



# Q2 and H1 2016 Results

DIASORIN SPA  
August 4, 2016



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.

Piergiorgio Pedron, 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

Q2 and H1 2016 Main Topics

Revenues

- Breakdown by Technology
- Breakdown by Geography

Installed Base Expansion

Profitability Profile

## Q2 and H1 2016 Financials

## FY 2016 Company Guidance

# Highlights

# Q2 2016 and H1 2016 Main Topics

	Q2 2016	H1 2016
<b>REVENUES</b>	<b>€/mln 141.7</b>	<b>€/mln 266.2</b>
	+11.2%	+8.6%
	LFL* @ CER +7.2%	LFL* @ CER +6.9%
▶ CLIA ex Vit D 25 OH	+11.4%	+13.4%
	@ CER +14.5%	@ CER +15.7%
▶ Vit D 25 OH	-5.1%	-1.5%
	@ CER -2.7%	@ CER -0.6%
▶ Focus	+€/mln 8.8	+€/mln 8.8
<b>EBITDA</b>	<b>€/mln 55.0</b>	<b>€/mln 102.3</b>
	+13.9%	+11.9%
	LFL* @ CER +9.4%	LFL* @ CER +10.0%
EBITDA margin	38.8%	38.4%
	+90 bps	+110 bps
<b>NET RESULT</b>	<b>€/mln 29.4</b>	<b>€/mln 54.0</b>
	+12.0%	+10.7%
% of revenues	20.7%	20.3%
	+20 bps	+40 bps
<b>FCF</b>	<b>€/mln 25.5</b>	<b>€/mln 53.9</b>
	+€/mln 12.9	+€/mln 14.6
<b>NFP</b>		<b>+€/mln 5.9</b>
		-€/mln 262.0

\* LFL = Like-for-Like (excluding the Focus acquisition)

## LIAISON & LIAISON XL PLACEMENTS

	Q2 2016	H1 2016	@ JUNE 30, 2016
▶ LIAISON XL	+143	+275	2,567
▶ LIAISON	+37	-7	4,037
<b>TOTAL</b>	<b>+180</b>	<b>+268</b>	<b>6,604</b>

## 2016 NEW GUIDANCE

Management raised the guidance for 2016 Revenues and EBITDA

- ▶ Revenues: growth between 6% and 7% at CER compared with 2015 (previous guidance: growth between +5% and +6% at CER compared with 2015)
- ▶ EBITDA: growth equal to ca. +9% at CER compared with 2015 (previous guidance: growth equal to ca. +8% at CER compared with 2015)

## BUSINESS DEVELOPMENT

- ▶ Focus Diagnostics Acquisition: Purchase agreement announced on Mar 30, 2016 – Closing on May 13, 2016  
Transaction Price: \$297.8 mln, carried out mainly through available cash and a € 60 million loan, with a 36 month maturity
- ▶ Start of sales of CLIA 25 OH Vitamin D test in Japan, following the approval of the reimbursement code from the Japanese authorities.  
DiaSorin as the first Company to market Vitamin D test in Japan in reference laboratories through an exclusive distribution agreement with Kyowa Medex, part of the Japanese Kyowa Hakko Kirin Group

## PRODUCT DEVELOPMENT

- ▶ Helicobacter pylori (available on the market outside the US only): CLIA test for the qualitative determination of Helicobacter pylori in human serum
- ▶ AML1-ETO (available on the market outside the US only): MDX test for identification of one of the most common genetic causes of Acute Myeloid Leukemia



