

DiaSorin

The Diagnostic Specialist

Q3'14 & 9M'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

Q3 & 9M 2014 Main Topics

Revenues

Revenues: breakdown by technology

Revenues: breakdown by geography

Installed base expansion

Profitability profile

Business and Products Development

Q3 & 9M 2014 Financials

FY 2014 Company Guidance

Q3 & 9M 2014 MAIN TOPICS

REVENUES: +4.5% IN Q3'14 AND +2.5% IN 9M'14 AT CER

CLIA EX VIT D: +16.0% IN Q3'14 AND +17.4% IN 9M'14 AT CER

Growth as a result of:

- Growth from HIV and Hepatitis, Prenatal screening, Infectious Diseases
- Success of new Gastrointestinal stool tests
- Successful launch of CLIA Vit D 1,25

VITAMIN D: -7.2% IN Q3'14 AND -8.3% IN 9M'14 AT CER; ex LabCorp price concession, -3.7% in Q3'14 and -5.6% in 9M'14

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 products)
- Higher volumes worldwide, including the US
- Revenues increase in key markets (Italy, Germany and Brazil)

EBITDA: SOLID AND STRONG MARGINALITY IN Q3'14 AND 9M'14

	Statutory	ex Molecular, at CER
EBITDA margin Q3'14:	36.7%	37.5%
9M'14:	36.2%	37.8%

POSITIVE NFP and STRONG FREE CASH FLOW GENERATION

- **NFP: +€ 143.9 million** (+€ 45.9 million vs. Dec 31, 2013)
- **FCF: +€ 71.2 million** at Sep. 30, 2014 (+€ 5.8 million vs. Sep '13) and **+€ 32.1 million** generated in Q3'14

LIAISON® & LIAISON® XL PLACEMENTS

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

Placements	Q3'14	Total at Sep 30, 2014
LIAISON® XL	+ 141	1,521
LIAISON®	+ 11	4,192
Total	+ 152	5,713

PRODUCT DEVELOPMENT IN 9M'14

Launch of:

ADENOVIRUS

The 6th LIAISON® gastrointestinal stool testing for the qualitative determination of Adenovirus infection

