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PRESENTATION

Operator

Good day, and welcome to the bioMérieux yearly business review Conference Call. Today's conference is being recorded.

At this time, I would like to turn the conference over to Frank Admant. Please go ahead.

Franck Admant - *bioMérieux S.A. - Director of IR*

Thank you, Mary. Good day, everyone, and thank you for joining us to review bioMérieux performance for 2020 and our Objective for 2021.

Before leaving the floor to Alexandre Mérieux, Chairman and CEO; and Guillaume Bouhours, our CFO. I will just make a very short introduction to provide you a couple of information.

First of all, our press release will -- was released this morning at 7:00 a.m. this press release can be found on our -- the web -- on page of our website. In addition, please note that the slides of this meeting will be available on the room page of our website and can be downloaded directly from the webcast. Promptly after the call, the webcast and the call will be available in replay on our website.

Now going to the presentation contents. After reviewing our 2020 performance and 2021 objectives, we will hold the Q&A session. Questions can come from the conference call and from the chat of the webcast. If you wish to ask a question, please make sure to identify yourself and the company. A very last word before starting the presentation. I will not read the slide which is currently projected, but I recommend you to take note of its content.

Let's remind the usual disclaimer about the forward-looking statements. I now hand the call over to Alexandre Mérieux.

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

Thank you, Franck. Thank you everyone, for joining this webcast on our 2020 results and the outlook for '21.

So as you all know, 2020 has been a special year for all of us around the world. And it has also been a special year for bioMérieux as a dedicated company to clinical diagnostic of infectious disease. We have been able to play a key role in the fight against the COVID-19. Thanks to the portfolio of our solutions that we developed and also thanks to the engagement of our teams.

So you can see, I believe, on the slide, the performance of bioMérieux in 2020, which has been remarkable. First, looking maybe at the sales growth, how we grew nearly by 20% organically. We are now a EUR 3 billion company, more than that a EUR 3,118 million of revenue for 2020. Our profitability has increased also. We are in 2020 at 19.6% of a contributive EBITDA versus 14.5% in 2019. You see also that this year was a good year in terms of cash generation, and we have a free cash flow of EUR 328 million, and we are a debt-free company.

So you see the growth this year. It has been contrasted. But I would say that the surge of molecular and BIOFIRE was the key growth driver for us. BIOFIRE being the key solution. And we see that the other ranges have been impacted, like for other clinical IVD companies, mainly in Q2 and linked also to the slowdown of traffic in the hospitals, but we see some signals of a recovery.

So moving now to what happened in '19. As you know, how we have started early -- at the early days of the crisis to really put the focus on the development of a COVID-19 test solution on our range, and it has proven to be well adapted. So we were able first to have the extraction. We were able then to develop on the ARGENE range monoplex testing and now low plex testing and of course, with FILMARRAY with RP 2.1, we have been able to add COVID to the respiratory panel. That was already existing and that's been a booster of growth.

Also using the VIDAS range, and we have been able to develop 2 surgical test, IgG and IgM on the VIDAS platform. So we have been able to develop a comprehensive portfolio of solutions using also the wide range of technology available in bioMérieux.

Looking now at the specific ranges. As I said, our BIOFIRE has proven to be a key diagnostic solution in the fight against COVID and with an impressive growth of around 80%, worth noticing that the installed base in terms of units as will increased now from around 10,000 to now 17,300 units worldwide. It's a major, major achievement. Of course, the key factor they have been the launch of RP 2.1. We have also launched a solution called BCID 2 for blood culture identification.

The pipeline is still very active, and we should launch in '21, the BIOFIRE joint infection panel and also will upgrade the pulmonary panel adding COVID-19 test in the panel. So the basis for us to grow is around the evolution by BIOFIRE instruments, the large installed base, which could be in the future an important potential for us. And also, we keep on -- even if we had a nice growth in the U.S., we keep on growing internationally, with now having sales outside of the U.S. for BIOFIRE, representing 23% of the total revenue of BIOFIRE. We are also a way to satisfy the demand, has been to work to increase the manufacturing capacity of BIOFIRE, which is being produced in South Lake. And as you see now, we have been able, this year, we were around on 750,000 capacity production of kits per month, and we are able -- we should be able this year to be able to produce around 1.2 million kits per month in our South Lake sites, knowing that we have invested in a new manufacturing building.

We are making progress on the automation project that we have. And also we put organization around 24/7.

Now looking at the other ranges, as we said, there was some impact this year because everything was -- that is at the hospital a lot of focus was on COVID-19 and not so much on the other pathologies. But then again, so you see clinical micro at minus 5% and immunoassay at minus 7%. But what I told you on what we told you that there is a signal of a recovery in Q4 -- or Q3 and Q4 on these ranges, on blood culture for microbiology and also on immunoassay, we are recovering, and we get for this also, will start to have an impact from the serology test, starts COVID that we developed on VIDAS.

Pipeline for '21 also should be fueled by first on evolution, our mass spectrometry system that we are working on and also in the field of immunoassay, we have already launched NEPHROCHECK, which is for acute skin injury, every time, acute skin injury. We're about to launch our for tuberculosis, TB-IGRA on VIDAS and also dengue, and we're also preparing launches of chikungunya test and also traumatic brain injury test for '21.

So now talking about the industry business. So the performance of industry was at 2% in 2020. Different type of growth depending now we address 2 market segments. One is health care, the other one is food. On the healthcare side, we had a good momentum showed quite a strong resilience in line, I would say, with the pharmaceutical industry in 2020. While for food, we were a bit impacted by the lockdown measure also on the fact

that we serve the food service business, which has been impacted longer along the year. But I would say that we still have a solid fundamentals, a good recovery in Q4 on this industry business, under the single demand should be important for this year.

And worth noticing also that in the health care business, now bioMérieux is positioned to do the quality control of sterility and with the surge in vaccine production, we should be part of the player who are able to test for this increase of production in the vaccine world.

So with this being said as an introduction, I will now leave the floor to Guillaume Bouhours, who will introduce the financial results.

Guillaume Bouhours - *bioMérieux S.A. - Executive VP of Purchasing and Information Systems & CFO*

Thank you, Alex. Hello, everyone. So let's start by reviewing our organic growth of 19.7% by application. And this exceptional performance in 2020. So for the first time, molecular is actually our first range of product, representing almost 40% of group sales. This plus 84% organic for molecular is made of 79% organic growth for BIOFIRE, as Alexandre mentioned, and more than doubling actually, for the other molecular ranges in this part.

