

SALUGGIA, AUGUST 1, 2014

**THE BOARD OF DIRECTORS OF DIASORIN S.P.A. APPROVES THE RESULTS FOR THE FIRST HALF OF 2014
STRONG CASH FLOW AND SOLID NET FINANCIAL POSITION FOLLOWING THE CONTINUED SUCCESS OF CLIA TESTS AND
LIAISON XL INSTALLATIONS**

FINANCIAL HIGHLIGHTS

- **REVENUES: € 110.9 million in Q2'14**, in line with Q2'13 revenues *at CER*¹, with molecular business contribution equal to € 0.9 million.
This result confirms the strong performance of both CLIA sales, net of Vitamin D (+15.2% *at CER*) and LIAISON XL, which offset the extraordinary negative events recorded in Latin America² in the second quarter.
In **H1'14, revenues** amounted to **€ 216.8 million**, up 1.5% *at CER*³, with molecular business contribution equal to € 1.6 million.
- **MARGINALITY: in Q2'14, adjusted EBITDA**⁴ totaled **€ 40.3 million**, equal to 36.3% of revenues. Excluding from the adjusted EBITDA the non-recurring costs of the period (-€ 0.8 million), the negative effect of the exchange rates (-€ 0.9 million), and the molecular business (-€ 1.3 million), EBITDA margin would be equal to 37.6%.
In **H1'14, adjusted EBITDA**⁴ totaled **€ 79.3 million**, equal to 36.6% of revenues. Excluding from the adjusted EBITDA the costs for non-recurring events (-€ 1.2 million), the negative impact of the Euro appreciation (-€ 2.0 million), and the molecular business (-€ 3.2 million), EBITDA margin would be equal to 38.0%.
- **NET PROFIT: € 20.3 million in Q2'14 and € 40.0 million in H1'14**, equal to 18.3% and 18.4% of the Group's revenues, respectively. The tax rates, equal to 36.6% in Q2'14 (38.9% in Q2'13) and 36.4% in H1'14 (38.5% in H1'13), were both positively impacted by the computation of the Group's taxable profit across the different geographical areas, as well as by the IRAP rate reduction in Italy.
- **NET FINANCIAL POSITION: +€ 107.0 million** at June 30, 2014 (+€ 9.0 million compared with December 31, 2013), net of the payment of € 29.9 million in ordinary dividends.
- **FREE CASH FLOW: € 11.6 million in Q2'14 and € 39.1 million at June 30, 2014.**
- **LIAISON/LIAISON XL INSTALLED BASE: steady expansion** (net placements equal to **+130 units in Q2'14**; +150 LIAISON XL and -20 LIAISON), totaling **5,561 LIAISON and LIAISON XL units at June 30, 2014**, out of which 1,380 LIAISON XL.

STOCK OPTIONS PLAN 2014, DIASORIN S.P.A.

- **APPROVAL OF THE REGULATIONS GOVERNING THE DIASORIN S.P.A. 2014 STOCK OPTIONS PLAN AND RESOLUTION TO EXECUTE THE PLAN** through a first tranche of options granted to the key employees of the Group, valid to purchase treasury shares already held by the Company.

¹ negative effect of the exchange rates: -€ 3.0 million (-2.7% at current exchange rate)

² socio-political instability in the countries of the area, business slowdown in Brazil and unfavorable comparison of extraordinary instruments sales in Q2'13

³ negative effect of the exchange rates: -€ 6.2 million (-1.3% at current exchange rate)