HIV HT

The new HIV High Throughput test for the Blood Banks market

VITAMIN D 1,25

The only fully automated product W.W. on the CLIA

N-TACT PTH GEN II

Quantitative determination of intact human parathyroid hormone

ROTAVIRUS

The 5th LIAISON® gastrointestinal stool testing infection

IMMUNODIAGNOSTICS

MOLECULAR DIAGNOSTICS

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 on LIAISON® IAM

BUSINESS DEVELOPMENT IN 9M'14

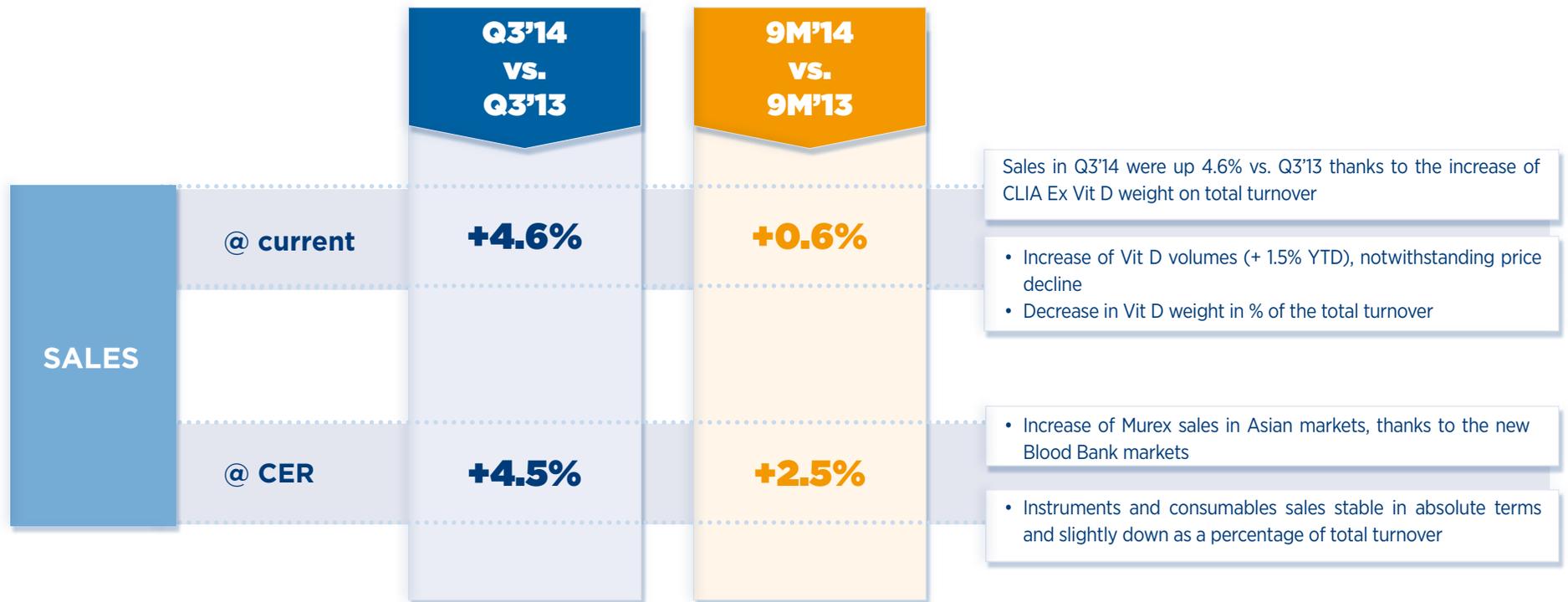
3-YEAR EXTENSION OF AGREEMENT WITH LABCORP (15 NEW TESTS)

