PRESS RELEASE – **For immediate release**

BioMérieux - 2004 Results

- **Operating income up 30%**
- **Net income up 37%**
- **Debt reduced to 28% of shareholders' equity from 51%**

MARCY-L'ÉTOILE – March 21, 2005. The Board of Directors of bioMérieux met on Friday, March 18 to approve the consolidated financial statements for the year ended December 31, 2004. The meeting was chaired by Alain Mérieux and attended by the Statutory Auditors.

Consolidated data (in millions of euros)	**2004**	2003	% Change
Net sales	**930.6**	914.5	**+1.8%**(1)
Gross profit	**497.4**	474.5	**+4.8%**
Operating income	**132.2**	102.1	**+29.6%**
Net income	**75.7**	55.1	**+37.4%**

(1)**5.2%** on the basis of constant scope of consolidation and exchange rates.

In commenting on the results, Chairman of the Board Alain Mérieux noted that *"in 2004, bioMérieux expanded its international network, production capacity and research capabilities, all while sharply reducing debt and preparing for the future."*

OPERATING HIGHLIGHTS

- Net sales totalled **€931 million** for the year, an increase of 5.2% like-for-like (excluding changes in scope of consolidation and exchange rates). Reported growth was 1.8%, due to the euro's continued strength against the dollar and most other currencies. In all, growth was led by **reagent sales**, which rose 6% excluding the currency effect, while 3,500 new instrument systems were installed on customer premises.

- **Sales rose in all the operating regions**, in local currencies:
  - Sales in the **Europe - Middle East - Africa** region grew an aggregate 3.7% at constant exchange rates. Excluding France, the growth rate was 6.6% in local currencies, reflecting strong gains in Italy (up 9%) and Germany (up 8%). In France, business declined a slight 2% during the year, but the VITEK®2 Compact launched on December 1 got off to a good start.
  - In **North America**, sales rose 6.1% at constant exchange rates, as strong demand for the main product ranges offset a smaller contribution from instrument sales.
  - In the **Asia-Pacific** and **Latin America-India** regions, sales increased across all product lines, rising around 9% at constant exchange rates thanks to ongoing expansion in China and improved sales in the persistently difficult Japanese market.

- Sales of **clinical applications** rose 4.7%, while **industrial applications** gained 8.9%, both at constant exchange rates.
  - **In the Clinical segment**, good results were reported in bacteriology, immunoassays (VIDAS®) and molecular biology. Increased competition weighted on hemostasis sales, but the other product ranges held up well.
  - **In Industrial applications,** where the number of players increased, reagent sales rose sharply, while instrument sales declined from the previous year's very high figure as customers increasingly preferred placed instruments.

- **New product launches**
  - Several new **instruments** were launched during the year:
    - The VITEK®2 Compact automated bacterial identification and susceptibility testing system
    - The **MiniMag™** extraction system in the area of molecular biology.

    The **TEMPO®** industrial applications platform was introduced on January 31, 2005.
  - The **reagent** lines were enhanced with, in particular, extensions of the **VIDAS® TPSA** assay to help diagnose prostate cancer and the **VIDAS D-DIMER** test to exclude pulmonary embolism. VIDAS D-Dimer Exclusion is currently the only assay available in the US for this type of indication and it won the Frost & Sullivan Product Innovation of the Year 2004 Award.
  - Lastly, new expert system **software applications** were brought to market, including Observa (epidemiological monitoring) and Stellara (therapeutic advice).

- **Capital expenditure**

  To support development and prepare for new platform launches, the Company pursued its capital spending program during the year. Outlays totalled €79.4 million, in line with previous years. Nearly half (€36.5 million) concerned the placement of instruments, while the remainder (€42.9 million) was committed to capital improvements across the production base.

- **Inspections in progress**

  In 2004, the US Food and Drug Administration (FDA) inspected three bioMérieux facilities. The inspection of the St. Louis, Missouri plant in April was concluded with a satisfactory outcome, while at two other facilities, at Boxtel, the Netherlands and Durham, North Carolina in the

United States, action plans have been prepared in response to observations and submitted to the FDA. Both plans are proceeding in a timely manner.

FINANCIAL DATA

♦ Statement of income

- **Gross profit** totalled €497.4 million, representing 53.5% of sales, compared with €474.5 million and 51.9% in 2003. The increase was driven by higher sales, the larger proportion of reagents in the revenue stream, savings from the restructuring programs carried out in 2003 and ongoing measures to improve productivity. Higher raw materials prices had only a slight impact on unit production costs.
- **Selling, general and administrative expenses** rose by 3.9% to €246.4 million, reflecting the increased organizational resources deployed to prepare for the launch of new platforms and support international expansion.
- **Research and development expenses** amounted to €126.8 million, or 13.6% of sales. This was 3.3% less than in 2003, when these expenses included particularly high licensing fees. Their amount reflects the extensive programs undertaken to develop new platforms and reagent menus.
- The company continued to capture the value of its patent portfolio in 2004, when **net received royalties** rose to €8.9 million from €7.4 million the year before thanks to agreements signed with Bayer (Boom® Technology) and Gen-Probe (coagulation markers).
- **Restructuring costs** declined sharply to €0.9 million from €11.7 million in 2003. Restructuring programs decided during the year concerned the consolidation of the French molecular biology teams in Grenoble and the closure of the laboratory in Saitama, Japan.

