

DIASORIN GROUP REPORTS CONTINUED GROWTH IN REVENUES AND PROFITABILITY IN THE THIRD QUARTER 2016

Saluggia (Italy), November 10, 2016 - The Board of Directors of DiaSorin S.p.A. (FTSE Italia Mid Cap: DIA), a global leader in the production of diagnostic tests, meeting today, examined and approved the consolidated financial results for Q3'16.

→ **REVENUES:**

Q3'16: € 147.0 million, +19.3% (+6.8% LFL¹ at CER). FOCUS REVENUES: **€ 16.7 million**

9M'16: € 413.3 million, +12.2% (+6.9% LFL at CER). FOCUS REVENUES: **€ 25.5 million**

→ **EBITDA:**

Q3'16: € 56.1 million, +24.6% (+12.4% LFL at CER), equal to **38.1%** of the Group revenues

9M'16: € 158.4 million, +16.1% (+10.8% LFL at CER), equal to **38.3%** of the Group revenues

→ **EBIT:**

Q3'16: € 43.7 million, +19.2%, equal to **29.7%** of the Group revenues

9M'16: € 125.9 million, +12.7%, equal to **30.5%** of the Group revenues

→ **NET PROFIT:**

Q3'16: € 28.7 million, +23.4%, equal to **19.5%** of the Group revenues

9M'16: € 82.7 million, +14.8%, equal to **20.0%** of the Group revenues

→ **NET FINANCIAL POSITION: € 44.0 million** at September 30, 2016 (€ 267.9 million at December 31, 2015).

→ **FREE CASH FLOW: € 97.2 million** in 9M'16 (+€ 22.5 million compared with 9M'15).

→ **LIAISON/LIAISON XL:** net placements equal to **+128 units** in Q3'16 (+151 LIAISON XL and -23 LIAISON) for a total of **6,732 units** at September 30, 2016, out of which 2,718 LIAISON XL (equal to about 40% of the overall installed base).

¹ LFL (Like-for-like) = at constant scope of consolidation

TABLES OF RESULTS

Amounts in millions of euros	Q3		change	
	2015	2016	amount	%
Revenues	123.2	147.0	+23.8	+19.3%
<i>CLIA tests</i>	94.5	97.9	+3.4	+3.6%
<i>RIA & ELISA tests</i>	14.9	15.5	+0.6	+3.9%
<i>Instruments sales and other revenues</i>	13.1	16.2	+3.1	+23.6%
<i>Molecular tests</i>	0.6	0.7	+0.0	+5.5%
<i>Focus</i>	-	16.7	+16.7	n.m.
EBITDA	45.0	56.1	+11.1	+24.6%
<i>EBITDA margin</i>	36.5%	38.1%	+160 bps	
EBIT	36.6	43.7	+7.0	+19.2%
<i>EBIT margin</i>	29.7%	29.7%	-	
Net profit	23.2	28.7	+5.4	+23.4%

^(a) LFL @ CER: +6.8%

^(b) LFL @ CER: +12.4%

Dati in milioni di €	9 mesi		Variazione	
	2015	2016	assoluta	%
Ricavi netti	368.4	413.3	+44.9	+12.2%
<i>Test CLIA</i>	274.6	292.9	+18.2	+6.6%
<i>Test RIA e ELISA</i>	49.5	46.5	-3.0	-6.0%
<i>Strumentazioni e altri ricavi</i>	42.3	46.3	+4.1	+9.6%
<i>Test Molecolari</i>	2.1	2.1	+0.1	+4.2%
<i>Focus</i>	-	25.5	+25.5	n.s.
EBITDA (Margine Operativo Lordo)	136.4	158.4	+21.9	+16.1%
<i>EBITDA margin</i>	37.0%	38.3%	+130 bps	
EBIT (Risultato Operativo)	111.7	125.9	+14.2	+12.7%
<i>EBIT margin</i>	30.3%	30.5%	+20 bps	
Utile netto	72.1	82.7	+10.6	+14.8%

^(c) a perimetro e tassi di cambio costanti: +6,9%

^(d) a perimetro e tassi di cambio costanti: +10,8%

SIGNIFICANT EVENTS

- **Distribution partnership agreement with Beckman Coulter Diagnostics** for the commercialization in USA of DiaSorin Hepatitis A, B, C and HIV tests on the LIAISON XL LAS connected to Beckman Coulter's leading automation solutions.

