



PRESS RELEASE

bioMérieux - Business Review for the year ended December 31, 2013

- ▼ 2013: solid 4.6% organic growth in sales
 - At the top end of the target range announced early in the year
 - Faster organic growth in North America and firmer business in Western Europe
 - Sustained fast growth in industrial applications, up 6.8%
- ▼ 2013 objective for operating income before non-recurring items confirmed

MARCY L'ETOILE, FRANCE - January 22, 2014 - bioMérieux, a world leader in the field of *in vitro* diagnostics, today released its business review for fourth-quarter and full-year 2013.

Sales for the year ended December 31, 2013 amounted to €1,588 million, representing a 4.6% year-on-year increase at constant exchange rates and scope of consolidation. Excluding the €7 million from R&D-related revenue, organic growth would have come to 4.1% for the year.

Fourth-quarter sales amounted to €444 million, representing a very robust 6.5% organic gain, over the 2012 fourth-quarter which already reported strong growth.

Sales by Region In € millions	Twelve Months Ended December 31, 2013	Twelve Months Ended December 31, 2012	% Change As Reported	% Change At constant exch. rates & scope of consolidation	Three Months Ended December 31, 2013	Three Months Ended December 31, 2012	% Change As Reported	% Change At constant exch. rates & scope of consolidation
Europe ⁽¹⁾	806	807	-0.1%	+0.9%	222.1	219.6	+1.3%	+3.0%
North America	349	345	+1.1%	+4.8%	91.9	93.0	-1.2%	+4.2%
Asia-Pacific	295	283	+4.0%	+11.6%	93.9	86.2	+8.5%	+17.9%
Latin America	131	135	-2.6%	+6.2%	34.9	38.0	-8.1%	+3.9%
Total per Region	1,581	1,570	+0.7%	+4.1%	442.8	436.8	+1.4%	+6.3%
R&D-related Revenue	7				1.0			
TOTAL	1,588	1,570	+1.2%	+4.6%	443.8	436.8	+1.6%	+6.5%

⁽¹⁾ Including the Middle East and Africa

“2013 was an important, constructive year in bioMérieux’s 2012 - 2015 roadmap,” said Jean-Luc Belingard, Chairman and Chief Executive Officer. “Sales rose by an organic 4.6%, led by the robust expansion in North America (up 4.8%) and emerging markets and lifted by the firmer conditions in Western Europe. VIDAS® 3 was successfully introduced in Europe and VITEK® MS is the only mass spectrometry system cleared by the FDA for use by microbiology laboratories in the routine detection of a comprehensive menu of disease-causing microorganisms. Lastly, we acquired U.S.-based BioFire Diagnostics, whose revolutionary FilmArray® molecular biology system will be one of our leading growth drivers. Our sales performance was in line with the objective set at the beginning of the year, enabling us to confirm our EBIT* target for 2013. In addition, 2014, which will be a year of investment and consolidation, will also see further robust organic growth in sales, which we are targeting at 3% to 5% before taking into account adverse currency effects and the consolidation of an estimated €60 million in additional sales from BioFire.”

SALES

Sales growth for the year ended December 31, 2013 amounted to 4.6% at constant exchange rates and scope of consolidation. On a reported basis, it stood at 1.2%, reflecting the significant decline in the U.S. dollar, Japanese yen, Brazilian real, Indian rupee, Turkish lira and other currencies against the euro.

Analysis of sales		
In € millions		In %
Sales - Twelve months ended December 31, 2012	1,570	
Currency effect ⁽¹⁾	-54	-3.4%
Organic growth (at constant exchange rates and scope of consolidation)	+72	+4.6%
Sales - Twelve months ended December 31, 2013	1,588	+1.2%

⁽¹⁾ Of which €12 million from the U.S. dollar and €42 million from other currencies

Despite a high basis of comparison in the prior-year period (when sales rose by 5.1% at constant exchange rates and scope of consolidation), organic growth amounted to 6.5% in the fourth quarter of 2013. The gain reflected in particular the rapid growth of nearly 9% reported in the month of December, which was led by very strong sales in such emerging markets as China, the Turkey / Russia / Eastern Europe / Middle East / Africa region, Brazil and Mexico.

