

# PIONEERING DIAGNOSTICS



## ANNUAL REPORT 2014

## ***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 billion 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 market (Symbol: BIM – ISIN: FR0010096479).

Other information can be found at [www.biomerieux.com](http://www.biomerieux.com)

p.3 - EDITO

————— p.5 - INTERVIEW

① ————— p.9 - CLINICAL UNIT

② ————— p.17 - INDUSTRY UNIT

③ ————— p.21 - EMEA REGION

④ ————— p.25 - AMERICAS REGION

⑤ ————— p.29 - ASIA PACIFIC REGION

⑥ ————— p.33 - CORPORATE SOCIAL RESPONSIBILITY

⑦ ————— p.48 - CORPORATE GOVERNANCE

⑧ ————— p.50 - KEY FIGURES

⑨ ————— p.55 - THE BIOMÉRIEUX SHARE

⑩ ————— p.56 - GLOSSARY



Jean-Luc Belingard  
Chairman

## ÉDITO

**2014 has been an important and decisive year for bioMérieux in more ways than one.**

In terms of governance, this is the year that Alexandre Mérieux took up his responsibilities as CEO of the Company, carrying on an extraordinary family and entrepreneurial adventure that started more than 50 years ago. The new Company organization he heads today has been implemented with success.

In line with our vision and the actions we have pursued over the last four years, our strategic progress has been remarkable.

Our molecular biology activity performed exceptionally well, bolstered by the acquisition and successful integration of BioFire.

In addition, 2014 was a very fulfilling year for business development as we forged new partnerships to drive innovation and position the Company for tomorrow's markets. The agreements with Illumina in the field of sequencing and with Astute Medical in the area of specialty immunology are two symbolic examples.

From an operating standpoint, we have invested significantly in our production tool, particularly for one of bioMérieux's pillars, microbiology, with the aim of serving our customers better. Going forward, this encouraging bioindustrial environment will contribute to the successful launch of strategic products such as VIRTUO™, our automated blood culture instrument, which opens up new prospects for the Company.

In addition, we created our 42<sup>nd</sup> subsidiary, further strengthening our international network whose geographical footprint helps ensure our growth despite the economic ups and downs of certain regions.

New technologies are emerging that complement the areas of diagnostics where our historical expertise lies, and are opening up new opportunities such as imaging, sequencing, proteomics, genomics and information technology which allow the exploitation of "Big Data". Combining bioMérieux's unrivalled expertise in biology with these innovative technologies gives us a critical advantage to meet new diagnostics challenges and serve public health.

The multidisciplinary research center that we inaugurated this year in La Balme is truly representative of the open-innovation spirit that permeates through the Company. This approach brings both medical advances as well as new hopes for patients.

With particularly solid fundamentals and the support of its shareholders, bioMérieux is well positioned and can look to the future with confidence.



Alexandre Mérieux  
CEO

## INTERVIEW

### **What were the key trends in bioMérieux's activity in 2014?**

Our performance was in line with the objectives we set. Sales amounted to €1.698 billion, representing growth of 9% at constant exchange rates and 3.8% at constant scope of consolidation. Moreover, contributive operating income before non-recurring items reached €227 million, matching our targets. These results reflect the competitiveness and strength of bioMérieux's business model in an increasingly demanding economic and geopolitical context.

Once again, our extensive geographic and technological diversification allowed us to seize all the growth opportunities in our different markets.

From an operating perspective, among the highlights of 2014 were the substantial efforts made to improve manufacturing conditions at our Durham site, which is vital to the success of our blood culture range. We also initiated a major transformation of our Supply Chain, which will continue through 2015 as we concentrate on further strengthening our customer focus.

Lastly, bioMérieux very clearly reached several structural milestones that were essential to its long-term strategic deployment. The results of our development efforts were remarkable, with five new partnership agreements and the acquisition of three new companies.

We also expanded our portfolio, in particular in the areas of molecular biology, automated microbiology and blood culture products.

### **You initiated a number of partnerships in 2014. How would you describe their strategic importance?**

When it comes to commercial development and our medium- and long-term innovation strategy, bioMérieux has always followed an international partnership policy. In 2014, we were especially pro-active on several fronts:

- We signed an agreement with COPAN that will accelerate the deployment of our "Lab Efficiency" vision for the automation and enhanced operational efficiency of clinical microbiology labs;
- In industrial applications, we consolidated our potential with two acquisitions: Advencis, bringing access to a system for the rapid detection of microbial contaminants, and Ceeram, giving us a foothold in molecular virology for agri-food applications;
- Taking a long-term perspective, we are more solidly anchored in the technologies of the future thanks to agreements such as that with Astute Medical, designed to enhance our menu of high medical-value tests on the VIDAS® platform for emergency applications. In the field of sequencing, our alliance with Illumina for the epidemiological monitoring of infectious diseases also represents an important step in our innovation strategy.

## **You have implemented a new internal organization.**

### **What impact do you expect it to have?**

The organization we have implemented since the Spring of 2014 is clear-cut, agile and designed to adapt to the ongoing changes in our markets. Two separate business units correspond to our Clinical and Industrial segments, while three geographical regions have taken on expanded responsibilities, and the entire structure is underpinned by the Company's support functions.

With this new organization, we seek to meet three core objectives:

- Strengthen our customer focus at every level of the business and worldwide;
- Improve our operational efficiency in an increasingly demanding environment;
- Sharpen our focus on the Company's profitability in order to maintain our independence and capacity to invest and develop in the long term.

More globally, we want to empower our employees – so they can take on more responsibility, show greater outreach, and keep alive the spirit of conquest that has made our Company so successful for over 50 years!

## **Five years down the road, how do you envision the Company's strategy?**

Our overriding ambition is for bioMérieux to be a pioneer in the fight against infectious diseases and to serve global public health. Today we have a very sound base to anchor our strategy, with three key focuses:

- Consolidating bioMérieux's leadership in both clinical and industrial microbiology, a field in which we have longstanding, historical experience;
- Becoming the reference in the syndromic approach to infectious disease diagnostics – and once again, with BioFire, we have a decisive advantage;
- Seeking to assert our position as a specialist in the field of immunoassays. The continuous enhancement of the VIDAS® portfolio with high medical-value tests represents a critical part of furthering this strategic ambition.

## **What resources are you deploying to reach these goals?**

bioMérieux has the advantage of being independent and well positioned financially. Our ambition is to continue to reinforce our strengths, in particular by ensuring the Company's sustainable and profitable growth. Indeed, being financially solid gives us the means to fulfill our ambitions. Our partnership policy and the progress we achieved in 2014 unquestionably serve our strategy.

We will also continue to invest in order to prepare the future and give ourselves every chance of success. This is illustrated, for example, by the fact that in 2014 we dedicated 12% of sales to our R&D programs.

Developing the skills of our workforce is another precious resource. With Mérieux Université, we have implemented a far-ranging training policy that covers a very large number of employees worldwide. In 2014, nearly 160,000 hours of training were provided across the Group!

At the same time, we are seeking to strengthen our bioindustrial potential by making significant investments at our sites: a new blood culture bottle production line in Durham, a new building for BioFire in Salt Lake City, a dedicated pharmaceutical production unit in Craponne, and plans for a new campus in Marcy l'Etoile.

***All of these undertakings are clear signs  
of our determination to remain a pioneer in diagnostics!***



1

## **Sales of bioMérieux's clinical applications increased in 2014 at a sustained pace. They were up by 4.6% at constant exchange rates and scope of consolidation, compared to 3.5% in 2013.**

These results confirm the Company's choice of strategy aiming to:

- consolidate its global leadership in microbiology,
- anchor its position as an immunoassay specialist,
- become the reference in the syndromic approach to infectious diseases,

in order to enhance the efficiency of clinical laboratories, improve medical care for patients and thereby fulfill its commitment to public health.

In 2014, 12 new products and 6 strategic agreements to drive innovation moved the Company closer to reaching these objectives in the field of clinical applications.

# CLINICAL UNIT

## MICROBIOLOGY

**With an estimated 42% of market share worldwide, in 2014 bioMérieux continued to assert its leadership in clinical microbiology by offering a range of diversified solutions. Across the Group, microbiology sales grew by nearly 3% in 2014.**

### **The VITEK® range in the limelight**

Flagship in the microbiology range in terms of business volume, the VITEK® range performed well in 2014. Automated solutions that speed up the process of identifying the disease-causing agent and antibiotic susceptibility testing to determine a microorganism's sensitivity or resistance to antibiotics (ID/AST) demonstrated strong momentum. Sales in the microbiology range felt the positive impact of the VITEK® 2 system and of the more recent mass spectrometry system, VITEK® MS.



## LAUNCH OF VIRTUO™

VIRTUO™, the new generation of the automated blood culture system BacT/ALERT®, was CE-marked in July 2014. This automated system will gradually become commercially available in targeted countries that recognize CE marking.

This platform offers enhanced performance in terms of automation, autonomy, speed and overall laboratory efficiency at every step in the blood culture process, handling bottles, monitoring incubation and detecting sepsis-related microorganisms.

## Expanding the chromID™ line

In 2014, two new-generation additions further expanded a line of chromogenic media that already features more than 20 references. These new chromogenic media deliver more reliable differentiation of pathogens, faster and easier reading of results and enhanced sensitivity and specificity parameters for certain bacteria.

The first of these launches was the chromID™ CPS® Elite for the isolation, enumeration and identification of organisms responsible for urinary tract infections. In addition, chromID™ *Salmonella* Elite enables faster detection of *Salmonella* strains in stool samples while offering particularly good sensitivity and specificity.

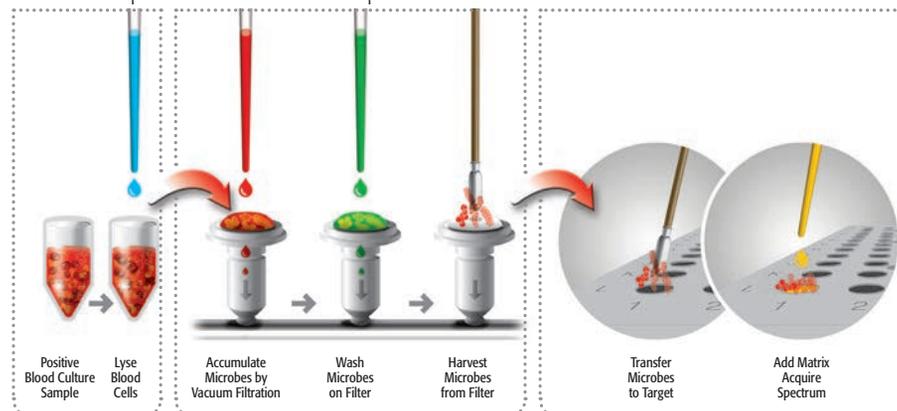
## A new test for the identification of multi-resistant bacteria

bioMérieux launched RAPIDEC® CARBA NP to enrich its offering in the fight against antimicrobial resistance. This new test, which is very easy to use and delivers reliable results, is the first solution that allows the rapid detection of carbapenemase-producing Gram-negative bacteria such as enterobacteria, *Pseudomonas aeruginosa* and *Acinetobacter baumannii*. RAPIDEC® CARBA NP significantly reduces the lead times required for the identification of carbapenemases, going from 24-48 hours to less than 2 hours, thus contributing to limiting the spread of carbapenemase-producing bacteria, which are often multi-drug resistant.

## A new “Research Use Only” kit for blood culture identification

VITEK® MS Blood Culture is a new kit reserved exclusively for research applications. With this kit, bioMérieux helps research laboratories save time during sample preparation from positive blood culture bottles to be analyzed using the VITEK® MS mass spectrometry system.

### ■ Protocol of positive Blood Culture samples on VITEK® MS



## Enhanced laboratory efficiency

The automated VIRTUO™ system helps laboratories maximize efficiency and facilitate better outcomes for patients with severe sepsis and those presenting with a risk of sepsis. It features “set and forget” loading so that personnel, regardless of their skill level, can load the instrument at any time, day or night. Continuous

surveillance of microbial growth is ensured with high-fidelity optics resulting in faster detection times, on average four hours earlier thanks to a new detection algorithm.

More generally, sales of blood culture bottles were impacted by the difficulties experienced at the Durham (N.C., United States) site, where production levels had improved by late 2014.

## IMMUNOASSAYS

**With growth of 8% in 2014, bioMérieux's immunoassays enjoyed a solid performance, despite the consolidation of the market in developed countries that resulted in a decline in sales of routine tests.**

### Sustained success for VIDAS®

With a solid installed base representing around 29,000 instruments worldwide, VIDAS® confirmed its long-term success thanks to the launch of the new-generation automated VIDAS® 3 and new parameters such as VIDAS® 25 OH Vitamin D Total. Overall, the VIDAS® business distinguished itself with 10% growth over the course of the year, which endorses the decision to give priority to the development of innovative markers with high medical value.

### Excellent performance for VIDAS® B•R•A•H•M•S PCT™

The high medical value of the VIDAS® B•R•A•H•M•S PCT™ parameter has met with unrivalled success. Sales of this biomarker alone reached €103 million in 2014, and it has become bioMérieux's best-selling parameter. Used in intensive care units, VIDAS® B•R•A•H•M•S PCT™ is considered to be the Gold Standard when it comes to the measurement of procalcitonin for the early detection of sepsis. It illustrates an innovative approach to diagnostics focused on the host response rather than the infectious agent.

### VIDAS® *C. difficile* GDH, the 100<sup>th</sup> VIDAS® parameter

The addition of the VIDAS® *C. difficile* GDH (glutamate dehydrogenase) test has expanded bioMérieux's existing *Clostridium difficile* offering, which already includes chromID™ *C. difficile* culture media and the VIDAS® *C. difficile* Toxin A&B assay for pathogen detection, Etest® for antibiotic susceptibility testing and DiversiLab® as an epidemiological tool for strain typing. The bioMérieux range thus provides an adapted response for each laboratory setting and medical need.