- **Development of new test on LIAISON/LIAISON XL ANALYZERS:**
TEST BELONGING TO THE INFECTIOUS DISEASES CLINICAL AREA
 - **Zika:** BARDA (Biomedical Advanced Research and Development Authority), a division of the U.S. Department of Health and Human Services' Office of the Assistant Secretary for Preparedness and Response, awarded to DiaSorin a contract to develop new serological tests to detect Zika virus infections. Tests will be produced at the Stillwater facility and are expected to be sold in the U.S. following the Food and Drug Administration clearances. After the launch in the U.S. market, DiaSorin will assess timing to apply for further clearances to make its tests available in other markets such as Europe, Brazil and China.

- **Development of new test on LIAISON MDX ANALYZERS:**
TEST BELONGING TO THE INFECTIOUS DISEASES CLINICAL AREA
 - **Clostridium Difficile:** first molecular test developed with DiaSorin Molecular in the infectious diseases clinical area. This test, available for the market outside the U.S., is run on the Direct Amplification Disc. The new test has been designed for use on the Liaison MDX, an instrument able to provide real-time PCR results, and is intended for sample-to-answer detection of the organism in patients with signs and symptoms of *Clostridium difficile* Infection in about 1 hour.

COMMENT ON RESULTS

In the foreign exchange market, the Euro appreciated in value vis-à-vis almost all currencies used by the Group. The Euro was substantially in line with the U.S. Dollar in 9M'15.

		U.S. dollar	Chinese yuan	Australian dollar	Mexican peso	Brazilian real
Euro	9M'16	+0.2%	+5.5%	+2.9%	+17.6%	+12.2%

Source: Banca d'Italia

CONSOLIDATED REVENUES

Revenues: € 147.0 million in Q3'16, +19.3% (+6.8% LFL at CER) compared with Q3'15:

- **CLIA, net of 25 OH Vitamin D: +8.1% (+9.7% LFL at CER)**
- **25 OH Vitamin D (CLIA): -5.5% (-5.3% LFL at CER)**
- **ELISA & RIA tests: +3.9% (+4.6% LFL at CER)**
- **Instruments sales and other revenues: +23.6% (+24.5% LFL at CER)**
- **Molecular: +5.5% (+6.2% LFL at CER)**
- **Focus²: € 16.7 million**

In 9M'16, revenues amounted to **€ 413.3 million, +12.2% (+6.9% LFL at CER)** compared with 9M'15. The devaluation of some currencies in which the Group operates (mainly the Chinese Yuan, Brazilian Real and Mexican Peso) had a negative impact of € 6.0 million on revenues. Sales trend of the period is provided below:

- **CLIA, net of 25 OH Vitamin D: +11.5% (+13.6% LFL at CER)**
- **25 OH Vitamin D (CLIA): -2.8% (-2.2% LFL at CER)**
- **ELISA & RIA tests: -6.0% (-4.5% LFL at CER)**
- **Instruments sales and other revenues: +9.6% (+11.6% LFL at CER)**
- **Molecular: +4.2% (+4.4% LFL at CER)**
- **Focus²: € 25.5 million**

Steady **expansion of analyzers** installed base and strong performance of LIAISON XL amounting to about 40% of the overall installed base at September 30, 2016.

