



## **Eurofins to expand its presence in North America with the acquisition of EAG Laboratories**

**18 September 2017**

Eurofins Scientific (EUFI.PA), a global leader in bioanalytical testing, announces that it has signed an agreement to acquire EAG Laboratories ("EAG"), a leading global scientific services company providing analytical testing and consulting solutions to a diverse and demanding set of end markets, from Odyssey Investment Partners. The transaction is expected to close in the next few months, subject to the fulfillment of customary closing conditions.

EAG is headquartered in San Diego and has 21 laboratories in 18 locations worldwide, serving approximately 4000 customers with revenue generated from more than 50 countries. It believes it is the largest independent US-centric platform in the testing, inspection and certification (TIC) market, and is a highly differentiated player in high-science analytical testing and consulting solutions. EAG serves three main markets, namely Material and Engineering Sciences, Agrosience and Biopharmaceuticals. The company has grown significantly over its 40-year history, both organically and through acquisitions.

Today EAG employs over 1000 highly educated and talented scientists and support personnel, and expects to generate revenues in excess of US\$ 220m in 2017, with an EBITDA margin close to 30%. The agreed acquisition price is US\$780m on a cash free debt free basis. As Eurofins and EAG have almost no geographic overlap, no site consolidations or restructuring costs are foreseen as a result of this acquisition. Synergetic top line market effects are expected in Agrosience and Biopharmaceuticals products testing based on cross selling to each organization's clients in the other company's geographic base. Based on EAG's historic and projected profitability, the transaction should be immediately margin accretive for Eurofins after closing.

EAG provides Eurofins an entry into the dynamic and growing Materials and Engineering Sciences markets, where EAG is number one in its core markets. This represents an entirely new business line for Eurofins, and provides a platform with significant organic and inorganic growth potential. The company provides highly advanced investigative testing of organic and inorganic materials, serving a wide range of industries including high tech, aerospace, defense, medical device, chemicals and semiconductors. Services include elemental profiling, advanced imaging, materials characterization, metallurgy and failure analysis. EAG differentiates itself with proprietary testing systems, software and processes, market leading capacity and turnaround time, as well as deep technical knowledge and expertise.

EAG is also a leading North American provider of advanced chemical testing services for pesticides, industrial and household chemicals, an area where Eurofins had little presence so far in the USA. It provides end-to-end support for e-fate, metabolism, eco-toxicology and residue studies required for pesticide and chemical regulatory testing to support global registration requirements. The company has extensive expertise to test molecules with highly complex profiles. EAG's agrosience business is highly complementary to the existing Eurofins agrosience business in terms of capabilities/capacities and particularly geography.

In the biopharmaceutical testing market, EAG adds a highly desirable asset to the Eurofins BioPharma Product Testing group in a geographic area of the USA where Eurofins had no presence so far. EAG's laboratory in Missouri provides an extensive range of small molecule and biologics testing and

characterization services to a broad range of biopharmaceutical customers. The company provides advanced testing and scientific support services from a well-equipped and state-of-the-art facility. EAG supports biopharmaceutical, generic and biosimilar customers from the research and development phase through to commercialization.

Comment from **Dr. Gilles Martin**, Eurofins CEO: “We are extremely pleased to welcome EAG and its talented teams to the Eurofins Group. EAG’s competencies, reputation for scientific excellence and footprint further strengthen Eurofins’ global offering in the highly attractive biopharmaceutical and agrosience testing markets with perfect geographic complementarity. In addition EAG provides Eurofins with an entirely new business line and growth market in material sciences. We look forward to strengthening their portfolio and operating footprint by providing access to the full range of services and capabilities of the Group.”

**For more information, please visit [www.eurofins.com](http://www.eurofins.com) or contact:**

Investor Relations  
Eurofins Scientific  
Phone: +32 2 766 1620  
E-mail: [ir@eurofins.com](mailto:ir@eurofins.com)

#### **Notes for the editor:**

##### **Eurofins – a global leader in bio-analysis**

Eurofins Scientific through its subsidiaries (hereinafter sometimes “Eurofins” or “the Group”) believes it is the world leader in food, environment and pharmaceutical products testing and that it is also one of the global independent market leaders in certain testing and laboratory services for agrosience, genomics, discovery pharmacology and for supporting clinical studies. In addition, Eurofins is one of the key emerging players in specialty clinical diagnostic testing in Europe and the USA. With over 30,000 staff in 375 laboratories across 41 countries, Eurofins offers a portfolio of over 130,000 analytical methods for evaluating the safety, identity, composition, authenticity, origin and purity of biological substances and products, as well as for innovative clinical diagnostic. The Group objective is to provide its customers with high-quality services, accurate results on 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 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 judgment of Eurofins Scientific’s 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 information available to the Company’s management as of the date of publication, but no guarantee can be made as to their validity.