



DiaSorin

The Diagnostic Specialist

H1'14 Results

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.

OVERVIEW

► Highlights

H1 2014 Main Topics

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Revenues: breakdown by technology

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Installed base expansion

Profitability profile

Business and Products Development

H1 2014 Financials

FY 2014 Company Guidance

H1 2014 MAIN TOPICS

REVENUES: +1.5% AT CER

CLIA EX VIT D: +18.2% AT CER

Growth as a result of:

- Growth from Hepatitis, ToRCH, Infectious Diseases tests
- Success of Gastrointestinal stool testing
- Successful launch of CLIA Vit D 1,25
- Positive contribution from the LabCorp agreement signed in Q1'14

VITAMIN D: -8.8% AT CER; ex LabCorp price concession less than -6.5%

Confirmation of the negative contribution slowdown, taking into consideration:

- Price reduction granted to LabCorp (extension of agreement and addition of 15 CLIA ex Vit D tests)
- Higher volumes worldwide, including the US
- Revenues increase in key markets (Italy, Germany, and Brazil)

EBITDA ADJUSTED*: SOLID AND STRONG MARGINALITY

	Statutory	Adjusted ex Molecular, at CER
EBITDA margin:	36.0%	38.0%

POSITIVE NFP and STRONG FREE CASH FLOW GENERATION

- **NFP: +€ 107.0 MILLION** (+€ 9.0 million vs. Dec 31, 2013)
- **FCF: +€ 39.1 MILLION AT JUN. 30, 2014** (+€ 2.2 million vs. H1'13)

LIAISON® & LIAISON® XL PLACEMENTS

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

Placements	H1'14	Total at June 30, 2014
LIAISON® XL	+ 305	1,380
LIAISON®	- 16	4,181
Total	+ 289	5,561

PRODUCT DEVELOPMENT

Launch of:

VITAMIN D 1,25

The only fully automated product available in the world on the CLIA technology, leveraging on the same clients that today use Vit D 25 OH where DiaSorin is the undisputed WW leader

N-TACT PTH GEN II

Quantitative determination of intact human parathyroid hormone

ROTAVIRUS

The 5TH test of the Gastrointestinal stool testing infections on LIAISON® instruments

IMMUNODIAGNOSTICS

IAM HSV + IAM CMV

Detection of Herpes Simplex virus types 1 & 2 (HSV-1 & HSV-2) and of Cytomegalovirus (CMV), the 5TH and the 6TH molecular diagnostics infectious diseases products available on LIAISON® IAM

MOLECULAR DIAGNOSTICS

BUSINESS DEVELOPMENT

3-YEAR EXTENSION OF AGREEMENT WITH LABCORP (15 new tests)

