

# Serologicals Acquisition and Q1 2006 Webcast

April 25, 2006



ACCELERATING GROWTH AND INNOVATION

# MILLIPORE

In order to take advantage of the safe harbor provisions of the private securities litigation reform act of 1995, you should understand that we will be making forward-looking statements in this conference. These statements involve a number of risks and uncertainties, including those which are set forth in our annual report on Form 10-K, subsequent quarterly reports on Form 10-Q, and our other SEC filings. We assume no obligation to update any forward-looking statement based on new information, future events or any other reason. A reconciliation of non-GAAP to GAAP historical results is available on the company's website.

This material is not a substitute for the proxy statement Serologicals will file with the Securities and Exchange Commission. Investors are urged to read the proxy statement when it becomes available, because it will contain important information. The proxy statement and other documents which will be filed by Serologicals with the Securities and Exchange Commission will be available on the SEC's website, [www.sec.gov](http://www.sec.gov). Serologicals and certain of its directors, executive officers and certain other members of its management may be deemed to be soliciting proxies from Serologicals' shareholders in connection with the proposed transaction. Investors may obtain a detailed list of names, affiliations and interests of Serologicals participants in the solicitation of proxies of Serologicals shareholders by reading the proxy statement when it becomes available.

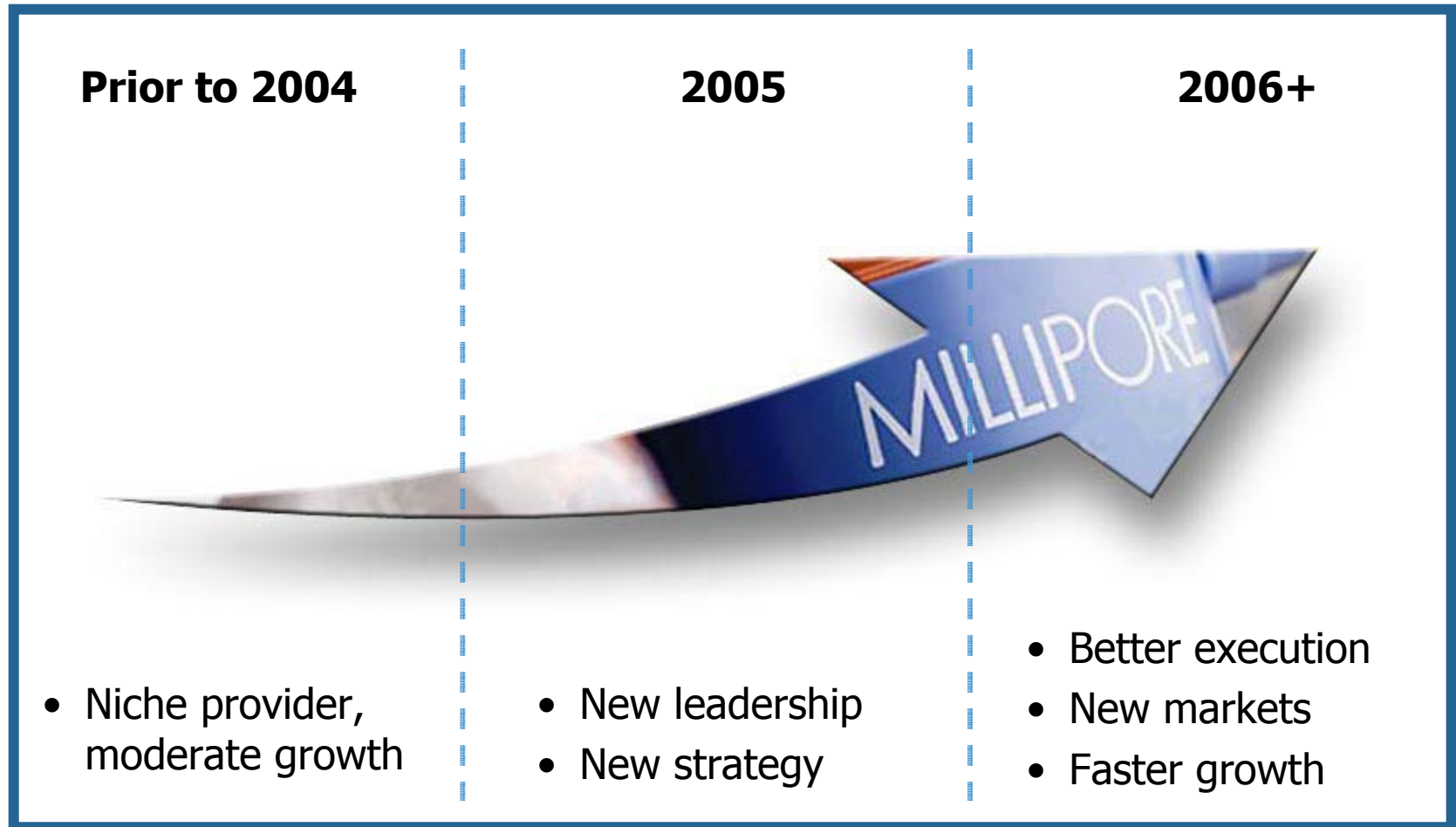
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**Serologicals<sup>®</sup>  
Corporation**