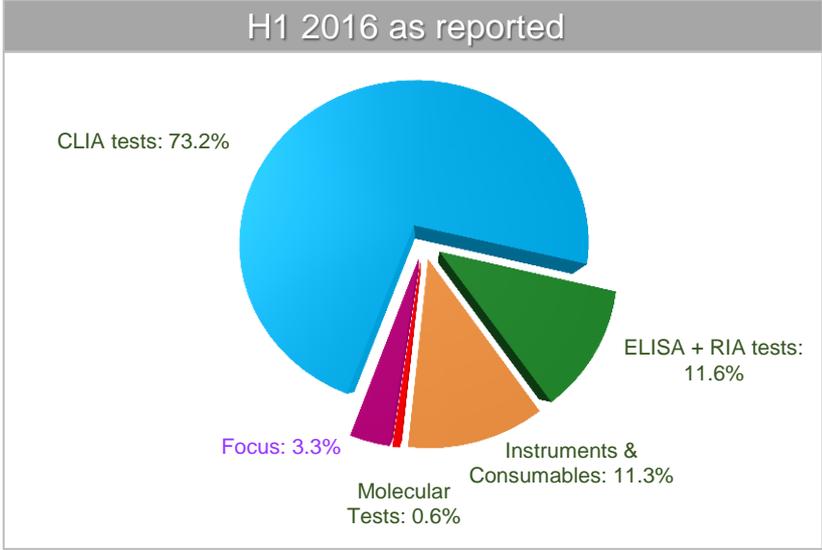
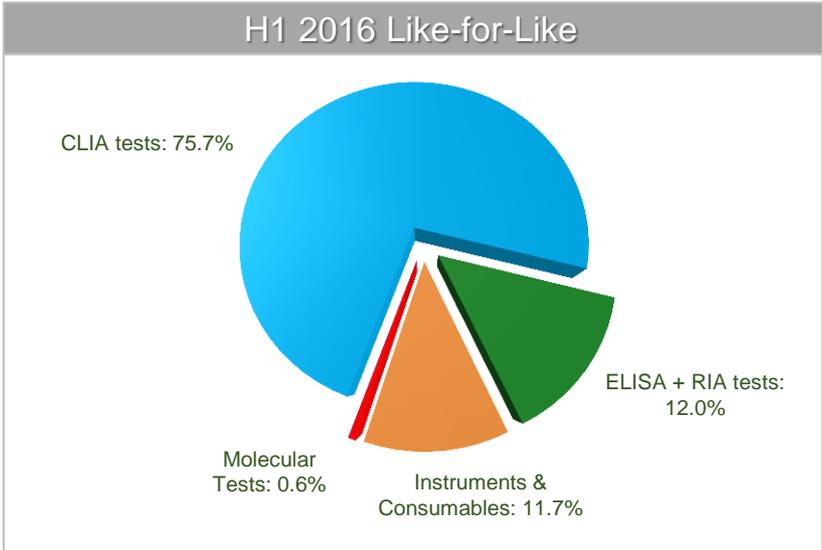
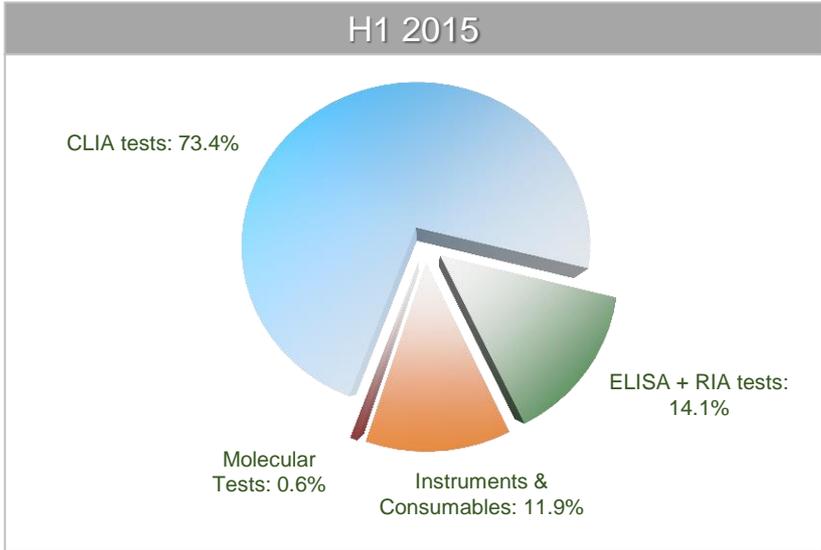
Growth driven by all CLIA tests, in particular Infectious Diseases, Hepatitis, ToRCH, Stool Testing and Vitamin D 1,25

Growth in almost all geographies

Forex negative impact

\* LFL = Like-for-Like (excluding the Focus acquisition)

