	34,106	574
0694 B. Braun Avitum Russia Clinics OOO, Saint Petersburg / Russia	94.0	4,287	-1,169	29,967	787
0687 B. Braun Avitum Russia OOO, Saint Petersburg / Russia	94.0	61,067	11,510	67,825	54
0207 B. Braun Avitum Servicios Renales SA, Rubí (Barcelona) / Spain	96.4	12,779	1,752	15,101	202
0636 B. Braun Avitum SRL, Timișoara / Romania	94.0	2,779	1,225	7,174	9
0286 B. Braun Avitum sro, Bratislava / Slovakia	93.7	2,345	831	16,059	248
0284 B. Braun Avitum sro, Prague / Czech Republic	93.7	5,410	-4,262	32,947	425
0267 B. Braun Avitum Turkey Sanayi Ticaret Anonim Şirketi, Ankara / Turkey	94.0	4,575	-54	4,848	17th
0684 B. Braun Avitum UAB, Vilnius / Lithuania	94.0	603	837	4,456	92
0683 B. Braun Avitum (UK) Ltd., Sheffield / England	94.0	3,402	-1,227	27,654	248
0565 B. Braun Avitum Unipessoal Lda., Queluz de Baixo / Portugal	94.0	3,126	3,121	267	1
0642 B. Braun Avitum Valnefron SL, Valencia / Spain	96.4	3,151	430	2,740	32
0235 B. Braun Healthcare Ltd., Sheffield / England	100.0	470	0	0	0
0265 B. Braun Hospicare Ltd., Co. Sligo / Ireland	100.0	-6,738	-7,526	11,067	117
0279 B. Braun Logistics SL, Santa Oliva / Tarragona / Spain	100.0	1,651	341	20,204	61
0252 B. Braun Medical AB, Danderyd / Sweden	100.0	2,757	1,181	50,668	59
0276 B. Braun Medical AG, Sempach / Switzerland	51.0	250,278	18,468	309,238	983
0223 B. Braun Medical A / S, Frederiksberg / Denmark	100.0	3,704	2,019	27,565	35
0214 B. Braun Medical A / S, Vestskogen / Norway	100.0	1,315	180	22,602	36
0211 B. Braun Medical BV, Oss / Netherlands	100.0	9,505	1,499	67,029	155
0626 B. Braun Medical EOOD, Sofia / Bulgaria	60.0	5,196	1,520	14,823	76
0201 B. Braun Medical International SL, Rubí / Spain	100.0	151,806	362	9,607	25th
0627 B. Braun Medical Kazakhstan LLP, Almaty / Kazakhstan	100.0	455	-297	4,497	46
0240 B. Braun Medical Kft., Budapest / Hungary	60.0	34,743	697	93,457	1,345
0257 B. Braun Medical Lda., Barcarena / Portugal	100.0	35,397	558	57,027	146
0299 B. Braun Medical LLC, Saint Petersburg / Russia	100.0	39,089	9,144	135,672	487
0213 B. Braun Medical Ltd., Dublin / Ireland	100.0	5,111	1,723	29,682	56
0288 B. Braun Medical Ltd., Sheffield / England	100.0	57,438	7,359	169,400	598
0219 B. Braun Medical NV, Diegem / Belgium	100.0	2,404	409	38,616	76
0242 B. Braun Medical OÜ, Tallinn / Estonia	100.0	1,667	146	6,941	25th
0222 B. Braun Medical Oy, Helsinki / Finland	100.0	5,109	3,272	42,730	52
0225 B. Braun Medical SA, Rubí / Spain	100.0	276,405	12,198	284,076	1,383

