

Q2'15 and H1'15 Results

DiaSorin

The Diagnostic Specialist



Disclaimer

These statements are related, among others, to the intent, belief or current expectations of the customer base, estimates regarding future growth in the different business lines and the global business, market share, financial results and other aspects of the activities and situation relating to the Company.

Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ materially from those expressed in or implied by these forward-looking statements as a result of various factors, many of which are beyond the ability of DiaSorin S.p.A. to control or estimate precisely.

The Company does not undertake to update or otherwise revise any forecasts or objectives presented herein, except in compliance with the disclosure obligations applicable to companies whose shares are listed on a stock exchange.

Luigi De Angelis, the Officer Responsible for the preparation of corporate financial reports of DiaSorin S.p.A., in accordance with the second subsection of art. 154-bis, part IV, title III, second paragraph, section V-bis, of Legislative Decree February 24th, 1998, no. 58, declares that, to the best of his knowledge, the financial information included in the present document corresponds to book of accounts and book-keeping entries of the Company.

▶ **Highlights**

Q2'15 and H1'15 Main Topics

Revenues

Revenues: breakdown by technology

Revenues: breakdown by geography

Installed base expansion

Profitability profile

Business and Products Development

Q2'15 and H1'15 Financials

FY 2015 Company Guidance

Q2'15 and H1'15 highlights

REVENUES:

Acceleration of: **CLIA EX VIT D**

Positive performance of Vitamin D 1,25, increase in Infectious Diseases and Pre-natal screening sales

Positive impact of: **VITAMIN D**

Stabilization in the US of Vitamin D franchise

	Q2'15	H1'15
@ CUR	+15.0%	+13.1%
@ CER	+6.0%	+5.0%
@ CUR	+25.5%	+22.4%
@ CER	+18.5%	+16.4%
@ CUR	+14.7%	+8.9%
@ CER	+0.5%	-4.2%

EBITDA marginality expansion

(in million EUR)
Ebitda margin :

	Q2'15	QoQ growth	H1'15	HoH growth	
48.3	37.9%	+22.4%	91.4	37.3%	+17.1%
26.2	20.6%	+29.3%	48.8	19.9%	+22.1%

Net profit growing

(in million EUR)
of sales:

POSITIVE NFP AND STRONG FREE CASH FLOW GENERATION

- **NFP: +€ 196.0 million** (+€ 29.6 million vs. Dec 31st, 2014)
- **FCF: +€ 39.3 million** in H1'15 (+0.2 million vs. H1'14)

LIAISON & LIAISON XL PLACEMENTS

Ongoing **worldwide success** of **LIAISON XL**

Placements	Q2'15	H1'15	@ June 30 th 15
● LIAISON XL	+178	+354	2,019
● LIAISON	-58	-82	4,125
TOTAL	+120	+272	6,144

