

DiaSorin

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DIASORIN  
Q2 & H1 09 results  
conference call

August 6th

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The Diagnostic Specialist

# H1 09 results highlights

- **Revenues growth accelerating quarter on quarter:**  
**+33.3% Q2 09/08 vs +26.0% Q1 09/08 (+ 29.8% H1 09 vs H1 08)**
- **North America continues booming:**
  - **H1 09 sales up 86.8% as reported (+62.8% at constant exchange rates) boosted by Vit D and Biotrin product sales (ca 11.3% contribution on US sales);**
  - **ID panel sales promising: +40% in H1 09;**
  - **4 new products available on the US market in the endocrinology area.**
- **Steady enlargement of Liaison installed base, from ca. 2510 (31/12/08) to ca. 2777 (30/06/09)**
- **Significant consistent improvement of operating margins:**
  - **Gross Margin +40.8%**
  - **Ebit +65.2%**
- **Net earnings increase more than proportionally even excluding one-off fiscal benefits from goodwill step-up:**
  - **+83.0% H1 09 vs H1 08**
  - **+65.9% excluding one off effects**

## Q2 Results: income statement

<i>millions €</i>	<b>Q2 2009</b>	<b>Q2 2008</b>	<b>Δ</b>
<b>Net Revenues</b>	<b>79.5</b>	<b>59.6</b>	<b>+33.3%</b>
<b>Gross profit</b>	<b>56.3</b>	<b>38.8</b>	<b>+45.0%</b>
<i>Margin</i>	70.8%	65.1%	
<i>G&amp;A</i>	(8.1)	(6.5)	
<i>R&amp;D</i>	(3.9)	(3.1)	
<i>S&amp;M</i>	(14.6)	(11.7)	
<b>Total Operating Expenses</b>	<b>(26.7)</b>	<b>(21.2)</b>	
<i>% on sales</i>	(33.5%)	(35.6%)	
<i>Other operating Income/(Expenses)</i>	-	0.6	
<b>Ebit</b>	<b>29.5</b>	<b>17.0</b>	<b>+74.1%</b>
<i>Margin</i>	37.1%	28.4%	
<i>Net Financial expense</i>	2.3	(0.8)	
<i>Tax</i>	(7.9)	(6.0)	
<b>Net Result</b>	<b>23.9</b>	<b>10.1</b>	<b>+136.4%</b>
<b>Ebitda</b>	<b>33.8</b>	<b>20.5</b>	<b>+64.9%</b>
<i>Margin</i>	42.5%	34.4%	

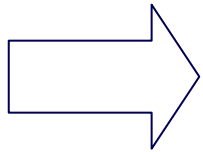
# H1 09 Results: income statement

<i>millions €</i>	H1 09	H1 08	Δ
<b>Net Revenues</b>	<b>150.9</b>	<b>116.3</b>	<b>+29.8%</b>
<b>Gross profit</b>	<b>106.2</b>	<b>75.4</b>	<b>+40.8%</b>
<i>Margin</i>	70.4%	64.8%	
<i>G&amp;A</i>	(15.9)	(12.8)	
<i>R&amp;D</i>	(7.7)	(6.2)	
<i>S&amp;M</i>	(28.1)	(22.9)	
<b>Total Operating Expenses</b>	<b>(51.7)</b>	<b>(42.0)</b>	
<i>% on sales</i>	(34.3%)	(36.1%)	
<i>Other operating Income/(Expenses)</i>	(0.5)	(0.8)	
<b>Ebit</b>	<b>53.9</b>	<b>32.6</b>	<b>+65.2%</b>
<i>Margin</i>	35.7%	28.1%	
<i>Net Financial expense</i>	(1.3)	(0.3)	
<i>Tax</i>	(15.5)	(12.1)	
<b>Net Result</b>	<b>37.1</b>	<b>20.3</b>	<b>+83.0%</b>
<b>Ebitda</b>	<b>62.2</b>	<b>39.7</b>	<b>+56.6%</b>
<i>Margin</i>	41.2%	34.1%	

# Revenues break down H1: by technology

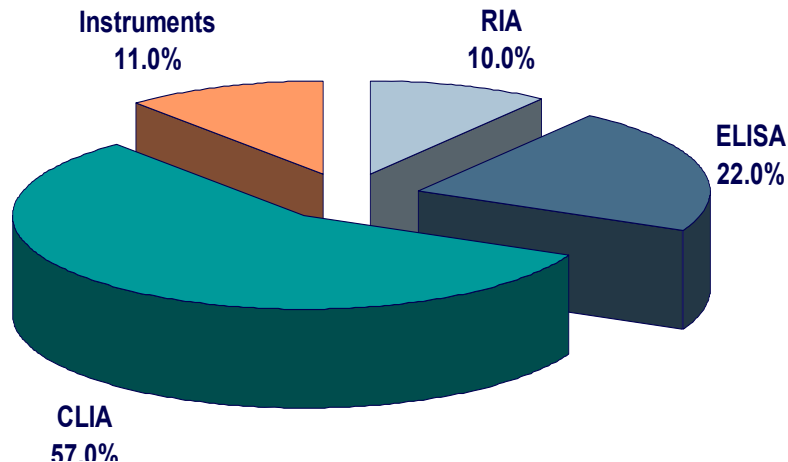
ELISA sales grew by 24.5%, thanks mainly to Biotrin products, but CLIA sales keep growing at higher rate than other technologies