# Revenues: breakdown by technology

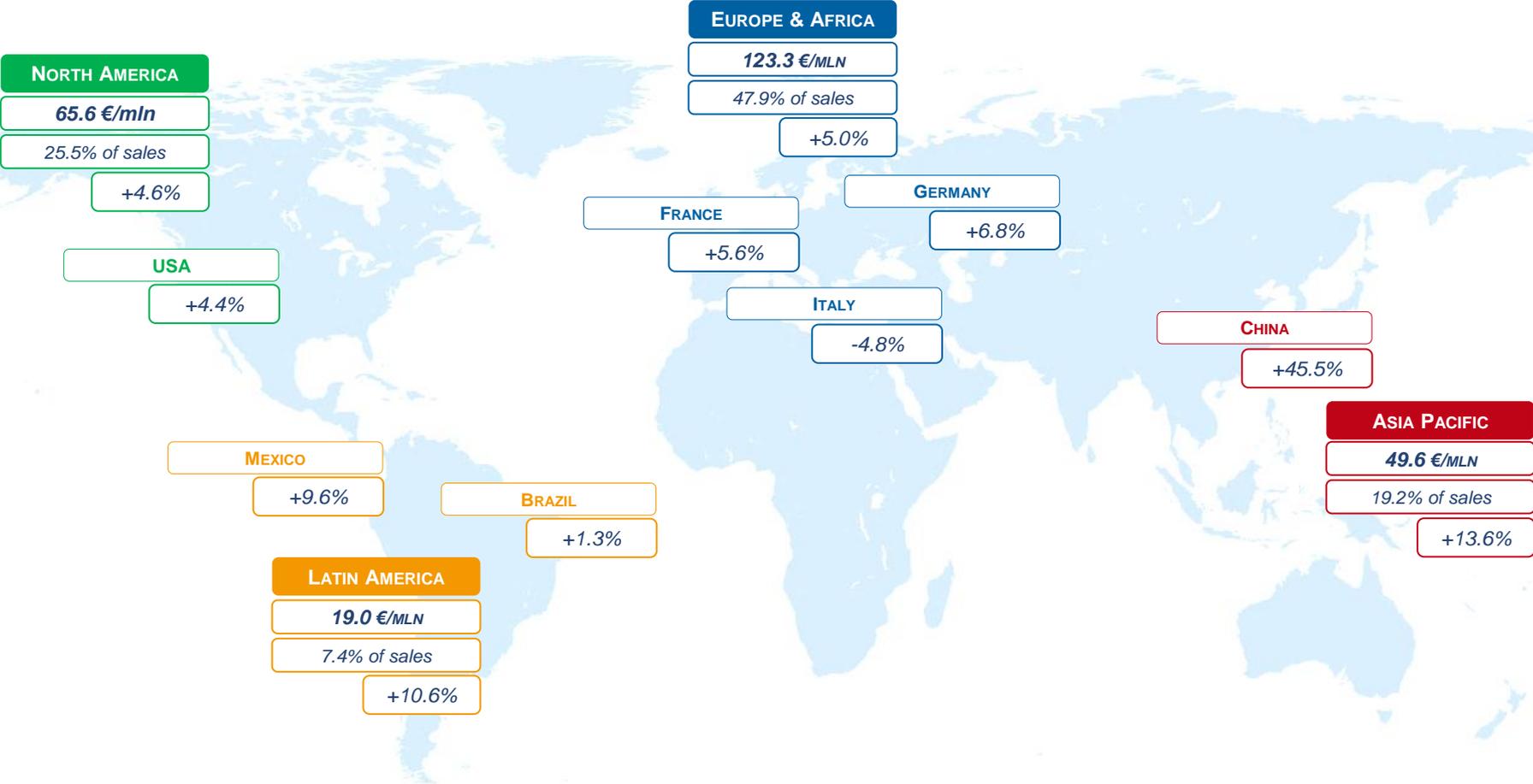


# Revenues: breakdown by technology

			Q2'16 vs. Q2'15	H1'16 vs. H1'15
CLIA	CLIA ex Vitamin D 25 OH tests	@ current	+11.4%	+13.4%
		LFL @ CER	+14.5%	+15.7%
	Vitamin D 25 OH test (CLIA)	@ current	-5.1%	-1.5%
		LFL @ CER	-2.7%	-0.6%
	ELISA + RIA tests	@ current	-11.1%	-10.3%
		LFL @ CER	-8.6%	-8.4%
	Instruments & Consumables	@ current	+13.3%	+3.3%
		LFL @ CER	+16.8%	+5.8%
	Molecular Diagnostic tests	@ current	+9.4%	+3.7%
		LFL @ CER	+10.4%	+3.6%
	Focus		+8.8 €/mln	+8.8 €/mln

