



Cepheid
904 Caribbean Drive
Sunnyvale, CA 94089
Telephone: 408.541.4191
Fax: 408.541.4192



CONTACTS:

At Cepheid:

John L. Bishop
Chief Executive Officer
408-541-4191
john.bishop@cepheid.com

John R. Sluis
Chief Financial Officer
408-541-4191
john.sluis@cepheid.com

At Financial Relations Board:

Tricia Ross
Investor/Analyst Information
310-854-8318
tross@financialrelationsboard.com

At Schwartz Communications :

Chris Stamm / Tom Bain
781-684-0770
cepheid@schwartz-pr.com

At bioMérieux:

Press Relations

Christelle Chabert-Toujas
+ 33 4 78 87 52 01
christelle.chabert@eu.biomerieux.com

Investor Relations

Hervé Laurent
+ 33 4 78 87 22 37
herve.laurent@eu.biomerieux.com

Laurence Heilbronn
Tel: +33 (0)1 53 70 74 64
lheilbronn@image7.fr

Tiphaine Hecketsweiler
Tel: +33 (0)1 53 70 74 59
thecketsweiler@image7.fr

Cepheid and bioMérieux Enter Into Strategic Agreements to Develop and Market Sepsis and MRSA Products

Marcy l'Etoile (France) and Sunnyvale, (CA)—January 17, 2007— Cepheid (NASDAQ: CPHD) and bioMérieux (EuroNext: BIM) announced today that they have entered into a strategic relationship wherein both companies will use the best of their respective technologies and commercial strengths towards the development and commercialization of an innovative line of sepsis test products on the GeneXpert platform. Both companies will jointly develop the products, Cepheid will be in charge of manufacturing, and bioMérieux will distribute the sepsis assays on an exclusive worldwide basis. The product menu comprises both bacterial and fungal identification assays as well a series of genetic markers for antibiotic resistance. Cepheid will continue to complete development, manufacture and market the MRSA products.

"We are extremely excited about our relationship with Cepheid," said bioMérieux CEO Stephane Bancel. "Together, we will create the next generation of molecular diagnostics systems, leveraging bioMérieux's blood culture and immunology solutions and its deep biology expertise with Cepheid's unique system and reagent development experience, all focused on ease of use in highly clinically relevant situations. Together, we will bring nucleic acid diagnostics into routine clinical use to places and applications where it is needed most. This agreement strengthens our 2007-2012 strategy because sepsis is one of our strategic diseases and we want to expand our molecular biology commercial offer."

"Our GeneXpert® system represents a paradigm shift in molecular diagnostic automation which we expect will bring new capabilities and benefits to medical institutions and clinicians directly. This new partnership with bioMérieux in the area of sepsis is consistent with our focus on leveraging our GeneXpert technology in high-value, high-impact settings in which critical diagnostic information is available on-demand" said Cepheid CEO John Bishop. "By rapidly determining the major causes of sepsis and providing a molecular snapshot of drug resistant organisms including MRSA, the GeneXpert system will allow clinicians to make informed treatment decisions much sooner than with other currently available methods."

In addition to the jointly developed sepsis panel and potential related applications for Hospital Acquired Pneumonia, bioMérieux has also granted a non-exclusive worldwide license to Cepheid under the "Hiramatsu" patents on Methicillin Resistant Staphylococcus aureus (MRSA) for all applications in addition to the jointly developed sepsis panel and related applications for all other applications.

About sepsis

Severe sepsis is one of the most significant challenges in critical care. Each year, more than 750,000 people in the U.S. will develop severe sepsis, and more than 215,000 will die from the condition. Treating patients with severe sepsis costs U.S. hospitals nearly \$17 billion a year. (Aird, 2003) With standard supportive care alone, mortality remains unacceptably high, at 28-50%. (Natanson, 1998) But recent research indicates that early identification and appropriate treatment of the underlying cause of severe sepsis may improve patient outcomes. Understanding severe sepsis—recognizing the signs and making an early, accurate diagnosis—is key to improving patient care and increasing survival rates

About Cepheid

Cepheid (Nasdaq: CPHD), based in Sunnyvale, CA., is a molecular diagnostics company that develops, manufactures, and markets fully-integrated systems for genetic analysis in the clinical, industrial and biothreat markets. The company's systems enable rapid, sophisticated genetic testing for organisms and genetic-based diseases by automating otherwise complex manual laboratory procedures. The company's easy-to-use systems integrate a number of complicated and time-intensive steps, including sample preparation, DNA amplification and detection, which enable the analysis of complex biological samples in its proprietary test cartridges. Through its strong molecular biology capabilities, the company is focusing on those applications where rapid molecular testing is particularly important, such as identifying infectious disease and cancer in the clinical market; food, agricultural, and environmental testing in the industrial market; and identifying bio-terrorism agents in the biothreat market. See www.cepheid.com for more information.

This press release contains forward-looking statements that are not purely historical regarding Cepheid's or its management's intentions, beliefs, expectations and strategies for the future, including those relating to product performance and timing of expansion in the clinical diagnostics market. Because such statements deal with future events, they are subject to various risks and uncertainties, and actual results could differ materially from the company's current expectations. Factors that could cause actual results to differ materially include risks and uncertainties such as those relating to: development and manufacturing problems; our ability to successfully obtain regulatory approvals and introduce new products in the clinical market; the performance and market acceptance of new products; the failure of products to perform as expected, whether due to manufacturing errors, defects or otherwise; the impact of competitive products and pricing; and underlying market conditions worldwide. Readers should also refer to the section entitled "Risk Factors" in Cepheid's Annual Report on Form 10-K for 2004 and "Factors that Might Affect Future Results" in its most recent quarterly report on Form 10-Q, each filed with the Securities and Exchange Commission.

All forward-looking statements and reasons why results might differ included in this release are made as of the date of this press release, based on information currently available to Cepheid, and Cepheid assumes no obligation to update any such forward-looking statement or reasons why results might differ.

About bioMérieux

bioMérieux is a leading international diagnostics group that specialises in the field of *in vitro* diagnostics for clinical and industrial applications. bioMérieux designs, develops, manufactures and markets systems (i.e. reagents, instruments and software) used in:

- Clinical applications: the diagnosis of infectious diseases such as hepatitis, HIV, tuberculosis and respiratory illnesses, as well as pathologies such as cardiovascular diseases and cancer, based on the analysis of biological samples (such as blood, saliva or urine); and
- Industrial applications: the microbiological analysis of food, environments (such as water and air), surfaces and pharmaceutical and cosmetic products, based on the analysis of product or environmental samples.

In 2006, bioMérieux sales reached 1037 million euros. The company is present in more than 150 countries through 35 subsidiaries and a large network of distributors, which positions the company well to benefit from the growth potential of the *in vitro* diagnostics market.

bioMérieux is listed on the Eurolist of Euronext, Paris (FR0010096479 – BIM). See www.biomerieux.com for more information.

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