

MILAN, MAY 12, 2015

THE BOARD OF DIRECTORS OF DIASORIN S.P.A. APPROVES THE RESULTS FOR THE FIRST QUARTER OF 2015: INCREASE IN REVENUES AND NET RESULT, WITH SOLID NET FINANCIAL POSITION AND STRONG CASH GENERATION

FIRST QUARTER 2015 FINANCIAL HIGHLIGHTS

- **REVENUES: € 117.6 million** in Q1'15, increasing by **+11.1%** when compared with Q1'14 (**+4.0% at CER**), with molecular business contribution equal to € 0.9 million.
- **MARGINALITY:** in Q1'15, **EBITDA** amounted to **€ 43.1 million** (**+11.6%** vs. Q1'14) and **EBIT** totalled **€ 35.0 million** (**+11.8%** vs. Q1'14), with an incidence to revenues equal to 36.6% and 29.8% respectively, increasing when compared with marginality reported in Q1'14.
- **NET PROFIT: € 22.6 million**, increasing by **+14.8%** when compared with Q1'14, with an incidence on Group Revenues equal to 19.2%.
- **NET FINANCIAL POSITION: +€ 220.2 million** at March 31, 2015 (+€ 53.9 million compared with December 31, 2014).
- **FREE CASH FLOW: € 26.7 million** in Q1'15 (-€ 0.9 million vs. Q1'14).
- **LIAISON/LIAISON XL INSTALLED BASE:** steady expansion in Q1'15, with +176 new LIAISON XL units and -24 LIAISON net placements, **equal to +152 total units** installed in Q1'15, for a total of **6,024 LIAISON and LIAISON XL units** at March 31, 2015 out of which 1,841 LIAISON XL.

SIGNIFICANT EVENTS

- **Growth in sales** of tests based on **CLIA technology, net of Vitamin D**, equal to **+19.2%** (**+14.2% at CER**), also due to the success of the LIAISON XL and of the new tests launched on the market.
- **Growth of Vitamin D in local currency** equal to **+3.0%** (**-8.9% at CER**), mainly due to price reduction granted to LabCorp, the lower sales volumes in France (healthcare reform) and, lastly, a general downturn in the Australian market. Net of the LabCorp price reduction effect, the negative impact would be equal to **-7.1% at CER** compared with the same period last year.
- **Launch of new tests** for **Calprotectin**, the first test for the identification of inflammatory bowel disease on stool samples, in addition to **2 tests** for the determination of antibodies IgA and IgG of **Bordetella pertussis** in the area of Infectious Diseases.

TABLE OF RESULTS

Amounts in millions of euros	Q1		change	
	2015	2014	amount	%
Consolidated net revenues	117.6	105.9	+11.7	+11.1% ^(a)
EBITDA	43.1	38.6	+4.5	+11.6%
<i>EBITDA margin</i>	36.6%	36.4%	+0.2%	
EBIT	35.0	31.3	+3.7	+11.8%
<i>EBIT margin</i>	29.8%	29.6%	+0.2%	
Consolidated net profit	22.6	19.7	+2.9	+14.8%

^(a) At CER: +4.0%

COMMENT ON RESULTS

The Board of Directors of DiaSorin S.p.A., meeting today in Milan under the chairmanship of Mr. Gustavo Denegri, approved the financial results at March 31, 2015.

In the foreign exchange market, the Euro lost in value vis-à-vis the U.S. dollar, the Australian dollar, the Brazilian real, the Chinese yuan and the South African rand.

	U.S. dollar	Australian dollar	Brazilian real	Chinese yuan	South African rand
Euro	-17.8%	-6.3%	-0.5%	-16.0%	-11.1%

Revenues

Revenues: € 117.6 million in Q1'15, **+4.0% at CER** and **+11.1% at current exchange rate** compared with Q1'14, with molecular business contribution equal to € 0.9 million. The revaluation of some of the currencies in which the Group operates, particularly the U.S. dollar, had a positive impact of € 7.5 million compared with the same period last year.

In Q1'15, the sales trend highlights the following factors:



- **CLIA tests, net of Vitamin D:** **+14.2% at CER (+19.2% at current exchange rate)**, following the success of the LIAISON XL installations together with the new tests launched on the market, particularly 1,25 Vitamin D, Infectious Diseases, Hepatitis, Endocrinology and Gastrointestinal Infections panel (*DiaSorin continues to be the company with the broadest CLIA menu with 114 tests available*).
- **Vitamin D test:** **-8.9% at CER (+3.0% at current exchange rate)**. Net of the price reduction granted to LabCorp in the United States, sales would be equal to **-7.1%**.
- **Instruments and other revenues:** **+12.5% at CER (+18.2% at current exchange rate)** due to increased sales in markets served through distributors network, particularly in the Asia Pacific area.
- **ELISA and RIA tests:** physiological decline of the contribution provided by these dated technologies working on open systems.
- **Molecular business tests:** equal to € 0.9 million.