Microbiology at minus 5%, as Alexandre already commented. We have, let's say, clear recovery for blood culture in the last quarter of the year. A bit softer recovery for the ID/AST at this stage.

Immunoassay, minus 7%, but again, with a really good trend of recovery in Q3 and even stronger in Q4, almost stable actually versus '19 in Q4. And finally industry at plus 2%, which includes food segment being stable in the year and has scale really solid, resilient growth at plus 5%. Just to be noted in the others you have this great path of EUR 78 million. This includes BIOFIRE defense with a single plex that was a significant growth this year.

By geography now. Of course, a momentum that is -- that reflects the exposure and the positioning of bioMérieux in molecular in the different regions. So super form in Americas, North America up 40%, Latin America, excellent performance as well, plus 21%. And obviously, our first region and first country was the U.S. EMEA a bit more contrasted at plus 8% overall, a strong performance in France, in Northern Europe, in Spain, in Italy. A slowdown in Middle East and Africa, which are our usual growth driver, but this year, in 2020, we're more impacted as they are more on routine parameters.

And in Asia Pacific, overall, plus 1% organic growth, so much lower than the past years, nvery contrasting as well China is very slightly negative. We have an exceptional performance in Japan, where I remind you that we entered, we still at the end of 2019, actually a good timing, super performance and breakthrough in 2020.

Good performances as well in Australia and India that we can mention here.

Now moving to the overall view of 2020 sales. So a major FX impact, especially accelerated in Q4. Of course, the U.S. dollar at 1.19 actually, versus euro in Q4 is having a significant impact on revenues. But we'll come back to FX sensitivity in a few minutes.

And we can now turn to the P&L, profit and loss. So beyond the sales growth of 19.7%. I would like to highlight the gross margin improvement from 54.8% in '19 to 56.2% in 2020, so a significant improvement that's linked to the positive product mix as we often highlighted by bioMérieux as a above average margins and of course was growing above average this year. And also a volume effect on the part of fixed costs that are above gross profit.

SG&A grew 7.5% overall at a constant rates. That includes, I would say, a lot of exceptional positives and exceptional negatives. What I mean is that we had exceptional savings this year on travel, on congress and advertising due to, again, the situation. But we also had in this line, the exceptional costs. With the strong sales performance, we had additional sales bonus, additional profit-sharing and variable compensation. And I would say all this are close to offset each other, the exceptional plus and exceptional minus in this line.

Moving to R&D, 8% increase. We end the year at 12.8% of R&D of our sales, which is below -- slightly below our usual percentage, but of course, linked to the volume. We accelerated our COVID developments this year. We also maintained our efforts and our investments in other programs, as the launches and the pipeline that Alexandre mentioned, highlights.

So overall, contributed EBIT of EUR 613 million, like-for-like increase, very impressive, of 66%, reflecting the strong operational leverage on the additional sales.

We can look on the next slide at, let's say, a few elements of bridge on the contributive operating income. We highlighted here the COVID impact. So the COVID impact on operating income is estimated, of course it's an estimate, of EUR 170 million. That's a result of a net additional revenues net that we estimate of -- at around EUR 320 million. And all the elements that I mentioned earlier of exceptional savings for all congress and exceptional additional costs, especially profit-sharing and variable comp.

So all this ends into EUR 174 million. Apart from that operational improvement of more than EUR 100 million EBIT. Some small, let's say, differences versus last year on the U.S. pension settlement, where we had the freeze of the U.S. pension in 2019 for plus EUR 11 million, and the termination of these plans in 2020 for minus EUR 4 million. And our famous, let's say, Phantom share plans, which you remember, are bonus in the U.S. for U.S. teams linked with the share price of bioMérieux that actually were an expense of EUR 44 million in 2020. And that EUR 9 million more than the 2019 expense on this Phantom shares piece.

Last comment on this slide, EUR 30 million FX effect on this EBIT, which again reflects our exposure. I will remind everyone, we are very much with expenses in euros and dollars and exporting worldwide in other currencies.

Now looking at the P&L below operating income, we have, as usual, the, let's say, amortization of BIOFIRE acquisition price, stable, EUR 18 million per year. The second line is, I would say, new element, is minus EUR 42 million, reflect the noncurrent element for the exceptional solidarity actions decided by bioMérieux with EUR 42 million of, let's say, philanthropy expenses, EUR 22 million that we announced in H1, where we added also EUR 20 million for a new corporate endowment fund, we say [indiscernible of bioMérieux the initial let's say, dotation was EUR 20 million in 2020, and the spend will be over 3 years for this philanthropy part.

Net financial expense at EUR 29 million compared to EUR 23 million last year. And income tax of 23%. I will come back to that in a minute, effective tax rate.

So overall, net income group share, EUR 404 million, up 48%. And on this basis, the Board decided to propose a dividend of EUR 0.62 per share, meaning a payout ratio of 18% this net income for the dividend to shareholders.

A quick snapshot on the tax rate. So that's the tax proof starting from the French tax rate of 32% in 2020 as usual we have our country mix and tax credits. We would have a recurring effective tax rate of 22.2%. We have a few nonrecurring items that overall are negative on the tax rate and increase it to 23%. Among these nonrecurring items, we can mention the philanthropy actions, solidarity actions where we actually are above the deductibility threshold for that kind of expenses in France.

Coming to the cash flow statement. Now very strong increase of EBITDA, in line with the operating income, as mentioned earlier. Working capital consumption was EUR 86 million negative in 2020 with an increase of inventory of EUR 83 million, special in line with the very strong ramp-up of activity in molecular. Of course, payables, plus EUR 5 million, and we accelerated to support our suppliers on these payments. Receivable very stable in terms of days. And last element there social debt that actually reflects an increase, that reflects a higher profit-sharing and variable compensation linked to this, let's say, exceptional financial performance.

CapEx ended the year at 9% of sales, but still a strong level of investments, especially in our manufacturing capacity for molecular in Salt Lake, but not only. And overall, as Alexander explained, a very strong free cash flow, EUR 328 million compared to EUR 150 million last year that is now leading our net debt overall at EUR 92 million, which includes EUR 97 million for IFRS 16. Therefore, we mentioned that our net financial debt is actually debt.