⁴ adjusted EBITDA: net of non-recurring effects during the period

SIGNIFICANT EVENTS

- **Extension of the agreement with LabCorp** through the end of 2018, maintaining DiaSorin's well-consolidated Vitamin D business, increasing the number of assays on LIAISON XL with 15 new products, and intensifying the strategy to differentiate the company's product offering, that is particularly relevant in the US market.
- **Marketing approvals for Hepatitis B and C, Retrovirus and Syphilis assays on LIAISON XL platforms in China.** DiaSorin becomes the Company with the most complete offering for infectious diseases on a single platform in the Chinese market.
- **Launch of new tests on LIAISON/LIAISON XL analyzers:**
 - **1,25 Vitamin D assay⁵:** the only fully automated test available in the world on CLIA technology for the quantitative determination of 1,25 Vitamin D levels in human serum and plasma. This new test is positioned in the global market as unique and represents a further success for the Group in the bone and mineral clinical area, creating the basis for a strong revenue growth. The 1,25 Vitamin D is a test run by the same laboratories already performing the 25OH Vitamin D test where DiaSorin is a global leader.
 - **Rotavirus⁶:** test for the qualitative detection of Rotavirus in stool specimens, in addition to the other Gastrointestinal tests the Group already launched on the market in the previous years (C. Difficile Toxin A&B, C. Difficile GDH, H. Pylori, and EHEC).
 - **N-TACT PTH Gen II:** test for the quantitative determination of intact human parathyroid hormone (PTH) in human serum and plasma to assist in diagnosis of calcium metabolism disorders.
- **Launch of new molecular diagnostic tests on LIAISON IAM analyzer:**
 - **Herpes Simplex (IAM HSV⁷):** test for the detection of herpes simplex types 1 and 2 (HSV-1 and HSV-2).
 - **Cytomegalovirus (IAM CMV⁷):** test for the detection and quantification of Cytomegalovirus (CMV).

⁵ outside the US

⁶ outside the US and UK

⁷ outside the US and Canada

TABLES OF RESULTS

Amounts in millions of euros	Q2			change	
	2014	adjusted ^(*)	2013	amount	%
Consolidated net revenues	110.9		113.9	-3.0	-2.7% ^(a)
EBITDA	39.5	40.3	42.3	-2.8	-6.6%
<i>EBITDA margin</i>	35.6% ^(b)	36.3% ^(c)	37.1% ^(d)	-1.5%	
EBIT	32.0		35.4	-3.4	-9.5%
<i>EBIT margin</i>	28.9%		31.1%	-2.2%	
Consolidated net profit	20.3		20.5	-0.2	-1.2%

^(a) at CER: 0,0%

^(b) at CER, net of molecular business: 36.9%

^(c) at CER, net of molecular business: 37.6%

^(d) net of molecular business: 39.1%

Amounts in millions of euros	H1			change	
	2014	adjusted ^(*)	2013	amount	%
Consolidated net revenues	216.8		219.7	-2.9	-1.3% ^(e)
EBITDA	78.1	79.3	83.9	-5.8	-6.9%
<i>EBITDA margin</i>	36.0% ^(f)	36.6% ^(g)	38.2% ^(h)	-2.2%	
EBIT	63.4		69.6	-6.2	-8.9%
<i>EBIT margin</i>	29.2%		31.7%	-2.5%	
Consolidated net profit	40.0		41.0	-1.1	-2.6%

^(e) at CER: +1.5%

^(f) at CER, net of molecular business: 37.7%

^(g) at CER, net of molecular business: 38.0%

^(h) net of molecular business: 40.1%

^(*) net of non-recurring events of the period

COMMENT ON RESULTS

The Board of Directors of DiaSorin S.p.A., meeting today in Saluggia under the chairmanship of Gustavo Denegri:

- examined and approved the consolidated financial results for the first half of 2014,
- approved the Regulations governing the DiaSorin S.p.A. 2014 Stock Options Plan and resolved to execute the Plan through a first tranche of options granted to the key employees of the Group, valid to purchase treasury shares already held by the Company.

In the foreign exchange market, the Euro appreciated against almost all currencies used by the Group, with a significant impact on the results achieved in Q2'14 and H1'14.