During the year, the emerging countries continued to deliver very attractive market dynamics, driven by the implementation of healthcare system reforms and the rising purchasing power of the middle classes. In all, they accounted for 31% of consolidated sales, with organic growth of more than 12% impelled by reagent sales. In addition, the Company carefully tracks developments in their currency environment and strives to adjust its sales strategy accordingly.

At constant exchange rates and scope of consolidation, 2013 sales may be analyzed by region as follows.

- ▼ Boosted by the 3% growth in the fourth quarter, sales in **Europe - Middle East - Africa** (51% of the consolidated total) rose slightly for the year.
 - In a still uncertain economic environment, sales in Western Europe (42% of the consolidated total) firmed up over the last two quarters, but ended the year down somewhat. While business in Germany, the United Kingdom and Austria turned in a good performance, the ongoing consolidation of laboratories in France continued to dampen consolidated sales. Sales in Southern Europe showed encouraging, positive signs, with the decline slowing to around 3% year-on-year.
 - Sales in the Turkey, Russia, Eastern Europe, Middle East and Africa area rose by 11% over the year, despite the tense economic and political situation in Turkey, the region’s largest subsidiary. In Russia, sales showed excellent growth following reorganization of the local distributor network.

* Operating income before non-recurring items

- Sales in **North America** (22% of the consolidated total) rose by nearly 5% compared with a challenging 2012. In clinical applications, sales of reagents increased by a robust 6%, with in particular faster growth in VIDAS[®] B.R.A.H.M.S. PCT™ sales, spurred both by demand from the existing customer base and the gain of new hospital and reference laboratory customers. On the downside, instrument sales were dampened by the uncertainties surrounding implementation of the healthcare reform act. Nevertheless, VITEK[®] MS, the only mass spectrometry system cleared by the U.S. Food and Drug Administration (FDA) for the routine detection of a comprehensive database of disease-causing microorganisms and the first system in the VITEK[®] line to enable detection in minutes, enjoyed a promising launch in clinical microbiology laboratories.

Industrial applications saw a robust 9% increase in revenue, lifted by sales both of reagents and of TEMPO[®], VITEK[®] and AES Blue Line™ instruments. In addition, the specialized VITEK[®] MS version designed for industrial applications was selected in the service laboratories of EMSL Analytical, a leading U.S. provider of microbiology testing specialized in rapid pathogen detection.

- With organic growth of 11.6%, the **Asia-Pacific** region (19% of the consolidated total) was the primary contributor to growth in consolidated sales. This performance was primarily led by the strong growth in China, where an acceleration in the fourth quarter enabled local sales to end the year up 25%. The VITEK[®] and VIDAS[®] lines, as well as the industrial applications, showed fast growth. In addition, the distributor network was further extended. Sales growth was also solid in India (up 17%) and Japan (up 3%).

In clinical applications, growth was driven by sales of reagents in the three strategic lines (microbiology, VIDAS[®] and molecular biology). Thanks to very brisk instrument sales (VITEK[®], AES Blue Line™ and TEMPO[®] in particular), industrial applications turned in robust 15% growth for the year.

- Sales in **Latin America** (8% of the consolidated total) increased by more than 6%, with subsidiaries in Mexico and Colombia delivering fast growth of 14% and 8% respectively. Sales rose by more than 4% in Brazil, led by the solid gains in industrial applications.

Sales across the region benefited from the increase in reagent sales, up 7%.

2013 sales at constant exchange rates and scope of consolidation may be analyzed by technology as follows.

Sales by Technology In € millions	Twelve Months Ended December 31, 2013	Twelve Months Ended December 31, 2012	% Change As Reported	% Change At constant exch. rates & scope of consolidation
Clinical Applications	1,251	1,251	+0.0%	+3.5%
Microbiology	793	801	-0.9%	+2.9%
Immunoassays ⁽¹⁾	364	362	+0.6%	+3.5%
Molecular Biology	78	73	+6.5%	+9.0%
Other Lines	16	15	+2.2%	+3.5 %
Industrial Applications	330	319	+3.3%	+6.8%
Total per Technology	1,581	1,570	+0.7%	+4.1 %
R&D-related Revenue	7			
TOTAL	1,588	1,570	+1.2%	+4.6%

