Strong growth in revenue and earnings in first half of 2013

2013 HALF YEAR RESULTS ANNOUNCEMENT
27 AUGUST 2013

Highlights:

- Revenues increased 19% to EUR 570.3m with organic growth of more than 6%; adjusted organic growth excluding acquisitions in significant restructuring of 7.5%;
- Adjusted EBITDA grew 27% to EUR 93.1m driven by an improvement in adjusted EBITDA margin by 110bp to 16.3%;
- Operating Cash Flow up 35% reflecting higher profits and lower working capital outflows;
- 8 acquisitions completed in the first six months with total annual revenues in excess of EUR 70m;
- Extension and renewal of ca. EUR 300m of credit lines signed to lengthen maturity and enhance financial flexibility;
- Strategic outsourcing deal with one of the world's largest food companies signed shortly after the close of H1 2013.

Adjusted results, EURm *(unless otherwise stated)*	**HY 2013**	HY 2012	*Change (%)*
Revenues	**570.3**	480.4	*18.7%*
EBITDA[3]	**93.1**	73.2	*27.1%*
Net Profit[5]	**45.2**	34.6	*30.5%*
Basic Earnings per share (EUR)[6]	**3.02**	2.41	*25.6%*
Operating Cash flow, reported	**54.7**	40.4	*35.4%*

Note: Definition of the terms used can be found at the end of this press release

Comments from the CEO, Dr. Gilles Martin:

"Eurofins has delivered a strong performance in the first half of the year and I am pleased with the progress we are making towards our long-term revenue and margin objectives.

Despite the difficult economic environment, revenue growth remains robust in most of our markets as demand for testing continues to increase and as we leverage our laboratory network and expertise to further expand our market share. Growth in the first half of the year was above our objectives. I am particularly encouraged by the organic growth of 7.5% in our business excluding acquisitions in significant restructuring.

The investments we are making into state-of-the art laboratories and the initiatives we are pursuing to build operating leverage into our network are paying off as evidenced by the good improvement in adjusted EBITDA margin. Over the next few years, we plan to continue to invest strongly to lay the foundations for continued future growth and advances in productivity.

We have certain start-ups and recently acquired businesses where performance is not yet satisfactory, particularly IPL, which was severely under-invested and not integrated by its previous public foundation owner, but we are convinced that we will have much stronger businesses after the restructurings and investments we undertake. Our well-performing businesses more than compensate for these shortfalls.

Overall, I am confident that Eurofins should be able to continue to perform well going forward and to achieve its previously communicated objectives of revenues of EUR 1.2bn and an adjusted EBITDA of 210m for the full year in spite of the unfavourable macroeconomic outlook."

BUSINESS REVIEW

Overview of performance

The results achieved in the first six months of 2013 demonstrate the progress that Eurofins is making towards its 2017 objectives.

The following figures are extracts from the Interim Financial Statements and should be read in conjunction with the Interim Financial Statements and the Notes.

	H1 2013			H1 2012			
HY 2013 EUR m	**Adjusted Results[1]**	Separately disclosed items[2]	*Statutory Results*	Adjusted Results	Separately disclosed items	*Statutory Results*	**+/- % Adjusted Results**
Revenues	**570.3**		*570.3*	480.4		*480.4*	*18.7%*
EBITDA[3]	**93.1**	-14.8	*78.2*	73.2	-9.0	*64.2*	*27.1%*
EBITDA Margin	**16.3%**			15.2%			*110 bp*
EBITAS[4]	**66.2**	-19.4	*46.8*	51.8	-13.2	*38.6*	*27.7%*
Net Profit[5]	**45.2**	-22.7	*22.5*	34.6	-15.5	*19.1*	*30.5%*
Basic EPS[6]	**3.02**	-1.52	*1.51*	2.41	-1.08	*1.33*	*25.6%*
Operating Cash Flow[7]			*54.7*			*40.4*	*35.4%*
Capex			*43.0*			*28.0*	*53.5%*
Net Debt[8]			*381.5*			*310.6*	*22.8%*

Note: Definition of the terms used can be found at the end of this press release

During the seasonally quieter first half of the year, Group revenues were EUR 570.3m, representing growth of 19%. Organic growth was more than 6% whilst currency translation had a negative impact of 1%. Adjusted organic growth excluding acquisitions in significant restructuring was 7.5%. Overall, trends across all activities continue to be positive.

