



bioMérieux – Business review for the nine months ended September 30, 2017

- ▼ **Solid growth in sales, up 10.7% at constant exchange rates and scope of consolidation**
 - €1,674 million in sales
 - Up 10.8% as reported
- ▼ **In microbiology, growth accelerated to nearly 8%**
- ▼ **Contribution from all regions to the Group's strong sales dynamic, particularly the Asia-Pacific region, with sales in China and India up almost 15%**

Alexandre Mérieux, Chief Executive Officer, said: "Third-quarter growth for bioMérieux once again reflected the strong sales dynamic we have enjoyed for several quarters. Robust growth for the microbiology lines and sustained growth for the molecular biology lines pushed sales up by more than 10% for the first nine months of the year, placing us firmly on track to achieving our annual targets."

Marcy l'Étoile, October 18, 2017 – bioMérieux, a world leader in the field of *in vitro* diagnostics, today released its business review for the nine months ended September 30, 2017.

SALES

Consolidated sales came in at €1,674 million for the nine months ended September 30, 2017, up 10.8% as reported on the €1,512 million posted for the same period in 2016. The positive currency effects seen in the first six months of the year were almost entirely offset by the negative currency effects reported in the third quarter as the euro strengthened against a number of currencies, notably the U.S. dollar. At constant exchange rates and scope of consolidation, organic growth came to 10.7% year-on-year.

Analysis of sales

In € millions

Sales - Nine months ended September 30, 2016	1,512	
Currency effect ⁽¹⁾	+1	+0.1%
Organic growth (at constant exchange rates and scope of consolidation)	+162	+10.7%
Sales - Nine months ended September 30, 2017	1,674	+10.8%

⁽¹⁾ Currency effects are established by converting actual numbers at the average rates of year y-1. In practice, those rates are either average rates communicated by the ECB, or hedged rates if hedging instruments have been set up.

Third-quarter 2017 sales for bioMérieux rose 9.6% on third-quarter 2016, lifted by another period of fast-paced growth for the BIOFIRE FILMARRAY[®] line, both in the United States and in the rest of the world. Sales were also underpinned by solid growth for microbiology lines VITEK[®] and BACT/ALERT[®], especially in China and the United States, as well as by the rapid development of industrial applications across all regions worldwide.

Sales for the third quarter and first nine months of 2017 may be summarized by region as follows:

Sales by Region In € millions	Q3 2017	Q3 2016	% change as reported	% change at constant exchange rates and scope of consolidation	9 months ended Sep. 30, 2017	9 months ended Sep. 30, 2016	% change as reported	% change at constant exchange rates and scope of consolidation
Europe ⁽¹⁾	206.8	201.6	+2.5%	+3.4%	638.9	618.8	+3.2%	+3.9%
Americas	229.6	216.0	+6.3%	+12.3%	743.6	634.1	+17.3%	+16.5%
North America	191.4	179.1	+6.9%	+13.1%	630.1	534.5	+17.9%	+17.6%
Latin America	38.2	36.9	+3.6%	+8.3%	113.5	99.6	+14.0%	+10.9%
Asia-Pacific	102.0	90.9	+12.2%	+17.8%	286.8	253.2	+13.2%	+13.7%
Total sales from the regions	538.4	508.5	+5.9%	+9.7%	1,669.3	1,506.2	+10.8%	+10.8%
Applied Maths	0.5	1.1			2.8	2.5		
R&D-related revenue	1.1	1.2			2.3	3.0		
Total consolidated sales	540.0	510.8	+5.7%	+9.6%	1,674.4	1,511.7	+10.8%	+10.7%

⁽¹⁾Including the Middle East and Africa.

