



## FY 2017 Results

DIASORIN SPA  
March 7, 2018



The Diagnostic Specialist

## 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.

**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.

# Overview

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## **Highlights**

FY 2017 Guidance achieved

FY 2017 Main Topics

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Highlights

*FY 2017 Guidance DID NOT include 2 elements with opposite impact on the P&L:*

-  positive contribution from the **acquired Siemens' ELISA business** (from Sept 29, 2017) both at *Revenues* and *EBITDA level*
-  **one-off costs** related to the **Irish manufacturing facility closing**, which affected Q4'17 EBITDA

*Net of the above mentioned extraordinary elements, FY'17 guidance was achieved*

		2017 Adjusted (**)	
<b>Revenues</b>	Growth equal to around +11% at CER compared with 2016 (*)	11.5% at CER	✓
<b>EBITDA</b>	Growth equal to around +13% at CER compared with 2016 (*)	13.0% at CER	✓

\* 2016 EUR/US\$ exchange rate: 1.1

(\*\*) Adjustment = Managerial outlook on reported data, net of positive contribution from Siemens' ELISA business (acquired on Sept 29, 2017) and non recurring costs related to the closing of the Irish facility

FY'17 main topics

	FY'17
<b>REVENUES</b>	<b>€/mln 637.5</b> +12.0% @ CER +13.1%
▶ CLIA ex Vitamin D 25 OH	+10.6% @ CER +11.4%
▶ Vitamin D 25 OH (CLIA)	-1.4% @ CER -0.3%
▶ ELISA	+10.0% @ CER +10.7%
▶ Molecular tests	+79.5% @ CER +82.7%
▶ Instruments & Other revenues	+12.1% @ CER +13.4%
<b>EBITDA REPORTED</b>	<b>€/mln 237.9</b> +9.5% @ CER +11.5%
ADJUSTED EBITDA (*)	€/mln 241.2 +11.0% @ CER +13.0%
<b>EBIT REPORTED</b>	<b>€/mln 184.4</b> +6.8%
ADJUSTED EBIT (*)	€/mln 192.1 +11.3%
<b>NET RESULT</b>	<b>€/mln 139.9</b> +24.2%
<b>FCF</b>	<b>€/mln 132.1</b>
<b>NFP</b>	<b>€/mln 149.3</b>
<b>ORDINARY DIVIDEND</b>	<b>€ 0.85 per share</b>
<b>EXTRAORDINARY DIVIDEND</b>	<b>€ 1.80 per share</b>

PLACEMENTS	FY'17	@ Dec 31, 2017
 ▶ LIAISON XL	+655	3,518
 ▶ LIAISON	-119	3,880
<b>TOTAL</b>	<b>+536</b>	<b>7,398</b>

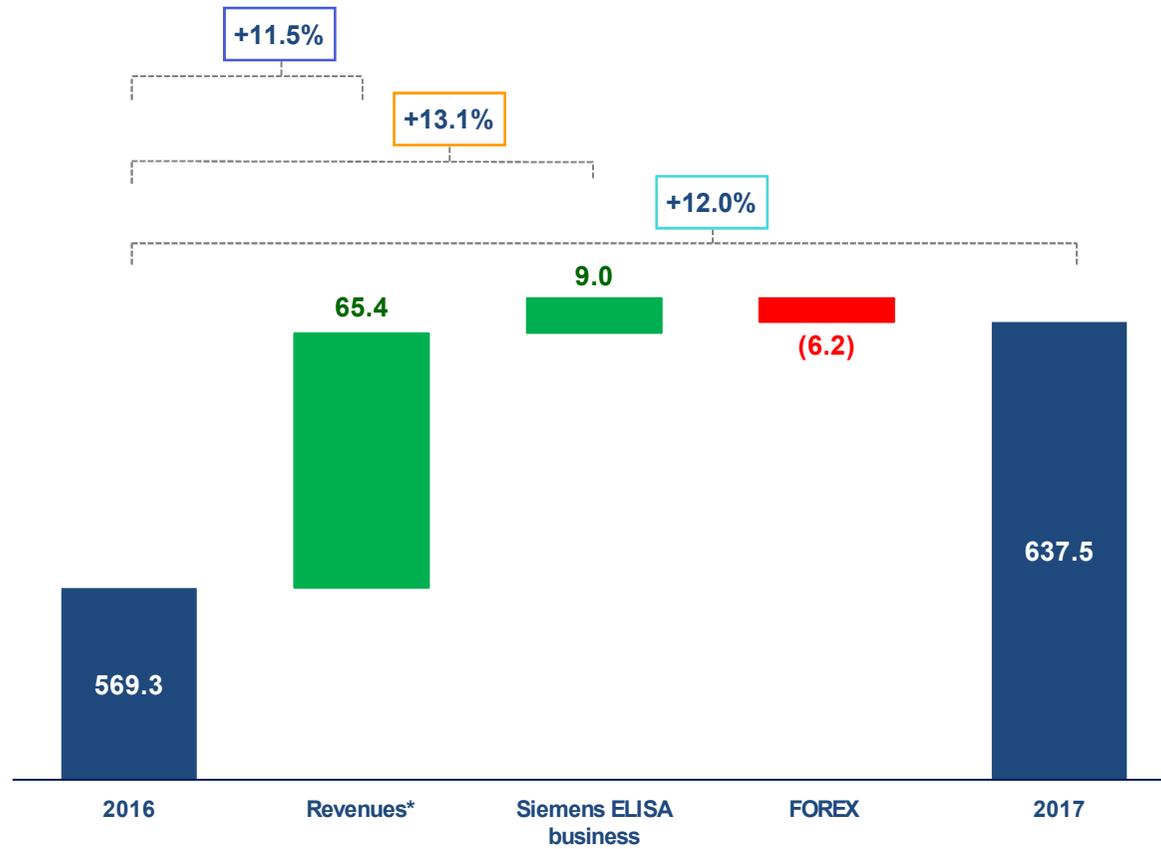
Business Development		
Partnership on QFT Technology 	ELISA Business acquisition from 	Platform development agreement 

