



PRESS RELEASE

bioMérieux - 2014 Financial Results

Solid growth in sales:

- ▾ Up 8.7%, including BioFire and at constant exchange rates
- ▾ Up 3.8%, at constant exchange rates and scope of consolidation

Contributive operating income before non-recurring items*: €227 million, in line with the objective set at the beginning of the year

Sustained successful sales performance by BioFire and FilmArray® in molecular biology

Significant strategic and operating advances, with the signature of eight business development agreements

Higher contributive operating income before non-recurring items* expected in 2015, while the Company continues its efforts in sales & marketing, production and innovation, as well as its priority action plans to sustainably strengthen operating performance

Alexandre Mérieux, Chief Executive Officer, said: "In 2014, bioMérieux reached several structural milestones that were essential to its operating organization and strategy, while enhancing its portfolio of molecular biology and automated clinical microbiology products. In addition, we improved our manufacturing level at the site in Durham, NC. In this demanding environment, our contributive operating income before non-recurring items was in line with the target set early in the year. In 2015, we will pursue our strategy by stepping up FilmArray® deployment and the market launch of our new systems, reinforcing our footprint in the Asia-Pacific region, and strengthening our operating performance – all of which will help to secure our sustainable and profitable growth. We expect our contributive operating income before non-recurring items to improve to between €240 million and €265 million."

MARCY L'ETOILE, FRANCE - March 11, 2015 – The Board of Directors of bioMérieux, a world leader in the field of *in vitro* diagnostics, met yesterday under the chairmanship of Jean-Luc Belingard and approved the consolidated financial statements for the year ended December 31, 2014.

Audited consolidated data In € millions	2014	2013	% Change as reported	<i>Estimated change at constant exchange rates</i>
Sales	1,698	1,588	+7.0%	+8.7%
Contributive operating income before non-recurring items*	227	262	-13.6%	-5.8%
Operating income	204	257	-20.9%	-13.0%
Net income for the year	136	165	-17.7%	
Earnings per share (<i>in</i> €)	€3.42	€4.16	-17.7%	
Free cash flow**	158	111	+42.0%	

* **Contributive operating income before non-recurring items** corresponds to operating income before non-recurring items, before non-recurring BioFire acquisition and integration costs and before accounting entries relating to the company's purchase price allocation (see Appendix 3). **Operating income before non-recurring items** corresponds to operating income before material, extraordinary and non-recurring items, which are included in "other non-recurring income and expenses from operations."

**Before financial investments and dividends.

2014 OPERATING HIGHLIGHTS

Operating highlights of the year are described in Appendix 1, below.

FINANCIAL RESULTS

Sales*

Consolidated sales rose by 8.7% at constant exchange rates in the year ended December 31, 2014, including €78 million in sales from BioFire as from January 16. Organic growth (at constant exchange rates and scope of consolidation) came to 3.8%, in line with the target set early in the year. The recent appreciation of the U.S. dollar against the euro helped to limit the negative currency effect to €28 million year-on-year, or 170 basis points of growth. In this environment, sales for the year amounted to €1,698 million, up a reported 7% from €1,588 million in 2013.

Analysis of Sales			
In € millions			
Sales - Twelve months ended December 31, 2013	1,588		
Currency effect	-28	-1.7%	
Organic growth (at constant exchange rates and scope of consolidation)	+60	+3.8%	} +8.7%
Change in the scope of consolidation - Additional sales from BioFire ⁽¹⁾	+78	+4.9%	
Sales - Twelve months ended December 31, 2014	1,698	+7.0%	

⁽¹⁾ BioFire has been consolidated since its acquisition closed on January 16, 2014.

During the year, the Company leveraged all the benefits of its vast geographic footprint and product portfolio. Geographic and technological diversification is an important strategic building block that enables bioMérieux to seize growth opportunities in its various markets and makes its business model more resilient. Sales growth by region and by application is presented in Appendix 2.

Consolidated income statement

- Gross profit** amounted to €845 million for the year, representing 49.7% of total sales. It was lifted by the first-time consolidation of BioFire in 2014 but was significantly reduced by an estimated €27 million due to the decline in a large number of currencies against the euro during the year. At constant exchange rates and scope of consolidation, gross margin would have represented close to 50.3% of sales, versus 51.9% in 2013. The year-on-year decline was primarily caused by the higher operating expenses at the Durham, NC site to restore satisfactory production conditions (see Appendix 1), the recognition of provisions for depreciation on certain assets following the signature of business development agreements and the increase in freight costs, particularly in emerging markets. On the upside, gross margin benefited from a slight increase in average reagent selling prices and the higher proportion of reagents and services in consolidated revenue.
- Contributive operating income before non-recurring items**** ended the year at €227 million, in line with the target set in March 2014 and down from the €262 million reported in 2013. As expected, it was deeply impacted by the estimated €21-million negative currency effect over the year and by the estimated \$40 million in additional expenses at the Durham site, up by around \$10 million year-on-year. In addition, the 2013 figure was increased by the revision of certain pension plans, which had less of an impact in 2014.
- An information per geographical area is presented for the fiscal year ended December 31, 2014 in Appendix 5.