A small point about the exposure to foreign currencies, especially important in this environment. So we wanted to update you on this. So on this table, you have in the first column, our exposure based on 2020 on the revenues, of course, a very strong U.S. dollar exposure on revenues. But this sales exposure on dollar is, of course off set by a strong cost base in the U.S. and therefore, it's a lower exposure on operating profit, always important to keep in mind. So you see the different levels. And actually, when we look at the current rates and these exposures for 2021, you will see that we have an impact of EUR 30 million to EUR 35 million at the current visibility on rates included in our EBIT guidance for this year, 2021.

And with this, I hand over back to Alexander.

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

Thank you, Guillaume. I propose now is able to talk with you a bit about our CSR ambition for bioMérieux because we have a we have always done CSR. But I would say that we have formalized a new CSR ambition for bioMérieux supporting our long-term vision, but also I'll say very much included into our road map. So this ambition we laid on the side panel. Let's just see health, planet, healthcare ecosystem, employees and extended company.

So I won't spend -- give you too much detail, but just to give you a few KPIS. When we talk about health, of course, about the public health mission of bioMérieux on to keep on, as we do since the beginning of the company, to lead the fight against infectious disease through innovation we expect committed, I would say, to investment in R&D. And also be the leader in the fight against AMR, which is antimicrobial resistance. Of course, today, it's a lot about COVID, but we believe that short-mid long-term AMR is a key public health threat also in term of infectious disease.

Planet. We have also adopted some targets to reduce the greenhouse gas emissions. And another topic, which is important, that will be important, is also our commitment to do Eco-design for our system and work more, I would say, on the product life cycle optimization of our solution.

Health care ecosystem. It's the way how we interact ethically with key stakeholders, such as patient community, and make sure that the different stakeholders are integrated into our consulting governance. Employees, the asset of bioMérieux. We also -- there are a few objectives. I would say 1 of them is along the safety of our employees and to make sure we can reduce by half the incident rate that we see on our sites. And so keeping progressing on this front, even if we have made a lot of progress recently.

Working also on the diversity and inclusion at all the levels of the company, including diversity in terms of more position of women in corporate leadership team and also more position of international team in our leadership teams also with some key KPIs to start with for 2025.

Extended company. It's a bit how we interact also with our ecosystem and partners. One key topic will be around to increase the proximity with higher suppliers proximity both on a geographical standpoint, but also how we build partnerships with our suppliers. And also as introduced by Guillaume, philanthropy, which is quite much into the DNA of the group. We have announced in addition about what we do in terms of supporting initiatives all over the world. We have announced the creation of an endowment fund for EUR 20 million. Those, as you know, we are living in solidarity prices, but it will have -- it's tough to have -- it's starting to have social and economical consequences. So we felt, with bioMérieux leadership team and with the Board, that creating this fund will be there to support solidarity initiatives outside of the field of health and supporting topics such as education, training, NGOs also and to do it also on a worldwide basis and making sure that 45 subsidiaries where bioMérieux is present, our teams will be able to support and follow interesting initiatives in the felid of territorial solidarity.

With this being said, I can now move to the outlook for '21. So as you know -- as you see, it's quite of a uncertain world right now linked to the evolution of the pandemic and also the positive impact of vaccines. But I would say, in this environment, where diagnostic is key, we project, we estimate that the growth of the company in terms of revenue should be between 5% to 8% in terms of organic growth. We have strong signals early this year. So we believe that the first half growth should be quite strong and maybe in line with the Q4 trend that we displayed.

Regarding the financial performance of the company and the contributed operating income. We target estimates to be aligned with the 2020 performance, having in mind a negative ForEx impact of EUR 30 million to EUR 35 million. We'll do also MyShare plan, keep on having our employees being a shareholder of the company. And we should see the end of the PSOP Phantom shares by the end of April.

Tax rate, we estimate to be around 23%. There's still maybe some uncertainty on the U.S. tax rate, what will happen, this is our estimate.

And CapEx around 10%, I will keep on investing in capacity, production, R&D and everything that we need to do to serve the market.

So maybe with this being said, so 2020 was a special year, as I said, lots of engagements from bioMérieux. A lot of recognition, also the value of diagnostic. I believe the company and our people are engaged more than ever, feeling very, very useful. I believe also that having a comprehensive set of technologies and solutions. It's microbiology, it's the molecular biology, it's immunoassay, it's service, it's et cetera. It's a key strength that we continue to be at the forefront of the fight against the infectious disease.

Of course, COVID is here. COVID is here to stay, which will be part of -- for the long-term of our respiratory panel on our portfolio of solution. But infectious diseases go beyond and also many important topics, as I mentioned, such as antimicrobial resistance, sepsis management, quality control for the food and the pharma industry, which are key topics linked with infectious disease that we are addressing.

So we are on the right topics. We are doing, I believe, the right investment with a long-term view. And also linked to the good result that we have this year, we have a solid financial structure that allows us to support growth and investments to continue to develop the company in the right way.

With this being said, I propose that we open the floor to the Q&A.

QUESTIONS AND ANSWERS

Operator

(Operator Instructions)

We can now take our first question from Alex Gibson of Morgan Stanley.

Alexander Matthew Gibson - *Morgan Stanley, Research Division - Equity Analyst*

I have 3. The first 1 is just on your guidance around the first half growth being on trend with in Q4 '20. Can you provide some context around this, if this means you expect 20% growth in the first half? And if that's the case, how much is coming from BIOFIRE, where the comps start to get difficult.

Second question is on the EBIT contribution from COVID. Thank you for providing the \$174 million contribution in 2020. How much of that are you incorporating into your EBIT guidance for 2021? And then my last question is just looking towards the end of 2021 and into 2022, balancing the slowdown probably that's going to happen in H2 with the ramp-up of utilization of BIOFIRE placements. Do you actually see the molecular business growing in 2022? Or is it going to be a decline?

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

Thank you. I would answer to part of your question. For some other questions, and Guillaume will do back and forth. '22, it's too early to predict 2021 because a lot of things will depend on the pandemic, if it continues or if it slows down. What I can tell you, maybe your question is into H2 also that today, we still have a strong demand signal for testing for COVID, and we believe it will still be a key contributing factor for Q1 and H1. It's a projection we do, H2, I believe we will see if -- we all expect COVID to go down, we all want COVID to go down. If it's the case, maybe it could have an impact. But as you know, BIOFIRE, now we have a very strong installed base of 17,000 instruments. With FILMARRAY, we don't do only respiratory. We do a GI, we do meningitis, we do BCID. We'll do soon brinjal infection. So it's also a base to grow for the future by adding the new panels that we have in either already developed or that we have in development.

And then also maybe something which may be difficult to quantify at this stage, but less COVID will also mean for us a better, stronger recovery of the business, such as microbiology, immunoassay and industry.