- ▼ Operations in the **Americas** (44% of the YTD consolidated total) continued to deliver a robust performance in the third quarter of 2017, with sales rising 12.3% year-on-year on an organic basis to €230 million. Reported sales for the quarter climbed by around 6% as the U.S. dollar weakened against the euro, and increased 16.5% year-on-year over the nine months ended September 30 to stand at €744 million.
 - In **North America** (38% of the YTD consolidated total), despite a potentially difficult business environment for laboratories following cuts in certain healthcare reimbursements, sales made firm progress, driven by the rapid development of BIOFIRE FILMARRAY[®] and by the installation of VITEK[®] MS mass spectrometry systems for the rapid identification of disease-causing bacteria. Sales for immunoassay reagents also continued to grow, albeit at a slower pace than in the two previous periods as competition for the VIDAS[®] B•R•A•H•M•S PCT™ assay intensified. Lastly, sales to industrial customers were buoyant, resulting in double-digit growth. BioFire Defense sales were impacted by the deferral of certain research contracts.
 - In **Latin America**, all subsidiaries contributed to growth for the region, boosted by the market roll-out of the BIOFIRE FILMARRAY[®] line. Growth in Brazil was highly satisfactory, notably thanks to billing for a major public call for tenders in immunoassays.
- ▼ Sales in the **Europe – Middle East – Africa** region (38% of the YTD consolidated total) came to €207 million for the third quarter, up 3.4% year-on-year, and to €639 million for the first nine months, up 3.9% year-on-year.
 - In **Western Europe** (32% of the YTD consolidated total), sales benefited in full from the extensive range and strong fit of bioMérieux's portfolio of solutions: subsidiaries in the United Kingdom and Germany focused on developing their business with industrial customers, with growth in France, Italy and Switzerland underpinned by clinical applications, particularly the deployment of the offering for microbiology laboratory automation systems and molecular biology sales.
 - Third-quarter 2017 sales increased by close to 8% year-on-year in the **Eastern Europe – Middle East – Africa** region, where strong performances in Turkey, South Africa and Middle East countries more than offset the slowdown seen in Africa as a whole.

NB: Unless otherwise stated, growth is expressed year-on-year at constant exchange rates and scope of consolidation (like-for-like).

- In the **Asia-Pacific** region (17% of the YTD consolidated total), sales came to €102 million in the third quarter of 2017, up by nearly 18% on the same period in 2016, and increased 13.7% year-on-year over the nine months ended September 30 to stand at €287 million.
 - The performance in **China** was outstanding in the third quarter, fueled by solid growth for reagents and instruments alike. All clinical and industrial lines contributed to the strong sales dynamic.
 - Southeast Asia** repeated the strong sales performance seen in the second quarter, with growth nearing 40% for the third quarter. In **India**, the implementation of the new Goods & Services Tax bill resulted in slightly weaker growth in the third quarter, essentially triggering a lag in sales for certain instruments.

Year-on-year trends in third-quarter and YTD nine-month 2017 sales may be summarized by application as follows:

Sales by Application In € millions	Q3 2017	Q3 2016	% change as reported	% change at constant exchange rates and scope of consolidation	9 months ended Sep. 30, 2017	9 months ended Sep. 30, 2016	% change as reported	% change at constant exchange rates and scope of consolidation
Clinical Applications	434.1	405.6	+7.0%	+11.0%	1,351.4	1,203.7	+12.3%	+12.2%
Microbiology	236.2	222.6	+6.1%	+9.7%	700.3	649.3	+7.8%	+7.7%
Immunoassays ⁽¹⁾	105.9	108.4	-2.3%	+0.9%	338.5	327.5	+3.4%	+3.5%
Molecular Biology ⁽²⁾	90.5	73.5	+23.1%	+29.4%	308.5	223.0	+38.3%	+37.8%
Other lines	1.5	1.1	+42.7%	+28.9%	4.2	3.9	+7.9%	+18.3%
Industrial Applications	100.1	93.6	+7.0%	+10.6%	302.5	275.2	+9.9%	+10.3%
BioFire Defense	4.1	9.3	-56.0%	-52.8%	15.4	27.3	-43.8%	-44.0%
Applied Maths	0.5	1.1			2.8	2.5		
R&D-related revenue	1.1	1.2			2.3	3.0		
Total consolidated sales	540.0	510.8	+5.7%	+9.6%	1,674.4	1,511.7	+10.8%	+10.7%

⁽¹⁾Including VIDAS[®]: up 0.1% at constant exchange rates and scope of consolidation in the third quarter and up 3.9% over nine months.

⁽²⁾Including FILMARRAY[®]: €74 million in the third quarter and €257 million for the nine months ended September 30.