⁽¹⁾Including VIDAS[®]: up 5.8%

- Sales of **clinical applications** increased by 3.5% over the year. Microbiology (50% of the consolidated total) saw a nearly 3% gain. Reagent sales rose by 4.5%, with the VITEK[®] cards and reagents used in the more recent FMLA[®] solutions for complete lab automation confirming their success. Despite the production difficulties encountered at the Durham, NC plant, sales of BacT/ALERT[®] blood culture bottles also increased, attesting to the effectiveness of the sales teams in managing the rising demand from existing customers. In these unusual conditions, and following high instrument sales in 2012 in emerging countries, instrument sales were modest for the year.

In line with the 2012 - 2015 roadmap, the Company continued to prepare for the launch of its new platforms. It confirms that the new Virtuo™ automated blood culture instrument will be gradually commercially available in mid-2014. In addition, the design of the incubator incorporating imaging technologies was finalized in fourth-quarter 2013. Development of the new instrument is continuing with the Company's European laboratory partner, with initial installations projected for second-half 2014.

Immunoassay sales rose by 3.5% over the year. Thanks to its successful repositioning in emerging markets and in high medical-value assays, whose sales rose 25%, the VIDAS® line enjoyed strong demand, gaining nearly 6% on the back of both reagent and instrument sales. This more than offset the decline in the non-strategic microplate line and the slow start-up in rapid test sales. In particular, the VIDAS® B.R.A.H.M.S PCT™ assay, recognized in emergency rooms for its valuable support in monitoring and determining the prognosis of severe bacterial infections and in optimizing antibiotic therapy, continued to show successful sales. In addition, VIDAS® 3 got off to a promising start with close to 200 instruments installed in just six months since it was CE marked.

Molecular biology sales ended the year up 9%, lifted in particular by the strong commercial synergies with the ARGENE® range acquired in July 2011, whose sales rose by 31% in 2013.

- ▼ Sales of **industrial applications** climbed nearly 7%, led by instrument sales (particularly in the VITEK®, TEMPO® and AES Blue Line™ ranges). Growth was especially robust in the emerging markets, up 22%, and North America. The successful integration of AES, which means that bioMérieux now offers the market's broadest product portfolio across its entire customer base, has given the Group a critical competitive advantage in growing this business.
- ▼ Sales of **reagents** and **services**, which accounted for 88% of total sales, drove growth in consolidated sales, with organic gains of 4.2% and 15.8% respectively.

OTHER FINANCIAL HIGHLIGHTS

▼ Consolidated income statement

With 2013 sales performance in line with forecasts, the Company is able to confirm its full-year **operating income before non-recurring items** target, reflecting its very strict operating cost discipline. In addition, the currency hedges set up in late 2012 and the revision of certain pension plans should help to offset the negative impacts on the operating income before non-recurring items of the decline in certain currencies against the euro and the increase in the Durham, NC plant's cost base following deployment of a new production line and tighter quality management.

▼ Consolidated balance sheet

- The **installed base** at December 31, 2013 represented approximately 74,000 instruments, an increase of 4,600 new instruments over the year.
- At year-end, before the BioFire acquisition closed, the **net cash** position stood at €25 million, attesting to the strong cash generation during the year. This compared with net debt of €48 million at December 31, 2012.

On January 16, 2014, bioMérieux completed the acquisition of BioFire, thereby raising its theoretical net debt to €330 million, in line with announced estimates. Part of the acquisition will be financed by the €300-million bond issue placed with institutional investors in October 2013. The seven-year bonds have enabled bioMérieux to extend the average maturity of its debt under favorable financial conditions. In addition, the Company has a €350-million syndicated line of credit expiring in March 2017.

▼ Human resources

At year-end, the Company had 7,723 full-time-equivalent **employees**. There were 7,413 employees at December 31, 2012, based on the same method of calculation.

FOURTH-QUARTER OPERATING HIGHLIGHTS

▼ Commercial offer

bioMérieux has launched **18 new products** since the beginning of the year.