So I'm sorry to say, we'll see. But I will say that the perspective is the 1 that we have today. The good thing to see that key areas have grown, so it's a good base for growth for the future. And the recovery of the non-COVID business also should impact positively the growth of bioMérieux.

I don't know if I answered all your questions, or Guillaume, if you want to add.

Guillaume Bouhours - *bioMérieux S.A. - Executive VP of Purchasing and Information Systems & CFO*

So maybe on guidance, H1 to -- I think your question was how closely we did to the Q4. Again, we said similar to Q4 trend. So indeed, yes, we mean the percentage of growth, to be precise. It doesn't mean exactly 20%. Of course, it can be slightly below or maybe slightly above. Difficult to know at this stage.

But around this figure and EBIT contribution for -- of COVID, I think your question was on what to be, let's say, capped for 2021. So again, on sales, as you understand, rightly, we are really looking at the current trends that we see. And again, as I just explained for H1 and Alexandre explaining the lack of visibility for H2. On the cost side, we -- I would say, as I explained, the exceptional savings and the exceptional costs, we expect most of this to, let's say, not be recurring.

Again, the exceptional variable compensation, exceptional profit sharing, exceptional -- all this part on additional costs should disappear. Not everything, for example, freight costs were much higher since March-April. And of course, we have in our guidance, still higher than normal, let's say, freight costs.

And on the other side, the savings, a big part of the savings will disappear. But again, some will stay, for example, travel, obviously, like today, and like everyone, we have a lot of travel reduction we've seen in H1, for sure, we'll see later in the year. And know that I just said is ...

Alexander Matthew Gibson - *Morgan Stanley, Research Division - Equity Analyst*

That's great. Could I just get 1 clarification on the EUR 174 million then is, do you think that level could be sustained? And so you could see a EUR 174 million net impact again in 2021? It's not as if you're baking in that amount reducing.

Guillaume Bouhours - *bioMérieux S.A. - Executive VP of Purchasing and Information Systems & CFO*

Have difficulties to look at it this way because of the revenue part, which is, of course, the biggest part of this EUR 174 million is part -- I don't think we analyze it this way. Again, in 2020, it was exceptional plus and some exceptional negative from Q2 and into the next quarter. This year, we know that the start of the year will -- is still on the same trend, and we don't -- we know for H2. So difficult to measure on this way. That's why I try to give you more insights on the cost side.

Operator

We can now take our next question from Catherine Tennyson of Bank of America.

Catherine Tennyson - *BofA Securities, Research Division - Analyst*

I have 3, if I may. I guess, we're already starting to see testing numbers in the U.S. start to drop off. So for you personally, how would you see the demand as you progress through Q1 and into Q2 in that region. And if we look at the full year guidance. And we assume a relatively close run

rate to Q4. We are looking at a negative 5% organic growth outlook for H2. Could you give me an idea of the components of that. So what are your assumptions for H2 '21 for base business growth or recovery, and also COVID testing volumes?

And then finally, on Q4, specifically, your 1,400 BIOFIRE placements, can you give us an update on the graphical mix of those? And also, what portion of those were just adding capacity into existing a kind as oppose to making headways into sort of greenfield sites?

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

Maybe I'll start with the third question. So on the install base, happy to share the increase of almost 7,000 during the year was, let's say, roughly half on existing customers and half on new customers on the number of units that were additionally installed. The split of additions is about 2/3 U.S. and 1/3 outside of the U.S. in Q4, which is quite similar to what we had throughout the year. Yes. So I think that answers your question on geography and type of customers.

In terms of trends for H2, again, that's really difficult to say and to share. We -- I think the key message on our side is that we lack visibility. It's super uncertain for us for H2. Yes, so we -- I don't think we have a strong assumptions to share in detail for H2. U.S. testing if -- again, we don't give -- in this quarter or in the figure of the last few weeks. What we can tell you is, as we said, we see the trends that are overall quite similar to Q4 with both still a strong demand on molecular and a recovery on some of the ranges that we mentioned had a good recovery. Immunoassay, the big part of the microbiology in Q4.

Operator

We can now take our next question from Hugo Solvet of Exane BNP Paribas.

Hugo Solvet - *Exane BNP Paribas, Research Division - Research Analyst*

A couple of my side. First, on longer-term competitive environment in immunoassays. 2 large competitors have announced that they were, are about or will launch low to mid throughput automated platforms. What are your expectations around pricing in this context?

Second, on the contribution of serology COVID testing to the recovery of immunoassay, what does it mean for the base business and its trend?

And lastly, with a 0.1x net debt to EBITDA ratio, should we think about reinvestments for bioMérieux's future growth, is that more M&A, R&D? And on R&D, can you please share some of the progresses that you have made recently and give more details on the timing of launch for the TB test in Europe and in the U.S.?

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

Okay. So a lot of question around immunoassay. No, I guess, as you know, this year have been impacted by less testing in immunoassay there been global trend in the IVD world. By that, we keep our strategy is to drive a mix of a strategy for developing countries and for mature countries. The push for high medical-value markers is a strategy that we have and we mentioned that we just launched NEPHROCHECK for acute injury. To your last question, we should launch -- sorry, sooner, soon this year, TB-IGRA in Europe.

So we keep -- there will be competition, but we still believe that VIDAS is a platform which is well suited for high medical value marketers.

I believe you had another question can I read myself, in fact -- sorry, the debt level. On the debt level, no, yes, we'll use this money to keep on I would say, investing in our pipeline. And in terms of M&A, I'm sure that few things might happen, I will stay open to new technologies which have the potential impact to either reduce time to result or be disruptive on the field of -- the field that's the right size as a respiratory, ASP or food and pharma type of a -- quality control business.

You had a question also on serology and how it will work with vaccines, yes, that was the question, not at all?

Hugo Solvet - *Exane BNP Paribas, Research Division - Research Analyst*

No, the contribution of serology COVID testing to the recovery of immunoassays that we have seen in Q4. And how is the base business, ex-COVID, trending?

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

No, it helped to recover. I would I'm not sure we give the figures on serology, but it helped also to recover on Q3 and Q4, it's not super clear yet how much serology will be used in line with the vaccination campaigns, which are happening, but we saw demand.

On the global immunoassay it was sort of demand being back and some contributions some part of the world where contribution was down.