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

Approval for Heps and Retroviruses tests in China

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

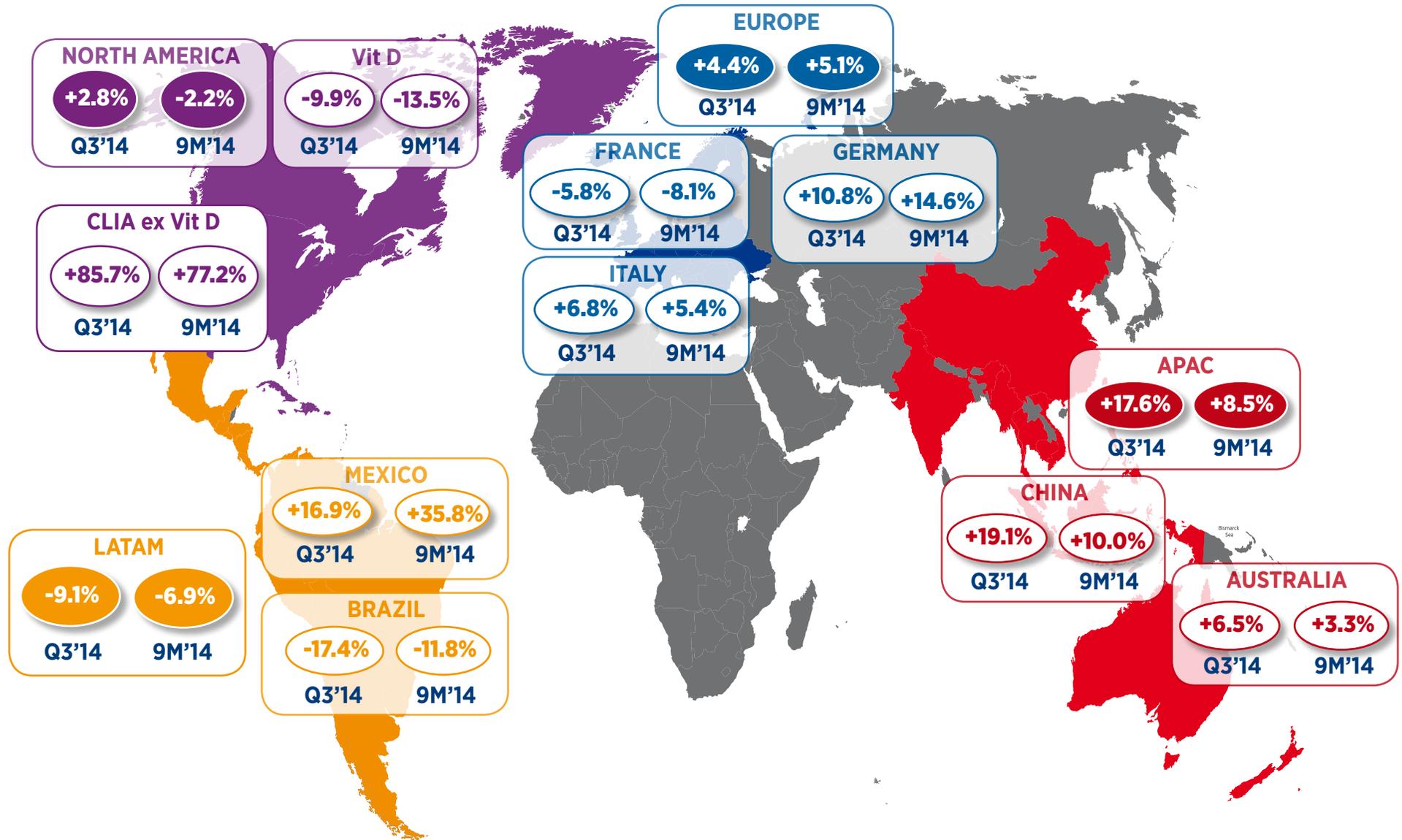
REVENUES



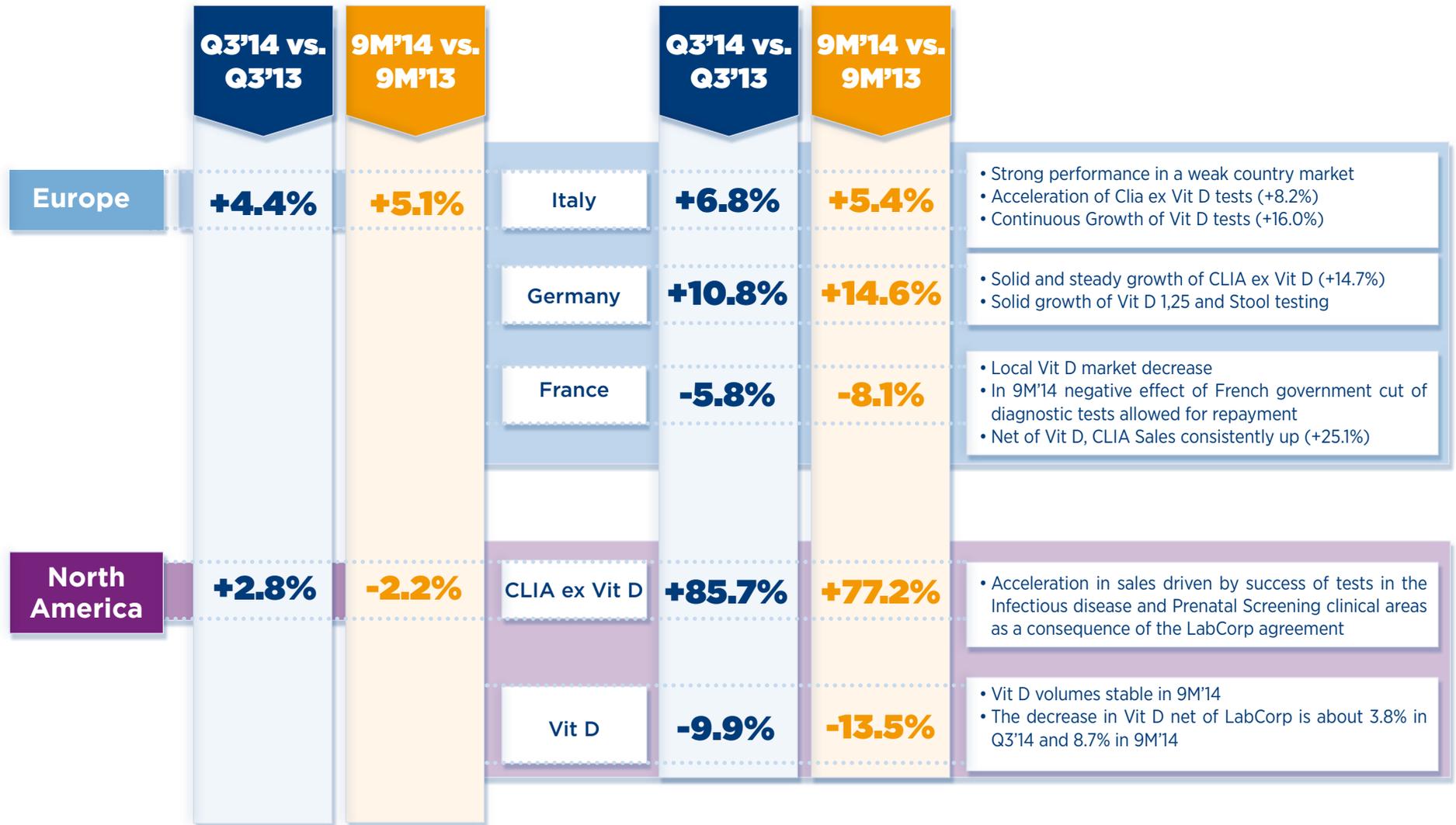
REVENUES: BREAKDOWN BY TECHNOLOGY

		Q3'14 vs. Q3'13	9M'14 vs. 9M'13	
CLIA ex Vit D	@ current	+16.0%	+15.9%	CLIA ex Vitamin D sales up thanks to growth of: <ul style="list-style-type: none"> • Hepatitis panel, infectivity, prenatal screening and Stool testing (good performance in GER/ISR/ITA) • Growth of the newly launched Vit D. 1,25 test • Effect new agreement LabCorp
	@ CER	+16.0%	+17.4%	
Vitamin D	@ current	-6.9%	-10.6%	Vitamin D negative trend decelerating: <ul style="list-style-type: none"> • When excluding the price concession to LabCorp, the decrease in CER would be 3.7% in Q3'14 and 5.6% in 9M'14 • Good performance GER/ISR/BRA, where total volumes grew by 1.5%
	@ CER	-7.2%	-8.3%	
Instruments & Consumables	@ current	+2.2%	-7.8%	<ul style="list-style-type: none"> • Instruments and consumables sales stable in absolute terms and slightly down as a percentage of total turnover • In 9M'14 decrease compared to 2013 characterized by one-off Brazil, Spain. China and Export (APAC/LATAM) in contraction
	@ CER	+2.3%	-5.8%	

