



The Diagnostic Specialist

# 2018 Roadshow Presentation

# Disclaimer



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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.

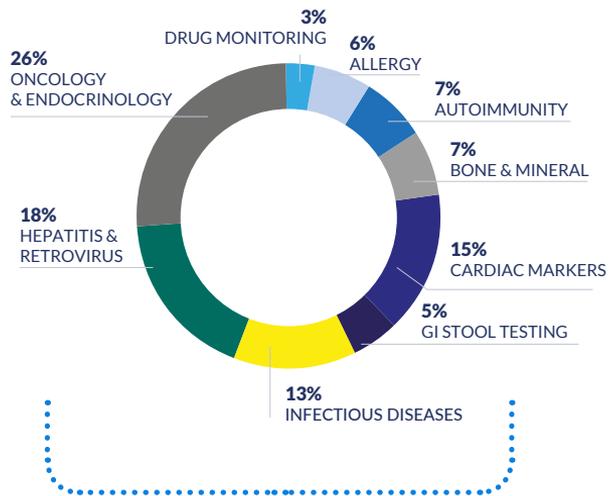
Piergiorgio Pedron, the Officer Responsible for the preparation of corporate financial reports of DiaSorin S.p.A., in accordance with the second subsection of art. 154-bis, part IV, title III, second paragraph, section V-bis, of Legislative Decree February 24, 1998, no. 58, declares that, to the best of his knowledge, the financial information included in the present document corresponds to book of accounts and book-keeping entries of the Company.

# We operate in two IVD segments

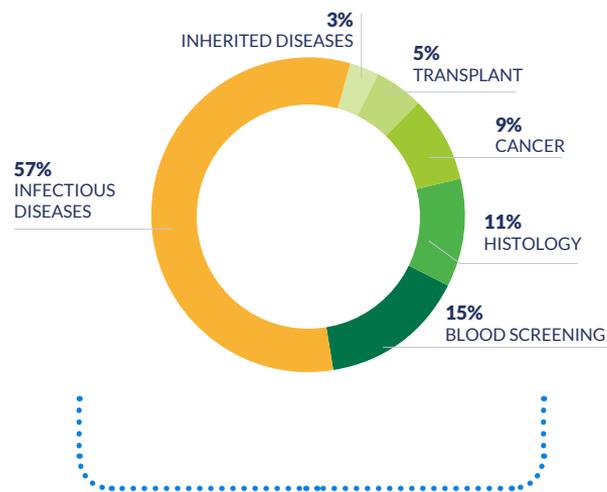


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## Immunodiagnosics: ~ 18% of IVD market



## Molecular Diagnostics: ~ 12% of IVD market



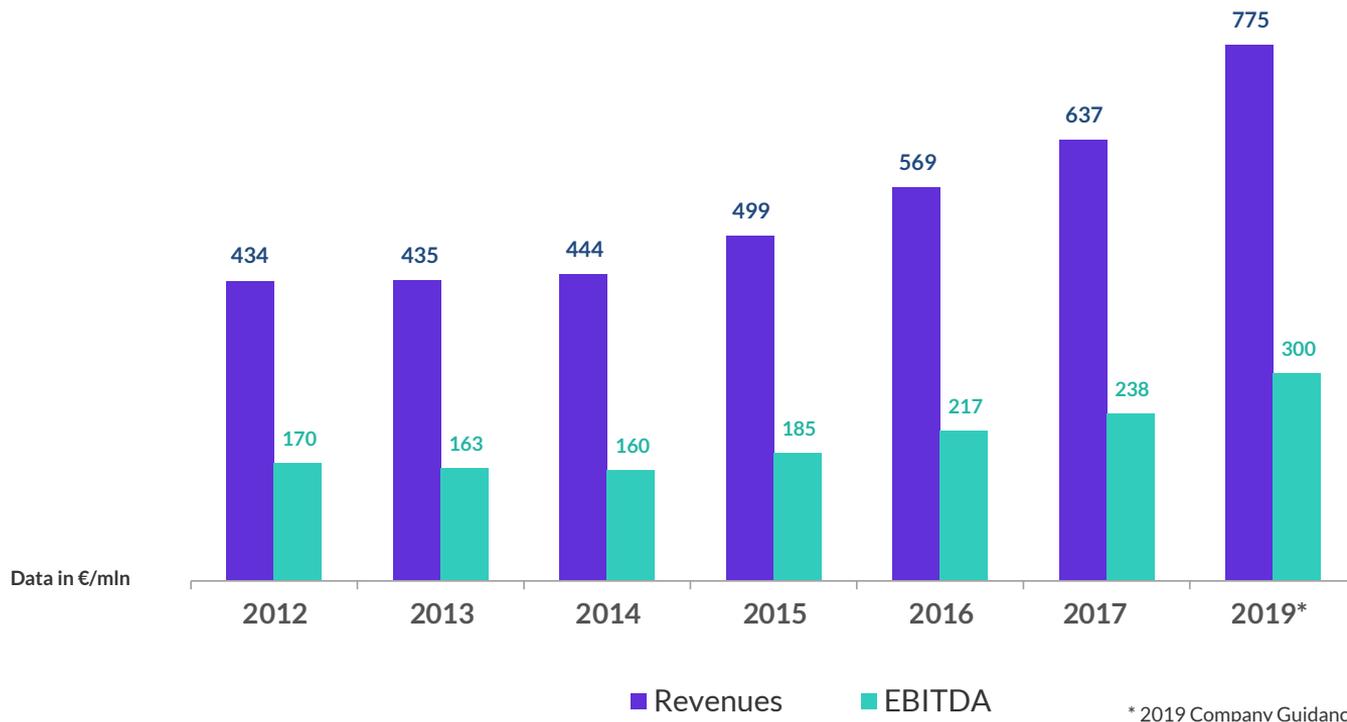
# Where we are



# Revenues and EBITDA



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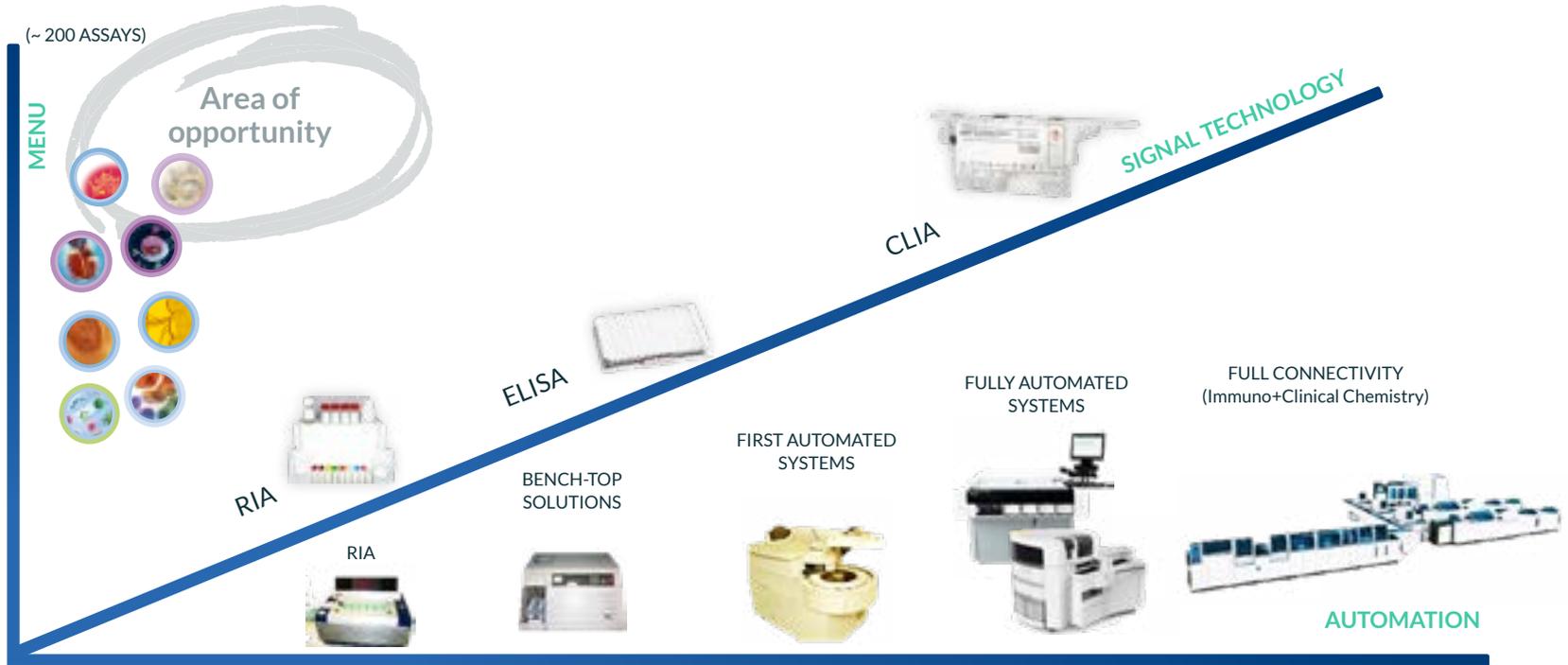