Guillaume Bouhours - *bioMérieux S.A. - Executive VP of Purchasing and Information Systems & CFO*

And to your question, it's not so much serology versus base. It's really more -- or as Alexander explained, high medical value markers in our menu for immunoassay versus more, let's say, routine markers. And the word routine was really severely impacted. Again, with lower hospital number of patients everywhere in the world the high medical value markers back on the well and recovered strongly at the end of the year. It's serology, but it's also PCT, it's a parameter like D-dimer that are used in the care for COVID patients, et cetera. So that's really the big difference in the 2020 trend.

Operator

We can now take our next question from Maja Pataki of Kepler.

Maja Pataki - *Kepler Cheuvreux, Research Division - Head of Med Tech Devices Sector*

Yes. 2 questions from my side. First, on R&D spend. We've seen it go down as a percentage of revenues, obviously, since you've seen this strong growth in 2020. Now since we're expecting to see growth going forward. How should we think about R&D? That it's going to go back towards the levels we had before? Or that it will stay around the 13% going forward?

And the question to that would really be that, could you tell us what are the key areas for your R&D projects, particularly if you expect to spend more again?

And then the second question, with regards to the new customers that you've placed the BIOFIRE instruments in 2020. Have you already started to talk to those customers about additional panels? Or is it still far too early because hospitals are just too busy with COVID 19?

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

We have been very busy with COVID-19, but we know we communicate today around the joint infection, around pneumonia V2. So no on the BCID 2 has been launched also last year, but not, I would say, maybe adequately promoted because of the COVID pandemic. So no, we communicate around the pipeline.

On to on R&D, it's for us, yes, this because the sales increased very much. We increased R&D, but not to the same level. In fact, I would depend a bit on the project. We'll say we're keeping the company focusing on innovation. That's really the nature of the game in our space. But what we can

communicate today, it's more around the menu, menu enrichment on all of our key platforms. And when it will be closer to launching new platforms that will be time to discuss, but at this time we mainly invest in a menu improvement, evolution of our systems.

Maja Pataki - *Kepler Cheuvreux, Research Division - Head of Med Tech Devices Sector*

Perfect. Just a follow-up question on that. Alexandre, can you remind me, please, what the split was of the consumable sales in BIOFIRE in 2019, when it comes to respiratory GI pneumonia. Just to have a feeling of what the mix would look like going into '22?

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

I'm looking at the people. What we have said is in 2019, RF was above half of the region sales. And actually, in 2020, it was more 3/4 of the region sales.

Maja Pataki - *Kepler Cheuvreux, Research Division - Head of Med Tech Devices Sector*

But the remaining 45% or whatever it was, 40%, can you tell us what the split was for those? Just roughly. It was #2 GI, #3, pneumonia.

Guillaume Bouhours - *bioMérieux S.A. - Executive VP of Purchasing and Information Systems & CFO*

Yes, #2 GI and (inaudible).

Operator

We can now take our next question from Scott Bardo of Berenberg.

Scott Bardo - *Joh. Berenberg, Gossler & Co. KG, Research Division - Analyst*

Yes. The first question, just a clarification on guidance, please. Apologies, I joined the call a little bit late. So I just wanted to make sure I had in my mind your statements on EBIT development or expectation for a 2021.

First of all, I appreciate you giving guidance in uncertain times. Am I to understand correctly that this similar levels of contributive EBIT around EUR 613 million or so, your statements are that we should deduct currency of around EUR 30 million, EUR 35 million and also net off around EUR 10 million from share-based compensation. So basically, the guidance is implicit at EUR 570 million. Did I get that correct? If you could please clarify, I would be much appreciated.

The second question, to Alexandre, please. Alexandre, I mean, obviously, a tremendous year for BIOFIRE with -- and bioMérieux with respect to placements and expanding the customer base. We have noted a similar very strong dynamic for other alternative technologies like low-plex systems where some of the placement numbers have been even more impressive over the course of 2020. In your opinion, is there any friction or any competition that you're now starting to see in multi-analyte testing? Of course, this was in the environment where bioMérieux is and was, particularly strong, but now seems that other alternatives are in the market. I just wondering if you could share some thoughts there.

And last question for me, please. Alexandre, I appreciate, again, lots of moving parts here. But is it possible to help outline a little bit the bioMérieux story post-COVID? We've been in a situation where the company's had very good growth and some modest but successive margin improvement. We're now sort of entering this year with a very high margin and maybe some abnormal revenues for COVID. So I just wonder if you could help us outline what the midterm story looks like for bioMérieux, both from a sort of growth and a margin perspective. That would be very helpful.

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

Okay. Question around on syndromic and the competition, I guess, the low-plex. If I look at syndromic, I really try not to reek of arrogance but I really believe that we lead the race this year on the syndromic approach. Of course, all the players grew but it's now -- yes, it's now a EUR 1 billion business. Syndromic, of course, COVID has helped a lot.

But I really believe that thanks to the menu, thanks to the national network, we have really pushed our advantage on the syndromic fault. Low-plex is there, also, as you mentioned, and also, we have a low-plex solution with ARGENE, now with a smaller R-GENE. It's also there. I believe there will be room for different type of testing approaches, depending on the setting and depending on the criticality of care for the patient. It depends if you are at the hospital or if you are ambulatory.

So I believe there will be room for the syndromic and also for the low-plex approach. Today, our objective, our goal is really to reinforce our leadership in syndromic. But there is room for others, and COVID has proven that there was room for low-plex, for antigenic, for any type of solution.

The space has changed. The IVD space has changed and many trends have pushed further.

Your question around the long-term profitability of bioMérieux. And it's true that COVID has been a booster of growth and performance for us. I believe that will stay to the commitment that I took 3 years ago to Keep on working on a steady improvement of the performance of the company, and we have a profitable growth so this is what we will work on.

In the post-COVID world, if there is a post-COVID world, will update you on this. But we are committed to steadily improve the performance of the company.

And I guess I forget another question which was part of your -- story? bioMérieux story beyond COVID. First of all I believe COVID is here to stay. So COVID -- not as a pandemic, hopefully. But COVID will be there in the menu of bioMérieux, both in immunoassay, in BIOFIRE and with ARGIN. I believe that the fight against infectious disease and the recognition of diagnostic has been great. This year, diagnostics is really part of the continuum of care. There is prevention, there is diagnostic, there is treatment so I believe we are part of the solution. It was a strong recognition of the value we bring. So it will be up to us, up to the competitors also, to keep on working on this recognition, bringing innovation and infectious disease of that -- again it goes beyond COVID, AMR, the link with zoonotic disease. I think we have to stay -- we have to learn from what happened and to be ready for other challenges, hopefully not this critical.