		U.S. Dollar	Australian Dollar	Brazilian Real	South African Rand
Euro	Q2'14	+5.0%	+11.3%	+13.3%	+16.6%
	H1'14	+4.3%	+15.6%	+18.0%	+21.1%

Revenues

Revenues: € 110.9 million in Q2'14, in line with Q2'13 revenues *at CER* and with a slight contraction *at current exchange rate* (-2.7%).

The depreciation of some of the currencies used by the Group had a negative impact of € 3.0 million compared with the same period last year.

This quarterly result confirms the strong performance of both CLIA sales, net of Vitamin D, and LIAISON XL, which offset extraordinary negative events occurred in Latin America in the second quarter.

In Q2'14, sales performance highlights the following factors:

- **CLIA tests, net of Vitamin D:** +15.2% *at CER* (+13.0% *at current exchange rate*), as a result of the successful LIAISON XL analyzer placements and new tests launched on the market, mainly in the following product lines: Hepatitis and Retrovirus, Infectious Diseases, Prenatal Screening and Gastrointestinal Infections (*DiaSorin continues to be the Company with the broadest CLIA menu, with 109 tests available*).
- **Vitamin D test (CLIA):** -10.3% *at CER* (-13.7% *at current exchange rate*), including the price reduction granted to LabCorp (net of this effect, the change would be equal to -7.0% *at CER*).

More specifically:

- slowdown in the negative contribution compared with 2013;
- increase in revenues in important markets such as Italy, Germany and Brazil;
- overall increase in volumes (+2.6% compared with Q2'13), mainly in the US market.
- **Instruments and consumables:** -12.4% *at CER* (-15.0% *at current exchange rate*), following the socio-political instability in Venezuela, a country where DiaSorin instruments are purchased through distributors, and the unfavorable comparison with Q2'13, when extraordinary sales occurred in Brazil and China.
- **ELISA and RIA tests:** physiological decline of the contribution provided by these dated technologies working on open systems.
- **Molecular business tests:** equal to € 0.9 million.

In H1'14, revenues amounted to € 216.8 million, up 1.5% *at CER* and with a slight contraction *at current exchange rate* (-1.3%) compared with June 30, 2013. The depreciation of some of the currencies used by the Group had a negative impact of € 6.2 million compared with the same period last year.

The sales trend for the first half of 2014 is provided below:



- **CLIA tests, net of Vitamin D:** +18.2% *at CER* (+15.8% *at current exchange rate*).
- **Vitamin D test (CLIA):** -8.8% *at CER* (-12.2% *at current exchange rate*).
- **Instruments and consumables:** -9.3% *at CER* (-12.1% *at current exchange rate*).
- **ELISA and RIA tests:** physiological decline of the contribution provided by these dated technologies working on open systems.
- **Molecular business tests:** equal to € 1.6 million.

Steady **expansion** of **analyzers** installed base.

In **Q2'14**, **LIAISON XL** net placements were equal to +150, including 8 units in the validation phase at customers' facilities. **LIAISON** net placements were negative by 20 units.

In **H1'14**, net placements were equal to:

- LIAISON XL: +305
- LIAISON: -16
- **TOTAL: +289**

	Total units at December 31, 2013	Net placements in H1'14	Total units at March 31, 2014	Net placements in Q2'14	Total units at June 30, 2014
 <p>LIAISON</p>	4,197	-16	4,201	-20	4,181
 <p>LIAISON XL</p>	1,075	+305	1,230	+150	1,380
TOTAL	5,272	+289	5,431	+130	5,561

Revenues by geography

The tables below provide a breakdown of the consolidated revenues of the DiaSorin Group by geographic region.