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# Immunodiagnosics

# Immunoassay innovation: 1970-2016



# LIAISON family platforms



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Each test has its specific cartridge

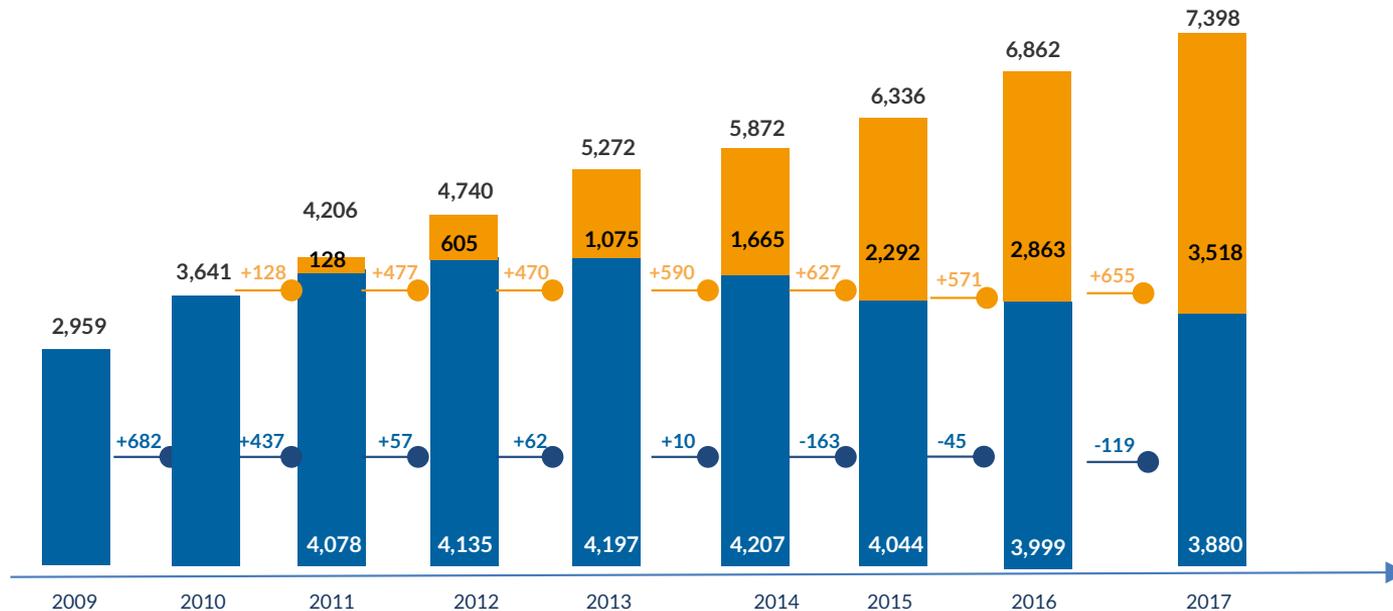
100 samples for each cartridge

Same raw material for routine and specialty tests



New in 2019

# Installed base evolution



# Menu positioning: 118 tests - the broadest CLIA menu

Menu

- ONCOLOGY
- TUMOUR MARKERS
- CEA
- Free PSA
- Total PSA
- CA 15-3
- CA 125 II
- CA 19-9
- TPA-M
- NSE
- S100
- AFP
- Tg
- Tg Gen II(\*)
- hCG/β-hCG

- β2-Microglobulin
- TK
- Calcitonin
- ENDOCRINOLOGY
- THYROID
- TSH (3rd Gen.)
- Free T3
- Free T4
- T3
- T4
- Tg
- Tg Gen II
- Anti-Tg
- Anti-TPO

- GROWTH
- hGH
- IGF-I
- ADRENAL FUNCTION
- ACTH
- Cortisol
- DHEA-S
- ANAEMIA
- Ferritin
- Folate(\*)
- Vitamin B12(\*)
- DIABETES
- C-Peptide
- Insulin

- REPRODUCTIVE ENDOCRINOLOGY
- LH
- FSH
- Prolactin
- Progesterone
- Testosterone
- Estradiol
- hCG/β-hCG
- Androstenedione
- SHBG
- BONE & MINERAL
- 25-OH Vitamin D TOTAL
- N-TACT PTH II

Menu

- INFECTIOUS DISEASE
- EBV
- EBV IgM
- VCA IgG
- EBNA IgG
- EA IgG
- H.PYLORI
- H. Pylori IgG
- TREPONEMA
- Treponema Screen
- SEPSIS
- BRAHMS PCT II Gen
- TORCH
- Toxo IgG
- Toxo IgM

- Toxo IgG Avidity
- Rubella IgG
- Rubella IgM
- CMV IgG
- CMV IgM
- CMV IgG Avidity
- HSV-1/2 IgG
- HSV-1 IgG
- HSV-2 IgG
- HSV-1/2 IgM
- BORRELIA
- Borrelia burgdorferi IgG
- Borrelia burgdorferi IgM
- MEASLES & MUMPS
- Measles IgG

- Measles IgM
- Mumps IgG
- Mumps IgM
- VZV
- VZV IgG
- VZV IgM
- VIRAL HEPATITIS & RETROVIRUSES
- HBsAg
- HBsAg Quant
- HBsAg Confirmatory test
- Anti- HBs II
- Anti- HBs II plus
- Anti- Hbc

- HBc IgM
- HBcAg
- Anti-HBe
- Anti-HAV
- HAV IgM
- HCV Ab
- HIV Ab/Ag
- HT HTLV I/II
- CHAGAS
- Chagas IgG

Menu

- STOOL DIAGNOSTICS
- C. difficile GDH
- C. difficile Toxin A and B
- H. pylori SA
- EHEC
- Rotavirus
- Adenovirus
- Calprotectin
- Campylobacter
- INFECTIOUS DISEASE
- Zika IgM
- PARVOVIRUS
- Parvovirus B19 IgG
- Parvovirus B19 IgM

- BORDETELLA
- Bordetella pertussis
- Toxin IgG
- Bordetella pertussis
- Toxin IgA
- MYCOPLASMA
- Mycoplasma pneumoniae
- IgG
- Mycoplasma pneumoniae
- IgM
- CHLAMYDIA
- Chlamydia T. IgG
- Chlamydia T. IgA
- QuantIFERON
- QuantIFERON TB Gold Plus (\*)

- CHRONIC KIDNEY DISEASE
- 1-84 PTH
- Osteocalcin
- BAP OSTASE
- 1,25 dihydroxy Vitamin D
- ENDOCRINOLOGY
- HYPERTENSION
- Direct Renin
- Aldosterone
- VIRAL HEPATITIS & RETROVIRUSES
- Anti-HDV(\*)

Menu

- CHRONIC KIDNEY DISEASES
- FGF-23
- Ratio (Vitamin D 1,25-PTH 1,84)
- Sclerostin (\*)
- Vitamin K (\*)