* The full **business review** for the year ended December 31, 2014 may be found at www.biomerieux-finance.com.

** **Contributive operating income before non-recurring items** corresponds to operating income before non-recurring items, before non-recurring BioFire acquisition and integration costs and before accounting entries relating to the company's purchase price allocation (see Appendix 3). **Operating income before non-recurring items** corresponds to operating income before material, extraordinary and non-recurring items, which are included in "other non-recurring income and expenses from operations."

- **Selling, general and administrative expenses** amounted to €453 million for the year, or 26.6% of sales, compared with €405 million and 25.4% in 2013. The year-on-year increase was led by the consolidation of BioFire and the investments committed by the Company to further develop in emerging markets and support the launch of its new systems.
 - In 2014, the Company pursued its investment in innovation. **Research and development expenses** came to €206 million for the year, or 12.1% of sales, versus €186 million or 11.7% in 2013. They were virtually unchanged at constant exchange rates and scope of consolidation.
 - **Research tax credits and grants** totaled €28 million, up nearly €7 million year-on-year, primarily due to the stepped-up R&D activity in France.
 - **Other operating income** rose to €13 million from €7 million in 2013, primarily led by the royalties received by BioFire.
- ✦ After €8 million in non-recurring BioFire acquisition and integration costs and €16 million in accounting entries relating to the company's purchase price allocation (see Appendix 3), **operating income before non-recurring items** ended the year at €203 million. It totaled €260 million in 2013.
 - ✦ Given the lack of any material non-recurring items in 2014, **operating income** stood at €204 million, reflecting the negative currency effect for the year, the expenses incurred at the Durham site and the accounting entries relating to BioFire's acquisition and integration. It ended the 2013 year at €257 million.
 - ✦ **Net financial expense** amounted to €16 million, up €2.1 million year-on-year. It included the interest expense on the debt set up to finance the BioFire acquisition, which was partially offset by the fair value gains on the related interest rate and currency hedges.
 - ✦ **Income tax expense** stood at €52 million for the year, representing 27.6% of pre-tax income. This improvement from the year-earlier 32.2% rate is due primarily to the increase in tax credits received by the Group and the recognition of deferred tax assets in certain Group companies following the improvement in their business outlook.
 - ✦ In these conditions, **net income** ended the year at €136 million, or 8% of sales, compared with €165 million in 2013.

Cash flow

- ✦ The decrease in contributive operating income before non-recurring items brought **EBITDA*** to €332 million in 2014 versus €353 million the year before.
- ✦ **Income tax paid** stood at €57 million, compared with €69 million in 2013. While income tax paid rose in France, it was reduced by the use of BioFire's tax loss carryforwards in the Group's North-American tax consolidation group.
- ✦ While consolidated sales rose sharply during the year, disciplined **operating working capital** management resulted in a net €24 million decrease, versus a net €40 million increase in 2013. Expressed as a percentage of sales, operating working capital improved significantly to 23.0% of sales, from 24.8% in the year-earlier period.
 - The net value of inventory increased by €19 million, versus a €26-million increase in 2013, due to lower inventory at the Durham plant and tighter control over spare part inventory at certain production facilities.
 - Trade receivables increased by €2 million during the year, versus a €10-million increase in 2013. This favorable trend was primarily due to the receipt of €13 million in past-due Spanish public-sector receivables in February 2014. Average days sales outstanding, all customers combined, further improved, to 96 days from 97 days in 2013. At constant exchange rates, it stood at 92 days, a five-day improvement over the year.
 - Trade payables rose sharply (€47 million), lifted by the increase in operating purchases in the fourth quarter 2014.

* EBITDA corresponds to the aggregate of contributive operating income before non-recurring items, depreciation and amortization.

