

FY 2014

Results conference call

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 24, 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

2014 Main Topics

Revenues

Revenues: breakdown by technology

Revenues: breakdown by geography

Installed base expansion

Profitability profile

Business Development

Products Development

FY 2014 Financials

FY 2015 Company Guidance

Save the date: DiaSorin Investor Day 2015

2014 Main Topics

REVENUES: GROWING AT +2.8% AT CER:

▶ CLIA EX-VIT D REVENUES : +17.0% AT CER

- Growth in all clinical areas due to new products launched in 2014, CLIA menu expansion, contribution from LabCorp deal and success of LIAISON XL installments.

▶ CLIA VIT D REVENUES: -8.6% AT CER

- Deceleration of the negative contribution due to price stabilization and growing volumes (+1.2%).
- Net of price concession to LabCorp, negative contribution would have been equal to 5.8%, in line with management expectation.

EBITDA MARGIN:

Statutory	ex non recurring events, at CER
36.1%	36.5%

It's worth mentioning:

- non recurring events for restructuring of the French and Norwegian branches
- functional reorganization of some business areas in the Italian plant

NET RESULT: € 84.1 MILLION +1.2% VS. FY 2013

POSITIVE NFP AND STRONG FREE CASH FLOW GENERATION

- **NFP: € 166.3 million** (+ € 68.4 million vs. Dec 31, 2013)
- **FCF: € 91.3 million** (+ € 11.9 million vs. Dec 31, 2013)

ORDINARY DIVIDEND PROPOSAL: € 0.60 PER SHARE

LIAISON & LIAISON XL PLACEMENTS

Ongoing **worldwide success** of **LIAISON XL** and confirmation of interest on **LIAISON**

Placements	FY'14	Total at Dec 31, 2014
▶ LIAISON XL	+ 590	1,665
▶ LIAISON	+ 10	4,207
Total	+ 600	5,872