Steady expansion of LIAISON and LIAISON XL analysers installed base.

Specifically, net placements in Q1'15 were equal to:

- LIAISON: -24
- LIAISON XL: +176
- **TOTAL: +152**

for a total of **6,024 total units** at March 31, 2015, out of which 1,841 LIAISON XL.

	TOTAL UNITS AT DECEMBER 31, 2014	NET PLACEMENTS IN Q1 2015	TOTAL UNITS AT MARCH 31, 2015
	4,207	-24	4,183
	1,665	+176	1,841
TOTAL	5,872	+152	6,024

Revenues by geography

The tables below provide a breakdown of the consolidated revenues of the DiaSorin Group by geographic region and their contribution to total revenues.

Amounts in millions of euros	Q1		Amount	Change	
	2015	2014		%	
				@ current	@ constant
Europe and Africa	58.2	55.9	+2.3	+4.1%	+3.2%
North America	29.4	24.4	+5.0	+20.6%	-0.2%
Asia Pacific	20.3	14.8	+5.5	+37.4%	+26.1%
Central and South America	9.7	10.9	-1.1	-10.3%	-12.8%
Total	117.6	105.9	+11.7	+11.1%	+4.0%

% of revenues contributed	Q1	
	2015	2014
Europe and Africa	49.4%	52.7%
North America	25.0%	23.0%
Asia Pacific	17.3%	14.0%
Central and South America	8.3%	10.3%

Europe and Africa

In Q1'15, revenues totalled € 58.2 million, +3.2% at CER (+4.1% at current exchange rate) compared with Q1'14, mainly driven by the growth in CLIA sales, net of Vitamin D, that confirmed the successful strategy to broaden the commercial offer by introducing new specialty tests.

- **Italy:** +2.8% (-0.7% in the local market¹)
 - growth driven by the performance of Vitamin D, and by the Hepatitis and Stool testing panels.
- **Germany:** +8.5% (+0.4% in the local market¹)
 - growth driven by CLIA products, specifically by the Stool testing panel for gastrointestinal infections, 1,25 Vitamin D as well as Vitamin D (+12.6%).
- **France:** -6.1% (-0.9% in the local market¹)
 - trend affected by the contraction in sales volumes of Vitamin D tests as a result of the recent healthcare reform that came into effect since Q2'14. Net of the abovementioned reform, sales of CLIA reagents increased by 22.7 percentage points compared with Q1'14.
- **Distributors²:**
 - trend in line with Q1'14, with the sole exception sales in Russia affected by the recent socio-political tension.

North America

In Q1'15, revenues totalled € 29.4 million, -0.2% at CER (+20.6% at current exchange rate) compared with Q1'14, as a result of two opposing phenomena:

- **CLIA, net of Vitamin D:** +52.3% at CER (+85.2% at current exchange rate)
 - growth driven by tests in the Infectious Diseases and Prenatal Screening clinical areas that were impacted by the agreement with LabCorp. Net of this agreement, sales would be equal to +27.5%.
- **Vitamin D:** -9.0% at CER (+10.7% at current exchange rate)
 - negative trend mainly due to the price reduction granted to LabCorp. Net of this agreement, Vitamin D sales would be equal to -5.6%.

¹ EDMA latest data available

² sales in markets where the Group does not have a direct presence

Asia Pacific

In Q1'15, **revenues** amounted to **€ 20.3 million**, *+26.1% at CER (+37.4% at current exchange rate)*, as a result of the following trends in the main countries of the area:

- **China:** *+11.0% at CER (+32.1% at current exchange rate)*
 - increase in CLIA products revenues (*+15.7%*);
 - success of LIAISON XL continued through 19 placements in Q1'15, totalling 143 units installed in the country.
- **Australia:** *-6.1% at CER (+0.2% at current exchange rate)*
 - upward trend in CLIA products, net of Vitamin D and mainly in the Infectious Diseases area, that partially offsets the negative impact of Vitamin D.
- **Distributors:** *+56.8% at current exchange rate*
 - increase in revenues generated from distributors that operate on markets where the Group does not have a direct presence.

