

Second Quarter Overall Net Sales
\$702.1M | ↓ 6.9%

Diluted Earnings Per Share: \$1.51
Adjusted Diluted Earnings Per Share: \$1.52



“The second quarter continued to be impacted by an elevated level of customer destocking. While the results were below our expectations, we were encouraged to see our second-quarter revenues increase sequentially. Our outlook anticipates that revenues in the second half of the year will be stronger than the first half. Based on our confirmed order book and ongoing customer conversations, we remain confident in a return to organic growth in the fourth quarter and as we move into 2025. We see considerable growth opportunity in the markets we serve, and our investments position us to create continued value for our customers, patients and shareholders well into the future.”

Eric M. Green
President and Chief Executive Officer
Chair of the Board
West Pharmaceutical Services, Inc.

Cautionary Statement Under the Private Securities Litigation Reform Act of 1995

This presentation and any accompanying management commentary contain “forward-looking statements” as that term is defined in the Private Securities Litigation Reform Act of 1995. Such statements include, but are not limited to, statements about product development and operational performance. Each of these statements is based on preliminary information, and actual results could differ from any preliminary estimates. We caution investors that the risk factors listed under “Cautionary Statement” in our press releases, as well as those set forth under the caption “Risk Factors” in our most recent Annual Report on Form 10-K as filed with the Securities and Exchange Commission and as revised or supplemented by our quarterly reports on Form 10-Q, could cause our actual results to differ materially from those estimated or predicted in the forward-looking statements. You should evaluate any statement in light of these important factors. Except as required by law or regulation, we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, therefore you should not rely on these forward-looking statements as representing our views as of any date other than today.

Non-U.S. GAAP Financial Measures

Certain financial measures included in these presentation materials, or which may be referred to in management’s discussion of the Company’s results and outlook, have not been calculated in accordance with U.S. generally accepted accounting principles (“U.S. GAAP”), and therefore are referred to as non-U.S. GAAP financial measures. Non-U.S. GAAP financial measures should not be considered in isolation or as an alternative to such measures determined in accordance with U.S. GAAP. Please refer to “Reconciliation of Non-U.S. GAAP Financial Measures” at the end of these materials for more information.



West Pharmaceutical Services, Inc.

Eric M. Green

President & CEO, Chair of the Board

Bernard J. Birkett

Senior VP & Chief Financial Officer

Second-Quarter Results 2024 Analyst Conference Call
9 a.m. Eastern Time | July 25, 2024



West Analyst Conference Call

9 a.m. Eastern Time

July 25, 2024

A webcast of today's call can be accessed in the "Investors" section of the Company's website: www.westpharma.com

To participate on the call by asking questions to Management, please register in advance at:

<https://register.vevent.com/register/BI65b499bd72824ead9276941b4fa490f6>

Upon registration, all telephone participants will receive the dial-in number along with a unique PIN number that will be used to access the call.

A replay of the conference call and webcast will be available on the Company's website for 30 days.

These presentation materials are intended to accompany today's press release announcing the Company's results for the second quarter 2024 and management's discussion of those results during today's conference call.

Safe Harbor Statement

Cautionary Statement Under the Private Securities Litigation Reform Act of 1995

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We caution investors that the risk factors listed under our “Forward Looking Statements” in our press releases, as well as those set forth under the caption “Risk Factors” in our most recent Annual Report on Form 10-K as filed with the Securities and Exchange Commission and as revised or supplemented by our quarterly reports on Form 10-Q, could cause our actual results to differ materially from those estimated or predicted in the forward-looking statements. You should evaluate any statement in light of these important factors. Except as required by law or regulation, we undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise, therefore you should not rely on these forward-looking statements as representing our views as of any date other than today.

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Trademarks

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Daikyo Crystal Zenith® and Daikyo CZ® are registered trademarks of Daikyo Seiko, Ltd. Daikyo Crystal Zenith technologies are licensed from Daikyo Seiko, Ltd.