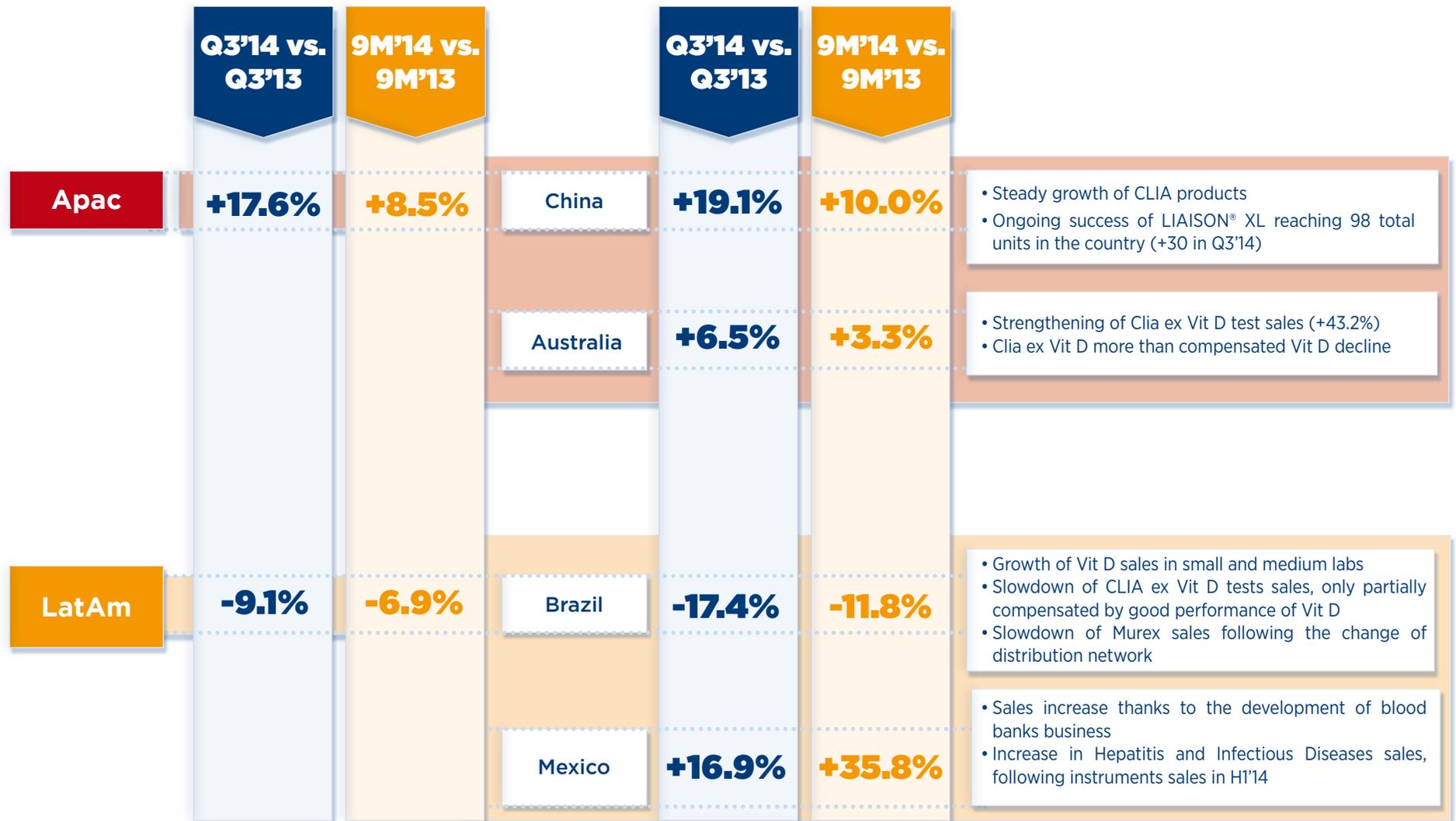
REVENUES BY GEOGRAPHY (QoQ & 9Mo9M COMPARISON)



REVENUES: BREAKDOWN BY GEOGRAPHY (1 OF 2)