\* Under development

# Menu positioning: 118 tests - the broadest CLIA menu

Menu

**Me too tests  
#46**

PRODUCTIVE ENDO-  
Y  
ogesterone  
e  
dione  
NERAL  
in D TOTAL  
II

Menu

**High volume specialties  
#42**

Menu

**Differentiating specialties  
#28**

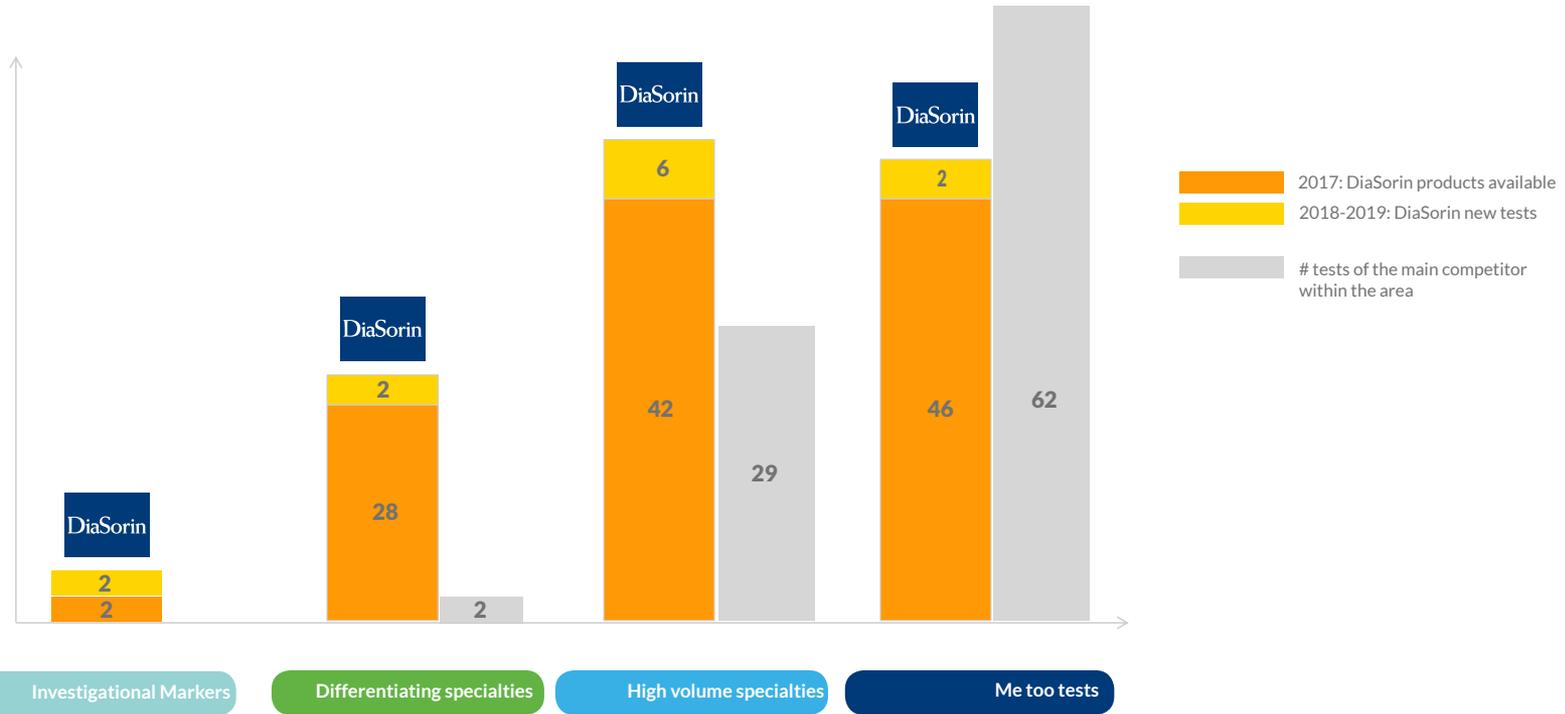
STOOL DIAGNOSTICS • COPPER/CELE  
CHRONIC KIDNEY

Menu

**Investigational markers  
#2**

CHRONIC KIDNEY DISEASE

# Where we plan to invest R&D money

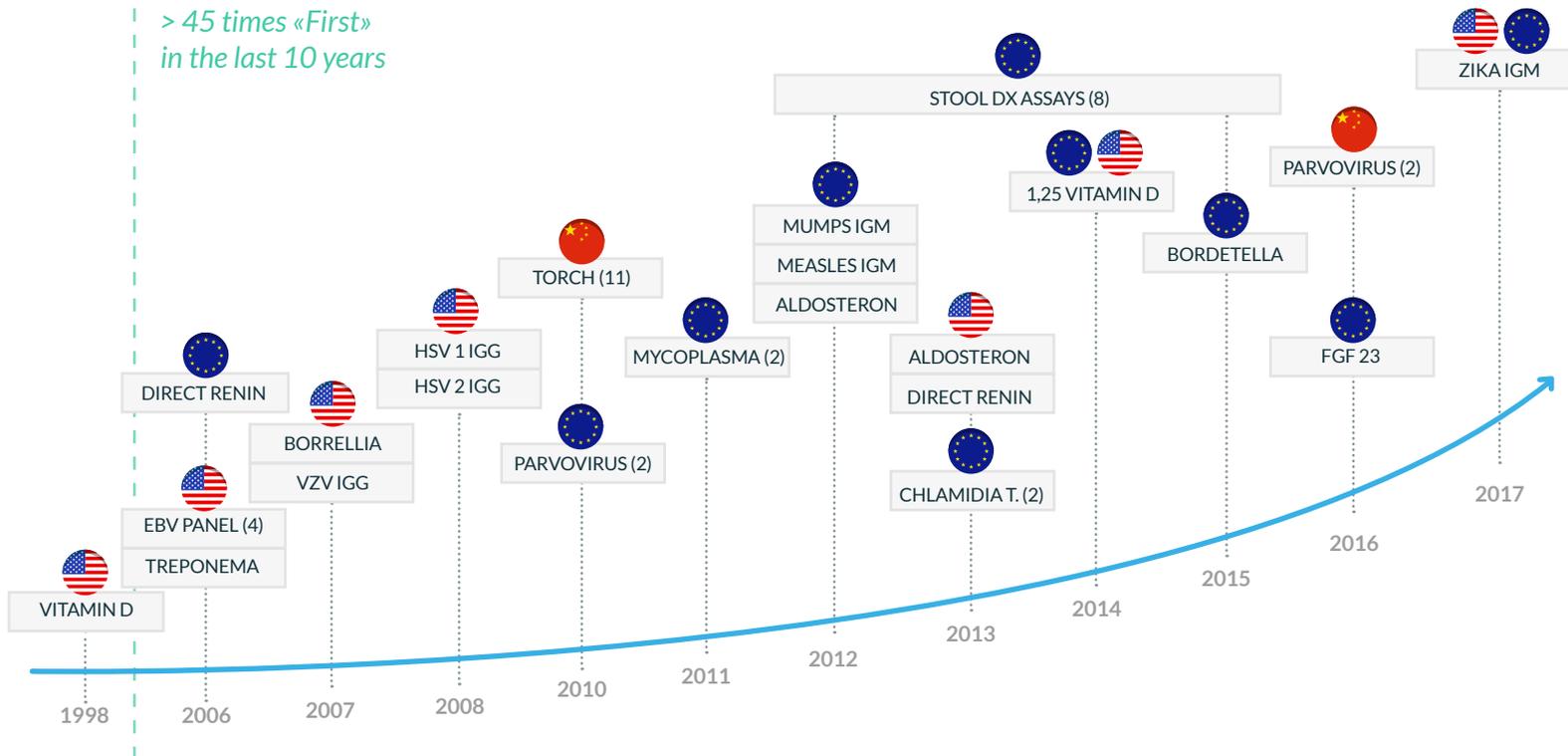