PRODUCT DEVELOPMENT



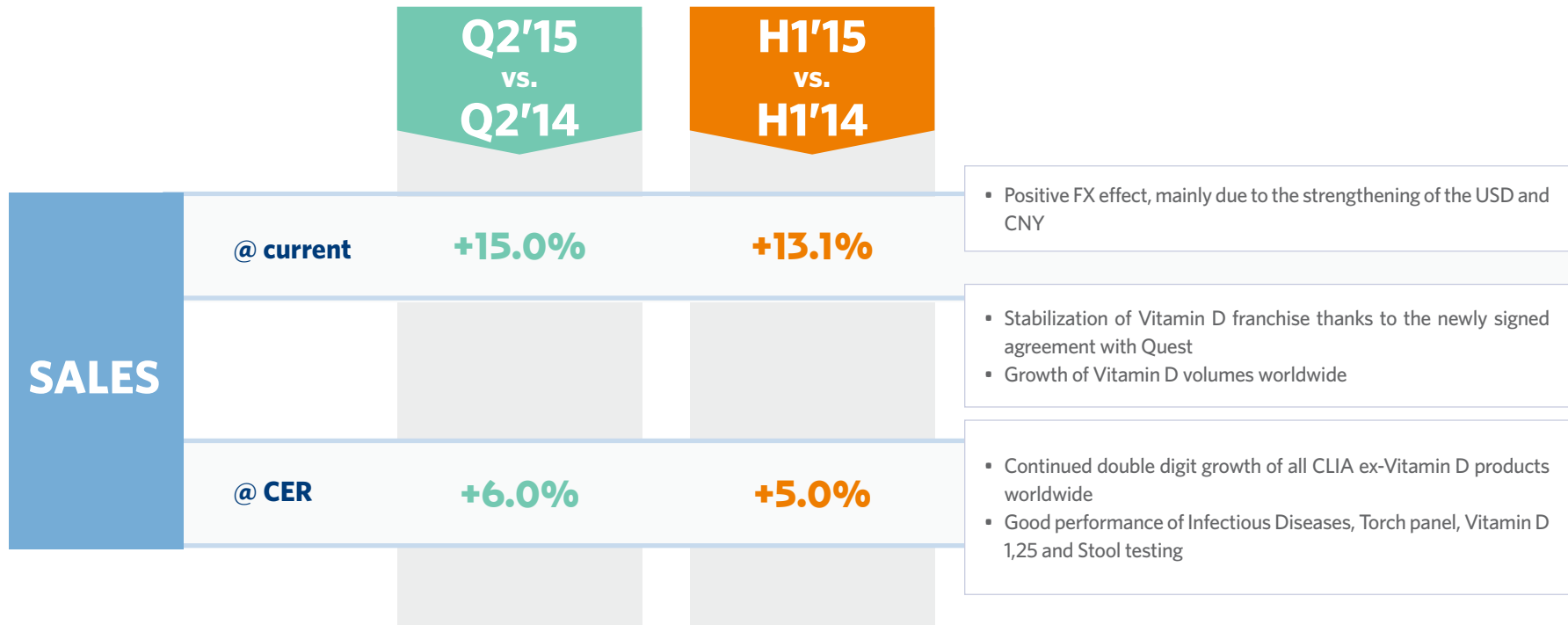
IMMUNODIAGNOSTIC

- Calprotectin
- Bordetella pertussis IgA
- Bordetella pertussis IgG
- BRAHMS PCT II GEN
- Campylobacter

BUSINESS DEVELOPMENT

- Agreement with **Quest Diagnostics** for Vitamin D
- Approval of **Vitamin D** in Japan
- Distribution agreement with **Beckman Coulter** for the commercialization of Hepatitis and HIV in China