	TOTAL UNITS AT DECEMBER 31, 2015	NET PLACEMENTS IN 9M 2016	TOTAL UNITS AT SEPTEMBER 30, 2016
 LIAISON	4,044	-30	4,014
 LIAISON XL	2,292	+426	2,718
TOTAL	6,336	+396	6,732

² Focus Diagnostics revenues: data consolidated as from May 13, 2016

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	Q3		Change		
	2015	2016	%		
			Amount	@ current	@ constant
Europe and Africa	55.7	58.1	+2.3	+4.2%	+5.1%
North America	33.3	32.3	-1.0	-3.1%	-2.7%
Asia Pacific	24.4	28.8	+4.4	+18.1%	+20.9%
Central and South America	9.8	11.2	+1.4	+14.1%	+14.1%
LFL Total	123.2	130.3	+7.1	+5.8%	+6.8%
Focus	-	16.7	+16.7	-	-
Total	123.2	147.0	+23.8	+19.3%	-

Amounts in millions of euros	9M		Change		
	2015	2016	%		
			Amount	@ current	@ constant
Europe and Africa	173.6	181.3	+7.8	+4.5%	+5.0%
North America	96.1	97.9	+1.7	+1.8%	+2.1%
Asia Pacific	69.4	78.4	+9.0	+12.9%	+16.1%
Central and South America	29.3	30.2	+0.9	+3.2%	+11.7%
LFL Total	368.4	387.8	+19.4	+5.3%	+6.9%
Focus	-	25.5	+25.5	-	-
Total	368.4	413.3	+44.9	+12.2%	-

% of revenues contributed	Q3			9M		
	2015	2016 LFL	2016	2015	2016 LFL	2016
Europe and Africa	45.2%	44.6%	39.5%	47.1%	46.8%	43.9%
North America	27.0%	24.7%	21.9%	26.1%	25.2%	23.6%
Asia Pacific	19.8%	22.1%	19.6%	18.9%	20.2%	19.0%
Central and South America	8.0%	8.6%	7.6%	7.9%	7.8%	7.3%
Focus	-	-	11.4%	-	-	6.2%

Comments on revenues from sales provided below do not include revenues generated from Focus business.

Europe and Africa

In Q3'16, revenues totalled € 58.1 million, +4.2% (+5.1% at CER) compared with Q3'15.

In 9M'16, revenues amounted to € 181.3 million, +4.5% (+5.0% at CER).

- **Italy:**
 Q3'16: -4.8%
 9M'16: -4.8% (local market: -7.1%)³ with a decrease in sales of Tumour Markers and Thyroid tests partially offset by the upward trend in some product lines such as Gastro-Intestinal infections, Hepatitis, Infectious Diseases, Prenatal Diseases and PCT.
- **Germany:**
 Q3'16: +5.3%
 9M'16: +6.3% (local market: +1.5%)³ due to the good performance of CLIA tests and particularly 1,25 Vitamin D, the panel of Gastro-Intestinal infections and Infectious Diseases.
- **France:**
 Q3'16: +0.8%
 9M'16: +4.0% (local market: -1.5%)³ as a result of the upward trend in CLIA sales, net of 25 OH Vitamin D (+11.5%).

³ Source: EDMA latest data available

North America

In **Q3'16, revenues** amounted to **€ 32.3 million**, - 3.1% compared with Q3'15 (-2.7% at CER).

In **9M'16, revenues** totalled **€ 97.9 million**, +1.8% (+2.1% at CER).

- **USA:**

Q3'16: -3.4% in local currency

9M'16: +2.2% in local currency, following the upward trend in CLIA sales, net of 25 OH Vitamin D, particularly 1,25 Vitamin, Infectious Diseases, Endocrinology and Prenatal Diseases tests.

Asia Pacific

In **Q3'16, revenues** amounted to **€ 28.8 million**, +18.1% (+20.9% at CER).

In **9M'16, revenues** totalled **€ 78.4 million**, +12.9% (+16.1% at CER).

- **China:**

Q3'16: +25.9% in local currency

9M'16: +37.8% in local currency, mainly driven by CLIA tests, including Hepatitis, Prenatal Diseases, Tumour Markers and Infectious Diseases panel. Positive performance of sales of Murex products and instruments.