\* LFL = Like-for-Like (excluding the Focus acquisition)

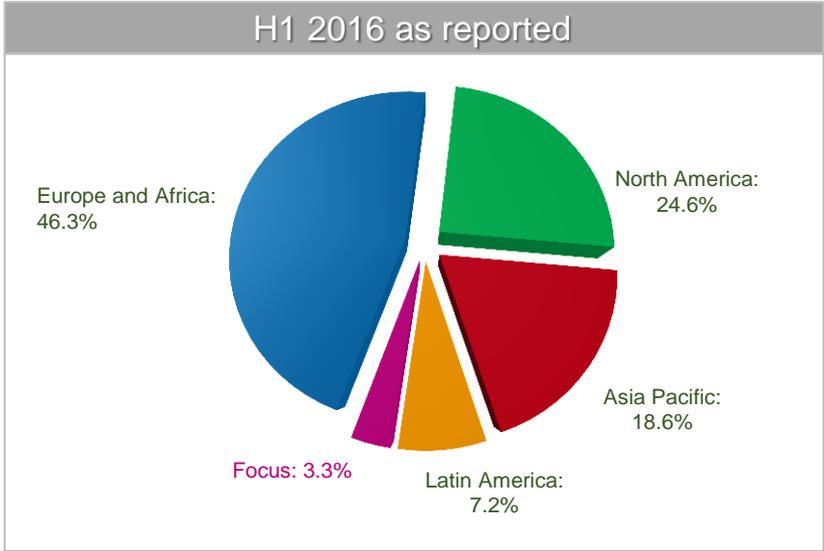
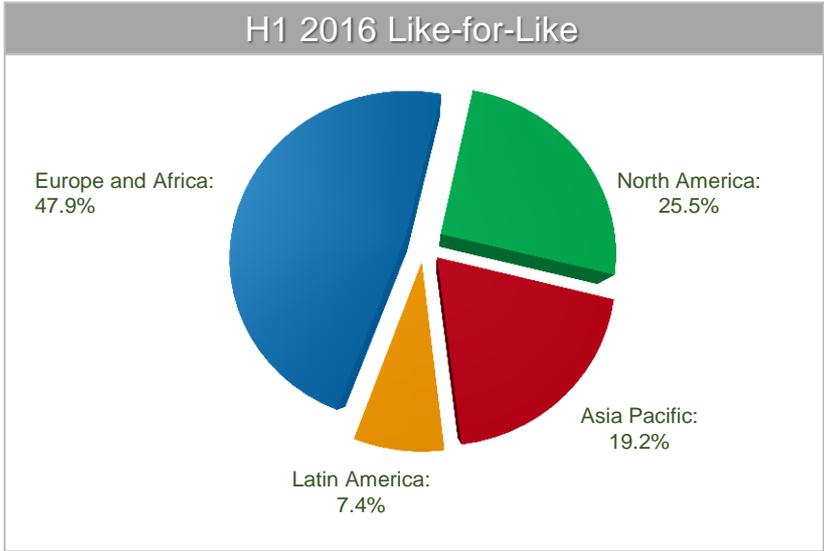
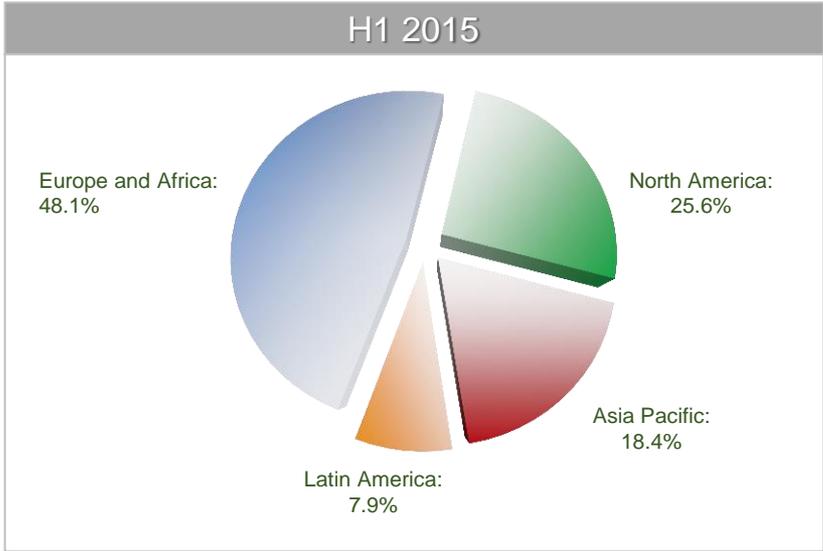
# Revenues: breakdown by geography