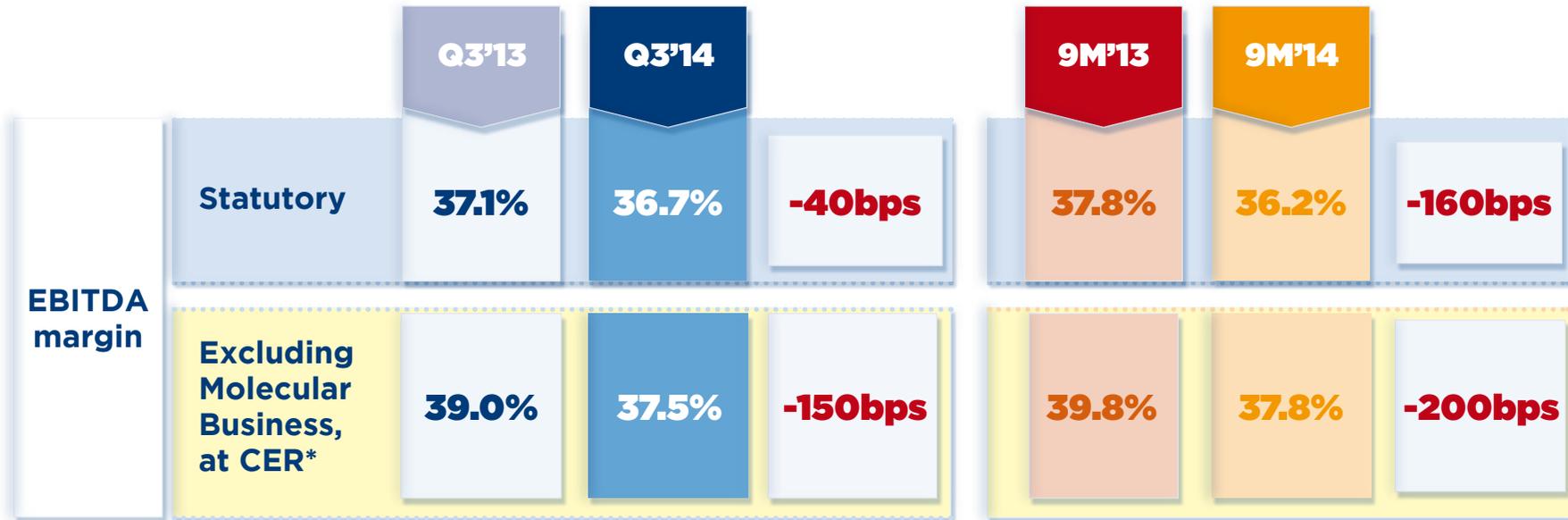
REVENUES: BREAKDOWN BY GEOGRAPHY (2 OF 2)



INSTALLED BASE EXPANSION

	Total units at Dec 30, 2013	Net placements in 9M'14	Total units at June 30, 2014	Net placements in Q3'14	Total units at Sept 30, 2014
 LIAISON®	4,197	-5	4,181	+11	4,192
 LIAISON® X	1,075	+446	1,380	+141	1,521
TOTAL	5,272	+441	5,561	+152	5,713

PROFITABILITY PROFILE



Solid and strong Group marginality driven by:

Q3'14:

Excluding the positive effect of exchange rates (+ € 0.7 million) and the Business molecular (- € 1.3 million), EBITDA margin would be 37.5%

9M'14:

Excluding the cost of non-recurring events (- € 1.2 million), the negative impact of the appreciation of the euro (- € 1.3 million) and the Business molecular (- € 4.0 million**) the EBITDA margin would be 37.8%

*Managerial outlook on data reported

**Not inclusive of € 0.5 million of restructuring cost related to the Norwegian branch, which are included the non-recurring events

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▶ **Business and Products Development**

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Q3'14 & 9M'14 BUSINESS AND PRODUCTS DEVELOPMENT

BUSINESS DEVELOPMENT IN 9M'14

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 9M'14

IMMUNODIAGNOSTICS

Q3'14



Adenovirus



The 6th test of the gastrointestinal stool testing infections on LIAISON®



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®

MOLECULAR DIAGNOSTICS



IAM CMV



Detection and quantification of Cytomegalovirus



IAM HSV



Detection of Herpes Simplex virus types 1 & 2

PRODUCTS DEVELOPMENT AFTER THE PERIOD

IMMUNO



HIV HT



The test to strengthen DiaSorin presence in Blood Banks

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Q3'14 RESULTS: INCOME STATEMENT