# DiaSorin «First» : Fully Automated CLIA assays

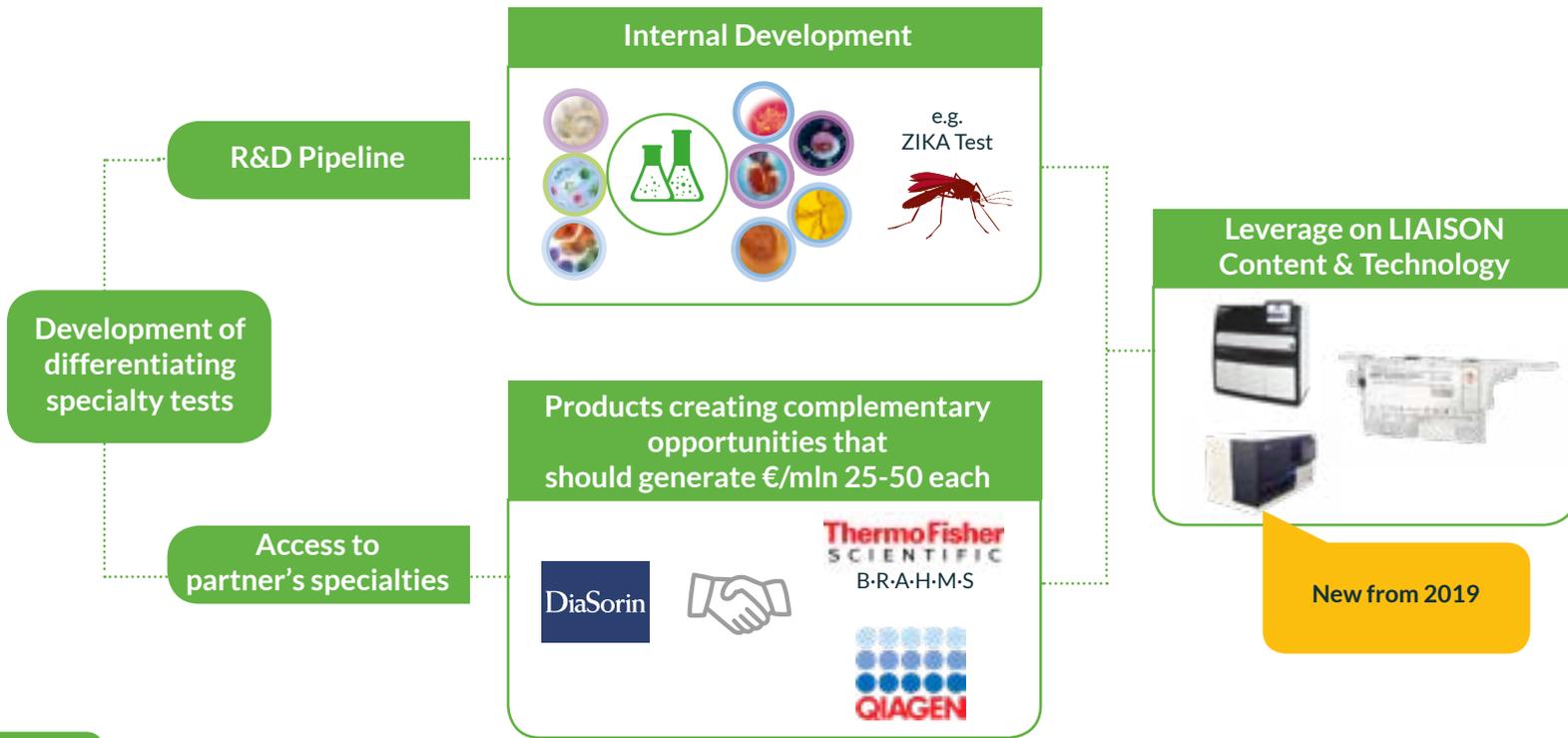


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> 45 times «First»  
in the last 10 years



# Development of Differentiating Specialty Tests



Differentiating specialties

# LIAISON XS: the opportunity



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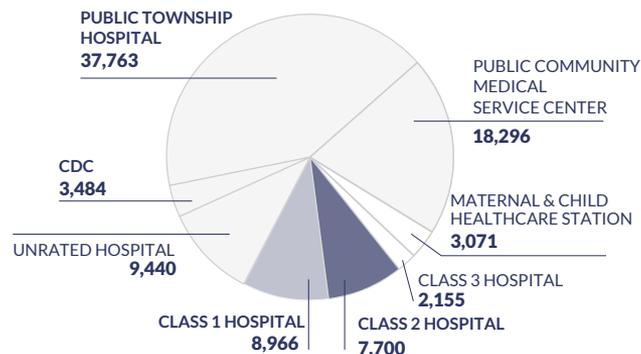
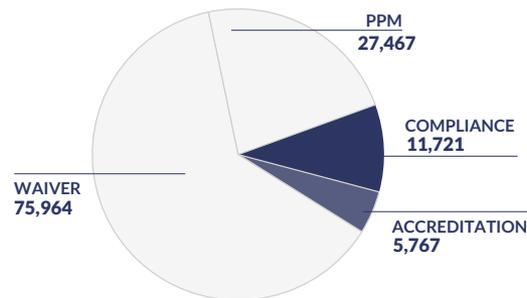


- Moderate to High complexity POLs
- These POLs use Instruments normally found in Hospitals and Private Labs