Financial Highlights



- Second quarter 2024 net sales of \$702.1 million declined 6.9%; organic net sales also declined by 5.9%
- Second quarter 2024 reported-diluted EPS of \$1.51 compared to \$2.06 in the same period last year; adjusted-diluted EPS of \$1.52 compared to \$2.11 in the same period last year



Our growth drivers have us positioned well for the future



**MARKET LEADER IN
CONTAINMENT &
DELIVERY OF INJECTABLE
MEDICINES**



**STRONG LEADERSHIP
POSITION IN BIOLOGICS**



**FOCUSED INVESTMENTS IN
HVP COMPONENTS,
INTEGRATED SYSTEMS &
DEVICES**

Capital investments to support future growth

Increasing capacity to meet growing demand for our
Proprietary Products and Contract Manufacturing segments



CM Expansion Progress

Kinston – Completed Q2 2024



HVP Expansion Progress

Grand Rapids – Completed Q2 2024



Jersey Shore



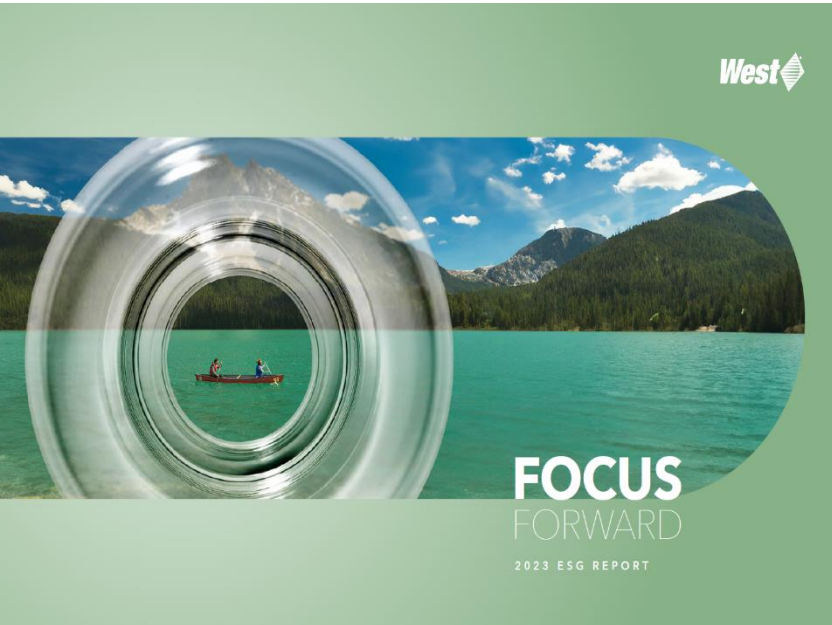
Eschweiler



Dublin



Creating a healthier environment through our sustainability efforts



ESG report published in June 2024

ESG Priorities



Newsweek
2024 America's Most
Responsible Companies



Second-Quarter 2024 Summary Results

(\$ millions, except earnings-per-share (EPS) data)



	Three Months Ended June 30,	
	2024	2023
Reported Net Sales	\$702.1	\$753.8
Gross Profit Margin	32.8%	38.7%
Reported Operating Profit	\$126.2	\$182.5
Adjusted Operating Profit ⁽¹⁾	\$126.4	\$185.0
Reported Operating Profit Margin	18.0%	24.2%
Adjusted Operating Profit Margin ⁽¹⁾	18.0%	24.5%
Reported-Diluted EPS	\$1.51	\$2.06
Adjusted-Diluted EPS ⁽¹⁾	\$1.52	\$2.11

(1) “Adjusted Operating Profit,” “Adjusted Operating Profit Margin” and “Adjusted-Diluted EPS” are Non-U.S. GAAP financial measures. See accompanying slides and the discussion under the heading “Non-U.S. GAAP Financial Measures” in today’s press release for an explanation and reconciliation of these items.

Second-Quarter 2024

Organic Net Sales



Overall Organic Net Sales Decline: 5.9% (Q2 2024)

Proprietary Products Q2 2024 organic net sales decreased by 8.4% primarily driven by destocking of high-value products.

BIOLOGICS

(Mid-Single Digit)

Organic sales decline driven by lower sales in Daikyo CZ® and Westar® products

GENERIC

(Double Digit)

Organic sales decline driven by lower volumes in FluroTec® and Westar® products

PHARMA

(Low-Single Digit)

