



Universal Biosensors



Investor presentation: Q3 2015 Results Update

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- This presentation is intended to provide a general outline only and is not intended to be a definitive statement on the subject matter. This presentation is not financial advice and has been prepared without taking into account the objectives, financial situation or needs of a particular person.
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- The Company is subject to a number of risks. For a summary of key risks, refer to the Company's most recent Form 10-K filed with the United States Securities and Exchange Commission.
- Under applicable United States securities laws all of the shares of our common stock are "restricted securities" as that term is defined in Rule 144 under the Securities Act of 1933, as amended. Restricted securities may be resold in the public market to United States persons as defined in Regulation S only if registered for resale or if they qualify for an exemption from registration under the Securities Act. We have not agreed to register any of our common stock for resale by security holders.



Q3 FY2015 Results Update

Company Overview

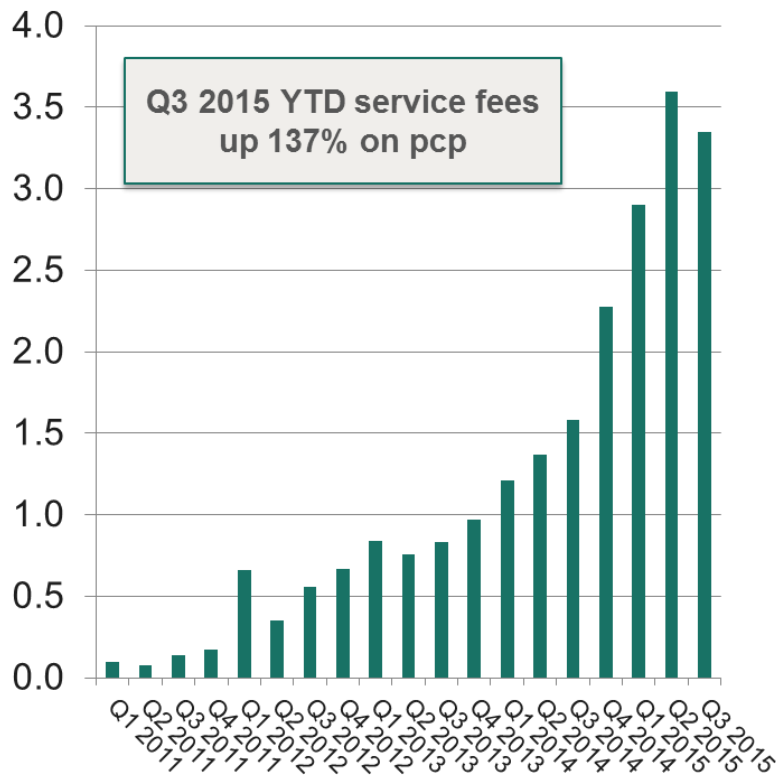
Financial Highlights: 30th Sep 2015

- ✓ **Revenue growth >170%** (9 months YTD vs pcp)
 - Quarterly Service Fees up 137%
 - Coagulation test-strip sales to Siemens up 606%
- ✓ **Net loss halved to \$4.3M** (9 months YTD vs pcp)
- ✓ **Net cash flow positive \$1.0M** (9 months YTD)

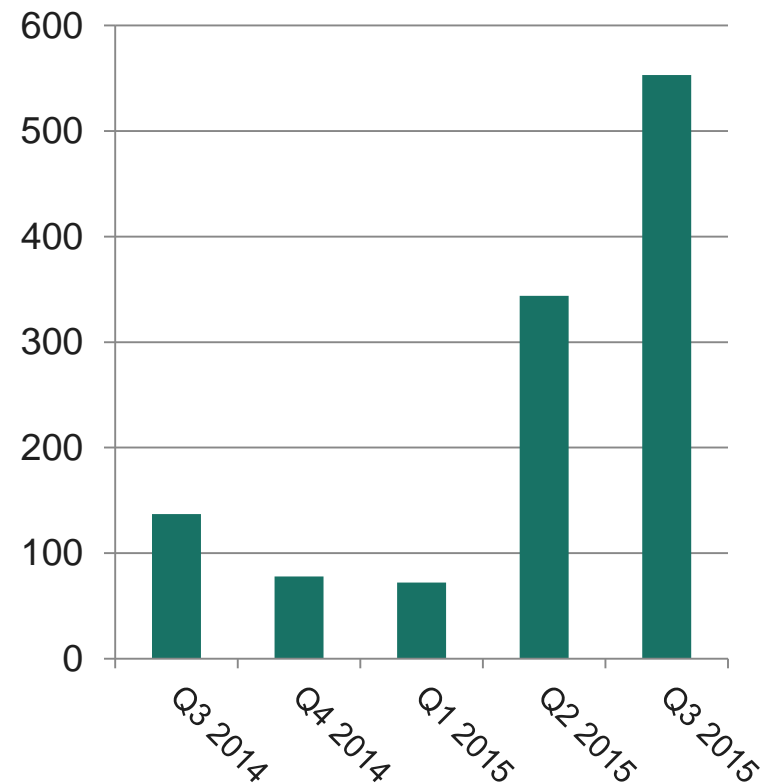
Two products driving strong revenue growth



