



2017 Annual Results & 2018 Outlook

Investor Presentation – February 28th, 2018

PIONEERING DIAGNOSTICS

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AGENDA



OVERVIEW OF BIOMERIEUX

2017 BUSINESS REVIEW

2017 FINANCIAL RESULTS

2018 OUTLOOK

bioMérieux: mission, strategy and strengths



PIONEERING DIAGNOSTICS

to improve public health,
especially in the fight against infectious diseases.



MICROBIOLOGY

Maintain leadership positions
in both clinical and industrial
applications



MOLECULAR BIOLOGY

Own the rapidly growing market of
syndromic diagnosis
of infectious diseases



IMMUNOASSAYS

Reinforce specialty positioning
focused on high medical value
markers on acute diseases

Wide & balanced
geographic footprint

Broad & complementary
range of solutions

Solid financial
situation

bioMérieux provides solutions to manage infectious diseases and improve patient care



FIGHT SEPSIS



**CURB
ANTIMICROBIAL
RESISTANCE**



**DEVELOP SYNDROMIC
DIAGNOSIS FOR
INFECTIOUS DISEASES**



**MANAGE
EMERGENCY
CONDITIONS**



**PROTECT
CONSUMERS'
HEALTH**



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FY2017 key figures



> Consolidated Sales

€2,288 million

+ 8.8% reported
+ 10.2% organic

> Contributive Operating Income

€335 million

+12.4% reported
14.6% of sales

> Net Income

€238 million

+ 32.6% reported
10.4% of sales

> Balance Sheet

Leverage **0.3**

Gearing **9%**

2017 key launches and events



Molecular Biology

- ▼ FDA clearance and CE-marking of **FILMARRAY® RP2** and **RP2plus**



Microbiology

- ▼ FDA clearance of **BACT/ALERT® VIRTUO™**, **RAPIDEC® CARBA NP**, and **VITEK® MS** extended database



Immuno-assays

- ▼ FDA clearance of VIDAS® procalcitonin test in **LRTI* to aid antibiotic management**
- ▼ Development & commercialization license for **Banyan's TBI markers****
- ▼ Extended claim for **VIDAS® D-DIMER** for DVT/PE exclusion in outpatients following an anticoagulant treatment



Industry

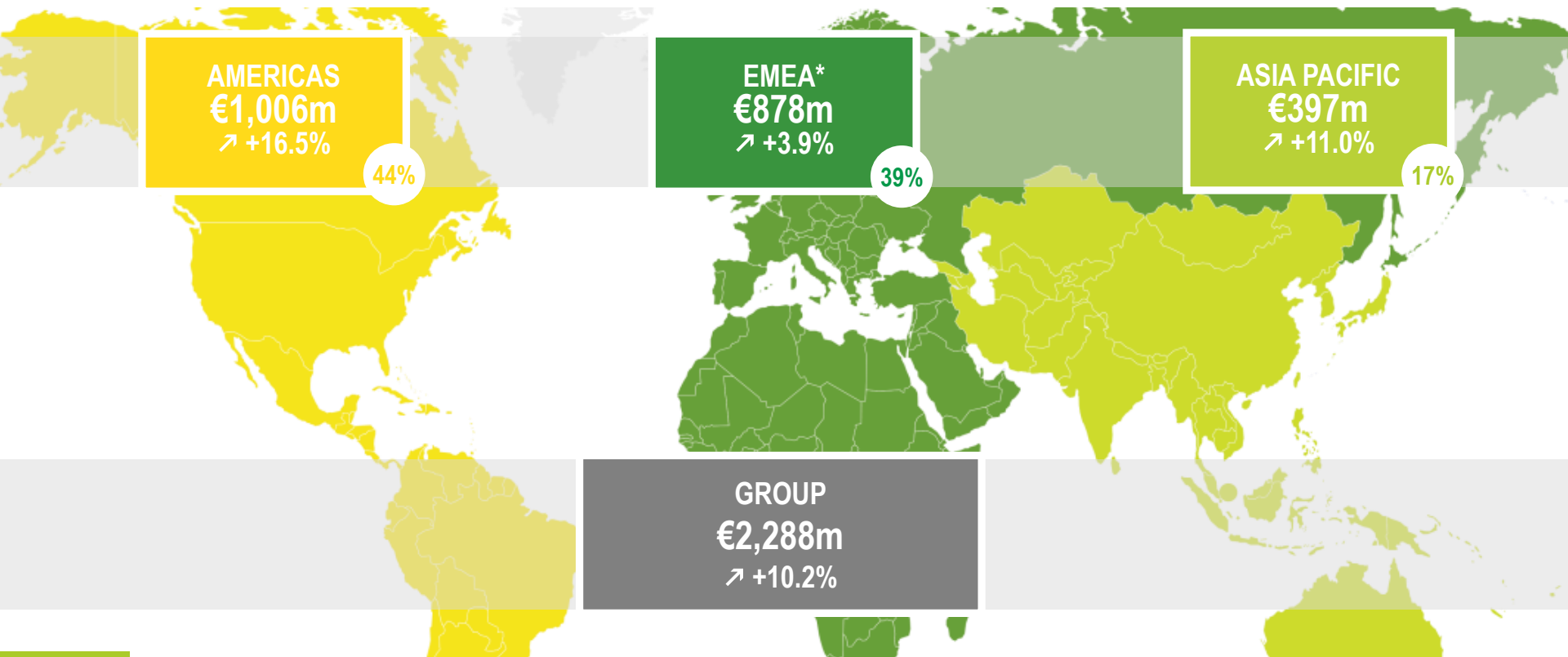
- ▼ Enriching the **One Health** approach: launch of **CHROMID® Colistin**, first test to be used both in humans and animals, and of **specific VITEK® cards** dedicated to animal health



