



PRESS RELEASE

bioMérieux - First-Half 2013 Business Review

- ▼ Sharp acceleration in organic growth in the second quarter, up 4%
 - Double-digit growth in emerging markets up 14%
 - Sustained gains in North America
 - Industrial application sales up 11%
- ▼ 2013 organic sales growth objective maintained

Marcy l'Etoile, France - July 18, 2013 – bioMérieux, a world leader in the field of *in vitro* diagnostics, today released its business review for the six months ended June 30, 2013.

After remaining stable in the first quarter, sales rose by 4% on an organic basis to €395 million in the second three months of the year, led by rapid growth in emerging markets and in industrial applications.

As a result, sales ended the first half at €754 million, versus €750 million a year earlier, for a 2.1% increase at constant exchange rates and scope of consolidation.

Sales by Region In € millions	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012	% Change As Reported	% Change At constant exchange rates & scope of consolidation	Three Months Ended June 30, 2013	Three Months Ended June 30, 2012	% Change As Reported	% Change At constant exchange rates & scope of consolidation
	Europe ⁽¹⁾	391	395	-1.0%	-0.7%	200.4	199.3	+0.5%
North America	168	167	+0.5%	+1.9%	86.1	86.1	-0.1%	+1.9%
Asia-Pacific	131	126	+4.3%	+8.7%	74.2	69.6	+6.8%	+11.6%
Latin America	64	62	+2.3%	+7.3%	34.6	32.6	+6.1%	+10.5%
TOTAL	754	750	+0.5%	+2.1%	395.3	387.6	+2.0%	+4.0%

⁽¹⁾ Including the Middle East and Africa

“Lifted by a good second quarter, organic growth in bioMérieux’s sales stood at 2.1% for the first half of 2013,” said Jean-Luc Belingard, Chairman and Chief Executive Officer. “In line with the scenario presented last April, business continued to recover in North America during the period, sales in emerging markets turned sharply upwards and industrial applications returned to very fast growth, while demand remained difficult in Europe. In addition, during the second quarter, we CE-marked our new VIDAS[®] 3 immunoassay platform. This new system has been well received by our customer base and the first installations in immunoassay labs started in late June. We also presented both our incubator incorporating imaging technologies and our new Virtuo[™] blood culture instrument to European laboratories. Backed by these advances, by our unique competitive positioning and our strategic focus on areas of specialization in *in vitro* diagnostics, we are confirming our objective of organic growth of between 3% and 5% for the year.”

SALES

Organic growth came to 4% in the **second quarter**, driven by the strong 14% increase in sales in emerging markets, particularly China, India and Brazil. Growth also reflected the good momentum in industrial application sales, which had been impacted in the first quarter by prior-year comparatives, following the termination of distribution of certain products that were previously sold by AES. In the second quarter, industrial application sales rose 11%, with growth reported in every region.

Nevertheless, **first-half 2013** remained shaped by the persistence of wide variations in the global healthcare market.

- In Western Europe, markets remained generally difficult.
- In North America, sales growth was driven by the Group's product offering in critical care and ICUs, as well as in industrial applications.
- Emerging markets expanded at a rapid pace, stimulated by ambitious government measures and vigorous demand from laboratories. As a result, they accounted for 29% of consolidated sales and delivered an organic gain of 11%, further attesting to their role as a major growth driver.

At constant exchange rates and scope of consolidation, first-half 2013 sales may be analyzed by region as follows:

- ▼ Sales in **Europe - Middle East - Africa** (52% of the consolidated total) were stable over the first half, albeit with an improvement in the second quarter:
 - Sales in Western Europe (44% of the consolidated total) contracted over the first six months, impacted by weak demand in Southern Europe and the consolidation of clinical laboratories in France. After a particularly challenging first quarter, and in a persistently demanding economic environment, sales showed some encouraging signs in the second quarter. Sales of industrial applications rose by nearly 8% in France, expansion in Germany gained new momentum, to 5%, and business in the United Kingdom returned to solid growth, increasing 6%.
 - In Turkey, Russia, Eastern Europe, the Middle East and Africa, first-quarter momentum continued into the second, driving a 14% organic increase over the first half. In particular, the Group pursued its rapid expansion in Russia, where sales surged by 31% over the first six months of the year.
- ▼ Sales in **North America** (22% of the consolidated total) continued to recover, gaining close to 2% over the period. In particular, sales in the United States (excluding bioTheranostics) rose by 2.1% on an organic basis.

