

Werfen increases sales by over 13% and reaffirms its global leadership in *in vitro* diagnostics

- The global corporation achieves sales of 1,337 million euros in 2017
- The results show the integration of Tem and Accriva Diagnostics, combined with a positive performance across all regions, with especially rapid growth in China
- Werfen maintains its global leadership in *in vitro* diagnostics, specifically in the areas of Hemostasis, Autoimmunity, and its new business line of Acute Care Diagnostics

Barcelona, 26 April 2018. Werfen, a global leader in the sectors of healthcare and life sciences, achieves revenues of 1,337 euros in 2017, a 13.3% increase against 2016.

Werfen Sales (million €)

	Year		Growth with acquisitions**	Organic growth**
	2017	2016*		
<i>IVD</i>	1,145	1,005	+15.4%	+5%
<i>Medical Devices</i>	192	188	-	+2.4%
Total Sales	1,337	1,193	+13.3%	+4.6%

* Restated results.

** Constant currency.

Excluding the impact of recent acquisitions, sales from organic growth grew by 4.6%. With these results, the corporation continues to be a global leader in *in vitro* diagnostics (IVD⁽¹⁾), with a long-term commitment to providing innovative solutions for hospitals and commercial laboratories with the aim of improving patient care and reducing healthcare costs.

Werfen is reporting net profit of 160 million euros for 2017, representing a 15.1% increase over the previous year, while EBITDA has grown to 284 million euros, representing an increase of 6% compared to 2016.

Werfen is performing very well in its main areas of expertise. Hemostasis⁽²⁾ is showing the strongest growth with an increase of 7.5%, Autoimmunity⁽³⁾ has grown by 6.6%, while the new business line, Acute Care Diagnostics⁽⁴⁾, has achieved organic growth of 4.8%.

Expansion of the product portfolio has been one of the main causes of the increase in sales, following the acquisition of Tem (specialized in viscoelastic technology that helps in the management of blood transfusions) and Accriva Diagnostics (leader in point-of-care diagnostic tests⁽⁵⁾ for Hemostasis in operating rooms and intensive care units). As a result, the Critical Care business line has become Acute Care Diagnostics, providing comprehensive solutions for a number of clinical settings, including emergency care, traumatology, and operating rooms.

Werfen has strengthened its presence in all the regions where it operates, especially in China, where sales have achieved a substantial 21% increase against 2016. Currently, Asia-Pacific accounts for 16% of total revenues.

With regard to other territories, Western Europe is the strongest market, bringing in 42% of Werfen revenues, while North America accounted for 26%. The areas with the greatest potential for growth are Latin America and EEMEA (Eastern Europe, Middle East, Africa and India), each of which generated 8% of total sales in 2017.

According to **Jordi Rubiralta**, the President of the corporation, *“Werfen continues to grow its sales and services around the world, with the aim of improving the quality of patient care and the patient experience. Our principal goal for the next few years is to continue offering solutions that help health practitioners make quicker, more accurate decisions, while also helping to reduce unnecessary costs.”*

Today, the corporation has a direct presence in around 30 countries and more than 100 territories through distributors. Werfen has a team of over 5,000 people, and its R&D⁽⁶⁾ and manufacturing activities are carried out in the United States and Europe. The principal logistics centers of Werfen are in Devens (USA), Roncello (Italy), Hong Kong (China), Tarancón (Spain) and Cuautitlan Izcalli (Mexico).

Investment in R&D increases by 21%

In order to continue innovating, Werfen allocated 93 million euros to R&D in 2017 – 21% more than the previous year. Its main centers of R&D and manufacturing are in Bedford (Massachusetts, USA), San Diego (California, USA), Orangeburg (New York, USA), Munich (Germany) and Barcelona (Spain).

During the last financial year, several new products were launched⁽⁷⁾, including the HemosIL® AcuStar HIT-IgG (PF4-H) and QUANTA Flash® Calprotectin assays, and the GEM® Premier™ 5000 and QUANTA-Lyser® 3000 systems, which improve the information available to healthcare professionals.