- Sales of **clinical applications**, which account for approximately 80% of the consolidated total, rose by 11.0% year-on-year to €434 million in the third quarter, and increased 12.2% year-on-year over the nine months ended September 30 to stand at €1,351 million.
 - Microbiology** sales in third-quarter 2017 increased by almost 10%, accelerating on the back of the remarkable performance of the VITEK[®] line for automated identification and antibiotic susceptibility testing, reflecting both demand for reagents and sales of new instruments. The BACT/ALERT[®] blood culture line and the WASP[®] and WASPLab[™] microbiology laboratory automation systems also actively contributed to microbiology sales during the quarter.
 - In **immunoassays**, VIDAS[®] sales were stable year-on-year in the third quarter of 2017. While performance remained robust in the Asia-Pacific region, notably in China, business was nonetheless penalized by a decline in sales in other regions, and more specifically by the drop in instrument sales and a slowdown in growth for reagent sales in North America. All told, sales grew by around 4% over the first nine months of 2017.
 - The development of bioMérieux's **molecular biology** lines remained very robust, driven by demand for BIOFIRE FILMARRAY[®] menu panels, particularly the Gastrointestinal and Meningitis/Encephalitis panels. The deployment of the solution outside of the United States continued apace. Sales in the rest of the world accounted for 13% of total sales for the BIOFIRE FILMARRAY[®] line, and close to one-third of new systems installations were carried out outside of the United States over the quarter.

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- Sales of **industrial applications**, which represent around 18% of consolidated sales, increased 10.6% year-on-year to €100 million in third-quarter 2017, and by more than 10.3% year-on-year over the nine months ended September 30 to represent €302.5 million. The strong growth seen in the third quarter was boosted by an acceleration in pharmaceutical industry sales, notably for culture media, the CHEMUNEX[®] cytometry line and the BACT/ALERT[®] blood culture line. Growth in sales for the food industry was also sustained, reflecting the rapid development of VIDAS[®] and VITEK[®].
- Sales of **reagents** and **services** increased 8.6% in the third quarter of 2017 and accounted for approximately 90% of the consolidated total. **Instrument** sales increased sharply by around 19%.

OTHER INFORMATION

Net debt

Net debt amounted to €180 million at September 30, 2017 versus €275 million at December 31, 2016.

THIRD-QUARTER OPERATING HIGHLIGHTS

Successful closeout of FDA warning letter related to Durham, NC facility

During the quarter, bioMérieux received the closeout letter from the U.S. Food & Drug Administration related to the 2012 warning letter of its Durham, North Carolina facility dedicated to the manufacturing of the BACT/ALERT[®] blood culture bottles.

bioMérieux is dedicated to advancing public health and continues to invest in its Durham facility to increase and enhance the manufacturing capabilities and capacities. Recently, this manufacturing site has been expanded to add a new production line in response to the growing demand for our BACT/ALERT[®] blood culture products due to the global rise of blood borne infections, including sepsis and antibiotic-resistant infections.

Since the beginning of 2017, several manufacturing sites (Marcy L'Etoile, La Balme, Firenze, Lombard, Verniolle, Grenoble) have been inspected by multiple regulatory agencies, including the US FDA, Chinese FDA and Brazil's ANVISA, with only one non-conformity identified across all site inspections.

bioMérieux and LUMED sign a partnership agreement to help hospitals manage the use of antibiotics and prevent antibiotic-resistant infections

bioMérieux, a world leader in microbiology, and Lumed, a leading edge software firm specialized in healthcare, have signed a partnership for the distribution of the APSS (Antimicrobial Prescription Surveillance System) and DATA software suites designed by Lumed. Drawing on data imported from each patient's electronic health record, the APSS is a computerized clinical decision-support system designed to assist antimicrobial stewardship teams to monitor clinical information, as soon as information becomes available, and verify that the ongoing treatment remains appropriate. In a recently published study¹, the implementation of the APSS software in the Sherbrooke University Hospital in Canada has demonstrated a sustained reduction of 20% of antimicrobial use.

The agreement gives bioMérieux the rights to market the software in Canada, the United States and Europe, and thereby enrich its line-up of solutions dedicated to antimicrobial resistance, which is a major global healthcare threat.