Product Development		
<b>IMMUNODIAGNOSTICS</b> 	<b>MOLECULAR DIAGNOSTICS</b> 	
<b>Infectious Diseases</b> ▶ Zika IgM	<b>KITS</b> Gastro-Intestinal infections ▶ C. Difficile DAD	<b>ASR</b> Infectious Diseases ▶ Pneumocystis Jirovecii
<b>Endocrinology</b> ▶ Androstenedione ▶ SHBG	<b>Onco-haematology</b> ▶ CFBF-MYH11	▶ Streptococcus Group C ▶ Streptococcus Group G
<b>Bone &amp; Mineral</b> ▶ FGF 23	<b>Infectious Diseases</b> ▶ Bordetella DAD	

(\*) Adjustment = Managerial outlook on reported data: net of positive contribution from Siemens' ELISA business (acquired on Sept 29, 2017) and non recurring costs related to the closing of the Irish facility

FY'17 Revenues bridge

DATA IN €/MLN



\* @ guidance consolidation perimeter (including DiaSorin Molecular contribution and excluding Siemens' ELISA business contribution)

		Q4'17 vs. Q4'16	FY'17 vs. FY'16
Revenues	@ current	+8.2%	+12.0%
	@ CER	+12.4%	+13.1%

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

Siemens' Elisa business acquisition contributing for €/mln 9.0

FY Forex negative impact= -€/mln 6.2

Positive performance of all geographies

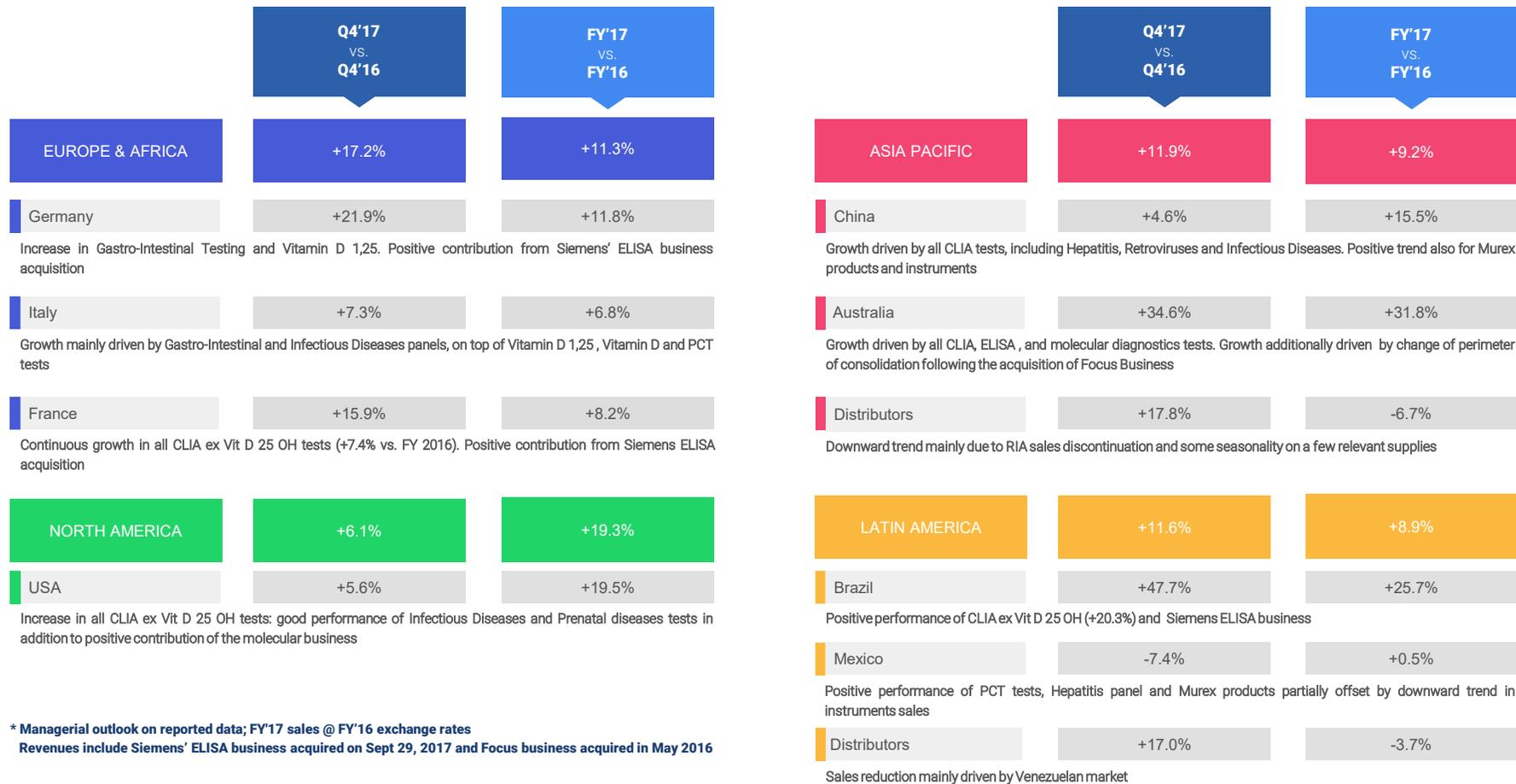
Q4'17 and FY'17 Revenues: breakdown by technology



			Q4'17 vs. Q4'16	FY'17 vs. FY'16
CLIA	CLIA ex Vitamin D 25 OH tests	@ current	+7.2%	+10.6%
		@ CER	+10.1%	+11.4%
	Vitamin D 25 OH test (CLIA)	@ current	-2.9%	-1.4%
		@ CER	+2.9%	-0.3%
ELISA tests	@ current	+30.5%	+10.0%	
	@ CER	+34.5%	+10.7%	
Molecular Diagnostic tests	@ current	+7.8%	+79.5%	
	@ CER	+15.9%	+82.7%	
Instruments & Consumables	@ current	+5.1%	+12.1%	
	@ CER	+9.0%	+13.4%	

Revenues include Siemens' ELISA business acquired on Sept 29, 2017 and Focus business acquired in May 2016

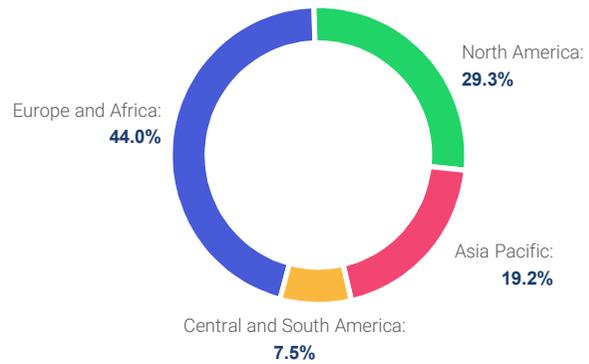
### Q4'17 and FY'17 Revenues\*: breakdown by geography



