

Q3'15 and 9M'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 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**

Q3'15 and 9M'15 Main Topics

Revenues

Revenues: breakdown by technology

Revenues: breakdown by geography

Installed base expansion

Profitability profile

Business and Products Development

Q3'15 and 9M'15 Financials

FY 2015 Company Guidance

Q3'15 and 9M'15 highlights

REVENUES:

- Acceleration of: **CLIA ex VIT D**

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

- Positive impact of: **VITAMIN D**

Stabilization in the US of Vitamin D franchise with Quest

	Q3'15	9M'15
@ CUR	+13.0%	+13.1%
@ CER	+7.0%	+5.7%
@ CUR	+27.3%	+24.1%
@ CER	+22.5%	+18.5%
@ CUR	+14.2%	+10.6%
@ CER	+2.5%	-2.0%

EBITDA

(in million EUR)
Ebitda margin:

Q3'15	QoQ growth	9M'15	9Mo9M growth
45.0	+12.5%	136.4	+15.5%
36.5%		37.0%	

- Net profit growing** (in million EUR) of sales:

Q3'15	QoQ growth	9M'15	9Mo9M growth
23.2	+9.0%	72.1	+17.6%
18.9%		19.6%	

POSITIVE NFP AND STRONG FREE CASH FLOW GENERATION

- NFP: +€ 231.9 million** (+€ 65.5 million vs. Dec 31st, 2014)
- FCF: +€ 74.8 million** in 9M'15 (+€ 3.6 million vs. 9M'14)

LIAISON & LIAISON XL PLACEMENTS

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

Placements	Q3'15	9M'15	@ Sept 30 th , 2015
LIAISON XL	+125	+479	2,144
LIAISON	-37	-119	4,088
TOTAL	+88	+360	6,232

PRODUCT DEVELOPMENT



IMMUNODIAGNOSTICS

Launch of:

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



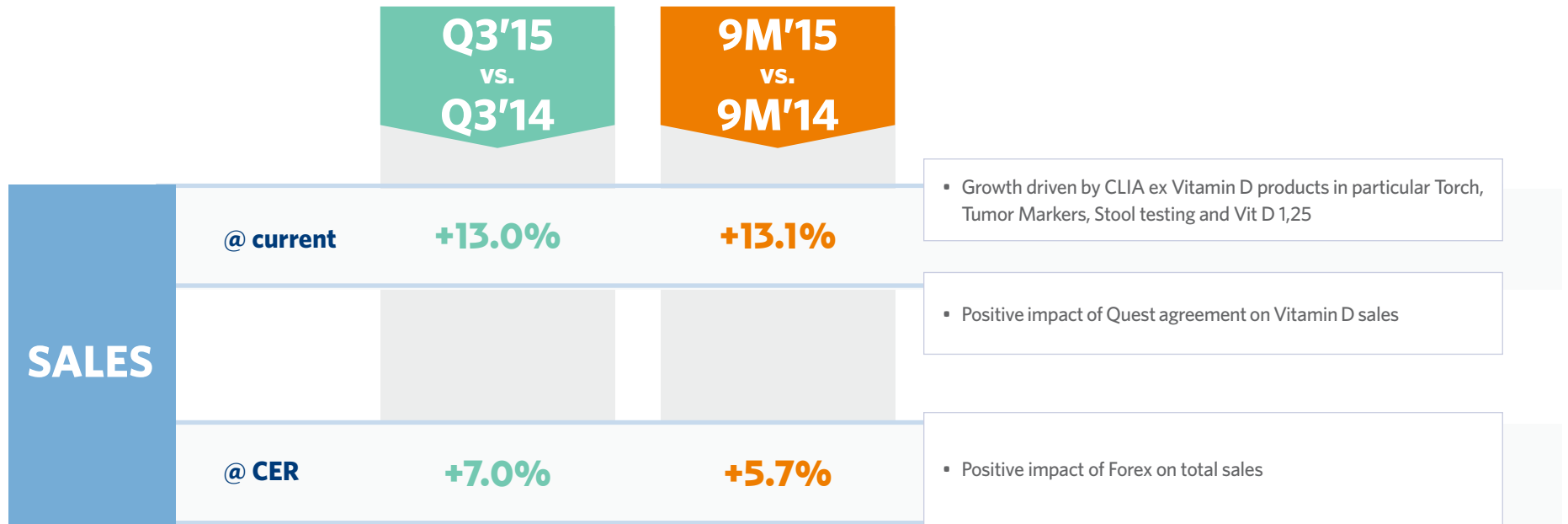
MOLECULAR DIAGNOSTICS

- Iam PML-RARA Detection bcr1,3