- ▼ Due to the simultaneous implementation of major capital projects, in particular to increase production capacity, particularly at the Durham and Craponne plants, to extend the Marcy l'Etoile site, and to deploy the Global ERP system, **capital expenditure** amounted to €166 million in 2014, of which €135 million in industrial capital expenditure and €31 million in placed instruments. In all, they represented 9.8% of sales. In 2013, they totaled €127 million, of which €97 million in industrial capital expenditure and €30 million in placed instruments.
- ▼ In addition, proceeds from the disposal of the **Boxtel** site in the Netherlands, which were received in full during the year, added €10 million to cash flow for the period. Because the site was sold for slightly more than its net book value, the disposal did not have a material impact on the 2014 consolidated income statement.
- ▼ In light of the above, **free cash flow*** amounted to €158 million for the year versus €111 million in 2013, a significant 42% improvement as the disciplined management of operating working capital more than offset the increase in capital expenditure.
- ▼ In January 2014, bioMérieux completed the **acquisition of all outstanding shares of BioFire**. The total consideration comprised the \$450 million acquisition price and assumed the net debt of around \$40 million, or the equivalent of €354 million. In addition, €8 million in BioFire acquisition costs were paid during the year.
- ▼ The other **acquisitions** represented an aggregate cost of €7 million.
- ▼ **Dividends** totaling €39.5 million (€38.7 million in 2013) were paid in June 2014.
- ▼ As a result, **net debt** amounted to €249 million at December 31, 2014, compared with €25 million in net cash a year earlier.
The Company has issued €300 million in seven-year bonds, which were placed with institutional investors in October 2013. In addition, it has a €350 million syndicated line of credit whose expiration date was extended in first-half 2014 to May 20, 2019.

DIVIDEND

The Board of Directors will recommend that shareholders at the Annual Meeting on May 28 approve a **dividend** of €1 per share, unchanged from the dividend paid in 2014. This would represent a total payout of €39.5 million, to be paid on June 9, 2015.

2015 OBJECTIVES

2015 will probably be marked by a persistently tight economic environment, varying by geography.

As a result, bioMérieux has set an **organic growth** objective of between 4.5% and 6.5% for the year, at constant exchange rates and scope of consolidation.

In particular, the Company expects BioFire to expand quickly in the United States, thereby playing its role as a driver of faster growth. BioFire's sales should be led both by the start-up of sales of the gastrointestinal panel and the continued success of the FilmArray[®] respiratory panel. Sales of BioFire Defense and sales of FilmArray[®], assuming a flu epidemic of average intensity, should add around 150 basis points to consolidated organic growth for the year.

In addition, bioMérieux will continue to decentralize its organization in its three key regions, which should enable it to seize growth opportunities in its various markets. The Company will also seek to return to sustainable growth in industrial applications.

The Company is aiming to increase **contributive operating income before non-recurring items** to between €240 million and €265 million in 2015, at current exchange rates. This objective reflects the selling costs that will be invested to ensure FilmArray[®]'s success and the operating expenses that will be incurred to strengthen the operating organization in the Asia-Pacific and to anchor the Company's sustained development in the region. It also reflects the gradual absorption of the Durham site's heavier production cost structure as the Company's blood culture sales progressively gain momentum. In line with its roadmap and building on the milestones reached in 2014, the Company will continue to pursue its strategy of innovation and geographic expansion, its two major growth drivers in the years ahead. At the same time, it will strive to strengthen its quality control and production structures at its leading plants, especially in St. Louis and Craponne. This objective also includes the priority projects that will be led by the Company in 2015 to enhance its operating performance, in particular by revamping the supply chain and improving customer service, deploying new sales performance management applications and optimizing the management of R&D programs.

* Free cash flow corresponds to cash generated from operations, net of cash used in investing activities.

In addition, using its structural capacity for strong cash generation, the Company will increase its **industrial capital expenditure** potentially to around €200 million. To meet the anticipated rapid growth in some of its flagship product lines, it will invest in the related production sites, in particular in Durham, NC in the United States (as explained in Appendix 1) and in Marcy L'Etoile in France, where a new VIDAS[®] strip packaging line will be built and a new building will be constructed to extend the site. The Company will also undertake construction of a new facility in Salt Lake City, UT to meet the strong demand for FilmArray[®] generated by its success in the market and the start of its commercialization by bioMérieux sales forces in the United States.

SUBSEQUENT EVENTS

▼ **ANSM injunction concerning the Craponne site (France)**

In February 2015, bioMérieux was notified of a letter of injunction from France's ANSM drug regulatory agency concerning the Craponne plant, following an inspection by the ANSM in late September. The plant comprises units that produce culture media, such as Petri dishes, tubes and bottles and dehydrated media. The letter enjoins bioMérieux to complete, within 12 months, all of the works required to bring into compliance the production units where ANSM inspectors found discrepancies or made remarks. bioMérieux is deploying all of the resources required to comply with the injunction and an appropriate action plan is being implemented at the plant. The facility is working at normal capacity and all of their output complies with final acceptance release criteria.