In clinical applications, even as medical laboratories continued to restrict their equipment spending ahead of deployment of healthcare reform, reagent sales increased by more than 4%, led by strong demand for BacT/ALERT[®] blood culture bottles and the VIDAS[®] B.R.A.H.M.S PCT assay. This performance attests to the effectiveness of the Company's product offering in critical care and ICUs. Industrial application sales increased 8%, driven by the seamless integration of the AES ranges (particularly the Blue Range, automated flow cytometers and Labguard[®]) and by the success of ready-to-use media.
- ▼ In the **Asia-Pacific** region (17% of the consolidated total), sales returned to double-digit growth in the second quarter, to end the first half up 8.7%. In particular, sales in China surged 17% over the quarter and 14% over the first half, spurred by reagent sales in both clinical and industrial applications. In this very high potential market, G5 Santé, an association of the leading French health and bio-sciences companies, has supported the launch of the first China Health Club, which is dedicated to supplying local health sector players with a comprehensive range of products and services from French companies tailored to their specific needs. At 27%, growth in India remained brisk, with fast expansion in both clinical and industrial microbiology. In the entire region, sales of industrial applications rose nearly 12% over the first half.
- ▼ Sales in **Latin America** (9% of the consolidated total) were up 7.3%. Despite the strikes, sales in Brazil rose by 4% on the back of strong growth in industrial applications, with in particular local production of ready-to-use media helping to gain new customers. In the rest of the region, growth stood at 9% for the period. Sales of industrial applications climbed 26%, confirming the opportunities for fast growth in this sector.

At constant exchange rates and scope of consolidation, first-half 2013 sales may be analyzed by technology as follows:

Sales by Technology In € millions	Six Months Ended June 30, 2013	Six Months Ended June 30, 2012	% Change As Reported	% Change At constant exchange rates & scope of consolidation
Clinical Applications	597	597	0.0%	+1.5%
Microbiology	377	379	-0.4%	+1.5%
Immunoassays	175	176	-0.4%	+0.9%
Molecular Biology	37	34	+6.6%	+7.3%
Other Lines	8	8	+0.5%	-7.0%
Industrial Applications	157	153	+2.3%	+4.5%
TOTAL	754	750	+0.5%	+2.1%

- ▼ In **clinical applications**, growth continued to be driven by reagent sales in the three strategic ranges:

 - Microbiology, the Group's core business that accounts for half of consolidated sales, saw reagent sales rise at a satisfactory pace of more than 4%, thanks primarily to the traditional automated lines (VITEK® and BacT/ALERT®) and the more recent solutions (FMLA®). On the other hand, instrument sales remained weak. During the quarter, the Company presented both its incubator incorporating imaging technologies and its new Virtuo™ blood culture instrument to European laboratories. The latter's unrivalled automated capabilities will enable it to meet the growing productivity and traceability needs of microbiology laboratories.
 - Sales of the VIDAS® line increased by nearly 3%, led by sales of both reagents and instruments. The line is benefiting from its repositioning in high medical value assays and in emerging markets, whereas in developed markets, sales of routine tests continue to be penalized by the ongoing consolidation of clinical laboratories. During the quarter, the new generation VIDAS®, VIDAS® 3, was CE-marked and is now commercially available in Europe and the countries that recognize the CE marking.
 - Molecular biology sales rose by more than 7%. In particular, the ARGENE range dedicated to virological diagnosis for immunocompromised patients delivered a 31% increase in sales. This reflected the major synergies developed since the company's acquisition, with bioMérieux's extensive sales network considerably broadening market access to ARGENE products.
- ▼ **Industrial applications**, which account for 21% of consolidated sales, returned to fast growth in the second quarter, enabling them to end the first half up 4.5% overall. They benefited from their global positioning and extensive product line-up, which combines automated solutions, like TEMPO®, VITEK® and AES's Blue Range, and manual tests like BioBall® for quantitative microbiological quality control, whose tenth anniversary was celebrated during the quarter. In addition, Nicolas Cartier joined bioMérieux as Corporate Vice President, Industrial Microbiology Unit, in May 2013. He spent most of his professional career at Sanofi, where he was General Manager of Sanofi France since 2009.
- ▼ Sales of **reagents** and **services**, which accounted for 89.8% of total sales, drove growth in consolidated sales, with organic gains of 3% and 10% respectively. **Instrument** sales accounted for only 10.2% of the consolidated total, reflecting the lackluster economic environment in Europe, the priority focus of the sales teams on managing blood culture reagent sales at a time of lingering production difficulties, and the wait-and-see attitude of customers in North America.