<i>(In mln of Euro)</i>	Q3'14			
	2014	2013	Var.	Var. %
Net Revenues	109.0	104.2	+4.8	+4.6%
Gross profit	72.4	70.7	+1.7	+2.5%
<i>Gross margin</i>	66.4%	67.8%	-1.4%	
S&M	(21.6)	(20.3)	-1.3	+6.3%
R&D	(6.2)	(5.5)	-0.6	+11.8%
G&A	(12.4)	(11.4)	-1.0	+8.5%
Other operating expenses	(0.1)	(1.7)	+1.6	-92.6%
<i>of which non recurring</i>	-	-	-	-
EBIT	32.1	31.7	+0.4	+1.4%
<i>EBIT Margin</i>	29.5%	30.4%	-0.9%	
Net financial income (expenses)	0.1	(0.9)	+1.0	<i>n.m.</i>
Profit before taxes	32.2	30.8	+1.5	+4.7%
Income taxes	(10.9)	(10.8)	-0.2	+1.4%
Net profit	21.3	20.0	+1.3	+6.5%
EBITDA	40.0	38.6	+1.4	+3.6%
<i>EBITDA Margin</i>	36.7%	37.1%	-0.4%	

9M'14 RESULTS: INCOME STATEMENT

<i>(In mln of Euro)</i>	9M'14			
	2014	2013	Var.	Var. %
Net Revenues	325.8	323.9	+1.9	+0.6%
Gross profit	218.3	222.6	-4.2	-1.9%
<i>Gross margin</i>	67.0%	68.7%	-1.7%	
S&M	(65.6)	(63.3)	-2.3	+3.7%
R&D	(18.6)	(17.7)	-0.8	+4.8%
G&A	(36.7)	(35.9)	-0.8	+2.1%
Other operating expenses	(1.9)	(4.3)	+2.4	-55.4%
<i>of which non recurring</i>	(1.2)	-	-1.2	n.m.
EBIT	95.5	101.3	-5.8	-5.7%
<i>EBIT Margin</i>	29.3%	31.3%	-1.9%	
Net financial income (expenses)	(0.5)	(3.8)	+3.4	-88.0%
Profit before taxes	95.1	97.5	-2.4	-2.5%
Income taxes	(33.8)	(36.4)	+2.6	-7.2%
Net profit	61.3	61.1	+0.2	+0.4%
EBITDA	118.1	122.5	-4.4	-3.6%
<i>EBITDA Margin</i>	36.2%	37.8%	-1.6%	

BALANCE SHEET AT 30 SEP 2014

<i>€/mln</i>	9/30/2014	12/31/2013	Var.
Total intangible assets	117.8	119.4	-1.6
Total tangible assets	70.6	66.3	+4.4
Other non-current assets	24.7	23.2	+1.5
Net Working Capital	138.0	141.7	-3.7
Other non-current liabilities	(35.9)	(34.4)	-1.5
Net Capital Employed	315.2	316.2	-1.0
Net Financial Position	143.9	98.0	+45.9
Total Shareholders equity	459.1	414.1	+45.0

Q3'14 & 9M'14 RESULTS: CASH FLOW STATEMENT

€/mln	Q3		Change in Value	9M		Change in Value
	2014	2013		2014	2013	
Cash and cash equivalent - Opening balance	88.7	67.5	+21.2	105.1	104.6	+0.5
Operating activities	39.0	36.7	+2.3	91.9	85.5	+6.4
Investing activities	(6.8)	(8.7)	+1.9	(21.0)	(21.6)	+0.6
Financial activities	3.1	(3.1)	+6.2	(30.2)	(76.3)	46.1
M&A	-	-	-	-	0.3	-0.3
Change in net cash before investments in financial assets	35.3	24.9	+10.4	40.6	(12.2)	+52.9
Investments in financial assets	-	-	-	(21.8)	-	-21.8
Net change in cash	35.3	24.9	+10.4	18.9	(12.2)	+31.1
Cash and cash equivalent closing balance	124.0	92.4	+31.6	124.0	92.4	+31.6
Free cash flow	32.1	28.5	+3.6	71.2	65.4	+5.8

SOLID FINANCIAL STRUCTURE

Net Financial Position

◆ **€ 143.9 million:** + € 45.9 million vs. Dec 2013

Strong Free Cash Flow generation

◆ **€ 32.1 million in Q3'14** and € 71.2 million in 9M'14

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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