▼ **Plan to dispose of the microplates business**

To refocus its commercial offering, bioMérieux has initiated a plan to dispose of its **microplate** immunoassay product line, which it deems to be non-strategic for the Company. Microplates are primarily used by blood banks to test donated blood and by large laboratories for specific analyses, such as tests to confirm the presence of HIV. In this field, the Company markets two platforms, the DA VINCI[®] platform and a more compact version, DA VINCI[®] QUATTRO[™]. However, the microplates are open reagents that can be used with other instruments. They are marketed worldwide, except in North America. Subject to aggressive competition, particularly in emerging markets, the product line is produced in China by a joint venture with Shanghai Kehua Bio-engineering. It represented €16 million in sales in 2014.

Jean-Luc Belingard, Chairman, said: "In 2014, bioMérieux held its course in a still uncertain economic environment. Maintaining its pioneering spirit and long-term vision, and backed by a new operating organization, it significantly invested to prepare for its future, considerably enhancing its product portfolio, structurally strengthening its research potential and improving production facilities at the Durham site. In this way, bioMérieux will be able to pursue its innovation strategy, its ambitious international vision and its active role in the fight against infectious diseases."

INVESTOR CALENDAR

First-quarter 2015 sales: April 23, 2015 - before start of trading

Annual Meeting of Shareholders: May 28, 2015

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 2013 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.

ABOUT BIOMERIEUX

Pioneering Diagnostics

A world leader in the field of *in vitro* diagnostics for 50 years, bioMérieux is present in more than 150 countries through 42 subsidiaries and a large network of distributors. In 2014, revenues reached €1,698 million with 88% 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 stock market (Symbol: BIM – ISIN: FR0010096479).

Corporate website: www.biomerieux.com. Investor website: www.biomerieux-finance.com.

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Appendix 1: 2014 Operating highlights

Deployment of the new operating organization

On April 15, 2014, the Company announced the deployment of a **new organization** led by Alexandre Mérieux.

Three regional organizations with expanded responsibilities have been created: a Europe – Middle East – Africa region, an Americas region and an Asia-Pacific region. In parallel, two units for bioMérieux's customer segments, a Clinical Unit and an Industry Unit, have been introduced.

The new organization will enable the Company to intensify the deployment of its strategic plan and to pursue its international expansion while always better serving customers.

Acquisition of BioFire

On January 16, 2014, bioMérieux acquired all outstanding shares of **BioFire**, a privately held North American company. Specialized in the molecular and syndromic diagnosis of infectious diseases, BioFire developed, manufactures and markets the FilmArray[®] solution. FilmArray[®] is a CE-marked and FDA-cleared multiplex PCR molecular biology system that is easy to use, accurate and rapid. It makes it possible to identify, in a single reagent or panel, the disease-causing organisms responsible for a syndrome, whether they are viruses, bacteria, fungi or parasites. FilmArray[®]'s menu currently comprises three panels – respiratory, blood culture ID and gastrointestinal – all of which are CE-marked and FDA-cleared.

The two companies present strong strategic synergies, especially in marketing, manufacturing and innovation.

BioFire continued to enjoy rapid, promising growth in 2014:

- Based on 11.5 months of consolidation over the year (from January 16 to December 31), BioFire contributed sales of €78 million, reported in "change in the scope of consolidation". Organic growth stood at more than 60% for the year, led by the success of the FilmArray[®] respiratory panel, particularly in the United States.
- Certain distribution agreements with previous BioFire distributors have been terminated and commercial authorizations have been obtained in new territories. However, FilmArray[®]'s international marketing organization is still in the initial deployment phase. In this context, sales in North America amounted to €76 million for the period from January 16 to December 31, 2014.
- As of end-December, around 1,400 FilmArray[®] systems had been installed in customer laboratories, an increase of 700 units over the period.
- The R&D strategy has been defined for the coming years, providing a collaborative framework for BioFire and bioMérieux's molecular biology teams.
- In July, a clinical study of the FilmArray[®] panel to diagnose meningitis and encephalitis was initiated in various U.S. hospital laboratories. The Company hopes to file a request for FDA clearance for this fourth high medical value panel in 2015.
- During the fourth quarter, the FilmArray[®] clinical Ebola virus detection test (BioThreat-E test[™]) received Emergency Use Authorization (EUA) from the FDA. It is now available to high and moderate complexity clinical laboratories in the U.S. for the duration of the declaration that circumstances exist justifying the authorization of emergency use.
- Also during the fourth quarter, BioFire filed for FDA clearance of the FilmArray[®] 2.0 system, a compact instrument whose main feature is its higher throughput, which allows laboratories to process up to 175 samples in a day. The new solution accommodates up to eight FilmArray[®] 2.0 units operated by a single computer. It is also capable of connecting to Laboratory Information Systems. FilmArray 2.0 has been cleared by the FDA and CE-IVD marked at the end of February 2015.

