



## bioMérieux – First-Half 2019 Results

- ▾ **Organic sales growth of 5.5% for first-half 2019:**
  - €1,275 million in sales
  - Up 9.1% as reported
- ▾ **As expected, growth accelerated in the second quarter, up to 7.4% at constant exchange rates and scope of consolidation, buoyed by a robust performance in molecular biology**
- ▾ **Increase in contributive operating income before non-recurring items, up to €198 million or 15.5% of sales, in line with annual targets**
- ▾ **2019 targets confirmed:**
  - Organic growth in sales of between 7.0% and 8.5% at constant exchange rates and scope of consolidation
  - Contributive operating income before non-recurring items of between €385 million and €400 million at current exchange rates

Alexandre Mérieux, Chairman and Chief Executive Officer, said: “*bioMérieux performed well in the first half of 2019, in line with its targets, with business picking up pace in the second quarter. The Group was able to deliver solid financial results for the period, and we are confident that we will meet our operating income targets for the year as a whole.*”

**Marcy l'Etoile (France), September 4, 2019** – The Board of Directors of bioMérieux, a world leader in the field of *in vitro* diagnostics, met on September 3 under the chairmanship of Alexandre Mérieux and approved the consolidated financial statements for the six months ended June 30, 2019. The statements had been reviewed by the Statutory Auditors.

<b>Consolidated data</b> In € millions	<b>2019</b>	2018 <sup>(1)</sup>	% change as reported
<b>Sales</b>	<b>1,275</b>	<b>1,169</b>	<b>+9.1%</b>
Contributive operating income before non-recurring items <sup>(2)</sup>	198	186	+6.7%
% sales	<b>15.5%</b>	15.8%	
Operating income <sup>(3)</sup>	189	177	+6.7%
<b>Net attributable income</b>	<b>141</b>	<b>134</b>	<b>+4.7%</b>
Earnings per share (in €)	<b>€1.19</b>	€1.14	

(1) As from January 1, 2019, the Group applies IFRS 16 when accounting for leases. In order to ensure that data for the prior year is comparable, the financial statements for first-half 2018 have been restated (see Appendix 3).

(2) Contributive operating income before non-recurring items corresponds to operating income before non-recurring items relating to the BioFire acquisition and integration and before accounting entries relating to the BioFire purchase price allocation.

(3) Operating income is the sum of contributive operating income before non-recurring items, BioFire acquisition fees and purchase price amortization expense and “material, extraordinary and non-recurring items” recognized in “Other non-recurring income and expenses from operations, net”.

## SALES

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

Consolidated sales came in at €1,275 million for first-half 2019, up 5.5% like-for-like from €1,169 million for the same period one year earlier. On a reported basis in euros, sales moved up 9.1% year-on-year, buoyed by a positive currency impact of around €29 million, notably resulting from the appreciation in the US dollar compared to the comparative first-half 2018 period.

### Analysis of sales

In € millions

SALES - SIX MONTHS ENDED JUNE 30, 2018	1,169	
Currency effect	+29	+2.5%
Changes in scope of consolidation <sup>(1)</sup>	+13	+1.1%
Organic growth (at constant exchange rates and scope of consolidation)	+65	+5.5%
SALES - SIX MONTHS ENDED JUNE 30, 2019	1,275	+9.1%

NB: A definition of the currency effect and of changes in the scope of consolidation is provided at the end of this press release.

(1) Acquisition of Astute Medical on April 5, 2018, Hybiome on November 9, 2018, and Invisible Sentinel on February 7, 2019.

## ANALYSIS OF SALES BY APPLICATION

Sales by Application In € millions	Q2	Q2	%	%	H1	H1	%	%
	2019	2018	change as reported	change at constant exchange rates and scope of consolidation	2019	2018	change as reported	change at constant exchange rates and scope of consolidation
<b>Clinical Applications</b>	<b>527.7</b>	474.4	+11.2%	<b>+8.1%</b>	<b>1,052.6</b>	960.6	+9.7%	<b>+5.9%</b>
Microbiology	245.4	236.6	+3.8%	<b>+3.2%</b>	481.3	459.2	+4.8%	<b>+3.7%</b>
Immunoassays	119.5	113.9	+4.9%	<b>-1.6%</b>	228.4	221.8	+3.0%	<b>-3.1%</b>
Molecular biology	154.1	115.1	+33.9%	<b>+29.1%</b>	326.2	263.3	+24.3%	<b>+18.0%</b>
Other lines <sup>(1)</sup>	8.6	8.8	-2.6%	<b>-5.8%</b>	16.7	16.3	+2.5%	<b>+4.8%</b>
<b>Industrial Applications<sup>(2)</sup></b>	<b>115.8</b>	107.9	+7.4%	<b>+4.6%</b>	<b>222.4</b>	208.6	+6.6%	<b>+3.7%</b>
<b>TOTAL SALES</b>	<b>643.5</b>	582.2	+10.5%	<b>+7.4%</b>	<b>1,275.1</b>	1,169.2	+9.1%	<b>+5.5%</b>

<sup>(1)</sup> Including Applied Maths, BioFire Defense, and R&D-related revenue arising on clinical applications.