Managerial outlook on data reported; Change H1'16 on H1'15 @ CER and LFL  
 \* LFL = Like-for-Like (excluding the Focus acquisition)

**Focus**  
 8.8 €/mln

# Revenues: breakdown by geography



# Revenues: breakdown by geography



Managerial outlook on data reported; comments on HoH results  
Change QoQ and HoH @ CER and LFL

\* LFL = Like-for-Like (excluding the Focus acquisition)

# Revenues: breakdown by geography



Managerial outlook on data reported; comments on HoH results  
Change QoQ and HoH @ CER and LFL

\* LFL = Like-for-Like (excluding the Focus acquisition)

# Installed base expansion

	TOTAL UNITS AT DECEMBER 31, 2015	NET PLACEMENTS IN H1 2016	TOTAL UNITS AT JUNE 30, 2016
	4,044	-7	4,037
	2,292	+275	2,567
<b>TOTAL</b>	<b>6,336</b>	<b>+268</b>	<b>6,604</b>

# Profitability profile



Raise in marginality compared to Q2'15 and H1'15 mainly driven by:

- ▶ Increase in Gross Profit, as a result of higher sales and the different geographic and product mix
- ▶ Lower incidence of operating expenses net of amortization of “Focus Business” related intangible assets

# Q2 and H1 2016 Financial Data

# Q2'16 results: Income Statement

Data in € million	Q2		Change	
	2015	2016	amount	%
<b>Net revenues</b>	<b>127.5</b>	<b>141.7</b>	<b>+14.2</b>	<b>+11.2%</b>
<b>Gross profit</b>	<b>87.3</b>	<b>97.6</b>	<b>+10.3</b>	<b>+11.8%</b>
<i>Gross Margin</i>	68.4%	68.8%	+40 bps	
S&M	(24.8)	(27.1)	-2.3	+9.4%
R&D	(6.6)	(9.5)	-2.9	+43.8%
G&A	(13.8)	(14.6)	-0.8	+5.4%
<b>Total operating expenses</b>	<b>(45.3)</b>	<b>(51.3)</b>	<b>-6.0</b>	<b>+13.2%</b>
<i>% on sales</i>	35.5%	36.2%	-70 bps	
Other operating income (expense)	(1.9)	(2.3)	-0.3	+16.4%
<b>EBIT</b>	<b>40.0</b>	<b>44.0</b>	<b>+4.0</b>	<b>+10.0%</b>
<i>EBIT margin</i>	31.4%	31.1%	-30 bps	
Net financial income (expense)	(0.4)	(0.4)	-0.1	+18.1%
<b>Profit before taxes</b>	<b>39.7</b>	<b>43.6</b>	<b>+3.9</b>	<b>+9.9%</b>
Income taxes	(13.5)	(14.2)	-0.8	+5.9%
<b>Net result</b>	<b>26.2</b>	<b>29.4</b>	<b>+3.1</b>	<b>+12.0%</b>
<b>EBITDA</b>	<b>48.3</b>	<b>55.0</b>	<b>+6.7</b>	<b>+13.9%</b>
<i>EBITDA margin</i>	37.9%	38.8%	+90 bps	