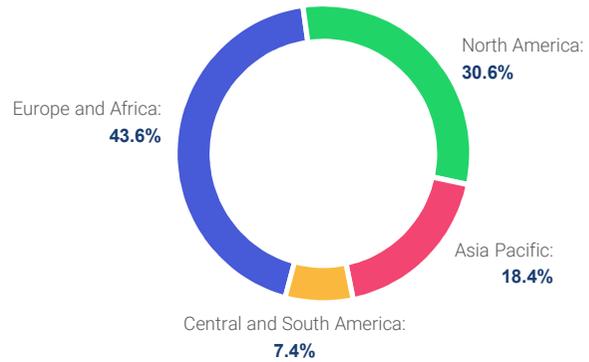
**FY'17 Revenues Breakdown**

BY GEOGRAPHY

FY'16



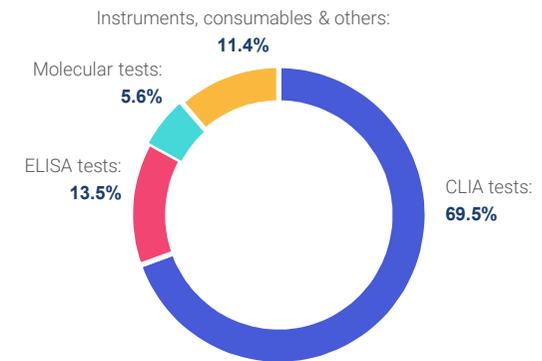
FY'17



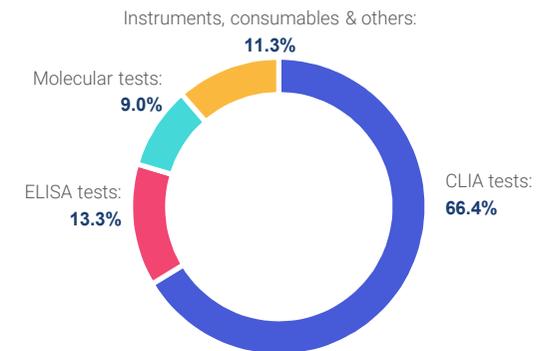
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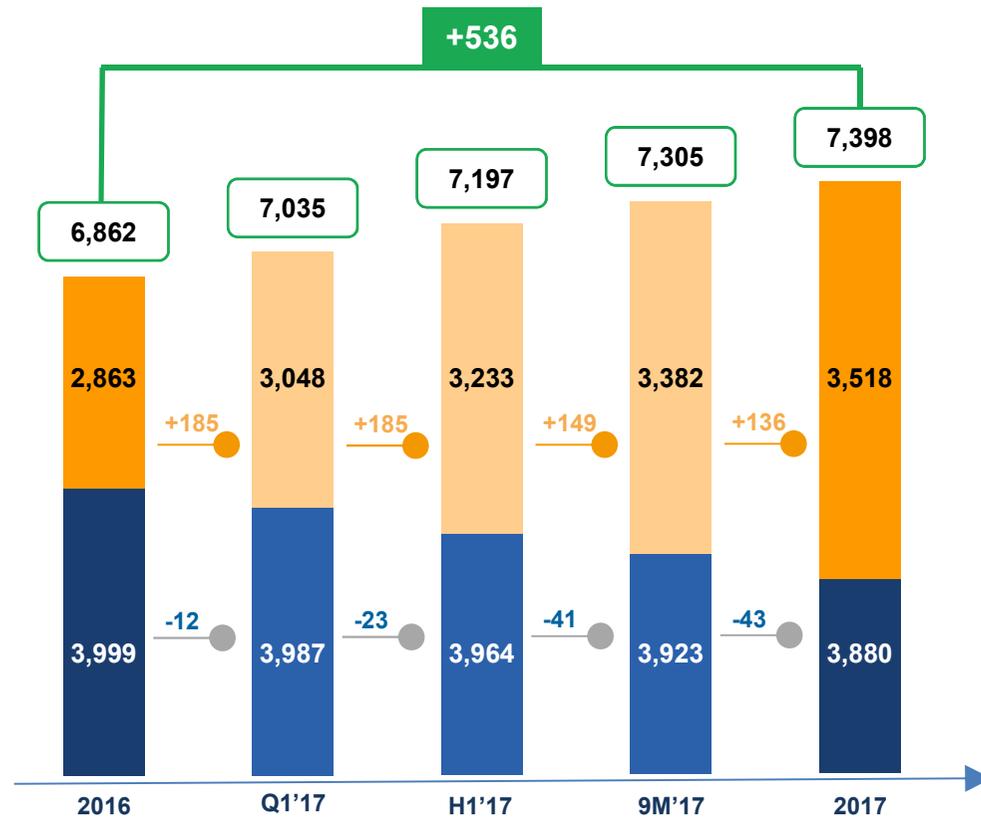
BY TECHNOLOGY