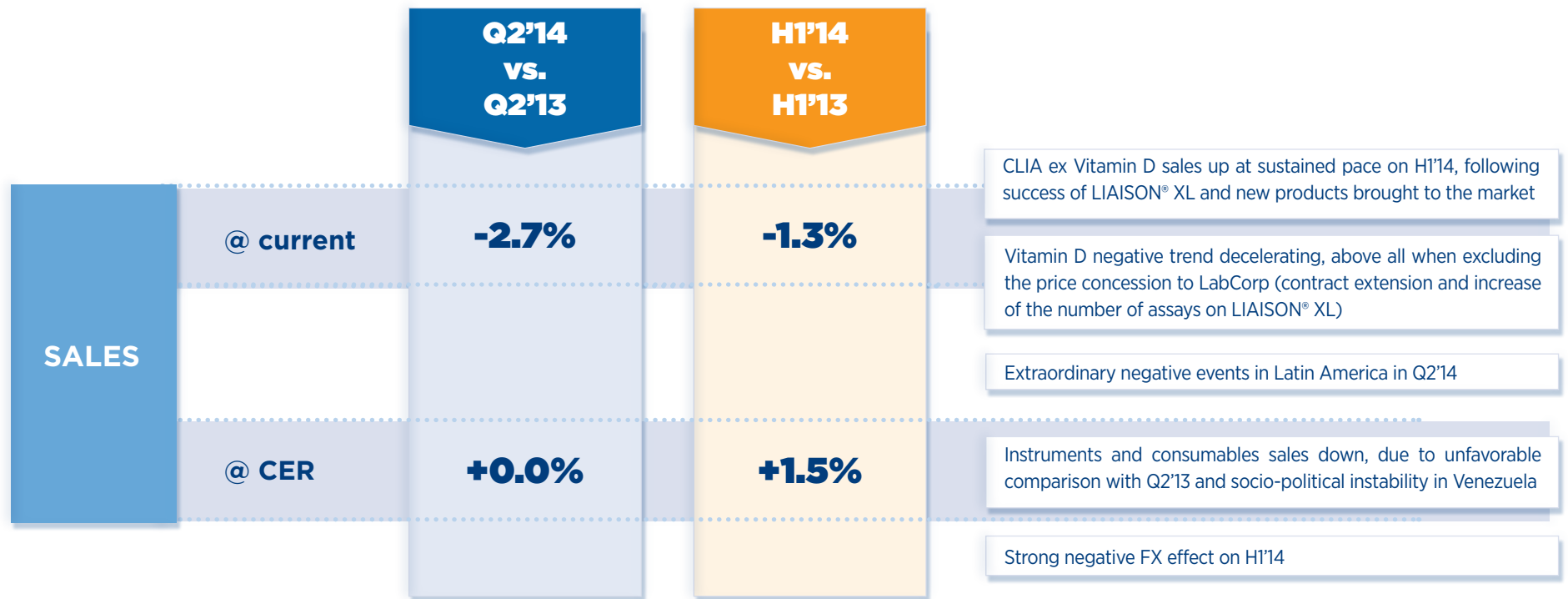
Expansion of LIAISON® XL menu offering to LabCorp with 15 new tests, while maintaining existing Vitamin D business

Approval for Heps & Retroviruses tests in China

Marketing approvals for Hepatitis B and C, Retrovirus and Syphilis assays on LIAISON® XL platforms for the Chinese market

*Net of non recurring events occurred in the period (restructuring of Norwegian branch and French subsidiary = € 0.8 million in Q2'14 and € 1.2 million in H1'14)