Name and seat of the company	Share of capital in% 1)	Equity	Result	Sales	Employees 6)
0209 B. Braun Medical SAS, Saint-Cloud / France	100.0	107,125	19,632	345,296	1,301
0243 B. Braun Medical SIA, Riga / Latvia	100.0	3,172	552	10,152	25th
0254 B. Braun Medical sro, Bratislava / Slovakia	70.0	9,770	1,208	26,961	31
0253 B. Braun Medical sro, Prague / Czech Republic	70.0	26,587	2,260	75,235	207
0244 B. Braun Medical UAB, Vilnius / Lithuania	100.0	1,137	215	5,572	14th
0629 B. Braun Medical Ukraine LLC, Kiev / Ukraine	100.0	1,472	451	7,640	51
0296 B. Braun Medikal Dis Ticaret AS, Sanyer Istanbul / Turkey	100.0	2,905	-1,211	28,695	139
0221 B. Braun Milano SpA, Milano / Italy	100.0	37,478	3,764	130,732	236
0638 B. Braun Pharmaceuticals SA, Timișoara / Romania	60.0	18,851	224	8,603	189
0612 B. Braun Sterilog (Birmingham) Ltd., Sheffield / England	100.0	-2,478	920	12,943	213
0611 B. Braun Sterilog Ltd., Sheffield / England	100.0	-10,990	-959	0	10
0613 B. Braun Sterilog (Yorkshire) Ltd., Sheffield / England	100.0	-2,598	654	8,925	152
0224 B. Braun Surgical SA, Rubí / Spain	100.0	152,954	11,771	193,692	957
0658 B. Braun Trading Kft., Budapest / Hungary	60.0	2,990	1,528	18,961	40
0640 B. Braun VetCare SA, Rubí / Spain	100.0	10,201	1,394	13,590	27
0692 B. Braun Wellstone Ltd., Dublin / Ireland	94.0	2,504	379	3,924	40
0675 Center de Néphrologie d'Antibes SAS, Gradignan / France	94.0	244	264	5,532	49
0663 Center d'Hémodialyse des Alpes SAS, Gradignan / France	94.0	397	120	5,286	52
0666 Center de Néphrologie de Châteauroux SAS, Gradignan / France	94.0	276	525	7,232	58
0669 Center de Néphrologie de Montargis SAS, Gradignan / France	94.0	410	174	6,124	49
0203 CIRAD SAS, Gradignan / France	94.0	808	640	5,776	41
0682 Dializes Centrs SIA, Jelgava / Latvia	94.0	300	102	928	12th
0668 Dialysis Services GIE, Gradignan / France	94.0	-179	128	0	34
0564 "Dialis MC" LCC, Saint Petersburg / Russia	94.0	6,671	-576	1,684	40
0652 "Dialysis Centers" Paracels ", Kingisepp / Russia	94.0	53	-12	453	23
0617 DMP International AG, Sempach / Switzerland	51.0	125	4th	0	0
0290 Downs Surgical Limited, Sheffield / England	100.0	1,561	0	0	0
0679 Dravis Sp. Z oo, Nowy Tomyśl / Poland	98.9	13th	0	0	0
0733 DTZ Dialyse Training Centers Austria GmbH, Nuremberg	62.1	5,627	268	5,020	49
0615 DZW AG, Urdorf / Switzerland	51.0	265	-94	6,134	37
0614 Elyse Gorinchem BV, Oss / Netherlands	51.0	-663	-297	434	0
0603 Elyse Holding BV, Oss / Netherlands	100.0	1,526	-871	3,738	42
0693 Gematek OOO, Saint Petersburg / Russia	100.0	14,567	1,467	11,548	225
0676 Hemo Holding BV, Oss / Netherlands	100.0	-1,135	104	268	0
0704 Inko Diet Food and Sports Goods Handelsgesellschaft mbH, Maria Enzersdorf / Austria	100.0	-449	-9	1,660	1
0707 Inko SAS, Saint-Cloud / France	100.0	-1,264	-669	2,103	5
0705 Inko Sports AG, Bubendorf / Switzerland	100.0	728	-211	2,217	8th
0556 LLC "BBN", Saint Petersburg / Russia	52.2	3,211	2,656	10,974	26
0696 LLC Dialysis Center "B. Braun Avitum Russia", Saint Petersburg / Russia	94.0	-594	-354	4,074	12th
0678 LLC "DIALIZ SP", Saint Petersburg / Russia	94.0	6,557	-337	2,911	77
0697 LLC MCP-Medicare, Saint Petersburg / Russia	94.0	3,548	-1,204	16,829	368
0654 LLC "Medical center of high technologies outpatient department Nr.1", Moscow / Russia	94.0	2,056	-243	4,096	79
0557 LLC "Nephros", Krasnodar / Russia	52.2	8,612	-1,788	17,371	335
0653 LLC "Tsentr Dializa", Chelyabinsk / Russia	94.0	919	-251	8,945	197
0604 Niercentrum Aan De Amstel BV (Nada), Amstelveen / Netherlands	50.0	2,299	215	2,598	0
0688 Ortopedicum Sp. zo.o., Kraków / Poland	98.9	6,229	-246	2,752	20th
0686 PDV Private Dialyse Vorarlberg GmbH, Nenzing / Austria	31.0	1,040	78	3,038	33
0295 Poliklinika za internu medicinu i dijalizu B. Braun Avitum, Zagreb / Croatia	47.9	247	4th	2,696	37
0250 Référence Santé SAS, Saint-Cloud / France	100.0	989	406	6,494	8th