Guillaume Bouhours - *bioMérieux S.A. - Executive VP of Purchasing and Information Systems & CFO*

And back to your questions about more specifically, the EBIT guidance for 2021. So to be precise, the guidance is to be aligned at current rate. So let's say, around EUR 600 million. At current rates. So when I say current, I mean that the negative EUR 30 million, EUR 35 million of ForEx as well as the Myshare plan are all included in this figure.

Scott Bardo - *Joh. Berenberg, Gossler & Co. KG, Research Division - Analyst*

Correct. Okay. And maybe just a last very minor point, if I may. Again, the placement rates for BIOFIRE have been phenomenal all throughout the course of the year. It was a little bit surprising to me in Q4, given the escalation of this crisis and the very high levels of testing, that your placement rates with the lowest of the year in the fourth quarter. Is there any reason for that? Was it capacity issue that you had? Or was there anything particularly else underpinning why your placement rates for modules were lower than in Q1, at the beginning of the year.

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

Yes. One of the big reasons is that we have actually, we have not discussed on this call yet, but we are still on backorder on reagents, despite our very strong increase of capacity. As we explained, and as we showed, we are still on a, yes, significant few weeks of backorder on reagents. And that's, let's say, reason for us also to self-limit the delivery of new instruments. So that then, of course, customers with instruments, we are able to provide them with reagents.

Operator

And we can now take our next question from Peter Welford of Jefferies.

Peter James Welford - *Jefferies LLC, Research Division - Senior Equity Analyst & European Pharmaceuticals Analyst*

I've got a few. I was sticking with BIOFIRE, if you don't mind, please. Firstly, thanks for giving the breakdown of the placements between new and existing and the geographic, that's very helpful. Can we just understand a little bit more about the customers, if possible? In the sense that, particularly in the U.S., what proportion of these customers is typically a hospital sort of emergency department versus, on the other hand, perhaps a hospital lab or alternatively a physician office or that sort of environment? I guess, just trying to sort of help us understand where you are within the typical COVID testing landscape.

And then just a clarity as well on the ex U.S., I think you said 23%. Is that 23% -- was that the fourth quarter sales, or was that of the 2020 sales overall, with 23% ex U.S.?

And then just finally, on again, the ex U.S. I just wondered if you could talk a little bit about which countries you've managed to gain traction in so far? Which countries are proving more challenging? I guess just trying to understand, is it -- are there certain countries that represent the majority of that? Are there still other countries that are largely untapped? Or is it more that it's a sort of steady growth across many of the developed world countries? Just trying to help us understand the dynamics there.

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

I think that ex U.S. numbers were on the year on the 2020. 23% is for the full year.

Traction around FILMARRAY. It's a bit global also, but as stated by Guillaume, we also had to do choices sometimes between who we serve, who we don't serve. So we, of course, serve our customers, and we gained other customers.

In terms of traction, there was a good traction in the U.S., of course, in Europe, I would say, also. Japan, mentioned by Guillaume was we got the reimbursement and the geo pro or RP early year on last year. So this is a good success for us to in the Japanese market. We are not in China yet. We are still not registered in China with FILMARRAY. This is also why you saw that maybe in Asia Pacific, we had less exposure to molecular and to BIOFIRE. And this is maybe where this is a region which contributed less, maybe except from Japan to the growth of FILMARRAY.

Your question around the split of customers in the U.S., I'm not sure we give it. And to be frank, FILMARRAY is used in many, many settings. In hospitals, of course, but also a big lab chains. So I'm not sure there is a big difference, I think, especially in COVID times, I think everybody needed a testing solution, and FILMARRAY was part of it. But I would say, again, it's an evasive platform which can fit many needs.

Operator

And we can now take our next question from Christophe Ganet of ODDO.

Christophe-Raphael Ganet - ODDO BHF Corporate & Markets, Research Division - Head of Equity Research

Yes, absolutely. Actually, I have 2 -- three, sorry. So just to be clear and clarified on the exceptional costs. Can you just summarize the amounts of what you would consider that are exceptional cost of nonrecurring for '21 and exceptional savings on the other side. So that's first.

Secondly, can you talk a little about the price projections you have for '21, that I believe for the COVID family of tests? And third is about immunology is it possible to share the percentage of the routine test now on the 2020 figures, plus the perception you have of the rate of penetration of serological tests. And notably, on which market do you think there is a high potential for those assets?

Alexandre Mérieux - bioMérieux S.A. - Chairman & CEO

You want me to take the cost (inaudible) test.

I'll start with that. So actually, yes, so your question is about, let's say, what makes the exceptional COVID impact EUR 174 million in terms of operating income impact in terms of savings and cost. So to give you a bit more color, let's say. The savings, and here, we talk about travel about congress, marketing costs, is overall about magnitude of EUR 60 million. And the additional cost, we have about EUR 90 million of additional costs, including the, let's say, the Phantom shares part. So that's the big part. Phantom shares, variable compensation, sales bonus, et cetera. And another about roughly EUR 30 million of operational costs, one of which is, I mentioned earlier, the freight cost, the transport cost of our products, which are much higher, let's say, since COVID. As you know, air freight is much more expensive, specifically COVID. So that's -- yes, I think that gives you a bit more, let's say, color and precision.

Guillaume Bouhours - bioMérieux S.A. - Executive VP of Purchasing and Information Systems & CFO

Price projections for '21.

Alexandre Mérieux - bioMérieux S.A. - Chairman & CEO

No major difference, actually. There's no basically stability of ASP and the prices.

And I think the third question was on routine on immuno. Basically, roughly 1/3 of our revenues is routine and about 2/3 is high medical value in the broad sense. And again, it's about serology, PCT, D-dimer, et cetera, that kind of parameter.

Guillaume Bouhours - bioMérieux S.A. - Executive VP of Purchasing and Information Systems & CFO

And routine was impacted.

Alexandre Mérieux - bioMérieux S.A. - Chairman & CEO

And routine was impacted where, as I mentioned earlier, high medical value was especially well recovering in H2.

Christophe-Raphael Ganet - ODDO BHF Corporate & Markets, Research Division - Head of Equity Research

And regarding the ramp-up of the serological tests, which country should be concerned?

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

It has been launched -- maybe the ramp-up was maybe the ramp-up was -- maybe it's more Europe, I believe, in the first aid considering we have a small install base.(inaudible)

Operator

And we can now take our next question from Alex Gibson of Morgan Stanley.

