



PRESS RELEASE

bioMérieux

Business Review for the nine months ended September 30, 2011

- ▼ Sales:
 - Up 5.2% at constant exchange rates
 - Including 4% organic growth
- ▼ Robust 8% organic growth in clinical microbiology
- ▼ Double-digit organic growth continues in Asia-Pacific and Latin America

Marcy l'Etoile, France - October 20, 2011 - bioMérieux, a world leader in the field of *in vitro* diagnostics, today released its business review for the nine months ended September 30, 2011.

Net sales for the period amounted to €1,021 million, representing a year-on-year increase of 5.2% at constant exchange rates, including 4% growth at constant exchange rates and comparable business base (i.e. excluding the impact of recent acquisitions and of discontinuing culture media for the routine clinical test business in North America).

In the third quarter, net sales came to €347 million, up 3.2% year-on-year at constant exchange rates and comparable business base.

Sales by Region In € millions	Nine Months Ended September 30, 2011	Nine Months Ended September 30, 2010	% Change As Reported	% Change At constant exch. rates & comparable business base	Three Months Ended September 30, 2011	Three Months Ended September 30, 2010	% Change As Reported	% Change At constant exch. rates & comparable business base
Europe ⁽¹⁾	541	531	+1.8%	-0.8%	181.7	173.7	+4.6%	-2.5%
North America	231	234	-1.4%	+5.3%	75.8	79.4	-4.5%	+4.1%
Asia-Pacific	157	140	+12.0%	+12.2%	57.6	51.8	+11.3%	+13.1%
Latin America	92	79	+17.4%	+18.1%	32.2	28.1	+14.9%	+18.9%
TOTAL	1,021	984	+3.8%	+4.0%	347.3	333.0	+4.3%	+3.2%

⁽¹⁾ Including the Middle East and Africa

“In a more challenging economic environment, bioMérieux’s third-quarter organic sales growth stood at 3.2%. Since the beginning of the year, our net sales rose by 5.2%, excluding the currency effect, with 4% organic growth. Our core business, clinical microbiology, continued to enjoy very good momentum with an increase of 8%,” said Jean-Luc Bélingard, Chairman and Chief Executive Officer. “In the current market conditions, backed by our broad international footprint, large installed instrument base and the portfolio of orders under negotiation, we are able to maintain our full-year 2011 objectives. We are also continuing the integration of AES Laboratoire and ARGENE, essential foundations for bioMérieux’s future development.”

SALES

Reported sales for the nine months ended September 30, 2011 stood at €1,021 million, including revenue of €12.5 million from AES Laboratoire and €2.4 million from ARGENE, both acquired in July 2011. Discontinuation of culture media for the routine clinical test business in North America reduced sales for the period by €2.5 million. Including the currency effect, sales were up 3.8% year-on-year.

Analysis of sales			
In € millions			In %
Sales - Nine months ended September 30, 2010	984		
Currency effect	(14)		-1.4%
Organic growth (at constant exchange rates and comparable business base)	39		+4.0%
Impact of discontinuing culture media for the routine clinical test business in North America	(3)		-0.2%
AES Laboratoire and ARGENE acquisitions	15		+1.4%
Sales - Nine months ended September 30, 2011	1,021		+3.8%

} **+5.2%**

The healthcare sector's environment was contrasted. Sales were dampened in the mature countries by economic uncertainties and budget austerity measures, particularly in Southern Europe, but were brisk in emerging markets, as governments pursued their ambitious programs and domestic demand stayed high. The Group's sales in emerging markets, which represented 26% of the consolidated total, rose quickly, led by China (up 19%), Brazil (up 22%) and India (up 20%, excluding the impact of the termination of a distribution contract for non-strategic products).

In the third quarter, market conditions deteriorated in Western Europe and in industrial applications. However, sales continued to progress in North America and expand more rapidly in the emerging markets.

At constant exchange rates and comparable business base, sales for the nine months ended September 30, 2011 may be analyzed by region as follows:

- ▼ Sales in the **Europe - Middle East - Africa** region (53% of the consolidated total) contracted slightly over the period.
 - Sales performance in **Western Europe** (46% of the consolidated total) continued to be shaped by three different trends:
 - Substantial gains in the United Kingdom (up 9%) and the Nordic countries (up 12%), led in particular by strong clinical microbiology sales. In Germany, sales remained vigorous across the main product lines, except for rapid tests, which saw a steep fall-off.
 - A 3% contraction in sales in France, where the medical biology reform act is being implemented. Following the Constitutional Council's censure in August 2011, the legislation currently in effect is the January 13, 2010 legislative order as originally published. In particular, the order increases the medical role of biologists and requires the full accreditation of all laboratory testing by November 1, 2016. As expected, sales of VIDAS[®] routine tests decreased sharply, while those of high medical value VIDAS[®] tests and sales in clinical microbiology rose over the period.
 - A difficult situation in the Southern European countries, faced with budget austerity measures. Sales in Greece and Portugal fell back, while business remained weak in Spain and became challenging in Italy, where economic conditions worsened over the third quarter.