Amounts in millions of euros	Q2		Change		
	2014	2013	Amount	%	
				@ current	@ constant
Europe and Africa	55.9	54.5	+1.4	+2.5%	+2.7%
North America	25.2	27.6	-2.4	-8.6%	-4.1%
Asia Pacific	19.5	18.6	+0.9	+5.1%	+9.3%
Central and South America	10.3	13.2	-3.0	-22.4%	-15.4%
Total	110.9	113.9	-3.0	-2.7%	+0.0%

Amounts in millions of euros	H1		Change		
	2014	2013	Amount	%	
				@ current	@ constant
Europe and Africa	111.7	106.1	+5.6	+5.3%	+5.5%
North America	49.5	54.2	-4.7	-8.6%	-4.6%
Asia Pacific	34.4	34.3	+0.0	+0.1%	+4.2%
Central and South America	21.2	25.1	-3.9	-15.7%	-5.8%
Total	216.8	219.7	-2.9	-1.3%	+1.5%

% of revenues contributed	Q2		H1	
	2014	2013	2014	2013
Europe and Africa	50.4%	47.9%	51.5%	48.3%
North America	22.7%	24.2%	22.9%	24.7%
Asia Pacific	17.6%	16.3%	15.9%	15.6%
Central and South America	9.3%	11.6%	9.7%	11.4%

Europe and Africa

In Q2'14, revenues totaled € 55.9 million, up 2.7% at CER (+2.5% at current exchange rate) compared with Q2'13, driven by the growth in CLIA sales, net of Vitamin D, in all the geographic areas. The Group confirmed its successful strategy to broaden its commercial offering by introducing new specialty tests (+9.2% compared with Q2'13).

In H1'14, revenues amounted to € 111.7 million, up 5.5% at CER (+5.3% at current exchange rate).

▪ **Italy:**

- Q2'14: +2.2% (local market: -0.8%⁸); growth driven by the good performance of the Infectious Disease panel (+7.8%), steady development of the Vitamin D market (+12.5%) and the commissioning of LIAISON XL analyzers installed in 2013.
- H1'14: +4.7%.

▪ **Germany:**

- Q2'14: +16.5% (local market: +1.6%⁸); constant growth on a sequential basis driven mainly by CLIA tests, net of Vitamin D, up 24 percentage points. Successful sales of tests related to the Infectious Diseases, Endocrinology and Gastrointestinal Infections clinical areas, as well as a strong start for 1,25 Vitamin D CLIA test sales.
- H1'14: +16.6%.

▪ **France:**

- Q2'14: -8.0% (local market: +0.3%⁸); negative trend as a result of the downturn in Vitamin D sales, partly offset by the good performance of CLIA products, net of Vitamin D (+22.8%).
- H1'14: -9.2%; decline in Vitamin D sales, partly offset by CLIA revenues, net of Vitamin D (+21.5%).

▪ **Distributors⁹:**

- Q2'14: -11.4%; performance resulting from different scheduling of orders.
- H1'14: +6.6%.

⁸ EDMA latest data available

⁹ sales in markets where the Group has not a direct presence

North America

In **Q2'14, revenues** totaled **€ 25.2 million**, down 4.1% at CER (-8.6% at current exchange rate) compared with Q2'13, even though with a sequential growth if compared with the last three quarters.

In **H1'14, revenues** amounted to **€ 49.5 million**, down 4.6% at CER (-8.6% at current exchange rate).

This performance is the net result of two contrasting phenomena:

- **CLIA, net of Vitamin D:**

- Q2'14: +84.5% at CER (+76.0% at current exchange rate); revenues were significantly impacted by the agreement with LabCorp concerning Infectious Diseases and Prenatal screening tests. Net of this agreement, revenues grew by 38.4%.
- H1'14: +72.5% at CER (+65.3% at current exchange rate); net of the agreement with LabCorp, revenues grew by 35.5%.

- **Vitamin D:**

- Q2'14: -15.4% at CER (-19.4% at current exchange rate); trend entirely due to lower sales price, also as a result of the agreement with LabCorp, despite rising volumes (+1.6%), net of the agreement with LabCorp, revenues dropped by 9.4%.
- H1'14: -15.1% at CER (-18,7% at current exchange rate); net of the agreement with LabCorp, revenues dropped by 11.1%.