- Recap of Millipore strategy
- Transaction overview & strategic rationale
- Operational and financial impact
- First quarter 2006 earnings presentation



# Millipore's transformation is driving accelerated revenue growth and value creation



- Strengthen leadership position with biopharmaceutical customers
- Become a strategic supplier in bioscience research markets
- Lead industry in product quality and manufacturing effectiveness
- Become a magnet for talent
- Double the value of the company by 2009

# Building on significant progress made in 2005

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Sharpened focus from 3 divisions to

**2 divisions**

Senior management, new or in new roles

**21 of 34**

Acquisitions and alliances

**3**

Improved manufacturing effectiveness, savings by 2009

**\$40M**

New products launched in 2005

**40**

Revenue growth in 2005

**12%**

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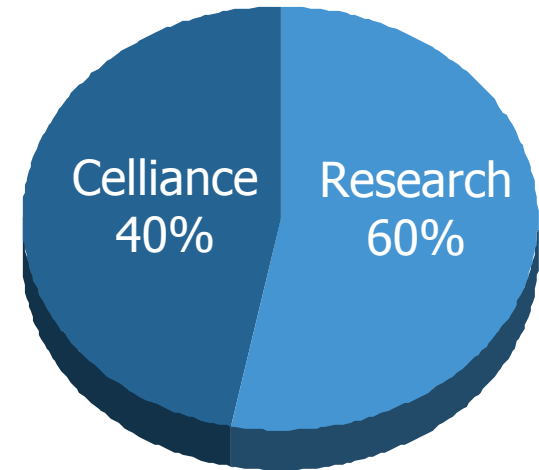
- \$31.55 per share all cash offer for all of Serologicals' outstanding shares
- Total value of transaction: approximately \$1.4 billion
- Transaction expected to close by June 30, 2006
- Conditions to closing
  - Serologicals shareholder approval
  - Customary regulatory approvals
  - Other conditions of merger agreement

# Serologicals: a perfect strategic fit

- Brings strategic value to both Bioscience and Bioprocess
- Provides entry into rapidly growing markets
- Accelerates organic revenue growth
- Establishes important critical mass
- Increases 2006 and 2007 non-GAAP earnings per share
  - transaction is significantly accretive on a non-GAAP basis

# Who is Serologicals?

- A leading provider of a broad range of innovative solutions that enable and facilitate drug discovery, development and production
- Research Division: Deep product portfolio and leading edge products and services in rapidly growing market segments
  - Neuroscience
  - Stem cell research
  - Multiplex platform technologies
  - Nuclear function
  - Drug discovery products and services
- Celliance Division: Provides cell culture media supplements used in the production of biologics