<sup>(2)</sup> Including R&D-related revenue arising on industrial applications.

- Clinical application** sales, which accounted for approximately 83% of bioMérieux's consolidated total, rose by 8% year-on-year to €528 million for second-quarter 2019, and by 6% to €1,053 million for the first half of the year.
  - In **microbiology**, growth in the second quarter was led by a good performance from the VITEK® automated identification and antibiotic susceptibility product line as well as the BACT/ALERT® blood culture line. Growth was partially offset by a base effect for equipment sales resulting from strong sales of the microbiology lab automation line in the second half of 2018.
  - Buoyed by the consolidation of Hybiome sales in China, **immunoassays** sales grew by almost 5% as reported in the second quarter. Sales of the VIDAS® line continued to decline over second-quarter 2019 as a result of lower volumes in Europe and price decreases in the United States.
  - In **molecular biology**, the BIOFIRE® FILMARRAY® product line recorded a strong 31% increase in sales in the second quarter, led by all panels and by the expansion of its installed base. The international roll-out of the line accelerated over the quarter, with sales outside the United States representing around 19% of total BIOFIRE® FILMARRAY® sales.

- Sales of **industrial applications**, which represent around 17% of the consolidated total, amounted to €116 million in second-quarter 2019. The year-on-year increase of 4.6% was driven by strong demand for microbiology product lines aimed at customers in the pharmaceutical industry and by rapid growth in the GENE-UP® molecular biology line for food applications. Sales came to €222 million for the first half of 2019, up 3.7% from the previous year.

## ANALYSIS OF SALES BY REGION

Sales by Region In € millions	Q2 2019	Q2 2018	% change as reported	% change at constant exchange rates and scope of consolidation	H1 2019	H1 2018	% change as reported	% change at constant exchange rates and scope of consolidation
Americas	285.7	246.9	+15.7%	+10.9%	581.8	517.6	+12.4%	+6.7%
North America	246.5	211.2	+16.8%	+9.8%	507.9	451.7	+12.5%	+4.7%
Latin America	39.2	35.7	+9.7%	+17.6%	73.9	65.8	+12.3%	+20.4%
Europe <sup>(1)</sup>	231.5	227.2	+1.8%	+2.3%	454.7	449.4	+1.2%	+1.8%
Asia Pacific	126.3	108.1	+16.9%	+10.4%	238.5	202.3	+17.9%	+11.0%
<b>TOTAL SALES</b>	<b>643.5</b>	<b>582.2</b>	<b>+10.5%</b>	<b>+7.4%</b>	<b>1,275.1</b>	<b>1,169.2</b>	<b>+9.1%</b>	<b>+5.5%</b>

<sup>(1)</sup> Including the Middle East and Africa.

- Sales in the **Americas** (44% of the consolidated total) reached €286 million in second-quarter 2019, an increase of 11% on the same period in 2018. Sales for the six months to June 30, 2019 were up 6.7% year-on-year, coming in at €582 million.
  - In **North America** (38% of the consolidated total), growth in the second quarter was driven by the development of the BIOFIRE® FILMARRAY® molecular biology product line and by sales of reagents for clinical microbiology lines. In immunoassays, price pressure on procalcitonin assays continued to hamper sales growth.
  - Latin America** recorded a sharp increase in second-quarter sales, led by robust business growth and by price increases in Argentina to offset the devaluation of the Argentine peso.
- Sales in the **Europe – Middle East – Africa** region (36% of the consolidated total) came to €232 million for the second quarter, up 2.3% year-on-year. Sales for the six months to June 30, 2019 were up 1.8% from the previous year, at €455 million.
  - In **Europe** (30% of the consolidated total), sales growth was driven by very strong performances in the molecular biology and industrial microbiology product lines, particularly in Germany, Scandinavia and the Benelux countries.
  - The situation remained contrasted in the **Russia – Middle East – Africa** region. Strong growth reported in South Africa, Turkey and Russia in the second quarter was partially offset by a decline in one-off sales in Egypt and the Lebanon.
- Sales in the **Asia Pacific** region (20% of the consolidated total) amounted to €126 million for the second quarter of 2019, up around 10% year-on-year on the back of solid performances in China, India and countries in Southeast Asia. This positive trend was notably driven by faster growth in microbiology product lines and by the development of the BIOFIRE® FILMARRAY® product line. For the six months to June 30, 2019, sales in the Asia Pacific region totaled €239 million, representing a year-on-year increase of more than 11%.