Growth was particularly strong in the US, the Group's largest market in terms of revenues, and in APAC and emerging markets (included in "others" in the geographic revenue breakdown as shown in the notes to the accounts). APAC and emerging markets in the meantime represent about 11% of Group revenue.

Food testing has performed well and continues to be supported by regulation and brand protection, especially as supply chains widen. This has been most evident in markets where there is regulatory catch-up (US), or increased trade and wealth (emerging markets). The horsemeat scandal in Europe at the beginning of the year served to highlight the need for more systematic testing, which should provide support to the food testing market in the medium-term.

Our activities for the pharmaceutical industry show a more varied picture with activities like Pharma Product testing and Genomics showing strong growth and increases in profitability whilst our Central Laboratory business is temporarily affected by the move of its US site to the Group's US pharma testing Competence Center in Lancaster, PA. Discovery Services, where we have acquired the two leading global players with a view of combining them, needs further restructuring and integration work to achieve the desired performance levels. Eurofins' Pharma Product testing activities continue to gain traction with the large pharmaceutical companies due to its unparalleled operational and geographical footprint, whilst Genomics continues to see an upward trend in demand especially for its newest range of services.

The Environment testing results in the first six months have been impacted by IPL, the weather-related slower start to the year and weaker construction and general economic activity in some parts of Europe. On the other hand, Eurofins' continues to gain market share in a sector that is in consolidation, thus allowing us to add incremental scale and benefit from efficiencies, which is partially mitigating the challenges in some markets for Environment testing.

Overall, the first six months have seen a strong improvement in adjusted EBITDA margin which rose 110bp to 16.3%. This is a result of the various initiatives Eurofins is pursuing to improve efficiencies and build operating leverage into the network. As a consequence, adjusted EBITDA was EUR 93.1m, which is

27% higher than in the comparable period last year. Historically, margin in the first half year has always been lower than in the second half in view of the seasonal nature of some parts of our business.

The mature businesses of the Group, i.e., excluding start-ups and acquisitions in significant restructuring, achieved an adjusted EBITDA margin of 18.6% on EUR 500.3m of revenues in the first six months, well above the previous year. This is even more notable given that some of the acquisitions made in the last two years which are not in restructuring and the start-ups transferred to mature businesses are still diluting the margin of that perimeter.

The positive development of our start-ups and the good progress in restructuring of many companies recently acquired have enabled us to transfer many of those companies into the Group's mature perimeter in 2013. This means that in spite of many acquisitions in 2012 and 2013, the revenue contribution of the perimeter "start-ups and acquisitions in significant restructuring" was reduced from 14% in 2012 to 12% in the first half of 2013.

Separately disclosed items were EUR -14.8m at EBITDA level in the first six months compared to EUR -9.0m for the same period in the previous year. The increase is essentially due to higher losses in IPL reflecting the impact from the ongoing restructuring.

Net finance costs in H1 2013 stood at EUR 10.0m, broadly stable compared to the same period in the previous year despite higher debt during the period. Income tax expenses rose broadly in line with higher profits; the effective tax rate remains within the Group's objective.

Adjusted net profit for the Group grew 30% to EUR 45.2m and adjusted basic EPS was EUR 3.02, up 26%.

Operating cashflows increased 35% to EUR 54.7m in the first six months reflecting profit growth and lower working capital outflows.

The Group has invested EUR 43.0m in capital expenditure into state-of-the-art laboratories in H1 2013, versus EUR 28.0m in H1 2012, and has spent EUR 61.9m on acquisitions during the first six months of this year, versus EUR 30.5m in the first six months of 2012.