### VIDAS® *C. DIFFICILE* GDH, A NEW TOOL IN THE FIGHT AGAINST HEALTH- CARE-ASSOCIATED INFECTIONS

*Clostridium difficile*, a highly contagious bacterium, is the primary cause of healthcare-associated infectious diarrhea, particularly in elderly patients. Each year, it causes an estimated 250,000 illnesses and 14,000 deaths in the United States<sup>1</sup>. In Europe, it is responsible for 185,000 infections per year<sup>2</sup>.

bioMérieux has expanded its *C. difficile* range with the VIDAS® *C. difficile* GDH test. A combination of tests allowing the detection of GDH as an initial screen, followed by a test for the toxins is recommended by leading international experts as being the most valuable *C. difficile* diagnosis solution<sup>3</sup>.

An accurate and rapid diagnosis of *C. difficile* allows limitation of contamination in hospital settings and reduces the high costs associated with such infections.

<sup>1</sup> Antibiotic Resistance Threats in the United States, CDC Report 2013

<sup>2</sup> ENVI 2013-04-10 European Report on Patient Safety

<sup>3</sup> Planche T D, Davies KA, Coen PG, Finney JM, Monahan IM, Morris KA, O'Connor L, Oakley SJ, Pape CF, Wren MW, Shetty NP, Crook DW, Wilcox MH.; Differences in outcome according to *Clostridium difficile* testing method: a prospective multicenter diagnostic validation study of *C difficile* infection. *Lancet Infect Dis.* 2013;13:936-45

This multifaceted approach is in line with the recommendations of leading international experts, who advocate a combination of tests as the most valuable *C. difficile* diagnosis solution.

Developed and produced at the Marcy l'Etoile site in France, VIDAS® *C. difficile* GDH was CE-marked in 2013 and received clearance from the US Food and Drug Administration in 2014. It is the only automated immunoassay test to be approved by the FDA for the detection of glutamate dehydrogenase (GDH).

## MOLECULAR BIOLOGY

**In 2014, the molecular biology activity delivered 7.5% growth in sales at constant exchange rates and scope of consolidation. With the consolidation of BioFire taking effect on January 16<sup>th</sup>, 2014, molecular biology sales exhibited a remarkable increase of more than 90% for the year.**

### Fast growth for the ARGENE® range

The ARGENE® line of real-time PCR (Polymerase Chain Reaction) tests is one of the most comprehensive ranges on the market for the diagnosis of infectious diseases in immunocompromised persons and patients with respiratory infections and meningo-encephalitis. The ARGENE® molecular biology tests are recognized for their innovative genome amplification technology. This group of tests was enhanced in 2013 with the addition of the Parvovirus B19 R-gene® kit, a new CE-marked test used for the detection and quantification of the three Parvovirus B19 genotypes. In 2014, this offering recorded brisk organic growth of 20%.



### ACUTE KIDNEY INJURY TEST FOR USE ON VIDAS®

In December 2014, bioMérieux and California-based Astute Medical signed a global agreement to authorize the development, production and marketing of an immunoassay test for use on the VIDAS® system for the early risk assessment of acute kidney injury (AKI). The kidney is the first organ to be affected when septic shock occurs, and this new parameter will provide vital information to doctors in charge of severely ill patients, including sepsis patients. The development of the VIDAS® NephroCheck® test will benefit from a large complementary product offering dedicated

to the diagnosis of severe bacterial infections, in particular VIDAS® B•R•A•H•M•S PCT™. With this new assay, bioMérieux will strengthen its leading position in the risk assessment and diagnosis of patients in emergency situations, in particular those presenting with sepsis and a high risk of severe medical complications.

Currently, up to 50% of severely ill patients develop AKI. Because AKI is common, costly and potentially fatal for hospitalized patients, this new test addresses a major public health concern.

### Success with the validation of the FilmArray® gastro-intestinal panel

The FilmArray® panel introduces a new syndromic approach to molecular diagnostics, using one test to target several bacteria, viruses, fungi and parasites that may potentially be the cause of an infectious disease. The first two panels of the FilmArray® menu, focused on upper tract respiratory infectious and sepsis, have been widely adopted by laboratories in the United States, allowing faster administration of the appropriate treatment, thus helping avoid unnecessary antibiotic therapy and hospital stays.



In May 2014, BioFire received FDA 510(k) clearance for a gastro-intestinal panel that had also been granted CE-marking. This third panel, which targets 22 disease-causing agents that may cause infectious diarrhea, is the most comprehensive panel to be approved in the United States. Its accuracy, timely results and efficiency when compared to conventional testing methods (which are time-consuming, labor intensive and technically complex), will represent a precious gain for the efficient testing of the underlying causes of infectious gastrointestinal diseases. It will help physicians to rapidly decide on the appropriate treatment adapted to their patients' state of health.

**Buoyed by the success of the FilmArray® range in North America, BioFire ended 2014 with organic growth of more than 60% and has doubled its installed base of FilmArray® instruments.**

### A SEQUENCING SOLUTION TO IMPROVE EPIDEMIOLOGICAL MONITORING

bioMérieux signed a partnership agreement in November 2014 with Illumina, global leader in sequencing technologies. The two companies will jointly develop next-generation sequencing (NGS) solutions to provide better epidemiological monitoring of infectious diseases. The first application will be marketed in 2015.

This solution will combine Illumina's MiSeq® sequencing system with bioMérieux bio-informatics and a jointly-developed pathogen genome database based on bioMérieux's culture collection. This collection, which contains over 80,000 references, constitutes one of the largest libraries of microbial strains in the world. It will enable the creation of a database of unprecedented scope containing information about the virulence and antibiotic resistance profiles of microbes.

## INNOVATION AND DEVELOPMENT

### Six strategic agreements in clinical diagnostics

The year 2014 has been particularly auspicious for strategic partnerships. Six agreements were finalized with an emphasis on the development and commercialization of innovative solutions:

- ① **The acquisition of BioFire**, finalized on January 16<sup>th</sup>, 2014;
- ② **A strategic alliance with COPAN** to automate clinical microbiology laboratories and enhance their operational efficiency;
- ③ **An agreement with Astute Medical Inc.** for the development of a high medical-value immunoassay test for the reliable and rapid assessment of the risk of acute kidney injury;
- ④ **A new collaboration with Illumina** for a sequencing solution for bacterial epidemiological typing;
- ⑤ **The renewal and expansion of a distribution agreement** between bioMérieux and Hain Lifescience in molecular biology diagnostics for tuberculosis;
- ⑥ **An agreement with Novartis** to validate the bioMérieux THxID®-BRAF test as a companion diagnostic for therapies currently in development for patients with melanoma who are carriers of mutations in the BRAF gene.

### Innovations for FilmArray®

BioFire developed a FilmArray® system featuring higher throughput within a small footprint, adapted to the needs of laboratories that manage large testing volumes. FilmArray® 2.0 is able to process up to 175 samples a day and operate up to 8 units connected to a single computer. The system received FDA clearance in February 2015. It has been granted CE-marking and has been commercially available since late March 2015.

Following a clinical study launched in 2014 that included more than 1,500 prospective samples with a representative mix of pediatric and adult patients, an application was submitted in April 2015 for FDA clearance to commercialize the fourth panel to run on the FilmArray® system, for the diagnosis of meningitis and encephalitis. Meningitis is a relatively rare disease that can potentially have extremely serious consequences, depending on the cause of the infection. The Meningitis-Encephalitis Panel should make it possible to test for up to 15 pathogens – the ones most commonly responsible for this syndrome – with a turn-around time of around one hour.

The FilmArray® syndromic menu will thus be the largest commercially available menu for a multiplexing diagnostic platform.



### A MAJOR STEP IN CLINICAL MICROBIOLOGY LABORATORY AUTOMATION

By joining forces, bioMérieux and COPAN, an internationally recognized specialist of pre-analytic solutions, are determined to meet the growing needs of clinical microbiology laboratories in terms of efficiency, standardization, automation, traceability and reduced turn-around times. bioMérieux has distributed COPAN's automated systems for streaking, processing and sample analysis since January 1<sup>st</sup>, 2015 in France, the United Kingdom and Germany. When combined with bioMérieux's

diagnostic solutions, these innovative automated systems (including the WASP® Walk-Away Specimen Processor and the WASPLab™ solutions, which automate microbiology laboratory tasks and provide digital imaging and analysis techniques), enable the Company to speed up the deployment of its Lab Efficiency solution designed to optimize laboratory productivity. The bioMérieux-COPAN offering is unique and the most complete on the market.

### New R&D center drives open innovation strategy

To complement the existing R&D centers in France, the United States, Brazil and China, a new R&D building was inaugurated in October 2014 at bioMérieux's La Balme site in France. This multidisciplinary, cutting-edge facility, which covers a surface area of 4,500 m<sup>2</sup> (48,400 ft<sup>2</sup>) and has received HQE\* certification, was designed to anticipate technological breakthroughs in diagnostic solutions in microbiology. It houses 215 international scientists specialized in complementary disciplines: genomics, proteomics, chemistry, mathematics, engineering and bioinformatics. There are 5 laboratory facilities for biological activity and 4 laboratories devoted to instrument and software development. This synergy of skills and talents exemplifies the open-innovation spirit that galvanizes the Company which is also illustrated through many collaborative projects with academia, biotech companies and the international hospital community.



**François Lacoste**

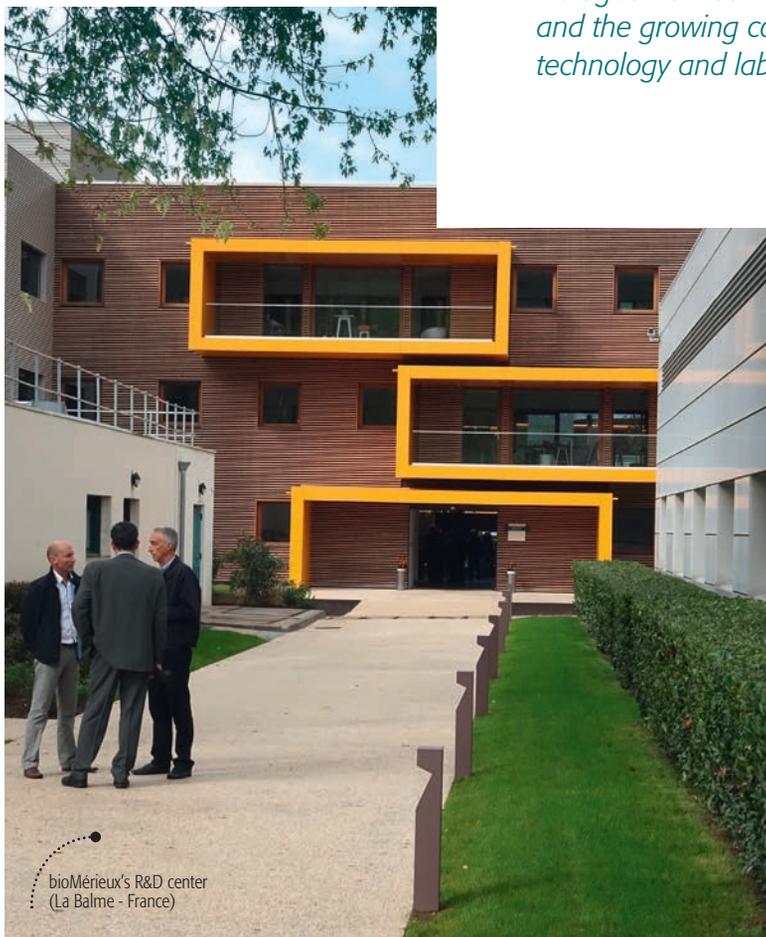
Corporate Vice President, Clinical Unit

**« In an especially demanding market context, clinical microbiology diagnostic solutions appear to be an opportunity to better target treatments while cutting healthcare costs**

*bringing benefits to both patients and healthcare systems. The demand for high medical-value tests is rising steadily. One of the most promising developments concerns the increasingly close dialogue between diagnostics and therapeutics and the growing convergence of biology, technology and laboratory computer systems. »*

**80**  
scientific papers  
published for  
Clinical  
applications  
by bioMérieux authors

**114**  
posters or oral  
communications  
for Clinical  
applications  
presented at  
international  
conferences



bioMérieux's R&D center  
(La Balme - France)

High Environmental Quality



2

**Industrial microbiological control applications, which represents nearly 20% of consolidated sales, underwent growth of 0.8% with variable results depending on the product range and region.**

This business progressed in emerging countries, with the exception of China which experienced slower sales.

Demand was also sustained in certain mature economies.

# INDUSTRY UNIT

17

**The technological acquisitions made in 2014 laid the groundwork for the development of this strategically important activity for bioMérieux. To anchor its leadership, the Company has the broadest product range on the market, which is constantly being enhanced with highly robust solutions adapted to the demands of industry professionals, in particular for the continuous management of contamination-related risks.**

## AGRI-FOOD APPLICATIONS

As the historical foundation of the Industry Unit, with a wide range of microbiological control solutions dedicated to food safety and quality, the agri-food activity maintained strong momentum.

### **New validations for VIDAS®**

In the field of pathogen detection in food samples, the Company reached a milestone in 2014 when several VIDAS® and TEMPO® parameters received approval in the Americas, particularly in the United States and Brazil.