**2006 Revenues\***

\*Serologicals management projections

# Serologicals at a glance

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2005 Revenues

**\$275M**

Organic revenue growth

**16%**

Gross margins\*

**57%**

Earnings per share\*

**\$0.98**

2005 earnings per share growth\*

**24%**

New products launched in 2005

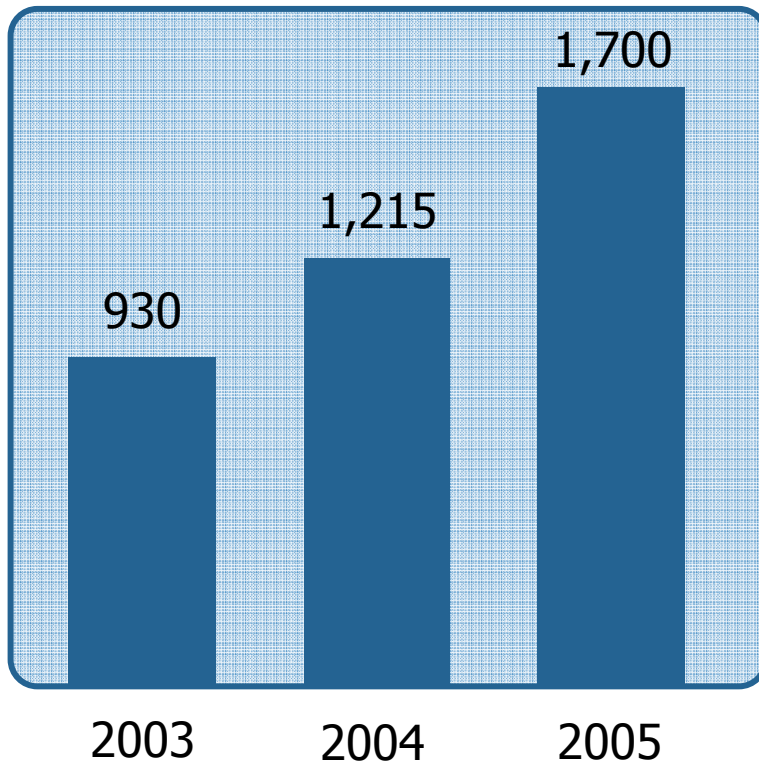
**1,700**

Source: Serologicals

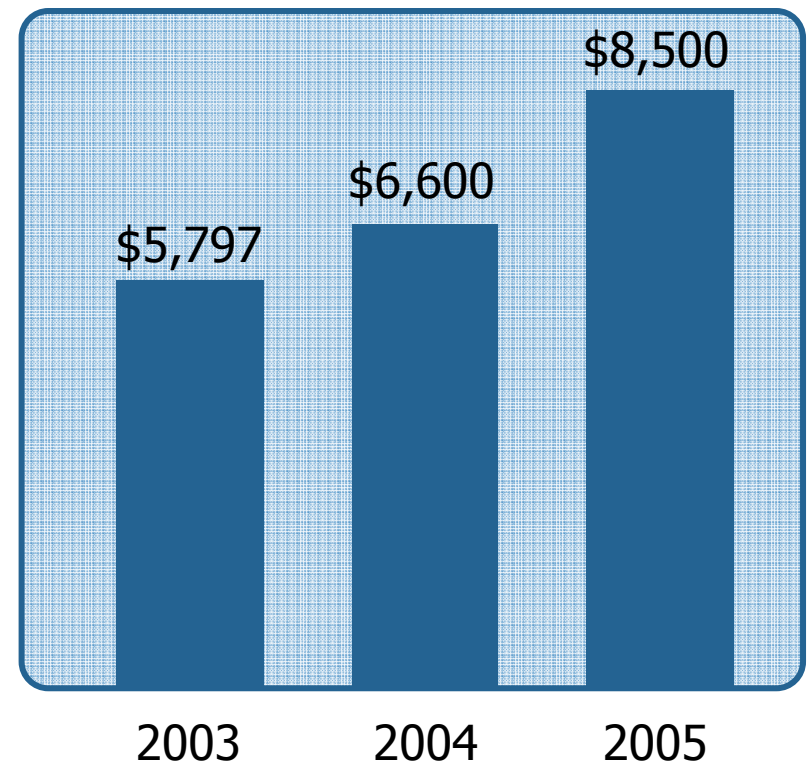
\*Non-GAAP, GAAP reconciliation available on Serologicals website