Quarterly Service Fees
(A\$ Million)



PT-INR Strip Sales
(A\$ Thousands)



Revenue growth driving improved results



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	9 Months Ended 30 Sept			Comments
	2015 (A\$'M)	2014 (A\$'M)	Change	
Quarterly Service Fees	9.9	4.2	Up 137%	OneTouch Verio gaining market share
Total Revenue	13.5	5.0	Up 172%	Driven by QSF, strip sales to Siemens and milestone payment
Contribution from Products and Services	12.4	4.6	Up 171%	QSF drop through to bottom line plus profitable strip manufacturing
R&D Expenses	14.9	13.9	Up 7%	Development of further coagulation products
G&A Expenses	4.7	4.6	Up 1%	Stabilisation of operating costs
Loss from Operations	(7.1)	(13.9)	Improved 49%	Revenue growth driving improved result
Other Income/(Expense)	2.8	5.1	Down 44%	R&D tax rebate offset by financing costs
Net Loss	(4.3)	(8.8)	Improved 52%	Trending towards breakeven
Net Cash Flow	1.0	(3.9)	Improved \$4.9M	Revenue growth driving improved cash
Period End Cash Balance	17.4	19.8	Down \$2.4M	Note: US\$15M in long term debt

Positive net cash flow for 9 months YTD



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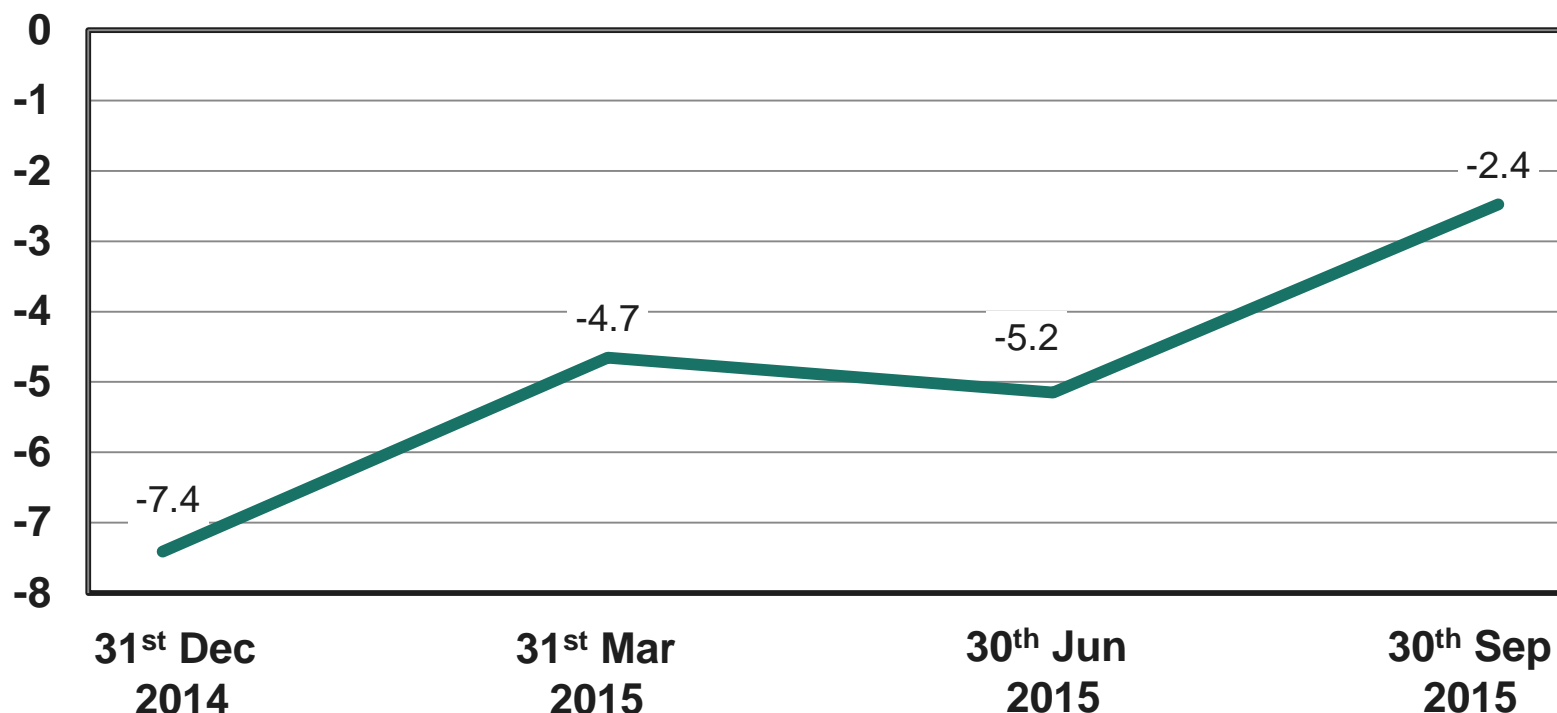
Cash flow comparison to prior comparable period	3 months ending 30 Sept 2015 (\$ M)	3 months ending 30 Sept 2014 (\$ M)	Change - Q3 (\$ M)	9 months ending 30 Sept 2015 (\$ M)	9 months ending 30 Sept 2014 (\$ M)	Change - YTD (\$ M)
Net cash provided by/(used in) operating activities	7.2	4.1	Increased by 3.1	3.9	(1.6)	Increased by 5.4
Net cash used in investing activities	(0.3)	(0.3)	Increased by 0.05	(1.1)	(0.7)	Increased by 0.4
Net cash used in financing activities	(1.2)	(0.7)	Increased by 0.5	(3.5)	(1.6)	Increased by 1.8
Net cash flow	6.6	4.0	Increased by 2.7	1.0	(3.9)	Increased by 4.9
Cash at period end	17.4	19.8		17.4	19.8	