## CONSOLIDATED INCOME STATEMENT

### ▾ Gross profit

Gross profit for the first six months of the year came to €710 million or 55.7% of sales, up from 54.3% in the prior-year period. The increase in gross margin primarily reflects an improvement in the product mix linked to favorable volume growth and to measures taken to improve operating efficiency.

### ▾ Contributive operating income before non-recurring items

Contributive operating income before non-recurring items came to €198 million for first-half 2019, a year-on-year gain of 6.7%. Contributive operating income before non-recurring items as a percentage of sales was 15.5% as reported. A provision of €26 million was recognized in the period in respect of bonus plans in the United States that are indexed to the bioMérieux share price (phantom share plans), compared to a provision of €10 million in first-half 2018. bioMérieux recorded total non-recurring income of around €17 million resulting from the favorable settlement of a dispute with the French authorities and a freeze on the defined benefit pension plan in the United States. The positive currency effect on contributive operating income before non-recurring items represented around €1 million.

- **Selling, general and administrative expenses** amounted to €354 million, or 27.8% of sales. The increase primarily reflects a step-up in marketing and sales initiatives for the BIOFIRE® FILMARRAY® product line.
- **R&D expenses** amounted to €179 million, or 14% of sales, compared with €156 million and 13.4% in first-half 2018. As expected, this 8% like-for-like increase reflects ongoing research in microbiology and the additional R&D efforts made to support the BIOFIRE® FILMARRAY® product line.
- **Other operating income** amounted to around €21 million for the period, up from €12 million in first-half 2018, owing to additional R&D efforts and the resulting increase in the related tax credit, along with a rise in rental income collected from third parties.

### ▾ Operating income

Depreciation/amortization charged against assets valued at the date of acquisition of BioFire amounted to €9 million in first-half 2019, stable year-on-year. The Group therefore posted **operating income** of €189 million for the half-year period, up 7% on the €177 million reported for first-half 2018.

### ▾ Net income of consolidated companies

**Net financial expense** amounted to €14 million in first-half 2019, up slightly from the €12 million expense recorded in the same prior-year period. The cost of net debt came to €10.6 million versus €9.6 million in first-half 2018, and other financial expenses totaled €3.5 million, compared to €2.0 million in the six months to June 30, 2018. This slight increase reflects the increase in subsidiaries' local borrowing costs.

The Group's **effective tax rate** for the first half of 2019 stood at 20.8%, versus 19.1% in first-half 2018 which had benefited from the tax deduction associated with the one-off payment to the US pension fund. New tax provisions in the US relating to foreign-derived intangible income (FDII) also benefited the Group.

**Net attributable income** amounted to €141 million for the first half of 2019, up 4.7% from the first-half 2018 figure of €134 million.

## CASH MANAGEMENT AND FINANCE

### Free cash flow

**EBITDA**<sup>1</sup> came to €283 million in first-half 2019, or 22.2% of sales, up 5.4% from the €269 million recorded in the same period one year earlier. The increase reflected growth in contributive operating income before non-recurring items and net additions to depreciation and amortization of operating items and operating provisions.

**Income tax paid** amounted to €51 million, up on the €33 million paid in first-half 2018 which had benefited from the reimbursement of the dividend tax claim and the deduction of the one-off payment to the US pension fund.

**Working capital requirement** rose by €37 million in the first six months of 2019. The change was primarily a result of the following factors:

- Inventories rose €59 million in the period, outpacing the growth in sales, following the replenishment of inventories of certain product lines and raw materials.
- Trade receivables decreased slightly due to a shorter receivables collection period.
- Trade payables increased by €9 million in line with business growth.
- Other working capital requirement items increased by €12 million as a result of an increase in accrued taxes and payroll liabilities, particularly the provision in relation to bonus plans in the United States that are indexed to the bioMérieux share price (phantom share plans).

As expected, **capital expenditure** outlays represented around 10% of sales or €123 million in first-half 2019, versus €104 million in first-half 2018.

In this environment, **free cash flow** came in at €55 million in the six months to June 30, 2019, compared to €98 million in first-half 2018, which excluded the one-off payment to the US pension fund. Including this one-off payment, free cash flow would have been €42 million for first-half 2018.