Central and South America

In Q1'15, **revenues** amounted to **€ 9.7 million**, *-12.8% at CER (-10.3% at current exchange rate)* compared with Q1'14.

- **Brazil:** *-22.3% at CER (-21.9% at current exchange rate)*
 - negative trend in sales of Hepatitis and Prenatal screening tests and Vitamin D sales.
- **Mexico:** *-1.8% at CER (+5.8% at current exchange rates)*
 - lower instruments sales compared with Q1'14, which was characterized by the business development of blood banks and the consequent installation of new instruments;
 - increase in sales of reagents: *+13.0%*.
- **Distributors:** *+3.9% at current exchange rate*
 - increased sales when compared with Q1'14 in the area covered by the network of distributors.

Revenues by technology

The table that follows shows the percentage of the Group's consolidated revenues contributed by each technology.

% of revenues contributed	Q1	
	2015	2014
CLIA tests	72.1%	70.8%
ELISA tests	12.7%	13.8%
RIA tests	1.9%	3.0%
Instruments sales and other revenues	12.5%	11.8%
Molecular	0.8%	0.6%

- **CLIA tests:** higher percentage on total revenues (*+1.3 percentage points*) as a result of an increase in sales of CLIA tests, net of Vitamin D.
- **ELISA and RIA tests:** progressive and physiological decline of the contribution provided by these dated technologies working on open systems.
- **Instruments sales and other revenues:** higher percentage on total revenues, mainly due to the sales of instruments through distributors in the Asia Pacific area during Q1'15.
- **Molecular:** higher percentage on total revenues (*+0.2%*).

Operating performance

The following provides the Group operating performance in Q1'15.

Gross Profit

Gross Profit: € 79.1 million, +10.2% compared with Q1'14 and equal to 67.2% of revenues (67.7% in Q1'14), mainly as a result of the different sales mix (geography and product) in the periods under comparison.

EBITDA

EBITDA: € 43.1 million, with an increase of +11.6% vs. Q1'14, benefiting from a lower incidence of operating expenses. The EBITDA margin is equal to 36.6%, increasing when compared with 36.4% in Q1'14.

EBIT

EBIT: € 35.0 million, increasing by +11.8% compared with Q1'14 and with an incidence on revenues equal to 29.8%.

Financial performance

In Q1'15, **net financial expense** totalled **€ 0.9 million** (€ 0.5 million in Q1'14), due to the fair value of financial instruments at the end of Q1'15 that was partially offset by positive translation differences on financial balances of Group companies that use currencies different from the Group's reporting currency.

Income taxes

In Q1'15, **income taxes** totalled **€ 11.6 million**, equal to a 33.8% tax rate, down when compared with a 36.2% tax rate in Q1'14, as a result of lower amount of non-deductible taxes withheld on dividends the Group's Parent Company received from foreign subsidiaries in the periods under comparison and a lower tax rate in Italy.

Net profit

Net profit: € 22.6 million, +14.8% compared with Q1'14 and equal to 19.2% of revenues.

NFP

At March 31, 2015 the **Net Financial Position** was positive by **€ 220.2 million**, with an increase of **€ 53.9 million** compared with the balance at the end of 2014, as a result of the strong cash flow generation of the Group in Q1'15 (+€ 34.3 million) and the sale of treasury shares resulting from the exercise of some tranches of the 2010 Stock Option Plan (+€ 15.6 million)

Free Cash Flow

In Q1'15, the **Free Cash Flow** of the Group was equal to **€ 26.7 million** compared with € 27.5 million in Q1'14.

In view of the Group's operating performance after March 31, 2015 and taking into account possible evolutions of the global macroeconomic scenario and the diagnostic sector in particular, management confirms the guidance already provided for 2015:

- **Revenues:** growth between 4% and 5% at CER compared with 2014
- **EBITDA:** growth between 4% and 5% at CER compared with 2014
- **LIAISON/ LIAISON XL installed base:** ca. 550

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.