PRODUCT DEVELOPMENT



▶ IMMUNODIAGNOSTICS

- HIV HT
- PTH
- VIT D 1,25
- ROTAVIRUS
- ADENOVIRUS



▶ MOLECULAR DIAGNOSTICS

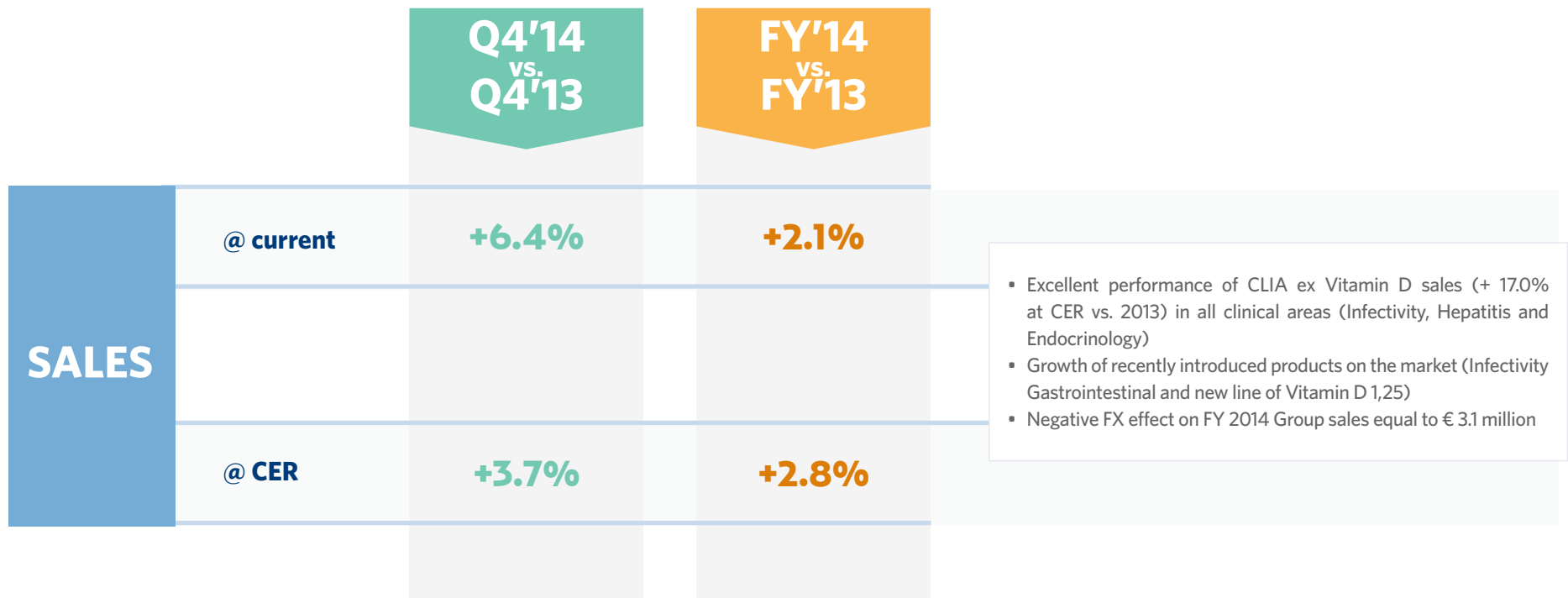
- CMV
- HSV 1-2
- BCR-ABL

BUSINESS DEVELOPMENT

▶ 3-year extension of agreement with LabCorp (15 new tests)

Expansion of LIAISON XL menu offering to LabCorp with 15 new tests, while maintaining existing Vitamin D business