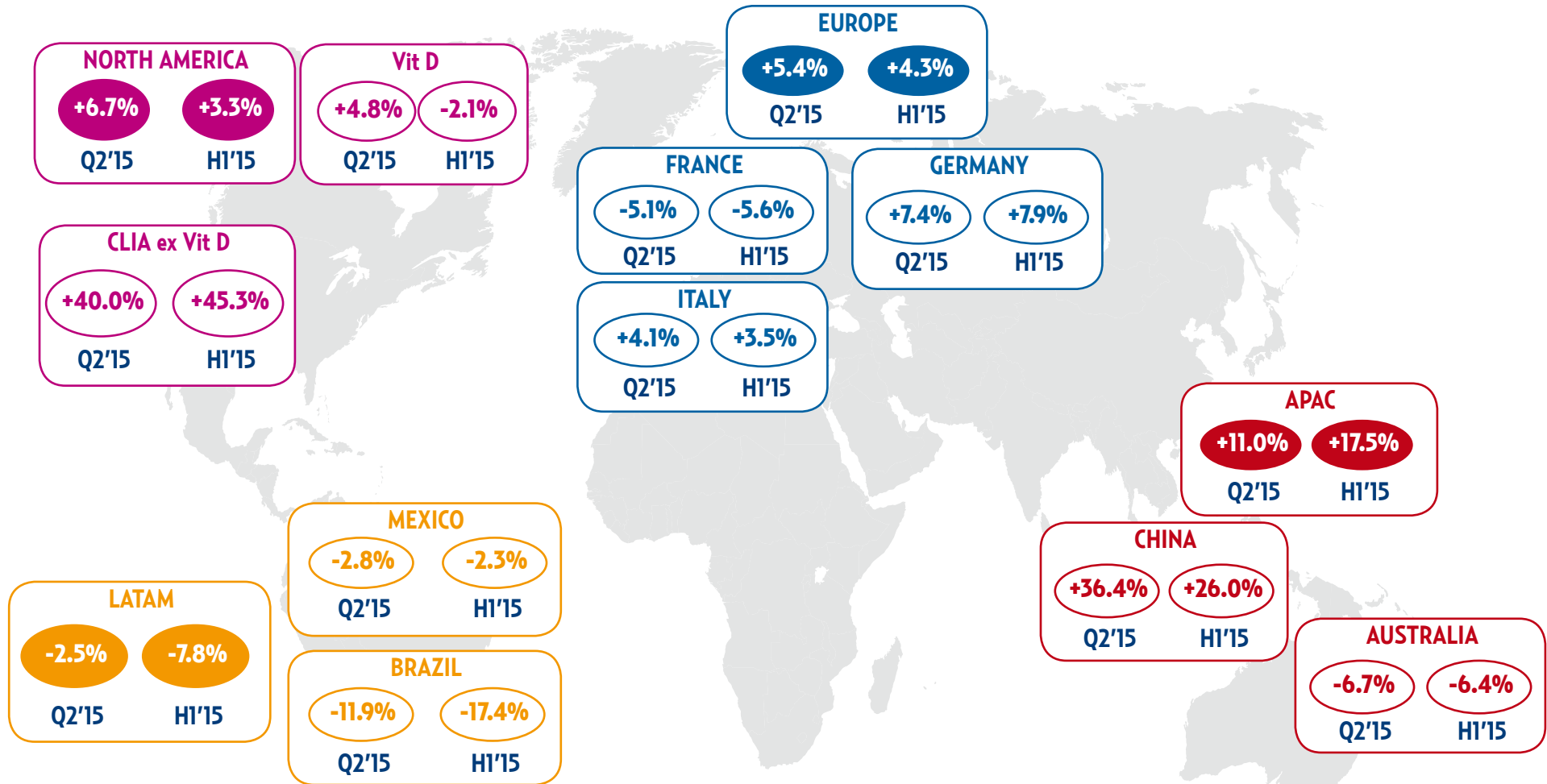
Revenues



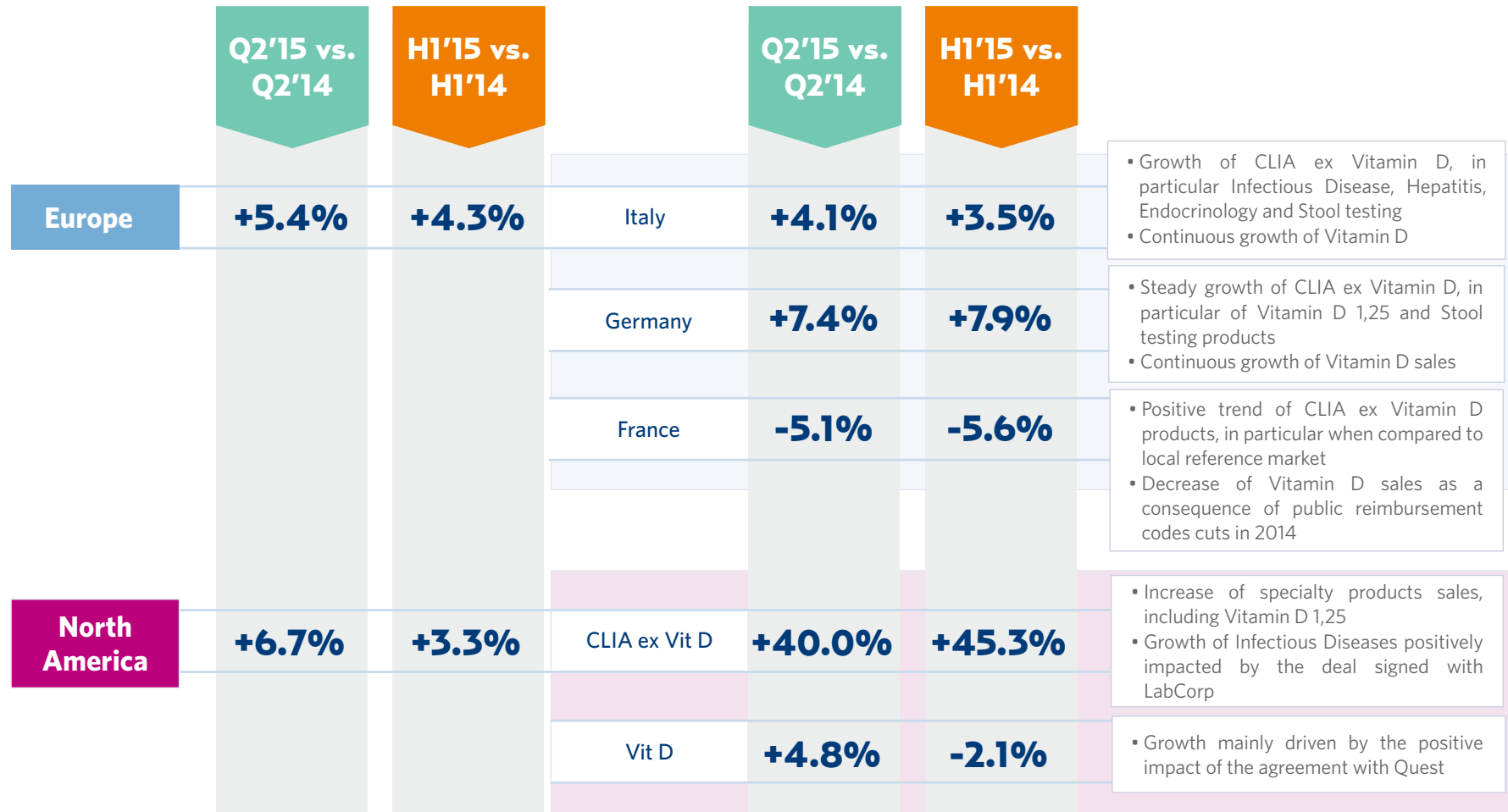
Revenues: Breakdown by Technology

		Q2'15 vs. Q2'14	H1'15 vs. H1'14	
CLIA ex Vit D	@ current	+25.5%	+22.4%	<ul style="list-style-type: none"> • Increase in Infectious Disease and Torch, Stool testing and Vitamin D 1,25
	@ CER	+18.5%	+16.4%	
Vitamin D	@ current	+14.7%	+8.9%	<ul style="list-style-type: none"> • Vitamin D stabilization also thanks to the newly signed agreement with Quest Diagnostics in Q1'15 • Steady growth in Italy, Germany and Apac region in H1'15 • Total volumes increase over the semester • Return to growth for the first time since 2011
	@ CER	+0.5%	-4.2%	
Instruments & Consumables	@ current	+8.7%	+13.4%	<ul style="list-style-type: none"> • Increase of sales in Apac region, in particular in China • Slowdown in Brazil • Some volatility depending on Distributors ordering pattern
	@ CER	-1.4%	+5.5%	