Name and seat of the company	Share of capital in% 1)	Equity	Result	Sales	Employees 6)
0294 SC B. Braun Medical SRL, Remetea Mare / Romania	62.6	4,672	1,358	29,938	100
0674 SCI La Ligure, Gradignan / France	94.0	73	64	0	0
0672 SOC Franc Developpt Techniques Medi SAS, Gradignan / France	94.0	-382	-387	4,141	46
0661 Société Brestoise du Rein Artificiel SAS, Gradignan / France	94.0	42	-79	2,294	22nd
0607 SOP sro, Bratislava / Slovakia	93.7	42	-1	0	0
0270 SteriLog Instrumentenmanagement GmbH, Maria Enzersdorf / Austria	60.0	479	368	602	5
0274 SteriLog Sterilgutversorgung Luzern AG, Lucerne / Switzerland	40.2	673	200	4,752	35
0602 Stichting Elyse Klinieken, Oss / Netherlands	100.0	14th	12th	6,786	0
0639 Suturex & Renodex SAS, Sarlat / France	100.0	19,145	3,597	20,477	182
0568 IDTDR - Instituto de Diagnóstico e Tratamento de Doenças Renais, Lda., Matosinhos / Portugal	94.0	1,265	191	1,850	10
0569 Uninefro (Santo Tirso) - Sociedade Prestadora de Cuidados Médicos e de Diálise, SA, Santo Tirso / Portugal	94.0	1,803	489	2,883	13th
0567 Uninefro - Sociedade Prestadora de Cuidados Médicos e de Diálise de Guimarães, SA, Guimarães / Portugal	94.0	1,841	384	2,250	16
0570 Uninefro (Viseu) - Sociedade Prestadora de Cuidados Médicos e de Diálise, Lda., Viseu / Portugal	75.2	-361	-270	0	1
North America					
0333 Aesculap Biologics LLC, Center Valley / USA	95.5	1,327	-1,335	0	24
0331 Aesculap Inc., Center Valley / USA	95.5	126,619	15,472	207,405	500
0332 Aesculap Implant Systems LLC, Center Valley / USA	95.5	-40,209	-8,349	45,668	102
0347 AesDex LLC., Wilmington / USA	95.5	341	331	1,048	12th
0368 B. Braun CeGaT US LLC, Bethlehem / USA	62.8	5,223	-784	151	3
0328 B. Braun Interventional Systems Inc., Bethlehem / USA	95.5	39,469	6,952	39,754	49
0329 B. Braun Medical Inc., Bethlehem / USA	95.5	530,449	43,840	1,115,677	5,864
0305 B. Braun of America Inc., Bethlehem / USA	95.5	63,628	284	0	0
0367 B. Braun of Canada Ltd., Mississauga / Canada	95.5	3,880	625	18,583	19th
0365 B. Braun of Delaware Inc., Wilmington / USA	95.5	-8th	-44	0	0
0360 Central Admixture Pharmacy Services Inc., Santa Fe Springs / USA	95.5	131,366	24,826	230,524	660
0327 SAFE bt, Inc., Wilmington / USA	95.5	-38	0	0	0
0369 Sterinova Inc., Saint-Hyacinthe Qc / Canada	79.8	13,336	-11,420	2,345	64
Asia Pacific					
0438 Aesculap Academy (Suzhou) Co., Ltd., Suzhou / China	100.0	98	55	4,240	9
0435 AESCULAP SCIENTIFIC TOOLS SDN. BHD., Pulau Pinang / Malaysia	100.0	30th	-1	0	0
0436 AESCULAP SURGICAL INDUSTRIES SDN. BHD., Pulau Pinang / Malaysia	100.0	43	-1	0	0
0472 Ahlcon Parenterals (India) Limited., New Delhi / India	96.1	3,028	-2,341	19,562	881
0421 Anqing Bingfeng Hospital Co., Ltd., Anqing City / China	65.8	876	-289	4,536	129
0461 B. Braun Aesculap Japan Co. Ltd., Tokyo / Japan	100.0	58,513	4,894	131,839	591
0458 B. Braun Australia Pty. Ltd., Sydney / Australia	100.0	17,517	1,042	63,265	117
0455 B. Braun Avitum Australia Pty Ltd, Sydney / Australia	94.0	2,069	-372	3,324	55
0418 B. Braun Avitum Holdings Singapore Pte. Ltd., Singapore / Singapore	94.0	-260	-53	501	6th
0492 B. Braun Avitum Korea Co., Ltd., Seoul / Korea	94.0	64	5	60	0
0456 B. Braun Avitum New Zealand Limited, Auckland / New Zealand	94.0	1,601	-301	1,360	22nd
0462 B. Braun Avitum Philippines Inc., Taguig City / Philippines	100.0	15,822	3,314	42,073	365
0411 B. Braun Avitum Renal Services Sdn. Bhd., Petaling Jaya / Malaysia	100.0	3,826	336	2,127	59