- Iam PML-RARA Discrimination bcr2

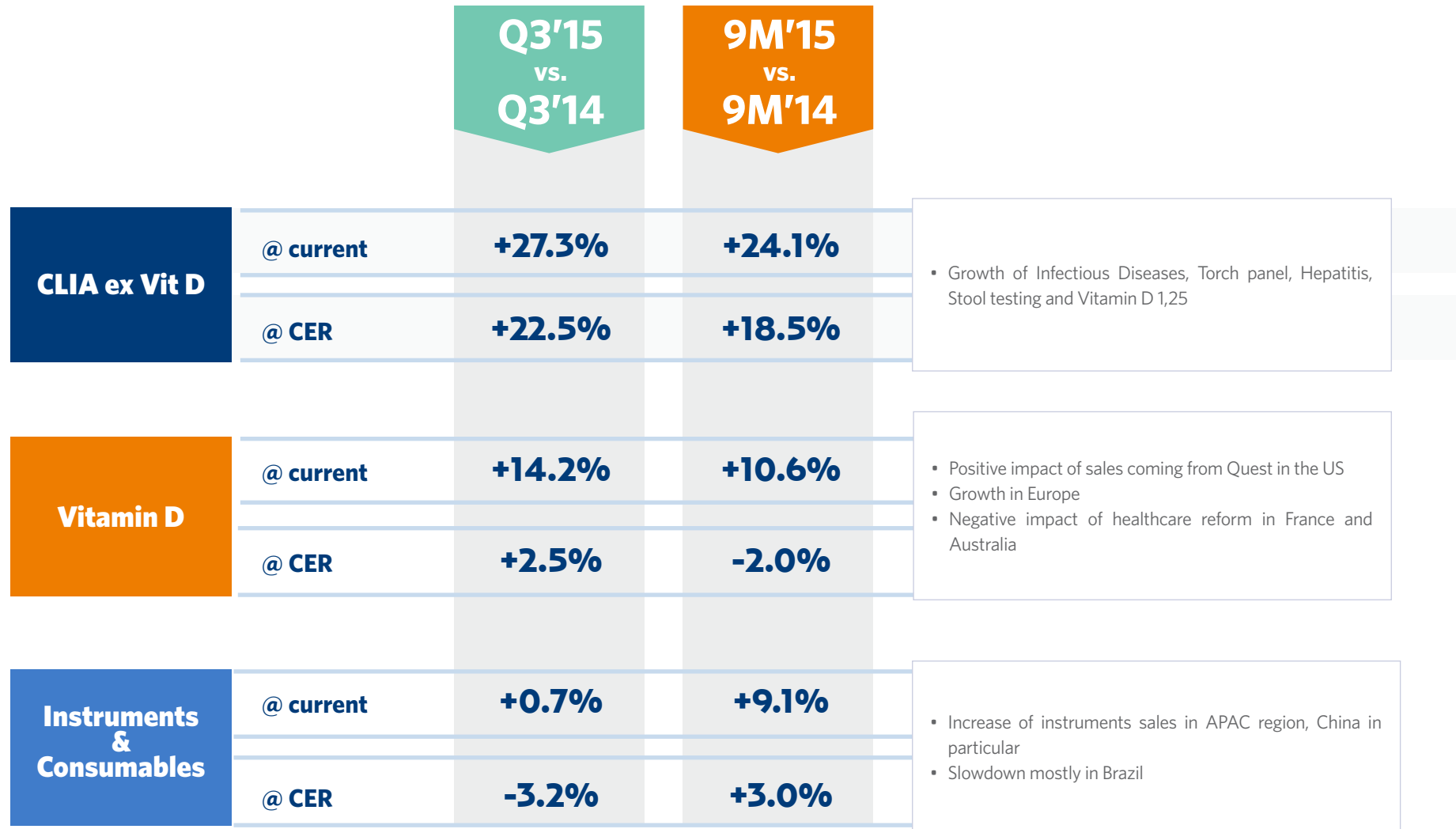
BUSINESS DEVELOPMENT

- 