Quality

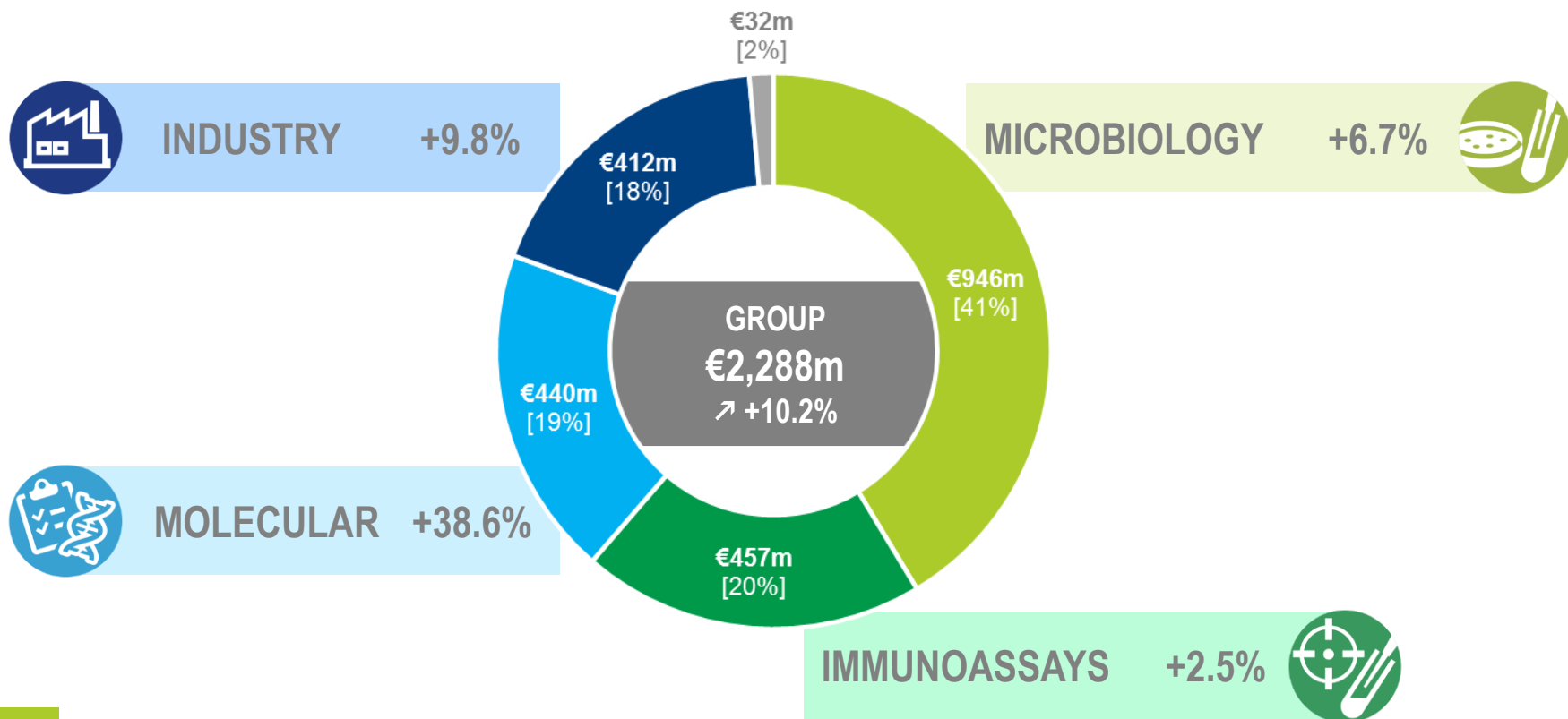
- ▼ **FDA warning letter lifted** on Durham (NC, USA) in Aug 2017
- ▼ Positive outcomes following several inspections (FDA, CFDA, ANVISA, ANSM)

FY2017 sales by geography: strong sales dynamic at 10.2% organic growth



* EMEA: Europe, Middle East, Africa

FY 2017 sales by application: growth supported by all product lines



MICROBIOLOGY: a comprehensive portfolio of solutions serving the fight against AMR



Antimicrobial Resistance (AMR)

"An increasingly serious threat to global public health", WHO

Manage HAI

Optimize the use of antibiotics

Fight against MDRO

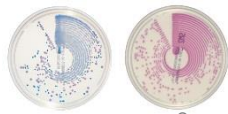
Culture

Identification

Antibiotic Susceptibility Testing



BACT/ALERT® VIRTUO™



CHROMID®



VITEK® MS



FILMARRAY®
BCID panel



VITEK® 2



E-TEST®



RAPIDEC®
CARBA NP

IT / data analytics / software

Grow the installed base and its consumption

Enlarge the FILMARRAY® menu

Improve the FILMARRAY® instruments

Grow international markets

- ▶ Installed base **6,100 units** (+2,100)
- ▶ Sales **€368m** (+50%)
- ▶ Customers **1,900** (+500)
- ▶ **7 available panels** (4 respiratory, 1 meningitis, 1 GI, 1 BCID)
- ▶ FDA filing of **Pneumonia panel** planned in 2018
- ▶ Work in progress to reduce time to result
- ▶ **13.5%** of 2017 revenues from international sales
- ▶ **> 1/3rd** of 2017 installations outside of the US
- ▶ Launch in **Japan** scheduled in 2018

Procalcitonin (PCT)



Price pressure due
to increased
competition

Additional volume
through new claims
and customers



Acute Kidney Injury (AKI)

NephroCheck® helps determine if certain hospitalized patients are at risk of developing moderate to severe acute kidney injury (AKI) in the 12 hours following test administration

FDA cleared Jun 2016



ASTUTE
MEDICAL®

Traumatic Brain Injury (TBI)

First diagnostic blood test to aid in the evaluation of adult patients with suspected TBI (concussion)

FDA cleared Feb 2018



INDUSTRY APPLICATIONS

reinforcing leadership with strong 10% growth in 2017



Market trends

bioMérieux growth drivers in 2017

Customer needs

FOOD



- ▶ CAGR 6-8%*
- ▶ Globalization
- ▶ Consolidation

- ▶ Immunoassay VIDAS®
- ▶ Molecular GENE-UP®

PHARMA



- ▶ CAGR 5-7%*
- ▶ Increase in bioproduction
- ▶ Increasing regulatory requirements