Name and seat of the company	Share of capital in% 1)	Equity	Result	Sales	Employees 6)
0488 B. Braun Avitum (Shanghai) Trading Co. Ltd., Shanghai / China	94.0	21,102	8,729	148,040	344
0489 B. Braun (China) Investment Co., Ltd., Shanghai / China	100.0	22,085	-1,127	0	0
0478 B. Braun Korea Co. Ltd., Seoul / Republic of Korea	100.0	17,114	2,113	79,233	140
0491 B. Braun Lanka (Private) Limited, Colombo / Sri Lanka	100.0	2,468	417	5,792	39
0459 B. Braun Medical (HK) Ltd., Hong Kong / China	100.0	54,832	12,167	85,752	32
0475 B. Braun Medical (India) Pvt. Ltd., Mumbai / India	100.0	16,476	-3,104	60,784	931
0407 B. Braun Medical Industries Sdn. Bhd., Pulau Pinang / Malaysia	100.0	578,385	48,301	493,105	7,723
0483 B. Braun Medical Production Ltd., Bangkok / Thailand	100.0	127	-21	0	0
0493 B. Braun Medical (Shandong) Co., Ltd., Zibo (Shandong) / China	100.0	11,764	-1,728	8,302	120
0486 B. Braun Medical (Shanghai) International Trading Co. Ltd., Shanghai / China	100.0	36,890	17,243	263,991	1,095
0460 B. Braun Medical Supplies Inc., Taguig City / Philippines	100.0	15,090	3,605	30,100	180
0408 B. Braun Medical Supplies Sdn. Bhd., Petaling Jaya / Malaysia	100.0	30,287	854	46,073	161
0487 B. Braun Medical (Suzhou) Company Limited, Suzhou / China	100.0	20,831	5,379	53,319	485
0466 B. Braun Needle Industries Sdn. Bhd., Pulau Pinang / Malaysia	100.0	107	58	0	0
0457 B. Braun New Zealand Pty. Ltd., Auckland / New Zealand	100.0	720	55	3,659	5
0479 B. Braun Pakistan (Private) Ltd., Karachi / Pakistan	100.0	-2,364	-2,632	19,761	131
0465 B. Braun Pharmaceutical Industries Sdn. Bhd., Pulau Pinang / Malaysia	100.0	-2,471	-1	0	0
0467 B. Braun Precision Engineering Sdn. Bhd., Pulau Pinang / Malaysia	100.0	4,715	-1	0	0
0422 B. Braun Precision Medicine Technology (Shanghai) Ltd., Shanghai / China	100.0	-35	-39	15th	0
0490 B. Braun Singapore Holdings Pte. Ltd., Singapore / Singapore	100.0	3,397	-4	0	0
0476 B. Braun Singapore Pte. Ltd., Singapore / Singapore	100.0	62,215	1,760	26,642	49
0410 B. Braun Surgical Sdn. Bhd., Pulau Pinang / Malaysia	100.0	44	-1	0	0
0477 B. Braun Taiwan Co. Ltd., Taipei / Taiwan	100.0	5,149	1,708	22,540	46
0482 B. Braun (Thailand) Ltd., Bangkok / Thailand	100.0	14,237	1,682	33,576	142
0481 B. Braun Vietnam Co. Ltd., Hanoi / Vietnam	100.0	72,329	9,466	88,951	1,264
0413 Harmoni Dialysis Sdn. Bhd., Petaling Jaya / Malaysia	100.0	1,080	287	1,735	39
0442 Lauer Limited Hong Kong, Hong Kong / China	51.0	378	0	0	0
0474 Oyster Medisafe Private Ltd., Telangana / India	78.5	-6,732	-3,402	5,721	329
0409 Promedipharma Sdn. Bhd., Pulau Pinang / Malaysia	100.0	26	-3	0	0
0484 PT. B. Braun Medical Indonesia, Jakarta / Indonesia	99.0	64,344	-5,644	50,883	514
0494 PT. B. Braun Pharmaceutical Indonesia, Jakarta / Indonesia	84.2	-6,783	-3,847	0	152
0419 Renal-Link Sdn. Bhd., Petaling Jaya / Malaysia	30.0	684	90	470	12th
0498 Shanghai B. Braun Avitum Hospital Management Co. Ltd., Shanghai / China	94.0	2,227	-60	11	0
0497 Siam Tai Tiem Sam Pun Co., Ltd., Bangkok / Thailand	46.1	11	-36	0	0
0416 Smart Care Dialysis Sdn. Bhd., Petaling Jaya / Malaysia	100.0	460	118	845	18th
0439 Sututex & Renodex International Ltd., Samutprakan / Thailand	100.0	3,354	584	3,861	124
0496 Teparak Medical Center Co. Ltd., Samutprakan / Thailand	69.5	537	40	1,039	24