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

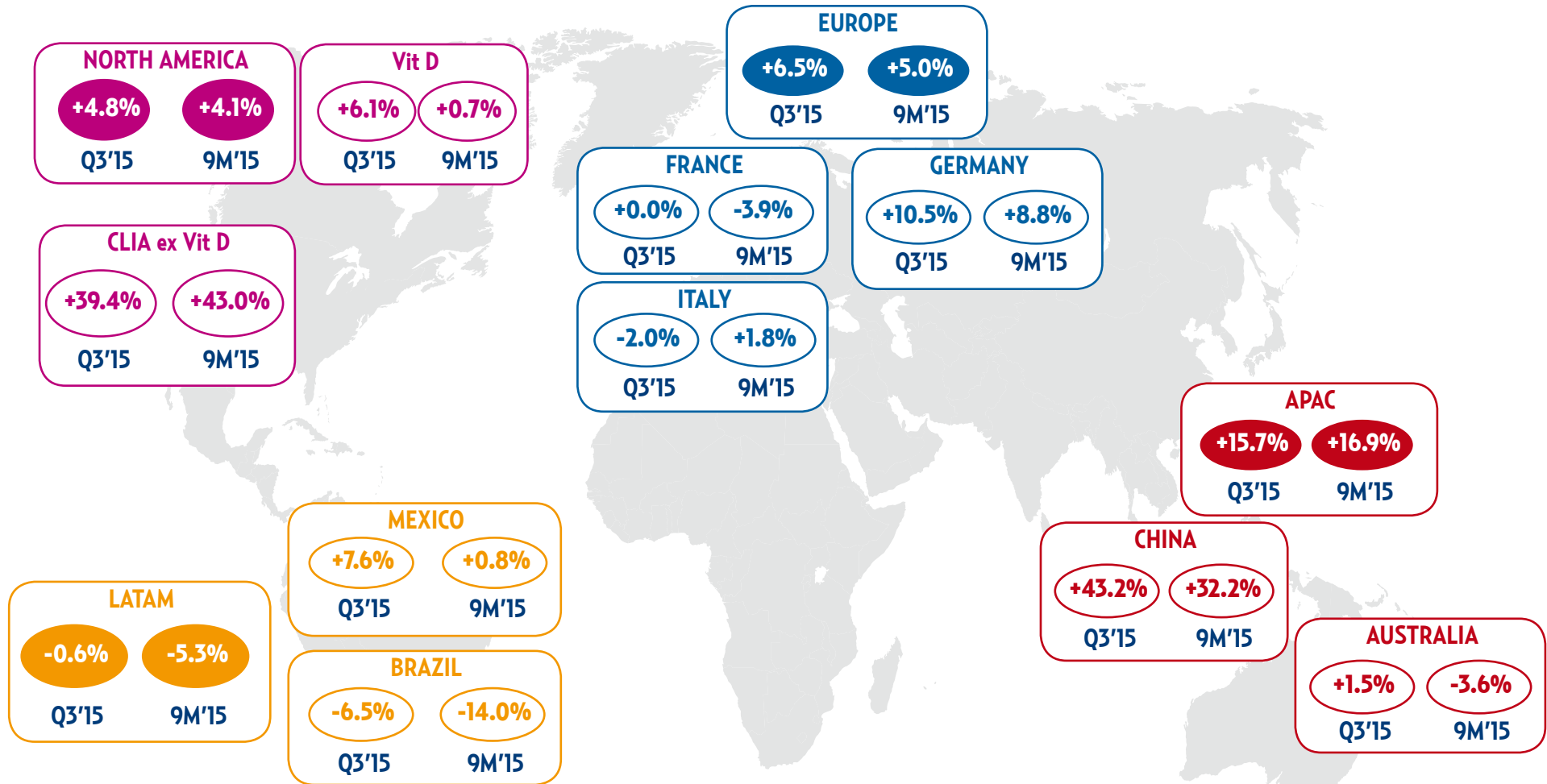
Revenues



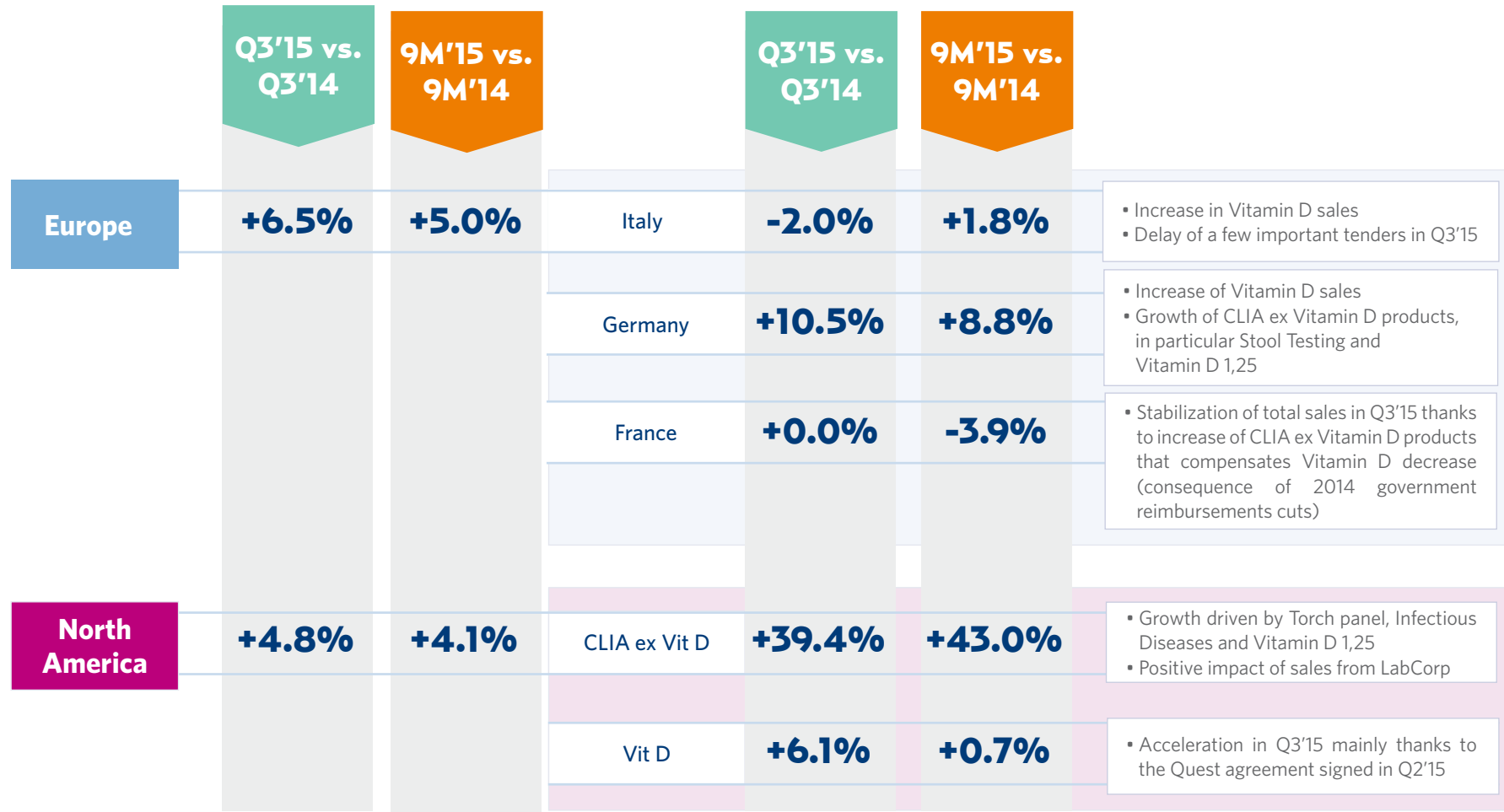