- ▶ Cytometry CHEMUNEX®
- ▶ Culture media

- ▶ Consumer Safety
- ▶ Productivity
- ▶ Consistency of QC methods between sites



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2018 OUTLOOK

Consolidated P&L as of December 31, 2017

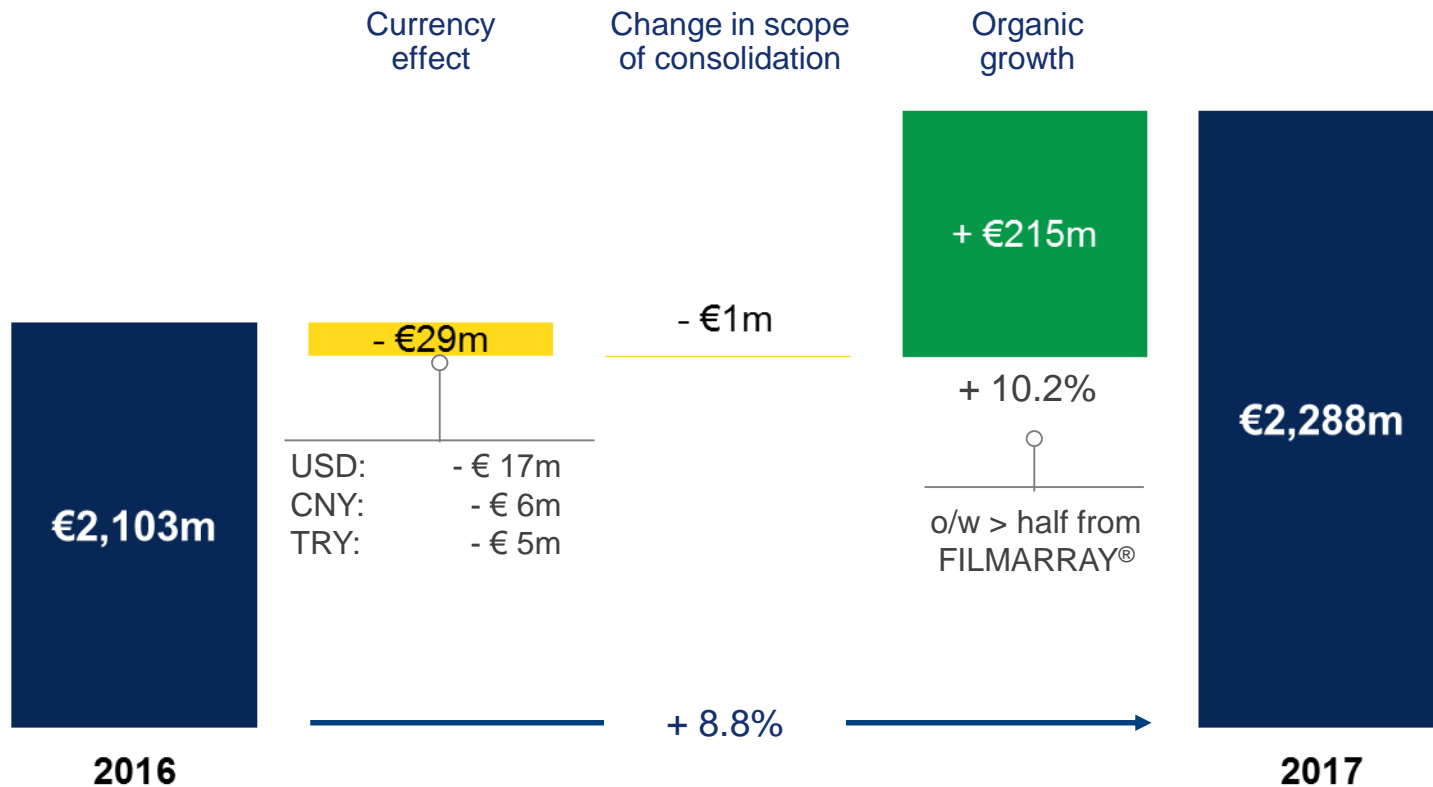


<i>In €m</i>	2017	<i>As a % of sales</i>	2016	<i>As a % of sales</i>	% Change 2017 / 2016
Net sales	2,288	100%	2,103	100%	+ 8.8%
Gross profit	1,212	53.0%	1,101	52.3%	+ 10.1%
Contributive operating income ⁽¹⁾	335	14.6%	298	14.2%	+ 12.4%
Operating income	315	13.8%	282	13.4%	+ 11.5%
Net income	238	10.4%	179	8.5%	+ 32.6%
<i>Earnings per share (€) ⁽²⁾</i>	€ 2.02		€ 1.52		