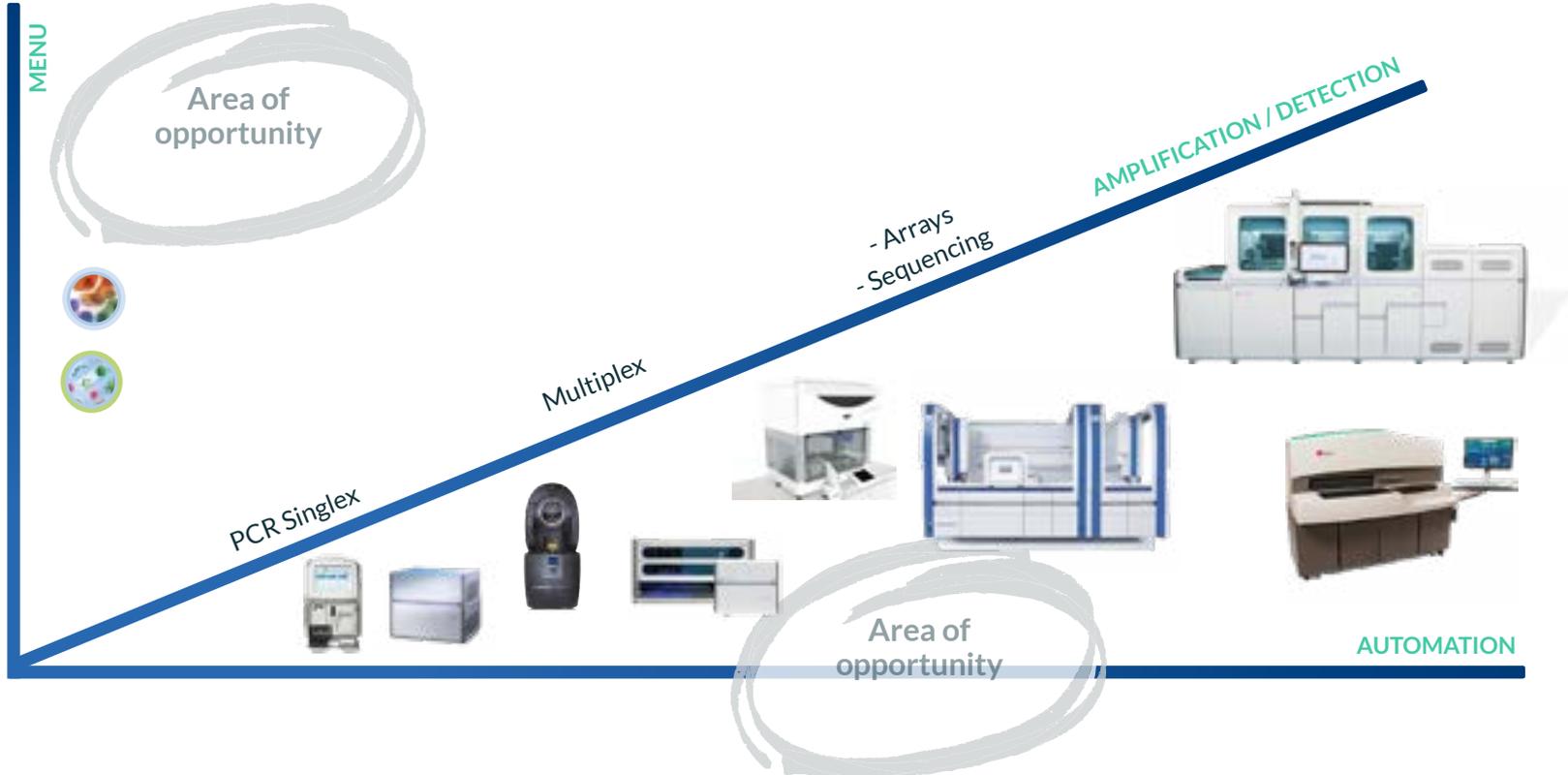
**LIAISON XS**

- Professional Medical Service Institution
- Basic Medical Service Institution

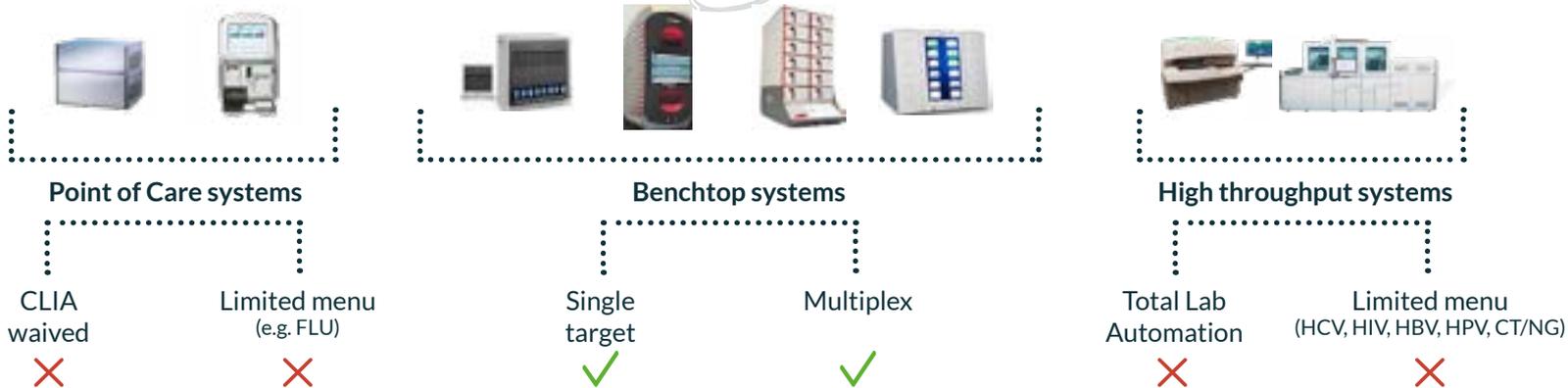


# Molecular Diagnostics

# Technologies in the Molecular Diagnostic Market



# Platforms in the Molecular Diagnostic Market



**DiaSorin positioning**

 New Project

# Our technology: Liaison MDX



## Technology



PCR Based  
ASRs & Kits

## Compact. Powerful. Expandable.

Unique technology developed by 3M, with no extraction required



**Versatile**  
Same platform, multiple discs

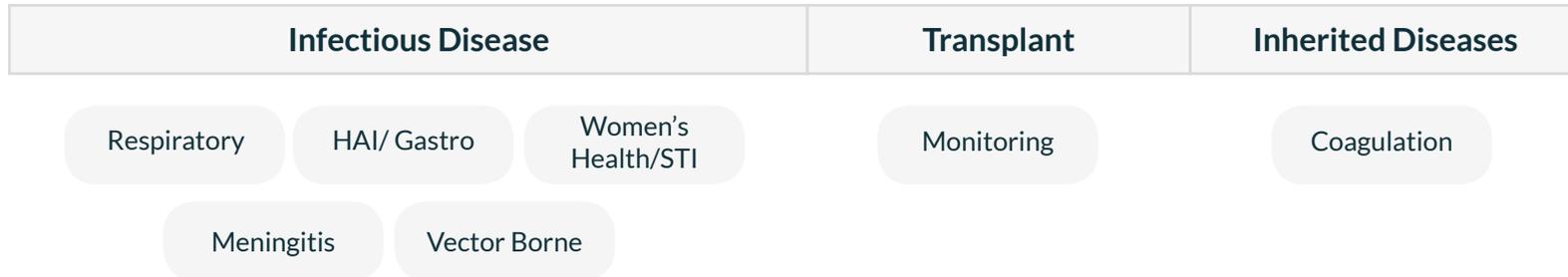
### Direct Amplification Disc (DAD)

8 reaction well  
Low to Mid Volume

### Universal Disc (UD)

96 reaction well  
High Volume

# DiaSorin menu positioning



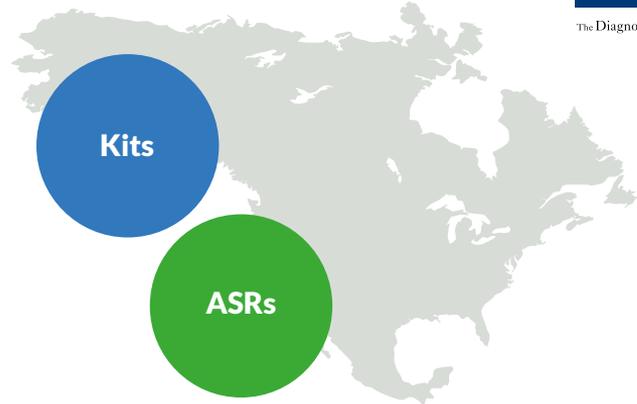
# Molecular kits and ASRs

## Kits

- Produced by manufacturer rigorously tested for safety and efficacy in clinical trials for “approval or clearance”
- Level of complexity given to approved test
- Highly complex to Clia Waived

## ASRs

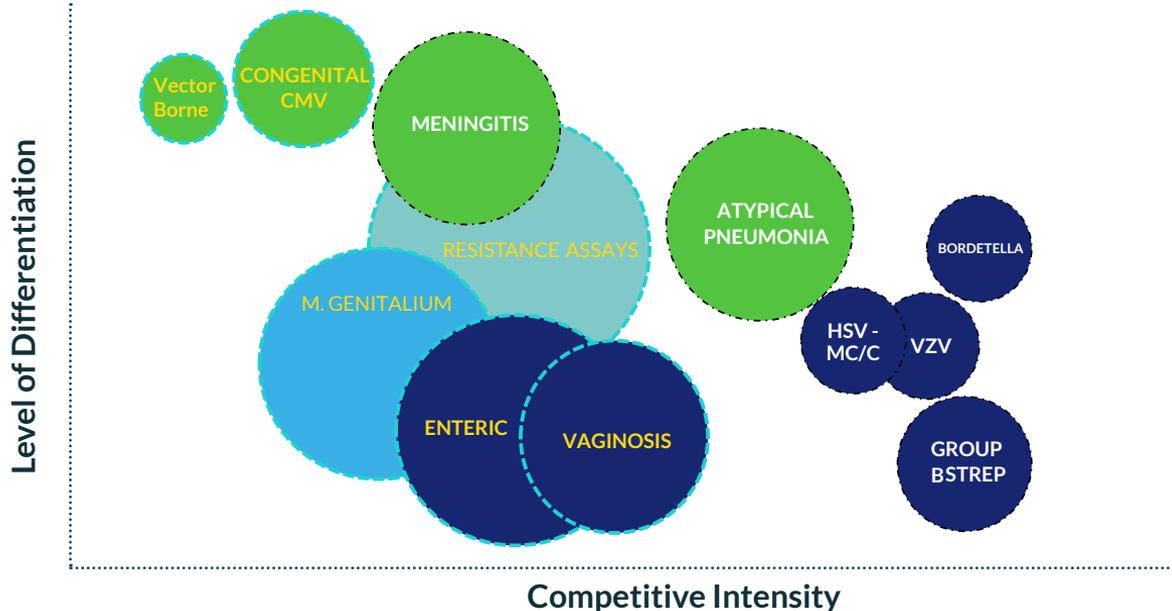
- Sold as separate components instead of a kit, building blocks or “active ingredients” of LDT
- Manufactured in compliance with cGMPs to help ensure quality