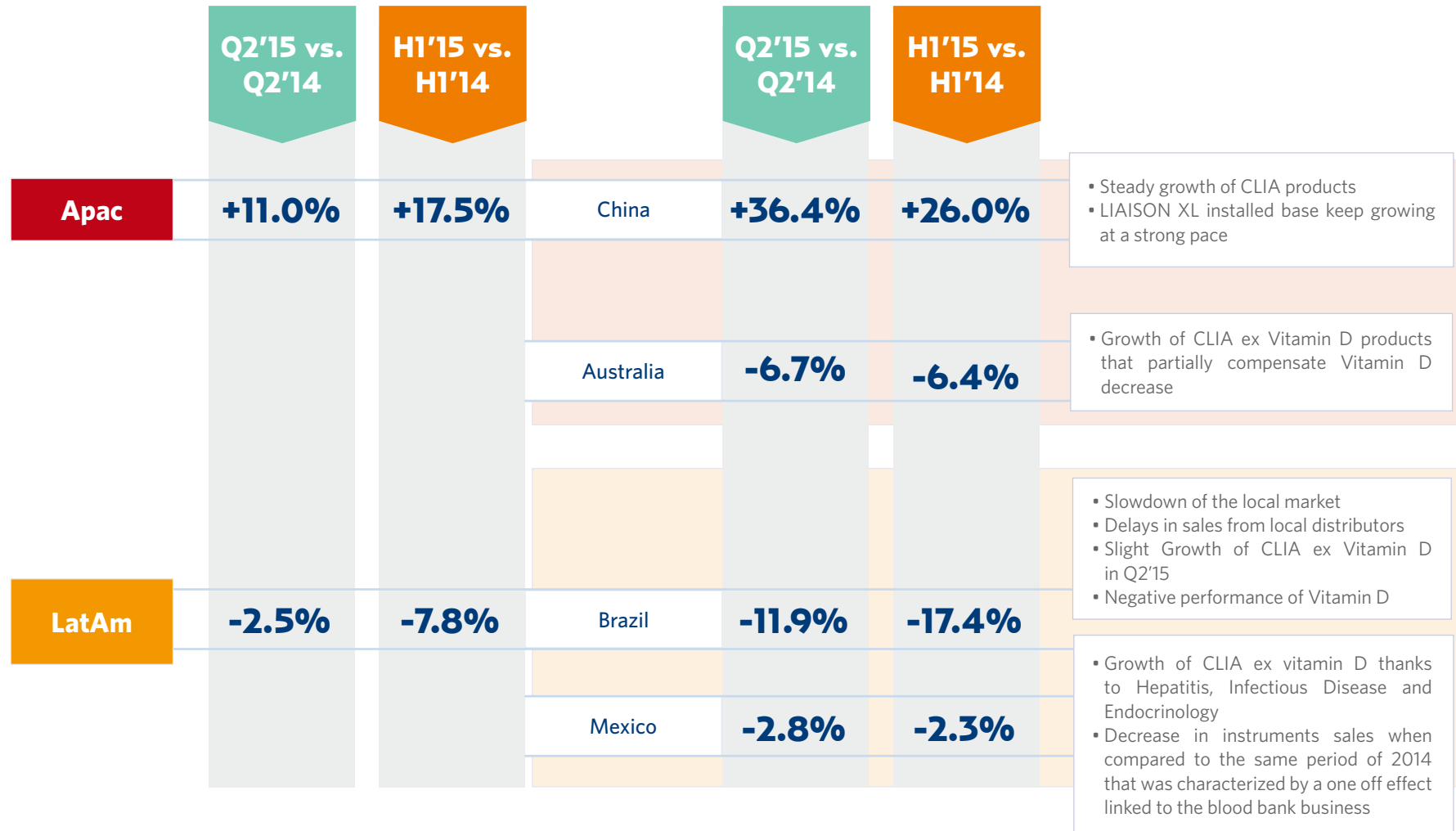
Revenues: Breakdown by Geography (1 of 3)





Revenues: Breakdown by Geography (2 of 3)



Revenues: Breakdown by Geography (3 of 3)



Installed Base Expansion

	Total units at December 31 st , 2014	Net placements in H1'15	Total units at March 31 st , 2015	Net placements in Q2'15	Total units at June 30 th , 2015
 LIAISON®	4,207	-82	4,183	-58	4,125
 LIAISON® X	1,665	+354	1,841	+178	2,019
TOTAL	5,872	+272	6,024	+120	6,144