As a result, **operating income** improved by 30% to €132.2 million, and represented 14.2% of sales versus 11.2% in 2003. While weighing on sales, changes in currency rates had little effect on operating income thanks to their favorable impact on operating expenses.

- Despite the decline in average debt and interest rates, **net financial expenses** rose due to other non-recurring financial costs.
- **Net exceptional expenses** increased to €3.7 million from €0.3 million in 2003. It primarily included the Company's share of IPO costs (€5.2 million), partially offset by the capital gain on the disposal of a building in Spain.
- **Income tax** amounted to 33.1% of pretax income, versus 36.2% the year before. The decrease resulted from major tax credits or refunds and the reduced impact of unprofitable companies.

In conclusion, **net income** rose by 37% to €75.7 million or 8.1% of sales, after amortization of €4.4 million in goodwill.
Earnings per share came to €1.93, up 37% on 2003.

♦ Statement of changes in net indebtedness and balance sheet

- In 2004, the increase in income and the disciplined management of capital expenditure and working capital helped to generate **free cash flow** of €73 million.

- **Net debt** amounted to 109.2 million at December 31, 2004, when it represented 28% of shareholders' equity, compared with 51% a year earlier.

♦ Dividend

The Board of Directors will recommend that shareholders at the Annual Meeting on June 9 approve **a dividend** of €0.40 per share, corresponding to the payout of 20% of net income for the year, as previously indicated.

♦ The transition to IFRS

In 2003, the Company adjusted all of its post-retirement liabilities and benefits to bring them in line with IFRS. As a result, the new standards will have only a limited impact on opening shareholders' equity (a decrease of €4.1 million) and opening debt (an increase of €9.5 million) at January 1, 2004. Under IFRS, 2004 net income would have amounted to €79.7 million, compared with €75.7 million under French GAAP.

OUTLOOK FOR 2005

Over the full year, sales are expected to experience like-for-like growth similar to 2004, although expansion will be relatively weaker in the first quarter due to high prior-year comparatives.

As planned, 2005 should see the sustained implementation of programs underway to develop and introduce new platforms. Operating margin will reflect the full-year impact of higher raw materials prices and the increase in selected organizational resources (quality control, sales force and administrative staff). However, bioMérieux expects to attenuate some of the impact by continuing to optimize costs.

"We are satisfied with the 30% growth in earnings in 2004," concluded Executive Vice President Benoît Adelus, *"It was driven by the robust development of our business and the constant dedication of our teams to improving productivity. These results strengthen our position, even as we undertake an intensive cycle of new product introductions."*

UPCOMING EVENTS

- April 20, 2005: First-quarter sales
- June 9, 2005: Annual Meeting of Shareholders

ABOUT BIOMÉRIEUX

bioMérieux is a leading international diagnostics group that specializes in the field of *in vitro* diagnostics for clinical and industrial applications. bioMérieux designs, develops, manufactures and markets systems (i.e. reagents, instruments and software) used in:

Clinical applications: the diagnosis of infectious diseases such as hepatitis, HIV, tuberculosis and respiratory illnesses, as well as pathologies such as certain cardiovascular diseases and certain cancers, based on the analysis of biological samples (such as blood, saliva or urine); and

Industrial applications: the microbiological analysis of food, environments (such as water and air), surfaces and pharmaceutical and cosmetic products, based on product or environmental samples.

bioMérieux is listed on the Premier Marché of Euronext Paris (symbol "BIM", ISIN code: FR0010096479).

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APPENDICES

bioMérieux
CONSOLIDATED INCOME STATEMENT

In millions of Euros	Jan 04-Dec 04 12 months	Jan 03-Dec 03 12 months
NET SALES	**930.6**	**914.5**
COST OF SALES	-433.2	-440.0
GROSS PROFIT	**497.4**	**474.5**
SELLING AND MARKETING EXPENSES	-168.2	-164.3
GENERAL AND ADMINISTRATIVE EXPENSES	-78.2	-72.7
RESEARCH AND DEVELOPMENT EXPENSES	-126.8	-131.1
TOTAL OPERATING EXPENSES	**-373.2**	**-368.1**
ROYALTIES RECEIVED	8.9	7.4
RESTRUCTURING COSTS	-0.9	-11.7
OPERATING INCOME	**132.2**	**102.1**
FINANCIAL EXPENSES (NET)	-8.8	-5.9
INITIAL PUBLIC OFFER EXPENSES	-5.2	
EXCEPTIONAL INCOME (LOSS)	1.5	-0.3
INCOME TAX	-39.6	-34.7
NET INCOME BEFORE GOODWILL AMORTIZATION	**80.1**	**61.2**
AMORTIZATION OF GOODWILL	-4.4	-6.2
NET INCOME BEFORE MINORITY INTERESTS	**75.7**	**55.0**
MINORITY INTERESTS		0.1
NET INCOME	**75.7**	**55.1**
NET INCOME PER SHARE (1)	**1.93**	**1.41**