### Change in net debt

**Purchases of non-current financial assets**, net of disposals, amounted to €72 million in first-half 2019 and primarily reflected the acquisition of Invisible Sentinel Inc. and the increase in the Hybiome shareholding, partly offset by the sale of a non-controlling interest.

A total of €41 million was paid out in **dividends**, up slightly year-on-year.

Consolidated **net debt** therefore came to €422 million at June 30, 2019, versus €366 million at December 31, 2018 adjusted for the impact of the first-time application of IFRS 16 (see Appendix 3).

## 2019 OBJECTIVES

In light of its first-half 2019 performance, bioMérieux is maintaining its business growth and profitability targets. This guidance is given based on current market conditions (as at end-August 2019), notably in terms of currencies, which are expected to have a positive impact of sales growth reported in euros and a neutral impact on the Group's profitability. It does not take into account any significant changes in the share price which would impact the expense relating to the US bonus plan (phantom share plans).

<sup>1</sup> EBITDA corresponds to the aggregate of contributive operating income before non-recurring items, and operating depreciation and amortization.

## SIGNIFICANT EVENTS OF FIRST-HALF 2019

### ▸ **Acquisition of Invisible Sentinel**

On February 7, 2019, bioMérieux announced that it had acquired Invisible Sentinel Inc. Based in Philadelphia (PA), the company develops, manufactures and markets innovative and user-friendly molecular diagnostic tools for the rapid, accurate and reliable detection of pathogens and spoilage organisms in food and beverages.

### ▸ **bioMérieux increases its holding in Hybiome from 54% to 67%**

On June 6, 2019, bioMérieux announced that it had increased its holding in Suzhou Hybiome Biomedical Engineering Co. Ltd. This announcement followed the earlier announcement of the acquisition of a majority stake in this company in November 2018. An additional 13% was acquired, increasing bioMérieux's shareholding in Hybiome to 67%.

### ▸ **NEPHROCHECK® biomarkers TIMP-2 and IGFBP7 included in guidelines for perioperative care in cardiac surgery**

On May 13, 2019, bioMérieux announced that NEPHROCHECK® biomarkers (TIMP-2 and IGFBP7), which indicate kidney stress in advance of acute kidney injury (AKI), had been included in the "Guidelines for Perioperative Care in Cardiac Surgery". These guidelines were published by the ERAS® (Enhanced Recovery After Surgery) Cardiac Society, an international group of leading heart surgeons, anesthesiologists and critical care specialists.

## SUBSEQUENT EVENTS

### ▸ **Kirk Ririe steps down from his operational duties**

Kirk Ririe, Chief Innovation Officer and member of bioMérieux's Executive Committee, retired on August 2, 2019. Kirk will continue to act as scientific advisor to the Chairman and Chief Executive Officer.

### ▸ **Accreditation of the resin-based blood culture bottles and the BACT/ALERT® VIRTUO™ system by the National Medical Products Administration (NMPA)**

bioMérieux announces that BACT / ALERT® VIRTUO™, its automated blood culture system, and the FAN® Plus blood culture bottles have been accredited by the Chinese NMPA, making this system commercially available in China. The VIRTUO™ BACT/ALERT® solution is composed of a highly automated blood culture system and of FAN® Plus blood culture bottles using adsorbent polymeric bead technology. This solution enables clinical microbiology laboratories to detect pathogens faster and thus contribute to improved patient management.

## INVESTOR CALENDAR

Third-quarter 2019 sales

October 22, 2019

### Notes and definitions

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 2018 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.

Currency effect: this is 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.

Changes in scope of consolidation: these are determined:

- for acquisitions in the period, by deducting from sales for the period the amount of sales generated during the period by acquired entities as from the date they entered the consolidated reporting scope;
- for acquisitions in the previous period, by deducting from sales for the period the amount of sales generated in the months in the previous period during which the acquired entities were not consolidated;
- for disposals in the period, by adding to sales for the period the amount of sales generated by entities sold during the previous period in the months of the current period during which these entities were no longer consolidated;
- for disposals in the previous period, by adding to sales for the period the amount of sales generated during the previous period by the entities sold.