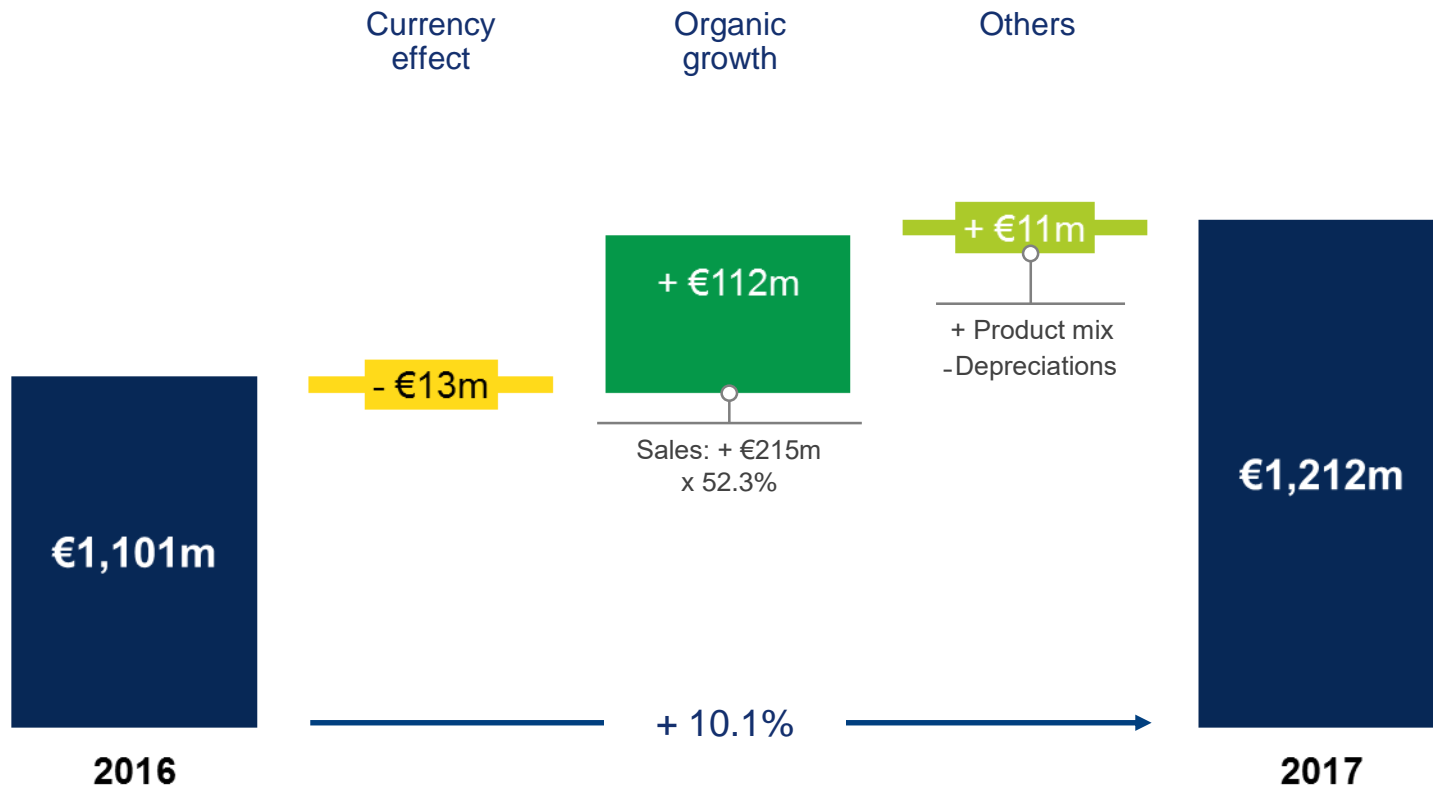
(1) Earnings Before Interest and Tax deriving from ordinary activities

(2) For 2016, restated based on the number of shares after stock split performed in Sept 2017.