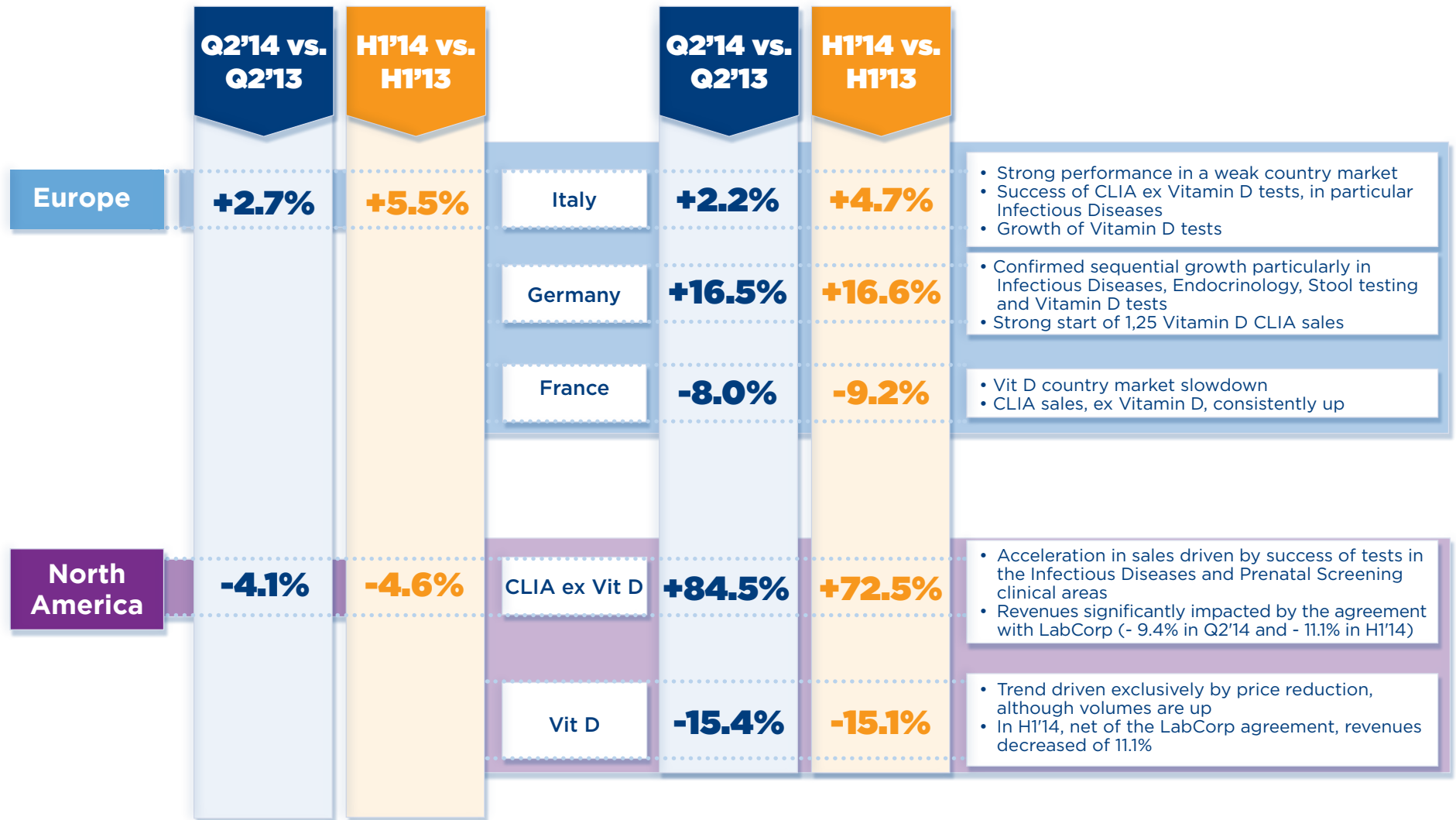
REVENUES



REVENUES: BREAKDOWN BY TECHNOLOGY

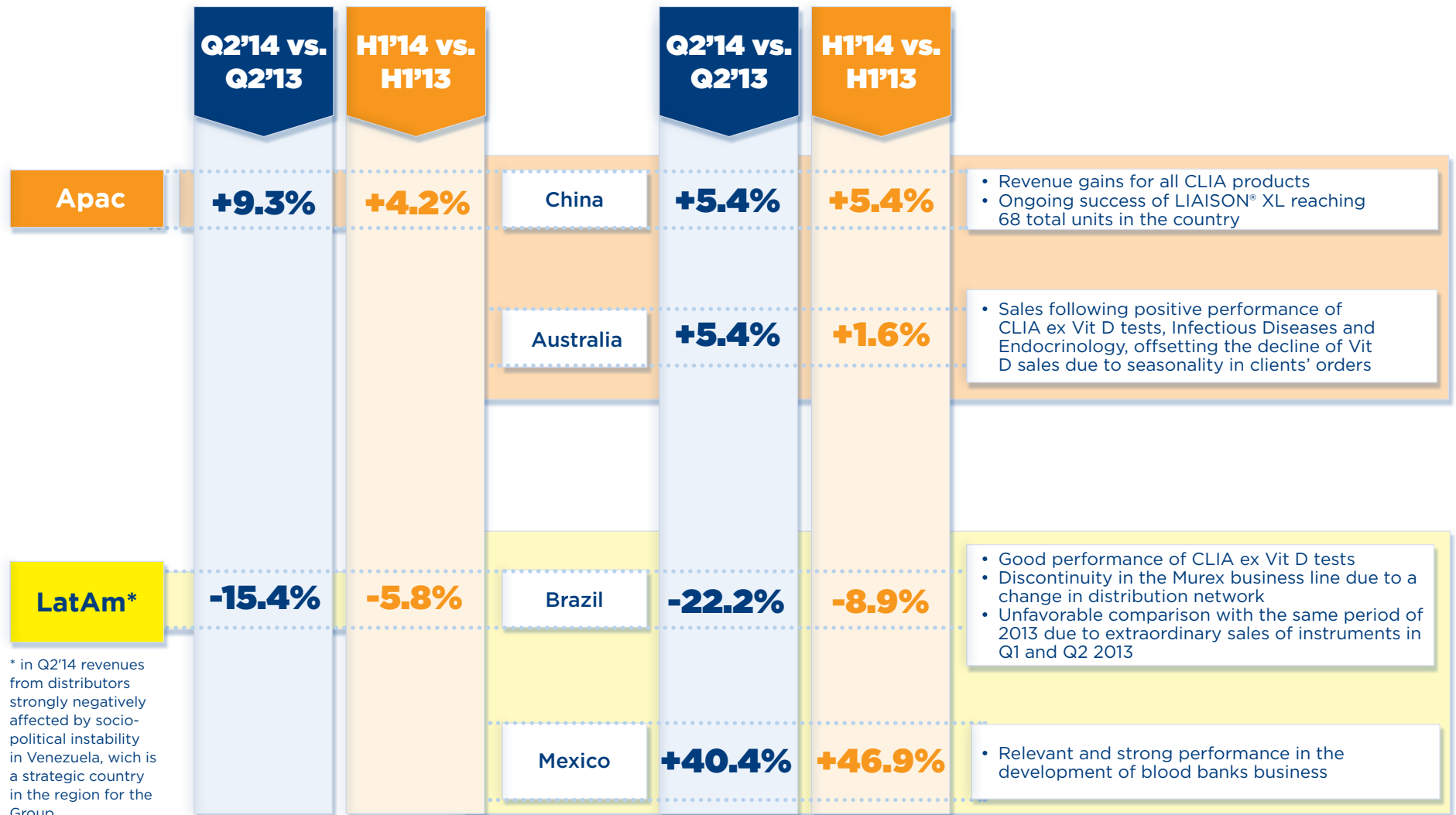
		Q2'14 vs. Q2'13	H1'14 vs. H1'13	
CLIA ex Vit D	@ current	+13.0%	+15.8%	<ul style="list-style-type: none"> Strong growth following the success of: <ul style="list-style-type: none"> LIAISON® XL installations Growth of Hepatitis, Infectious Diseases, Gastrointestinal stool testing and ToRCH DiaSorin as the Company with the broadest CLIA menu in the world (109 products available)
	@ CER	+15.2%	+18.2%	
Vitamin D	@ current	-13.7%	-12.2%	<ul style="list-style-type: none"> Deceleration of sales decline, above all when excluding the price reduction granted to LabCorp (Vit D negative contribution less than -6.5% in H'14) Good performance in relevant markets (Germany, Italy, and Brazil)
	@ CER	-10.3%	-8.8%	
Instruments & Consumables	@ current	-15.0%	-12.1%	<ul style="list-style-type: none"> Unfavorable comparison with Q2'13 and H1'13 due to extraordinary sales occurred in the same period last year in Brazil and China Socio-political instability in Venezuela LIAISON®/LIAISON® XL installations at June 30, 2014= 5,561 units
	@ CER	-12.4%	-9.3%	

REVENUES: BREAKDOWN BY GEOGRAPHY (1 OF 2)





Managerial outlook on data reported; Change *QoQ and HoH* at CER

REVENUES: BREAKDOWN BY GEOGRAPHY (2 OF 2)