### Acquisition of Advencis

Specialized in industrial microbiology, Advencis was integrated into the Group in October 2014. This Alsace-based (France) start-up has developed an incubator system for rapidly detecting microbial contaminants in water used by the pharmaceutical industry in the manufacturing process. The incubator features innovative proprietary imaging technology that allows automated early detection of colonies. It reduces by half the time required to deliver results, allowing the detection and enumeration of bacteria at an earlier stage of growth. This easy-to-use, modular system will expand the range of products marketed by bioMérieux in 2015.

### An enriched TEMPO® range

The first automated microbiological control system designed by bioMérieux specifically for industrial applications, TEMPO® enumerates bacterial and fungal flora that may be present in food. This automated solution for monitoring food products received approvals from reference organizations in Brazil and the United States as the roll out of its commercial development continues.

In addition, this product range has expanded with the launch of the tenth TEMPO® card, TEMPO® BC, which performs enumeration of the *Bacillus cereus* group of bacteria, with rapid delivery of results in 24 hours. *Bacillus cereus* strains are responsible for a foodborne illness caused by the ingestion of contaminated foods, such as rice, that have not been cooked or stored correctly.

### Notable success for the CHEMUNEX® solution

This flow cytometry range provides the ultra-rapid detection of microorganisms in raw materials, the production environment and semi-finished products, and is especially attractive for its fast time to results. In 2014, it was selected by several major companies in the dairy and beverage industry, especially in China, Latin America and the United States.

## BIOPHARMACEUTICAL APPLICATIONS

bioMérieux has become a partner to the biopharmaceutical and cosmetic industries for microbiological controls of air and surfaces in production zones as well as for microbial identification and sterility tests.

### Investing in the future

bioMérieux has made significant investments for the production of culture media, an important element of its product offering. Optimization of the Company's industrial tool, principally at the Craonne (France) site, is focused primarily on setting up new manufacturing lines for products that will be used by the pharmaceutical industry.

### BioBall®: a continuous success story

BioBall® is a reference product containing a precise number of microorganisms in a water-soluble ball that delivers unrivalled precision in the quality control of microbiological analyses. The BioBall® range of ready-to-use calibrated strains has met with uninterrupted success.



### Acquisition of CEERAM

Founded in 2005 and based in Nantes (France), CEERAM has developed internationally-recognized expertise for the detection of food-borne viruses using molecular biology techniques.

The company has a comprehensive range of molecular virology reagents, in particular focused on the identification of noroviruses and hepatitis A and E viruses in foods. This know-how responds to a major public health challenge.

As the most common cause of gastroenteritis outbreaks, noroviruses are considered to be the fourth most significant disease threat in terms of medical costs in the United States, with an estimated 5.4 million cases, 14,600 hospitalizations and 150 deaths reported each year<sup>1</sup>.

<sup>1</sup> Source : USDA (United States Department of Agriculture)  
- <http://www.ers.usda.gov/data-products/cost-estimates-of-foodborne-illnesses.aspx>

## VETERINARY APPLICATIONS

bioMérieux takes a global approach to human and animal health because 60% of the microorganisms that are potentially dangerous for humans originate in animals. The expertise and experience acquired in clinical microbiology serves as the basis for the Company's commitment to veterinary diagnostics.

### An offering in development

The veterinary product range, which is focused on livestock and pets, draws on the Company's primary areas of expertise in microbiology and molecular biology, especially in microbial identification and culture media. It is designed to bring solutions to veterinary laboratories with the aim of combatting antimicrobial resistance, emerging animal diseases and livestock infertility. In 2014, bioMérieux successfully introduced a targeted commercial approach in certain key Western European countries.



**Nicolas Cartier**

Corporate Vice President, Industry Unit, Group Portfolio & Strategic Planning

**« In industrial applications, bioMérieux's strength lies in the scope of its solutions, allowing the Company to offer each Industry professional "the" solution specifically adapted to their needs.**

*This is as true for microbiological controls of the production environment as it is for the safety and quality of finished products or improving productivity through faster batch release.*

*Whether in humans or in animals, bioMérieux takes a holistic approach to fighting infectious diseases. All our industrial applications – especially agri-food, as well as environmental and biopharmaceutical applications – fully contribute to this combat. »*

14

scientific papers  
published for  
Industry  
applications  
by bioMérieux authors

22

posters or oral  
communications  
for Industry  
applications  
presented at  
international  
conferences

19

## SUCCESS STORY

### NEW GENERATION DILUMAT®: FOOD SAMPLE TRACEABILITY MADE SIMPLE

bioMérieux offers a comprehensive range of solutions for food sample preparation in microbiological control laboratories.

The Company has launched a new generation of its automated food sample diluter, Dilumat®, which ensures full traceability during the entire analytical process and makes it possible to optimize standardization and increase productivity in the laboratory. In particular, the first step of food analysis which consists of sample dilution, is faster and safer with this updated version. It inte-

grates an RFID (Radio Frequency Identification) reader that scans the label on the Dilubag® (bag of bioMérieux liquid culture media used to dilute the sample) to automatically and easily record broth utilization information in the Dilumat®. In addition, a specific operator ID badge facilitates user identification and traceability. Finally, this solution enables communication with the Laboratory Information System (LIS), the lab's central computer system.



3

In this vast region, which spans two continents and close to 120 countries, we began to simplify our commercial organization in 2014 to better serve our customers and bolster our development.

**Five harmonized regional clusters will provide the foundation for bioMérieux's operations in the Europe-Middle East-Africa region, which represents 48% of the Group's sales. Growth in this region picked up speed in 2014.**

# EMEA REGION

**Sales appeared to be contrasted, varying from one cluster to the next. While business regained momentum in Western Europe, it was relatively sluggish in Eastern Europe, the Middle East and Africa due primarily to geopolitical and economic tensions.**

## **Solid performance in Western Europe**

Sales were up in bioMérieux's historically strong European markets. Despite the lasting uncertain economic environment, France returned to slightly more positive growth. Instrument sales in clinical microbiology solutions and the VIDAS® B•R•A•H•M•S PCT™ test for the determination of procalcitonin levels, an early marker of sepsis, performed very well.

The Group's major subsidiaries in Germany and the UK reported organic growth of 5 and 6% respectively, buoyed in particular by sustained sales in clinical microbiology.



### A NEW SUBSIDIARY IN SERBIA

In December 2014, bioMérieux opened its 42<sup>nd</sup> subsidiary in Serbia, which has become the regional hub for this area.

It covers the other six countries of the former Yugoslavia: Bosnia, Croatia, Kosovo, FYROM (Republic of Macedonia), Montenegro and Slovenia.

This new subsidiary will consolidate bioMérieux's presence in Central Europe.

### Recovery in Southern Europe

Although it was severely impacted by the economic crisis, Southern Europe performed admirably with average growth of around 3% in 2014, bringing an end to several years of negative growth or stagnation. As bioMérieux's third largest subsidiary in the EMEA region, Italy made progress in 2014, driven by the success of instrument sales and dedicated product lines for industrial applications.

Spain, Greece and, to a lesser extent Portugal, saw their sales pick up following several particularly difficult years.

### Geopolitical instability impacts METERA

In contrast to previous financial years, in 2014 the METERA cluster (Middle East, Turkey, Eastern Europe, Russia and Africa) experienced geopolitical difficulties with economic repercussions that ultimately limited overall growth in this area to 3%. Business was slowed especially in countries that up to now had seen particularly brisk growth, such as Turkey, Russia and the Middle East.



### Commercial success stories

One of the highlights of 2014 in the EMEA region was the strong commercial performance of the VITEK® range, driven by sales of VITEK® 2 cards as well as the development of VITEK® MS, especially in the Group's major markets.

The VIDAS® range continued to progress driven by the new generation of parameters, particularly tests for the detection of procalcitonin and hepatitis C, as well as the measurement of vitamin D levels. In addition, even though the installed base is already well established, instrument sales grew at a brisk pace.

In molecular biology, the ARGENE® range recorded robust growth rates in Europe.



**Yasha Mitrotti**

Corporate Vice President, Europe, Middle East and Africa Region

**« In an uncertain economic environment, at times further complicated by economic and geopolitical tensions, 2014 was a positive year for the EMEA region.**

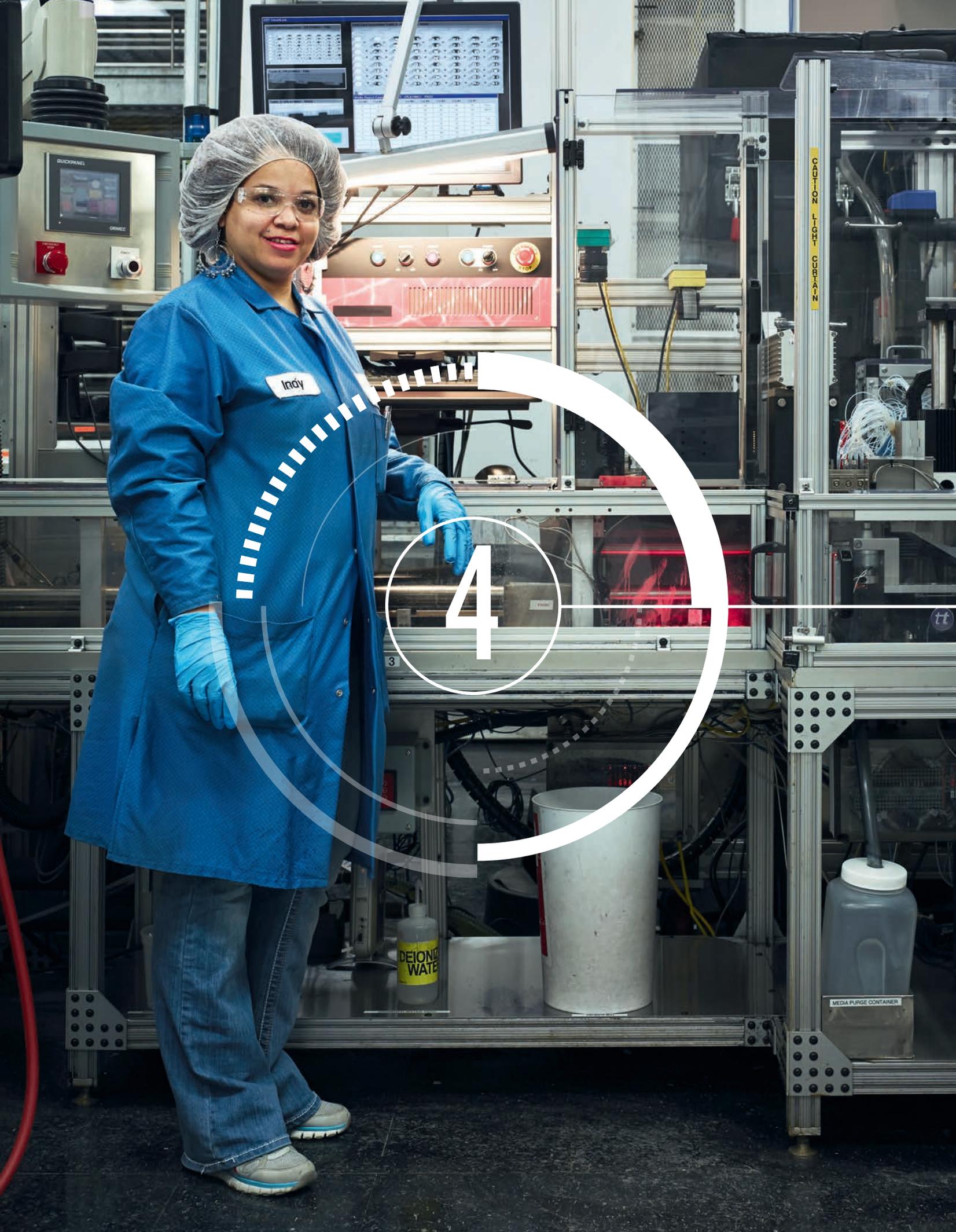
*The situation is starting to turn around in certain areas with France and Southern Europe having witnessed a return to growth. »*

## SUCCESS STORY

### VITEK® MS IN GREECE: SYNERGIES IN THE ADRIATIC REGION

In a particularly difficult economic environment, bioMérieux Hellas, the Company's Greek subsidiary, installed VITEK® MS, the first mass spectrometry system based on MALDI TOF technology in this country. In late 2014, the subsidiary won a tender issued by Hygeia Hospital, the largest private hospital in Greece, which provides patients with hospitalization services and ambulatory care covering all medical disciplines. This achievement was made possible through the combined efforts of the Greek and Italian commercial teams, in particular a demonstration of the system's routine operations

organized by bioMérieux's Italian teams at the Careggi Hospital in Florence. This event played a decisive role for the Greek team at Hygeia Hospital, giving them the opportunity to confirm the relevance of bioMérieux's solutions to improve patient care. In addition, the Italian subsidiary took part in the installation of VITEK® MS in the Greek hospital and provided training to users. This collaborative effort in the Adriatic region illustrates what can be achieved when two teams combine their resources and build synergies to work towards success.



4

Inay

3

DEIONIZED  
WATER

CAUTION  
LIGHT  
CURTAIN

MEDIA PURGE CONTAINER

**The Americas region is experiencing a favorable environment.**

**North America is the leading market worldwide for diagnostics while the overall development in Latin America is on a dynamic growth trajectory.**

In the United States, healthcare professionals are paying increasing attention to diagnostic testing, and the medical value it brings at each step in the healthcare chain.

With the acquisition of BioFire, the Company has strengthened its presence sustainably in this key market, where BioFire enjoys the position of leader in molecular and syndromic diagnosis of infectious diseases.