# Molecular Kits Pipeline Strategy



Avg. # 2 new Kits / Year



Investigational Markers

Differentiating specialties

High volume specialties

Me too tests



3 years pipeline strategy



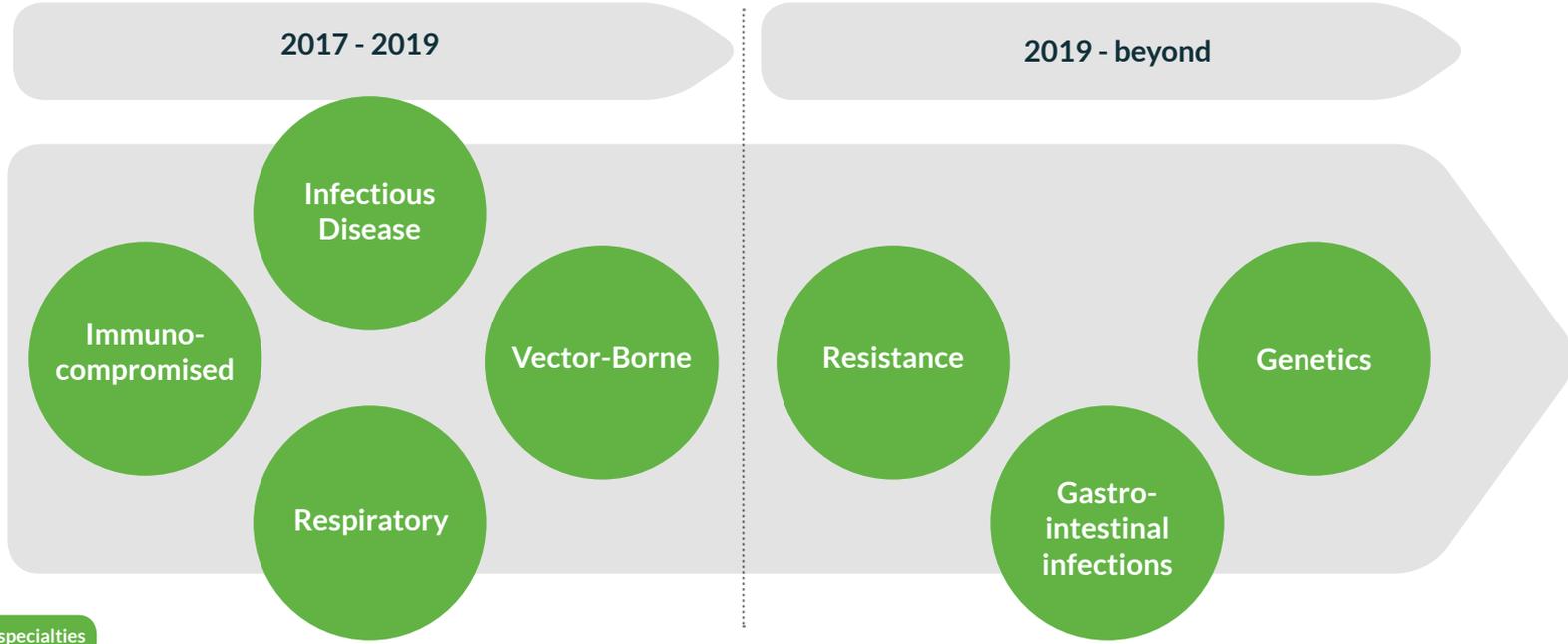
3-5 years pipeline strategy

# ASRs Pipeline Strategy



Avg. # 4 new ASRs / Year

Reagents ASRs



Differentiating specialties

# Europe: Options in High Throughput testing



**Viral Load Monitoring**

HIV  
Hepatitis B Virus  
Hepatitis C Virus

Big Players  
Established Systems  
Well Served  
Highly Competitive  
Very Late Entry



**Women's Health**

CT/NG/TV  
HPV

Established Players  
Competitive Arena  
Barriers to Entry (HPV)  
Rapidly Eroding Price



**Post Transplantation**

CMV/EBV/BKV  
HSV/VZV  
HHV6/HHV8/Adeno  
Parvo/JCV

No Clear Leader  
Big Players Absent  
Improve Workflow  
More Stable Price  
DS knows this Market



Post Transplantation offers path to entry

# Europe Molecular Post Transplant



## Strategy

- Instrument for extraction/PCR set up



- LIAISON MDX for Amplification



- Provide complete transplant menu

### 11 transplant assays

- |       |         |              |
|-------|---------|--------------|
| ■ CMV | ■ HSV 1 | ■ HHV8       |
| ■ EBV | ■ HSV 2 | ■ ADENOVIRUS |
| ■ BKV | ■ VZV   | ■ PARVOVIRUS |
|       | ■ HHV6  | ■ JCV        |



# Europe: IMMUNO - MDX Synergy



Expand cross selling opportunity IMMUNO-MDX  
with most complete panel



Post Transplantation  
Panel

Immuno ID Assays

CMV	VZV
EBV	TOXO
HSV 1	PARVOVIRUS
HSV 2	

Existing DiaSorin  
Market Share 37%

MDX PANEL

CMV	ADENOVIRUS
EBV	PARVOVIRUS
HSV 1	HHV6
HSV 2	HHV8
VZV	JCV
BKV	

Market size estimates:  
~100 €/mln



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# Mid-term objectives

# 2019 targets

- 1 Solid growth of the Immunoassay franchise with addition of innovative and differentiating new products
- 2 Launch of Liaison XS allows penetration of the small labs/ POLs segment
- 3 QIAGEN partnership demonstrates that DiaSorin is seen well positioned to serve the Specialty market also by other large IVD players
- 4 Conversion of SIEMENS' Elisa customers base to LIAISON XL/XS platforms
- 5 Molecular Diagnostics is a second leg and will offer lots of opportunities to develop Specialty ID products
- 6 Strong financial performance driven by solid margins in both segments (IA and Molecular)
- 7 Committed to targeted bolt on acquisitions to strengthen our product portfolio or allow access to new customers in consolidated markets

## 2019 Company Guidance

**Revenues**  
~ 775 €/mIn  
CAGR 16-19: ~ +11%

**EBITDA**  
295-300 €/mIn  
EBITDA Margin: ~ 38.5%  
CAGR 16-19: ~ +11%

**NET RESULT**  
160-165 €/mIn  
On sales: ~ 21.0%  
CAGR 16-19: ~ +13%

**CUMULATIVE  
FREE CASH FLOW**  
465-475 €/mIn

# Business Development, partnerships and M&A

	2008-2009	2010	2011-2012	2013-2014	2015-2016	2017
 <b>Technological evolution</b>	CLIA menu expansion	LIAISON XL	LIAISON IAM LIAISON IXT		LIAISON MDX	LIAISON XS project (launch in 2019)
 <b>Geographic expansion</b>		Portugal Austria Czech Republic Canada Australia Ireland South Africa Netherlands	India	Switzerland	Poland	
 <b>Partnership</b>		MERIDIAN BIOSCIENCE		ROCHE	BECKMAN COULTER	QIAGEN TECAN
 <b>M&amp;A</b>	BIOTRIN	MUREX (ABBOTT ELISA business)	NORDIAG		FOCUS DIAGNOSTICS	SIEMENS ELISA business

# Q1 2018 Results

# Q1'18 main topics



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	Q1'18	
<b>REVENUES</b>	<b>€/mln 164.5 (*)</b>	
	+4.4%	+11.2% (**)
▶ CLIA ex Vit D 25 OH	+9.1%	+13.8% (**)
▶ Vit D 25 OH	-11.5%	-2.6% (**)
▶ ELISA tests	+18.2%	+24.4% (**)
▶ Molecular tests	+4.8%	+19.1% (**)
▶ Instruments & other revenues	-1.6%	+3.3% (**)
<b>EBITDA</b>	<b>€/mln 63.3</b>	
	+1.3%	+9.3% (**)
<b>EBITDA MARGIN</b>	+38.5%	+39.0%**)
	-120 bps	-70 bps
<b>NET RESULT</b>	<b>€/mln 38.3</b>	
	+16.6%	
<b>% OF REVENUES</b>	+23.3%	
<b>FCF</b>	<b>€/mln 27.8</b>	
<b>NFP</b>	<b>+€/mln 168.6</b>	

LIAISON & LIAISON XL PLACEMENTS	Q1'18	@ March 31, 2018
▶ LIAISON XL	+116	3,634
▶ LIAISON	-13	3,867
<b>TOTAL</b>	<b>+103</b>	<b>7,501</b>