# Serologicals: strong track record of innovation

New Product Launches



Revenue Per New Product



Source: Serologicals

# Complementary strengths of each company

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Global direct sales force

Strong brand and  
customer relationships

#1 in downstream bioprocessing,  
lab water, and life science filtration

**Serologicals<sup>®</sup>  
Corporation**

Innovative, broad  
Bioscience portfolio

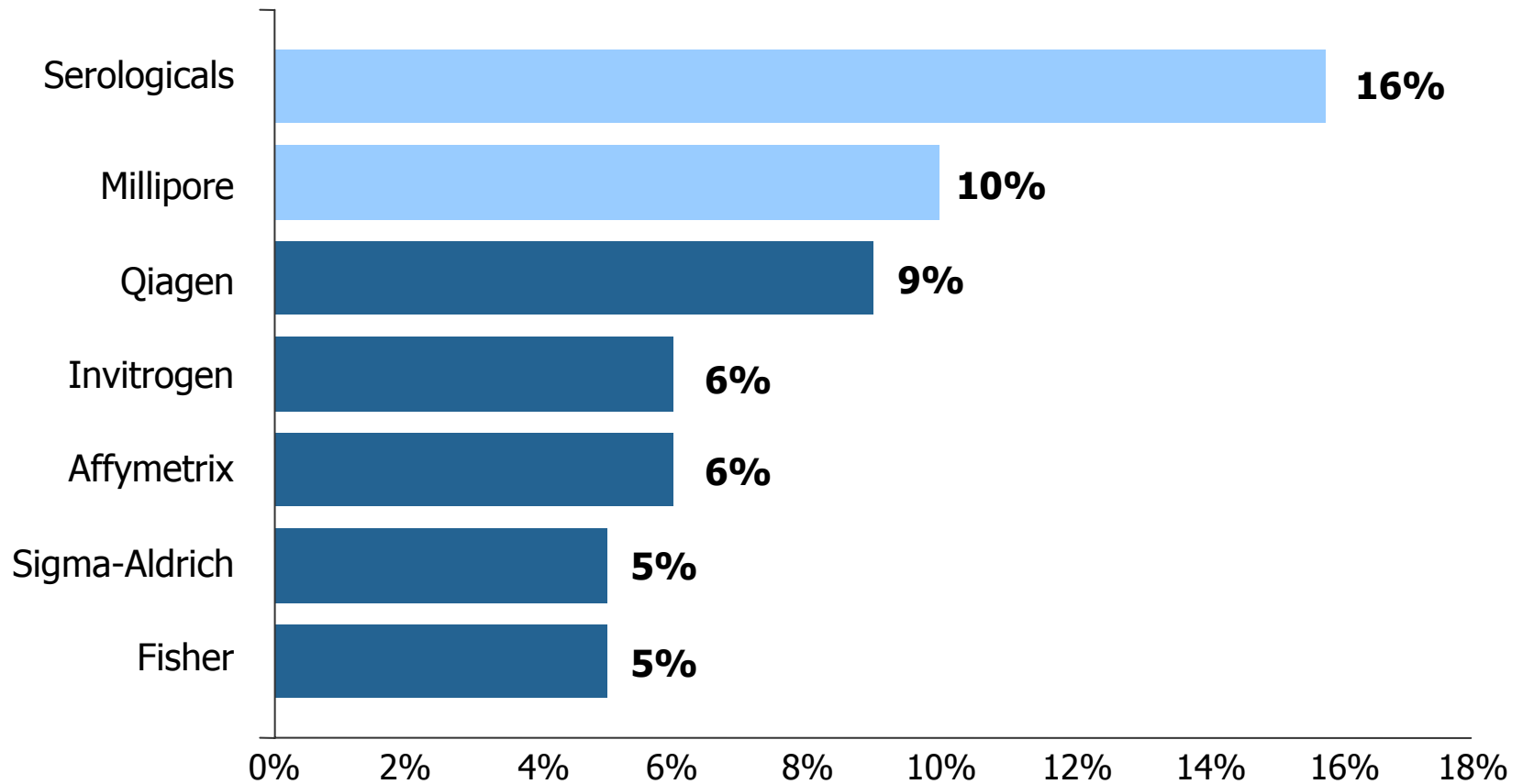
Highly productive  
R&D organization

Leader in cell culture  
supplements



# Combining two dynamic and growing companies MILLIPORE

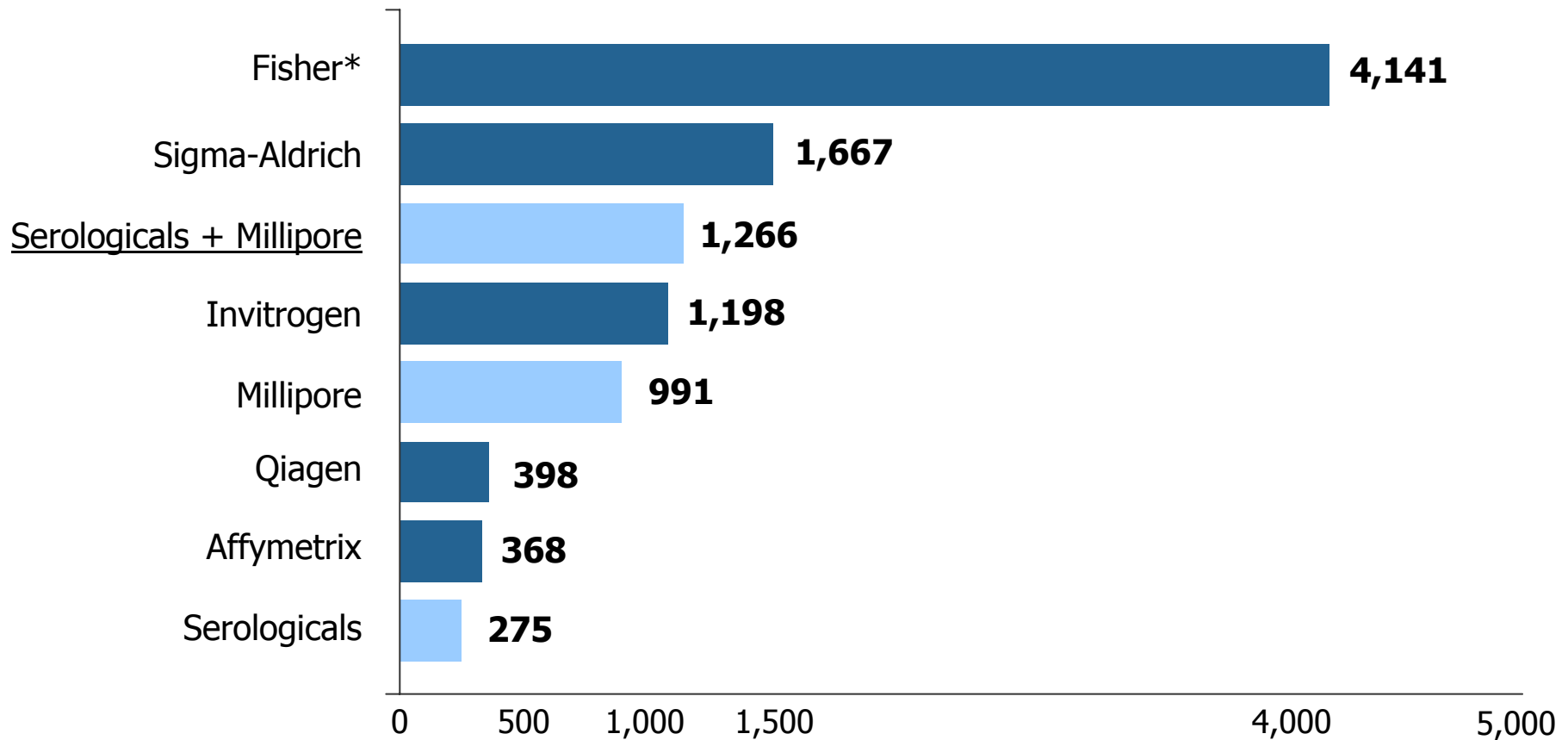
## 2005 Organic Revenue Growth Rate



Source: Company Filings and Wall Street research