Profitability profile

	Q2'14	Q2'15		H1'14	H1'15	
GROSS PROFIT	74.2 mln	87.3 mln	+17.7%	145.9 mln	166.3 mln	+14.0%
<i>GROSS margin</i>	66.9%	68.4%	+150 bps	67.3%	67.9%	+50 bps
EBITDA	39.5 mln	48.3 mln	+22.4%	78.1 mln	91.4 mln	+17.1%
<i>EBITDA margin</i>	35.6%	37.9%	+230 bps	36.0%	37.3%	+130 bps
EBIT	32.0 mln	40.0 mln	+25.0%	63.4 mln	75.1 mln	+18.4%
<i>EBIT margin</i>	28.9%	31.4%	+250 bps	29.2%	30.6%	+140 bps
NET PROFIT	20.3 mln	26.2 mln	+29.3%	40.0 mln	48.8 mln	+22.1%
<i>On sales</i>	18.3%	20.6%	+230 bps	18.4%	19.9%	+160 bps

Increase due to:

- Positive FX effect
- Continuous growth of CLIA ex Vitamin D products families
- Stabilization of Vitamin D franchise thanks to the agreement signed with Quest Diagnostics
- Lower Opex ratio on Revenues
- Tax rate decrease as a consequence of
 - Lower amount of non-deductible taxes withheld on dividends the Group's Parent Company received from foreign subsidiaries
 - Italian Fiscal reform

Highlights

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▶ **Business and Products Development**

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H1'15 Business and Products Development

BUSINESS DEVELOPMENT

Industrial Plan 2015-2017



Future growth based on CLIA broadest menu in the market and strategic alliances Ca. +8% Revenues, ca. +9.5% EBITDA and ca. +10% Net Results CAGR over the plan period

Agreement with Quest Diagnostics



5 years agreement for the commercialization of Vitamin D, stabilizing DiaSorin franchise

Vitamin D approval in Japan



Entrance in the Japanese market with Vitamin D; sales projected To start by year-end

Beckman Coulter agreement*



Distribution partnership agreement for the commercialization in China of DiaSorin Hepatitis B, C and HIV tests on LIAISON XL LAS connected to Beckman Coulter's automation solutions

PRODUCTS DEVELOPMENT

Immunodiagnosics



Calprotectin



The first completely automated test for Gastro-Intestinal tract Calprotectin inflammatory diseases



Bordetella pertussis IgG

Bordetella pertussis IgA



2 tests for the quantitative determination of IgG and IgA antibodies to Bordetella pertussis



BRAHMS PCT II GEN



Test for the diagnosis of severe bacterial infections (e.g. sepsis) through the quantitative determination of PCT



Campylobacter



Test for one of the most frequent bacterial agents of gastroenteritis, enabling laboratories to reduce the time to result

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▶ **Q2'15 and H1'15 Financials**

FY 2015 Company Guidance

Q2'15 Results: Income Statement

€/mln	Q2		Change	
	2015	2014	amount	%
Net revenues	127.5	110.9	+16.6	+15.0%
Gross profit	87.3	74.2	+13.1	+17.7%
Gross margin	68.4%	66.9%	+1.5%	
S&M	(24.8)	(22.3)	-2.5	+11.3%
R&D	(6.6)	(6.4)	-0.2	+2.8%
G&A	(13.8)	(12.5)	-1.3	+10.7%
Total operating expenses	(45.3)	(41.2)	-4.0	+9.8%
% on sales	(35.5%)	(37.2%)	+1.7%	
Other operating income (expenses)	(1.9)	(0.9)	-1.1	n.m
EBIT	40.0	32.0	+8.0	+25.0%
EBIT margin	31.4%	28.9%	+2.5%	
Net financial income (expense)	(0.4)	(0.1)	-0.3	n.m
Profit before taxes	39.7	32.0	+7.7	+24.1%
Income taxes	(13.5)	(11.7)	-1.8	+15.1%
Net profit	26.2	20.3	+5.9	+29.3%
EBITDA	48.3	39.5	+8.8	+22.4%
EBITDA margin	37.9%	35.6%	+2.3%	