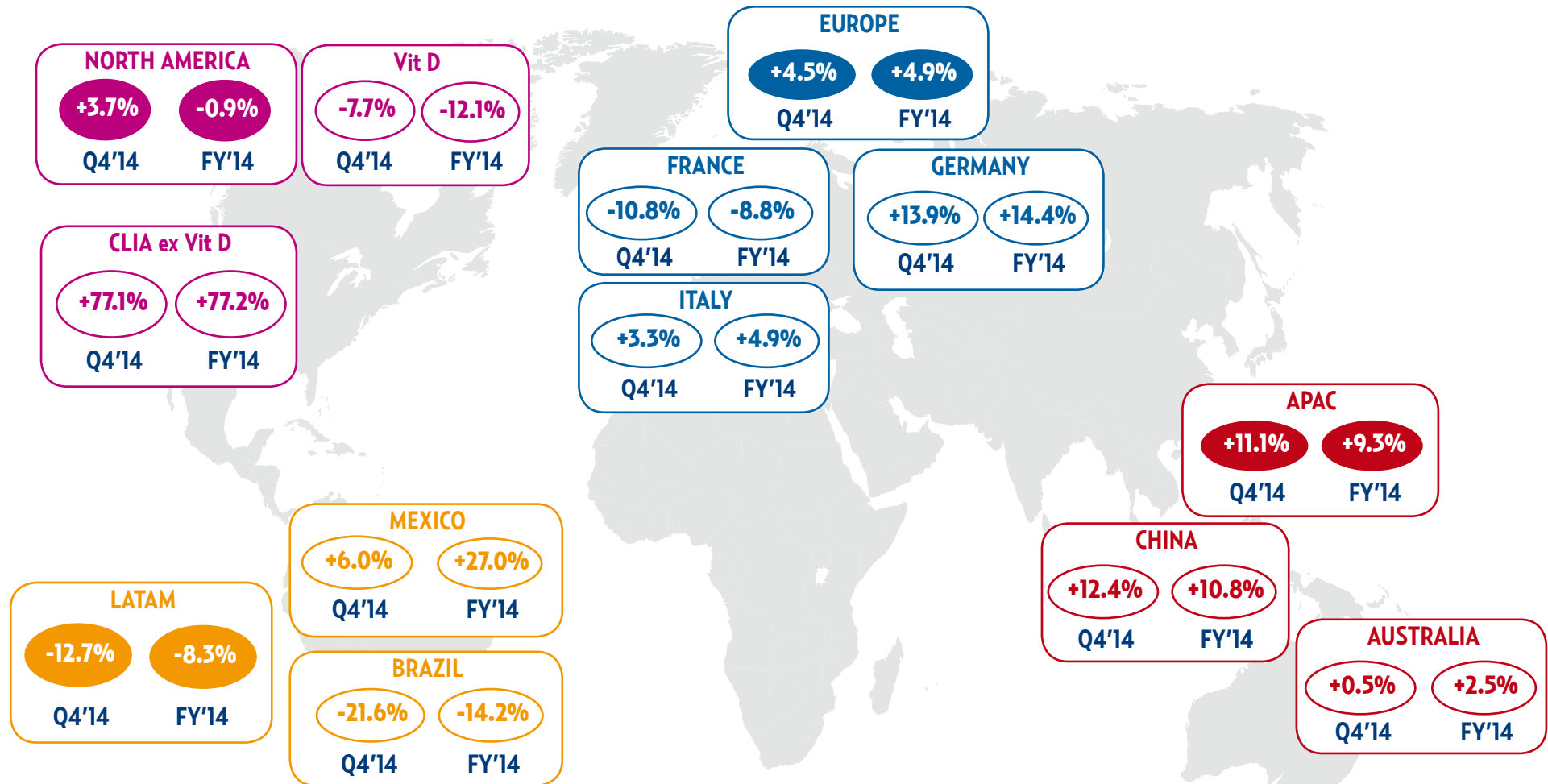
Revenues



Revenues: Breakdown by Technology

		Q4'14 vs. Q4'13	FY'14 vs. FY'13	
CLIA ex Vit D	@ current	+17.1%	+16.2%	<ul style="list-style-type: none"> • Growth of Infectious Diseases, Torch, Hepatitis and Endocrinology tests. • Increase of Stool testing (Germany, Spain and Italy) • Strong start of Vit D 1,25 • Positive contribution of the new contract with LabCorp
	@ CER	+15.7%	+17.0%	
Vitamin D	@ current	-4.8%	-9.2%	<ul style="list-style-type: none"> • Net of the LabCorp price effect, the decrease at CER would have been 5.8% vs. 2013 and 6.4% in Q4 • Good performance in UK, Germany and Brazil • Reduction in the French market due to new law on reimbursements • Increase in volumes: +1.2%
	@ CER	-9.6%	-8.6%	
Instruments & Consumables	@ current	+16.1%	-2.0%	<ul style="list-style-type: none"> • Difference with 2013, characterized by a positive one-off effect in Brazil and Spain
	@ CER	+13.2%	-1.2%	

Revenues by Geography (YoY and QoQ comparison)





Revenues: Breakdown by Geography (1 of 2)

	Q4'14 vs. Q4'13	FY'14 vs. FY'13		Q4'14 vs. Q4'13	FY'14 vs. FY'13	
Europe	+4.5%	+4.9%	Germany	+13.9%	+14.4%	<ul style="list-style-type: none"> • Solid and continuous growth on all CLIA products • Good performance of Stool testing and Vitamin D 1,25
			France	-10.8%	-8.8%	<ul style="list-style-type: none"> • Strong growth of CLIA ex Vitamin D sales • Slowdown of Vitamin D sales due to public spending cuts on Vit D prescriptions
			Italy	+3.3%	+4.9%	<ul style="list-style-type: none"> • Growth of CLIA Infectious Diseases, Hepatitis and Prenatal screening • Steady growth of Vitamin D (+13.7% vs. 2013) • Installed base close to 1,000 units
North America	+3.7%	-0.9%	Vit D	-7.7%	-12.1%	<ul style="list-style-type: none"> • Volumes up in 2014 (+2.3%) • Price decrease, also due to the price concession granted to LabCorp. Net of the agreement, the decrease would have been equal to 5.2% in FY'14 and 6.1% in Q4'14
			CLIA ex Vit D	+77.1%	+77.2%	<ul style="list-style-type: none"> • Sales up driven by the success of Infectious Diseases and Prenatal screening tests, also benefiting from the deal signed with LabCorp. Net of the agreement, the increase, would have been equal to 36.1%