# Leading player in life science consumables MILLIPORE

## 2005 Revenues (\$ millions)



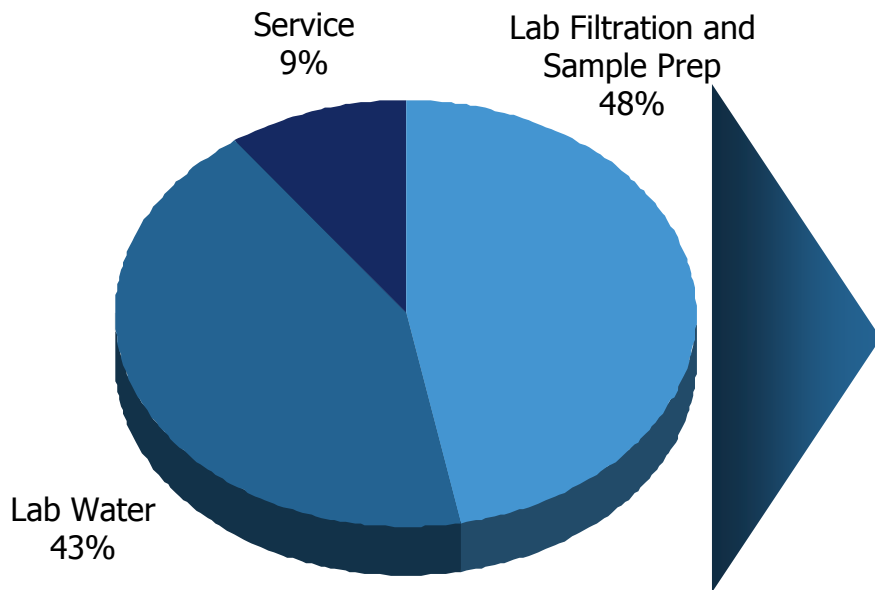
\*revenue for scientific products division

Source: UBS

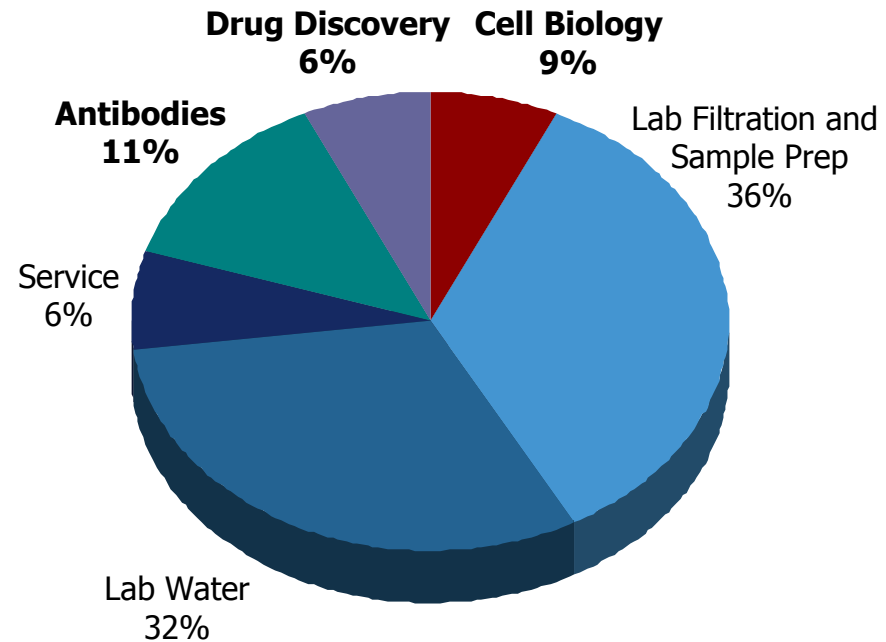
# Bioscience becomes strategic supplier

- **Transforms** Millipore's Bioscience Division by immediately providing deep product offerings in high growth markets