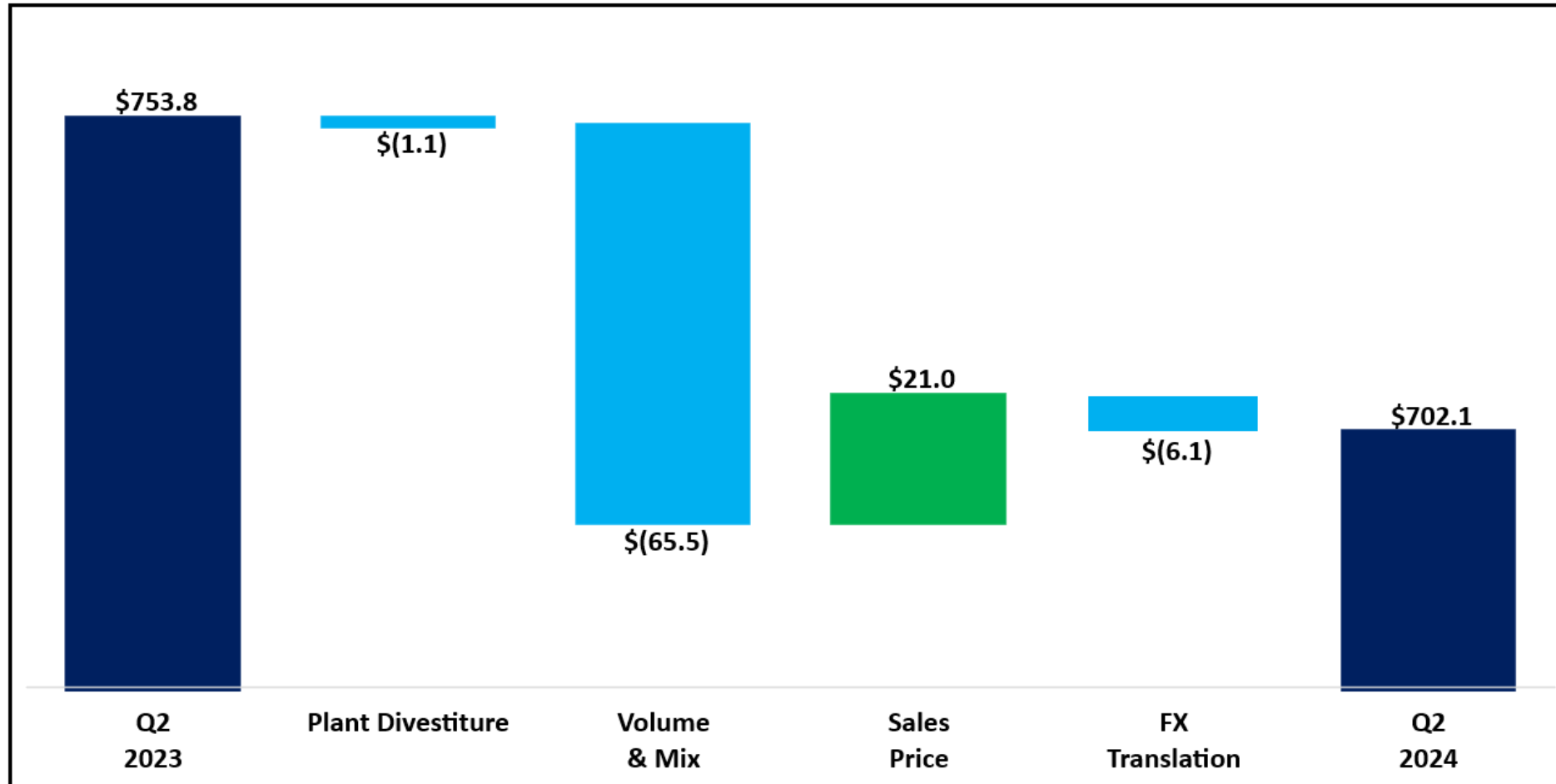
Organic sales decline due to declines in Administrative Systems and Westar® products

CONTRACT MANUFACTURING

Mid-Single Digit

Organic sales growth of 5.4%, led by growth in sales of components associated with injection-related devices

Change in Consolidated Net Sales Second-quarter 2023 to 2024 (\$ millions)



Gross Profit Update

(\$ millions)



	Three Months Ended June 30,	
	2024	2023
Proprietary Products Gross Profit	\$207.0	\$271.4
Proprietary Products Gross Profit Margin	37.0%	43.9%
Contract-Manufactured Products Gross Profit	\$23.0	\$20.9
Contract-Manufactured Products Gross Profit Margin	16.2%	15.4%
Consolidated Gross Profit	\$230.0	\$291.4
Consolidated Gross Profit Margin	32.8%	38.7%

Cash Flow and Balance Sheet Metrics

(\$ millions)



Cash Flow Items

	YTD Q2 2024	YTD Q2 2023
Depreciation and Amortization	\$74.5	\$65.7
Operating Cash Flow	\$283.2	\$307.3
Capital Expenditures	\$190.8	\$157.5
Free Cash Flow	\$92.4	\$149.8