Name and seat of the company	Share of capital in% 1)	Equity	Result	Sales	Employees 6)
0463 Therapy Management Services Phils, Inc., Taguig City / Philippines	100.0	1,466	187	3,749	109
0415 TransCare Healthservices Malaysia Sdn. Bhd., Petaling Jaya / Malaysia	60.0	-1,078	-406	43	7th
Latin America					
0345 Aesculap Academy SpA, San Bernardo / Chile	86.1	-21	12th	0	0
0335 B. Braun Aesculap de México SA DE CV, Mun. Santa Cruz Atizapán / Mexico	100.0	16,375	3,577	30,326	275
0341 B. Braun Medical Central America & Caribe SA de CV, San Salvador / El Salvador	51.0	693	121	3,509	45
0336 B. Braun Medical de México SAPI. DE CV, Mun. Santa Cruz Atizapán / Mexico	100.0	4,779	1,637	18,971	53
0339 B. Braun Medical International Paraguay SA, Mariano Roque Alonso / Paraguay	100.0	3,573	15th	91	0
0337 B. Braun Medical Paraguay SA, Mariano Roque Alonso / Paraguay	100.0	4,759	32	7,608	65
0324 B. Braun Medical Peru SA, Lima / Peru	100.0	18,411	423	30,673	453
0323 B. Braun Medical SA, Bogotá / Colombia	100.0	10,808	1,104	37,135	261
0307 B. Braun Medical SA, Buenos Aires / Argentina	100.0	-834	-10,720	31,433	324
0325 B. Braun Medical SA, Quito / Ecuador	100.0	14,928	570	24,442	122
0322 B. Braun Medical SpA, Santiago de Chile / Chile	86.1	11,245	2,848	49,675	168
0346 B. Braun Surgical SAS, Mosquera / Colombia	100.0	299	-384	5,244	94
0338 Centro de Dialisis, Quito / Ecuador	60.0	690	54	889	12th
0342 Dialy Ser SAS, Bogotá / Colombia	94.0	1,304	149	15,457	245
0306 Laboratorios B. Braun SA, São Gonçalo / Brazil	100.0	121,408	1,621	152,117	1,447
Africa and Middle East					
0502 B. Braun Avitum (Pty) Ltd., Johannesburg / South Africa	100.0	3,624	1,227	13,023	330
0624 B. Braun Medical Gulf FZ-LLC, Dubai / United Arab Emirates	100.0	381	-34	493	9
0515 B. Braun Medical Kenya Ltd., Nairobi / Kenya	100.0	92	41	1,060	10
0501 B. Braun Medical (Pty) Ltd., Johannesburg / South Africa	100.0	5,960	-395	53,240	322
0505 B. Braun Medical Products (Pty) Ltd., Johannesburg / South Africa	100.0	-530	228	3,737	122
0506 B Braun Medical Zambia Limited, Lusaka / Zambia	74.0	-73	-49	15th	0
0516 B BRAUN PHARMACEUTICALS EPZ LTD., Nairobi / Kenya	100.0	500	-14	0	0
0504 B. Braun Zimbabwe (Pvt) Ltd., Harare / Zimbabwe	75.0	570	325	1,789	10
0503 E. Owen and Partners, Johannesburg / South Africa	100.0	-126	-205	20,714	14th
REMAINING SHARES					
Germany					
0138 AXIOS 3D Services GmbH, Oldenburg 4)	30.0	54	12th	697	7th
0129 CeGaT GmbH, Tübingen 4)	30.0	12,004	1,195	16,172	69
0134 Christoph Miethke GmbH & Co. KG, Potsdam 4)	24.9	6,465	3,660	17,155	171
0135 Christoph Miethke Verwaltungs GmbH, Potsdam 4)	24.9	30th	0	0	1
0151 DESOTEC GmbH special machine construction, Winnenden-Hertmannsweiler 4)	56.5	728	375	12,279	50
0148 Diomedes GmbH, Melsungen 4)	25.0	246	39	837	5
0119 Findos Investor Fund I GmbH & Co. KG, Munich 3)	16.7	-	-	-	-
0199 Findos Investor Fund II GmbH & Co. KG, Munich 3)	16.7	-	-	-	-
0767 Findos Investor Fund III GmbH & Co. KG, Munich 3)	16.7	-	-	-	-
0118 GINo Gesellschaft für Innovation Nordhessen mbH, Kassel 3) 5)	50.0	-	-	-	-
0756 INTERMEDT Medizin & Technik GmbH, Ostrhauderfehn 4)	23.5	1,595	480	5,500	19th
0750 ISYMED Society for Innovative Systems in Medicine mbH, Butzbach 4)	46.1	616	47	2,921	16