# AMERICAS REGION

25

**Encompassing North America and Latin America, the Americas region accounts for 34% of bioMérieux's total consolidated sales. With the return to a favorable market environment, the region shows significant growth of nearly 7%. For the second consecutive year, North American sales grew by nearly 5%.**

---

## **Success of VITEK® MS established in the United States**

Dedicated to microbial identification and antibiotic susceptibility testing, bioMérieux's automated ID/AST solution (identification of the disease-causing agent and susceptibility testing to determine its sensitivity or resistance to antibiotics) has continued its rapid ascent in the United States. This performance has been reinforced with the rapid bacterial identification testing provided by VITEK® MS. The first mass spectrometry system to be cleared by the U.S. Food and Drug Administration (FDA) for routine use since August 2013, VITEK® MS offers a complete menu for the identification of disease-causing microorganisms in just a few minutes and its installed base has been steadily expanding.

Used in combination with the VITEK® 2 system for antibiotic susceptibility testing, this integrated solution allows optimization of laboratory workflow, with total traceability of samples and high-quality results.

### **Immunoassay sales take off**

With organic growth of 23% in North America, the immunoassay product range performed remarkably well. VIDAS® continues to benefit from the success of VIDAS® B•R•A•H•M•S PCT™, one of the few tests currently approved by the FDA for the management of sepsis in intensive care units.

### **Improvement and expansion at the Durham site**

Our U.S. site in Durham, North Carolina, which manufactures BacT/ALERT® culture media, implemented an extensive action plan which has generated positive results in manufacturing efficiencies and overall site capacity. Expanding its production from five days a week to 24 hours a day/seven days a week for all manufacturing lines, the site has significantly increased blood culture bottle production volumes. Ninety new employees have joined the site's quality and production teams.

In anticipation of growing demand in the coming years, in mid-2014 we began construction of an additional production line to increase the site's production capacity. The new manufacturing line, which represents an investment of \$60 million, is expected to begin operating in 2017.



### Dynamic growth in Latin America

In Latin America, we witnessed growth of more than 12% at constant exchange rates and scope of consolidation. All countries with direct distribution enjoyed high growth rates, particularly due to sales of microbiology reagents and VIDAS® tests and in spite of currency instability. Forming a leading trio, three countries distinguished themselves by delivering excellent growth: Brazil with 9%, Mexico with 10% and Colombia with 12%.



**Stefan Willemsen**

Corporate Vice President, Americas Region, Group Chief Legal Officer

**« For 2014, the Americas region has recorded the Group's most rapid growth: 6.9% at constant exchange rates and scope of consolidation and 19.5% after consolidation of the BioFire acquisition.**

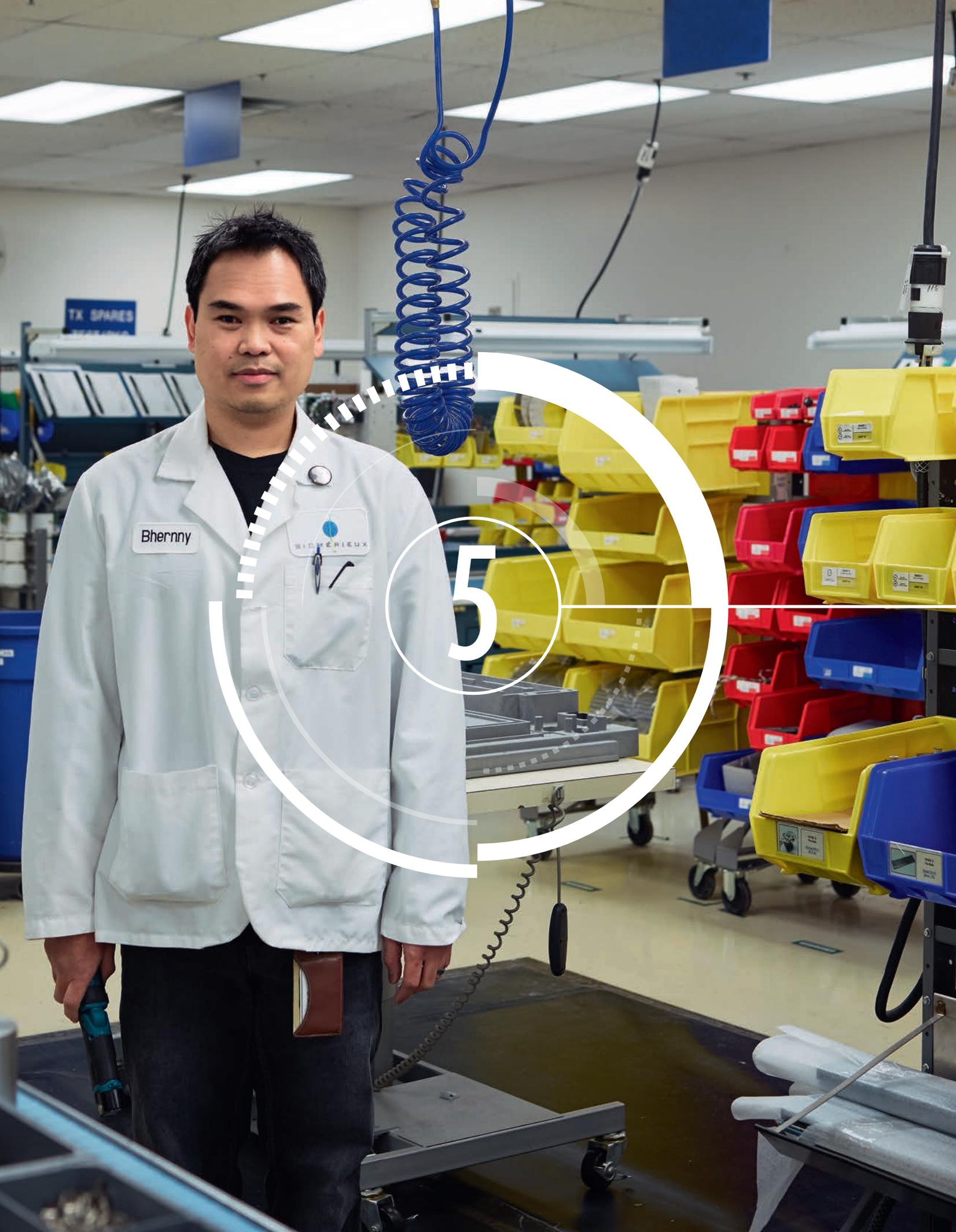
*We are especially proud considering that North America is the leading healthcare market. The acquisition of BioFire coupled with the momentum driving our innovative solutions enables us to pursue our ambition to achieve sustainable and profitable growth to serve the entire Group. »*

### THE INTEGRATION OF BIOFIRE: MAKING SOLID STRIDES

After the acquisition was finalized in mid-January 2014, BioFire continued its extremely fast and promising growth. With FilmArray®, bioMérieux's ambition is to establish the Gold Standard in the syndromic approach to infectious disease testing, a market that is experiencing rapid growth, especially in the United States. Outside the U.S., the Company is actively preparing the market and educating customers about this new medical approach. Demonstrating its medical and economic value will allow us to sustainably

accelerate the international development of FilmArray®.

Today, our molecular biology research and development strategy is based on the combined talents of the BioFire and bioMérieux teams. At the sites in Grenoble (France), Verniolle (France) and Salt Lake City (Utah - United States), the R&D teams are working in close collaboration to develop new solutions that will expand our molecular biology offer in the future.



Bhernny

MICHÉRIEUX

5

**The Asia Pacific region offers many opportunities for long-term growth.**

**It features two of the three largest markets worldwide, Japan and China, and a fast growing economy in India.**

With the rollout of an ambitious reform of its healthcare system, China is of particular strategic importance for bioMérieux. The Company is implementing an action plan in China designed to bring its commercial teams closer to the final customer while continuing to strengthen its partnership with 72 local distributors.

# ASIA PACIFIC REGION

**The Asia Pacific region represented 18% of consolidated sales. With regional growth reaching 3% for 2014, sales varied from one country to the next and from one product range to another. The rapid rise of our business activity in India (up by 20%) and its robustness in Australia contrasted with a slower pace of growth in China (-1%), particularly linked to weak instrument sales for industrial applications.**

## **Remarkably robust growth for immunoassays**

VIDAS® has met with resounding success. The rapid market development of the Immunoassay business in the Asia Pacific region was due especially to the sustained growth in sales of VIDAS® reagents. The real driver of this range is the VIDAS® B•R•A•H•M•S PCT™ parameter, which made excellent progress on the Chinese market. In addition, the regulatory clearance of VIDAS® 3 in China contributed to the overall performance of this range in 2014.

### Hong Kong, second largest market for FilmArray® after the United States

As soon as authorization is granted by the Food and Drug Administration (FDA), the Hong Kong market is opened to sales of FilmArray®. In a short period of time, it has become the second leading market for this molecular biology platform outside the US. Given that influenza is the focus of particular attention in Hong Kong, the successful commercial launch of FilmArray® panels indicates a genuine interest in the syndromic approach to infectious disease testing.



### VIRTUO™: setting foot in Asia

VIRTUO™ was CE-marked in July 2014, opening the door to the European market for this new automated blood culture system.

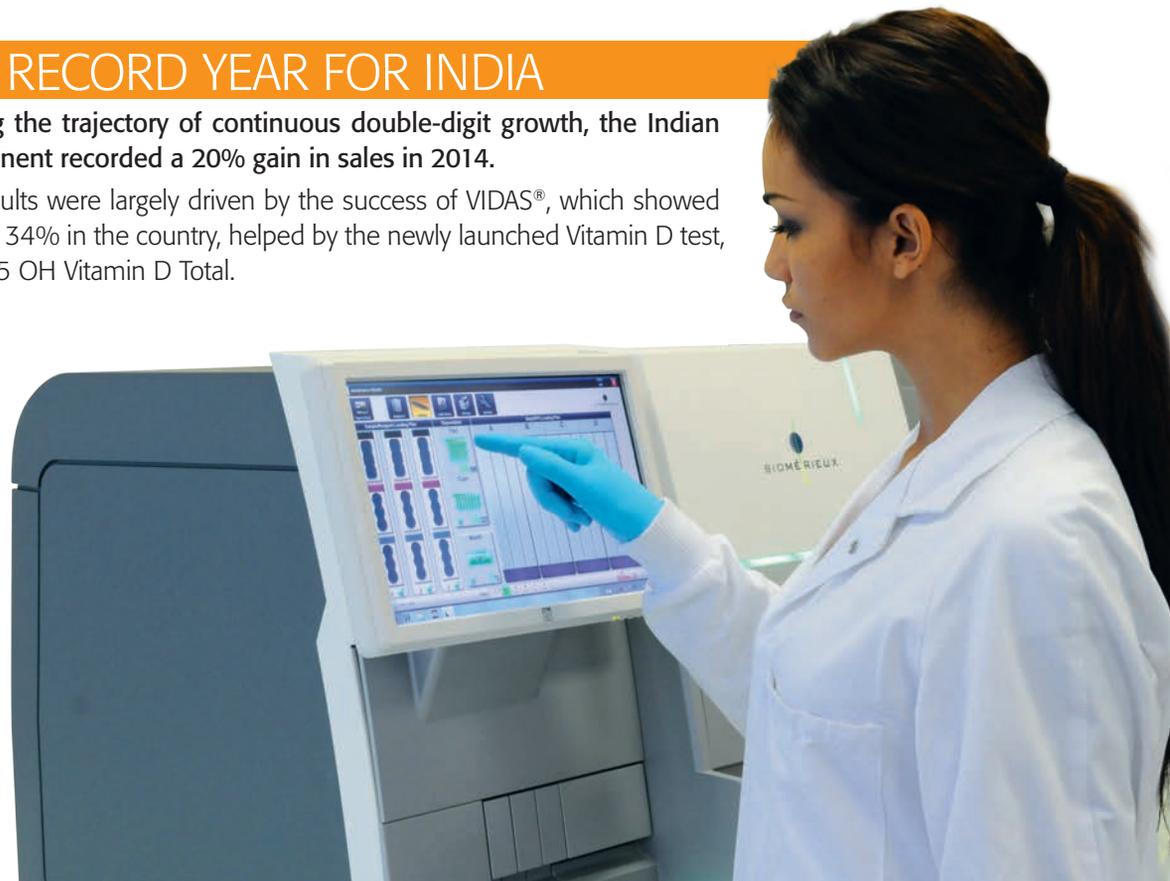
Just a few months after its launch, the system became commercially available in late 2014 in certain target markets of the Asia Pacific region: Singapore, Japan and Korea.



## A RECORD YEAR FOR INDIA

Following the trajectory of continuous double-digit growth, the Indian sub-continent recorded a 20% gain in sales in 2014.

These results were largely driven by the success of VIDAS®, which showed growth of 34% in the country, helped by the newly launched Vitamin D test, VIDAS® 25 OH Vitamin D Total.





## Richard Ding

Corporate Vice President, Asia Pacific Region

### **« After several years of rapid growth, in 2014, bioMérieux China experienced a slowdown in its performance**

*We took advantage of this year of transition to lay the foundations for a streamlined organization dedicated to our key accounts and to consolidating ties with our 72 local distributors.*

*The fundamentals of the Chinese market have not changed and remain promising: the reform of the healthcare system, a growing middle class, a priority focus on fighting infectious diseases and combatting antibiotic resistance, as well as increasing attention to food safety.*

*In this key market, bioMérieux enjoys decisive competitive advantages, particularly thanks to the Company's longstanding and widely-recognized commitment to public health. Our ambitions were bolstered in 2014 when we received government authorization for the expansion of our site in Shanghai, a project that will come to fruition in 2016. »*

31

## CHINESE PRESIDENT VISITS MARCY

On March 26<sup>th</sup>, 2014 during a state visit to France commemorating the 50<sup>th</sup> anniversary of diplomatic relations between France and China, the President of the People's Republic of China paid Institut Mérieux the exceptional honor of visiting the Marcy l'Étoile site. Alain Mérieux welcomed President Xi Jinping, who recalled the deep historical ties created by the Mérieux family and the various Institut Mérieux entities in China. The visit provided an opportunity to underline their steadfast commitment to promoting public health in China and to addressing its key challenges: emerging pathogens, antibiotic resistance, healthcare-associated infections, treatments for cancer and food safety. Discussion also centered on the longstanding partnerships in the joint

research units set up by Dr. Christophe Mérieux with the Chinese Academy of Medical Sciences and the Fudan University Shanghai Cancer Center. In late 2014, bioMérieux's Chinese subsidiary was the Group's third largest.