Asia Pacific

In **Q2'14, revenues** totaled **€ 19.5 million**, up 9.3% at CER (+5.1% at current exchange rate).

In **H1'14, revenues** amounted to **€ 34.4 million**, up 4.2% at CER (+0.1% at current exchange rate).

- **China:**

- Q2'14: +5.4% at CER (-0.2% at current exchange rate); revenue gains for all CLIA products sold in this country (+18.8%), confirming the growth of LIAISON XL installed base, with 25 placements in Q2'14, totaling 68 LIAISON XL units.
- H1'14: +5.4% at CER (+1.4% at current exchange rate), revenue gains for all CLIA products sold in this country (+20.6%).

- **Australia**

- Q2'14: +5.4% at CER (-5.3% at current exchange rate); strong CLIA sales, net of Vitamin D (+33.4% at CER), offsetting the decline in Vitamin D sales, affected by a seasonal effect of some big distributors' orders.
- H1'14: +1.6% at CER (-12.2% at current exchange rate).

- **Distributors:**

- Q2'14: +12.8% at current exchange rate; new and important tenders for Murex products.
- H1'14: +1.4% at current exchange rate.

Central and South America

In **Q2'14, revenues** amounted to **€ 10.3 million**, down 15.4% at CER (-22.4% at current exchange rate) compared with the same period in 2013.

In **H1'14, revenues** totaled **€ 21.2 million**, down 5.8% at CER (-15.7% at current exchange rate).

- **Brazil:**

- Q2'14: -22.2% at CER (-31.4% at current exchange rate); good performance of CLIA sales (+4.6% at CER) despite Murex supply disruption resulting from a change in the network distribution, as well as lower instruments and consumables sales as a result of an unfavourable comparison with previous year when important non-recurring sales occurred.
- H1'14: -8.9% at CER (-22.8% at current exchange rate).

- **Mexico:**

- Q2'14: +40.4% at CER (+28.6% at current exchange rate); significant increase in revenues as a result of business development of blood banks.
- H1'14: +46.9% at CER (+34.9% at current exchange rate).

- **Distributors:**
 - Q2'14: *-20.6% at current exchange rate*; performance affected by socio-political instability in Venezuela, which is a strategic country in this area.
 - H1'14: *-18.3% at current exchange rate*.

Revenues by technology

The tables that follow show the percentage of the Group's consolidated revenues contributed by each technology.

% of revenues contributed	Q2	
	2014	2013
CLIA tests	70.7%	67.8%
ELISA tests	14.7%	15.1%
RIA tests	2.2%	3.1%
Instruments sales and other revenues	11.6%	13.2%
Molecular	0.8%	0.8%

% of revenues contributed	H1	
	2014	2013
CLIA tests	70.8%	67.4%
ELISA tests	14.3%	15.5%
RIA tests	2.6%	3.2%
Instruments sales and other revenues	11.6%	13.1%
Molecular	0.7%	0.8%

- **CLIA tests:** higher percentage on total revenues in Q2'14 (+2.9 percentage points) and in H1'14 (+3.4 percentage points), as a result of an increase in CLIA tests sales on LIAISON analyzers, which offset the drop in Vitamin D turnover.
- **ELISA and RIA tests:** progressive and physiological decline of the contribution provided by these technologies in Q2'14 (-0.4 and -0.9 percentage points, respectively) and in H1'14 (-1.2 and -0.6 percentage points, respectively). Both technologies are more dated and work on open systems.
- **Instruments sales and other revenues:** lower percentage on total revenues in Q2'14 (-1.6 percentage points) and in H1'14 (-1.5 percentage points), following a drop in revenues from instrument sales and unfavorable comparison with Q2'13, when extraordinary sales occurred mainly in Brazil.
- **Molecular:** Q2'14 and H1'14 unchanged percentage on total revenues compared with Q2'13 and H1'13.