H1'15 Results: Income Statement

€/mln	H1		Change	
	2015	2014	amount	%
Net revenues	245.1	216.8	+28.4	+13.1%
Gross profit	166.3	145.9	+20.4	+14.0%
Gross margin	67.9%	67.3%	+0.5%	
S&M	(48.7)	(44.1)	-4.7	+10.6%
R&D	(12.7)	(12.4)	-0.3	+2.4%
G&A	(27.0)	(24.3)	-2.7	+11.1%
Total operating expenses	(88.4)	(80.7)	-7.7	+9.5%
% on sales	(36.1%)	(37.2%)	+1.2%	
Other operating income (expenses)	(2.9)	(1.8)	-1.1	+59.6%
EBIT	75.1	63.4	+11.7	+18.4%
EBIT margin	30.6%	29.2%	+1.4%	
Net financial income (expense)	(1.2)	(0.5)	-0.7	n.m.
Profit before taxes	73.8	62.9	+11.0	+17.5%
Income taxes	(25.0)	(22.9)	-2.1	+9.3%
Net profit	48.8	40.0	+8.8	+22.1%
EBITDA	91.4	78.1	+13.3	+17.1%
EBITDA margin	37.3%	36.0%	+1.3%	

H1'15 Results: Balance Sheet

<i>€/mln</i>	<i>6/30/2015</i>	<i>12/31/2014</i>	<i>var.</i>
Total intangible assets	116.6	117.0	-0.4
Total tangible assets	76.1	72.2	+3.8
Other non-current assets	25.6	25.6	+0.0
Net Working Capital	156.1	142.3	+13.8
Other non-current liabilities	(38.8)	(39.8)	+1.0
Net Capital Employed	335.4	317.2	+18.2
Net Financial Position	196.0	166.3	+29.6
Total Shareholders' equity	531.4	483.6	+47.8

Q2'15 Results: Cash Flow Statement

€/mln	Q2		Change in value
	2015	2014	
Cash and cash equivalents at beginning of period	196.0	110.4	+85.6
Operating activities	21.5	18.2	+3.3
Investing activities	(8.5)	(6.9)	-1.6
Financing activities	(36.0)	(33.0)	-3.0
Acquisitions of companies and business operations	(1.4)	-	-1.4
Change in net cash and cash equivalents before investments in financial assets	-24.4	-21.7	-2.7
Investments in financial assets	(30.0)	-	-30.0
Change in net cash and cash equivalents	-54.4	-21.7	-32.7
Cash and cash equivalents at end of period	141.6	88.7	+52.9

H1'15 Results: Cash Flow Statement

€/mln	H1		Change in value
	2015	2014	
Cash and cash equivalents at beginning of period	144.9	105.1	+39.7
Operating activities	55.8	52.9	+2.9
Investing activities	(16.2)	(14.2)	-2.0
Financing activities	(11.3)	(33.3)	+22.0
Acquisitions of companies and business operations	(1.4)	-	-1.4
Change in net cash and cash equivalents before investments in financial assets	+26.8	+5.4	+21.4
Investments in financial assets	(30.0)	(21.8)	-8.2
Change in net cash and cash equivalents	-3.2	-16.4	+13.2
Cash and cash equivalents at end of period	141.6	88.7	+52.9

SOLID FINANCIAL STRUCTURE

Net Financial Position

◆ **+€ 196.0 million**: +€ 29.6 million vs. Dec. 31st, 2014

Strong Free Cash Flow generation

◆ **€ 39.3 million** in H1'15

Highlights

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Q1 2015 Financials

▶ **FY 2015 Company Guidance**

FY 2015 Company Guidance

- ▶ **Revenues:** Growth between +4% and +5% at CER vs. FY'14
- ▶ **EBITDA:** Growth between +4% and +5% at CER vs. FY'14
- ▶ **New systems installed (Liaison + Liaison XL):** ~ 550



The Diagnostic Specialist