Revenues: Breakdown by Technology



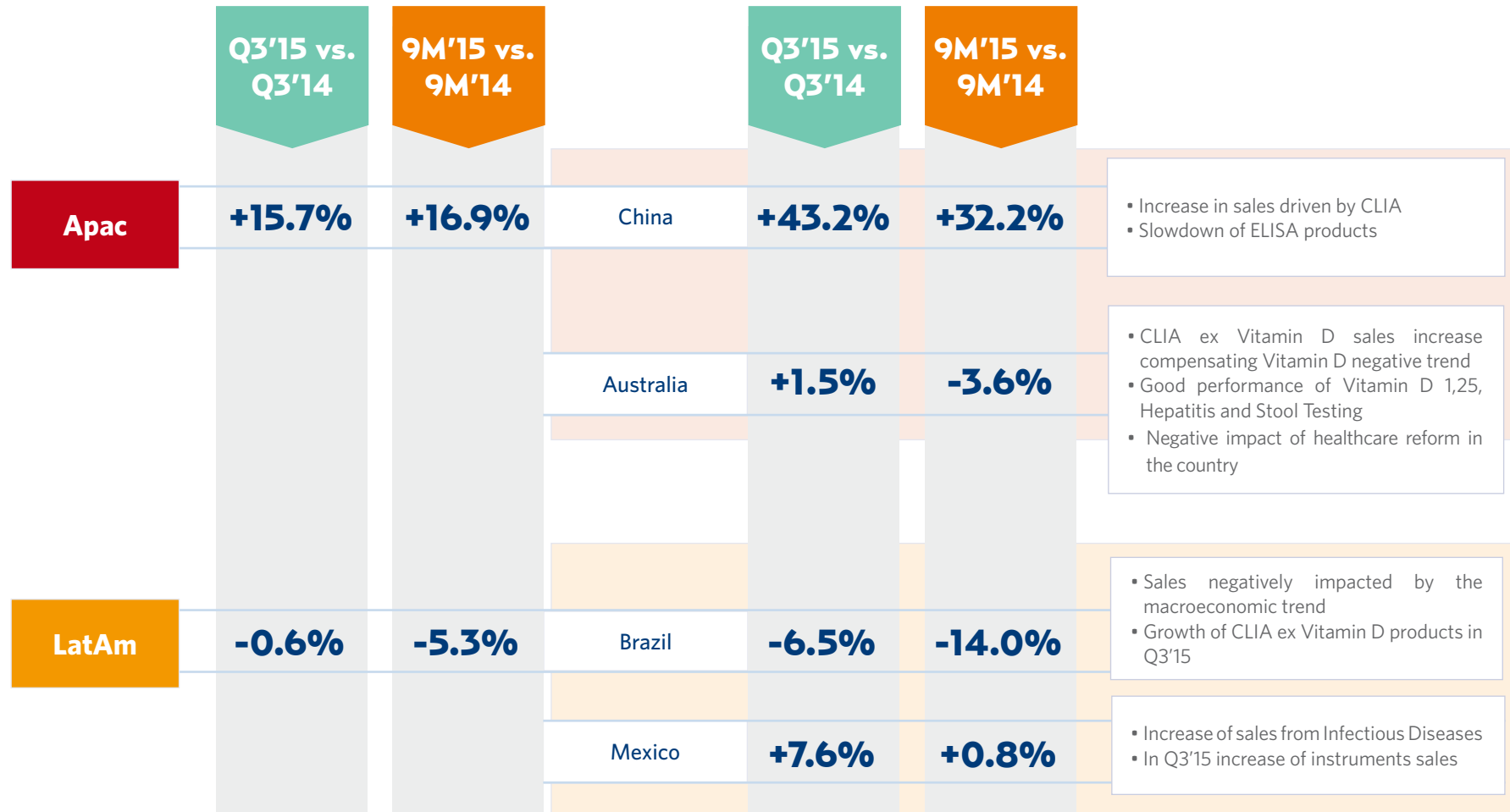
Revenues by Geography





Revenues: Breakdown by Geography (1 of 2)