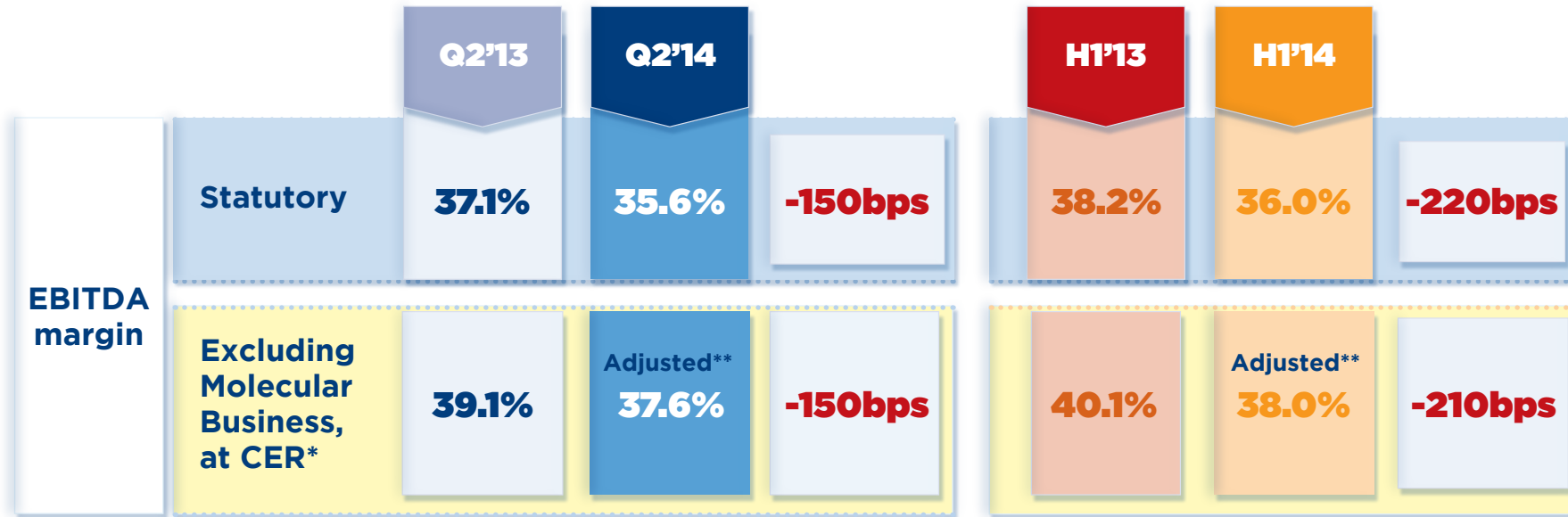


* in Q2'14 revenues from distributors strongly negatively affected by socio-political instability in Venezuela, which is a strategic country in the region for the Group

INSTALLED BASE EXPANSION

	Total units at December 31, 2013	Net placements in H1'14	Total units at March 31, 2014	Net placements in Q2'14	Total units at June 30, 2014
 <p>LIAISON®</p>	4,197	-16	4,201	-20	4,181
 <p>LIAISON® X</p>	1,075	+305	1,230	+150	1,380
TOTAL	5,272	+289	5,431	+130	5,561

PROFITABILITY PROFILE



The profitability of the Group in the Q2'14 was strongly influenced by the negative FX, as well as from the moment of discontinuity in Brazil in the distribution of Murex line following the change of the distribution network

*Managerial outlook on data reported

**For a comparison with the corresponding managerial significant periods of the previous year, EBITDA is exposed as adjusted for non-recurring costs related to the restructuring of the Norwegian branch and the French subsidiary for Q2'14 (= € 0.8 million) and H1'14 (= € 1.2 million)

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H1'14 BUSINESS AND PRODUCTS DEVELOPMENT

BUSINESS DEVELOPMENT

3-year extension of agreement with LabCorp



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

Approval for Heps And Retroviruses tests in China



Marketing approvals for Hepatitis B and C, Retrovirus and Syphilis assays on LIAISON® XL platforms for the Chinese market

PRODUCTS DEVELOPMENT

IMMUNODIAGNOSTICS



Vitamin D 1,25



The only fully automated product available in the world on the CLIA technology, leveraging on the same clients that today use Vit D 25 OH where DiaSorin is the undisputed WW leader



N-TACT PTH Gen II



Specialty for the quantitative determination of intact human parathyroid hormone



Rotavirus



The 5TH test of the Gastrointestinal stool testing infections on LIAISON® instrument

MOLECULAR DIAGNOSTICS



IAM CMV



Detection and quantification of Cytomegalovirus



IAM HSV



Detection of Herpes Simplex virus types 1 & 2

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Q2'14 RESULTS: INCOME STATEMENT