Rolling 12 month cash flow improving



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Rolling 12 month net cash flow (AUD Millions)



Rolling 12 month period ending



Q3 FY2015 Results Update

Company Overview

A compelling investment case

- ✓ Targeting the large and growing **Point-of-Care diagnostics (POCD)** market
- ✓ Exploiting a unique and powerful **diagnostics platform**
- ✓ Validating the technology through partnering deals with **Siemens and LifeScan (J&J)**
- ✓ Growing revenues based on the **manufacture and sale of disposable test strips**
- ✓ Creating significant upside through **UBI owned products** – part of a strong **pipeline of new tests** in development



A revolution underway in diagnostics

IN VITRO DIAGNOSTICS

Tests on biological samples (eg. blood, urine, saliva, tissue) extracted from the body

US\$46B Market in 2013

Central Laboratory Diagnostics

~US\$30B Market in 2013
Growth of ~2% pa

High quality results
but

Slow and inconvenient

Point-Of-Care Diagnostics

~US\$16B Market in 2013
Growth of ~9% pa

High quality results
with

Speed and convenience

Bringing the lab to the patient to improve health outcomes & economics

A unique **diagnostics platform**

Conventional Strip Technology Coplanar electrode system



Key features of coplanar electrode

- Complicated electrode structure
- Requires a larger blood sample
- Challenge to eliminate interferences
- Labour intensive batch manufacturing
- Limited application

UBI Strip Technology Opposing electrode system



Key features of opposing electrode

- Simple electrode structure
- Requires only a small blood sample
- Removes interferences
- Automated continuous manufacturing
- Platform technology

High Performance, Low Cost, Platform Technology

Proven ISO13485 biosensor manufacturing

Continuous, reel-to-reel biosensor manufacturing

Low cost, high yield process enabled by custom automation

High installed capacity to produce over a billion biosensors / annum



Proven ability to develop winning products

UBI technology offers:

- **High Performance**
 - High accuracy
 - Fast results
- **Ease of Use**
 - User-friendly interface
 - Small blood sample
- **Low cost**
 - Simple electrode design
 - Automated strip manufacturing

Products developed for world leaders



Bringing laboratory performance to near patient testing



Enabling patient self management

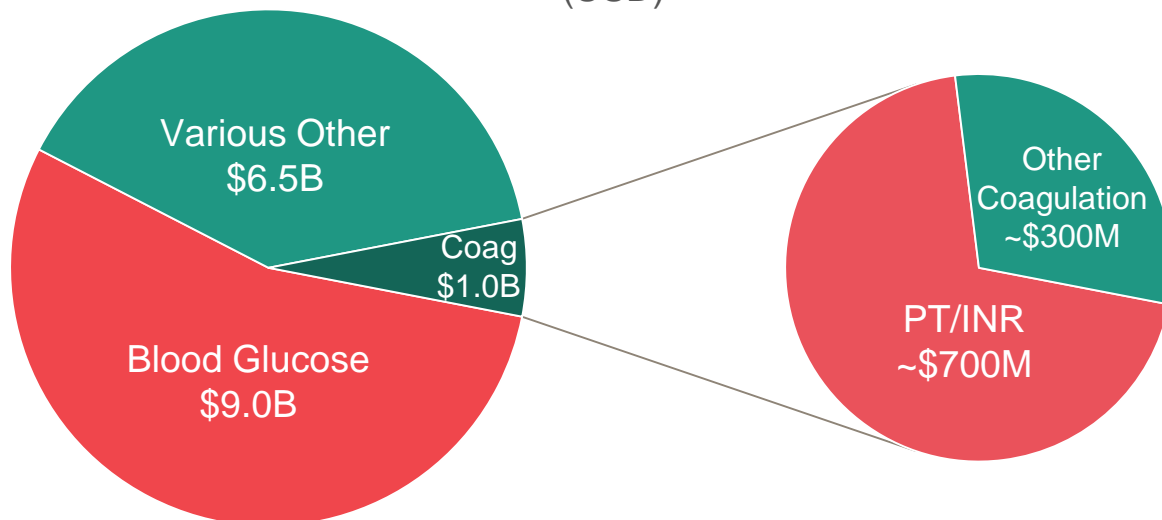


Participating in large & growing segments



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Global Point-of-Care Diagnostics Market Size (2014)
(USD)