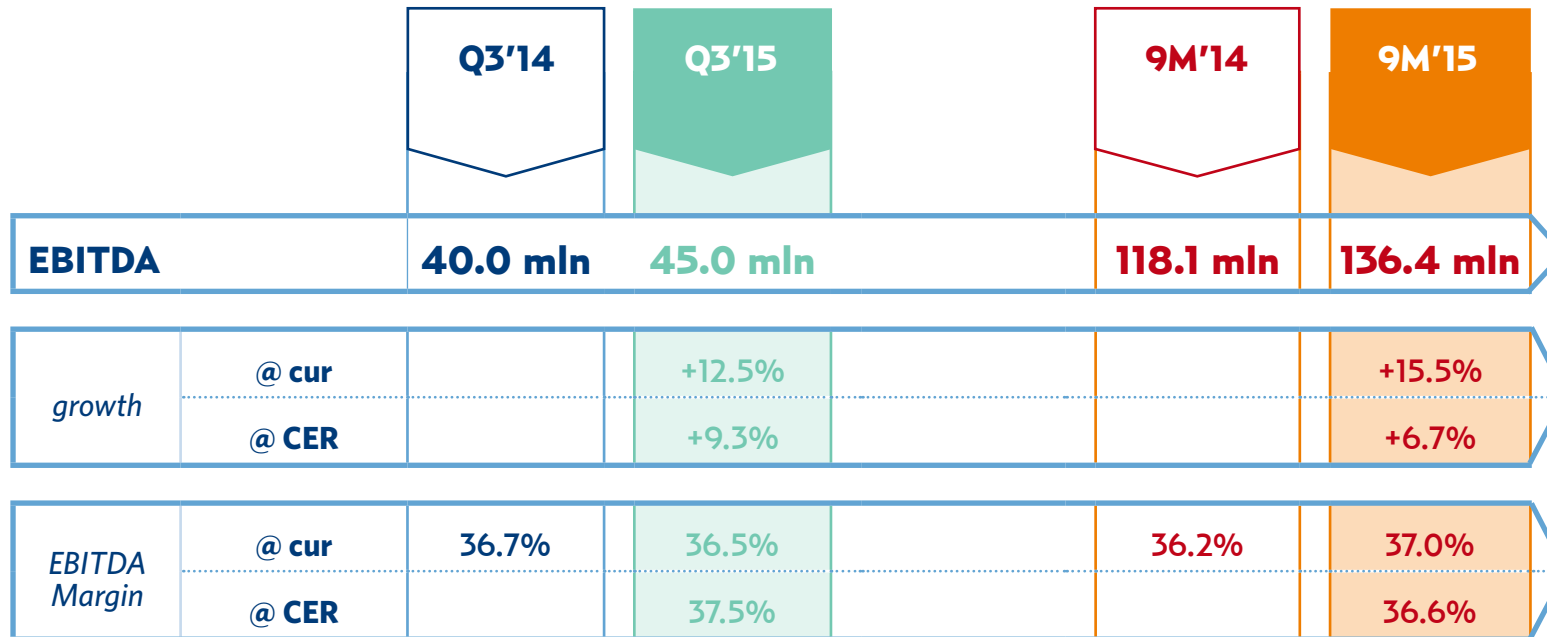
Revenues: Breakdown by Geography (2 of 2)



Installed Base Expansion

	Total units at December 31 st , 2014	Net placements in Q3'15	Net placements in 9M'15	Total units at September 30 th , 2015
 LIAISON®	4,207	-37	-119	4,088
 LIAISON® X	1,665	+125	+479	2,144
TOTAL	5,872	+88	+360	6,232

Profitability profile



EBITDA trend in Q3'15 and 9M'15 driven by:

- ↑ Higher gross margin
- ↑ Lower incidence of operating costs on total revenues
- ↓ Negative FX effect on Q3'15

Highlights

Q3'15 and 9M'15 main topics

Revenues

Revenues: breakdown by technology

Revenues: breakdown by geography

Installed base expansion

Profitability profile

▶ **Business and Products Development**

Q3'15 and 9M'15 Financials






FY 2015 Company Guidance

9M'15 Business and Products Development

BUSINESS DEVELOPMENT

Industrial Plan 2015-2017	➔	Future growth: 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
MDX		IAM PML-RARA Detection BCR1,3 IAM PML-RARA Discrimination BCR2	➔	Tests for the identification of the genetic cause of Acute Promyelocytic Leukemia

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▶ **Q3'15 and 9M'15 Financials**

FY 2015 Company Guidance

Q3'15 Results: Income Statement

€/mln	Q3		Change	
	2015	2014	amount	%
Net revenues	123.2	109.0	+14.2	+13.0%
Gross profit	85.0	72.4	+12.6	+17.4%
<i>Gross margin</i>	69.0%	66.4%	+2.6%	
S&M	(23.5)	(21.6)	-1.9	+8.8%
R&D	(6.3)	(6.2)	-0.1	+1.2%
G&A	(13.7)	(12.4)	-1.4	+10.9%
Total operating expenses	(43.5)	(40.1)	-3.3	+8.3%
<i>% on sales</i>	35.3%	36.8%	-1.5%	
Other operating income (expense)	(4.9)	(0.1)	-4.8	n.m.
EBIT	36.6	32.2	+4.5	+13.9%
<i>EBIT margin</i>	29.7%	29.5%	+0.2%	
Net financial income (expense)	(1.3)	0.1	-1.4	n.m.
Profit before taxes	35.3	32.2	+3.1	+9.6%
Income taxes	(12.1)	(10.9)	-1.2	+10.8%
Net profit	23.2	21.3	+1.9	+9.0%
EBITDA	45.0	40.0	+5.0	+12.5%
<i>EBITDA margin</i>	36.5%	36.7%	-0.2%	