Launch of new tests to assess antibiotic susceptibility: ETEST[®] Ceftolozane/Tazobactam and ETEST[®] Ceftazidime/Avibactam

bioMérieux has recently launched two new test strips to determine, using Minimum Inhibitory Concentration (or MIC) values, the susceptibility of Multi-Drug Resistant Organisms (MDRO) to antibiotics. ETEST[®] Ceftolozane/Tazobactam and ETEST[®] Ceftazidime/Avibactam strips are used to assess the susceptibility of Gram-negative aerobic bacteria such as *Enterobacteriaceae* and *P. aeruginosa* to new antibiotics indicated in the treatment of infections in adult patients for whom there are limited therapeutic options. MDROs are a serious and growing healthcare threat. In this context, MIC is a key piece of information for selecting appropriate antibiotic therapy and optimizing dosage, particularly for patients with a critical health condition.

¹ Antimicrob Chemother doi:10.1093/jac/dkw468

NB: Unless otherwise stated, growth is expressed year-on-year at constant exchange rates and scope of consolidation (like-for-like).

INVESTOR CALENDAR

Fourth-quarter 2017 sales:

January 23, 2018, before start of trading

The above forward-looking statements are based, entirely or partially, on assessments or judgments that may change or be modified, due to uncertainties and risks related to the Company's economic, financial, regulatory and competitive environment, notably those described in the 2016 Registration Document. Accordingly, the Company cannot give any assurance nor make any representation as to whether the objectives will be met. The Company does not undertake to update or otherwise revise any forecasts or objectives presented herein, except in compliance with the disclosure obligations applicable to companies whose shares are listed on a stock exchange.

ABOUT BIOMÉRIEUX

Pioneering Diagnostics

A world leader in the field of *in vitro* diagnostics for more than 50 years, bioMérieux is present in more than 150 countries through 42 subsidiaries and a large network of distributors. In 2016, revenues reached €2,103 million, with over 90% of international sales.

bioMérieux provides diagnostic solutions (systems, reagents, software) which determine the source of disease and contamination to improve patient health and ensure consumer safety. Its products are mainly used for diagnosing infectious diseases. They are also used for detecting microorganisms in agri-food, pharmaceutical and cosmetic products.



bioMérieux is listed on the Euronext Paris stock market

Symbol: BIM - ISIN Code: FR0013280286

Reuters: BIOX.PA/Bloomberg: BIM.FP

Corporate website: www.biomerieux.com. Investor website: www.biomerieux-finance.com.

CONTACTS

Investor Relations

bioMérieux

Sylvain Morgeau

Tel.: + 33 4 78 87 22 37

investor.relations@biomerieux.com

Media Relations

bioMérieux

Aurore Sergeant

Tel.: + 33 4 78 87 20 53

media@biomerieux.com

Image Sept

Laurence Heilbronn

Tel.: + 33 1 53 70 74 64

lheilbronn@image7.fr

Claire Doligez

Tel.: + 33 1 53 70 74 48

cdoligez@image7.fr

APPENDIX: QUARTERLY SALES DATA

Sales by Region in € millions

	First quarter		Second quarter		Third quarter		YTD	
	2017	2016	2017	2016	2017	2016	2017	2016
Europe ⁽¹⁾	216.9	206.9	215.2	210.3	206.8	201.6	638.9	618.8
Americas	267.5	212.8	246.5	205.3	229.6	216.0	743.6	634.1
North America	230.9	182.9	207.7	172.5	191.4	179.1	630.1	534.5
Latin America	36.6	29.9	38.8	32.9	38.2	36.9	113.5	99.6
Asia-Pacific	81.6	67.4	103.2	95.0	102.0	90.9	286.8	253.2
Total sales from the regions	566.0	487.1	564.9	510.6	538.4	508.5	1,669.3	1,506.2
Applied Maths	1.6	0.6	0.6	0.7	0.5	1.1	2.8	2.5
R&D-related revenue	0.4	0.8	0.8	1.0	1.1	1.2	2.3	3.0
Total consolidated sales	568.0	488.5	566.4	512.3	540.0	510.8	1,674.4	1,511.7

⁽¹⁾ Including the Middle East and Africa.