To meet the expectations of BioFire's biodefense customers in the United States, a wholly owned subsidiary dedicated to this business was created. All of the new unit's employees, programs and equipment have been transferred to a separate, secure facility in Salt Lake City, UT. During the year, the U.S. Department of Defense (DoD) awarded BioFire Defense the \$240 million Next Generation Diagnostic System (NGDS) Technology Development contract. In the final quarter, the legal protest action initiated by a competing company has been lifted and the related work started again.

Financial aspects

The total consideration comprised the \$450 million acquisition price and assumed net debt of around \$40 million, or the equivalent of €354 million.

The acquisition costs, totaling around €10 million, were recognized on a separate line in recurring operating expense as "BioFire acquisition's fees and purchase price amortization expense", in an amount of €2 million in 2013 and €8 million in 2014.

In addition, in accordance with IFRS, the purchase price was allocated, depending on the fair value of the acquired assets, to technologies and other intangible assets (in an amount of \$365 million), inventory (\$4 million), deferred tax assets (\$142 million) and residual goodwill (\$157 million). Amortization of the acquired technologies and utilization of the inventory represented a current operating expense of €16 million, recognized as "BioFire acquisition's fees and purchase price amortization expense".

The acquisition was mostly financed by bioMérieux's first bond issue, comprising €300 million in seven-year bonds (see the paragraph on cash flow).

BioFire's rapid development is expected to act as a major growth driver for the Group's sales in the area of infectious disease diagnostics.

▸ **New product launches**

Thirteen new products were brought to market in 2014.

In particular, the **VIRTUO™** new-generation BacT/ALERT® system was CE-marked and launched. This unique, innovative automated blood culture system for detecting disease-causing microorganisms has extended the BacT/ALERT® range of solutions. Its increased efficiency enables laboratories to deliver fast results to clinicians, thereby helping to improve patient care and optimize laboratory productivity. As of end-December, it was commercially available in around ten target countries that recognize the CE marking.

In addition, ten new reagents were introduced, including:

- The **FilmArray® gastrointestinal (GI)** panel, which received FDA 510(k) clearance and was CE-marked in the second quarter. Now commercially available in the United States and Europe, the 22-target GI panel allows a syndromic approach to the diagnosis of infectious diarrhea as it includes bacteria, viruses and parasites in one test. It is the most comprehensive gastrointestinal test to be cleared by the FDA and contains several pathogens receiving FDA clearance for the first time.
- Two new-generation chromogenic media: **chromID® CPS® Elite** for the isolation, enumeration and direct or presumed identification of microorganisms responsible for urinary infections, and **chromID® Salmonella Elite** for the faster detection of *Salmonella* strains in clinical stool samples. These tests are part of the new bioMérieux line of chromogenic culture media that deliver a wide range of improvements, notably including more reliable differentiation of pathogens, faster and easier result reading and enhanced sensitivity and specificity parameters for specific bacteria.
- The tenth TEMPO® card, **TEMPO® BC**, which is used for *bacillus cereus* group enumeration in 24 hours. Found around the world, these bacteria are transmitted by eating contaminated food (chiefly poorly refrigerated cooked food, like rice) and can cause food poisoning.

▸ **Installed base**

The **installed base** represented approximately 79,500 instruments at December 31, 2014. It rose by 4,800 new instruments during the year.

▸ **Other acquisitions and agreements**

Acquisition of two industrial application companies to enhance the bioMérieux product line-up

- In October, bioMérieux acquired all outstanding shares in Alsace-based **Advencis**, a French, industrial microbiology start-up with seven employees that has developed an incubator whose innovative, proprietary technology enables to rapidly detect microbial contaminants in water used in manufacturing, particularly by pharmaceutical companies. The easy-to-use, modular system is expected to become commercially available in 2015.

- In late December, bioMérieux acquired all outstanding share of **CEERAM**, a French laboratory with nine employees, specialized in molecular virology solutions for the agri-foods industry. CEERAM serves the agri-foods and environmental industries with a comprehensive range of reagents that use RT-PCR molecular biology technology to detect and identify pathogenic viruses (particularly noroviruses and the hepatitis A and E viruses).