Name and seat of the company	Share of capital in% 1)	Equity	Result	Sales	Employees 6)
0187 Medical Service und Logistik GmbH, Recklinghausen 4)	50.0	466	38	466	8th
0115 Residenz-Hotel-Tagungszentrum Kassel GmbH, Kassel 3)	14.1	-	-	-	-
0114 Residenz-Hotel-Tagungszentrum Kassel GmbH & Co. Investitions KG, Kassel 3)	14.1	-	-	-	-
0799 RHÖN-KLINIKUM AG, Bad Neustadt an der Saale 4) 7)	25.2	1,155,909	47,560	928,498	16,829
0196 Schölly Fiberoptic GmbH, Denzlingen 4)	28.0	34,403	11,474	145,904	375
0109 Tuttlinger Wohnbau GmbH, Tuttlingen 3)	13.3	-	-	-	-
0184 ukb-AESCULAP InstrumentenManagement GmbH, Berlin 4)	49.0	98	43	3,667	61
0113 Housing Association of the City of Melsungen mbH, Melsungen 3)	29.8	-	-	-	-
Europe					
0217 Investment and Financing AG, Sempach / Switzerland 4)	50.0	1,064	-54	554	0
0249 Babolat VS, Lyon / France 4)	33.3	70,408	5,012	119,337	210
0563 B-PACK SpA, San Pietro Mosezzo (NO) / Italy 4)	25.0	11,522	745	41,200	74
0550 Cabinet néphrologique Dr. Schiele et Dr. Schmid, Forbach / France 4)	23.5	70	9	116	4th
0685 Medical device preparation Vorarlberg GmbH, Rankweil / Austria 4)	29.4	1,562	269	3,700	43
0698 MPAT medical product preparation Tirol GmbH, Zirl / Austria 4)	29.4	146	55	4,804	41
0232 Pigreco Omnia Salus Srl, Rome / Italy 3) 5)	32.9	1,442	459	2,854	12th
0272 SLI Sterilgut Logistik und Instrumentenmanagement GmbH, Wels / Austria 4)	25.8	2,529	713	6,150	91
0677 SteriNoord BV, Groningen / Netherlands 3)	33.0	-	-	-	-
0558 WPM Wund Pflege Management GmbH, Bad Pirawarth / Austria 4)	30.0	-47	-191	660	9
0555 270 Vision Limited, Winchester / England 4)	29.5	-776	-815	115	3
Asia Pacific					
0417 Nurses At Home Sdn. Bhd., Petaling Jaya / Malaysia 4)	18.0	19th	-15	385	21
0420 Trendlines Medical Singapore Pte. Ltd., Singapore / Singapore 4)	20.0	1,388	-367	0	5
0441 XINHUA SURGICAL INSTRUMENTS CO. LTD., Shandong / China 4)	40.0	11,738	341	21,798	448
Africa and Middle East					
0561 Fidmi Medical Ltd., Misgav / Israel 3)	19.5	-	-	-	-

The amounts in the national currency of the foreign companies were converted using the average rate on December 31, 2018 or the average rate for the reporting year

1) Calculated share

2) Companies with profit and loss transfer agreements

3) Unconsolidated

4) Consolidated at equity

5) Associated companies

6) average

7) Values from the published Q3 interim report

INDEPENDENT AUDITOR'S REPORT

To B. Braun Melsungen Aktiengesellschaft, Melsungen

Examination Opinions

We have prepared the annual financial statements of B. Braun Melsungen Aktiengesellschaft, Melsungen, - consisting of the balance sheet as of December 31, 2018 and the income statement for the financial year from January 1, 2018 to December 31, 2018 as well as the notes, including the presentation of accounting and valuation methods - checked. In addition, we have audited the management report of B. Braun Melsungen Aktiengesellschaft for the financial year from January 1, 2018 to December 31, 2018. We have not checked the content of the declaration on corporate governance in accordance with Section 289f (4) of the German Commercial Code (information on the quota of women) in accordance with German legal regulations.

In our opinion, based on the knowledge gained during the audit

- the attached annual financial statements comply in all material respects with German commercial law regulations and, in compliance with German generally accepted accounting principles, give a true and fair view of the company's assets and financial position as of December 31, 2018, as well as its earnings position for the financial year from January 1, 2018 until December 31, 2018 and
- the attached management report gives an overall accurate picture of the company's position. In all material respects, this management report is consistent with

the annual financial statements, complies with German legal requirements and accurately presents the opportunities and risks of future development. Our audit opinion on the management report does not cover the content of the above-mentioned corporate governance statement.

In accordance with Section 322, Paragraph 3, Clause 1 of the German Commercial Code (HGB), we declare that our audit has not led to any objections to the correctness of the annual financial statements and the management report.

Basis for the examination results

We carried out our audit of the annual financial statements and the management report in accordance with Section 317 of the German Commercial Code (HGB) and in compliance with the generally accepted German auditing principles established by the Institute of Auditors (IDW). Our responsibility under these regulations and principles is further described in the section "Responsibility of the auditor for the audit of the annual financial statements and the management report" of our auditor's report. We are independent of the company in accordance with German commercial and professional regulations and have fulfilled our other German professional obligations in accordance with these requirements.

Other Information

The legal representatives are responsible for the other information. The other information includes the declaration on corporate governance obtained by us prior to the date of this auditor's report in accordance with Section 289f (4) of the German Commercial Code (information on the quota of women).

Our audit opinions on the annual financial statements and the management report do not cover the other information and accordingly we do not issue an audit opinion or any other form of audit conclusion on them.

In connection with our audit, it is our responsibility to read the other information and, in doing so, to assess whether the other information

- have material inconsistencies with the annual financial statements, the management report or our knowledge obtained during the audit, or
- otherwise appear materially misrepresented.