## bioMérieux's responsibility as a corporate citizen is closely tied to the very nature of its business.

Each day, across the globe, the quality of its diagnostic tests makes it possible for patients to receive care under the best conditions while consumers' health is protected by ensuring the microbiological quality of food and pharmaceutical products.

# CORPORATE SOCIAL RESPONSIBILITY

33

The commitment to serve global public health creates specific responsibilities that bioMérieux embraces across its areas of expertise, with a triple focus:

**Responsibility to society**, by helping to make diagnostics accessible to as many people as possible worldwide, especially those living in low-resource countries, through a commitment to respond to priority public health needs worldwide;

**Responsibility to the workforce**, by creating an optimal working environment and professional development opportunities for employees and strengthening ethical behavior and solidarity with the Company's partners;

**Responsibility to the environment**, by reducing and controlling the environmental impact of all the Group's activities, to preserve the health of people everywhere.

## RESPONSIBILITY TO SOCIETY

**True to its public health mission, bioMérieux seeks to develop access to diagnostics for the most disadvantaged populations and thereby contribute to improving the quality of healthcare. Much of its contribution to sponsorship activities is dedicated to supporting the Fondation Mérieux to combat infectious diseases in emerging countries. In addition, a sizeable portion of bioMérieux's dividends is paid by the Institut Mérieux to the Fondation Christophe and Rodolphe Mérieux\*, which operates in close cooperation with the Fondation Mérieux.**

**€2.432**  
million  
dedicated to corporate  
sponsorship in 2014  
of which  
**€1.769** million  
for the two Foundations  
as described  
in this chapter.

As another key aspect of its Corporate Social Responsibility (CSR) commitment, bioMérieux organizes initiatives to serve the public interest by leveraging its areas of expertise to address major public health challenges worldwide. By creating and taking part in education and awareness programs and by mobilizing international scientific experts, the Company makes an active contribution to the fight against antimicrobial resistance, which has been recognized as a major challenge of the 21<sup>st</sup> century in the management of infectious diseases across the globe.

### IMPROVING ACCESS TO DIAGNOSTICS

#### Support to the Mérieux Foundations in emerging countries

Working in the field, the Fondation Mérieux and the Fondation Christophe and Rodolphe Mérieux, two independent family foundations, fight infectious diseases affecting developing countries, in particular by helping these countries improve their clinical laboratory capabilities. Thanks to the support of bioMérieux and other partners, the foundations have successfully carried out a number of initiatives:

- Today they are active in 8 countries: Haiti, Mali, Madagascar, Lebanon, Tajikistan, China, Laos and Cambodia, as well as Bangladesh and Brazil in the near future;

\* Under the aegis of Institut de France

#### MOBILIZATION TO FIGHT EBOLA

The 2013-2014 epidemic was the most deadly outbreak since the discovery of the Ebola virus in 1976. The World Health Organization declared Ebola "a global public health emergency."

In 2014, the Fondation Mérieux mobilized its forces alongside its partners to fight the Ebola epidemic that was devastating West Africa. The clinical biology capacities of these countries clearly needed to be strengthened, since rapid, reliable diagnosis plays a crucial role in controlling an epidemic of this type.

For this purpose, the Foundation turned to RESAOLAB (West African network of biomedical

analysis laboratories), which is a clinical biology laboratory network set up with the support of the Agence Française de Développement (French Agency for Development) in 7 countries: Burkina Faso, Mali, Senegal, Benin, Guinea, Niger and Togo. The members of RESAOLAB and the Foundation's teams worked on strengthening capacities for diagnosing hemorrhagic fevers through initiatives in several areas: experts' missions in the field, biosafety training, the provision of protective equipment for healthcare personnel and laboratory staff, the delivery of samples, organizing a mobile diagnostic unit, etc.

## EMERGENCY USE AUTHORIZATION FOR FILMARRAY® EBOLA

In light of the global health crisis created by the Ebola epidemic, BioFire Defense received Emergency Use Authorization (EUA) from the U.S. Food and Drug Administration.

This authorization concerns the emergency use of its clinical test to detect the Ebola virus circulating in West Africa. The first commercial test available in the United States, BioThreat-E test runs on the FilmArray® system installed in several hundred North American hospitals. It delivers results in one hour, allowing health professionals to make rapid treatment decisions.

The authorization is valid for the duration of the declaration that circumstances exist justifying the use of emergency *in vitro* tests for the diagnosis of Ebola virus.

In February 2015, just a few months after obtaining the EUA authorization, BioFire Defense received the prestigious Global New Product Innovation Award for the FilmArray® Ebola test. Conferred annually by Frost & Sullivan, this award is given to companies that make the most active contribution to address a global need and serve the public interest.

- Their concerted efforts have led to the creation of 8 reference laboratories, the Rodolphe Mérieux Laboratories, which are dedicated to training biologists, diagnosing diseases specific to these countries and supporting applied research. A number of clinical laboratories have also been renovated and their personnel have been trained;
- Through the "Christophe Mérieux Prize", worth €500,000, the Fondation Christophe and Rodolphe Mérieux encourages research in developing countries. Conferred for the eighth time in 2014, it was awarded to Dr. Philippe Buchy of the Institut Pasteur in Cambodia for his research on infectious diseases in Southeast Asia.

### Towards low-cost diagnostics for resource-limited countries

bioMérieux has initiated several Research & Development programs with the aim of building an innovative offering of diagnostic tests to meet the needs of resource-limited countries. Studies are underway to develop solutions adapted to the specific constraints of isolated and vulnerable communities that have inadequate access to health infrastructure. These projects aim to provide low-cost, quality diagnostic tests that will be extremely simple to use and do not require specialized equipment or electricity. Several patents have been filed based on this research.

### A local presence to develop screening

Since 2013, bioMérieux has supported initiatives by Santé En Entreprise (SEE), which brings together some 30 international businesses. This organization aims to develop public health prevention and screening programs to benefit the employees of member companies, their families and the surrounding communities in several countries in Africa, the Caribbean and the Indian Ocean.

Formalized in 2014, the partnership is focused on a project to create HIV testing mobile units.

### Strengthening clinical biology capabilities

To expand access to diagnostics worldwide, it is essential to improve the skills of clinicians and laboratory personnel. To this end, bioMérieux supports the African Society of Laboratory Medicine, a pan-African professional organization



that provides training and certification of microbiology laboratory professionals. In 2014, the partnership organized an international conference held in Cape Town, South Africa, taking as its theme "Innovation and Integration of Laboratory and Clinical Systems: Reshaping the Future of HIV, Tuberculosis (TB), Malaria, Influenza, Neglected Tropical Diseases and Emerging Pathogens in Africa."

## COMBATting ANTIBIOTIC RESISTANCE

**In April 2014, a WHO report revealed that this threat is no longer impending, but has become a reality. It can affect any individual, regardless of the person's age or country.**

### The "One World, One Health" principle in action

In 2014, bioMérieux teams specialized in public health programs pooled their skills and knowledge in clinical and animal health. Combining expertise across different disciplines is fully in line with the principle of "One World, One Health", a global strategic framework established in 2009 by six leading international organizations.\* This new organization takes a holistic, cross-functional approach to addressing the challenge of antimicrobial resistance, acknowledging the continuum between the fields of human health and animal health, and taking into account their food practices and environment.

This concern will be widely discussed during the World HAI/Resistance Forum 2015, an international scientific gathering created at the initiative of bioMérieux. It will be held for the 5<sup>th</sup> time in June 2015, on the topic of "Antimicrobial Resistance: One World, One Fight!"

### "Global Point Prevalence Survey": monitoring worldwide prevalence of antibiotic use

For bioMérieux, one of the outcomes of the 4<sup>th</sup> World HAI Forum in 2013 was a commitment to undertake international studies to measure antibiotic consumption and the antimicrobial resistance to which it contributes. The Company therefore provided funding for the organization of the "Global Point Prevalence Survey". This study, launched in 2014, is designed to provide a global "snapshot" of antimicrobial resistance and utilization. Unprecedented in scope, it is being coordinated by the University of Antwerp Hospital (Belgium) and in 2015 is mobilizing more than 700 hospital centers in more than 70 countries across all continents. The information obtained will be used to initiate a global database dedicated to the consumption of antibiotics and antimicrobial resistance in hospital settings.

More than **700** hospital centers in 70 countries providing information to a worldwide database on the prescription and consumption of antibiotics as part of the "Global Point Prevalence Survey", supported by bioMérieux.

### 20 Tools to promote education and raise awareness

information and awareness booklets on topics related to infectious diseases and antimicrobial resistance published and distributed free of charge to health professionals and the public.

Information and education are key tools that bioMérieux relies on in the fight against bacterial resistance to antibiotics – targeting physicians, laboratories and the public. This approach is illustrated by the Company's active participation in international events such as the European Antibiotic Awareness Day held at the initiative of the European Center for Disease Prevention and Control (ECDC), or the annual Get Smart About Antibiotics Week organized in the United States under the aegis of the Centers for Disease Control and Prevention (CDC). bioMérieux's contribution includes, for instance, the publication of free information booklets, which can be

\* WHO, FAO, World Organisation for Animal Health (OIE), UNICEF, the office of the United Nations System Influenza Coordinator (UNSIC) and the World Bank.

downloaded onto iPad® tablets and mobile devices. Some 20 booklets have been published, several of which address topics related to antimicrobial resistance: healthcare-associated infections, extended spectrum beta-lactamase (ESBL), carbapenem resistance, antibiotic stewardship, etc.



### FOCUS ON CARBAPENEM RESISTANCE

In 2014, bioMérieux initiated a collaborative project with Professor Patrice Nordmann, Head of the Bacteriology-Virology-Parasitology Department at Bicêtre Hospital in France and Director of INSERM Unit 914: Emerging Resistance to Antibiotics. This joint undertaking resulted in the launch of the RAPIDEC® CARBA NP test in the last quarter of 2014. This rapid, cost-effective colorimetric test confirms the presence of carbapenemase-producing bacteria. It is part of a comprehensive range of solutions to identify carbapenem resistance by combining several techniques: culturing, antibiotic susceptibility testing, molecular biology and strain typing. This initiative also led to publication of a booklet for clinicians and biologists, which is full of practical information about the epidemiology, screening, diagnosis, treatment and prevention of carbapenem-resistant infections.

### Rapid genotyping of drug-resistant tuberculosis bacteria

During the fourth quarter of 2014, bioMérieux renewed and expanded its distribution agreement with HAIN Lifescience, a company specializing in molecular diagnostics. Under the terms of this expanded agreement, for ten years, bioMérieux will be the exclusive distributor of molecular tests for the rapid, accurate diagnosis of tuberculosis, particularly multi-resistant forms of TB. These tests provide essential tools for the control of a disease that affected 9 million people in the world and caused 1.5 million deaths in 2013<sup>1</sup>.

### Targeting neglected diseases

bioMérieux responded to appeals from the WHO to reduce the impact of 17 neglected tropical diseases that cause untold harm in the world's poorest countries. To this end, in 2014 the Company developed a Research & Development program dedicated to global infectious and tropical diseases with the aim of developing products that specifically target the needs of people living in low-resource countries and facilitate their access to quality diagnostics.

Also in 2014, Jean-Luc Belingard, Chairman of bioMérieux, joined the Gates-CEO Global Health Roundtable, a collaboration between healthcare industry CEOs and Bill Gates to tackle the most pressing health challenges of the world's poorest through innovation. Initiatives to combat neglected tropical diseases in resource-limited settings are a key area of focus.



**Mark Miller**  
Chief Medical Officer

**« Our approach starts with considering patients' needs and which diseases we should target.**

*This was foremost in our minds in 2014, when we introduced an R&D program to develop tropical and neglected disease diagnostics. For the program to succeed, we will need to strengthen partnerships with internationally renowned academic institutes, NGOs, partner governments and financial consortia. Working together we can accomplish more, and we need to combine our strengths. »*

## RESPONSIBILITY TO OUR WORKFORCE

**“Giving priority to our employees” captures the bioMérieux spirit as a philosophy that is naturally tied to the very purpose of our Company, which is to serve public health. It is also a tradition rooted in our history. Year after year, through ups and downs, this mindset inspires labor policies focused on the talents of our workforce as bioMérieux’s most valuable asset.**

**8,935**  
employees  
at the end  
of 2014

### When jobs evolve: medium-term management

At its core, bioMérieux’s Human Resources policy focuses on keeping pace with the evolving nature of employees’ jobs and supporting the acquisition of new skills, particularly in international business. A key emphasis of this policy is based on the “GPEC – Generational Contract” agreement. Signed in 2009 and renewed in 2012, the agreement allows the Company to anticipate changes to employees’ jobs in the medium term and provides for training programs in line with these adaptations, allowing employees to choose rewarding long-term positions that correspond to their personal career aspirations.

### Job retention

Enabling employees to keep their jobs is a long-standing priority for the Company’s management and a source of pride for bioMérieux. This commitment is particularly



important at the conclusion of certain research projects, within the scope of acquisitions, and when a subsidiary experiences difficulties in the context of an economic crisis in its country of operation. In 2014, by anticipating change on a case-by-case basis, some 60 employees under permanent contract positions were able to maintain their jobs.