Financial Condition

	June 30, 2024	December 31, 2023
Cash and Cash Equivalents	\$446.2	\$853.9
Debt	\$205.8	\$206.8
Equity	\$2,576.8	\$2,881.0
Working Capital	\$849.3	\$1,264.6



2024 Full-Year Guidance

Consolidated Net Sales	\$2.870 - \$2.900 billion
Adjusted-Diluted EPS	\$6.35 to \$6.65

Making a positive impact on patients' lives



Delivering Unique Value for Customers to Meet Changing Market Needs

Significant Capital Investments for Future Growth





Eric M. Green
*President &
Chief Executive Officer,
Chair of the Board*



Bernard J. Birkett
*Senior VP & Chief Financial
Officer*



John Sweeney
VP, Investor Relations

Q & A

Notes to Non-U.S. GAAP Financial Measures

For the purpose of aiding the comparison of our year-over-year results, we may refer to net sales and other financial results excluding the effects of changes in foreign currency exchange rates.

Organic net sales exclude the impact from acquisitions and/or divestitures and translate the current-period reported sales of subsidiaries whose functional currency is other than the U.S. Dollar at the applicable foreign exchange rates in effect during the comparable prior-year period.

We may also refer to financial results excluding the effects of unallocated items.

The re-measured results excluding effects from currency translation, the impact from acquisitions and/or divestitures, and the effects of unallocated items are not in conformity with U.S. GAAP and should not be used as a substitute for the comparable U.S. GAAP financial measures.

The Non-U.S. GAAP financial measures are incorporated into our discussion and analysis as management uses them in evaluating our results of operations and believes that this information provides users a valuable insight into our overall performance and financial position.

A reconciliation of these adjusted Non-U.S. GAAP financial measures to the comparable U.S. GAAP financial measures is included in the accompanying tables.

Notes to Non-U.S. GAAP Financial Measures



RECONCILIATION OF NON-U.S. GAAP FINANCIAL MEASURES (UNAUDITED)

See “Notes to Non-U.S. GAAP Financial Measures”, “Safe Harbor Statement” (Slide 4) and today’s press release for an explanation and reconciliation of these items.

Reconciliation of Reported and Adjusted Operating Profit, Net Income and Diluted EPS

(\$ millions, except EPS data)

	Operating profit	Income tax expense	Net income	Diluted EPS
Three months ended June 30, 2024				
Reported (U.S. GAAP)	\$126.2	\$21.9	\$111.3	\$1.51
Unallocated items:				
Amortization of acquisition-related intangible assets	0.2	-	0.7	0.01
Adjusted (Non-U.S. GAAP)	\$126.4	\$21.9	\$112.0	\$1.52

	Operating profit	Income tax expense	Net income	Diluted EPS
Six months ended June 30, 2024				
Reported (U.S. GAAP)	\$249.0	\$38.3	\$226.6	\$3.06
Unallocated items:				
Amortization of acquisition-related intangible assets	0.4	-	1.4	0.02
Adjusted (Non-U.S. GAAP)	\$249.4	\$38.3	\$228.0	\$3.08

Notes to Non-U.S. GAAP Financial Measures



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Reconciliation of Reported and Adjusted Operating Profit, Net Income and Diluted EPS

(\$ millions, except EPS data)

	Operating profit	Income tax expense	Net income	Diluted EPS
Three months ended June 30, 2023				
Reported (U.S. GAAP)	\$182.5	\$34.8	\$155.1	\$2.06
Unallocated items:				
Amortization of acquisition-related intangible assets	0.2	-	0.7	0.01
Loss on disposal of plant	2.2	(0.7)	2.9	0.04
Restructuring and other charges	0.1	(0.3)	0.4	-
Adjusted (Non-U.S. GAAP)	\$185.0	\$33.8	\$159.1	\$2.11
	Operating profit	Income tax expense	Net income	Diluted EPS
Six months ended June 30, 2023				
Reported (U.S. GAAP)	\$337.8	\$58.4	\$295.1	\$3.91
Unallocated items:				
Amortization of acquisition-related intangible assets	0.4	-	1.4	0.02
Loss on disposal of plant	11.6	(0.7)	12.3	0.16
Restructuring and other charges	0.1	(0.3)	0.4	-
Adjusted (Non-U.S. GAAP)	\$349.9	\$57.4	\$309.2	\$4.09

Notes to Non-U.S. GAAP Financial Measures



RECONCILIATION OF NON-U.S. GAAP FINANCIAL MEASURES (UNAUDITED)

See “Notes to Non-U.S. GAAP Financial Measures”, “Safe Harbor Statement” (Slide 4) and today’s press release for an explanation and reconciliation of these items.

