2017 Annual Results & 2018 Outlook

Investor Presentation – February 28th, 2018
Disclaimer

This presentation contains information, assumptions and estimates that were used by the Company to determine its objectives on a reasonable basis. They are subject to change or modification due to economic, financial and competitive uncertainties in markets addressed by bioMérieux. Further information regarding these assumptions, risks and estimates are described in the documents registered with the Autorité des Marchés Financiers.

The forward-looking statements contained in this presentation apply only up to the date of the presentation. Accordingly, the Company cannot give any assurance as to whether it will achieve the objectives described in this presentation, and makes no commitment or undertaking to update or otherwise revise such information.

This document does not constitute an offer to sell or an invitation or solicitation of an offer to subscribe for or purchase any securities, and this shall not form the basis for or be used for any such offer or invitation or other contract or engagement in any jurisdiction.
bioMérieux at a glance

CLINICAL APPLICATIONS
~80% of revenues

INDUSTRIAL APPLICATIONS
~20% of revenues

+ 50 YEARS
OF EXPERTISE IN
IN VITRO DIAGNOSTICS

Sales amounting to €2.3 billion

91% of international sales

1,600 people dedicated to R&D

A large installed base of 92,800 systems

About 10,400 employees worldwide

Strong commitment to innovation ~13% of sales invested in R&D
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**
AGENDA

OVERVIEW OF BIOMERIEUX

2017 BUSINESS REVIEW

2017 FINANCIAL RESULTS

2018 OUTLOOK
FY2017 key figures

> **Consolidated Sales**
  - €2,288 million
  - + 8.8% reported
  - + 10.2% organic

> **Net Income**
  - €238 million
  - + 32.6% reported
  - 10.4% of sales

> **Contributive Operating Income**
  - €335 million
  - +12.4% reported
  - 14.6% 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
- 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

**Immuno-assays**
- 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

**Industry**
- 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

**GROUP**
€2,288m
↗ +10.2%

**AMERICAS**
€1,006m
↗ +16.5%

**EMEA***
€878m
↗ +3.9%

**ASIA PACIFIC**
€397m
↗ +11.0%

* EMEA: Europe, Middle East, Africa
FY 2017 sales by application: growth supported by all product lines

**GROUP**
- **€2,288m**
- **+10.2%**

**INDUSTRY**
- **€32m**
- **[2%]**
- **+9.8%**

**MOLECULAR**
- **€412m**
- **[18%]**
- **+38.6%**

**MICROBIOLOGY**
- **€946m**
- **[41%]**
- **+6.7%**

**IMMUNOASSAYS**
- **€457m**
- **[20%]**
- **+2.5%**
FY 2017 sales by type of offer: a recurring and resilient business model

**Reagents & Services**
- 10% of sales made of reagents & services
- 90% of sales made of reagents & services

**Installed base**
- +4,900 units in 2017
- 92,800 units as of Dec 31, 2017

- Reagents: 83%
- Services: 10%
- Instruments: 7%

- Sold: 19%
- Placed & Rented: 81%
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® | FILMARRAY®

VITEK® MS | BCID panel | VITEK® 2

ETEST® | RAPIDEC® CARBA NP

IT / data analytics / software
BIOFIRE FILMARRAY®
leading the way in syndromic testing of infectious diseases

Grow the installed base and its consumption
- Installed base: 6,100 units (+2,100)
- Sales: €368m (+50%)
- Customers: 1,900 (+500)

Enlarge the FILMARRAY® menu
- 7 available panels (4 respiratory, 1 meningitis, 1 GI, 1 BCID)
- FDA filing of Pneumonia panel planned in 2018

Improve the FILMARRAY® instruments
- 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

Grow international markets

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

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

* Internal estimates

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

OVERVIEW OF BIOMÉRIEUX

2017 BUSINESS REVIEW

2017 FINANCIAL RESULTS

2018 OUTLOOK
## Consolidated P&L as of December 31, 2017

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

(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

Currency effect

Change in scope of consolidation

Organic growth

USD: - €17m
CNY: - €6m
TRY: - €5m

- €29m

- €1m

+ €215m

+ 10.2%

o/w > half from FILMARRAY®

2016

€2,103m

+ 8.8%

2017

€2,288m
Gross profit as of December 31, 2017

Currency effect
- €13m

Organic growth
+ €112m
Sales: + €215m x 52.3%

Others
+ €11m

+ Product mix
- Depreciations

€1,101m

2016

+ 10.1%

2017

€1,212m
Contributive operating income* as of December 31, 2017

Gross profit
- €111m
26.4% in 2017 (vs. 27.1% in 2016)