### Promoting internal mobility

Through its worldwide network and far-ranging areas of expertise, the Company provides employees with professional development opportunities via internal mobility. The creation of a central recruitment platform for the EMEA region, for example, significantly improved the rate of vacancies filled internally. In France, the percentage of positions filled through the in-house network reached 59% in 2014, a record level. In addition, a dedicated program to encourage internal mobility was officially launched in early 2015 to encourage careers across diverse functions. Employees whose career paths develop in a variety of areas have access to opportunities – becoming experts and managers or pursuing an international career in a foreign subsidiary or recently-acquired company.

48%  
of employees  
worldwide  
are women  
and women hold  
42%  
of management  
positions

### Supporting social dialogue

bioMérieux has a tradition of meaningful social dialogue with employee representative bodies. In 2014, 13 company-wide agreements or amendments were negotiated and signed in support of this highly constructive dialogue. They included:

- An agreement on working hours in France,
- An agreement for the harmonization of the status of employees, representing an important step for employees of AES-Chemunex, which was merged with bioMérieux at the end of 2013,
- A new agreement concerning the employment of people with disabilities covering 2014-2017,
- The renewal of an agreement concerning gender equality, designed to compensate for inequalities in the jobs held by women and men.

### Gender equality in the workplace

Women represent half of the Company's workforce, and more than four out of ten managers are women. The gender equality agreement signed in France has led bioMérieux to focus actively on wage inequality in all countries. This agreement also helps improve the work-life balance, with special attention given to pregnant women.

The roll-out of a worldwide network to encourage the expression of women's talents was a milestone event in 2014. Called "WOMen Ready for Leadership Diversity" (WoRLD), this in-house network was set up to promote companywide interactions with ambitious priorities to:

- Develop women's careers,
- Raise awareness among teams and adapt talent management processes,
- Be open to the good practices developed by other companies.

27 hours  
of training per  
employee were  
provided on average  
in France and  
34 hours  
in China

896<sup>7</sup>  
employees  
were trained about  
the Company's products  
in 2014, for a total of  
40,728  
hours  
+11% in 2014

### A pro-active disability policy

In France, the Company organizes various initiatives to provide training, support and enhanced awareness about the integration of employees with disabilities into the workforce. Day-long "Handibio" events were organized at bioMérieux's French sites with the aim of addressing different topics to improve employees' awareness – such as "Working with a disability is possible" and "Disability, creativity and talent." At the end of 2014, 4.3% of the Company's jobs in France were held by employees with disabilities.

### Training: focus on human capital

Determined to ensure that employees adapt to and even anticipate changes to their jobs and responsibilities, while at the same time strengthening a customer-centric approach, bioMérieux continued to invest substantially in employee training in 2014. A total of 156,141 hours of training were provided across the Company in 2014, which represents 20 training hours per employee on average. In France, for example, around 5% of payroll expenditure is devoted to training, which is five times more than the legal requirement.



### > Innovative programs

By introducing the "Fit for the future" program in 2014, bioMérieux wished to encourage the most promising talents to create a rich pool of a new generation of senior executives. Around 30 top-level executives are invited to participate in this annual international program, which provides a combination of training workshops and strategic brainstorming seminars. During these sessions, participants are given assignments and are asked to make suggestions about how to address the Company's strategic cross-functional challenges.

## MÉRIEUX UNIVERSITÉ: GAINING MOMENTUM



Created in 2012 and taking shared entrepreneurial values as its foundation, Mériex Université centralizes all in-house training initiatives within Institut Mériex. It was built with a spirit of cross-functional outreach to encourage building connections among the entities that make up the Institut Mériex (bioMérieux, Mériex NutriSciences and Transgene). Training sessions are now organized at one of four regional hubs located across the globe: in Lyon (France), Shanghai (China), Durham (United States) and Rio de Janeiro (Brazil). Training programs focus on three priority pillars: jobs, leadership & management, supporting organizational efficiency.

## Health and safety in the workplace

Occupational health and safety is a major challenge for bioMérieux, which benefits from considerable experience and maturity in this field. The Company applies a uniform methodology to evaluate and prevent professional risks, in particular biohazard, chemical, and ergonomic risks. The policy is designed to reduce the number of occupational accidents and prevent long-term health risks for employees.



### > Standards and certifications

Across bioMérieux, occupational health and safety programs are based on the ISO 14001 and OHSAS 18001 international standards. Various Group sites have progressively been certified by independent auditors, which confirms the value of the prevention policies and programs as well as the continuous improvement approach that have been implemented. In 2014, four Group sites received ISO 14001 and OHSAS 18001 certification: Marcy L'Etoile, La Balme and Saint-Vulbas (France) and Tres Cantos (Spain).

### > Internal standards to promote prevention

The effective management of health and safety programs at bioMérieux is based on guidelines containing internal standards that set minimum requirements when it comes to good practices. At each site, any gaps between practices and the standards are measured periodically either through self-assessments or audits carried out by corporate departments. External audits may also be conducted within the scope of ISO certification. These standards are applied at all bioMérieux sites.

### > Training programs for risk prevention and management

All employees receive basic training about health and safety in the workplace. In addition, specific training programs are organized according to the risks individuals may be exposed to (for example, biohazard risks, chemical risks, road-related risks, etc.). In 2014, training about the human factors in safety management was introduced to all employees at the French sites of La Balme and Saint-Vulbas.

### > Investing in prevention

In 2014, numerous programs for risk prevention and the improvement of occupational health and safety conditions were deployed. An IS system has been set up to manage data concerning the sizeable number of chemical substances used by the Company. Information provided by Health and Safety correspondents is fed into the system and is accessible to all bioMérieux employees. The system provides a summary of all the information related to locations where these different substances are used, any associated risks and the precautions employees should take.

### > Psychosocial risk training for managers

In the field of psychosocial risk prevention, a pilot training and support program for managers was launched in 2014. A large group of managers from all levels of the Company attended a day-long training session taught by a psychologist, outlining useful tools for the detection and anticipation of psychosocial risks within a team. Some managers also received personal support from an expert in change management. This initiative will be renewed and expanded in 2015.

### Fair and ethical business practices

bioMérieux's historical commitment to public health is part of an approach that aims to protect the interests of patients. For this reason, bioMérieux operates within a framework of principles, directives and standards that correspond to applicable ethical standards.



Through its Ethics and Compliance Program, bioMérieux seeks to enforce ethical conduct in business dealings, with respect for applicable laws and regulations as well as the Company's values and culture. This program is based on the Company's Global Code of Conduct and is designed to enable all bioMérieux employees to participate in the development of the business while respecting business ethics. Employee training on ethical rules is an essential part of this approach. Each year, on-line training is provided with the goal of building employee awareness about regulations and the application of internal procedures, allowing them to conduct themselves with integrity in their business relations.



### Ensuring responsible purchasing

bioMérieux seeks to build long-term, balanced relationships with suppliers. In 2014, as part of the responsible purchasing approach, an awareness-building module was added to the training program for Company buyers.

In France, bioMérieux was one of the first signatories of the Responsible Supplier Relations Charter introduced by Médiation inter-entreprises and CDAF,\* the association of purchasing managers in France, which aims to promote good purchasing practices within a framework of mutual trust with suppliers. bioMérieux is also a founding member of the Pas@pas Association, which brings together major companies in a shared commitment

to solidarity purchasing in connection with disability-friendly and socially inclusive companies.

In the United States, in accordance with the purchasing policy of the major federal administrations with which the Company collaborates, bioMérieux Inc. includes small business concerns managed by veterans, women and minorities in its supplier portfolio.

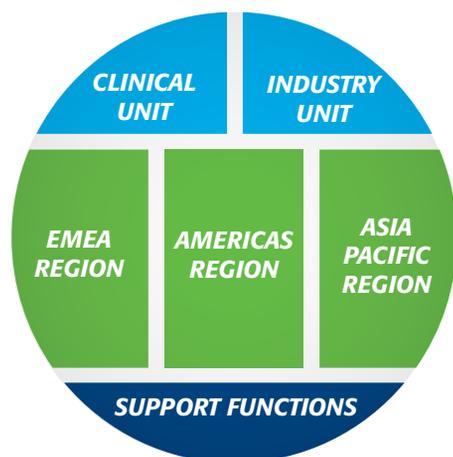
#### Michel Baguenault

Corporate Vice President, Human Resources and Communications

**« Within the Company, the high point of 2014 was the implementation of a new organization based on three regions and two units: Clinical and Industry.**

*With a view to continually improve our customer-centric approach and ensure we are actively listening to our markets' needs, it was important to bring the Company's general management closer to the Corporate functions of business operations.*

*The Group's HR policy also remains more than ever focused on ensuring our functions are adapting to prepare for future developments with a targeted recruitment policy as we continue to invest very substantially in training. »*



## RESPONSIBILITY TO THE ENVIRONMENT

**bioMérieux designs, uses and maintains its facilities in such a way as to limit the environmental impact of its operations: soil, water, air, noise, odor, energy, waste, etc. The global environmental BIOMÉRIEUX GOES GREEN approach is based on the sustainable use of resources and reducing waste and emissions.**



### **Embedding the approach at every level of the Company**

Adopted in 2009, the international BIOMÉRIEUX GOES GREEN program determines areas of focus and progress within each Company entity. From an operations perspective, the approach is led by dedicated teams at manufacturing sites as well as a network of nearly 50 “green champions” (environmental correspondents) working at each Company site, subsidiary and support function.

Environmental protection is part of training programs for new employees through a Health, Safety and Environment (HSE) module included in the training guide. In addition, more specific training programs are developed as part of the roll-out of the environmental management system in accordance with ISO 14001, and within the framework of projects to reduce waste from manufacturing operations in line with the Six Sigma method, which is designed for production operators. In 2014, the sites at Marcy l’Etoile, La Balme, and Saint-Vulbas (France), as well as the Tres Cantos site and the commercial subsidiary in Madrid (Spain) underwent their first ISO 14001 certification audit with success.

### Reducing and recycling waste

bioMérieux is committed to optimizing waste management through a rigorous policy of reducing waste at the source and ensuring treatment or elimination by approved contractors.

The Company seeks to address two key challenges: reducing the quantity of waste at the source and setting up specialized recycling facilities.

In 2014, the Company's achievements and progress in the field of waste management concerned:

- creating an area at the Verniolle (France) site specifically for the isolation and storage of waste prior to its transfer to treatment facilities;
- a fifth pilot "zero landfill" site within the Company: Marcy l'Etoile, a major bioMérieux site, is now adopting the practices in place at the Grenoble (France) and Durham (United States) sites and at the UK and German subsidiaries;
- a 23% increase in tons of waste recycled or incinerated with energy recovery per million euros of sales;
- a 6% decrease in tons of hazardous waste produced per million euros of sales.

### Controlling wastewater release into the environment

bioMérieux continues to develop its approach to ensure wastewater release compliance. The Company's largest manufacturing sites are monitored and undergo wastewater testing on a regular basis. Some of them have set up pre-treatment facilities to neutralize wastewater on site before releasing it into the system feeding local treatment plants.

In line with its commitment to the fight against antimicrobial resistance, the Company has taken measures at its industrial sites to provide for collection at the source of effluents from preparations containing antibiotics used for production or R&D. Such waste is disposed of through specific treatment facilities.

In order to reduce atmospheric emissions, the Marcy l'Etoile and Craponne sites in France and the Tres Cantos site in Spain have replaced their existing air-conditioning systems with more efficient, new-generation systems.

### Optimizing water consumption

Water is used by the Company in formulating its products as well as in manufacturing processes and refrigerating facilities. For cooling during manufacturing processes, the Company gives preference to closed-circuit systems and takes a pro-active approach to replacing open loop cooling systems. This type of replacement initiative in 2014 at the Combourg (France) site is expected to result in a 40% decrease in the total amount of water generally consumed.

**8,200 tons**  
of recycled or  
incinerated waste  
with energy  
recovery in 2014  
(compared to 6,200  
in 2013).

### Limiting raw materials and paper consumption

bioMérieux sites and subsidiaries continue their initiatives to reduce paper consumption. Converting paper instructions for the use of reagents into digital format that can be downloaded from the Company's on-line technical library allows the size of packaging to be reduced considerably.

At the same time, bioMérieux continues its approach to changing internal processes using the Electronic Document Management system – namely by switching from the paper format to the electronic format for review and approval circuits as well as validation and storage. Original documents remain accessible to all employees via a web interface.

### Consuming less energy and reducing our carbon footprint

bioMérieux is improving systems to control energy consumption of its equipment. In 2014, at the French site of Combourg, insulating steam valves and removing an old boiler led to a 37% decrease in the site's overall consumption of natural gas. Similarly, two cooling units were renovated in 2014 at Marcy l'Etoile (France), an improvement that is expected to produce a substantial reduction in energy consumption.

The company also applies its energy efficiency optimization mindset to the design and refurbishing of buildings. Preliminary simulations are carried out to measure the energy efficiency of lighting, heating, ventilation and summer climate control systems. Solutions to reduce energy consumption to low or very low levels are identified, promoted and gradually implemented. At the Spanish site of Tres Cantos, installing LED lighting systems and motion detectors in 2014 is expected to result in a 64% reduction in electricity consumption for lighting.

The Company also continues its efforts to reduce greenhouse gas emissions. Since 2013, it measures progress on this front by conducting an annual assessment that takes into account, in addition to the mandatory emission categories (as defined by French regulations), emissions generated from the extraction, production and transportation of fuels consumed, downstream transportation of goods, and business travel and commuting.