Millipore Bioscience Today



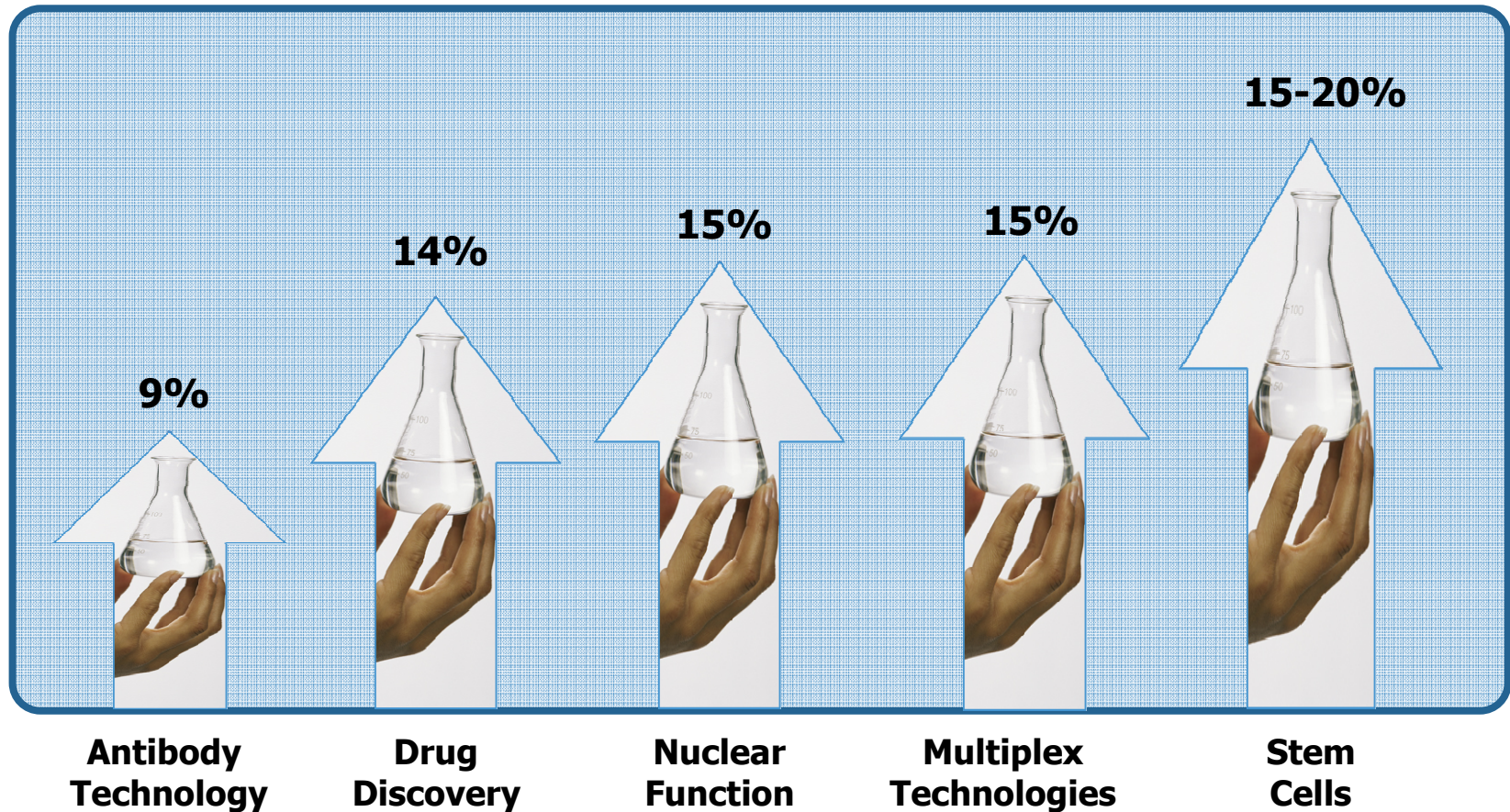
Millipore + Serologicals



2005 Revenues

# Bioscience: gains leadership positions in high growth markets

Estimated market CAGR 2006-2011