Two marketing agreements, in automated clinical microbiology and molecular biology

- In late December, bioMérieux and **Copan**, a leading manufacturer of innovative pre-analytic solutions, signed a strategic partnership in clinical microbiology laboratory automation. Under the terms of the agreement, Copan has granted bioMérieux distribution rights for its automated platforms, including the WASP[®] Walk-Away Specimen Processor and the WASPLab[™] solutions, which automate microbiology laboratory tasks and provide digital imaging and analysis. The agreement allows bioMérieux to speed up deployment of its Lab Efficiency vision for the automation and enhanced operational efficiency of clinical microbiology labs. In this field, the two companies also plan to collaborate in particular for the development of innovative clinical microbiology diagnostic solutions.
- In addition, during the fourth quarter, bioMérieux renewed and expanded its distribution agreement with **Hain Lifescience**, a company specializing in molecular diagnostics. Under this 10-year agreement, bioMérieux will become the exclusive distributor of Hain's current mycobacteria molecular tests in most countries. These tests enable the rapid and accurate diagnosis of tuberculosis (TB), one of the world's deadliest diseases. They also provide rapid results of antibiotic resistance in TB, a key tool in achieving tuberculosis control. The WHO estimates that in 2013 nine million people developed TB and 1.5 million died from the disease. Perfectly adapted to emerging countries' needs, the tests will be commercialized to all customer types, and especially to global health organizations.

Three research and development agreements to drive innovation and high medical value

- In the fourth quarter, bioMérieux and **Illumina**, a world leader in genomics, signed an exclusive agreement to launch a next-generation sequencing (NGS) solution for epidemiological monitoring of bacterial infections for service labs. The collaboration is a first step that will enable bioMérieux to identify opportunities and fields of application that sequencing can bring to infectious disease diagnostics.
- In December, bioMérieux and **Astute Medical Inc.**, a company dedicated to improving the diagnosis of high-risk medical conditions and diseases through the identification and validation of protein biomarkers, signed a global, semi-exclusive agreement regarding the development of a test for the early risk assessment of acute kidney injury (AKI). This innovative test, known as NEPHROCHECK[®] Test, detects the presence of two biomarkers. Through this worldwide agreement, Astute Medical grants bioMérieux a license to develop, produce and market the NEPHROCHECK[®] Test for use on its immunoassay system range VIDAS[®], mini VIDAS[®] and VIDAS[®] 3. A major public health threat, AKI is common, costly and potentially fatal in hospitalized patients.
- In October, bioMérieux signed an agreement with **Novartis** to validate and potentially commercialize the bioMérieux assay, THxID[™]-BRAF, as a companion diagnostic for Novartis compounds currently in phase III development for patients with BRAF+ melanoma.

▶ The Durham, NC site in the United States

The Durham plant, which is dedicated to the production of BacT/ALERT[®] reagents, has returned to a controlled, reliable state of quality and manufacturing, while moving into a positive inventory situation. Standard operating and quality control procedures have been revamped and all production lines are running on a 24-hour, 7-day a week schedule, thereby substantially increasing the reliability of the site's production output. The Durham plant resources have been sustainably reinforced with more than 90 new full-time employees hired in the Quality and Operations team. In July 2014, a new bottle production line, representing a capital investment of about \$60 million, broke ground in order to further expand production capacities to satisfy the anticipated growing customer demand in the years to come.

In addition, the Durham team is continuing to dedicate its efforts to complete the deployment of the action plan following the FDA inspection and its warning letter.

▼ **FDA warning letter concerning the St. Louis, MO plant in the United States**

On October 13, 2014, bioMérieux received a warning letter from the FDA relating to an inspection in July 2014 of its St. Louis, MO site that is dedicated to the production of VITEK® cards and certain microbiology instruments. The letter noted nine points related to the site's quality system management. The Company answered the FDA warning letter on time and proposed an action plan. The St. Louis plant is working at normal capacity and all of the products made at the St. Louis site respect final acceptance release criteria.

▼ **Creation of a marketing subsidiary**

In December, bioMérieux opened its 42nd marketing subsidiary, in Belgrade, **Serbia**, thus strengthening its presence in Central Europe. The new unit is wholly owned by bioMérieux SA.

Appendix 2: Sales by region and application

Sales by Region In € millions	Twelve months ended December 31, 2014	Twelve months ended December 31, 2013	% change as reported	% change at constant exchange rates and scope of consolidation
Europe ⁽¹⁾	818	806	+2.4%	+2.2%
North America ⁽²⁾	441	349	+26.4%	+4.9%
Latin America	132	131	+1.2%	+12.4%
Americas	573	480	+19.5%	+6.9%
Asia-Pacific	300	295	+1.7%	+3.2%
Total from the regions	1,691	1,581	+7.0%	+3.8%
R&D-related revenue	7	7	-3.5%	-4.6%
TOTAL	1,698	1,588	+7.0%	+3.8%

⁽¹⁾ Including the Middle East and Africa.

⁽²⁾ Including €76 million in BioFire sales.