46

4%  
reduction  
in total  
energy consumption  
in relation to  
global sales  
between 2012  
and 2014.

10%  
of the Company's total  
energy consumption  
comes from renewable  
sources.

Lastly, the Company is working on increasing the portion of renewable energy in its energy mix. The Marcy l'Etoile and Craponne (France) sites have made a commitment to use 50% certified "green" electricity by the end of 2015. Similarly, the Durham (United States) site produced 92,000 kWh of electricity by using solar panels. And 100% of the electricity purchased by the Austrian, Brazilian and Canadian subsidiaries is hydroelectricity.

### Developing eco-design

The Company has issued an eco-design guide in order to formally integrate the environmental aspects of the product life cycle into the development process. For example, in 2014, new packaging was adopted for 5 additional products in the Etest® range, allowing storage at 2-8°C, as opposed to -20°C previously, thereby generating substantial energy savings during storage within the Company and on customers' premises.

The eco-design approach is also adopted for the Company's buildings. The new R&D facility on the La Balme (France) site, inaugurated in 2014, successfully passed a final HQE (French High Environmental Quality) audit, confirming its certification in accordance with the French Standard for New Tertiary Facilities. The future expansion of the Marcy l'Etoile (France) site is also a part of this environmental initiative.

**9 sites**  
are now equipped with  
"telepresence" equipment  
allowing meetings  
to be conducted via  
videoconference, with  
the addition of the Verniolle  
(France) site in 2014.



# CORPORATE GOVERNANCE

## BOARD OF DIRECTORS

The Board, chaired by Jean-Luc Belingard, met 4 times in 2014.

It is comprised of 9 members:

- Jean-Luc Belingard - Chairman, bioMérieux
- Alexandre Mérieux - CEO, bioMérieux
- Alain Mérieux - Chairman, Institut Mérieux
- Philippe Archinard - Chairman and CEO, Transgene
- Harold Boël - Deputy Director, Sofina (Belgium)
- Philippe Gillet - Vice President for Academic Affairs (Provost), Ecole Polytechnique Fédérale de Lausanne (Switzerland)
- Marie-Hélène Habert - Director of Communication and Patronage, Dassault Group
- Agnès Lemarchand - Administrator, various companies
- Michele Palladino

Censors : Michel Angé et Henri Thomasson

### Committees of the Board of Directors

- **The Audit Committee** met 6 times in 2014.

It is comprised of Mrs Agnès Lemarchand, Mr Philippe Archinard and Mr Harold Boël, its chairman.

- **The Human Resources Committee, Nominations and Compensation** met once in 2014.

It is comprised of Mrs Marie-Hélène Habert, Mr Michele Palladino and Mr Alain Mérieux, its chairman.

## SENIOR MANAGEMENT

### Presidence

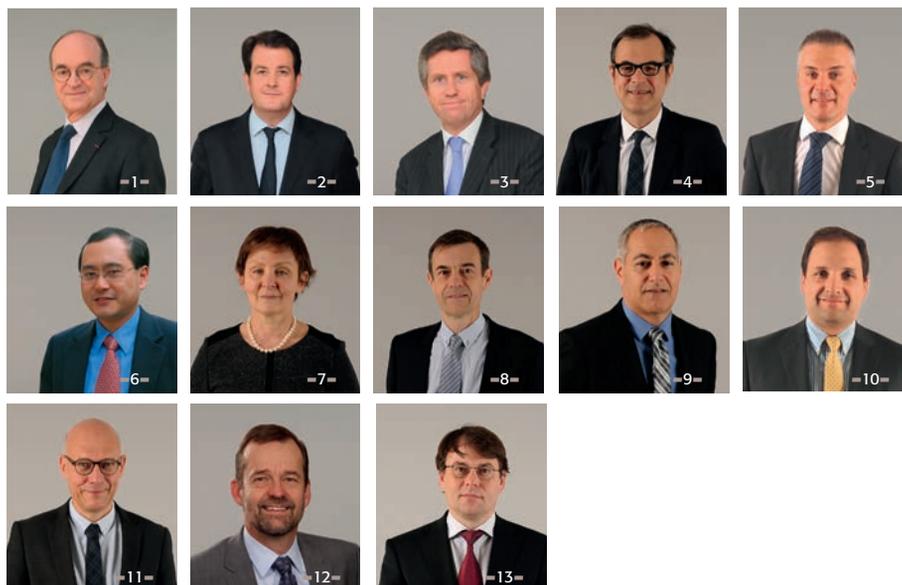
- 1- Jean-Luc Belingard - Chairman

### Management Committee

The Management Committee is responsible for implementing the Company's strategy decided by the Board of Directors. It meets once every three months.

As of December 31<sup>st</sup>, 2014, it is comprised of:

- 2- Alexandre Mérieux - CEO
- 3- Michel Baguenault - Corporate VP, Human Resources and Communications
- 4- Nicolas Cartier - Corporate VP, Industry Unit, Group Portfolio & Strategic Planning
- 5- Pierre Charbonnier - Corporate VP, Manufacturing & Supply Chain
- 6- Richard Ding - Corporate VP, Asia Pacific Region
- 7- Claire Giraut - Corporate VP and Chief Financial Officer
- 8- François Lacoste - Corporate VP, Clinical Unit
- 9- Mark Miller - Chief Medical Officer
- 10- Yasha Mitrotti - Corporate VP, Europe, Middle East, Africa Region
- 11- Alain Pluquet - Corporate VP, CTO & Innovation
- 12- Randy Rasmussen - Corporate VP, Molecular Biology
- 13- Stefan Willemsen - Corporate VP, Americas Region, Group Chief Legal Officer



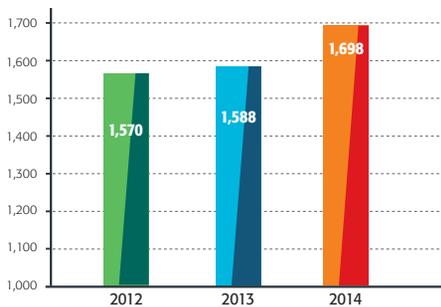
### Strategy Committee

This committee is comprised of Alain Mérieux, Jean-Luc Belingard and Alexandre Mérieux.

# KEY FIGURES

## NET SALES

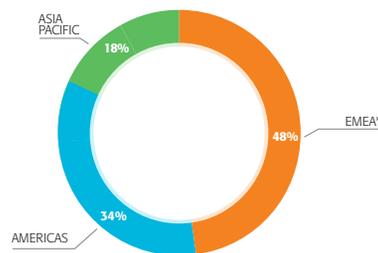
(IN MILLIONS OF EUROS)



Sales for the year 2014 amounted to €1.698 billion, compared with €1.588 billion in 2013, representing a 3.8% increase at constant exchange rates and scope of consolidation. After taking into account sales from BioFire (€78 million), sales growth reached 8.7% at constant exchange rates.

## BREAKDOWN OF SALES

BY REGION

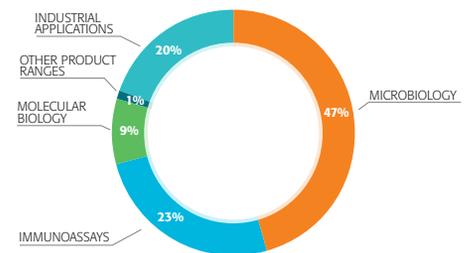


bioMérieux's sales organization has been decentralized into three key regions enabling the Company to seize growth opportunities in its various markets and make its business model more resilient. In 2014, while sales were slower in China, commercial performance in the Americas and solid market dynamics in Europe buoyed the Group's operations.

\* Europe, Middle East, Africa

## BREAKDOWN OF SALES

BY APPLICATION

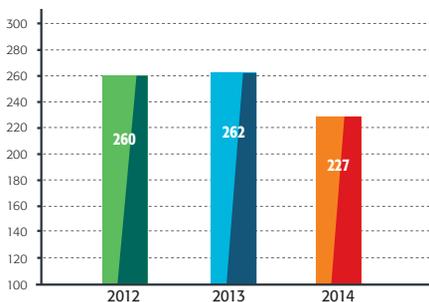


Clinical and industrial microbiology, two areas where bioMérieux holds the number one position worldwide, accounted for two-thirds of sales. The Company's specialized activity in immunoassays, thanks to the VIDAS® range and its high medical value tests, represented 23% of sales. Strengthened by the acquisition of BioFire, molecular biology now accounts for 9% of the Group's business, with growth of more than 90% for the year.

50

## CONTRIBUTIVE OPERATING INCOME BEFORE NON-RECURRING ITEMS\*

(IN MILLIONS OF EUROS)

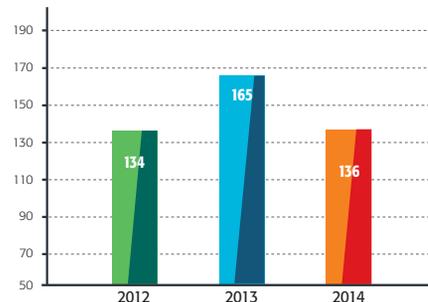


As expected, contributive operating income before non-recurring items was impacted by significant negative currency effects and additional expenses at the Durham, NC site in the US to improve production conditions. In light of these impacts, it decreased year-on-year to €227 million, representing 13.4% of sales.

(\*) before accounting entries relating to BioFire purchase price allocation

## NET INCOME

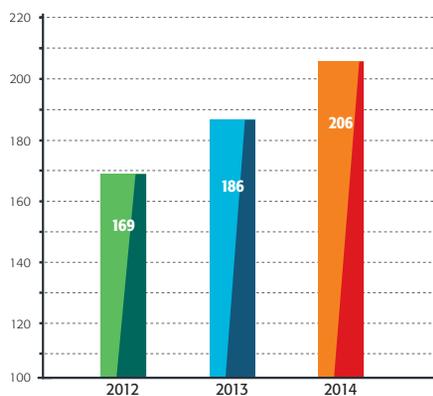
(IN MILLIONS OF EUROS)



Net income amounted to €136 million, compared to €165 million in 2013, due to a decrease in operating income. It represented 8% of sales for the year.

## R&D EXPENSES

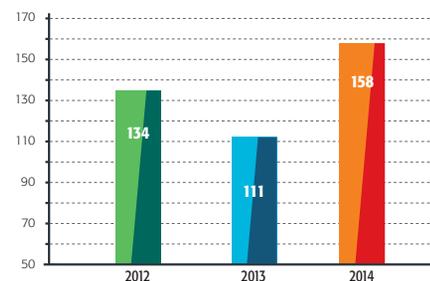
(IN MILLIONS OF EUROS)



Continuing its investment in innovation, the Group allocated nearly 12% of sales to research and development in 2014. The total commitment amounted to €206 million in 2014.

## FREE CASH FLOW\*

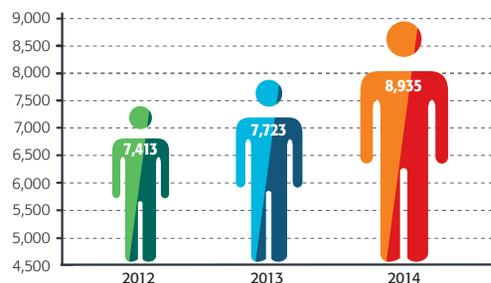
(IN MILLIONS OF EUROS)



Free cash flow generation increased by 42%. The decrease in contributive operating income and industrial capital expenditure was more than offset by the disciplined management of operating working capital.

\* Free cash flow before acquisitions, divestitures and dividends (2013 and 2014 before accounting entries relating to BioFire purchase price allocation)

## TOTAL WORKFORCE\* AS AT DECEMBER 31<sup>ST</sup>

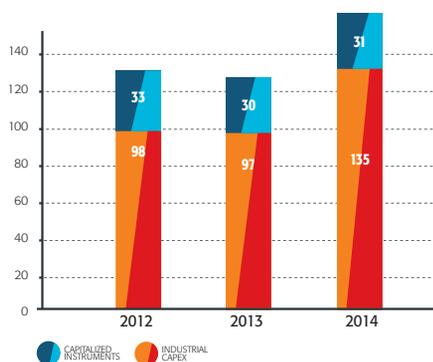


The increase in the number of employees primarily reflects the integration of BioFire and the strengthening of the production and research & development teams as well as the sales force in the Asia Pacific region.

\*In full-time equivalents

## CAPITAL EXPENDITURE

(IN % OF SALES)



Capital expenditure amounted to €166 million for the year, due to the simultaneous implementation of major capital projects to increase the capacity and productivity of the manufacturing base and to expand the Marcy l'Etoile (France) site. In this context, total capital expenditure for the year represented 9.8% of sales.

## FINANCIAL STRUCTURE

(IN MILLIONS OF EUROS)



After completion of the BioFire acquisition in January 2014 for €354 million, net debt stood at €249 million at December 31, 2014, representing gearing of 18%. bioMérieux's robust financial position is supporting its strategic ambitions.