Responsibility of the legal representatives and the supervisory board for the annual financial statements and the management report

The legal representatives are responsible for the preparation of the annual financial statements, which comply with the German commercial law in all essential respects, and for ensuring that the annual financial statements give a true and fair view of the assets, financial and earnings position of the in compliance with the German principles of proper bookkeeping Society mediates. Furthermore, the legal representatives are responsible for the internal controls that they have determined to be necessary in accordance with the German principles of proper accounting to enable the preparation of the annual financial statements,

When preparing the annual financial statements, the legal representatives are responsible for assessing the company's ability to continue business operations. They are also responsible for disclosing issues relating to the going concern of the company, if relevant. In addition, they are responsible for accounting for the going concern basis of accounting, unless actual or legal circumstances conflict with this.

In addition, the legal representatives are responsible for the preparation of the management report, which as a whole provides an accurate picture of the company's position and is consistent with the annual financial statements in all material respects, complies with German legal requirements and accurately presents the opportunities and risks of future development. Furthermore, the legal representatives are responsible for the precautions and measures (systems) that they have considered necessary to enable the preparation of a management report in accordance with the applicable German legal regulations,

The Supervisory Board is responsible for monitoring the company's accounting process for the preparation of the annual financial statements and the management report.

Auditor's responsibility for the audit of the annual financial statements and the management report

Our objective is to obtain sufficient certainty as to whether the annual financial statements as a whole are free from material - intentional or unintentional - misrepresentation, and whether the management report as a whole gives an accurate picture of the company's position and, in all material matters, with the annual financial statements and is in line with the knowledge gained during the audit, complies with German legal regulations and correctly presents the opportunities and risks of future development, as well as issuing an auditor's report that includes our audit opinions on the annual financial statements and the management report.

Adequate security is a high level of security, but no guarantee that an audit carried out in accordance with Section 317 of the German Commercial Code (HGB) and in compliance with the German principles of proper auditing established by the Institute of Auditors (IDW) will always reveal a material misrepresentation.

Misrepresentations can result from violations or inaccuracies and are regarded as material if it could reasonably be expected that they individually or collectively influence the economic decisions of the addressees made on the basis of these annual financial statements and management report.

During the examination, we exercise due discretion and maintain a critical attitude. Furthermore

- we identify and assess the risks of material - intentional or unintentional - misrepresentations in the annual financial statements and the management report, plan and carry out audit procedures in response to these risks and obtain audit evidence that is sufficient and suitable to serve as a basis for our audit opinions. The risk that material misrepresentations are not detected is higher in the case of violations than inaccuracies, since violations can involve fraudulent cooperation, falsifications, intentional incompleteness, misleading representations or the overriding of internal controls.
- we gain an understanding of the internal control system relevant to the audit of the annual financial statements and the precautions and measures relevant to the audit of the management report in order to plan audit procedures that are appropriate under the given circumstances, but not with the aim of providing an audit opinion on the effectiveness of these Systems of society.
- we assess the appropriateness of the accounting methods used by the legal representatives as well as the acceptability of the estimated values presented by the legal representatives and the related information.
- we draw conclusions about the appropriateness of the going concern accounting principle applied by the legal representatives and, on the basis of the audit evidence obtained, whether there is any material uncertainty in connection with events or circumstances, the significant doubts about the company's ability to continue as a going concern can raise. If we come to the conclusion that there is material uncertainty, we are obliged to draw attention to the relevant information in the annual financial statements and in the management report in the auditor's report or, if this information is inappropriate, to modify our respective audit opinion. We draw our conclusions based on the audit evidence obtained up to the date of our auditor's report. Future events or circumstances can, however, mean that the company can no longer continue its business activities.
- We assess the overall presentation, structure and content of the annual financial statements, including the information, as well as whether the annual financial statements represent the underlying business transactions and events in such a way that the annual financial statements, in compliance with German generally accepted accounting principles, provide a true and fair view of the asset, financial and the company's earnings.
- we assess the consistency of the management report with the annual financial statements, its compliance with the law and the picture it provides of the company's position.
- we perform audit procedures on the future-oriented information presented by the legal representatives in the management report. On the basis of sufficient, suitable audit evidence, we particularly review the significant assumptions on which the future-oriented information is based on the legal representatives and assess the appropriate derivation of the future-oriented information from these assumptions. We do not issue an independent audit opinion on the future-oriented information or the underlying assumptions. There is a significant unavoidable risk

Among other things, we discuss with those responsible for monitoring the planned scope and timing of the audit as well as significant audit findings, including any deficiencies in the internal control system that we discover during our audit.

Kassel, February 25, 2019

PricewaterhouseCoopers GmbH
auditing company

*Michael Conrad, auditor**ppa. Oliver Böhm, auditor*

Supervisory Board Report

The Supervisory Board of B. Braun Melsungen AG performed the duties incumbent on it according to the law, the articles of association and the rules of procedure, and accompanied and monitored the management in an advisory capacity.