## Product Development

### MOLECULAR

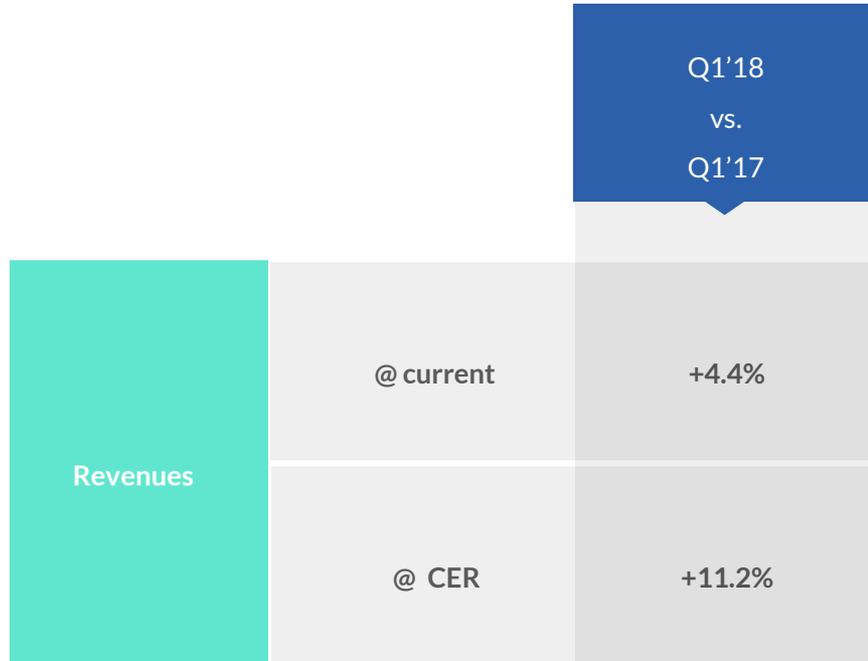
#### Infectious Disease ▶ HSV (US market)

Extended cutaneous and mucocutaneous lesion swabs claims to cerebrospinal fluid (CSF) and genital lesion swab

\* Revenues includes the contribution of Siemens's ELISA business, consolidated as of September 2017

\*\* @ constant exchange rates

# Q1'18 Revenues



## Growth driven by

- all **CLIA** tests, net of Vitamin D 25 OH, with particular evidence on:
  - Infectious Diseases
  - Hepatitis
  - Torch
  - Gastro-Intestinal Testing
  - Vitamin D 1,25
- **molecular tests**, with a strong flu season
- positive contribution coming from Siemens's **ELISA business** acquired in September 2017

**partially offsets** by forex negative impact amounting to €/mln 10.7

# Q1'18 Revenues: breakdown by technology

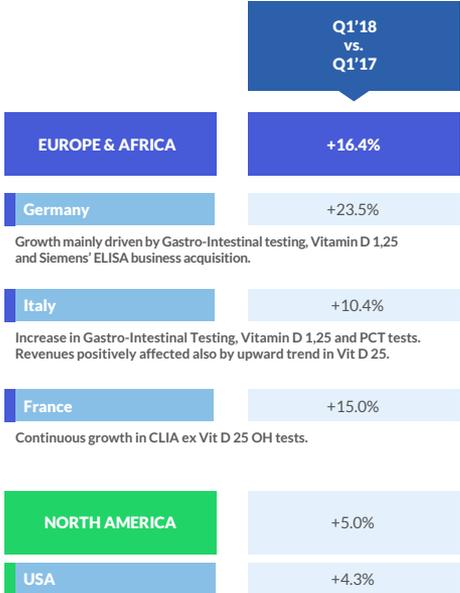


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			Q1'18 vs. Q1'17
CLIA	CLIA ex Vitamin D 25 OH tests	@ current	+9.1%
		@ CER	+13.8%
	Vitamin D 25 OH test (CLIA)	@ current	-11.5%
		@ CER	-2.6%
ELISA tests <sup>(*)</sup>	@ current	+18.2%	
	@ CER	+24.4%	
Molecular Diagnostic tests	@ current	+4.8%	
	@ CER	19.1%	
Instruments & Consumables	@ current	-1.6%	
	@ CER	+3.3%	

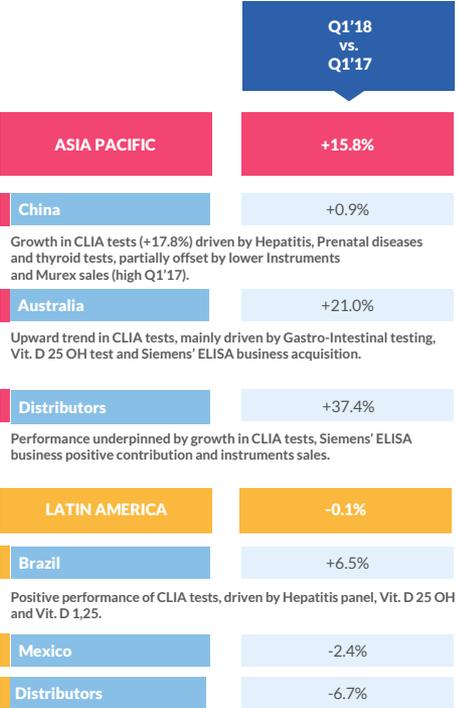
\* Includes the contribution of Siemens's ELISA business, consolidated as of September 2017

# Q1'18 Revenues\*: breakdown by geography



Positive contribution from:

- CLIA ex Vit D 25 OH tests, mainly in Infectious Diseases and Prenatal diseases panels partially offset by lower Vit D and ELISA sales;
- Molecular tests also thanks to a strong flu season;



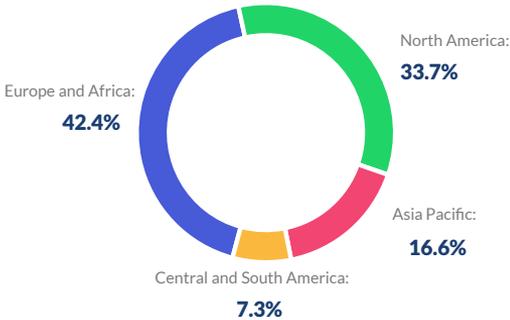
Unfavorable comparison vs. Q1'17, affected by a strong trend in instruments sales.

\*Managerial outlook on data reported; Change Q1'18 on Q1'17 @ CER

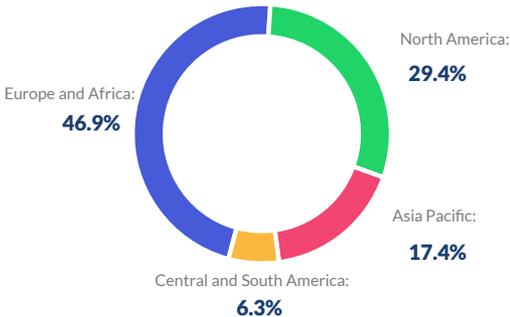
# Q1'18 Revenues Breakdown

## BY GEOGRAPHY

Q1'17



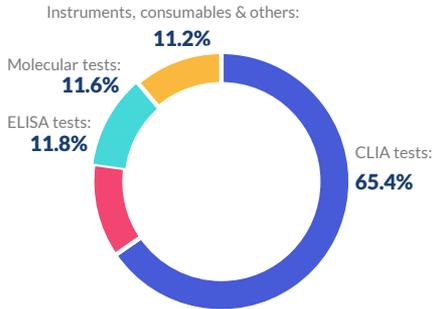
Q1'18 (\*)



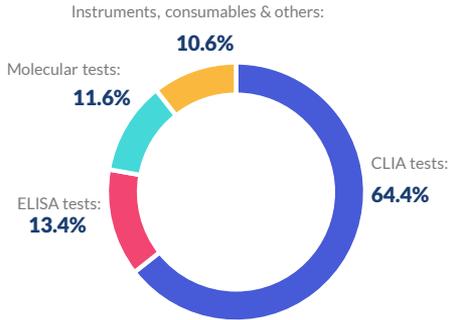
(\*) Revenues include Siemens' ELISA business acquired on Sept 29, 2017

## BY TECHNOLOGY

Q1'17



Q1'18 (\*)