- **Distributors:**

Q3'16: +18.6%

9M'16: -5.5% following a downward trend in sales of Murex tests, partially offset by the good performance of some CLIA tests.

Central and South America

In **Q3'16, revenues** amounted to **€ 11.2 million**, +14.1% (+14.1% at CER) compared with Q3'15.

In **9M'16, revenues** totalled **€ 30.2 million**, +3.2% (+11.7% at CER) following the devaluation of Brazilian and Mexican currencies.

- **Brazil:**

Q3'16: +9.4% in local currency.

9M'16: +4.1% in local currency, as a result of the good performance of CLIA tests, mainly due to sales of Hepatitis panel and 1,25 Vitamin D test. Upward trend in sales of 25 OH Vitamin D, Murex tests and instruments.

- **Mexico:**

Q3'16: +53.5% in local currency.

9M'16: +24.5% in local currency, as a result of the strong performance driven by Hepatitis and Infectious Diseases sales.

- **Distributors:**

Q3'16: +0.1%.

9M'16: +14.9% following the upward trend in sales of tests.

REVENUES BY TECHNOLOGY

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

% of revenues contributed	Q3		
	2015	2016 LFL	2016
CLIA tests	76.7%	75.2%	66.6%
RIA & ELISA tests	12.1%	11.9%	10.5%
Molecular tests	0.5%	0.5%	0.5%
Instruments sales and other revenues	10.7%	12.4%	11.0%
Focus	-	-	11.4%

% of revenues contributed	9M		
	2015	2016 LFL	2016
CLIA tests	74.5%	75.5%	70.9%
RIA & ELISA tests	13.4%	12.0%	11.2%
Molecular tests	0.6%	0.6%	0.5%
Instruments sales and other revenues	11.5%	11.9%	11.2%
Focus	-	-	6.2%

Comments on revenues from sales provided below do not include revenues generated from Focus business.

- **CLIA tests:** higher percentage on total revenues in 9M'16 (+1.0 percentage points) as a result of an increase in sales of CLIA tests, net of 25 OH Vitamin D.
- **ELISA & RIA tests:** progressive and physiological decline of the contribution provided by these technologies in 9M'16 (-1.4 percentage points).
- **Instruments sales and other revenues:** slight increase in the percentage on total revenues in 9M'16 (+0.4 percentage points).
- **Molecular tests:** contribution substantially unchanged in 9M'16.
- **Focus:** equal to 6.2% on total revenues from the date of acquisition.

OPERATING
PERFORMANCE

The following provides the Group operating performance in i) Q3'16 and ii) 9M'16.

GROSS PROFIT

GROSS PROFIT:

i) **€ 99.1 million**; +16.5%, equal to 67.4% of revenues.

ii) **€ 282.4 million**; +12.4%, equal to 68.3% of revenues, as a result of higher sales and the different geographic and product mix in the periods under comparison.

EBITDA

EBITDA:

i) **€ 56.1 million**; +24.6%, equal to 38.1% of revenues.

ii) **€ 158.4 million**; +16.1% equal to 38.3% of revenues. Net of the exchange rate effect and at constant scope of consolidation, EBITDA grew by +10.8% in absolute value, with a margin equal to 38.4%.

EBIT

EBIT:

i) **€ 43.7 million**; +19.2%, equal to 29.7% of revenues.

ii) **€ 125.9 million**; +12.7%, equal to 30.5% of revenues. In 9M'16, other operating expenses amounted to € 7.2 million, including non-recurring expenses equal to € 3.5 million mainly related to the acquisition of Focus Diagnostics, in addition to extraordinary consulting expenses in order to make the Group's supply chain processes more efficient.

FINANCIAL
PERFORMANCE**NET FINANCIAL EXPENSES:**

i) **-€ 0.9 million**

ii) **-€ 2.5 million**, in line with 9M'15.

INCOME TAXES

In **Q3'16**, **income taxes** amounted to **€ 14.1 million**, equal to a 33.0% tax rate, down 130 basis points compared with Q3'15.