In four regular meetings, the Management Board informed the Supervisory Board about the company's current business development, its financial status and major investment projects.

Special topics of the supervisory board deliberations were reports on ongoing major projects, the current status of investments and cost structures, the presentation of the strategy and innovations of the Aesculap division and the cooperation with start-ups. An overview of investments over the past five years was also given, strategies for acquisitions and preparation for Brexit in Great Britain were discussed, and the development of the Hospital Care Core products was presented. The Supervisory Board also received the 2017 personnel report. The Supervisory Board discussed and approved the 2018 earnings forecast and discussed transactions requiring approval in accordance with the Articles of Association.

In addition, the chairman of the supervisory board regularly exchanged information and ideas with the chairman of the management board about key business developments in the company and the group as well as upcoming decisions.

This year, too, the Supervisory Board carried out an efficiency review on a voluntary basis. This self-evaluation carried out by the Supervisory Board showed that the Supervisory Board is efficiently organized and that the cooperation between the Management Board and the Supervisory Board is assessed as very good.

The subject of the two consultations of the Audit Committee were in particular the 2018 annual and consolidated financial statements of B. Braun Melsungen AG prepared by the Management Board, the current business development and the processing of audit findings. The annual report of the internal auditing department on the audits carried out as well as the audit plan and its focal points were also discussed. The Audit Committee also received the compliance report from B. Braun Melsungen AG and the risk report from the Executive Board. The planning of the annual audit was also presented. The Audit Committee reported on these topics at the Supervisory Board meetings and made its recommendations.

The Personnel Committee of the Supervisory Board met four times in 2018. In its meeting on March 20, 2018, it proposed to the Supervisory Board the allocation of profit participation rights to the members of the Management Board under the B. Braun Incentive Scheme as well as a resolution on the target agreements of the individual Management Board members. The Supervisory Board approved the allocation and the resolution at its meeting on March 20, 2018. In its meeting on July 10, 2018, the Personnel Committee approved the reappointments of Ms. Anna Maria Braun and Ms. Dr. Annette Beller recommended as a full board member until March 31, 2024; the Supervisory Board followed this recommendation in its next meeting. At its meeting on October 18, 2018, the Personnel Committee presented the Supervisory Board with the reappointment of Prof. Dr. Propose Heinz-Walter Große as a full board member as well as chairman and labor director by March 31, 2019. At this meeting, the Personnel Committee also recommended that the Supervisory Board appoint Ms. Anna Maria Braun as CEO and Labor Director for the duration of her appointment as of April 1, 2019; the Supervisory Board passed the resolutions accordingly in its subsequent meeting and confirmed the appointments. In particular, discussions on general HR issues were additional components of the 2018 Personnel Committee meetings.

The annual financial statements prepared by the Management Board and the management report for the 2018 financial year of B. Braun Melsungen AG, the consolidated financial statements and the group management report have been audited by PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Kassel, which was appointed auditor at the Annual General Meeting on March 20, 2018. The auditor did not raise any objections and gave an unqualified audit certificate.

The auditor took part in the deliberations of the Supervisory Board and the Audit Committee on the annual financial statements and the consolidated financial statements and reported on the main results of his audit. The examination of the annual financial statements, the management report and the proposal for the appropriation of the balance sheet profit of B. Braun Melsungen AG as well as the consolidated financial statements and the group management report by the Supervisory Board does not give rise to any objections in accordance with the results of the audit reports. We have therefore approved the annual financial statements prepared by the Management Board, which are thus adopted in accordance with Section 172 of the German Stock Corporation Act.

The supervisory board agrees with the management board's proposal for the appropriation of the balance sheet result.

In accordance with Section 312 of the German Stock Corporation Act, the Management Board has prepared a report on relationships with affiliated companies for the 2018 financial year. The Supervisory Board examined this report; There were no complaints. The auditor examined the report and issued the following audit certificate in each case:

"After our dutiful examination and assessment, we confirm that

1. the factual information in the report is correct,
2. The company's performance in the legal transactions listed in the report was not inappropriately high. "

The Supervisory Board agrees with the result of the auditor's examination. After the final result of the examination by the Supervisory Board, there are no objections to be raised against the final declaration of the Management Board contained in the report.

The Supervisory Board would like to thank the Management Board for the good and successful cooperation and the employees of the B. Braun Group for their services in the reporting period.

Melsungen, March 2019

The board of directors

Our Annual General Meeting on March 19, 2019 decided, in accordance with the proposal for the appropriation of the result, to use the net profit for the 2018 financial year in the amount of € 114,465,040.99 as follows:

a) Distribution to the shareholders	€ 33,000,000.00
b) Allocation to retained earnings	0.00 €
c) Profit carried forward	€ 81,465,040.99
	114,465,040.99 €

The annual financial statements as of December 31, 2018 were adopted on March 19, 2019.