## CONSOLIDATED INCOME STATEMENT

In millions of euros	12/31/2014	12/31/2013
<b>Net Sales</b>	<b>1,698.4</b>	<b>1,587.9</b>
Cost of sales	-853.9	-763.3
<b>Gross profit</b>	<b>844.5</b>	<b>824.6</b>
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
<b>Total operating expenses</b>	<b>-658.8</b>	<b>-590.4</b>
<b>Contributive operating income</b>	<b>226.8</b>	<b>262.4</b>
BioFire acquisition's fees and purchase price amortization expense	-23.9	-1.9
<b>Operating income before non-recurring items</b>	<b>202.9</b>	<b>260.5</b>
Other non-recurring income (expenses)	0.6	-3.0
<b>Operating income</b>	<b>203.6</b>	<b>257.5</b>
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
<b>Net income of consolidated companies</b>	<b>135.5</b>	<b>164.7</b>
Attributable to the non-controlling interests	0.6	0.4
<b>Attributable to the parent company</b>	<b>134.9</b>	<b>164.3</b>
Basic net income per share	3.42 €	4.16 €
Diluted net income per share	3.42 €	4.16 €

## CONSOLIDATED BALANCE SHEET

ASSETS (in millions of euros)	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
<b>NON-CURRENT ASSETS</b>	<b>1,528.3</b>	<b>950.1</b>	<b>963.4</b>
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
<b>CURRENT ASSETS</b>	<b>991.4</b>	<b>1,196.2</b>	<b>845.4</b>
<b>Assets held for sale</b>	<b>60.8</b>	<b>50.3</b>	<b>45.7</b>
<b>TOTAL ASSETS</b>	<b>2,580.5</b>	<b>2,196.6</b>	<b>1,854.4</b>

LIABILITIES AND SHAREHOLDERS' EQUITY (in millions of euros)	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
<b>SHAREHOLDERS' EQUITY</b>	<b>1,380.9</b>	<b>1,260.8</b>	<b>1,153.4</b>
<b>NON CONTROLLING INTERESTS</b>	<b>7.8</b>	<b>6.5</b>	<b>6.8</b>
<b>TOTAL EQUITY</b>	<b>1,388.6</b>	<b>1,267.3</b>	<b>1,160.2</b>
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
<b>NON-CURRENT LIABILITIES</b>	<b>556.2</b>	<b>413.4</b>	<b>159.1</b>
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
<b>CURRENT LIABILITIES</b>	<b>611.5</b>	<b>503.2</b>	<b>522.2</b>
<b>Liabilities related to assets held for sale</b>	<b>24.2</b>	<b>12.7</b>	<b>13.0</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>2,580.5</b>	<b>2,196.6</b>	<b>1,854.4</b>

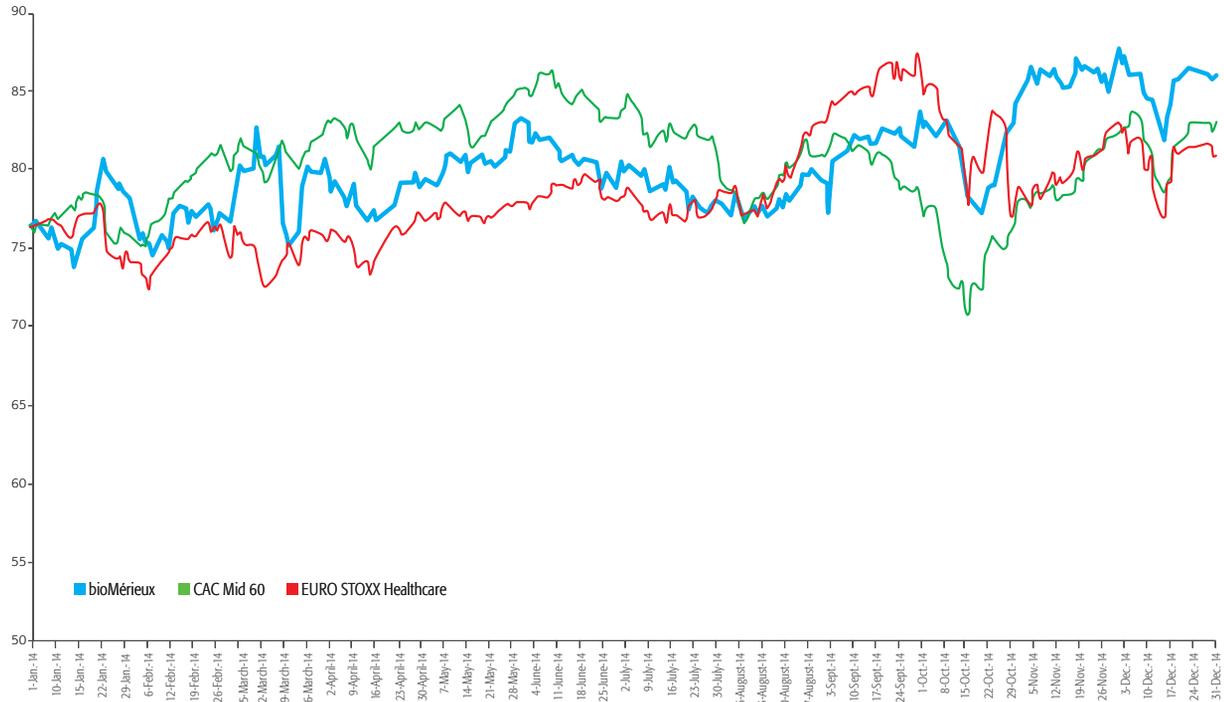
## CONSOLIDATED CASH FLOW STATEMENT

In millions of euros	12/31/2014	12/31/2013
<b>Net income of consolidated companies</b>	<b>135.5</b>	<b>164.7</b>
- 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
<b>EBITDA (before non-recurring items)</b>	<b>332.2</b>	<b>353.3</b>
Other non current operating gains/losses (w/o exceptional 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
<b>Elimination of other gains and losses without any impact on cash or operations</b>	<b>-15.9</b>	<b>-7.2</b>
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
<b>Change in operating working capital<sup>1</sup></b>	<b>23.8</b>	<b>-40.1</b>
Other non operating working capital	9.8	-0.3
Change in non-current assets	5.1	3.7
<b>Other cashflows from operation</b>	<b>38.7</b>	<b>-36.7</b>
<b>Income tax paid</b>	<b>-56.7</b>	<b>-68.9</b>
<b>Net cash flow from operations</b>	<b>298.3</b>	<b>240.5</b>
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
<b>Net cash flow from (used in) investment activities</b>	<b>-502.7</b>	<b>-128.6</b>
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
<b>Net cash flow from (used in) financing activities</b>	<b>-83.4</b>	<b>250.6</b>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	<b>-287.8</b>	<b>362.5</b>
<b>Net cash and cash equivalents at the beginning of the year</b>	<b>414.9</b>	<b>52.5</b>
Impact of currency changes on net cash and cash equivalents	-23.2	-0.1
<b>Net cash and cash equivalents at the end of the year</b>	<b>103.9</b>	<b>414.9</b>

<sup>1</sup> Including current provision allowance (reversal)

## THE BIOMÉRIEUX SHARE

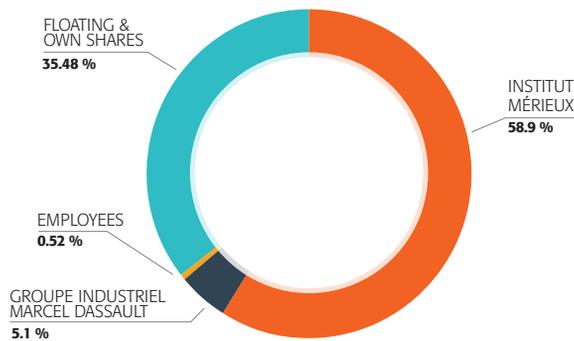
## SHARE PRICE PERFORMANCE IN 2014\*



\* Indexes rebased on bioMérieux's stock price as at December 31, 2013 (€76.27)

## BREAKDOWN OF CAPITAL

AS AT DECEMBER 31, 2014



## THE BIOMÉRIEUX SHARE

Listed on July 6, 2004, the bioMérieux share is part of the following indexes: CAC Mid 60, SBF 120, CAC Mid & Small, CAC All-tradable and CAC All-Share. The Company is listed on the compartment A of Eurolist and is eligible for the Deferred Settlement Service (SRD).

bioMérieux is also part of certain sustainability indexes: Gaia Index 2013/2014 and FTSE4Good Index.

At the end of December 2014, the closing price of the bioMérieux share was €85.74 euros and the market capitalization reached 3.4 billion euros.

6,124,113 shares were traded on the NYSE Euronext platform in 2014.

## 2015 CALENDAR

OF EVENTS

- January 22, 2015 → 2014 Q4 business review
- March 11, 2015 → 2014 financial results
- April 23, 2015 → 2015 Q1 business review
- May 28, 2015 → General Shareholders' meeting
- July 17, 2015 → 2015 Q2 business review
- August 31, 2015 → 2015 first-half results
- October 22, 2015 → 2015 Q3 business review

## INVESTOR RELATIONS CONTACTS

**Isabelle Tongio / Sylvain Morgeau**

Phone: 33 (0)4 78 87 22 37

Email : [investor.relations@biomerieux.com](mailto:investor.relations@biomerieux.com)

The Reference Document approved by the AMF is available upon request or on our Web site: [www.biomerieux-finance.com](http://www.biomerieux-finance.com)

## GLOSSARY

**Antibiotic Susceptibility Testing**

Determines the susceptibility of a bacterium in the presence of antibiotics and classifies it as susceptible, resistant or intermediate.

**Biomarker**

Any indicator (nucleic acids, enzymes, metabolites and other types of molecules: histamines, hormones, proteins, etc.) present in the body or excreted by it as a biological response to a disease.

**Blood culture**

Laboratory analysis used to detect bloodstream infections. It is carried out by taking a sample of venous blood, which is then cultured to reveal the presence or absence of pathogenic microbes.

**Carbapenemases**

A group of  $\beta$ -lactamases enzymes that hydrolyze carbapenems, a sub-class of antibiotics with the broadest spectrum of antibacterial activity, used primarily for the treatment of multi-drug resistant bacterial infections.

**Chromogen**

Molecule that emits a color under certain conditions. When incorporated into a culture medium, it reveals the presence of an enzyme specific to a given bacteria, thereby allowing its identification.

***Clostridium difficile***

*Clostridium difficile* is the main infectious cause of healthcare-associated diarrhea, and can lead to extremely serious and incapacitating pseudomembranous colitis. Due to its oral-fecal route of transmission and the persistence of spores on inert surfaces, *C. difficile* is highly contagious and requires drastic measures involving patient isolation, hygiene and disinfection.

**Cytometry**

General name for a group of biological methods used to measure various parameters of cells including cell size and morphology.

**DNA Sequencing**

Method used to determine the order of the nucleotide bases for a given DNA fragment.

**Enumeration**

Counting microbes (bacteria or fungi) present in a sample.

**Enterobacteria**

A family of Gram-negative bacilli (bacteria).

**Flow cytometry**

A technique that consists of passing a stream of cells, particles or molecules at high speed through a laser beam. The light re-emitted (by diffusion or fluorescence) enables the population to be classified and sorted according to several criteria.

**Glutamate Dehydrogenase (GDH)**

GDH is an enzyme specifically produced by *Clostridium difficile*. It is present in both pathogenic and non-pathogenic strains and can be detected by an immuno-enzymatic test. It is recommended to perform this test in combination with a toxin detection test to confirm that the strain is pathogenic.

**Healthcare Associated Infection**

An infection occurring in a patient during the process of care in a hospital or other health care facility which was not present at the time of admission.

**Immunoassay**

Diagnostic test based on an antigen/antibody reaction, enabling the detection of infectious agents (bacteria, viruses, parasites) and pathogen markers.

***In vitro* diagnostics**

Analysis of biological samples (urine, blood, etc.) performed outside the human body.

---

**■ Mass spectrometry**

Technique used to identify a molecule and determine its chemical structure by analyzing the mass and the charge of its ions.

---

**■ Microbiology**

Study of microorganisms. bioMérieux uses culture-based microbiology methods for the growth of bacteria from biological fluids, food and pharmaceutical samples. The bacteria are subsequently identified and their susceptibility to antibiotics tested in certain cases.

---

**■ Molecular biology**

Technique that can detect a bacterium, virus, yeast, parasite or a biomarker through the presence of DNA or RNA genetic sequences in a sample.

---

**■ Norovirus**

The most common cause of diarrhea and acute gastroenteritis outbreaks, norovirus is a pathogenic virus which can be present in foods and may result in food-borne infections. It can spread within the community via infected people or in the environment through contaminated food or drinks.

---

**■ Pathogen**

A microbe which causes or has the potential to cause an infectious disease.

---

**■ PCR (Polymerase Chain Reaction)**

Molecular biology technology for *in vitro* amplification of genetic sequences, used to copy known DNA or RNA sequences in large quantities (by an order of magnitude of a billion) from an initially small quantity. This technology is particularly useful for detecting the presence of viruses.

---

**■ PCT (Procalcitonin)**

An early and specific host marker of a bacterial infection, PCT is useful to adapt antimicrobial prescription.

---

**■ Salmonella**

*Salmonella* belong to the *Salmonella* genus of *Enterobacteriaceae*. They cause two types of illness: food-borne gastroenteritis (salmonellosis), and typhoid/paratyphoid fevers.

---

**■ Sepsis**

A serious systemic infection characterized by the presence of bacteria, fungi, viruses and parasites in the blood and combined with an inflammatory immune-reaction (host response) that can result in the rapid deterioration of the patient's general condition leading to possible organ failure.

---

**■ Septicaemia**

Severe systemic infection caused by pathogenic microorganisms present in the bloodstream and which can evolve into a sepsis or septic shock (the most severe form of sepsis, due to acute circulatory failure as a result of a microbial infection).

---

**■ Syndromic approach**

Medical approach based on analyzing a syndrome (i.e. a set of symptoms) and, with a single test, identifying the disease-causing organisms responsible for this syndrome, whether they are viruses, bacteria, fungi or parasites.

---

**■ Typing**

A method used to characterize bacteria by comparing two organisms, based on their composition or metabolism.

---



**bioMérieux S.A.**  
69280 Marcy l'Étoile  
France  
Tel.: 33 (0)4 78 87 20 00  
Fax: 33 (0)4 78 87 20 90

[www.biomerieux.com](http://www.biomerieux.com)