% Change in Sales by Region

	First quarter		Second quarter		Third quarter		YTD	
	As reported	Like-for-like	As reported	Like-for-like	As reported	Like-for-like	As reported	Like-for-like
Europe ⁽¹⁾	+4.9%	+5.4%	+2.3%	+2.8%	+2.5%	+3.4%	+3.2%	+3.9%
Americas	+25.8%	+20.6%	+20.1%	+17.0%	+6.3%	+12.3%	+17.3%	+16.5%
North America	+26.3%	+21.9%	+20.4%	+17.7%	+6.9%	+13.1%	+17.9%	+17.6%
Latin America	+22.4%	+12.1%	+18.0%	+13.3%	+3.6%	+8.3%	+14.0%	+10.9%
Asia-Pacific	+21.0%	+17.5%	+8.7%	+7.1%	+12.2%	+17.8%	+13.2%	+13.7%
Total sales from the regions	+16.2%	+13.7%	+10.7%	+9.3%	+5.9%	+9.7%	+10.8%	+10.8%
Applied Maths								
R&D-related revenue								
Total consolidated sales	+16.3%	+13.7%	+10.5%	+9.1%	+5.7%	+9.6%	+10.8%	+10.7%

⁽¹⁾ Including the Middle East and Africa.

Sales by Application in € millions

	First quarter		Second quarter		Third quarter		YTD	
	2017	2016	2017	2016	2017	2016	2017	2016
Clinical Applications	460.7	405.3	456.6	405.3	434.1	405.6	1,351.4	1,203.7
Microbiology	229.2	219.9	234.8	219.9	236.2	222.6	700.3	649.3
Immunoassays	111.7	115.1	120.8	115.1	105.9	108.4	338.5	327.5
Molecular biology ⁽¹⁾	118.6	69.3	99.4	69.3	90.5	73.5	308.5	223.0
Other lines	1.2	1.1	1.5	1.1	1.5	1.1	4.2	3.9
Industrial Applications	100.2	95.5	102.2	95.5	100.1	93.6	302.5	275.2
BioFire Defense	5.1	9.8	6.2	9.8	4.1	9.3	15.4	27.3
Applied Maths	1.6	0.7	0.6	0.7	0.5	1.1	2.8	2.5
R&D-related revenue	0.4	1.0	0.8	1.0	1.1	1.2	2.3	3.0
Total consolidated sales	568.0	512.3	566.4	512.3	540.0	510.8	1,674.4	1,511.7

⁽¹⁾ Including FILMARRAY® sales.

% Change in Sales by Application

	First quarter		Second quarter		Third quarter		YTD	
	As reported	Like-for-like ⁽²⁾	As reported	Like-for-like ⁽²⁾	As reported	Like-for-like ⁽²⁾	As reported	Like-for-like
Clinical Applications	+17.3%	+14.7%	+12.7%	+11.2%	+7.0%	+11.0%	+12.3%	+12.2%
Microbiology	+10.8%	+8.1%	+6.8%	+5.5%	+6.1%	+9.7%	+7.8%	+7.7%
Immunoassays	+7.4%	+5.9%	+5.0%	+4.0%	-2.3%	+0.9%	+3.4%	+3.5%
Molecular biology ⁽¹⁾	+47.8%	+43.4%	+43.5%	+40.3%	+23.1%	+29.4%	+38.3%	+37.8%
Other lines	-30.7%	-2.4%	+33.0%	+37.5%	+42.7%	+28.9%	+7.9%	+18.3%
Industrial Applications	+16.7%	+14.5%	+7.1%	+6.4%	+7.0%	+10.4%	+9.9%	+10.3%
BioFire Defense	-38.3%	-40.4%	-36.8%	-38.6%	-56.0%	-52.8%	-43.8%	-44.0%
Applied Maths								
R&D-related revenue								
Total consolidated sales	+16.3%	+13.7%	+10.5%	+9.1%	+5.7%	+9.6%	+10.8%	+10.7%

⁽¹⁾ Including FILMARRAY® sales.

⁽²⁾ At constant exchange rates and scope of consolidation.