Alexander Matthew Gibson - *Morgan Stanley, Research Division - Equity Analyst*

Great. I just had 3 hopefully quick ones. On the placement of BIOFIRE systems in 2021, what are you budgeting for here? Will you place systems with customers that just want to use it for COVID? Or do you now want to focus more on the customers that may want to use the broader menu?

Second question on the panel capacity. You said you're moving to, I think, it's \$1.2 million per month. Will you have any plans to increase that further in 2021 if you see conversion rates improve?

And then lastly, bigger picture longer term, the BIOFIRE multiplex reimbursement across Europe, it still seems to be pretty limited. Can you give us an update on when you expect to gain reimbursement codes for syndromic testing in European countries? And what that could mean in terms of accelerating growth and placements, utilizations of your systems?

Guillaume Bouhours - *bioMérieux S.A. - Executive VP of Purchasing and Information Systems & CFO*

The production. The EUR 1.2 million that we give you are the target for the monthly target for production, average target for '21. So these are the figures we communicate on. Of course, depending on the demand, I will -- we will adapt, but already a big work being done by the teams to increase that the capacity.

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

And it's capacity. It doesn't mean sales, again, as I explained earlier, we are on back order at this stage. We expect, and it's really, we need to be out of back order so that we can deliver customers as they request. And potentially, we would expect to rebuild our inventory levels, which would be normal by the end of the year, especially for the next winter season. So again, it's capacity level, manufacturing capacity, it doesn't mean exactly sales.

And your question on the sales of FILMARRAY this year, will answer the demand? COVID is COVID, but for us, FILMARRAY, it's a menu play. It's a large panel. I mentioned again, respiratory, (inaudible), meningitis, BCID 2, pneumonia, joint infection. So it's a menu player. We are -- it will depend on circumstances. It's a big push for COVID, but this platform is made for syndrome testing of a different type of pathologies.

Franck Admant - *bioMérieux S.A. - Director of IR*

Reimbursement in Europe?

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

No major change on the reimbursement in Europe. But again, we are -- yes, we don't foresee major changes. We are able to do a business with -- it doesn't mean there is no reimbursement. It means that, of course, we are part of DRT diagnostics related DRG, diagnostic related group for

inpatients. And is for the hospital to see how they allocate their resources and their spend for treatment in diagnostics. So that's the way we handle the business in Europe. And again, it really proved successful in 2020.

Alexander Matthew Gibson - *Morgan Stanley, Research Division - Equity Analyst*

Okay. It just seems that last point could be very helpful, because speaking to some people, it seems like FILMARRAY as a cost-minus type of reimbursement today. And if you could get a code, maybe it could be a cost-plus, and you would see better adoption than you currently are. I'm just trying to understand, like, is reimbursement changes likely to occur over the next 1 to 2 years in Europe? Or is there something that's just not going to be pushed through?

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

We are promoting the value of FILMARRAY. So the value is, of course, the medical value, but also its benefit for the health care system, so reducing the length of stay for the patients. So that's the approach that we are developing. Then after things are moving faster in some countries than others. And it will be our job also to promote this value, but sometimes, things are moving slower in some parts of Europe.

Operator

We can now take our next question -- apologies, go ahead.

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

Have some questions on the website, if you let me go through them?

Okay. So we have a question from Luis Boyer, Societe Generale -- no Stifel. She is asking for the G&A evolution.

Shall we consider the 270 basis points improvement over the year are sustainable?

Guillaume Bouhours - *bioMérieux S.A. - Executive VP of Purchasing and Information Systems & CFO*

Again, the percentage of sales on SG&A, of course, is very much driven by the volume as we wrote and explained. What I think you need more to consider is that we will continue to especially invest in our sales and marketing. Try to maintain, of course, G&A at a reasonable level, even though we invest also in transformation programs of the company, especially on the digital front, and that's part of G&A.

And in the basis of 2020 again, there are a lot of exceptional costs and exceptional savings that kind offset each other. So we can expect, let's say, to rebuild on this basis for the coming years.

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

Another one from Louise as well. So how much of the new 70,000 units of have been placed versus sold?

I think we answered already to that question.

But what protection do you have against a drop in reagent volume and placed units? What kind of contract do you have?

Guillaume Bouhours - *bioMérieux S.A. - Executive VP of Purchasing and Information Systems & CFO*

So the percentage is 75% sold and the rest more placements for the BIOFIRE part. In front of the new ones in 2020. In terms of protection, we don't have -- I wouldn't say we have specific protection. Again, it's about, as Alexandre explained, it's about our menu, but value and the medical value of FILMARRAY there is no specific protection or specific guarantee. Even though, of course, on some placements, we have a volume commitment. But again, we should not consider that as a specific overall protection.

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

A question from Delphine Le Louet, Societe General.

EUR 42 million allocated to nonrecurring and philanthropic actions. How should we see that amount evolving in the future?

Guillaume Bouhours - *bioMérieux S.A. - Executive VP of Purchasing and Information Systems & CFO*

Like -- but -- It's a bit specific for this year. Of course, the dividend, but also the endowment fund, which is in the count this year, but for 2, 3 to 4 years. It's a bit special. But as I mentioned, we had a good performance bioMérieux. Not saying we are lucky to bring in this business because we work hard to deliver the solution. But we believe that it's also the duty, sometime, of company who are performing well, to take care of the local community. And as I stated, there will be consequences from the COVID beyond sanitary consequences on the -- but we believe it's a good thing, if we can afford it, to support solidarity initiatives. And then again, it will be handled not only by the corporate, it will be handled by the different sets that we have in the world.

So it's a bit specific to the situation. But when you have good performance, we believe it's good to give back.

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

That's all. Mary, please go ahead.

Operator

We can now take our next question from Maja Pataki of Kepler.

Maja Pataki - *Kepler Cheuvreux, Research Division - Head of Med Tech Devices Sector*

Three follow-up questions, if I may, please. The first one, Alexandre, I believe it was at the H1 call where you increased your guidance -- or you delivered a very strong EBIT performance for the first half. And you cautioned that we should not assume this going forward to be a sustainable level. Now your 2021 guidance is very confident. And I'm wondering if you could tell us what has changed in the environment, why you turned more positive or confident.

The second question is with regards to deep BIOFIRE CLIA panels. I believe a couple of years back, you tried to place or to sell the respiratory panel CLIA wave panels in the U.S. to physician offices. Has that been part of your success in 2020 in the U.S.?