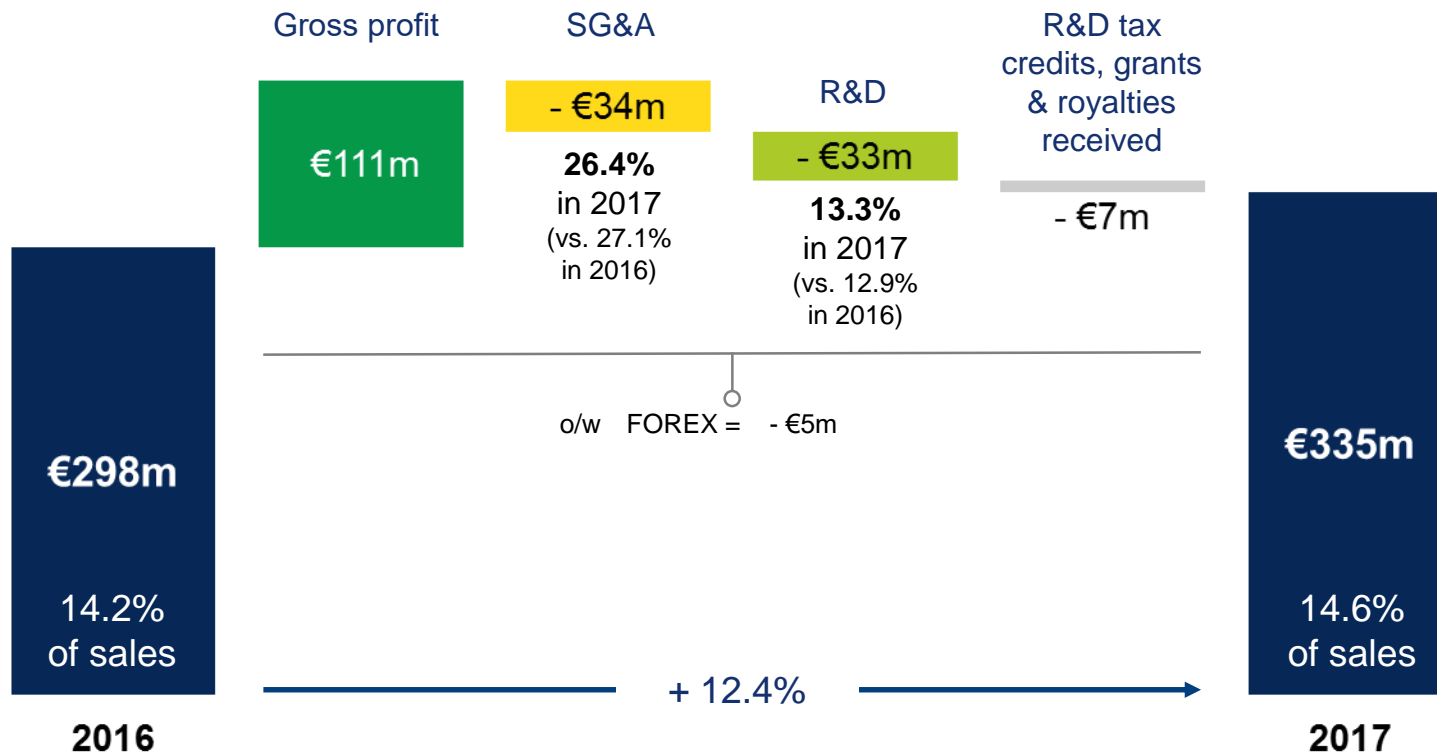
Net sales as of December 31, 2017



Gross profit as of December 31, 2017



Contributive operating income* as of December 31, 2017



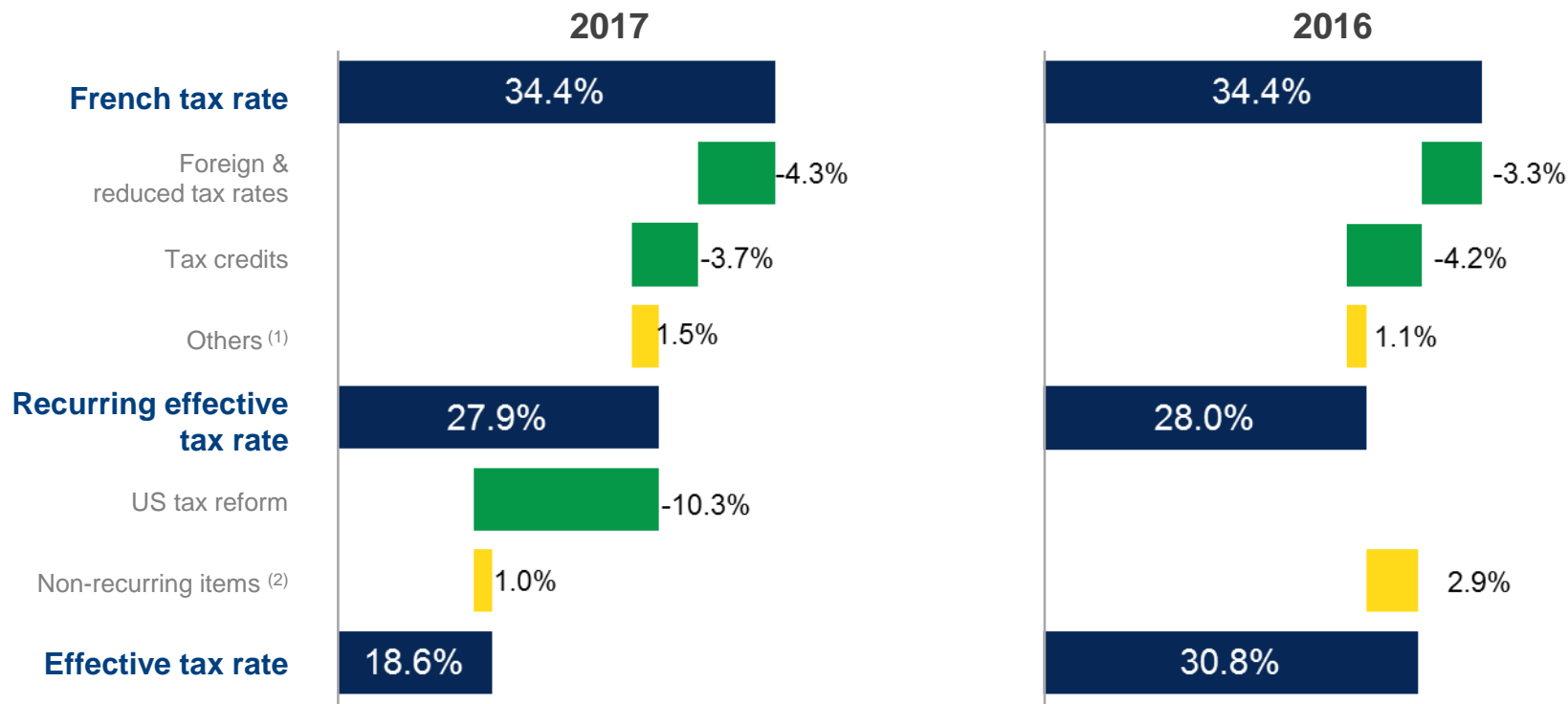
Net Income

as of December 31, 2017



<i>In €m</i>	2017	<i>As a % of sales</i>	2016	<i>As a % of sales</i>	<i>% Change 2017 / 2016</i>
Contributive operating income	335	14.6%	298	14.2%	+ 12.4%
BioFire acquisition related costs	- 18		- 25		
Non-recurring items	- 2		+ 10		
Operating income	315	13.8%	282	13.4%	+ 11.5%
Net financial expense	- 22		- 23		
Income tax (<i>effective tax rate</i>)	- 55	18.6%	- 80	30.8%	
Net income	238	10.4%	179	8.5%	+32.6%