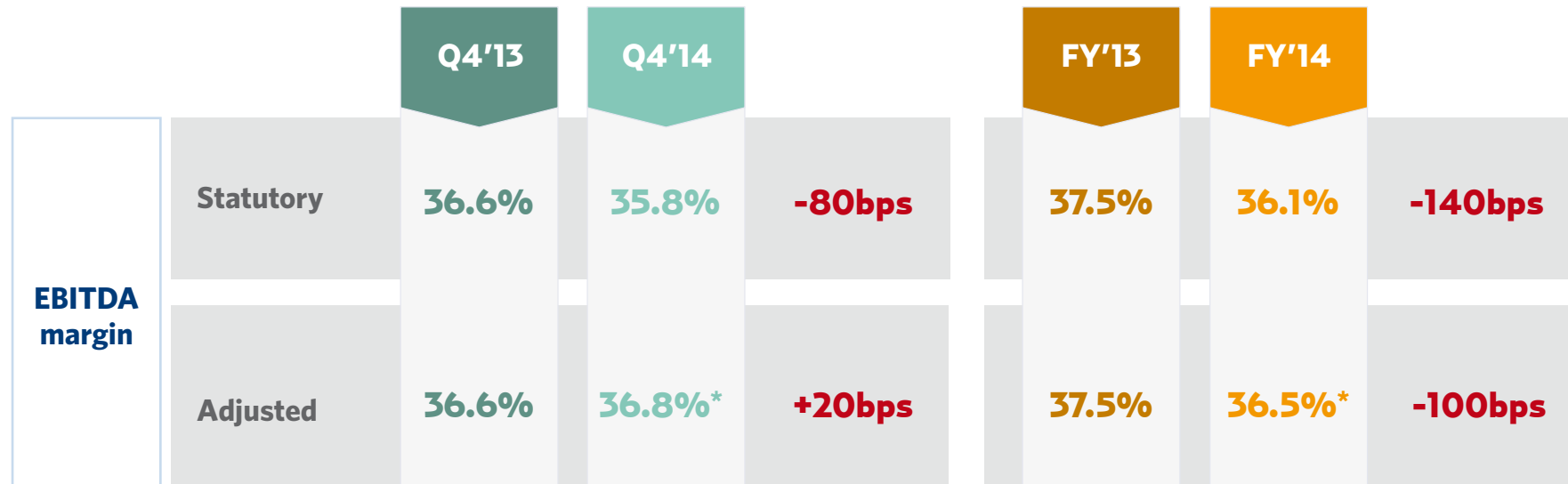
Revenues: Breakdown by Geography (2 of 2)

	Q4'14 vs. Q4'13	FY'14 vs. FY'13		Q4'14 vs. Q4'13	FY'14 vs. FY'13	
Apac	+11.1%	+9.3%	China	+12.4%	+10.8%	<ul style="list-style-type: none"> Sales growth achieved on all CLIA products (+10.3%) and on Murex products (+6.8%) +99 new LIAISON XL in FY'14, reaching a total number of 124 units in the country
			Australia	+0.5%	+2.5%	<ul style="list-style-type: none"> Growth of CLIA products (+36.2%), offsetting Vitamin D decrease
LatAm	-12.7%	-8.3%	Brazil	-21.6%	-14.2%	<ul style="list-style-type: none"> Light growth of CLIA ex Vitamin D Growth of Vitamin D sales in small and medium labs Slowdown of Murex sales due to change of distribution network
			Mexico	+6.0%	+27.0%	<ul style="list-style-type: none"> Overall growth thanks to blood banks business development Increase of Instrument placements that pushed Hepatitis and Infectious Diseases sales

Installed Base Expansion

	Total units at December 31, 2013	Net placements in 2014	Total units at December 31, 2014
 LIAISON®	4,197	+10	4,207
 LIAISON® X	1,075	+590	1,665
TOTAL	5,272	+600	5,872

Profitability Profile



*Ex non recurring events, at CER

Main effects on FY'14 EBITDA

	VALUE IN €/MLN @current in 2014
FX effect	+ 0.7
Costs sustaining Molecular business franchise	- 6.6
Non recurring events for restructuring of the French and Norwegian branches	- 2.4
Functional reorganization of some business areas in the Italian plant	
	Change in €/mln @CER 2014 vs. 2013
Costs in R&D, Sales & Marketing and After Sales Service increasing as a consequence of the expansion of the CLIA menu and the success of the LIAISON XL placements	+ 6.4

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▶ **Business Development**

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FY'14 Business Development

3-YEAR EXTENSION OF AGREEMENT WITH LABCORP

- ▶ **Expansion of LIAISON XL menu offering to LabCorp**, while **maintaining existing Vitamin D business**
- ▶ **15 new assays in addition** to the **current menu** for LabCorp, **expanding** the offering **in new clinical areas**
- ▶ **U.S. market playing a central role** for DiaSorin, where growth has been mainly driven by success of Vitamin D

Opportunity to:

- Implement the **strategy of menu offering differentiation**
- Sell products with **high added value** (wide range of specialty tests on Infectious Diseases/Bone Metabolism)
- **Reduce progressively Vitamin D percentage** on U.S. sales
- **Be a partner to** a large U.S. clinical laboratory such as **LabCorp**, confirming high quality and reliability of DiaSorin assays

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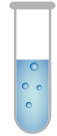
▶ **Products Development**