# Installed base expansion

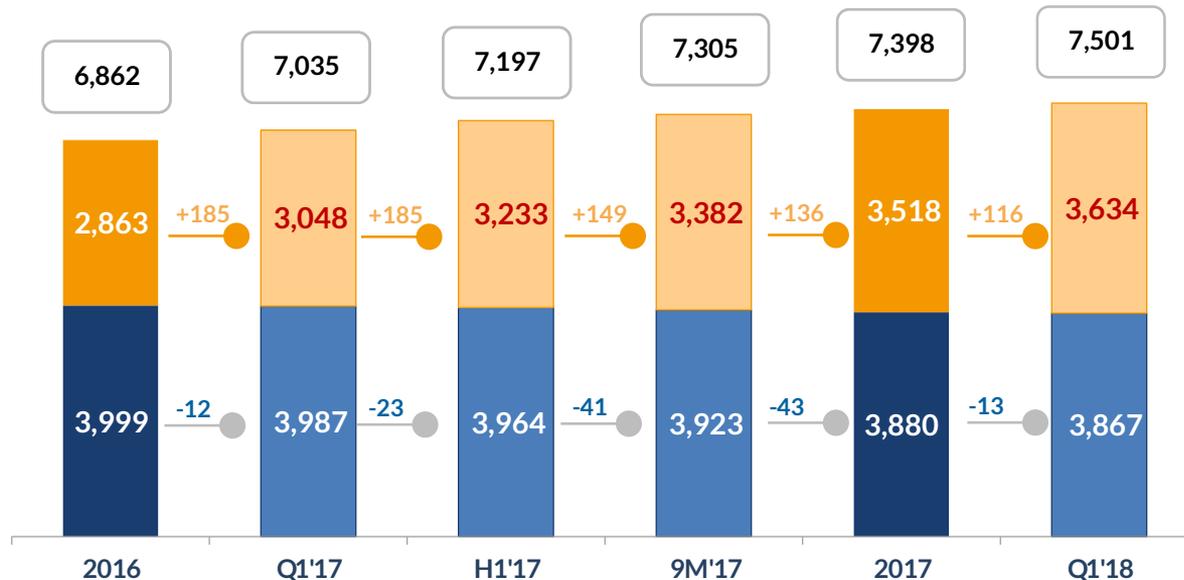


LIAISON<sup>®</sup>  
LAS

LIAISON<sup>®</sup>  
X



LIAISON<sup>®</sup>



# Q1'18 EBITDA\*

	Q1'17	Q1'18	Change %	Q1'18 @ CER	Change % @ CER
EBITDA (€/mln)	62.5	63.3	+1.3%	68.3	+9.3%
EBITDA margin	39.7%	38.5%	-120 bps	39.0%	-70 bps

## Variance versus Q1'17 mainly driven by:

- higher sales as a consequence of:
  - growth of immunodiagnostic products, mainly driven by CLIA ex Vitamin D
  - growth in molecular sales also thanks to a strong flu season
  - Siemens ELISA business contribution

partially offset by a **negative FOREX impact** (-€/mln 5.0)

## EBITDA Margin:

- **strong margin** in the quarter (39% @CER)
- **comparison** versus Q1'17 affected by some favorable OPEX phasing recorded in 2017

\*Financials as reported



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# Business Development

# Business and product development

	PARTNERSHIPS			PORTFOLIO ACQUISITION	NEW PRODUCT CO-DEVELOPMENT	NEW PLATFORMS DEVELOPMENT	
		 in China	 in the US				
Rationale	Increase penetration in big labs	Increase penetration in big labs	Launch Hepatitis & Retroviruses panel	Market share: conversion from ELISA to CLIA	New market opportunities leveraging on QFT technology	Access to new mkt segment: POLs (US) Class I-II hospitals (China) Hub and Spoke (EU)	Extraction for European post transplantation strategy
Technology	Immuno (CLIA)	Immuno (CLIA)	Immuno (CLIA)	Immuno (ELISA)	Immuno (CLIA)	Immuno (CLIA)	Molecular (Extraction)
Impact on revenues							
2017							
2018							
2019							
Beyond 2019							

# FY 2018 Company Guidance

# FY 2018 Company Guidance



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<b>Revenues</b>	<b>Growth equal to around +11% @ CER compared with 2017 (*)</b>
<b>EBITDA</b>	<b>Growth equal to around +13% @ CER compared with 2017 (*)</b>

(\*) 2017 €/US\$ exchange rate: 1.13

# 2017-2019 guidance



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2017-2019 STRATEGIC GOALS	
1	Solid growth of Immunoassay franchise with addition of innovative and differentiating new products
2	Launch of LIAISON XS allows penetration of the small labs/POLs segment
3	QIAGEN partnership demonstrates that DiaSorin is seen well positioned to serve the Specialty market also by other large IVD players
4	Conversion of SIEMENS' Elisa customers base to LIAISON XL/XS platforms
5	Molecular Diagnostics is a second leg and will offer lots of opportunities to develop Specialty ID products
6	Strong financial performance driven by solid margins in both segments (Immunoassay and Molecular)
7	Committed to targeted bolt on acquisitions to strengthen our product portfolio or allow access to new customers in consolidated markets

	ACTUAL RESULTS DATA IN €/MLN		GUIDANCE DATA IN €/MLN	
	2016	2017	2018	2019
REVENUES	569.3	637.5 +12.0% reported +13.1% @ CER 2016	~+11% @ CER 2017	REVENUES 3-years plan guidance confirmed
EBITDA	217.3	EBITDA REPORTED 237.9 +9.5% reported +11.5% @ CER 2016	~+13% @ CER 2017	EBITDA 3-years plan guidance confirmed
		ADJUSTED EBITDA(*) 241.2 +11.0% reported +13.0% @ CER 2016		

(\*) Managerial outlook on reported data: net of positive contribution from acquisition of Siemens' ELISA business and non recurring costs related to closing of Irish facility

# Annexes

# Q1'18 results: Income Statement



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Data in € million	Q1		Change	
	2017	2018	amount	%
<b>Net revenues</b>	<b>157.5</b>	<b>164.5</b>	<b>+7.0</b>	<b>+4.4%</b>
<b>Gross profit</b>	<b>107.9</b>	<b>111.2</b>	<b>+3.3</b>	<b>+3.0%</b>
<i>Gross Margin</i>	68.5%	67.6%	-93 bps	
S&M	(29.8)	(31.7)	-1.9	+6.3%
R&D	(10.2)	(11.7)	-1.5	+14.7%
G&A	(16.0)	(15.1)	+0.9	-5.7%
<b>Total operating expenses</b>	<b>(56.0)</b>	<b>(58.5)</b>	<b>-2.5</b>	<b>+4.4%</b>
<i>% on sales</i>	(35.6)%	(35.5)%	+1 bps	
Other operating income (expense)	(2.0)	(2.0)	-0.0	+1.3%
<b>EBIT</b>	<b>50.0</b>	<b>50.7</b>	<b>+0.8</b>	<b>+1.5%</b>
<i>EBIT margin</i>	31.7%	30.9%	-89 bps	
Net financial income (expense)	(1.6)	(0.9)	+0.7	-42.6%
<b>Profit before taxes</b>	<b>48.4</b>	<b>49.8</b>	<b>+1.4</b>	<b>+3.0%</b>
Income taxes	(15.5)	(11.5)	+4.0	-26.0%
<b>Net result</b>	<b>32.9</b>	<b>38.3</b>	<b>+5.5</b>	<b>+16.6%</b>
<b>EBITDA</b>	<b>62.5</b>	<b>63.3</b>	<b>+0.8</b>	<b>+1.3%</b>
<i>EBITDA margin</i>	39.7%	38.5%	+120 bps	

# Q1'18 results: Balance Sheet



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<i>Data in € million</i>	<i>12/31/2017</i>	<i>3/31/2018</i>	<i>Change</i>
Goodwill and intangibles assets	347.1	344.6	-2.5
Property, plant and equipment	92.4	90.8	-1.6
Other non-current assets	23.8	24.5	+0.7
Net working capital	191.9	206.8	+14.9
Other non-current liabilities	(62.5)	(63.7)	-1.2
<b>Net Invested Capital</b>	<b>592.7</b>	<b>603.0</b>	<b>+10.3</b>
<b>Net Financial Position</b>	<b>149.3</b>	<b>168.6</b>	<b>+19.3</b>
<b>Total Shareholders' equity</b>	<b>742.0</b>	<b>771.6</b>	<b>+29.7</b>

# Q1'18 results: Cash Flow Statement



The Diagnostic Specialist

Data in € million	Q1		Change
	2017	2018	
<b>Cash and cash equivalents at the beginning of the period</b>	130.5	159.3	+28.9
Operating activities	51.2	37.6	-13.6
Investing activities	(8.0)	(10.0)	-2.1
Financing activities	(0.8)	(3.5)	-2.7
Acquisitions of companies and business operations	(0.1)	(3.8)	-3.6
<b>Net change in cash and cash equivalents before investments in financial assets</b>	42.3	20.3	-22.0
Divestment/(Investments) in financial assets	0.0	(7.3)	-7.3
<b>Net change in cash and cash equivalents</b>	42.3	13.0	-29.3
<b>Cash and cash equivalents at the end of the period</b>	172.8	172.3	-0.4



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