Tax rate as of December 31, 2017



(1) Withholding tax, utilization of NOLs

(2) Mainly tax reassessments offset by the invalidation of tax paid on dividends

Cash flow statement as of December 31, 2017

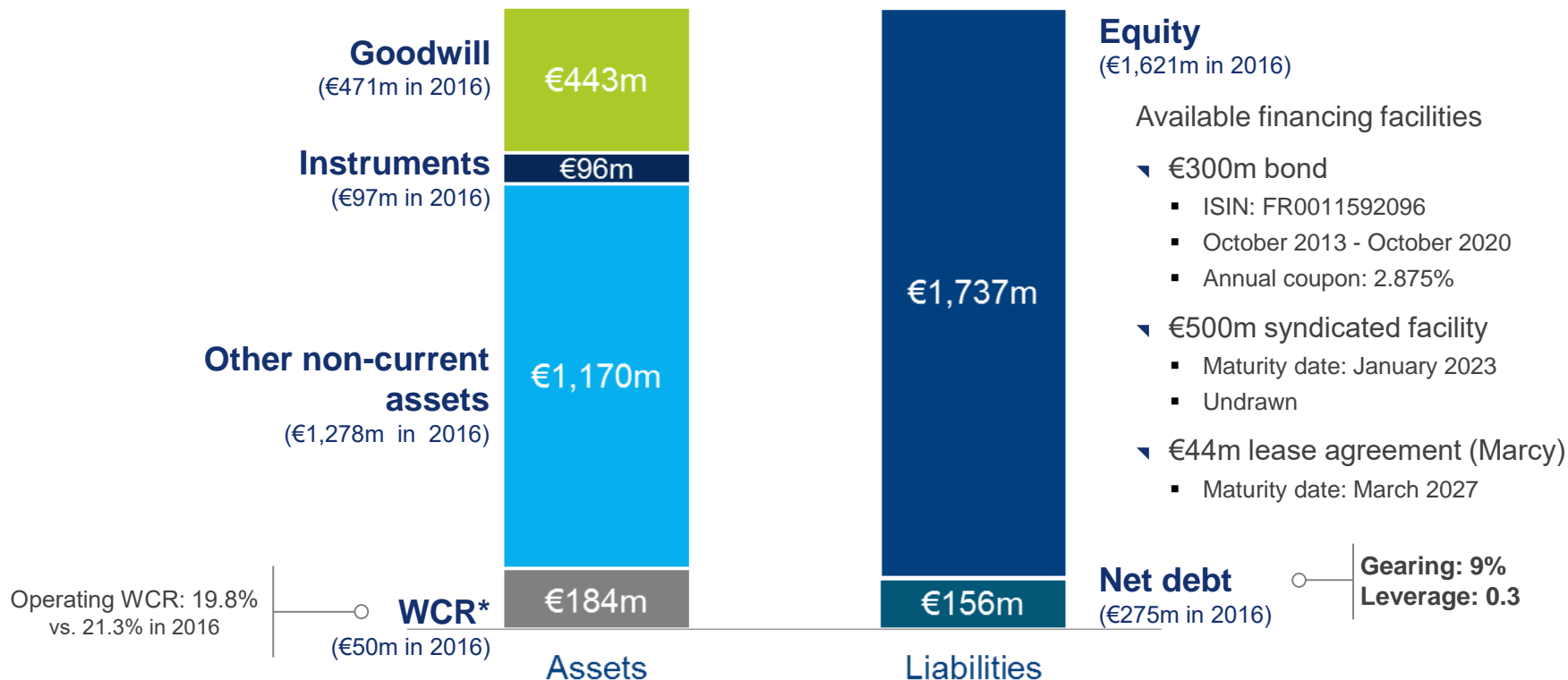


In €m	2017	2016	
Contributive operating income	335	298	
Depreciation and amortization	141	143	
EBITDA ⁽¹⁾	475	441	
Operating working capital requirement	- 38	- 33	
Other cash flow from operation (mainly income tax paid)	- 80	- 72	
Cash flow from operations	357	336	Inventory: + €37m Payables: - €1m Receivables: - €16m Others: - €26m ↗ tax paid in the US
Capital expenditure	- 183	- 277	
Impact of finance lease		+ 44	
Other flows from investment activities	- 10	- 18	
Free cash flow ⁽²⁾	164	85	
Finance lease		- 44	
Acquisition of shares	- 16	- 38	
Dividends	- 40	- 40	
Net cash flow	109	- 37	Expansion of Marcy site financed by lease
Opening net cash (debt) position	- 275	- 219	
Net cash flow	109	- 37	
FOREX impacts	10	- 18	
Closing net cash (debt) position	- 156	- 275	

(1) Earnings Before Interest, Tax, Depreciation and Amortization deriving from ordinary activities

(2) Sum of the cash flow from operations and the net cash flow used in investment activities

Summarized balance sheet as of December 31, 2017





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2018 OUTLOOK

Move forward multiyear initiatives to drive profitable and sustainable growth



Supply chain re-engineering leading to improved KPIs in terms of **customer satisfaction** and **inventory management**

Global **Commercial Performance** initiative

Global **CRM** tool deployed in ~**30** countries

Customer orientation

Operational performance

Profitable and sustainable growth

Develop **medical outcome** studies

Product portfolio streamlining

Continue **R&D pipeline** prioritization

2018: bioMérieux can leverage its unique position to address the challenge of diagnostics for infectious diseases



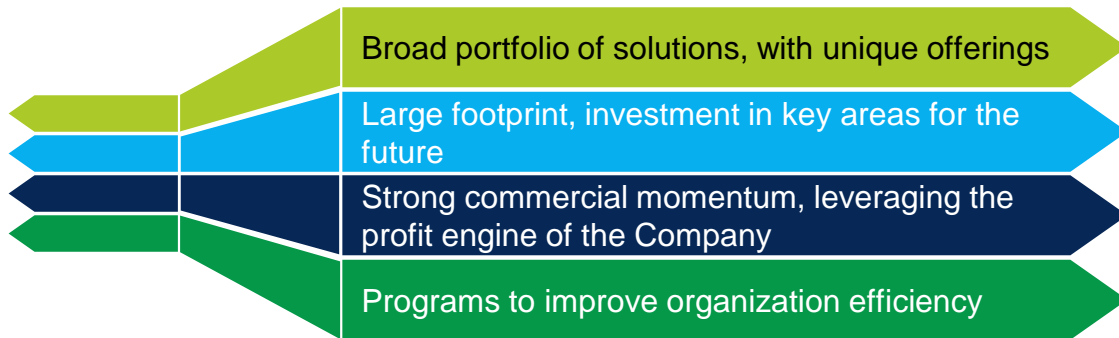
Increasing recognition of the **value of Diagnostics** but investment in HEOR* are still required to further demonstrate this value



Data & information becoming pivotal to ease decision making and information flow



Increasing **regulatory requirements** in terms of quality and traceability driving higher cost of doing business hence higher barriers to entry



2018 Outlook



Sales organic growth



8 to 9%
at constant exchange rates
& scope of consolidation

- ▶ Expected **strong Q1** due to flu season
- ▶ Estimated **€120m** of negative FOREX impacts

Contributive operating income*



€325m to €345m
at current exchange rates

- ▶ Estimated **€40m** of negative FOREX impacts
- ▶ **Reinforce R&D efforts** on molecular while maintaining investment on other strategic ranges

Effective tax rate



24% to 26%

- ▶ Positive impact of US tax reform

CAPEX



9-10%
of consolidated sales

- ▶ Capacity and automation

2017 RESULTS

A year of solid commercial and operational performance

- ▼ Organic growth: approx. twice the market growth
- ▼ Initiatives to improve organization efficiency are underway, starting to deliver tangible results
- ▼ Improvement of profitability by 40 bps while increasing R&D efforts by 40 bps
- ▼ Material increase of free cash flow generation

2018 OBJECTIVES

Commitment to deliver steady profitability improvements reaffirmed but potentially offset by negative FOREX impacts

- ▼ Maintain similar commercial momentum in 2018 thanks to our unique portfolio of products and services
- ▼ Continue our initiatives to improve the efficiency of the organization
- ▼ Reinforce strategic investment in innovation to maximize the value of our assets and support our long term vision of public health



PIONEERING DIAGNOSTICS



APPENDICES

bioMérieux is recognized for its Corporate Social Responsibility policy



RESPONSIBILITY TO THE ENVIRONNEMENT

Reduce and control our environmental impact to preserve the health of people everywhere