Reconciliation of Net Sales to Organic Net Sales ^(1 and 2) (\$ millions)

Three months ended June 30, 2024	Proprietary	CM	Eliminations	Total
Reported net sales (U.S. GAAP)	\$559.7	\$142.4	-	\$702.1
Effect of changes in currency translation rates	5.4	0.7	-	6.1
Organic net sales (Non-U.S. GAAP) ⁽¹⁾	\$565.1	\$143.1	-	\$708.2

Six months ended June 30, 2024	Proprietary	CM	Eliminations	Total
Reported net sales (U.S. GAAP)	\$1,119.2	\$278.3	-	\$1,397.5
Effect of changes in currency translation rates	2.6	0.1	-	2.7
Organic net sales (Non-U.S. GAAP) ⁽¹⁾	\$1,121.8	\$278.4	-	\$1,400.2

- (1) Organic net sales exclude the impact from acquisitions and/or divestitures and translate the current-period reported sales of subsidiaries whose functional currency is other than the U.S. Dollar at the applicable foreign exchange rates in effect during the comparable prior-year period.

Notes to Non-U.S. GAAP Financial Measures



RECONCILIATION OF NON-U.S. GAAP FINANCIAL MEASURES (UNAUDITED)

See “Notes to Non-U.S. GAAP Financial Measures”, “Safe Harbor Statement” (Slide 4) and today’s press release for an explanation and reconciliation of these items.

Reconciliation of Net Sales to Organic Net Sales ^(1 and 2) (\$ millions)

Three months ended June 30, 2023	Proprietary	CM	Eliminations	Total
Reported net sales (U.S. GAAP)	\$618.0	\$135.8	-	\$753.8
Effect of divestitures and/or acquisitions	(1.1)	-	-	(1.1)
Net sales excluding divestiture (Non-U.S. GAAP) ⁽²⁾	\$616.9	\$135.8	-	\$752.7

Six months ended June 30, 2023	Proprietary	CM	Eliminations	Total
Reported net sales (U.S. GAAP)	\$1,201.1	\$269.3	-	\$1,470.4
Effect of divestitures and/or acquisitions	(4.3)	-	-	(4.3)
Net sales excluding divestiture (Non-U.S. GAAP) ⁽²⁾	\$1,196.8	\$269.3	-	\$1,466.1

(2) Net sales excluding divestitures represents the 2023 comparative sales figure used in our organic sales growth calculation to eliminate the impact of our 2023 divestiture.

Notes to Non-U.S. GAAP Financial Measures



RECONCILIATION OF NON-U.S. GAAP FINANCIAL MEASURES (UNAUDITED)

See “Notes to Non-U.S. GAAP Financial Measures”, “Safe Harbor Statement” (Slide 4) and today’s press release for an explanation and reconciliation of these items.

Reconciliation of Reported-Diluted EPS Guidance to Adjusted-Diluted EPS Guidance

	2023 Actual	2024 Guidance	% Change
Reported-diluted EPS (U.S. GAAP)	\$7.88	\$6.31 to \$6.61	(19.9%) to (16.1%)
Loss on disposal of plant	0.16	-	
Cost investment activity	0.06	-	
Restructuring and other charges	(0.02)	-	
Amortization of acquisition-related intangible assets	0.04	0.04	
Legal settlement	(0.04)	-	
Adjusted-diluted EPS (Non-U.S. GAAP) ⁽¹⁾	\$8.08	\$6.35 to \$6.65	(21.4%) to (17.7%)

(1) See “Full-year 2024 Financial Guidance” and “Non-U.S. GAAP Financial Measures” in today’s press release for additional information regarding adjusted-diluted EPS.

We have opted not to forecast 2024 tax benefits from stock-based compensation in upcoming quarters, as they are out of the Company’s control. Instead, we recognize the benefits as they occur. In the first-half of 2024, tax benefits associated with stock-based compensation increased adjusted-diluted EPS by \$0.22. Any future tax benefits associated with stock-based compensation that we receive in 2024 would provide a positive adjustment to our full-year EPS guidance. In full-year 2023, tax benefits associated with stock-based compensation increased adjusted-diluted EPS by \$0.42.