Key achievements in 2017 and priorities for 2018

Some of the most significant milestones of 2017 were the opening of a new affiliate in Colombia, the official start-up of a new logistics center located in Tarancón (Cuenca, Spain), which is the largest and the most modern logistics facility within Werfen, and completion of the move to the new Biokit Technology Center (located near Barcelona, Spain). The building has an area of 25,000 m² and accommodates approximately 300 staff engaged in work on reagents⁽⁸⁾ and biomaterials⁽⁹⁾ for Werfen businesses and third parties.

The CEO of Werfen, **Carlos Pascual**, says that *“Our team of more than 5,000 people will continue to focus on innovation and creating value for both our customers and society in general.”*

The objectives set for 2018 are to further strengthen the main areas of expertise: Hemostasis, Acute Care Diagnostics, and Autoimmunity, to continue to grow in China, and to boost expansion in the emerging markets of Latin America, Asia-Pacific and EEMEA.

In addition, the new Leventon facilities, located near Barcelona, are progressing at a good pace. These premises will increase operational efficiency and the quality of products in the area of infusion therapy⁽¹⁰⁾ within the field of medical devices.

More than 50 years of history

Werfen, founded by José María Rubiralta in 1966, in Barcelona (Spain), is a growing, privately held corporation. Over a period of more than 50 years, it has evolved into an organization at the forefront of innovation around the world, bringing together technology and knowledge to serve healthcare and life sciences.

The keys to its success are continued and growing commitment to R&D and quality, a broad and well-structured international expansion, selective and well-integrated acquisitions, and the permanent commitment to its people.

Werfen

Werfen is one of the leading global companies in the IVD field, specializing in the areas of Hemostasis and Acute Care Diagnostics through its company Instrumentation Laboratory, and in the area of Autoimmunity through its company Inova Diagnostics. Werfen also manufactures reagents and biomaterials for third parties, and offers solutions in the area of infectious disease serology through its company Biokit. Its other areas of focus within IVD include clinical software and clinical chemistry. Every day, laboratories around the world use Werfen reagents and systems to test more than 1.5 million patient samples in the benefit of patients.

Werfen is also involved in medical devices through its company Leventon, which specializes in Infusion Therapy. In addition, Werfen distributes medical devices and scientific instrumentation in Spain and Portugal through the companies Izasa Hospital and Izasa Scientific, and in further European countries via other own companies.

⁽¹⁾ *In Vitro* Diagnostics (IVD): Non-invasive tests performed on biological samples such as blood, urine, or tissue, to diagnose, monitor, or rule out a disease.

⁽²⁾ *Hemostasis*: The balance of the interaction between blood coagulation proteins, platelets and the vessel walls, which maintains blood flow.

⁽³⁾ *Autoimmunity*: Autoimmunity occurs when the body's immune system fails to recognize itself, resulting in antibodies being directed against the body's own tissues (autoantibodies). Autoimmune diseases are caused by autoantibodies and include rheumatoid arthritis, systemic lupus erythematosus, celiac disease, Crohn's disease, and many other diseases.

⁽⁴⁾ *Acute Care Diagnostics*: The specialized treatment of life-threatening conditions requiring rapid, comprehensive patient care and frequent monitoring - usually in intensive care units, emergency rooms, and operating theaters.

⁽⁵⁾ *Point-of-care testing (POCT)*: Point-of-care testing is defined as medical diagnostic testing at or near the point of patient care.

⁽⁶⁾ *R&D*: Research and Development, departments aimed at developing new products or improving existing ones through scientific research.

⁽⁷⁾ *HemosIL® AcuStar HIT-IgG(PF4-H)*, *QUANTA Flash® Calprotectin*, *GEM® Premier™ 5000* and *QUANTA-Lyser® 3000*:

HemosIL® AcuStar HIT-IgG(PF4-H) is the first on-demand, fully automated, chemiluminescent reagent on a Hemostasis testing system for the qualitative detection of platelet factor 4 (PF4)-heparin complex IgG antibodies associated with Heparin-Induced Thrombocytopenia (HIT).