OTHER FINANCIAL HIGHLIGHTS

Consolidated income statement

The first-half financial statements are expected to show higher production costs due to the difficulties encountered at the Durham facility (North Carolina - United States), modest growth in selling and administrative expenses, and increased R&D investment as the Company prepares to launch its new platforms.

Consolidated balance sheet

- The **installed base** at June 30, 2013 represented approximately 71,000 instruments, an increase of 1,600 new instruments over the period.
- After payment of €39 million in 2012 dividends in June, **net debt** ended the period at around €43 million, or €5 million less than at December 31, 2012.

Human resources

The Company had a total of 7,623 full-time-equivalent **employees** as of June 30, 2013. There were 7,413 employees at December 31, 2012, based on the same method of calculation.

SECOND-QUARTER OPERATING HIGHLIGHTS

Commercial offer

bioMérieux has launched **11 new products** since the beginning of the year.

During the second quarter, **VIDAS[®] 3**, the new generation VIDAS[®], was CE marked. Featuring enhanced automation, improved traceability and new software capabilities, as well as a quality control program in compliance with laboratory certification standards, the new instrument is now commercially available in Europe and the countries that recognize the CE marking. The Company expects to gradually obtain regulatory approval for sale in other countries, particularly the United States and China.

In line with its launch schedule, bioMérieux presented its new **incubator incorporating imaging technologies** to microbiology laboratories at ECCMID* 2013, held in late April in Berlin. During the Congress, bioMérieux also revealed the tradename of its new blood culture instrument, known as **Virtuo[™]**.

The new bioMérieux's **THxID[™]-BRAf** real-time PCR molecular test has received pre-market approval (PMA) from the U.S. Food and Drug Administration for commercialization in the United States. This companion diagnostic test will help clinicians choose an appropriate treatment for advanced melanoma. It is intended for patients whose tumors carry the BRAF V600E mutation for possible treatment with GlaxoSmithKline's (GSK) Tabinlar[®] (dabrafenib), as well as patients whose tumors carry the BRAF V600E or V600K mutation for possible treatment with Mekinist[™] (trametinib).

VIDAS[®] UP Listeria (LPT) and **VIDAS[®] Listeria monocytogenes xpress (LMX)** have been granted Official Methods of Analysis approval by AOAC International. This unprecedented AOAC Expert Review Panel (ERP) approval of two tests simultaneously highlights the reliability and significance of this complete screening solution for *Listeria*, a pathogenic bacteria that is widespread in the environment and can be found in food products.

Lastly, on April 25, bioMérieux contributed to World Malaria Day 2013. Malaria is a widespread infectious disease caused by parasites transmitted to people through the bites of mosquitoes. It is estimated that there are more than 200 million cases of malaria around the world every year. In January 2013, bioMérieux launched **VIKIA[®] Malaria Ag Pf/Pan**, the first test in a tropical disease panel currently being developed.

The Durham site (North Carolina - United States)

At a time of robust demand for BacT/ALERT[®] blood culture bottles, the Company is continuing to work to improve its production lines in order to restore satisfactory supply levels through the second half of the year. Moreover, inspectors from the U.S. Food and Drug Administration re-inspected the Durham site in June to verify effective deployment of the Company's action plan to remediate observations contained in the August 2012 Warning Letter and to perform additional quality system reviews.

Deployment of the Global ERP system

The **Global ERP** system continued to be successfully deployed during the period. Following launch in South Korea and Japan, it is now up and running in 16 subsidiaries.

* European Congress of Clinical Microbiology and Infectious Diseases

4th Edition of the **World HAI Forum***

In late June, more than 70 world-renowned experts in the field of antimicrobial resistance and healthcare-associated infections met for the 4th edition of the **World HAI Forum**, organized by bioMérieux. During the event, the experts agreed on a certain number of priority actions to address the threat posed by antimicrobial resistance, which is now recognized as one of the major global public health challenges of the 21st century. Among these priorities, bioMérieux pledged to support the following:

- Assess the global burden of antimicrobial resistance and antibiotic use through worldwide surveys involving an international alliance. This action aims at providing indicators for global measurement of antibiotic use and resistance.
- Carry out a multi-center interventional study to document the lasting benefits of prudent antibiotic use in order to produce tangible proof and best practices to be shared among healthcare professionals.

The initial results of these efforts are estimated to be available within 18 months.