In addition, during the fourth quarter, the Company unveiled its commercial offer for centralized molecular biology laboratories. bioMérieux already serves these laboratories with its easyMAG[®] sample purification platform, whose extensive installed base makes it one of the market's leading instruments. Today, it wants to offer these labs a comprehensive, modular, flexible automation solution that will allow them to add new modules gradually as needed, use their own "home brew" kits and perform "à la carte" multiplexing tests. As part of this solution, bioMérieux has selected **Life Technologies' 7500** range (Applied Biosystems[®] 7500, 7500 Fast and 7500 Fast Dx instruments) as its preferred **thermocyclers**. These instruments make it possible to automate the PCR amplification and detection reaction. Most bioMérieux PCR assays, including the ARGENE[®] range and the THxID[™]-BRaf companion diagnostic, are validated on Life Technologies' Applied Biosystems[®] 7500 instruments.

In December, the **VIKIA[®] HIV-1/2** rapid test for the detection of HIV 1 and 2 antibodies in the case of AIDS-related infections was prequalified by the WHO. Prequalification has opened up new markets for the diagnostic, while guaranteeing users that it complies with effective public health standards, notably in limited resource settings.

Lastly, in France, the Company launched its **e-learning** platform for technicians and biologists, with modules on product use, scientific issues and professional skills development. The solution has also been cleared for commercialization in Germany and Switzerland, where it will be deployed in first-quarter 2014.

▼ Collaborative agreement in personalized medicine with Gilead

In October, bioMérieux signed an exclusive agreement with **Gilead Sciences Inc.**, a biopharmaceutical company focusing on innovative therapeutics for unmet medical needs, to co-develop an assay that may be a potential companion diagnostic of a Gilead drug candidate, currently under development.

▼ The Durham, NC site in the United States

Since mid-2012, the **Durham** teams have been actively working to restore satisfactory production conditions, meet delivery commitments and enhance the site's quality control system, even as demand from the customer base continues to rise. The wide-ranging action plan deployed in 2013 will be pursued in 2014, when the related costs could reach \$30 million for the year. The Company also plans to invest around \$20 million in 2014 to increase the site's production capacity.

▼ End of the collaboration with Biocartis

On November 28, bioMérieux announced the end of its collaboration with **Biocartis** for the development and commercialization of an integrated molecular biology system. After returning its rights to use Biocartis technology, especially in microbiology molecular diagnostics, bioMérieux will write down their net book value and recognize a €6 million non-cash, non-recurring expense in 2013. However, it will remain a Biocartis shareholder.

▼ Deployment of the **Global ERP** system

During the final quarter, the **Global ERP** system was successfully deployed in China and the four Nordic subsidiaries. As a result, it is now up and running in 24 Group companies.

2014 ORGANIC SALES GROWTH OBJECTIVE

Building on its solid business performance in 2013, bioMérieux expects to drive **sales** growth of between 3% and 5% in 2014, at constant exchange rates and scope of consolidation.

BioFire Diagnostics, acquired on January 16, 2014, will be consolidated from this date. It is expected to generate around €60 million in sales in 2014, while its contribution to the growth in consolidated sales will be reported in “changes in the scope of consolidation” for the year.

In addition, fluctuations in certain currencies (particularly the U.S. dollar, Brazilian real, Indian rupee, Argentine peso and Turkish lira) will continue to have a significant impact on consolidated sales in euros, following on from 2013 adverse currency effect, which reduced year-on-year sales growth in euros by €54 million. Because certain operating expenses are paid in these same currencies, the impact of their fluctuations on the 2014 operating income before non-recurring items will only be partly offset, depending on the Group’s exposure in these countries. In application of its currency risk management policy, bioMérieux has already set up hedges to reduce the impact in 2014 of currency effects which could arise from a further decline in its operating currencies against the euro. However, these currency hedges reflect market conditions and are down sharply from the ones set up last year. In addition, to structurally correct the impact of lower exchange rates, the Company is continuing to strive to adjust its sales strategy.