In **9M'16**, **income taxes** were equal to **€ 40.7 million**, equal to a 33.0% tax rate, down 100 basis points, mainly as a result of the computation of the Group's taxable profits across the different geographical areas in the periods under comparison.

CONSOLIDATED
NET PROFIT**Consolidated net profit:**

i) **€ 28.7 million**; +23.4%, equal to 19.5% of revenues.

ii) **€ 82.7 million**; +14.8%, equal to 20.0% of revenues.

CONSOLIDATED
NFP

At **September 30, 2016**, the **Consolidated Net Financial Position** was positive by **€ 44.0 million**, down by € 223.9 million compared with the balance at December 31, 2015 (equal to € 267.9 million) following the acquisition of Focus Diagnostics, the purchase of treasury shares for an amount equal to € 14.0 million and the payment of an ordinary dividend.

FCF

In **Q3'16**, the **Free Cash Flow** of the Group was equal to **€ 43.3 million** (€ 35.5 million in Q3'15) and to **€ 97.2 million** in **9M'16** (€ 74.8 million in 9M'15).

In view of the Group's operating performance after September 30, 2016 and taking into account possible evolutions of the global macroeconomic scenario and the diagnostic sector in particular, management confirmed the previous guidance on REVENUES and EBITDA for 2016, net of the contribution deriving from the recent acquisition of Focus Diagnostics business.

- Revenues: growth between 6% and 7% at CER compared with 2015
- EBITDA: growth equal to around +9% at CER compared with 2015

Piergiorgio Pedron, 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)	Q3		Change	
	2015	2016	amount	%
Net Revenues	123,232	147,047	+23,815	+19.3%
Cost of sales	(38,201)	(47,953)	-9,752	+25.5%
Gross profit	85,031	99,094	+14,063	+16.5%
	69.0%	67.4%	-1.6%	
Sales and marketing expenses	(23,496)	(27,965)	-4,469	+19.0%
Research and development costs	(6,254)	(10,208)	-3,954	+63.2%
General and administrative expenses	(13,728)	(14,885)	-1,157	+8.4%
Total operating expenses	(43,478)	(53,058)	-9,580	+22.0%
	(35.3)%	(36.1)%	-0.8%	
Other operating income (expense)	(4,938)	(2,374)	+2,564	-51.9%
<i>non recurring amount</i>	-	(197)	n.m.	n.m.
EBIT	36,615	43,662	+7,047	+19.2%
	29.7%	29.7%	-0.0%	
Net financial income (expense)	(1,283)	(856)	+427	-33.3%
Profit before taxes	35,332	42,806	+7,474	+21.2%
Income taxes	(12,102)	(14,146)	-2,044	+16.9%
Net result	23,230	28,660	+5,430	+23.4%

EBITDA ⁽¹⁾	45,026	56,080	+11,054	+24.6%
	36.5%	38.1%	+1.6%	

(Amounts in thousands of euros)	9M		Change	
	2015	2016	amount	%
Net Revenues	368,376	413,275	+44,899	+12.2%
Cost of sales	(117,011)	(130,857)	-13,846	+11.8%
Gross profit	251,365	282,418	+31,053	+12.4%
	68.2%	68.3%	+0.1%	
Sales and marketing expenses	(72,219)	(79,388)	-7,169	+9.9%
Research and development costs	(18,924)	(26,914)	-7,990	+42.2%
General and administrative expenses	(40,720)	(43,085)	-2,365	+5.8%
Total operating expenses	(131,863)	(149,387)	-17,524	+13.3%
	(35.8)%	(36.1)%	-0.4%	
Other operating income (expense)	(7,810)	(7,161)	+649	-8.3%
<i>non recurring amount</i>	-	(3,455)	n.m.	n.m.
EBIT	111,692	125,870	+14,178	+12.7%
	30.3%	30.5%	+0.1%	
Net financial income (expense)	(2,523)	(2,465)	+58	-2.3%
Profit before taxes	109,169	123,405	+14,236	+13.0%
Income taxes	(37,118)	(40,712)	-3,594	+9.7%
Net result	72,051	82,693	+10,642	+14.8%