And the last question is with regards to China. BIOFIRE hasn't been approved yet. But as I understand, for the first 2 years, once a diagnostic test is being approved, it is out-of-pocket payment. Do you believe that it will be a very slow ramp-up in China once it is approved based on the fact that it will not be reimbursed in the beginning?

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

For China. First, we need to approve it, then we'll see. It takes time because there a lot of constraints, regulatory hurdles I would say, sometimes to go back and forth. So I don't know yet. For first -- we are first working on this. So I believe syndromic is a solution that fits needs all over the health care setting. But first, I would like to get a better confidence about the registration in China.

Your -- sorry, I keep forgetting the question. The number 2 question? There was a question on...

Maja Pataki - *Kepler Cheuvreux, Research Division - Head of Med Tech Devices Sector*

The CLIA test?(inaudible)

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

Sorry. (inaudible)

Yes, we had the strategy to test a bit the market for CLIA. And it has proven, yes, to be -- it's not -- in the numbers, you see, it's not -- it doesn't make a big difference, but I think there is traction with this solution. And I believe that, that goes in line, I don't want to be too theoretical, but I believe COVID testing has changed many things. And it has changed the push for molecular, it has also boosted maybe the need for more decentralization. I believe these are trends that we have to monitor or to follow. But yes, there was a good traction on this year.

On my level of confidence, my level of confidence. I'm known to be quite cautious. But no, we feel engaged, and we see the dynamics. So we these are projection, I insist on the uncertainty, but this is the projection that we see today. The dynamic from infectious disease, is therefore, for the long term. And then again, it can also go beyond COVID and the recovery of the other solutions, will help.

Operator

(Operator Instructions)

We can now take our next question from Scott Bardo of Berenberg.

Scott Bardo - *Joh. Berenberg, Gossler & Co. KG, Research Division - Analyst*

So I think certainly, a lot of the discussions I've been having with investors in diagnostics. There's a lot of focus on the post COVID landscape, I appreciate Alexandre, you don't think COVID is going away. I accept that. But the landscape after this near-term abnormal demand that we see for the pandemic. Question is, Alexandre, do you think the time has now come for bioMérieux to provide some sort of midterm strategy and midterm financial targets? Which a lot of your leading peers do. Is that now something in your thinking that we should come to expect for bioMérieux?

The second question, please. Again, bioMérieux being a global leading upper respiratory disease company and -- or certainly leading in that area of testing. Lots of debates, I think, about the influenza season and the respiratory seasons going forward. There's been negligible flu season this year and indeed, lots of government vaccination programs, not just for COVID, but for flu as well. Have you considered or caught any feedback in the industry that, indeed, going forward, there may actually be lower respiratory season, even including COVID, because of these aggressive actions for new vaccines in therapeutics?

I guess, nature of the question is, has the market changed in this post-COVID environment? Your thoughts around that would be greatly appreciated.

And the last question, if I may, Alexandre. Please help us understand where we are within the innovation journey for BIOFIRE? Obviously, you've been first to the market with lots of new tests. I think 6 or 7 tests on the platform. Where are we in that journey? Is there still some significant unmet medical needs to come on this system? Or is the product portfolio now more full?

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

Okay. You have -- you ask big questions.

Maybe the second one on the flu season. I'm sorry, I love to say a lot, I don't know, this year in general with COVID. And it will depend in too, there was no flu there was no real flu this winter because we all wear masks and cleaner hands and we don't meet any more people. But I hope as we go back to a normal life. So we'll see. I don't know. Flu is like a virus, it can mutate, so we never know. It's very difficult to predict. What I know, again, is that syndromic is the right solution if flu comes back, depend on which level, because we will want to know, do I have a flu A? Do I have a flu B? Do I have neuro? Do I have corona? I still believe that low flu -- high flu season, syndromic will be a key solution to differentiate the type of infection. But it's very difficult to predict what will happen.

I don't believe that the -- I believe that infectious disease will remain a key topic also this crisis has proven other things, and it's not only about human health. But one has to approach handling between veterinary and the human and ecosystem. So okay. It should help us to react a bit in a CSR way, but I cannot predict the future.

To your first question about long-term guidance. Of course, I mean, in bioMérieux, we have long term planning we do decide our investment for the long term. I'm not used to give long-term guidance because I think sometimes, it's a bit risky, and the world is changing. And I'm not sure I will do it in the time of pandemic, where the uncertainty is quite strong. Maybe we, maybe, one day will give more guidance around the strategy, be the long-term road map. But on the figure side, I don't think that's something I would do at this stage, at least.

And again, the third question. Our innovation journey on BIOFIRE. So it's a menu play, but you can also see that since the acquisition of BIOFIRE by bioMérieux, we already launched 2 different performer, we launched the FILMARRAY 2.0, we launched the TORCH platform. Some tests have moved from 60 minute testing to 45 minute testing. So this is an innovative platform. And that's how we see the things with this technology. So maybe more to come on the menu and time to results, and all these things we are working on.

Scott Bardo - *Joh. Berenberg, Gossler & Co. KG, Research Division - Analyst*

Very good. And maybe just last quick one, if I may. You made the acquisition of NEPHROCHECK a few years ago, which I thought was a very clever acquisition, a good product for unmet medical need. I now note that, that product is now approved. Can you help us understand, I mean, will this be a big contributor to group growth of your immunoassay business? Or is this going to be a bit of a slow and steady burn? If you could help, that would be appreciated.

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

It's too early to say. It's a test results of medical value, but it will take time to ramp it up because we'll have to keep on investing in the clinical studies, in a real-world evidence type of things. So it's -- no, it's a good test. We are very, very pleased to own it.

Now we have to build the market around it with the (inaudible) and the real-world evidence, but it's here to stay.

Mary, last question.

Operator

We have no further questions over the phone.

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

Okay. I have no question on the web chat as well.

So thank you very much for this discussion or question with you. I think it was 1 hour and 20 minutes for the first time. So I guess this actually is interesting. So thank you. Thank you very much. We'll stay in touch. I guess there will be a communication with the Q1 results in April.

Thank you.

Guillaume Bouhours - *bioMérieux S.A. - Executive VP of Purchasing and Information Systems & CFO*

Thank you.

Alexandre Mérieux - *bioMérieux S.A. - Chairman & CEO*

I Thank you very much.

Guillaume Bouhours - *bioMérieux S.A. - Executive VP of Purchasing and Information Systems & CFO*

Bye-bye.

Operator

Ladies and gentlemen, this concludes today's call. Thank you for your participation. You may now disconnect.

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