POST-BALANCE SHEET EVENT

Acquisition completed of BioFire, a U.S.-based company specialized in molecular biology

On January 16, 2014, bioMérieux announced that it had finalized its acquisition of 100% ownership in **BioFire Diagnostics Inc.**, a privately held U.S. company specialized in molecular biology. BioFire has developed FilmArray[®], an integrated multiplex PCR molecular biology system that is CE-marked and FDA-approved. By introducing the syndromic* approach to the molecular diagnosis of infectious diseases, FilmArray[®] has created a new market standard, combining in a single assay such critical benefits as speed, accuracy, ease-of-use and exhaustiveness. As of today, FilmArray[®] has two panels, the Respiratory Panel and the Blood Culture Identification Panel, both of which are CE-marked and FDA-cleared.

The two companies present strong strategic synergies, especially in marketing, manufacturing and innovation. The unique FilmArray[®] system represents a key differentiating asset in the development of bioMérieux’s franchise in infectious disease diagnostics, its primary area of expertise. Moreover, BioFire’s consolidation will immediately enable bioMérieux to increase the proportion of sales derived from molecular biology to more than 8%.

bioMérieux and BioFire are now going to start the integration process, focusing on leveraging the positive synergies between both companies, to drive FilmArray[®] sales and menu expansion. In addition, to meet the expectations of BioFire’s biodefense customers in the United States, a wholly owned subsidiary dedicated to this business will be created.

The transaction includes the \$450 million acquisition price and the company’s net financial debt (around \$35 million), for a total consideration of €355 million. Acquisition costs amounted to €6 million, which will be recognized in non-recurring operating items, for around €2 million in 2013 and €4 million in 2014.

INVESTOR CALENDAR

2013 results: March 19, 2014, before start of trading

First-quarter 2014 sales: April 23, 2014, 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.

* This new medical approach is based on analyzing a syndrome (i.e. a set of symptoms) and, with a single reagent, identifying the disease-causing organisms responsible for this syndrome, whether they are viruses or bacteria

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 41 subsidiaries and a large network of distributors. In 2013, revenues reached €1,588 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		Third Quarter		Fourth Quarter		Twelve Months Ended December 31	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Europe ⁽¹⁾	190.7	195.6	200.4	199.3	192.6	192.6	222.1	219.6	805.8	807.1
North America	81.7	80.9	86.1	86.1	89.3	85.2	91.9	93.0	349.0	345.2
Asia-Pacific	57.1	56.4	74.2	69.6	69.6	71.0	93.9	86.2	294.8	283.2
Latin America	29.4	29.9	34.6	32.6	31.9	33.8	34.9	38.0	130.8	134.3
Total per region	358.9	362.8	395.3	387.6	383.4	382.6	442.8	436.8	1,580.4	1,569.8
R&D revenue ⁽²⁾					6.5		1.0		7.5	
TOTAL	358.9	362.8	395.3	387.6	389.9	382.6	443.8	436.8	1,587.9	1,569.8

⁽¹⁾ Including the Middle East and Africa

⁽²⁾ R&D-related revenue

Change in Sales by Region										
In %										
	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Twelve Months Ended December 31, 2013	
	As reported	At constant exch. rates & scope of consolidation	As reported	At constant exch. rates & scope of consolidation	As reported	At constant exch. rates & scope of consolidation	As reported	At constant exch. rates & scope of consolidation	As reported	At constant exch. rates & scope of consolidation
Europe ⁽¹⁾	-2.5%	-2.5%	+0.5%	+1.1%	+0.0%	+1.7%	+1.3%	+3.0%	-0.1%	+0.9%
North America	+1.0%	+1.8%	-0.1%	+1.9%	+4.8%	+11.3%	-1.2%	+4.2%	+1.1%	+4.8%
Asia-Pacific	+1.2%	+5.1%	+6.8%	+11.6%	-1.9%	+9.3%	+8.5%	+17.9%	+4.0%	+11.6%
Latin America	-2.0%	+3.5%	+6.1%	+10.5%	-5.5%	+6.9%	-8.1%	+3.9%	-2.6%	+6.2%
Total per region	-1.1%	+0.1%	+2.0%	+4.0%	+0.2%	+5.7%	+1.4%	+6.3%	+0.7%	+4.1%
R&D revenue ⁽²⁾										
TOTAL	-1.1%	+0.1%	+2.0%	+4.0%	+1.9%	+7.4%	+1.6%	+6.5%	+1.2%	+4.6%

⁽¹⁾ Including the Middle East and Africa

⁽²⁾ R&D-related revenue