NEW MANAGEMENT COMMITTEE ORGANIZATION

After a career of over 30 years at bioMérieux, Henri Thomasson, Chief Financial Officer, has decided to take his retirement. In addition, Steve Harbin, Corporate Vice President of Manufacturing, Quality, Regulatory Affairs & Information Systems, has decided to embark on a new career as an entrepreneur. Jean-Luc Belingard, Chairman and Chief Executive Officer of bioMérieux, the Board of Directors and the members of the Management Committee thank Henri Thomasson and Steve Harbin for the significant contribution they have made and momentum they have given to the Company's development.

Moving forward, the Management Committee will be organized as follows:

- Alexandre Mérieux, *Directeur Général Délégué* of the Company, will lead Manufacturing Operations and Supply Chain. In addition, Alexandre Mérieux will continue to be Corporate Vice President of the Microbiology and Molecular Biology Unit. He will be managing a team of over 2,000 employees worldwide.
- François Lacoste, Corporate Vice President of the Immunoassays Unit, will also be in charge of Quality.
- Mark Miller, Chief Medical Officer, will also oversee Regulatory Affairs.
- As of September 5, 2013, Claire Giraut will join bioMérieux's Management Committee. She will begin as Head of the Information Systems (IS) and Purchasing departments. After a transition period with Henri Thomasson, she will assume responsibility for a new Administration and Finance Department enlarged to Purchasing and IS. Before joining bioMérieux, Claire Giraut held various positions as Chief Financial Officer. Her latest assignments were with Ipsen and Europcar Groupe. She is a graduate of the *Institut National Agronomique Paris-Grignon*.

2013 OBJECTIVES

Based on the good performance in the second quarter, bioMérieux is maintaining its **organic growth** objective for 2013. In an especially demanding economic environment, notably in Western Europe, the Company will benefit from the resilience of its business model and the technological and geographic diversification of its business base.

INVESTOR CALENDAR

First-half 2013 results: September 4, 2013, before start of trading

The above forward-looking statements are based, entirely or partially, on assessments or judgments that may change or be modified, due to uncertainties and risks related to the Company's economic, financial, regulatory and competitive environment, notably those described in the 2012 Registration Document. Accordingly, the Company cannot give any assurance nor make any representation as to whether the objectives will be met. 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.

* World Forum on Healthcare-Associated Infections and Antimicrobial Resistance

ABOUT BIOMÉRIEUX

Pioneering Diagnostics

A world leader in the field of *in vitro* diagnostics for 50 years, bioMérieux is present in more than 150 countries through 41 subsidiaries and a large network of distributors. In 2012, revenues reached €1,570 million with 87% of sales outside of France.

bioMérieux provides diagnostic solutions (reagents, instruments, software) which determine the source of disease and contamination to improve patient health and ensure consumer safety. Its products are used for diagnosing infectious diseases and providing high medical value results for cancer screening and monitoring and cardiovascular emergencies. They are also used for detecting microorganisms in agri-food, pharmaceutical and cosmetic products.

bioMérieux is listed on the NYSE Euronext Paris market (Symbol: BIM – ISIN: FR0010096479).
Corporate website: www.biomerieux.com. Investor website: www.biomerieux-finance.com.

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APPENDIX: QUARTERLY SALES DATA

Sales by Region - in € millions						
	First Quarter		Second Quarter		First Half	
	2013	2012	2013	2012	2013	2012
Europe ⁽¹⁾	190.7	195.6	200.4	199.3	391.1	394.9
North America	81.7	80.9	86.1	86.1	167.8	167.0
Asia-Pacific	57.1	56.4	74.2	69.6	131.3	126.0
Latin America	29.4	29.9	34.6	32.6	64.0	62.5
TOTAL	358.9	362.8	395.3	387.6	754.2	750.4

⁽¹⁾ Including the Middle East and Africa

Change in Sales by Region - in %						
	First Quarter		Second Quarter		First Half	
	As reported	At constant exchange rates & scope of consolidation	As Reported	At constant exchange rates & scope of consolidation	As Reported	At constant exchange rates & scope of consolidation
Europe ⁽¹⁾	-2.5%	-2.5%	+0.5%	+1.1%	-1.0%	-0.7%
North America	+1.0%	+1.8%	-0.1%	+1.9%	+0.5%	+1.9%
Asia-Pacific	+1.2%	+5.1%	+6.8%	+11.6%	+4.3%	+8.7%
Latin America	-2.0%	+3.5%	+6.1%	+10.5%	+2.3%	+7.3%
TOTAL	-1.1%	+0.1%	+2.0%	+4.0%	+0.5%	+2.1%

⁽¹⁾ Including the Middle East and Africa