9M'15 Results: Income Statement

€/mln	9M		Change	
	2015	2014	amount	%
Net revenues	368.4	325.8	+42.6	+13.1%
Gross profit	251.4	218.3	+33.0	+15.1%
Gross margin	68.2%	67.0%	+1.2%	
S&M	(72.2)	(65.6)	-6.6	+10.0%
R&D	(18.9)	(18.6)	-0.4	+2.0%
G&A	(40.7)	(36.7)	-4.1	+11.0%
Total operating expenses	(131.9)	(120.9)	-11.0	+9.1%
% on sales	35.8%	37.1%	-1.3%	
Other operating income (expense)	(7.8)	(1.9)	-5.9	n.m.
EBIT	111.7	95.5	+16.2	+16.9%
EBIT margin	30.3%	29.3%	1.0%	
Net financial income (expense)	(2.5)	(0.5)	-2.1	n.m.
Profit before taxes	109.2	95.1	+14.1	+14.8%
Income taxes	(37.1)	(33.8)	-3.3	-
Net profit	72.1	61.3	+10.8	+17.6%
EBITDA	136.4	118.1	+18.3	+15.5%
EBITDA margin	37.0%	36.2%	0.8%	

9M'15 Results: Balance Sheet

€/mln	9/30/2015	12/31/2014	Change
Total intangible assets	116.5	117.0	-0.4
Total tangible assets	73.8	72.2	+1.5
Other non-current assets	22.4	25.6	-3.2
Net Working Capital	145.9	142.3	+3.6
Other non-current liabilities	(38.2)	(39.8)	+1.6
Net Capital Employed	320.3	317.2	+3.1
Net Financial Position	231.9	166.3	+65.5
Total Shareholders' equity	552.2	483.6	+68.6

Q3'15 Results: Cash Flow Statement

€/mln	Q3		Change
	2015	2014	
Cash and cash equivalents at beginning of period	141.6	88.7	+52.9
Operating activities	40.6	39.0	+1.6
Investing activities	(5.4)	(6.8)	+1.4
Financing activities	0.7	3.1	-2.4
Acquisitions of companies and business operations	(1.0)	-	-1.0
Change in net cash and cash equivalents before investments in financial assets	34.9	35.3	-0.4
Investments in financial assets	-	-	-
Change in net cash and cash equivalents	34.9	35.3	-0.4
Cash and cash equivalents at end of period	176.5	124.0	+52.5

STRONG FREE CASH FLOW GENERATION

€ 35.5 million in Q3'15 (+ € 3.4 million vs. Q3'14)

9M'15 Results: Cash Flow Statement

€/mln	9M		Change in value
	2015	2014	
Cash and cash equivalents at beginning of period	144.9	105.1	+39.7
Operating activities	96.4	91.9	+4.5
Investing activities	(21.6)	(21.0)	-0.6
Financing activities	(12.1)	(30.2)	+18.1
Acquisitions of companies and business operations	(1.0)	-	-1.0
Change in net cash and cash equivalents before investments in financial assets	61.7	40.6	+21.0
Investments in financial assets	(30.0)	(21.8)	+8.2
Change in net cash and cash equivalents	31.7	18.9	+12.8
Cash and cash equivalents at end of period	176.5	124.0	+52.5

SOLID FINANCIAL STRUCTURE

Net Financial Position

◆ **€ 231.9 million** (+ € 65.5 million vs. Dec 31st, 2014)

Strong Free Cash Flow generation

◆ **€ 74.8 million** in 9M'15 (+ € 3.6 million vs. 9M'14)

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▶ **FY 2015 Company Guidance**

FY 2015 Company Guidance

Consistent with the positive sales trend, the improvement in Gross Profit and the lower incidence of operating expenses on revenues, management believes that it should revise upward its earlier expectations for the current year and project:

- ▶ **Revenues:** growth above 5% at CER compared with 2014 (previous growth range estimated between +4% and +5% at CER)
- ▶ **EBITDA:** increase of the growth range between +6% and +7% at CER vs. FY'14 EBITDA (previous growth range between +4% and +5% at CER)
- ▶ **NEW SYSTEMS INSTALLED (LIAISON + LIAISON XL):** ~ 550



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