## ABOUT BIOMÉRIEUX

### *Pioneering Diagnostics*

A world leader in the field of *in vitro* diagnostics for over 55 years, bioMérieux is present in 43 countries and serves more than 160 countries with the support of a large network of distributors. In 2018, revenues reached €2.4 billion, with over 90% of international sales.

bioMérieux provides diagnostic solutions (systems, reagents, software and services) 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](http://www.biomerieux.com). Investor website: [www.biomerieux-finance.com](http://www.biomerieux-finance.com)

## CONTACTS

### *Investor Relations*

#### **bioMérieux**

Sylvain Morgeau

Tel.: +33 (0)4 78 87 22 37

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

### *Media Relations*

#### **bioMérieux**

Aurore Sergeant

Tel.: +33 (0)4 78 87 20 53

[media@biomerieux.com](mailto:media@biomerieux.com)

#### **Image Sept**

Laurence Heilbronn

Tel.: +33 (0)1 53 70 74 64

[lheilbronn@image7.fr](mailto:lheilbronn@image7.fr)

Claire Doligez

Tel.: +33 (0)1 53 70 74 48

[cdoligez@image7.fr](mailto:cdoligez@image7.fr)



## APPENDIX 1: QUARTERLY SALES BY REGION AND APPLICATION

### Sales by Application in € millions and % Change in Sales by Application

	First quarter		Second quarter		First half	
	2019	2018	2019	2018	2019	2018
<b>Clinical Applications</b>	<b>524.9</b>	<b>486.3</b>	<b>527.7</b>	<b>474.4</b>	<b>1,052.6</b>	<b>960.6</b>
Microbiology	235.9	222.7	245.4	236.6	481.3	459.2
Immunoassays	108.9	107.9	119.5	113.9	228.4	221.8
Molecular biology	172.1	148.2	154.1	115.1	326.2	263.3
Other lines <sup>(1)</sup>	8.1	7.5	8.6	8.8	16.7	16.3
<b>Industrial Applications<sup>(2)</sup></b>	<b>106.6</b>	<b>100.8</b>	<b>115.8</b>	<b>107.9</b>	<b>222.4</b>	<b>208.6</b>
<b>TOTAL SALES</b>	<b>631.5</b>	<b>587.0</b>	<b>643.5</b>	<b>582.2</b>	<b>1,275.1</b>	<b>1,169.2</b>

<sup>(1)</sup> Including Applied Maths, BioFire Defense, and R&D-related revenue arising on clinical applications.

<sup>(2)</sup> Including R&D-related revenue arising on industrial applications.

	First quarter		Second quarter		First half	
	As reported	Like-for-like <sup>(3)</sup>	As reported	Like-for-like	As reported	Like-for-like
<b>Clinical Applications</b>	+8.2%	<b>+4.0%</b>	+11.2%	<b>+8.1%</b>	+9.7%	<b>+5.9%</b>
Microbiology	+5.9%	<b>+4.4%</b>	+3.8%	<b>+3.2%</b>	+4.8%	<b>+3.7%</b>
Immunoassays	+1.1%	<b>-4.5%</b>	+4.9%	<b>-1.6%</b>	+3.0%	<b>-3.1%</b>
Molecular biology	+16.6%	<b>+9.7%</b>	+33.9%	<b>+29.1%</b>	+24.3%	<b>+18.0%</b>
Other lines <sup>(1)</sup>	+8.5%	<b>+3.2%</b>	-2.6%	<b>-5.8%</b>	+2.5%	<b>+4.8%</b>
<b>Industrial Applications<sup>(2)</sup></b>	+5.8%	<b>+2.9%</b>	+7.4%	<b>+4.6%</b>	+6.6%	<b>+3.7%</b>
<b>TOTAL SALES</b>	+7.7%	<b>+3.8%</b>	+10.5%	<b>+7.4%</b>	+9.1%	<b>+5.5%</b>

<sup>(1)</sup> Including Applied Maths, BioFire Defense, and R&D-related revenue arising on clinical applications.

<sup>(2)</sup> Including R&D-related revenue arising on industrial applications.

<sup>(3)</sup> At constant exchange rates and scope of consolidation.

### Sales by Region in € millions and % Change in Sales by Region

	First quarter		Second quarter		First half	
	2019	2018	2019	2018	2019	2018
Americas	296.1	270.6	285.7	246.9	581.8	517.6
North America	261.4	240.5	246.5	211.2	507.9	451.7
Latin America	34.7	30.1	39.2	35.7	73.9	65.8
Europe <sup>(1)</sup>	223.2	222.1	231.5	227.2	454.7	449.4
Asia Pacific	112.2	94.2	126.3	108.1	238.5	202.3
<b>TOTAL SALES</b>	<b>631.5</b>	<b>587.0</b>	<b>643.5</b>	<b>582.2</b>	<b>1,275.1</b>	<b>1,169.2</b>

<sup>(1)</sup> Including the Middle East and Africa.