Blood Glucose Monitoring (BGM)

- \$9.0B in 2014, vol growth of ~3% pa
- Highly competitive market
- Ongoing incremental innovation
- Increasing accuracy requirements challenging older technologies

Coagulation Testing

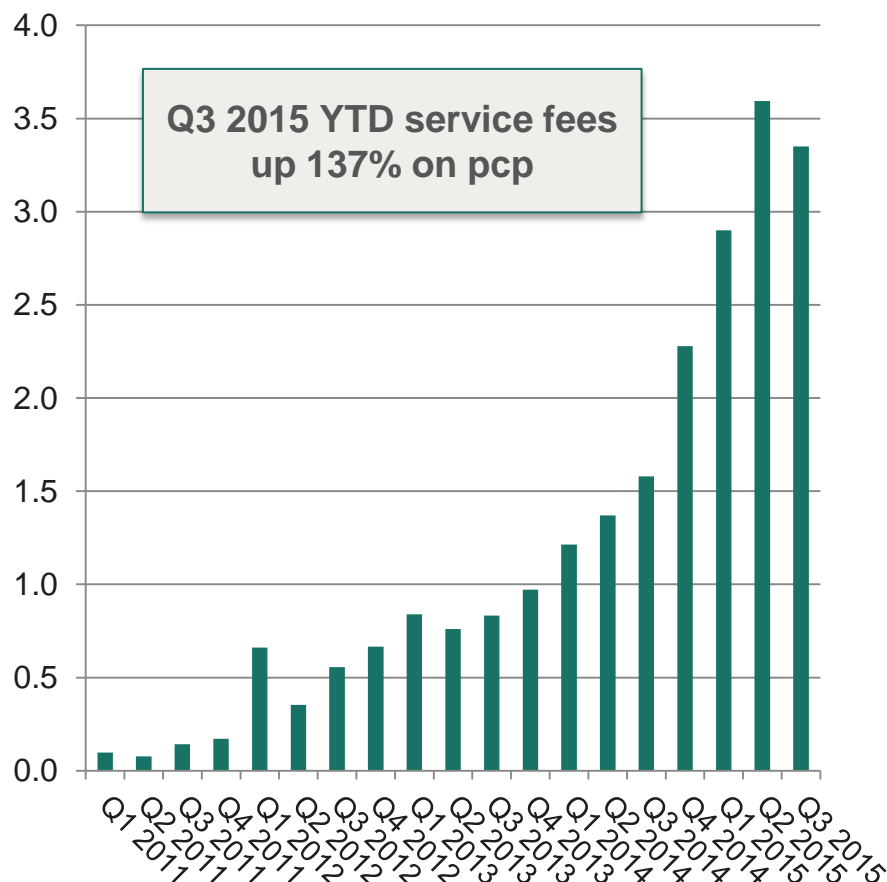
- \$1.0B in 2014, vol growth ~10% pa
- PT-INR is ~70% of market
- Oligopoly market structure
- Healthy reimbursement
- Historically low industry innovation

Blood Glucose: strong growth in strip sales



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Quarterly Service Fees (A\$ Million)



Quarterly Service Fees (QSF)

- UBI receives a service fee for each OneTouch Verio strip sold by LifeScan
 - The first 0.5B strips per year: US1.25c
 - Each strip >0.5B per year: US 0.75c
 - Cumulative QSF (30 Sep 2015) of US\$19.1M

Lump Sum Service Fee (LSSF)*

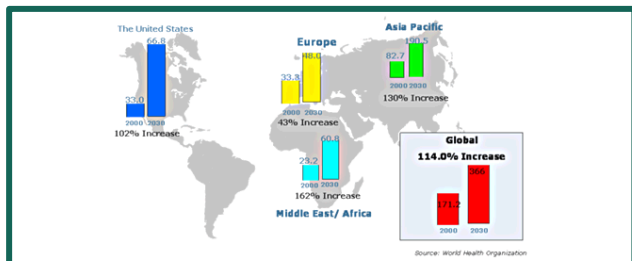
- Cumulative QSF of US\$45M gives LifeScan the option, at the end of the year in which they give notice, to pay a lump sum fee in lieu of future QSFs, calculated as 2-3x the QSFs earned for the full year in which notice is given

*Refer to Form 10K for a more detailed description
Source: UBI Financial Statements, SEC Filings.