Net debt at June 30, 2013 increased to EUR 381.5m in view of continued high capital expenditure and acquisitions. Net debt to adjusted EBITDA leverage slightly increased to 1.9x and remains well below the 3.5x covenant.

Business Development

Eurofins continues to invest significantly in its laboratory network to strengthen its market leadership in food, environment and pharmaceutical testing. In its existing markets, the Group is investing in automation and streamlining processes to increase efficiency. As mentioned above, the Group is currently moving its central laboratory business in the US to its large campus in Lancaster PA. In France, Eurofins recently completed the extension project that doubled the size of its site in Vergeze, allowing it to maximizing efficiency by merging two smaller separate laboratories. Several projects are currently being undertaken chiefly to expand capacity in existing sites in Romsey (UK), New Orleans (US), Hamburg (DE), Cologne (DE), Saint Etienne (FR), Moss (NO), Yokohama (JP), Lancaster (US), among others.

Furthermore, Eurofins is continuously striving to develop analytical methods to ensure the best possible service to its clients. For example, the Group's Competence Centre for Contaminants Testing in Food launched several analytical methods and testing packages to help clients reduce risk of contamination by veterinary residues in light of the recent horsemeat scandal in Europe.

As a reflection of our focus on innovation and staying at the forefront of technology in our field, Eurofins was chosen to contribute to a project sponsored by the European commission that will set industry standards in the field of allergen detection, having developed an LC-MS/MS allergen detection method that has been validated to be more accurate and efficient than existing technology.

The Group's focus on having the best-in-class laboratory network and client services allows us to gain the trust of key clients who are equally committed to the quality of their products. For example, in May, the

Group won an outsourcing agreement with Cranswick plc, a leading food supplier in the UK. Cranswick's testing requirements were previously performed by a competitor.

Shortly after the close of the first half of the year, in July, Eurofins signed a milestone outsourcing agreement with Danone. As part of the agreement, Eurofins will take over Danone's laboratory for infant nutrition analysis, Central Laboratories Friedrichsdorf (CLF), in return for an exclusive supplier contract for all infant nutrition analyses for Danone and Milupa, its infant nutrition arm in Germany, which will represent at least EUR 6m in revenues annually for 5 years.

Acquisitions

In the first six months, Eurofins completed 8 acquisitions with combined revenues in excess of EUR 70m to further strengthen its leadership in existing markets or enter new geographies. The acquisition of mgtLabmark in January marked our entry into the attractive Australian testing market, whilst ELS reinforces our presence in New Zealand following our acquisition of NZ Labs last year. Still in January, we acquired LZV, strengthening our leadership in the food and feed testing market in The Netherlands. In February, we expanded our genomics business with the acquisition of Aros A/B in Denmark. The following month, we entered the food testing market in Chile through the acquisition of GCL. Also in March, we completed the acquisition of Cerep, which together with Panlabs in the US, gives us global leadership in discovery pharmacology, in turn strengthening our footprint in the testing market for the entire pharmaceutical product development cycle. We have also completed a host of smaller acquisitions that either provide us with specific technical know-how or increased market share. Total acquisition spent was EUR 61.9m with some further performance-based earn-out payments agreed.

In early July, Eurofins acquired BLGG, the leading agribusiness testing service provider in The Netherlands with annual revenues in excess of EUR 25m. The acquisition will provide the Group with an even stronger opportunity to accelerate the roll-out of its agricultural testing competence internationally.

Financing

In July, the Group has entered into new bilateral credit facility agreements of ca. EUR 300m with a number of international banks to replace and extend existing credit facilities. The majority of the new agreements is for five years with no amortization. In addition, the Group will be restricted only by a net debt to adjusted EBITDA covenant of 3.5x for these credit facilities. The new agreements significantly lengthen the maturity profile of the Group's debt and increase its financial flexibility.

As previously communicated, Eurofins had issued a new EUR 150m hybrid bond in January and has repurchased the original hybrid bond on the same amount in February and between May and June. The new hybrid bond carries a coupon of only 7.0% (compared to 8.081% previously) and can be redeemed in 2020, as such lowering cost and extending maturities.