	First quarter		Second quarter		First half	
	As reported	Like-for-like <sup>(2)</sup>	As reported	Like-for-like	As reported	Like-for-like
Americas	+9.7%	<b>+3.1%</b>	+15.7%	+10.9%	<b>+12.4%</b>	<b>+6.7%</b>
North America	+9.0%	<b>+0.4%</b>	+16.8%	+9.8%	<b>+12.5%</b>	<b>+4.7%</b>
Latin America	+15.2%	<b>+24.6%</b>	+9.7%	+17.6%	<b>+12.3%</b>	<b>+20.4%</b>
Europe <sup>(1)</sup>	+0.6%	<b>+1.4%</b>	+1.8%	+2.3%	<b>+1.2%</b>	<b>+1.8%</b>
Asia Pacific	+19.0%	<b>+11.6%</b>	+16.9%	+10.4%	<b>+17.9%</b>	<b>+11.0%</b>
<b>TOTAL SALES</b>	<b>+7.7%</b>	<b>+3.8%</b>	<b>+10.5%</b>	<b>+7.4%</b>	<b>+9.1%</b>	<b>+5.5%</b>

<sup>(1)</sup> Including the Middle East and Africa.

<sup>(2)</sup> At constant exchange rates and scope of consolidation.



## APPENDIX 2: SUMMARY CONSOLIDATED FINANCIAL STATEMENTS AT JUNE 30, 2019

### CONSOLIDATED INCOME STATEMENT

<i>In millions of euros</i>	06/30/2019	06/30/2018 restated (1)
<b>NET SALES</b>	<b>1,275.1</b>	<b>1,169.2</b>
Cost of sales	-565.1	-534.9
<b>GROSS PROFIT</b>	<b>709.9</b>	<b>634.4</b>
<b>OTHER OPERATING INCOME</b>	<b>21.2</b>	<b>12.0</b>
Selling and marketing expenses	-271.7	-226.2
General and administrative expenses	-82.5	-78.3
Research and development expenses	-178.9	-156.2
<b>TOTAL OPERATING EXPENSES</b>	<b>-533.1</b>	<b>-460.7</b>
<b>CONTRIBUTIVE OPERATING INCOME</b>	<b>198.1</b>	<b>185.6</b>
BioFire acquisition's fees and depreciation costs (2)	-8.9	-8.5
<b>OPERATING INCOME BEFORE NON-RECURRING ITEMS</b>	<b>189.2</b>	<b>177.1</b>
Other non-recurring income (expenses)	0.0	0.1
<b>OPERATING INCOME</b>	<b>189.2</b>	<b>177.2</b>
Cost of net financial debt	-10.6	-9.6
Other financial items	-3.5	-2.0
Income tax	-36.3	-31.5
Investments in associates	0.0	0.0
<b>NET INCOME OF CONSOLIDATED COMPANIES</b>	<b>138.7</b>	<b>134.1</b>
Attributable to the minority interests	-1.8	-0.1
<b>ATTRIBUTABLE TO THE PARENT COMPANY</b>	<b>140.5</b>	<b>134.2</b>
Basic net income per share	1.19 €	1.14 €
Diluted net income per share	1.18 €	1.13 €

(1) Comparative data for first-half 2018 have been restated to reflect the first-time application of IFRS 16. The table showing the reconciliation of the published financial statements with the restated financial statements is provided in Appendix 3.

(2) Non-recurring items relating to the acquisition and integration of BioFire, and accounting entries relating to the company's purchase price allocation.

## CONSOLIDATED BALANCE SHEET

### ASSETS

<i>(in millions of euros)</i>	06/30/2019	12/31/2018 restated (1)	06/30/2018 restated (1)
Intangible assets	511.3	507.2	458.1
Goodwill	665.8	619.0	475.9
Property, plant and equipment	807.4	761.4	696.9
Right of use	134.3	137.7	141.4
Financial assets	71.8	66.9	59.1
Investments in associates	0.2	0.3	0.0
Other non-current assets	15.3	16.2	15.2
Deferred tax assets	89.3	78.5	69.3
<b>NON-CURRENT ASSETS</b>	<b>2,295.5</b>	<b>2,187.1</b>	<b>1,915.8</b>
Inventories and work in progress	481.1	418.8	406.3
Accounts receivable	494.8	491.8	446.1
Other operating receivables	89.0	63.4	97.2
Tax receivable	27.2	39.2	32.8
Non-operating receivables	12.1	12.9	10.0
Cash and cash equivalents	247.7	288.3	194.3
<b>CURRENT ASSETS</b>	<b>1,351.8</b>	<b>1,314.4</b>	<b>1,186.7</b>
<b>ASSETS HELD FOR SALE</b>	<b>0.0</b>	<b>0.1</b>	<b>0.5</b>
<b>TOTAL ASSETS</b>	<b>3,647.3</b>	<b>3,501.6</b>	<b>3,103.0</b>