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CONSOLIDATED INCOME STATEMENT

<i>(Amounts in thousands of euros)</i>	Q1		Change		
	2015	2014	amount	%	
Sales and service revenues	117,644	105,915	+11,729	+11.1%	
Cost of sales	(38,573)	(34,161)	-4,412	+12.9%	
Gross profit	79,071	71,754	+7,317	+10.2%	
	67.2%	67.7%	-0.5%		
Sales and marketing expenses	(23,898)	(21,750)	-2,148	+9.9%	
Research and development costs	(6,047)	(5,936)	-111	+1.9%	
General and administrative expenses	(13,151)	(11,791)	-1,360	+11.5%	
Total operating expenses	(43,096)	(39,477)	-3,619	+9.2%	
	36.6%	37.3%	-0.6%		
Other operating income (expense)	(939)	(929)	-10	+1.1%	
EBIT	35,036	31,348	+3,688	+11.8%	
	29.8%	29.6%	+0.2%		
Net financial income (expense)	(865)	(459)	-406	+88.5%	
Profit before taxes	34,171	30,889	+3,282	+10.6%	
Income taxes	(11,558)	(11,187)	-371	+3.3%	
Net profit	22,613	19,702	+2,911	+14.8%	
	EBITDA ⁽¹⁾	43,081	38,587	+4,494	+11.6%
		36.6%	36.4%	+0.2%	

Unaudited data.

⁽¹⁾ The Company defines EBITDA as the “result from operations” before amortization of intangibles and depreciation of property, plant and equipment. EBITDA, which the Company uses to monitor and assess the Group’s operating performance, are not recognized as an accounting tool in the IFRSs and, consequently, should not be viewed as an alternative gauge to assess the Group’s operating performance. Because the composition of EBITDA is not governed by the reference accounting principles, the computation criterion used by the Group could be different from the criterion used by other operators and/or groups and, consequently, may not be comparable.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(Amounts in thousands of euros)</i>	<i>ASSETS</i>	3/31/2015	12/31/2014	<i>change</i>
Non-current assets				
Property, plant and equipment		76,167	72,207	+3,960
Goodwill		69,776	67,703	+2,073
Other intangibles		48,543	49,247	-704
Equity investments		543	506	+37
Deferred-tax assets		22,023	22,194	-171
Other non-current assets		2,817	2,884	-67
	Total non-current assets	219,869	214,741	+5,128
Current assets				
Inventories		106,676	101,320	+5,356
Trade receivables		111,197	109,521	+1,676
Other current financial assets		28,265	24,963	+3,302
Other current assets		11,404	10,291	+1,113
Cash and cash equivalents		196,047	144,855	+51,192
	Total current assets	453,589	390,950	+62,639
	TOTAL ASSETS	673,458	605,691	+67,767
LIABILITIES AND SHAREHOLDERS' EQUITY				
<i>(Amounts in thousands of euros)</i>	<i>LIABILITIES AND SHAREHOLDERS' EQUITY</i>	3/31/2015	12/31/2014	<i>change</i>
Shareholders' equity				
Share capital		55,948	55,948	-
Additional paid-in capital		18,155	18,155	-
Statutory reserve		11,190	11,190	-
Other reserves and retained earnings		464,357	358,047	+106,310
Treasury shares		(28,307)	(44,045)	+15,738
Net profit attributable to shareholders of the Parent Company		22,613	84,074	-61,461
Shareholders' equity attributable to shareholders of the Parent Company		543,956	483,369	+60,587
Other reserves and retained earnings Minority interest		230	204	+26
Shareholders' equity attributable to minority interests		230	204	+26
	Total shareholders' equity	544,186	483,573	+60,613
Non-current liabilities				
Long-term borrowing		105	210	-105
Provisions for employees severance indemnities and other employee benefits		32,256	32,106	+150
Deferred-tax liabilities		3,201	3,008	+193
Other non-current liabilities		4,259	4,677	-418
	Total non-current liabilities	39,821	40,001	-180
Current liabilities				
Trade payables		41,887	39,311	+2,576
Other payables		26,754	30,573	-3,819
Income taxes payable		16,822	8,967	+7,855
Current portion of long-term debt		2,792	3,007	-215
Other financial liabilities		1,196	259	+937
	Total current liabilities	89,451	82,117	+7,334
	Total liabilities	129,272	122,118	+7,154
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	673,458	605,691	+67,767

Unaudited data as of March 31, 2015.

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amounts in thousands of euros)	Q1		change in value
	2015	2014	
Cash and cash equivalents at beginning of period	144,855	105,110	+39,745
Net cash from operating activities	34,282	34,708	-426
Cash used in investing activities	(7,753)	(7,319)	-434
Net cash from financing activities	24,663	(292)	+24,955
<i>Change in net cash and cash equivalents before investments in financial assets</i>	51,192	27,097	+24,095
Investments in financial assets	-	(21,758)	+21,758
<i>Change in net cash and cash equivalents</i>	51,192	5,339	+45,853
Cash and cash equivalents at end of period	196,047	110,449	+85,598

Unaudited data.