The premium paid for the repurchase of the hybrid bond as well as the higher charge due to the temporarily higher outstanding principal before the original hybrid was fully repurchased has resulted in negative one-off impact of EUR 0.51 on basic earnings per share attributable to equity holders. This is due to the accounting treatment of the purchase premium under IFRS. As from H2 2013, however, Eurofins will benefit from the lower coupon on the new bond.

HY 2013 Results Conference Call

The management of Eurofins Scientific is hosting a conference call at 16h00 GMT/17h00 CET today to discuss the HY 2013 results.

Notes:

[1] Adjusted – reflects the ongoing performance of the mature and recurring activities excluding separately disclosed items

[2] Separately disclosed items – includes one-off costs from integration, reorganisation, discontinued operations and other non-recurring costs, temporary losses and other costs related to network expansion, start-ups and new acquisitions undergoing significant restructuring, non-cash accounting charges for stock options, impairment of goodwill, amortisation of acquired intangible assets, negative goodwill, revaluation of amounts due from business acquisitions and transaction costs related to acquisitions as well as the related tax effects.

[3] EBITDA – Earnings before interest, taxes, depreciation and amortisation, non-cash stock option charges and acquisition-related expenses.

[4] EBITAS – Earnings before interest, taxes, and non-cash stock option charges and acquisition-related expenses

[5] Net Profit – Net profit for equity holders after non-controlling interests but before payment to Hybrid holders

[6] Basic EPS – earnings per share before payment of dividends to hybrid bond holders

[7] Net Operating Cash Flow – net cash provided by operating activities after tax

[8] Net Debt – long and short-term borrowings less cash and cash equivalents

Full disclosure, including consolidated financial statements and accompanying notes can be found on the Eurofins website at the following location: http://www.eurofins.com/en/investor-relations/reports-presentations.aspx

For more information, please visit www.eurofins.com or contact:
Eurofins Investor Relations
Phone: +32-2-766 1620
E-mail: ir@eurofins.com

Notes for the editor:

Eurofins – a global leader in bio-analysis

Eurofins Scientific is the world leader in food and pharmaceutical products testing. It is also number one in the world in the field of environmental laboratory services and discovery pharmacology, and one of the global market leaders in agroscience, genomics, and central laboratory services.

With over 14,000 staff in more than 180 laboratories across 35 countries, Eurofins offers a portfolio of over 100,000 reliable analytical methods for evaluating the safety, identity, composition, authenticity, origin and purity of biological substances and products. The Group provides its customers with high-quality services, accurate results in time and expert advice by its highly qualified staff.

Eurofins is committed to pursuing its dynamic growth strategy by expanding both its technology portfolio and its geographic reach. Through R&D and acquisitions, the Group draws on the latest developments in the field of biotechnology and analytical chemistry to offer its clients unique analytical solutions and the most comprehensive range of testing methods.

As one of the most innovative and quality oriented international players in its industry, Eurofins is ideally positioned to support its clients' increasingly stringent quality and safety standards and the expanding demands of regulatory authorities around the world.

The shares of Eurofins Scientific are listed on the NYSE Euronext Paris Stock Exchange (ISIN FR0000038259, Reuters EUFI.PA, Bloomberg ERF FP).

Important disclaimer:

This press release contains forward-looking statements and estimates that involve risks and uncertainties. The forward-looking statements and estimates contained herein represent the judgement of Eurofins Scientific' management as of the date of this release. These forward-looking statements are not guarantees for future performance, and the forward-looking events discussed in this release may not occur. Eurofins Scientific disclaims any intent or obligation to update any of these forward-looking statements and estimates. All statements and estimates are made based on the data available to the Company as of the date of publication, but no guarantee can be made as to their validity.

Eurofins faces a number of risks and uncertainties which could affect its business and performance. A list of some of these risks and uncertainties is set out on pages 16-21 of the 2012 Annual Report which can be found on the Group's website (http://www.eurofins.com/en/investor-relations/reports-presentations.aspx).