### LIABILITIES AND SHAREHOLDERS' EQUITY

<i>(in millions of euros)</i>	06/30/2019	12/31/2018 restated (1)	06/30/2018 restated (1)
Share capital	12.0	12.0	12.0
Additional paid-in capital & Reserves	1,913.0	1,660.0	1,691.1
Net income for the year	140.5	256.7	134.1
<b>SHAREHOLDERS' EQUITY</b>	<b>2,065.5</b>	<b>1,928.8</b>	<b>1,837.3</b>
<b>MINORITY INTERESTS</b>	<b>51.9</b>	<b>74.1</b>	<b>0.0</b>
<b>TOTAL EQUITY</b>	<b>2,117.4</b>	<b>2,002.9</b>	<b>1,837.3</b>
Net financial debt - long-term	520.2	524.9	478.2
Deferred tax liabilities	137.4	130.5	117.4
Provisions	48.9	47.1	53.7
<b>NON-CURRENT LIABILITIES</b>	<b>706.6</b>	<b>702.5</b>	<b>649.3</b>
Net financial debt - short-term	149.3	129.1	75.9
Provisions	42.3	45.0	35.6
Accounts payable	189.5	179.7	157.1
Other operating liabilities	376.8	352.2	287.3
Tax liabilities	22.4	33.5	22.6
Non-operating liabilities	43.1	56.9	38.0
<b>CURRENT LIABILITIES</b>	<b>823.5</b>	<b>796.3</b>	<b>616.4</b>
<b>LIABILITIES RELATED TO ASSETS HELD FOR SALE</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>3,647.3</b>	<b>3,501.6</b>	<b>3,103.0</b>

(1) Comparative data for June 30, 2018 have been restated to reflect the first-time application of IFRS 16.

## CONSOLIDATED CASH FLOW STATEMENT

<i>In millions euros</i>	<b>30/06/2019</b>	<b>31/12/2018 restated (1)</b>	<b>30/06/2018 restated (1)</b>
<b>Net income of consolidated companies</b>	<b>138.7</b>	<b>255.6</b>	<b>134.0</b>
- Investments in associates	0.0	-0.2	0.0
- Cost of net financial debt	10.6	21.4	9.6
- Other financial items	3.5	4.5	2.0
- Current income tax expense	36.3	65.3	31.5
- Operating depreciation and provisions on assets	85.0	177.0	83.0
- Non-recurring items and BioFire acquisition's fees and depreciation costs	8.9	17.4	8.5
<b>EBITDA (before non-recurring items)</b>	<b>283.0</b>	<b>541.0</b>	<b>268.6</b>
Other non current operating gains/losses (w/o exceptional depreciations, assets losses and capital gains/losses)	0.1	0.1	0.1
Other financial items (w/o accruals & disposal of financial assets)	-3.5	-4.6	-2.0
Operating provisions for risks and contingencies	-11.9	-47.8	-44.0
Change in fair value of financial instruments	-0.9	0.3	-0.7
Share-based payments	5.0	6.7	2.8
<b>Elimination of other gains and losses without any impact on cash or operations</b>	<b>-11.2</b>	<b>-45.3</b>	<b>-43.8</b>
Change in inventories	-59.3	-26.9	-22.5
Change in accounts receivable	1.4	-30.6	12.8
Change in accounts payable	8.5	13.1	-5.4
Change in other operating working capital	12.2	36.0	-22.2
<b>Change in operating working capital (2)</b>	<b>-37.2</b>	<b>-8.4</b>	<b>-37.3</b>
Other non operating working capital	1.7	1.8	0.2
Change in non-current assets	1.0	-1.5	-0.8
<b>Other cashflows from operation</b>	<b>-34.5</b>	<b>-8.1</b>	<b>-37.9</b>
<b>Income tax paid</b>	<b>-51.4</b>	<b>-66.5</b>	<b>-33.0</b>
<b>Cost of net financial debt</b>	<b>-10.6</b>	<b>-21.4</b>	<b>-9.6</b>
<b>Net cash flow from operations</b>	<b>175.3</b>	<b>399.7</b>	<b>144.3</b>
Purchase of property, plant and equipment	-123.3	-226.4	-104.0
Proceeds on fixed asset disposals	5.4	5.4	2.1
Purchase of financial assets / Disposals of financial assets	-2.3	0.0	0.0
<b>FREE CASH FLOW (3)</b>	<b>55.1</b>	<b>178.7</b>	<b>42.4</b>
Purchase / Disposals related to minority interests	20.0	-5.4	0.1
Impact of changes in the scope of consolidation	-68.4	-186.7	-85.2
<b>Net cash flow from (used in) investment activities</b>	<b>-168.6</b>	<b>-413.1</b>	<b>-187.0</b>
Increase in capital	0.0	0.0	0.0
Purchases and proceeds of treasury stocks	0.5	-22.3	-0.3
Dividends to shareholders	-41.3	-40.2	-40.2
Dividends to minority interests	0.0	0.0	-0.1
Change in confirmed financial debt	-10.7	105.5	20.7
Variation of interests without taking or loss of control	-23.7	0.0	0.0
<b>Net cash flow from (used in) financing activities</b>	<b>-75.2</b>	<b>43.0</b>	<b>-19.9</b>
<b>Net change in cash and cash equivalents</b>	<b>-68.5</b>	<b>29.6</b>	<b>-62.6</b>
<b>Net cash and cash equivalents at the beginning of the year</b>	<b>278.2</b>	<b>260.4</b>	<b>260.4</b>
Impact of currency changes on net cash and cash equivalents	-3.0	-11.8	-11.2
<b>Net cash and cash equivalents at the end of the year</b>	<b>206.9</b>	<b>278.2</b>	<b>186.6</b>