**+40.8% H1 09 vs. H1 08**

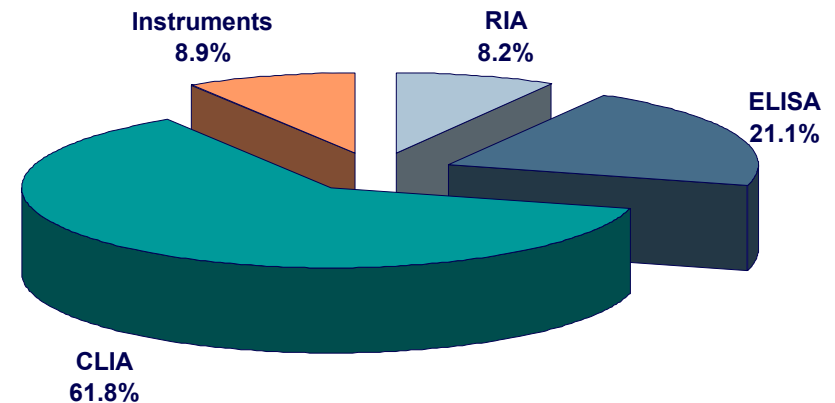


**Revenues mix by technology improved towards CLIA kits, from 57.0% in H1 08 to 61.8% in H1 09 of total sales**

**H1 08**



**H1 09**



# Revenues break down H1: by geography

millions €	H1		
	2009	2008	Δ
Italy	29.3	26.9	8.9%
Rest of Europe	48.2	42.8	12.7%
North America	49.3	26.4	86.8%
Rest of World	24.1	20.2	19.2%
<b>Total</b>	<b>150.9</b>	<b>116.3</b>	<b>29.8%</b>

- In Europe, increased market share in consolidated as well as in developing markets:

<b>Italy</b>	+8.9%	H1 09 vs. H1 08
<b>France</b>	+33.2%	H1 09 vs. H1 08
<b>Nordic</b>	+55.8%	H1 09 vs. H1 08 (+80.6% at comparable FX)
<b>Belgium</b>	+14.5%	H1 09 vs. H1 08

- In North America, accelerating growth:

+ 86.8%	H1 09 vs. H1 08 as reported (Biotrin contribution +11.3%)
<b>+ 62.8%</b>	H1 09 vs. H1 08 at comparable FX (Biotrin contribution +10.0%)

- In Rest of the World, positive trends in recent initiatives and distributors' markets

<b>Mexico</b>	+22.1%	H1 09 vs. H1 08 (+42.1% at comparable FX)
<b>Israel</b>	+122.3%	H1 09 vs. H1 08 (+72.7% on a normalized basis)
<b>China</b>	+23.8%	H1 09 vs. H1 08
<b>Distributor</b>	+21.6%	H1 09 vs. H1 08

# Continuous improvement in profitability

Profitability growth rate accelerated:

<b>Gross Margins</b>	<b>+40.8%</b> H1 09 vs. H1 08	<b>from 64.8% to 70.4%</b> of tot sales
<b>EBITDA</b>	<b>+56.6%</b> H1 09 vs. H1 08	<b>from 34.1% to 41.2 %</b> of tot sales
<b>EBIT</b>	<b>+65.2%</b> H1 09 vs. H1 08	<b>from 28.1% to 35.7%</b> of tot sales

Thanks to:

- Improved technology mix: CLIA revenues represents 61.8% in H1 09 vs. 57.0% in H1 08
- Vitamin D test booming
- Lower incidence of instrument sales and instrument depreciation on total sales
- Lower incidence of sales & marketing expenses on total sales
- Improved Euro/Dollar exchange rate

**Net Result**                    **+83.0%** H1 09 vs. H1 08                    **from 17.4% to 24.6%** of tot sales

Excluding a tax levied on goodwill step-up of € 3.6MM and subs. deferred tax assets of €7.1MM

**Net Result**                    **+65.9%** H1 09 vs H1 08                    **from 17.4% to 22.3%** of total sales

# H1 results: balance sheet & cash flow

<i>millions €</i>	<b>30/06/09</b>	<b>31/12/2008</b>
Total tangible asset	38.8	35.4
Total intangible asset	96.9	93.3
Other non-current asset	16.8	10.1
Net Working Capital	71.5	57.7
Other non-current liabilities	(23.8)	(22.9)
Net Capital Employed	200.2	173.9
Net Debt	15.4	19.8
Total shareholder's' equity	184.8	154.1

	<b>H1 09</b>	<b>H1 08</b>
Net change in cash and cash equivalents	9.6	5.7
Cash and equivalents at the end of the period	26.4	14.1



# Solid financial structure

- **Operating cash flow € 25.9 MM in H1 09 (bef. Capex of 14.9 MM) vs. € 14.4 MM in H1 08 (bef. Capex of 6.3 MM);**
- **Net debt of € 15.4 MM at 30/06/09 vs. € 19.8 MM at year end 08, after dividend payment (€ 6.6 MM) and tax for the goodwill step-up (€ 3.6 MM);**
- **Cash and equivalents at the end of H1 09 amount to € 26.4 MM.**

# Forthcoming events

**6th Goldman Sachs European Medtech and Healthcare**

**Services Conference**

**2nd – 3rd September 2009**

**London**

**UBS Global Life Sciences Conference**

**21st – 23rd September 2009**

**New York**