QUANTA Flash® Calprotectin is an assay which aids in the diagnosis of Inflammatory Bowel Disease (IBD), and can help differentiate IBD from Irritable Bowel Syndrome (IBS).

GEM® Premier™ 5000 is a blood gas testing system that provides automated quality assurance with every sample.

QUANTA-Lyser® 3000 is a fully automated EIA (enzyme linked immunoassay) and IFA (immunofluorescence assay) processor.

⁽⁸⁾ *Reagents*: A substance or a compound added to a system to cause a chemical reaction. Reagents are often used to indicate the presence of another substance.

⁽⁹⁾ *Biomaterials*: Biomaterials are any substances of biological origin (usually proteins) that have been designed, produced and purified to function as the main raw material on an IVD test.

⁽¹⁰⁾ *Infusion Therapy*: Infusion therapy refers to delivering medication into a vein through a needle or a catheter.

Legal notice

This document contains forward-looking statements about our business, financial data, and events related to the prospects of Werfen. These forecasts can be identified by the use of words such as "expectation", "vision", "anticipation", "intention", "plan", "belief", "search", "estimate", "future", "project" or words with a similar meaning. We may also make projections in other reports, presentations, and press releases. Furthermore, our sales representatives may occasionally make forward-looking statements. These projections are based on our current expectations and on certain hypotheses, many of which are beyond the corporation's control and are subject to a series of risks and uncertainties. In the event that any of these risks or uncertainties should materialize or the underlying expectations are not fulfilled, the results or performance of Werfen may differ substantially (either positively or negatively) from those expressly or implicitly forecast. Werfen assumes no obligation to update or revise any forward-looking statements made previously.

Fact Sheet

Company name: Werfen

Founded: 1966, Barcelona

Divisions:

- **IVD – Main areas of expertise**
 - Hemostasis
 - *Acute Care Diagnostics*
 - Autoimmunity

- **Other areas of expertise within IVD**
 - OEM (Original Equipment Manufacturing): Manufacture of reagents and biomaterials for third parties
 - Infectious Disease Serology
 - Clinical Software
 - Clinical Chemistry

- **Medical Devices**
 - Infusion Therapy
 - Medical Devices & Scientific Instrumentation Distribution

Sales in 2017: 1,337 million euros, a 13.3% increase against the previous year (2016 sales totaled 1,193 million euros)

EBITDA in 2017: 284 million euros (2016: 268 million euros)

Sales by Geographic Area:

- Western Europe: 42% (increase of 2.7% against 2016 – 6% with acquisitions)
- North America: 26% (increase of 4.3% against 2016 – 26.9% with acquisitions)
- Asia-Pacific: 16% (increase of 14.6% against 2016 – 21.8% with acquisitions)
- EEMEA: 8% (increase of 4.8% against 2016 – 12.6% with acquisitions)
- Latin America: 8% (increase of 3.7% against 2016 – 5.7% with acquisitions)

Investment in R&D: 93 million euros (2016: 77 million euros)

Employees: More than 5,000 people in approximately 30 countries

Headquarters: Barcelona (Plaza de Europa, 21-23. 08908 L'Hospitalet de Llobregat)

Worldwide Presence: Direct presence in around 30 countries and more than 100 territories through distributors. Every day, laboratories around the world use Werfen reagents and systems to test more than 1.5 million patient samples.

R&D and Manufacturing: Instrumentation Laboratory (Hemostasis and Acute Care Diagnostics - USA and Germany), Inova Diagnostics (Autoimmunity - USA), Biokit (OEM - Spain) and Leventon (Infusion Therapy – Spain)

Main Logistics Centers: Devens (USA), Roncello (Italy), Hong Kong (China), Tarancón (Cuenca, Spain) and Cuautitlan Izcalli (Mexico)

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