Sales by Application In € millions	Twelve months ended December 31, 2014	Twelve months ended December 31, 2013	% change as reported	% change at constant exchange rates and scope of consolidation
Clinical Applications	1,352	1,251	+8.0%	+4.6%
Microbiology	802	793	+1.1%	+2.8%
Immunoassays ⁽¹⁾	386	364	+6.1%	+8.0%
Molecular Biology ⁽²⁾	148	78	+91.3%	+7.5%
Other Lines	16	16	+0.2%	+2.3%
Industrial Applications	327	330	-0.9%	+0.8%
BioFire Defense	12			
R&D-related revenue	7	7		
TOTAL	1,698	1,588	+7.0%	+3.8%

⁽¹⁾ Of which 10% in VIDAS[®] growth.

⁽²⁾ Including €66 million in BioFire Diagnostics sales.

Appendix 3: Table reconciling contributive operating income before non-recurring items to operating income before non-recurring items and operating income

Contributive operating income before non-recurring items corresponds to operating income before non-recurring items, before non-recurring items related to the acquisition and integration of BioFire and before accounting entries relating to the company's purchase price allocation. **Operating income before non-recurring items** corresponds to **operating income** before material, extraordinary and non-recurring items, which are included in "other non-recurring income and expenses from operations."

From contributive operating income before non-recurring items to operating income In € millions	2014	2013*
Contributive operating income before non-recurring items	227	262
BioFire acquisition costs	-7	-2
Amortization of BioFire technologies and intangible assets	-13	
Utilization of BioFire inventory remeasured at fair value	-3	
Termination fees on BioFire distributor agreements	-1	
Operating income before non-recurring items	203	260
Non-recurring income and expenses from operations, net	+1	-3
Operating income	204	257

**To harmonize income statement presentation, the BioFire acquisition costs recognized in "Other non-recurring income and expenses" in 2013 have been broken out in a separate line in the 2013 comparative income statement.*

Appendix 4: bioMérieux consolidated financial statements for the year ended December 31, 2014

bioMérieux
Consolidated income statement

<i>In millions of euros</i>	12/31/2014	12/31/2013
Net Sales	1 698,4	1 587,9
Cost of sales	-853,9	-763,3
Gross profit	844,5	824,6
Other operating income	41,1	28,2
Selling and marketing expenses	-311,3	-283,2
General and administrative expenses	-141,7	-121,4
Research and development expenses	-205,8	-185,8
Total operating expenses	-658,8	-590,4
Contributive operating income	226,8	262,4
BioFire acquisition's fees and purchase price amortization expense	-23,9	-1,9
Operating income before non-recurring items	202,9	260,5
Other non-recurring income (expenses)	0,6	-3,0
Operating income	203,6	257,5
Cost of net financial debt	-7,2	-3,9
Other financial items	-8,9	-10,1
Income tax	-51,7	-78,4
Investments in associates	-0,3	-0,4
Net income of consolidated companies	135,5	164,7
Attributable to the non-controlling interests	0,6	0,4
Attributable to the parent company	134,9	164,3
Basic net income per share	3,42 €	4,16 €
Diluted net income per share	3,42 €	4,16 €

bioMérieux
Consolidated balance sheet

ASSETS <i>(in millions of euros)</i>	12/31/2014	12/31/2013	12/31/2012
Intangible assets	460,1	149,7	157,0
Goodwill	437,8	305,0	313,1
Property, plant and equipment	486,9	404,8	386,7
Financial assets	35,1	31,9	34,7
Investments in associates	0,5	0,4	0,0
Other non-current assets	21,9	24,5	29,6
Deferred tax assets	86,0	33,9	42,2
Non-current assets	1 528,3	950,1	963,4
Inventories and work in progress	299,2	261,7	245,9
Accounts receivable	449,3	420,5	433,4
Other operating receivables	82,5	67,5	71,2
Tax receivable	21,0	7,7	20,7
Non-operating receivables	19,6	10,9	8,4
Cash and cash equivalents	119,7	428,0	65,6
Current assets	991,4	1 196,2	845,4
Assets held for sale	60,8	50,3	45,7
TOTAL ASSETS	2 580,5	2 196,6	1 854,4
LIABILITIES AND SHAREHOLDERS' EQUITY <i>(in millions of euros)</i>	12/31/2014	12/31/2013	12/31/2012
Share capital	12,0	12,0	12,0
Additional paid-in capital & Reserves	1 234,0	1 084,5	1 007,0
Net income for the year	134,9	164,3	134,4
Shareholders' equity	1 380,9	1 260,8	1 153,4
Non controlling interests	7,8	6,5	6,8
Total equity	1 388,6	1 267,3	1 160,2
Net financial debt - long-term	305,7	304,6	9,8
Deferred tax liabilities	145,1	35,6	46,3
Provisions	105,4	73,3	103,0
Non-current liabilities	556,2	413,4	159,1
Net financial debt - short-term	63,5	98,5	104,2
Provisions	11,1	10,2	11,0
Accounts payable	188,9	132,3	145,1
Other operating liabilities	251,3	222,8	217,9
Tax liabilities	15,4	19,7	20,2
Non-operating liabilities	81,4	19,6	23,8
Current liabilities	611,5	503,2	522,2
Liabilities related to assets held for sale	24,2	12,7	13,0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2 580,5	2 196,6	1 854,4