Positive drivers for OneTouch Verio sales



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Large, growing market

- Increasing diabetes prevalence worldwide
- Estimated >17 billion blood glucose tests annually
- LifeScan a world leader in the industry



International
Organization for
Standardization

Regulators driving accuracy standards in SMBG*

- ISO15197:2013 mandated in EU countries, effective mid 2016 (ie non-compliant products need to be phased out in these jurisdictions)
- OneTouch Verio meets these new ISO standards



OneTouch Verio meter

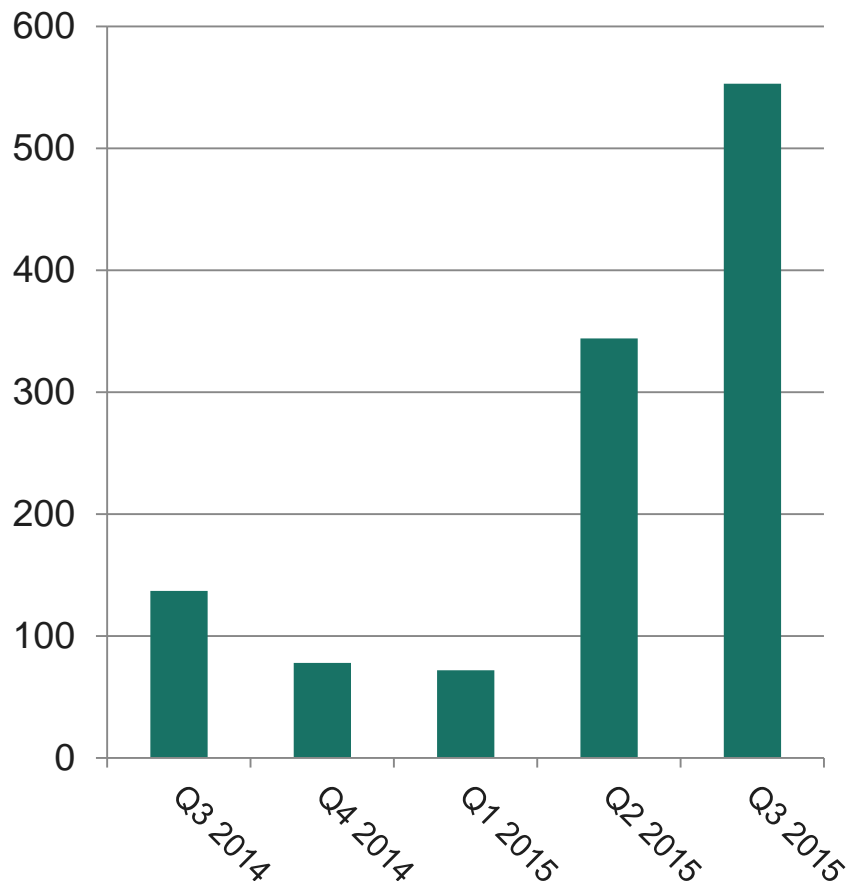
- Now being marketed in Europe and North America
- With US\$19.99 Recommended Retail Price at US launch, meter appears to address wider market segment than previous models
- Part of a free upgrade program to replace OneTouch Ultra systems with OneTouch Verio in UK

*Self Monitored Blood Glucose

Source: Press Releases; www.OneTouch.com; www.LifeScan.co.uk

Coagulation testing: early strip sales growth

PT-INR Strip Sales
(A\$ Thousands)



Source: UBI Financial Statements, SEC Filings

SIEMENS

Target markets

- Point-of-care PT-INR testing
- For management of anti-coagulant therapy Warfarin
- Worldwide market >200 million tests
- Siemens focus on professional use segment

UBI manufactures the test strips

- UBI revenue per strip around US\$0.50-1.50 & volume dependent

Anticipating solid gross margins

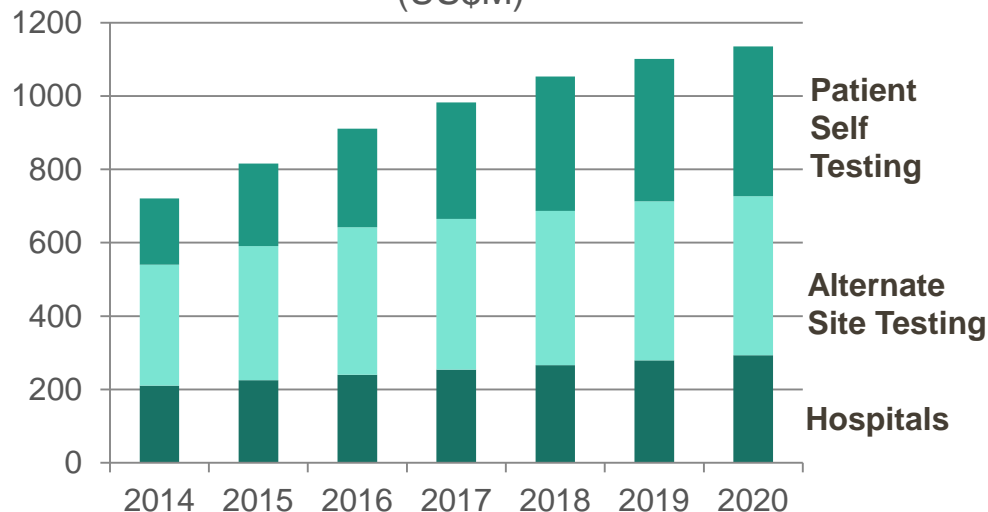
- Targeting >40% recognising R&D risk / investment shared with Siemens
- Plus profit share on Siemens revenues above pre-agreed targets