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FY'14 Products Development



EXPANSION OF IMMUNODIAGNOSTICS MENU WITH KEY AND UNIQUE SPECIALTY PRODUCTS + MENU EXPANSION IN KEY MARKETS (USA, CHINA, BRAZIL)



Rotavirus on stool samples



The 5th launch in GI Stool testing area, for the qualitative detection of Rotavirus in stool samples



Adenovirus on stool samples



The 6th launch in GI Stool testing area, for the qualitative detection of Adenovirus in stool samples



HIV HT



The new test LIAISON XL murex HIV Ab/Ag High Throughput to strengthen the presence in the Blood Banks market



PTH



The LIAISON N-TACT PTH Gen II assay, for the quantitative determination of intact human parathyroid hormone (PTH)



Vitamin D 1,25



The test for the quantitative determination of 1,25 Dihydroxyvitamin D levels in human serum and plasma



ENRICHMENT OF INFECTIOUS DISEASES MOLECULAR DIAGNOSTICS MENU ON LIAISON IAM, LAUNCH OF THE FIRST ONCO-HAEMATOLOGY TEST



CMV



The 5th Infectious Disease test for the detection and quantification of Cytomegalovirus on human fluid samples



Herpes Simplex 1&2



The 6th Infectious Disease test for the detection of Herpes Simplex Virus types 1 and 2 (HSV-1 and HSV-2)



BCR-ABL



The 1st molecular Onco-haematology test for the qualitative detection of Chronic Myeloid Leukemia and Ph⁺ Acute Lymphoblastic Leukemia

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FY'14 Results: Income Statement

€/mln	FY		Change	
	2014	2013	Amount	%
Net revenues	443.8	434.8	+8.9	+2.1%
Gross profit	298.7	299.7	-0.9	-0.3%
<i>Gross margin</i>	67.3%	68.9%	-	-1.6%
S&M	(88.9)	(85.6)	-3.3	+3.9%
R&D	(25.0)	(23.9)	-1.0	+4.4%
G&A	(50.6)	(49.7)	-0.9	+1.8%
Total operating expenses	(164.5)	(159.2)	+5.3	+3.3%
<i>% on sales</i>	37.1%	36.6%	-	+0.5%
Other operating income/(expenses)	(4.3)	(5.7)	+1.4	-24.6%
<i>Non recurring</i>	(2.4)	-	-2.4	-
EBIT	129.9	134.7	-4.8	-3.6%
Net financial income/(expenses)	(1.8)	(5.4)	+3.6	-67.0%
Profit before taxes	128.1	129.3	-1.2	-0.9%
Income taxes	(44.0)	(46.2)	+2.2	-4.7%
Net profit	84.1	83.1	+1.0	+1.2%
EBITDA	160.3	163.1	-2.8	-1.7%

FY'14 Results: Balance Sheet

€/mln	FY		Change in value
	12/31/2014	12/31/2013	
Total intangible assets	117.0	119.4	-2.5
Total tangible assets	72.2	66.3	+5.9
Other non-current assets	25.7	23.2	+2.4
Net working capital	142.5	141.7	+0.6
Other non-current liabilities	(39.8)	(34.4)	-5.4
Net capital employed	317.3	316.2	+1.1
Net financial position	166.3	98.0	+68.4
Total shareholders' equity	483.7	414.1	+69.4

FY'14 Results: Cash Flow Statement

€/mln	FY		Change in value
	2014	2013	
Cash and cash equivalents at beginning of the year	105.1	104.6	+0.5
Operating activities	119.8	107.7	+12.1
Investing activities	(28.9)	(29.9)	+1.1
Financing activities	(29.4)	(77.2)	+47.8
Change in net cash and cash equivalents before investing activities	61.5	0.5	+61.0
Investing in financial activities	(21.8)	0.0	-21.8
Change in net cash and cash equivalents	39.7	0.5	+39.2
Cash and cash equivalents at the end of the year	144.9	105.1	+39.7

SOLID FINANCIAL STRUCTURE

Net Financial Position

◆ € 166.3 million: +€ 68.4 million vs. Dec. 31, 2013

Strong Free Cash Flow generation

◆ € 91.3 million: + € 11.9 million vs. Dec. 31, 2013

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FY 2015 Guidance

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



Driving our business through innovation

Investor Day

May 12th, 2015
Milan

DiaSorin



The Diagnostic Specialist