In clinical applications, microbiology sales rose a robust 5%, led notably by strong instrument sales. However, overall performance was impacted by the decrease in sales of VIDAS[®] routine tests and the non-strategic ranges.

- Sales in **Turkey, Russia, the Middle East and Africa** also varied widely by country. In the third quarter, they remained dampened by the end of the National Health Laboratory Service contract in South Africa and the reorganization of the Russian distributor network. By contrast, there was a rapid rise in demand in Turkey, West Africa, Sub-Saharan Africa and Eastern Europe. For the region as a whole, the increase in orders under negotiation should drive faster sales growth in the fourth quarter.

- Sales in **North America** (23% of the consolidated total) were up 5.3% year-on-year, despite an economic environment that deteriorated during the third quarter.

The number of hospital admissions was stable as compared with 2010, leading hospitals to exercise great caution in their financial management. Sales of clinical microbiology reagents therefore slowed in the third quarter. However, those of high medical value VIDAS[®] tests continued to experience fast growth. Organic sales in clinical applications rose by nearly 6% over the third quarter.

The situation was contrasted in industrial applications. Food applications showed good momentum but conditions were more challenging in the pharmaceutical sector, whose performance was also impacted by an unfavorable basis of comparison due to the invoicing of significant Bac/TALERT[®] system installations in third-quarter 2010.

- In the **Asia-Pacific** region (15% of the consolidated total), sales rose by more than 12% on an organic basis. This robust performance resulted from growth in both mature markets (Japan and Australia) and in the region's emerging countries. In particular, sales in China surged 19%, even though certain tenders scheduled for 2011 have not yet been issued. In addition, sales in India and South Korea maintained their fast growth, with increases of respectively 20%* and 17%.

In clinical applications, the strong growth in the region was mainly led by the microbiology lines, driven by robust demand for equipment. In addition, VIDAS[®] sales rose by more than 20%, boosted notably by China (up 31%) and India (up 26%).

- Sales in **Latin America** (9% of the consolidated total) continued to expand at a rapid pace, with an especially high increase in Brazil (up 22%) and Argentina (up 27%).

Growth in clinical applications was driven by the microbiology and VIDAS[®] immunoassay lines, while sales of industrial applications rose by nearly 14%.

At constant exchange rates and comparable business base, sales over the first nine months of 2011 may be analyzed by application as follows:

Sales by Application In € millions	Nine Months Ended September 30, 2011	Nine Months Ended September 30, 2010	% Change As Reported	% Change At constant exch. rates & comparable business base
Clinical Applications	850	829	+2.5%	+3.8%
Industrial Applications	171	155	+10.7%	+4.9%
TOTAL	1,021	984	+3.8%	+4.0%

- Sales of **clinical applications** increased by nearly 4%.

Microbiology sales rose by 8%, lifted by firm gains in the blood culture and automated ID/AST** lines, as well as by the strong growth in sales of the Full Microbiology Lab Automation (FMLA[®]) offering. The success of the VITEK[®] MS mass spectrometry-based bacterial identification solution was confirmed during the quarter, with 55 bioMérieux instruments installed to date.

In immunoassays, sales of the VIDAS[®] line rose by 3%, with about 1,300 VIDAS[®] and mini VIDAS[®] systems sold over the first nine months of the year. The period saw fast growth in high medical value tests and in emerging markets. Sales of routine tests in developed markets, however, continued to be affected by the gradual consolidation of the customer base, particularly in France.

The molecular biology business was strengthened by the integration of ARGENE. At constant exchange rates and comparable business base, sales declined over the period due to the end of the National Health Laboratory Service contract in South Africa. This basis of comparison will no longer have an impact in the fourth quarter, which should enable sales growth to return to a more vibrant pace.

- Bolstered by the consolidation of newly acquired AES Laboratoire, **industrial applications** accounted for 17% of Group sales. Sales rose by nearly 5% over the period. They were penalized by weak instrument sales in North America. However, they were lifted by the strong growth in reagents for the food sector.
- In all, sales of **reagents and services** increased by nearly 5%, excluding the impact from the termination of the National Health Laboratory Service contract in South Africa. After consolidation of AES Laboratoire and ARGENE, they accounted for around 90% of total sales for the first nine months of 2011.

* Excluding the impact of the termination of a distribution contract for non-strategic products

** Automated microbial identification and antibiotic susceptibility testing

THIRD-QUARTER FINANCIAL HIGHLIGHTS

- Including the recent acquisitions of AES Laboratoire (390 employees) and ARGENE (66 employees), as well as the strengthening of commercial operations and manufacturing teams during the first half, the Group had a total of 7,012 full-time-equivalent **employees** as of September 30, 2011. There were 6,306 employees at December 31, 2010.
- Operating expenses** for the period were in line with expectations. Increased rigor in cost control is being implemented throughout the Group.
- After outlays related to the acquisitions of AES Laboratoire (€188 million including acquisition costs and settlement of the AES Chemunex shares purchased through the public tender offer and squeeze-out procedure) and ARGENE (€40 million including the company's net debt), consolidated **net debt** stood at €178 million at September 30, 2011. Net cash amounted to €24 million at December 31, 2010.

bioMérieux has a €260 million syndicated line of credit available until January 2013. At September 30, drawdowns on the facility amounted to €70 million. As of the same date, the Company had also issued €25 million in commercial paper as part of the €300million program initiated this year.