(1) In the absence of dilutive instruments, diluted net income per share is identical to basic net income per share.

bioMérieux
CONSOLIDATED BALANCE SHEET

ASSETS *In millions of Euros*	**NET** **31/12/2004**	**NET** **31/12/2003**
FIXED ASSETS		
. Intangible assets	20.8	25.2
. Goodwill	61.2	67.3
. Tangible assets	254.9	251.5
. Financial assets	37.5	29.8
TOTAL	**374.4**	**373.8**
CURRENT ASSETS		
. Inventories and work in progress	129.0	121.9
. Accounts receivable	254.0	257.9
. Other operating receivables	18.2	19.1
. Non-operating receivables	12.1	36.5
. Deferred tax assets	18.4	21.8
. Cash and cash equivalents	21.9	50.6
TOTAL	**453.6**	**507.8**
TOTAL ASSETS	***828.0***	***881.6***

LIABILITIES AND SHAREHOLDERS' EQUITY	**31/12/2004**	**31/12/2003**
SHAREHOLDERS' EQUITY		
. Share capital	12.0	11.9
. Additional paid-in capital	63.7	51.2
. Retained earnings	292.2	270.4
. Translation reserve	-54.4	-40.5
. Net income for the year	75.7	55.1
TOTAL SHAREHOLDERS' EQUITY	**389.2**	**348.1**
MINORITY INTERESTS	**0.7**	**0.7**
PROVISIONS FOR RISKS AND CHARGES	**76.4**	**73.2**
DEFERRED TAX LIABILITIES	**4.7**	**5.3**
LIABILITIES		
. Financial indebtedness	131.1	229.4
. Accounts payables	87.1	90.9
. Other operating liabilities	116.4	107.4
. Non-operating liabilities	22.4	26.6
TOTAL	**357.0**	**454.3**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	***828.0***	***881.6***

bioMérieux
CONSOLIDATED STATEMENT OF CHANGE IN NET INDEBTEDNESS

En millions d'euros	**Jan 04-Dec 04 12 months**		**Jan 03-Dec 03 12 months**	
Net income before minority interests	75.7		55.0	
Depreciation, amortization and provisions, net	88.7		83.6	
Net realized capital gains (losses)	-1.3		1.5	
Cash flow from operating activities	**163.1**		**140.1**	
Decrease (increase) in inventories	-8.9		1.6	
Decrease (increase) in accounts receivable	-0.6		-12.8	
Increase (decrease) in accounts payable and other operating working capital requirements	5.6		22.3	
Decrease (increase) in working capital requirements	**-3.9**		**11.1**	
Increase (decrease) in income tax payable	14.1		-3.7	
Other	-7.8		-2.5	
Decrease (increase) in working capital requirements	**2.4**		**4.9**	
Net cash flow from operations	**165.5**		**145.0**	
Capital expenditures	-79.4		-81.2	
Sale of property, plant and equipment	6.9		4.3	
Change in net payables related to fixed assets	-3.3		2.1	
Sale of investment securities			3.3	(1)
Impact of changes in the scope of consolidation	-1.7	(2)	-1.0	(3)
Loans and facilities – Related companies	7.8	(4)	8.7	(5)
Changes in other financial fixed assets	-5.5		-7.1	
Net cash flow from (used in) investment activities	**-75.2**		**-70.9**	
Capital increase – bioMerieux SA	12.6	(6)		
Dividends to bioMerieux SA shareholders	-30.0	(7)	-19.0	
Net cash flow from (used in) shareholders' equity	**-17.4**		**-19.0**	
CHANGE IN NET INDEBTEDNESS (Excluding exchange rate effects)	**72.9**		**55.1**	

ANALYSIS OF CHANGE IN NET INDEBTEDNESS		
Net indebtedness at the beginning of the year	178.8	237.1
Impact of currency changes on net indebtedness	3.3	-3.2
Change in net indebtedness	**-72.9**	**-55.1**
- Confirmed facilities	*-100.8*	*-45.5*
- Cash and other bank deposits	*27.9*	*-9.6*
Net indebtedness at the end of the year	**109.2**	**178.8**

(1) ABL sale
(2) Net cash position of NBMA at date of its merger with bioMerieux SA (transaction made before the initial public offer)
(3) Net cash position of ABL at date of sale
(4) Repayment by TSGH (Transaction made before the initial public offer)
(5) Operation relating to the loan to NBMA
(6) Capital increase, reserved for employees, within the initial public offer
(7) Distribution of dividends according to the General Shareholders meeting of April 16, 2004 (transaction made before the initial public offer)