Growth opportunity in POC PT-INR testing



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Global POC PT-INR Testing Market Projection
(US\$M)



Market Opportunities

- Growing patient population, ongoing warfarin use, and increased testing frequency
- Generous reimbursement

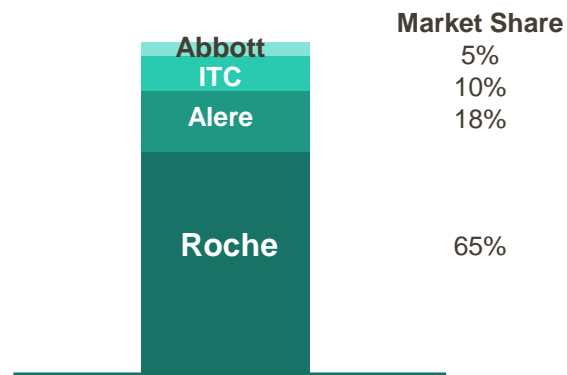
Market Risks

- New competitors and alternatives to Warfarin
- Changes to reimbursement

What is a PT-INR test?

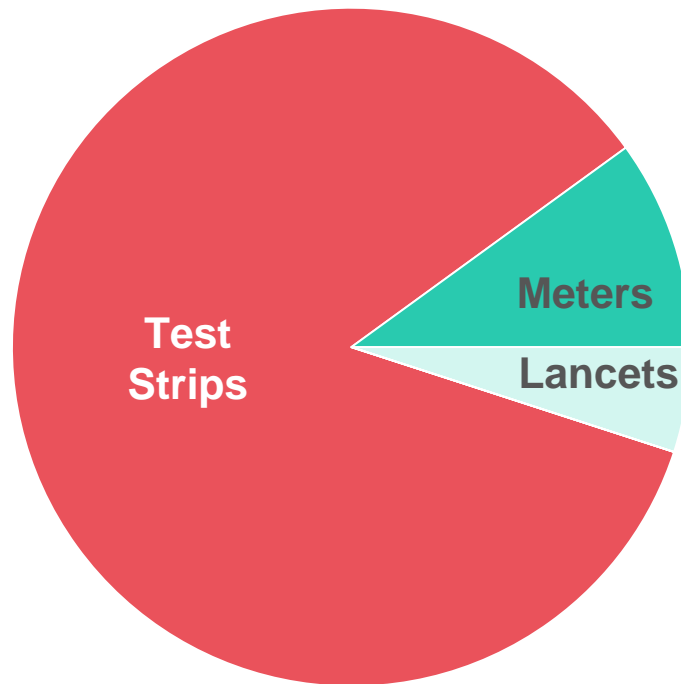
- Prothrombin Time (PT) measures the clotting tendency of blood
- PT is reported as an International Normalised Ratio (INR)
- Frequent INR testing ensures patients on the anticoagulation therapy warfarin, remain in the Target Therapeutic Range

POC PT-INR Testing Market Shares
(2014 Estimates)



Leveraging the consumable

Point-of-Care Diagnostics Revenue Mix (Blood Glucose & PT-INR Testing)



Source: UBI estimates; Blood Glucose and PT-INR testing account for over 60% of Point-of-Care testing market today

POCD System = Meter + Strip

- Handheld meter has 3-5 year life cycle
- Test strips are single use & disposable