FY'16

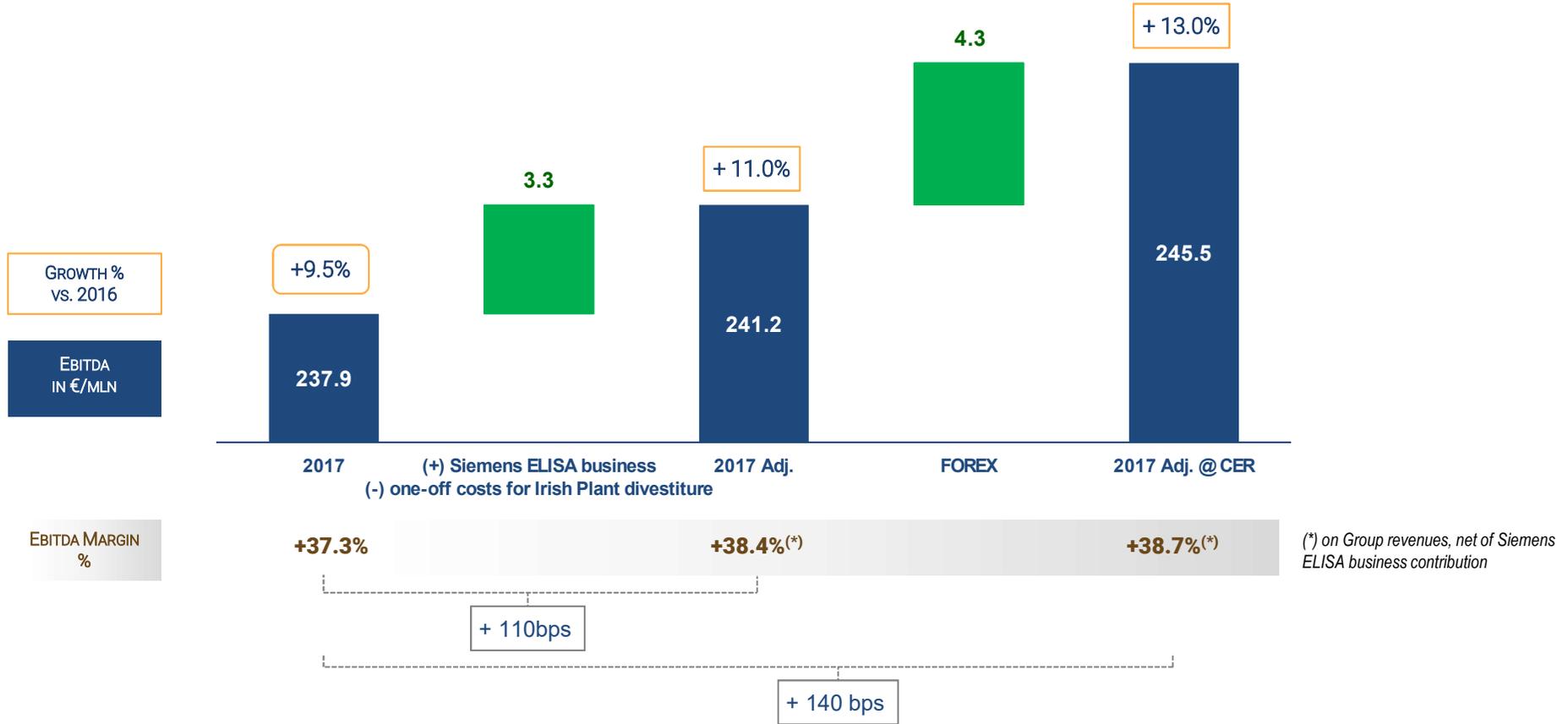


FY'17



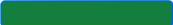
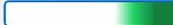
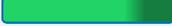


FY'17 EBITDA bridge



Business Development



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

<b>Revenues</b>	Growth equal to <b>around +11% @ CER</b> compared with 2017 (*)
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<b>EBITDA</b>	Growth equal to <b>around +13% @ CER</b> compared with 2017 (*)
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(\*) 2017 €/US\$ exchange rate: 1.13

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
		EBITDA ADJUSTED (*) 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