# H1'16 results: Income Statement

Data in € million	H1		Change	
	2015	2016	amount	%
<b>Net revenues</b>	<b>245.1</b>	<b>266.2</b>	<b>+21.1</b>	<b>+8.6%</b>
<b>Gross profit</b>	<b>166.3</b>	<b>183.3</b>	<b>+17.0</b>	<b>+10.2%</b>
<i>Gross Margin</i>	67.9%	68.9%	+100 bps	
S&M	(48.7)	(51.4)	-2.7	+5.5%
R&D	(12.7)	(16.7)	-4.0	+31.9%
G&A	(27.0)	(28.2)	-1.2	+4.5%
<b>Total operating expenses</b>	<b>(88.4)</b>	<b>(96.3)</b>	<b>-7.9</b>	<b>+9.0%</b>
<i>% on sales</i>	(36.1)%	(36.2)%	-10 bps	
Other operating income (expense)	(2.9)	(4.8)	-1.9	+66.7%
<b>EBIT</b>	<b>75.1</b>	<b>82.2</b>	<b>+7.1</b>	<b>+9.5%</b>
<i>EBIT margin</i>	30.6%	30.9%	+30 bps	
Net financial income (expense)	(1.2)	(1.6)	-0.4	+29.8%
<b>Profit before taxes</b>	<b>73.8</b>	<b>80.6</b>	<b>+6.8</b>	<b>+9.2%</b>
Income taxes	(25.0)	(26.6)	-1.5	+6.2%
<b>Net result</b>	<b>48.8</b>	<b>54.0</b>	<b>+5.2</b>	<b>+10.7%</b>
<b>EBITDA</b>	<b>91.4</b>	<b>102.3</b>	<b>+10.9</b>	<b>+11.9%</b>
<i>EBITDA margin</i>	37.3%	38.4%	+110 bps	

<i>Data in € million</i>	<b>12/31/2015</b>	<b>06/30/2016</b>	<b>Change</b>
Total intangible assets	117.9	348.9	+231.0
Total tangible assets	74.5	89.6	+15.1
Other non-current assets	21.2	21.5	+0.4
Net Working Capital	144.0	163.1	+19.1
Other non-current liabilities	(38.3)	(40.1)	-1.7
<b>Net Capital Employed</b>	<b>319.2</b>	<b>583.0</b>	<b>+263.8</b>
<b>Net Financial Position</b>	<b>267.9</b>	<b>5.9</b>	<b>-262.0</b>
<b>Total Shareholders' equity</b>	<b>587.2</b>	<b>588.9</b>	<b>+1.8</b>

# Q2'16 results: Cash Flow Statement

<i>Data in € million</i>	Q2		Change
	2015	2016	
<b>Cash and cash equivalents at the beginning of the period</b>	<b>196.0</b>	<b>292.1</b>	<b>+96.1</b>
Operating activities	21.5	34.3	+12.8
Investing activities	(8.5)	(8.7)	-0.2
Financing activities	(36.0)	17.9	+53.9
Acquisitions of companies and business operations	(1.4)	(262.4)	-261.0
<b><i>Net change in cash and cash equivalents before investments in financial assets</i></b>	<b>(24.4)</b>	<b>(218.9)</b>	<b>-194.5</b>
Divestment/(Investments) in financial assets	(30.0)	-	+30.0
<b><i>Net change in cash and cash equivalents</i></b>	<b>(54.4)</b>	<b>(218.9)</b>	<b>-164.5</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>141.6</b>	<b>73.2</b>	<b>-68.4</b>

# H1'16 results: Cash Flow Statement

<i>Data in € million</i>	<i>H1</i>		<b>Change</b>
	<b>2015</b>	<b>2016</b>	
<b>Cash and cash equivalents at the beginning of the period</b>	<b>144.9</b>	<b>212.2</b>	<b>+67.3</b>
Operating activities	55.8	68.1	+12.4
Investing activities	(16.2)	(14.5)	+1.8
Financing activities	(11.3)	12.8	+24.1
Acquisitions of companies and business operations	(1.4)	(262.4)	-261.0
<b>Net change in cash and cash equivalents before investments in financial assets</b>	<b>26.8</b>	<b>(196.0)</b>	<b>-222.8</b>
Divestment/(Investments) in financial assets	(30.0)	57.0	+87.0
<b>Net change in cash and cash equivalents</b>	<b>(3.2)</b>	<b>(139.0)</b>	<b>-135.7</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>141.6</b>	<b>73.2</b>	<b>-68.4</b>

# FY 2016 Company Guidance

## New FY 2016 Company Guidance, at constant scope of consolidation

### Revenues

Growth between **+6% and +7%** at CER compared with 2015  
*(previous guidance: growth between +5% and +6% at CER compared with 2015)*

### EBITDA

Growth equal to ca. **+9%** at CER compared with 2015  
*(previous guidance: growth equal to ca.+8% at CER compared with 2015)*

DiaSorin

---