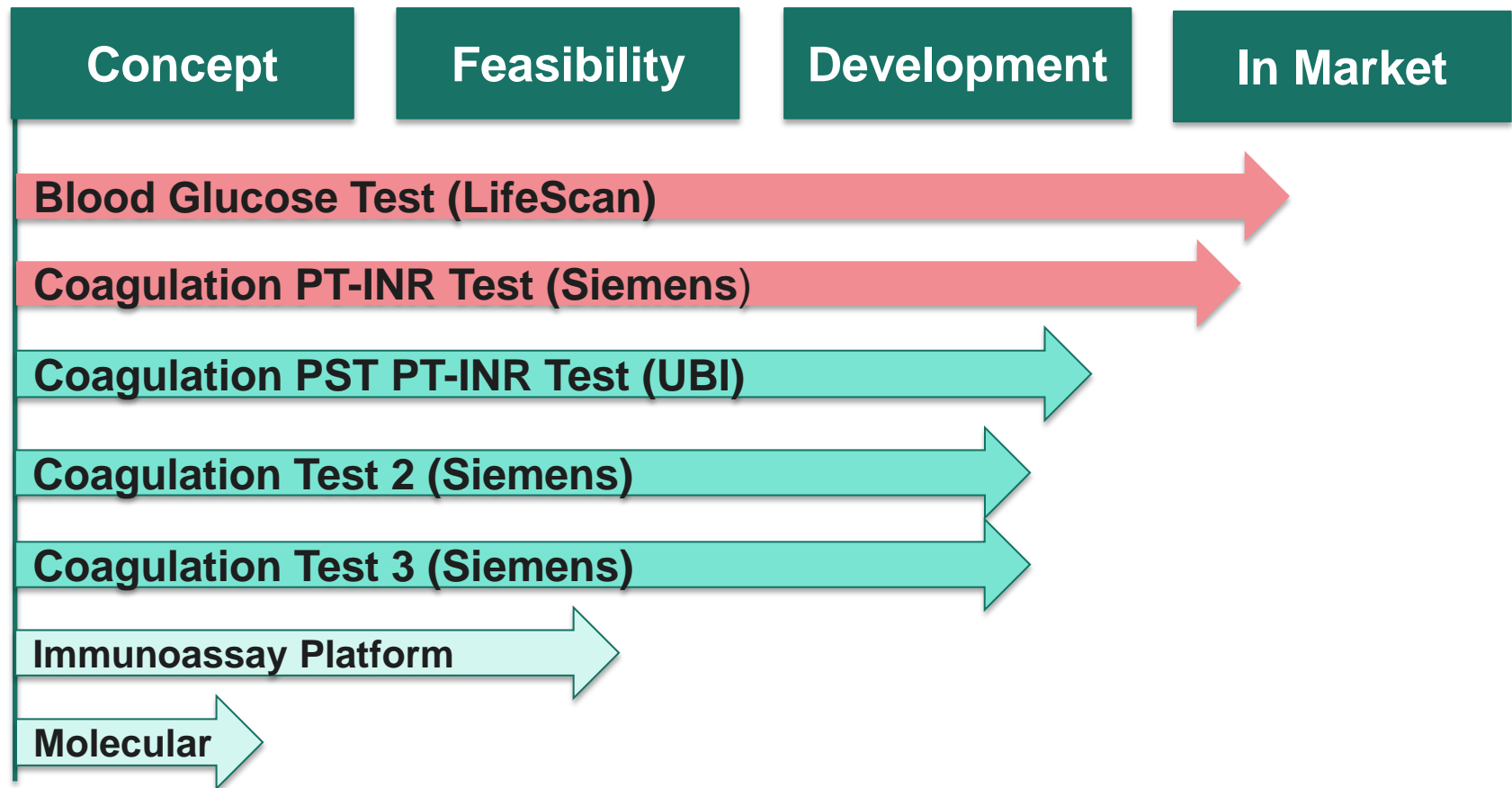
Strips drive margins

Within the industry, the meter is used to access and control the high margin strip annuity revenue stream

UBI focused on strips

UBI's business model is centred on the manufacture and sale of test strips for point-of-care diagnostics systems