THIRD-QUARTER OPERATING HIGHLIGHTS

Additional investment in sequencing specialist Knome

In July 2011, bioMérieux invested an additional \$5 million in new shares issued by **Knome**, a US-based provider of genome sequencing and analysis services. In April 2010, bioMérieux and Knome had signed a strategic collaboration agreement for the development of a new generation of IT solutions for sequence-based *in vitro* diagnostics.

Integration of AES Laboratoire and ARGENE

AES Laboratoire, specialized in industrial applications

In September 2011, bioMérieux implemented a public tender offer to purchase all outstanding shares of AES Chemunex for €0.55 a share, which was immediately followed by a squeeze-out procedure to acquire all of the untendered shares at the same price. Following these purchases, bioMérieux owns all of the shares in AES Chemunex.

ARGENE, specialized in molecular diagnostics

Underway since early September, the integration process calls, in particular, for ARGENE products to be distributed by a large number of bioMérieux subsidiaries starting in early 2012.

Commercial offer

Since the beginning of the year, bioMérieux has launched **17 new products**, particularly the VITEK[®] MS mass spectrometry system for bacterial identification in microbiology laboratories, which is fully integrated with bioMérieux's VITEK[®] platform via the Myla[™] middleware. The Company is also actively preparing to CE-mark, in the fourth quarter, its new blood culture bottles, which will improve antibiotic neutralization and support better bacterial growth.

In the United States, bioMérieux's major contract with the **South Central VA Health Care Network** (VISN 16) has been renewed for another five years. One of 21 Veterans Service Networks (VISNs) of the Department of Veterans Affairs (VA), VISN 16 currently offers care to more than 445,000 veterans in its ten medical centers and 40 community based outpatient clinics. The contract renewal also included an order for 10 VITEK[®] 2 and 11 BacT/ALERT[®] systems, which will be invoiced when the instruments are installed, mostly in the fourth quarter.

INVESTOR CALENDAR

January 24, 2012: Fourth-quarter 2011 sales - After the close 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 2010 Registration Document. Accordingly, the Company cannot give any assurance nor make any representation as to whether the above 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

Advancing Diagnostics to Improve Public Health

A world leader in the field of *in vitro* diagnostics for over 45 years, bioMérieux is present in more than 150 countries through 39 subsidiaries and a large network of distributors. In 2010, revenues reached €1.357 billion 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). Other information can be found at www.biomerieux.com.

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Appendix: Quarterly Sales Data

Sales by Region										
In € millions										
	First Quarter		Second Quarter		First Half		Third Quarter		9 Months	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
Europe ⁽¹⁾	176.9	173.3	181.9	183.7	358.8	357.0	181.7	173.7	540.5	530.7
North America	76.0	69.7	79.1	85.0	155.1	154.7	75.8	79.4	230.9	234.1
Asia-Pacific	46.6	40.8	52.7	47.5	99.3	88.3	57.6	51.8	156.9	140.1
Latin America	28.1	22.8	32.1	27.8	60.2	50.6	32.2	28.1	92.4	78.7
TOTAL	327.6	306.6	345.8	344.0	673.4	650.6	347.3	333.0	1,020.7	983.6

Change in Sales by Region										
In %										
	First Quarter		Second Quarter		First Half		Third Quarter		9 Months	
	In euros	Organic ⁽²⁾	In euros	Organic ⁽²⁾	In euros	Organic ⁽²⁾	In euros	Organic ⁽²⁾	In euros	Organic ⁽²⁾
Europe ⁽¹⁾	+2.0%	-0.5%	-0.9%	+0.5%	+0.5%	+0.0%	+4.6%	-2.5%	+1.8%	-0.8%
North America	+9.1%	+6.7%	-7.0%	+5.1%	+0.2%	+5.9%	-4.5%	+4.1%	-1.4%	+5.3%
Asia-Pacific	+14.2%	+8.2%	+11.0%	+15.1%	+12.4%	+11.8%	+11.3%	+13.1%	+12.0%	+12.2%
Latin America	+23.4%	+16.3%	+15.2%	+18.9%	+18.9%	+17.7%	+14.9%	+18.9%	+17.4%	+18.1%
TOTAL	+6.8%	+3.5%	+0.5%	+5.1%	+3.5%	+4.3%	+4.3%	+3.2%	+3.8%	+4.0%

⁽¹⁾ Including the Middle East and Africa

⁽²⁾ At constant exchange rates and comparable business base