RESPONSIBILITY TO OUR WORKFORCE

Create an optimal working environment



RESPONSIBILITY TO THE SOCIETY

Help make diagnostics accessible, through a commitment to address priority public health needs worldwide

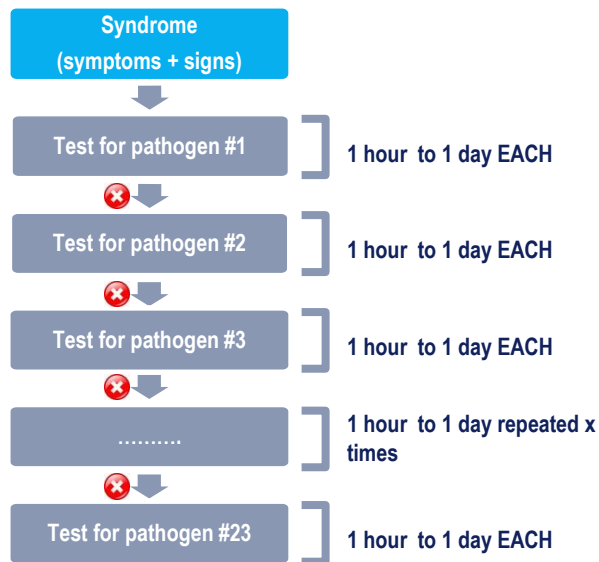


The benefits of syndromic multiplex testing of infectious diseases

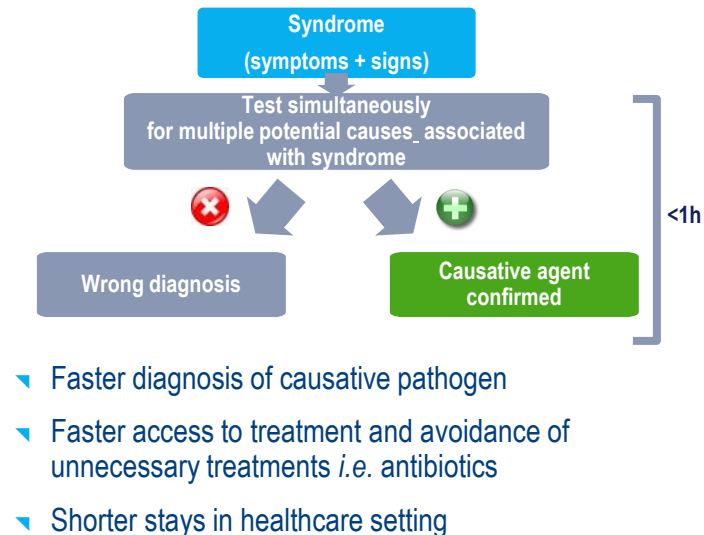
Many infectious diseases present as a *syndrome* but can be caused by a *variety of pathogens* including: viruses, bacteria, fungi, or parasites.

Syndrome = symptoms + signs
i.e.: “*meningitis syndrome*” = headache + fever & neck stiffness

Non-syndromic approach



Syndromic approach



Antimicrobial resistance: a recognized global healthcare challenge for all countries



Facts & Figures

2/3rd of inappropriate
antibiotic use in respiratory
diseases (US) ¹

50,000
deaths / year due to
resistant infections (EU &
US alone) ¹

Annual antibiotic resistance
cost (US) ²
\$20b



- ▶ **VIDAS® BRAHMS PCT™** expanded claims will directly impact antibiotic use in LRTI (stop & start rules) and in sepsis (stop rules)
- ▶ Resistance detection products (**CHROMID® Colistin** for animals and humans “one health”, **RAPIDEC® CARBA NP** in the US)
- ▶ bioMérieux’s management involved in **high level meetings**: White House Forum, UN Forum, O’Neill report, Davos Forum...
- ▶ Sole sponsor of the **Global-PPS*** (53 countries, 335 hospitals, 100,000 patients)
- ▶ Targeted awareness initiatives: www.antimicrobial-resistance.biomerieux.com