SG&A
- €34m

R&D
- €33m
13.3% in 2017 (vs. 12.9% in 2016)

R&D tax credits, grants & royalties received
- €7m

FOREX = - €5m

+ 12.4%

2016

€298m
14.2% of sales

2017

€335m
14.6% of sales

* Earnings Before Interest and Tax deriving from ordinary activities
# Net Income as of December 31, 2017

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

**as of December 31, 2017**

<table>
<thead>
<tr>
<th>Category</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>French tax rate</strong></td>
<td>34.4%</td>
<td>34.4%</td>
</tr>
<tr>
<td>Foreign &amp; reduced tax rates</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax credits</td>
<td>-3.7%</td>
<td>-4.2%</td>
</tr>
<tr>
<td>Others (1)</td>
<td>1.5%</td>
<td>1.1%</td>
</tr>
<tr>
<td><strong>Recurring effective tax rate</strong></td>
<td>27.9%</td>
<td>28.0%</td>
</tr>
<tr>
<td>US tax reform</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-recurring items (2)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Effective tax rate</strong></td>
<td>18.6%</td>
<td>30.8%</td>
</tr>
</tbody>
</table>

(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

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>In €m</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributive operating income</td>
<td>335</td>
<td>298</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>141</td>
<td>143</td>
</tr>
<tr>
<td>EBITDA (1)</td>
<td>475</td>
<td>441</td>
</tr>
<tr>
<td>Operating working capital requirement</td>
<td>-38</td>
<td>-33</td>
</tr>
<tr>
<td>Other cash flow from operation (mainly income tax paid)</td>
<td>-80</td>
<td>-72</td>
</tr>
<tr>
<td><strong>Cash flow from operations</strong></td>
<td>357</td>
<td>336</td>
</tr>
<tr>
<td>Capital expenditure</td>
<td>-183</td>
<td>-277</td>
</tr>
<tr>
<td>Impact of finance lease</td>
<td></td>
<td>+44</td>
</tr>
<tr>
<td>Other flows from investment activities</td>
<td>-10</td>
<td>-18</td>
</tr>
<tr>
<td><strong>Free cash flow (2)</strong></td>
<td>164</td>
<td>85</td>
</tr>
<tr>
<td>Finance lease</td>
<td></td>
<td>-44</td>
</tr>
<tr>
<td>Acquisition of shares</td>
<td>-16</td>
<td>-38</td>
</tr>
<tr>
<td>Dividends</td>
<td>-40</td>
<td>-40</td>
</tr>
<tr>
<td><strong>Net cash flow</strong></td>
<td>109</td>
<td>-37</td>
</tr>
<tr>
<td>Opening net cash (debt) position</td>
<td>-275</td>
<td>-219</td>
</tr>
<tr>
<td>Net cash flow</td>
<td>109</td>
<td>-37</td>
</tr>
<tr>
<td>FOREX impacts</td>
<td>10</td>
<td>18</td>
</tr>
<tr>
<td>Closing net cash (debt) position</td>
<td>-156</td>
<td>-275</td>
</tr>
</tbody>
</table>

(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

Goodwill (€471m in 2016)

Instruments (€97m in 2016)

Other non-current assets (€1,278m in 2016)

Operating WCR: 19.8% vs. 21.3% in 2016

WCR* (€50m in 2016)

Assets

Equity (€1,621m in 2016)

Net debt (€275m in 2016)

Gearing: 9%
Leverage: 0.3

Available financing facilities

- €300m bond
  - ISIN: FR0011592096
  - October 2013 - October 2020
  - Annual coupon: 2.875%

- €500m syndicated facility
  - Maturity date: January 2023
  - Undrawn

- €44m lease agreement (Marcy)
  - Maturity date: March 2027

* Working Capital Requirement
AGENDA

OVERVIEW OF BIOMÉRIEUX

2017 BUSINESS REVIEW

2017 FINANCIAL RESULTS

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 **CRM** tool deployed in ~30 countries

**Customer orientation**

Global **Commercial Performance** initiative

**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

---

* HEOR = Health Economics and Outcomes Research
2018 Outlook

Sales organic growth
- 8 to 9% at constant exchange rates & scope of consolidation

Contributive operating income*
- €325m to €345m at current exchange rates

Effective tax rate
- 24% to 26% of consolidated sales

CAPEX
- 9-10% of consolidated sales

- Expected strong Q1 due to flu season
- Estimated €120m of negative FOREX impacts
- Estimated €40m of negative FOREX impacts
- Reinforce R&D efforts on molecular while maintaining investment on other strategic ranges
- Positive impact of US tax reform
- Capacity and automation
Takeaways