€/mln	Q2		Change	
	2014	2013	amount	%
Net revenues	110.9	113.9	-3.0	-2.7%
Gross profit	74.2	79.8	-5.7	-7.1%
<i>Gross margin</i>	66.9%	70.1%	-3.2%	
S&M	(22.3)	(22.5)	+0.1	-0.6%
R&D	(6.4)	(6.2)	-0.3	+4.3%
G&A	(12.5)	(12.7)	+0.2	-1.6%
Total operating expenses	(41.2)	(41.3)	+0.1	-0.2%
<i>% on sales</i>	(37.2%)	(36.3%)	-0.9%	
Other operating income (expenses)	(0.9)	(3.1)	+2.2	-72.0%
<i>non recurring amount</i>	(0.8)	-	-0.8	
EBIT	32.0	35.4	-3.4	-9.5%
<i>EBIT margin</i>	28.9%	31.1%	-2.2%	
Net financial income (expense)	(0.1)	(1.8)	+1.7	-95.8%
Profit before taxes	32.0	33.6	-1.6	-4.8%
Income taxes	(11.7)	(13.1)	+1.4	-10.5%
Net profit	20.3	20.5	-0.2	-1.2%
EBITDA	39.5	42.3	-2.8	-6.6%
<i>EBITDA margin</i>	35.6%	37.1%	-1.5%	

H1'14 RESULTS: INCOME STATEMENT

€/mln	H1		Change	
	2014	2013	amount	%
Net revenues	216.8	219.7	-2.9	-1.3%
Gross profit	145.9	151.9	-6.0	-3.9%
<i>Gross margin</i>	67.3%	69.1%	-1.8%	
S&M	(44.1)	(43.0)	-1.0	+2.4%
R&D	(12.4)	(12.2)	-0.2	+1.6%
G&A	(24.3)	(24.5)	+0.2	-0.9%
Total operating expenses	(80.7)	(79.7)	-1.0	+1.3%
<i>% on sales</i>	(37.2%)	(36.3%)	-1.0%	
Other operating income (expenses)	(1.8)	(2.6)	+0.8	-30.4%
<i>non recurring amount</i>	(1.2)	-	-1.2	
EBIT	63.4	69.6	-6.2	-8.9%
<i>EBIT margin</i>	29.2%	31.7%	-2.4%	
Net financial income (expense)	(0.5)	(2.9)	+2.3	-81.3%
Profit before taxes	62.9	66.7	-3.9	-5.8%
Income taxes	(22.9)	(25.7)	+2.8	-10.9%
Net profit	40.0	41.0	-1.1	-2.6%
EBITDA	78.1	83.9	-5.8	-6.9%
<i>EBITDA margin</i>	36.0%	38.2%	-2.2%	

H1'14 RESULTS: BALANCE SHEET

<i>€/mln</i>	6/30/2014	12/31/2013
Total intangible assets	117.6	119.4
Total tangible assets	69.0	66.3
Other non-current assets	24.8	23.2
Net Working Capital	144.1	141.7
Other non-current liabilities	(35.6)	(34.4)
Net Capital Employed	319.9	316.2
Net Financial Position	107.0	98.0
Total Shareholders' equity	426.9	414.1

H1'14 RESULTS: CASH FLOW STATEMENT

€/mln	H1		Change in value
	2014	2013	
Cash and cash equivalents at beginning of period	105.1	104.6	+0.5
Operating activities	52.9	48.7	+4.1
Financial activities	(33.3)	(73.2)	+39.9
Investing activities	(14.2)	(12.9)	-1.3
Investments in financial assets	(21.8)	0.0	-21.8
Change in cash before investments in financial assets	5.4	(37.1)	+42.5
Net change in cash	(16.4)	(37.1)	+20.7
Cash and cash equivalent closing balance	88.7	67.5	+21.2

SOLID FINANCIAL STRUCTURE

Net Financial Position

◆ **€ 107.0 million:** +€ 9.0 million vs. Dec. 31, 2013

Strong Free Cash Flow generation

◆ **€ 39.1 million** at June 30, 2014

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FY 2014 COMPANY GUIDANCE

- **Revenues:** growth between +3% and +5% at CER vs. FY'13 Revenues
- **EBITDA:** growth ca. +3% at CER vs. FY'13 EBITDA
- **New systems installed (LIAISON® + LIAISON® XL):** ~ 500



The Diagnostic Specialist