EBITDA ⁽¹⁾	136,424	158,362	+21,938	+16.1%
	37.0%	38.3%	+1.3%	

(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

Unaudited data

CONSOLIDATED BALANCE SHEET

<i>(Amounts in thousands of euros)</i>	12/31/2015	9/30/2016	Change
ASSETS			
Non-current assets			
Property, plant and equipment	74,493	87,471	+12,978
Goodwill	68,502	156,198	+87,696
Other intangibles	49,404	187,483	+138,079
Equity investments	219	27	-192
Deferred-tax assets	20,198	20,941	+743
Other non-current assets	758	769	+11
Total non-current assets	213,574	452,889	+239,315
Current assets			
Inventories	106,193	126,190	+19,997
Trade receivables	105,609	112,547	+6,938
Other current assets	12,173	11,762	-411
Other current financial assets	58,179	-	-58,179
Cash and cash equivalents	212,178	110,681	-101,497
Total current assets	494,332	361,180	-133,152
TOTAL ASSETS	707,906	814,069	+106,163

<i>(Amounts in thousands of euros)</i>	12/31/2015	9/30/2016	Change
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity			
Share capital	55,948	55,948	-
Treasury shares	(25,459)	(38,360)	-12,901
Additional paid-in capital	18,155	18,155	-
Statutory reserve	11,190	11,190	-
Other reserves and retained earnings	426,560	486,813	+60,253
Net profit for the period attributable to shareholders of the Parent Company	100,420	82,529	-17,891
Equity attributable to shareholders of the Parent Company	586,814	616,275	+29,461
Other reserves and retained earnings attributable to minority interests	216	324	+108
Net profit for the period attributable to minority interests	128	164	+36
Equity attributable to minority interests	344	488	+144
Total shareholders' equity	587,158	616,763	+29,605
Non-current liabilities			
Long-term borrowings	-	35,760	+35,760
Other financial non-current liabilities	-	2,552	+2,552
Provisions for employee severance indemnities and other employee benefits	31,334	32,074	+740
Deferred-tax liabilities	2,049	2,535	+486
Other non-current liabilities	4,925	7,306	+2,381
Total non-current liabilities	38,308	80,227	+41,919
Current liabilities			
Trade payables	40,775	39,794	-981
Other current liabilities	32,837	36,163	+3,326
Income taxes payable	6,384	12,766	+6,382
Current portion of long-term debt	2,300	26,473	+24,173
Other financial liabilities	144	1,883	+1,739
Total current liabilities	82,440	117,079	+34,639
Total liabilities	120,748	197,306	+76,558
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	707,906	814,069	+106,163

Unaudited data as of September 30, 2016

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amounts in thousands of euros)	Q3	
	2015	2016
Cash and cash equivalents at the beginning of the period	141,626	73,218
Cash provided by operating activities	40,619	49,498
Cash used in investing activities	(5,390)	(6,653)
Cash provided/(used) in financing activities	(769)	(4,964)
Acquisitions of companies and business operations	423	(418)
Net change in cash and cash equivalents before investments in financial assets	34,883	37,463
Divestment/(Investments) in financial assets	-	-
Net change in cash and cash equivalents	34,883	37,463
Cash and cash equivalents at the end of the period	176,509	110,681

(Amounts in thousands of euros)	9M	
	2015	2016
Cash and cash equivalents at the beginning of the period	144,855	212,178
Cash provided by operating activities	96,370	117,646
Cash used in investing activities	(21,624)	(21,123)
Cash provided/(used) in financing activities	(12,072)	7,802
Acquisitions of companies and business operations	(1,020)	(262,850)
Net change in cash and cash equivalents before investments in financial assets	61,654	(158,525)
Divestment/(Investments) in financial assets	(30,000)	57,028
Net change in cash and cash equivalents	31,654	(101,497)
Cash and cash equivalents at the end of the period	176,509	110,681

Unaudited data