New products in late stage development



Moving up the value chain

UBI 1.0 Create & Validate technology

UBI 2.0 Lock in higher margin manufacturing

UBI 3.0 Capture full margin potential

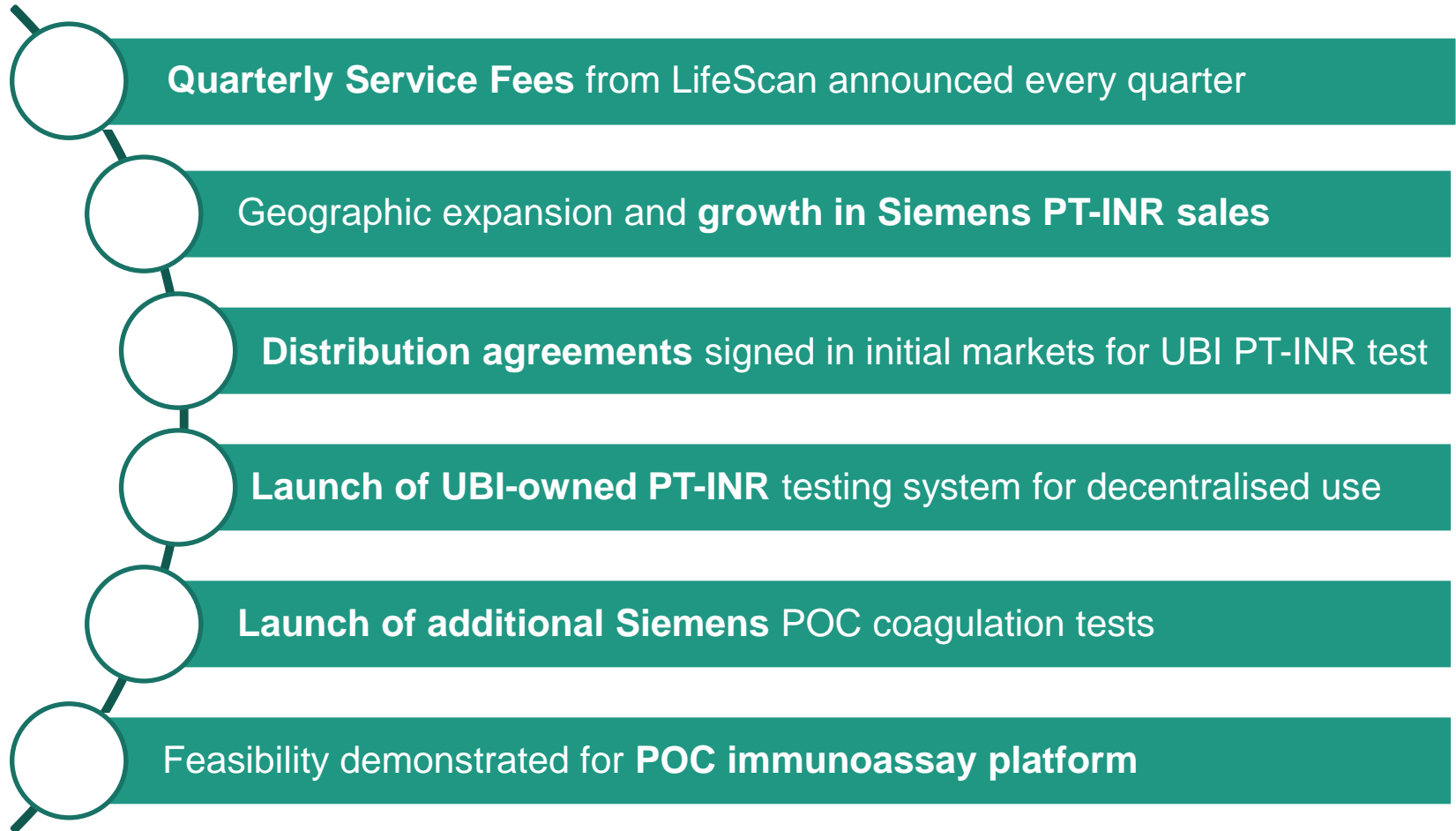


- Partner with LifeScan
- Enter diabetes care market
- Establish strip manufacturing
- Generate early revenues

- Partner with Siemens
- Enter coagulation testing market
- Secure strip manufacturing
- Generate positive cash flow

- Establish channel partnerships
- Enter attractive POCD markets
- High margin manufacturing
- Multiple, growing annuities

Anticipated news flow: 12-18 months



Driven by experienced management



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Mr Paul Wright
CEO

Paul joined UBI in March 2011 as CEO. Prior to UBI, Paul was CEO of Vision BioSystems, and Invetech - major subsidiaries of listed technology company Vision Systems Ltd. Paul has also worked internationally with TNT Logistics and strategy consulting firm Bain & Co.



Dr Alastair Hodges
Chief Scientist

Alastair has been working in the field of electrochemical sensors for the last 18 years and has served as the Chief Scientist since April 2002. Alastair worked as a principle research scientist in the DSTO and the CSIRO in electrochemistry and transport processes. In 1995 he joined Memtec Ltd to work on sensor technologies.



Mr Garry Chambers
VP Technology Development

Garry is VP of Technology Development and has been with UBI since April 2002. Prior to joining UBI, Garry was a senior engineer with MediSense (UK). In 1991, Garry relocated to Australia to join Memtec Ltd with Alastair.



Dr Adrian Oates
VP Quality and Regulatory

Adrian joined UBI in Sep 2007 having spent over 20 years in the device, biological and pharmaceutical healthcare industries. His early career was as a research scientist and head of project management at CSL Ltd. In 2004 he joined Cochlear Ltd as VP Quality & Regulatory before returning to CSL Ltd as Quality Director.



Mr Salesh Balak
CFO

Salesh joined UBI as CFO in Nov 2006. Prior to UBI, he was CFO and company secretary of Pearl Healthcare Limited, an ASX listed entity engaged in the manufacturing and healthcare sector. Prior to this he spent 13 years in the Business Services, Audit and Financial Advisory Services of KPMG.

A few facts...



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Universal Biosensors (UBI:ASX)

Operations at Rowville, Victoria, Australia

Delaware Incorporated 2001, ASX Listed 2006

Market capitalisation (27 th Oct 2015)	~A\$71 million
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Shares on issue	~176 million
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Long term debt	US\$15 million
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Ownership by Board & Management	~13%
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Total revenue (9 months to 30 Sept 2015)	A\$13.5 million
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Revenue growth (9 months YTD FY15 vs FY14)	172% increase
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Net cash flow (9 months to 30 Sept 2015)	+\$1.0 million
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Cash at bank (30 Sept 2015)	\$17.4 million
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* Financial year ending 31 December