(1) Comparative data for first-half 2018 have been restated to reflect the first-time application of IFRS 16.

(2) Including additions to and reversals of current provisions.

(3) Available cash flow is defined as cash flow from operating activities plus cash flow from investing activities, excluding net cash and cash equivalents from acquisitions and disposals of subsidiaries.

### APPENDIX 3: IMPACT OF THE FIRST-TIME APPLICATION OF IFRS 16 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF THE BIOMÉRIEUX GROUP AT JUNE 30, 2018

IFRS 16 eliminates the distinction between finance leases and operating leases that previously existed for lessees under IAS 17. Only finance leases were previously restated. Lease contracts meeting the definition of leases in IFRS 16 are accounted for as described below, except in the case of the recognition exemptions provided for by the standard (leases with a term of 12 months or less, and/or leases for which the underlying asset is of low value).

At the commencement of the lease, the Group recognizes a right-of-use asset and a lease liability. The asset is shown on a separate line of the balance sheet, while the liability is shown within financial debt. The lease liability is measured at the present value of lease payments outstanding over the lease term.

In practice, the Group's analysis of IFRS 16 led to it restating its property and vehicle leases.

The impact of applying IFRS 16 is to **increase consolidated net debt** by €98.6 million at June 30, 2018 and by €96.9 million at December 31, 2018.

<i>In millions of euros</i>	06/30/2018 published	Restatement IFRS 16	06/30/2018 restated
<b>NET SALES</b>	<b>1 169,2</b>		<b>1 169,2</b>
Cost of sales	-534,9		-534,9
<b>GROSS PROFIT</b>	<b>634,4</b>	<b>0,0</b>	<b>634,4</b>
<b>OTHER OPERATING INCOME</b>	<b>12,0</b>		<b>12,0</b>
Selling and marketing expenses	-226,5	0,3	-226,2
General and administrative expenses	-79,1	0,8	-78,3
Research and development expenses	-156,2		-156,2
<b>TOTAL OPERATING EXPENSES</b>	<b>-461,8</b>	<b>1,1</b>	<b>-460,7</b>
<b>CONTRIBUTIVE OPERATING INCOME</b>	<b>184,6</b>	<b>1,1</b>	<b>185,6</b>
BioFire acquisition's fees and depreciation costs	-8,5		-8,5
<b>OPERATING INCOME BEFORE NON-RECURRING ITEMS</b>	<b>176,1</b>	<b>1,1</b>	<b>177,1</b>
Other non-recurring income (expenses)	0,1		0,1
<b>OPERATING INCOME</b>	<b>176,2</b>	<b>1,1</b>	<b>177,2</b>
Cost of net financial debt	-8,1	-1,5	-9,6
Other financial items	-2,0		-2,0
Income tax	-31,7	0,2	-31,5
Investments in associates	0,0		0,0
<b>NET INCOME OF CONSOLIDATED COMPANIES</b>	<b>134,3</b>	<b>-0,2</b>	<b>134,1</b>
Attributable to the minority interests	-0,1		-0,1
<b>ATTRIBUTABLE TO THE PARENT COMPANY</b>	<b>134,4</b>	<b>-0,2</b>	<b>134,2</b>
Basic net income per share	1,14 €		1,14 €
Diluted net income per share	1,13 €		1,13 €