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
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

- Test for pathogen #1
- Test for pathogen #2
- Test for pathogen #3
- Test for pathogen #23

1 hour to 1 day EACH

---

### Syndromic approach

- Test simultaneously for multiple potential causes associated with syndrome

Wrong diagnosis

Causative agent confirmed

- Faster diagnosis of causative pathogen
- Faster access to treatment and avoidance of unnecessary treatments *i.e.* antibiotics
- Shorter stays in healthcare setting

**<1h**
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)

Specimen collection & expedition to lab

Sepsis diagnosis & risk assessment

Direct examination

ID

AST

Result transmission & statistics

Workflow optimization

BACT/ALERT® VIRTUO™

Culture media

VIDAS® BRHAMS PCT™

VITEK® MS

FILMARRAY® BCID

ETEST®

VITEK® 2

VILINK®
Evolution of CAPEX

<table>
<thead>
<tr>
<th>Year</th>
<th>Instruments</th>
<th>Other capital expenditure</th>
<th>Intangible capital expenditure</th>
<th>TOTAL</th>
<th>Change in PPE payables</th>
<th>Cash outlays</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>€30m</td>
<td>€77m</td>
<td>€20m</td>
<td>€127m</td>
<td>+ €4m</td>
<td>€131m</td>
</tr>
<tr>
<td>2013</td>
<td>€31m</td>
<td>€103m</td>
<td>€32m</td>
<td>€166m</td>
<td>- €8m</td>
<td>€158m</td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
<td>€25m</td>
<td>€201m</td>
<td>- €3m</td>
<td>€208m</td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td>€23m</td>
<td>€236m</td>
<td>- €3m</td>
<td>€233m</td>
</tr>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td>€24m</td>
<td>€181m</td>
<td>+ €3m</td>
<td>€183m</td>
</tr>
<tr>
<td>2018e</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>9-10% of sales</td>
<td></td>
</tr>
</tbody>
</table>

In % of sales: 8.0% 9.8% 10.2% 11.2% 7.9%
Change in PPE payables: + €4m - €8m - €3m - €3m + €3m
Cash outlays: €131m €158m €208m €233m €183m
Clinical Applications
Microbiology

Culture

Culture Media

- CHROMID®
- WASP®
- BACT/ALERT® VIRTUO™
- BACT/ALERT® 3D

Identification

- API® Galleries
  - API® Galleries

Antibiotic Susceptibility Testing

- RAPIDEC® CARBA NP
- ETEST®
- VITEK® MS (MALDI-TOF)
- VITEK® 2
- VITEK® 2 COMPACT
- VITEK® ID cards
- VITEK® AST cards

To know more about the whole bioMérieux offer in clinical diagnostics, please visit: www.biomerieux-diagnostics.com
Clinical Applications
Immunoassays and Molecular Biology

**Immunoassays**
- VIDAS®
- MINIVIDAS®
- VIDAS® 3
- BIONEXIA® and VIKIA® rapid tests
- VIDAS® reagents

**Molecular Biology**
- easyMAG® and EMAG®
- ESTREAM®
- FILMARRAY® Torch
- FILMARRAY® reagents
- FILMARRAY® 2.0

To know more about the whole bioMérieux offer in clinical diagnostics, please visit: [www.biomerieux-diagnostics.com](http://www.biomerieux-diagnostics.com)
Industrial Applications

**Food**
- **BLUE LINE™**  
  Sample preparation
- **MASTERCLAVE®**  
  Culture media preparation
- **GENE-UP®**  
  PCR pathogen detection
- **VIDAS®**  
  Automated pathogen detection
- **EVISIGHT™ COMPACT**  
  Incubator & colony counter

**Pharma & Cosmetics**
- **VITEK®**  
  Automated pathogen identification
- **API®**  
  Manual pathogen identification
- **LABGUARD®**  
  Automated environmental monitoring system
- **BACT/ALERT®**  
  Platelet microbial safety
- **SCAN RDJ®**  
  Real time microbial detection and enumeration

**Chromogenic Media**  
Pathogen detection and enumeration

**Food, Pharma & Cosmetics**
- **3P®**  
  Environmental monitoring
- **BIOBALL®**  
  Method validation
- **MASTERCLAVE®**  
  Culture media preparation
- **BACT/ALERT®**  
  Platelet microbial safety
- **SCAN RDJ®**  
  Real time microbial detection and enumeration
Ordinary shares (EUR)
ISIN: FR0013280286
bioMérieux is listed on Euronext Paris
Reuters: BLOX.PA / Bloomberg: BIM.FP

American Depository 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