Sepsis: creating medical value through a full set of dedicated solutions

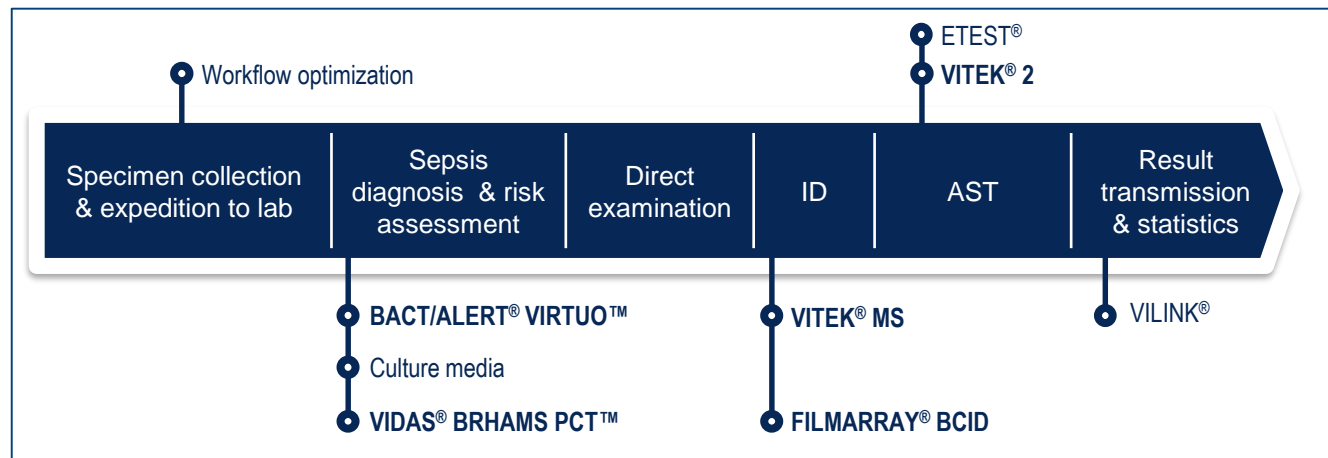


A medical & economic burden

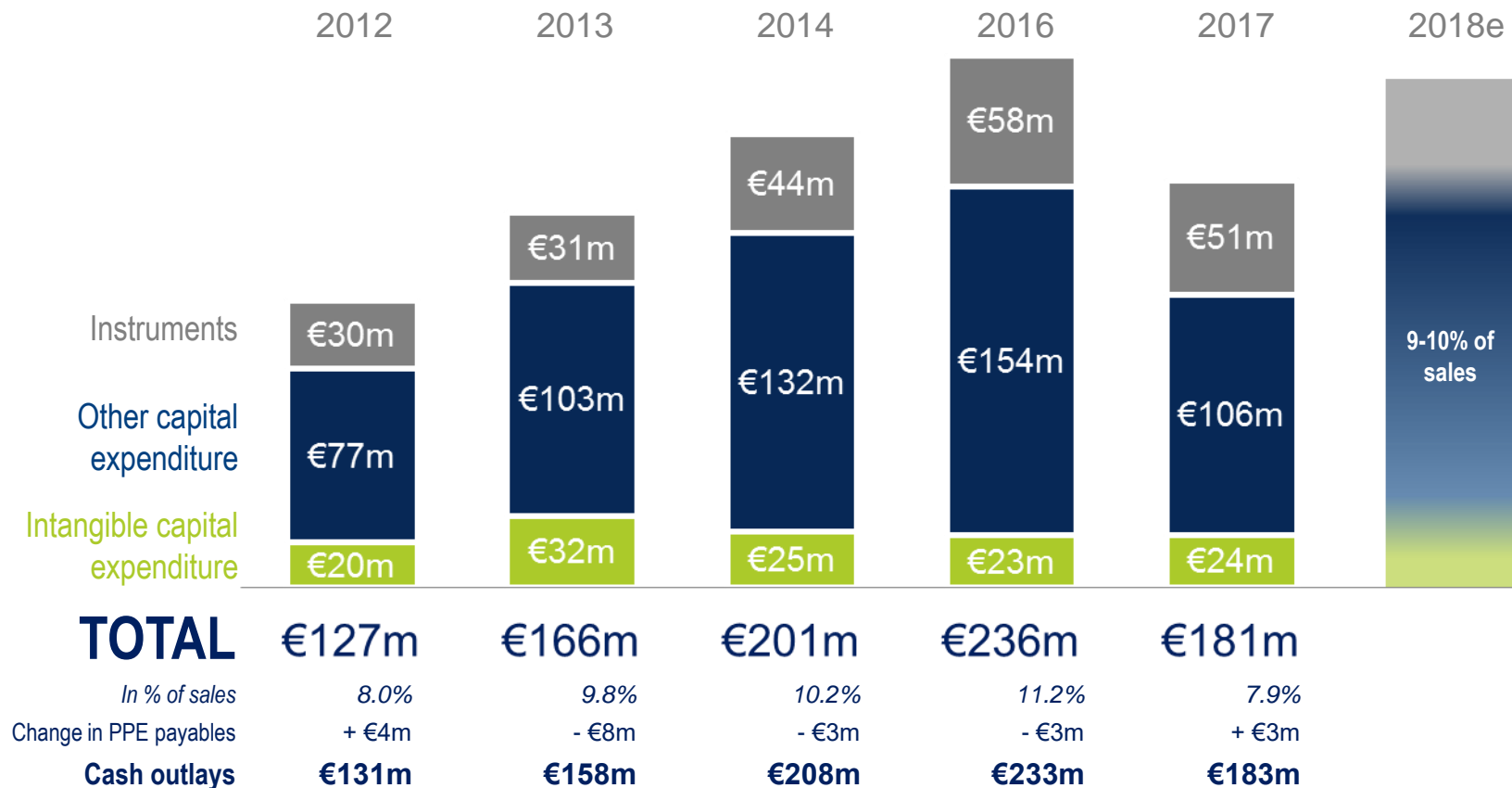
Sepsis strikes about
30 million people
per year worldwide

Every
3-4 sec
someone in the world dies of
sepsis

Annual sepsis cost
\$24b
(US)



Evolution of CAPEX



Culture



Culture Media

CHROMID®



WASP®

WASPLab™



BACT/ALERT® VIRTUO™



BACT/ALERT® 3D



Identification

API® Galleries



VITEK® MS
(MALDI-TOF)

VITEK® ID cards

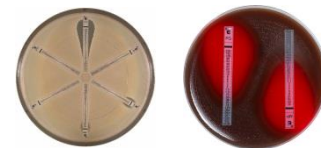


Antibiotic Susceptibility Testing



RAPIDEc®
CARBA NP

ETEST®



VITEK® 2



VITEK® 2 COMPACT



VITEK® AST cards





Clinical Applications

Immunoassays and Molecular Biology



Immunoassays

VIDAS® 3



VIDAS®



MINIVIDAS®



VIDAS® reagents



BIONEXIA® and
VIKIA® rapid tests

Molecular Biology



easyMAG® and
EMAG®



ESTREAM®



FILMARRAY® Torch

FILMARRAY®
reagents



FILMARRAY® 2.0



Industrial Applications



Food



BLUE LINE™
sample preparation



MASTERCLAVE®
culture media preparation



GENE-UP®
PCR pathogen detection



TEMPO®
enumeration of
bacterial flora



VIDAS®
automated pathogen
detection



VITEK®
automated pathogen
identification



API®
manual pathogen
identification



Chromogenic Media
Pathogen detection and
enumeration



3P®
environmental monitoring



BIOBALL®
method validation



BACT/ALERT®
platelet microbial safety

EVISIGHT™ COMPACT
incubator & colony counter



SCAN RDI®
real time microbial detection
and enumeration



LABGUARD®
automated environmental monitoring system





CONTACTS

Ordinary shares (EUR)

ISIN: FR0013280286



bioMérieux is listed on Euronext Paris
Reuters: BIOX.PA / Bloomberg: BIM.FP

American Depositary Receipt (1:0.1 USD)

Reuters: BMXXY.PK / Bloomberg: BMXXY.US

Sylvain MORGEAU

Investor Relations

sylvain.morgeau@biomerieux.com
+33 (0)6 01 27 56 46

Follow us on:

www.biomerieux-finance.com