Operating performance

The following provides the Group operating performance in:

- i) Q2'14
- ii) H1'14

In Q2'14, the Group margins were strongly impacted by the negative effect of the exchange rate and by Murex supply disruption resulting from a change in the network distribution in Brazil. Differently from the previous year, the combination of these factors affected lower margins percentage in the period.

In order to provide a comparison of the operating performance for the periods under comparison, EBITDA value is adjusted for non-recurring costs to restructure the Group's branch in Norway and the French subsidiary, for an amount equal to € 0.8 million in Q2'14 and € 1.2 million in H1'14.

Gross Profit

Gross Profit:

- i) **€ 74.2 million**; 66.9% of revenues.
- ii) **€ 145.9 million**; 67.3% of revenues.

Adjusted EBITDA

Adjusted EBITDA:

- i) **€ 40.3 million**; 36.3% of revenues. Excluding non-recurring costs of the period (€ 0.8 million), operating expenses in support of the molecular business (€ 1.3 million), and the effect of the exchange rate (€ 0.9 million), adjusted EBITDA margin would be equal to 37.6%.
- ii) **€ 79.3 million**; 36.6% of revenues. Net of extraordinary events occurred to restructure some Group's branches and subsidiaries (€ 1.2 million), molecular business (€ 3.2 million) and the negative impact of Euro appreciation (€ 2.0 million), adjusted EBITDA margin would be equal to 38.0%.

EBIT

EBIT:

- i) **€ 32.0 million**; 28.9% of revenues.
- ii) **€ 63.4 million**, 29.2% of revenues.

Financial performance

In Q2'14, net financial expense totaled **-€ 0.08 million** (-€ 1.8 million in Q2'13). Cumulative net financial expense at **June 30, 2014** was equal to **-€ 0.5 million** (-€ 2.9 million in H1'13), due to the following factors:

- the measurement at fair value of the Group's financial instruments¹⁰: **-€ 0.05 million** in **Q2'14** (+€ 0.3 million in Q2'13). In **H1'14**, the fair value was negative by **€ 0.05 million** (-€ 0.4 million in H1'13).
- translation effect¹⁰: **+€0.5 million** in **Q2'14** (-€ 1.1 million in Q2'13), related mainly to the financial balances of subsidiaries that use currencies different from the Group's reporting currency. In **H1'14**, the translation effect was positive by **€ 0.6 million** (-€ 0,9 million in H1'13).
- fees on factoring transactions: **-€ 0.3 million** in **Q2'14** (-€ 0.7 million in Q2'13). In **H1'14**, fees totaled **-€ 0.6 million** (-€ 1.1 million in H1'13).

Income taxes

In Q2'14, income taxes totaled **€ 11.7 million**, equal to a 36.6% tax rate, down 230 basis points when compared to a 38.9% tax rate in Q2'13, as a result of the computation of the Group's taxable profit across the different geographical areas, as well as by the IRAP rate reduction in Italy.

At **June 30, 2014 income taxes** were equal to **€ 22.9 million**, for a tax rate of 36.4%, down 210 basis points when compared to a 38.5% tax rate in H1'13.

Net profit

In Q2'14, the net profit totaled **€ 20.3 million**, equal to 18.3% of revenues and was equal to **€ 40.0 million** in H1'14 (18.4% of revenues).

NFP

At **June 30, 2014**, following the payment of € 29.9 million in ordinary dividends, the **Net Financial Position** was positive by **€ 107.0 million**, up € 9.0 million compared with the balance at December 31, 2013 (+€ 98.0 million), as a result of the cash flow generated from operating activities.

¹⁰ accounting only entry with no negative monetary impact

FCF

In **Q2'14**, the **Free Cash Flow** of the Group was equal to **€ 11.6 million** (€ 11.7 million in Q2'13) and to **€ 39.1 million** in **H1'14** (€ 36.9 million in H1'13).