## FY'17 results: Income Statement

<i>Data in € million</i>	2016	2017	Change	
			amount	%
<b>Net revenues</b>	<b>569.3</b>	<b>637.5</b>	<b>+68.2</b>	<b>+12.0%</b>
<b>Gross profit</b>	<b>389.2</b>	<b>431.9</b>	<b>+42.7</b>	<b>+11.0%</b>
<i>Gross Margin</i>	<i>68.4%</i>	<i>67.7%</i>	<i>-61 bps</i>	
S&M	(109.5)	(123.2)	-13.7	+12.5%
R&D	(37.7)	(43.6)	-5.9	+15.7%
G&A	(60.0)	(64.7)	-4.6	+7.7%
<b>Total operating expenses</b>	<b>(207.2)</b>	<b>(231.5)</b>	<b>-24.3</b>	<b>+11.7%</b>
<i>% on sales</i>	<i>(36.4)%</i>	<i>(36.3)%</i>	<i>+8 bps</i>	
Other operating income (expense)	(9.3)	(16.0)	-6.7	+71.5%
<b>EBIT</b>	<b>172.6</b>	<b>184.4</b>	<b>+11.8</b>	<b>+6.8%</b>
<i>EBIT margin</i>	<i>30.3%</i>	<i>28.9%</i>	<i>-139 bps</i>	
Net financial income (expense)	(4.4)	(5.7)	-1.3	+29.4%
<b>Profit before taxes</b>	<b>168.2</b>	<b>178.7</b>	<b>+10.5</b>	<b>6.2%</b>
Income taxes	(55.6)	(38.8)	+16.8	-30.1%
<b>Net result</b>	<b>112.6</b>	<b>139.9</b>	<b>+27.3</b>	<b>+24.2%</b>
<b>EBITDA</b>	<b>217.3</b>	<b>237.9</b>	<b>+20.6</b>	<b>+9.5%</b>
<i>EBITDA margin</i>	<i>38.2%</i>	<i>37.3%</i>	<i>-85 bps</i>	
<b>Adjusted EBITDA (*)</b>		<b>241.2</b>	<b>+23.9</b>	<b>+11.0%</b>
<i>Adj. EBITDA margin (**)</i>		<i>38.4%</i>	<i>+21 bps</i>	
<b>Adjusted EBIT (*)</b>		<b>192.1</b>	<b>+19.5</b>	<b>+11.3%</b>
<i>Adj. EBIT margin (**)</i>		<i>30.6%</i>	<i>+25 bps</i>	

(\*) Adjustment = Managerial outlook on reported data: net of positive contribution from Siemens' ELISA business (acquired on Sept 29, 2017) and non recurring costs related to the closing of the Irish facility

(\*\*) Adjusted margins = calculated on Group revenues, net of Siemens ELISA business contribution

FY'17 results: Balance Sheet

<i>Data in € million</i>	<b>12/31/2016</b>	<b>12/31/2017</b>	<b>Change</b>
Goodwill and intangibles assets	357.1	344.4	-12.7
Property, plant and equipment	92.1	92.3	+0.2
Other non-current assets	24.0	23.8	-0.2
Net working capital	165.0	190.7	+25.7
Assets held for sale	-	4.0	+4.0
Other non-current liabilities	(46.1)	(62.5)	-16.5
<b>Net Invested Capital</b>	<b>592.2</b>	<b>592.7</b>	<b>+0.4</b>
<b>Net Financial Position</b>	<b>71.2</b>	<b>149.3</b>	<b>+78.1</b>
<b>Total Shareholders' equity</b>	<b>663.4</b>	<b>742.0</b>	<b>+78.6</b>

FY'17 results: Cash Flow Statement

<i>Data in € million</i>	<b>2016</b>	<b>2017</b>	<b>Change</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>212.2</b>	<b>130.5</b>	<b>-81.7</b>
Cash provided by operating activities	165.6	167.4	+1.8
Cash used in investing activities	(34.9)	(38.0)	-3.1
Cash provided/(used) in financing activities	(5.9)	(55.6)	-49.7
Acquisitions of companies and business operations	(263.6)	(31.5)	+232.0
<b>Net change in cash and cash equivalents before investments in financial assets</b>	<b>(138.7)</b>	<b>42.4</b>	<b>+181.1</b>
Divestment/(Investments) in financial assets	57.0	(13.5)	-70.5
<b>Net change in cash and cash equivalents</b>	<b>(81.7)</b>	<b>28.9</b>	<b>+110.6</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>130.5</b>	<b>159.3</b>	<b>+28.9</b>



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