bioMérieux
Consolidated cash flow statement

<i>In millions euros</i>	12/31/2014	12/31/2013
Net income of consolidated companies	135,5	164,7
- Investments in associates	0,3	0,4
- Cost of net financial debt	7,2	3,9
- Other financial items	8,9	10,0
- Current income tax expense	51,7	78,4
- Operating depreciation and provisions on assets	105,4	90,9
- Non-recurring items	23,2	4,9
EBITDA (before non-recurring items)	332,2	353,3
Other non current operating gains/losses (w/o exceptionnal depreciations, assets losses and capital gains/losses)	-8,2	1,7
Other financial items (w/o accruals & disposal of financial assets)	-8,9	-7,6
Operating provisions for risks and contingencies	1,4	-6,2
Change in fair value of financial instruments	-1,3	4,1
Share-based payments	1,1	0,8
Elimination of other gains and losses without any impact on cash or operations	-15,9	-7,2
Increase in inventories	-19,3	-26,3
Increase of requirements in accounts receivable	-2,0	-9,5
Change in accounts payable	46,5	-9,6
Change in other operating working capital	-1,4	5,3
Change in operating working capital*	23,8	-40,1
Other non operating working capital	9,8	-0,3
Change in non-current assets	5,1	3,7
Other cashflows from operation	38,7	-36,7
Income tax paid	-56,7	-68,9
Net cash flow from operations	298,3	240,5
Purchase of property, plant and equipment	-158,1	-131,1
Proceeds on fixed asset disposals	16,4	4,6
Purchase of financial assets / Disposals of financial assets	-2,2	-1,7
Impact of changes in the scope of consolidation	-358,9	-0,4
Net cash flow from (used in) investment activities	-502,7	-128,6
Increase in capital	0,0	0,2
Purchases and proceeds of treasury stocks	0,2	-0,3
Dividends to shareholders	-39,5	-38,7
Cost of net financial debt	-7,2	-3,9
Change in confirmed financial debt	-36,9	293,3
Net cash flow from (used in) financing activities	-83,4	250,6
Net change in cash and cash equivalents	-287,8	362,5
Net cash and cash equivalents at the beginning of the year	414,9	52,5
Impact of currency changes on net cash and cash equivalents	-23,2	-0,1
Net cash and cash equivalents at the end of the year	103,9	414,9

* Including current provision allowance (reversal)

Appendix 5: Information by region

For information purposes, a number of operating performance indicators (gross profit and contributive operating income before non-recurring items) corresponding to regional and corporate activities are presented for the fiscal year ended December 31, 2014. No comparable information for 2013 is available.

The information presented below has been prepared in accordance with the accounting policies applied to the consolidated financial statements.

- ▼ Region data include commercial activities (sales in each of the corresponding geographic areas, relating cost of goods sold and operating expenses necessary for these commercial activities) and non-allocated costs of the production sites in these geographic areas.
- ▼ Corporate data include the research and development costs incurred by the Clinic and Industry units, as well as the costs incurred by the Company's central functions. R&D-related revenue is presented in Corporate data as revenue from the Clinic and Industry units.

DECEMBER, 31 2014 <i>In millions of euros</i>	Americas	Europe, Middle East and Africa	Asia-Pacific	bioTheranostics	Corporate	Group
Net sales	561,9	818,0	300,1	11,1	7,2	1 698,4
Cost of sales	-288,5	-391,8	-151,6	-4,7	-17,3	-853,9
Gross profit	273,4	426,2	148,5	6,4	-10,1	844,5
Operating expenses	-113,0	-125,2	-50,9	-16,5	-312,1	-617,7
Contributive operating income	160,4	301,0	97,6	-10,1	-322,2	226,8

DECEMBER, 31 2014 <i>In millions of euros</i>	Americas	Europe, Middle East and Africa	Asia-Pacific	bioTheranostics	Corporate	Group
Non-current assets						
Intangible assets	14,4	32,8	5,5		407,4	474,5
Goodwill					437,8	437,8
Property, plant and equipment	188,2	210,3	25,6		62,8	486,9
Current assets						
Inventories and work in progress	118,2	145,6	35,5			299,2
Accounts receivable	138,1	241,4	69,8			449,3
Assets held for sale		4,3	3,8	52,7		60,8