Business
Outlook

In view of the Group's operating performance after June 30, 2014 and taking into account possible evolutions of the global macroeconomic scenario and the diagnostic sector in particular, management confirms the guidance for 2014:

- **Revenues:** growth between 3% and 5% at CER compared with 2013
- **EBITDA:** growth equal to ca. 3% at CER compared with 2013
- **LIAISON/LIAISON XL installed base:** ca. 500

Luigi De Angelis, the Officer Responsible for the preparation of corporate financial reports of DiaSorin S.p.A., in accordance with the second subsection of art. 154-bis, part IV, title III, second paragraph, section V-bis, of Legislative Decree February 24, 1998, no. 58, declares that, to the best of his knowledge, the financial information included in the present document corresponds to book of accounts and book-keeping entries of the Company.

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CONSOLIDATED INCOME STATEMENT

(Amounts in thousands of euros)	Q2		Change	
	2014	2013	amount	%
Sales and service revenues	110,856	113,880	-3,024	-2.7%
Cost of sales	(36,699)	(34,037)	-2,662	+7.8%
Gross profit	74,157	79,843	-5,686	-7.1%
	66.9%	70.1%	-3.2%	
Sales and marketing expenses	(22,305)	(22,450)	+145	-0.6%
Research and development costs	(6,440)	(6,177)	-263	+4.3%
General and administrative expenses	(12,501)	(12,699)	+198	-1.6%
Total operating expenses	(41,246)	(41,326)	+80	-0.2%
	(37.2)%	(36.3)%	-0.9%	
Other operating income (expense)	(871)	(3,116)	+2,245	-72.0%
<i>non recurring amount</i>	(762)	-	-762	n.m.
EBIT	32,040	35,401	-3,361	-9.5%
	28.9%	31.1%	-2.2%	
Net financial income (expense)	(77)	(1,817)	+1,740	-95.8%
Profit before taxes	31,963	33,584	-1,621	-4.8%
Income taxes	(11,692)	(13,069)	+1,377	-10.5%
Net profit	20,271	20,515	-244	-1.2%
EBITDA ⁽¹⁾	39,490	42,293	-2,803	-6.6%
	35.6%	37.1%	-1.5%	

Second quarter 2014 unaudited data.

(Amounts in thousands of euros)	H1		Change	
	2014	2013	amount	%
Sales and service revenues	216,771	219,719	-2,948	-1.3%
Cost of sales	(70,860)	(67,828)	-3,032	+4.5%
Gross profit	145,911	151,891	-5,980	-3.9%
	67.3%	69.1%	-1.8%	
Sales and marketing expenses	(44,055)	(43,031)	-1,024	+2.4%
Research and development costs	(12,376)	(12,187)	-189	+1.6%
General and administrative expenses	(24,292)	(24,502)	+210	-0.9%
Total operating expenses	(80,723)	(79,720)	-1,003	+1.3%
	(37.2)%	(36.3)%	-1.0%	
Other operating income (expense)	(1,800)	(2,588)	+788	-30.4%
<i>non recurring amount</i>	(1,218)	-	-1,218	n.m.
EBIT	63,388	69,583	-6,195	-8.9%
	29.2%	31.7%	-2.4%	
Net financial income (expense)	(536)	(2,869)	+2,333	-81.3%
Profit before taxes	62,852	66,714	-3,862	-5.8%
Income taxes	(22,879)	(25,673)	+2,794	-10.9%
Net profit	39,973	41,041	-1,068	-2.6%
EBITDA ⁽¹⁾	78,077	83,873	-5,796	-6.9%
	36.0%	38.2%	-2.2%	

⁽¹⁾ The Company defines EBITDA as the “result from operations” before amortization of intangibles and depreciation of property, plant and equipment. EBITDA, which the Company uses to monitor and assess the Group’s operating performance, are not recognized as an accounting tool in the IFRSs and, consequently, should not be viewed as an alternative gauge to assess the Group’s operating performance. Because the composition of EBITDA is not governed by the reference accounting principles, the computation criterion used by the Group could be different from the criterion used by other operators and/or groups and, consequently, may not be comparable.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(Amounts in thousands of euros)</i>		<i>06/30/2014</i>	<i>12/31/2013</i>	<i>Change</i>
	ASSETS			
Non-current assets				
Property, plant and equipment		69,014	66,258	+2,756
Goodwill		65,983	65,503	+480
Other intangibles		51,620	53,911	-2,291
Equity investments		479	498	-19
Deferred-tax assets		20,690	20,872	-182
Other non-current assets		3,621	1,860	+1,761
	Total non-current assets	211,407	208,902	+2,505
Current assets				
Inventories		91,695	86,439	+5,256
Trade receivables		113,740	117,442	-3,702
Other financial assets		22,040	34	+22,006
Other current assets		10,287	8,689	+1,598
Cash and cash equivalents		88,717	105,110	-16,393
	Total current assets	326,479	317,714	+8,765
	TOTAL ASSETS	537,886	526,616	+11,270
<i>(Amounts in thousands of euros)</i>		<i>06/30/2014</i>	<i>12/31/2013</i>	<i>Change</i>
	LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity				
Share capital		55,948	55,948	-
Additional paid-in capital		18,155	18,155	-
Statutory reserve		11,190	11,181	+9
Other reserves and retained earnings		346,328	290,523	+55,805
Treasury shares		(44,882)	(44,882)	-
Net profit for the period attributable to shareholders of the Parent Company		39,973	83,028	-43,055
	<i>Equity attributable to shareholders of the Parent Company</i>	426,712	413,953	+12,759
Other reserves and retained earnings attributable to minority interests		174	99	+75
Net profit for the period attributable to minority interests		-	83	-83
	<i>Equity attributable to minority interests</i>	174	182	-8
	Total shareholders' equity	426,886	414,135	+12,751
Non-current liabilities				
Long-term borrowings		315	423	-108
Provisions for employee severance indemnities and other employee benefits		26,681	26,199	+482
Deferred-tax liabilities		3,530	3,499	+31
Other non-current liabilities		5,376	4,727	+649
	Total non-current liabilities	35,902	34,848	+1,054
Current liabilities				
Trade payables		37,037	36,601	+436
Other current liabilities		24,875	26,303	-1,428
Liabilities to the shareholders for the dividend		-	-	-
Income taxes payable		9,731	7,977	+1,754
Current portion of long-term debt		3,218	6,752	-3,534
Other financial liabilities		237	-	+237
	Total current liabilities	75,098	77,633	-2,535
	Total liabilities	111,000	112,481	-1,481
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	537,886	526,616	+11,270

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amounts in thousands of euros)	Q2	
	2014	2013
Cash and cash equivalents at beginning of period	110,449	85,410
Net cash from operating activities	18,162	18,646
Cash used in investing activities	(6,912)	(7,677)
Cash used in financing activities	(32,982)	(29,143)
Acquisitions of subsidiaries and business operations	-	270
<i>Change in net cash and cash equivalents before investments in financial assets</i>	(21,732)	(17,904)
Investments in financial assets	-	-
<i>Change in net cash and cash equivalents</i>	(21,732)	(17,904)
Cash and cash equivalents at end of period	88,717	67,506

Second quarter 2014 unaudited data.

(Amounts in thousands of euros)	H1	
	2014	2013
Cash and cash equivalents at beginning of period	105,110	104,599
Net cash from operating activities	52,870	48,744
Cash used in investing activities	(14,231)	(12,896)
Cash used in financing activities	(33,274)	(73,211)
Acquisitions of subsidiaries and business operations	-	270
<i>Change in net cash and cash equivalents before investments in financial assets</i>	5,365	(37,093)
Investments in financial assets	(21,758)	-
<i>Change in net cash and cash equivalents</i>	(16,393)	(37,093)
Cash and cash equivalents at end of period	88,717	67,506