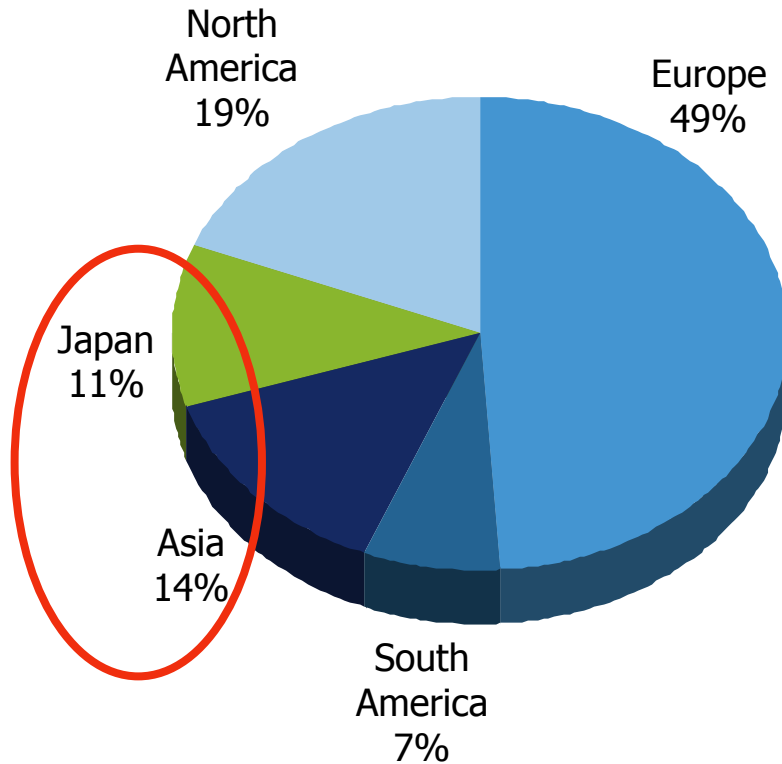


Source: Millipore

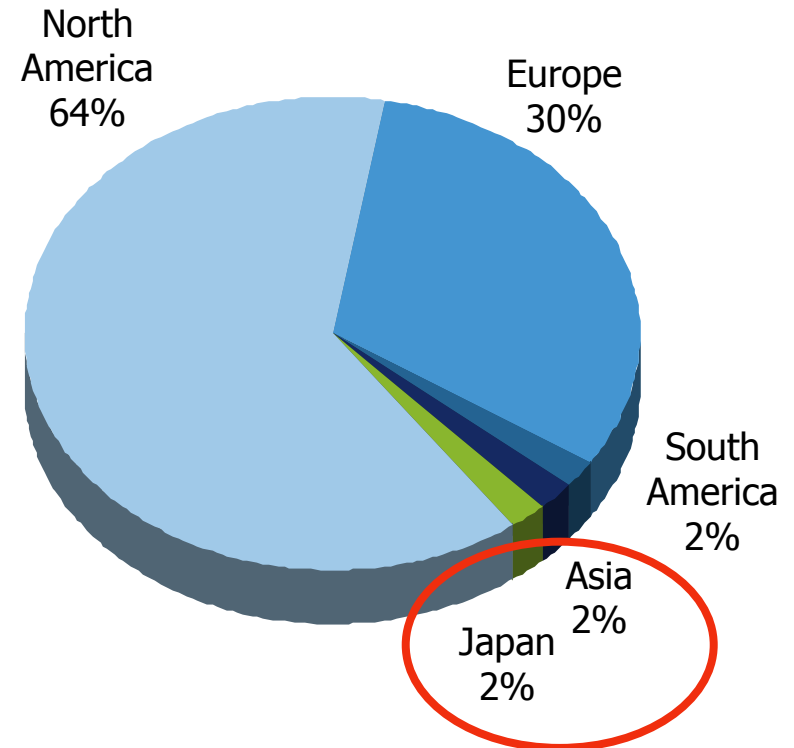
# Bioscience: significant geographic synergies MILLIPORE

% of life science sales force by geography

Millipore



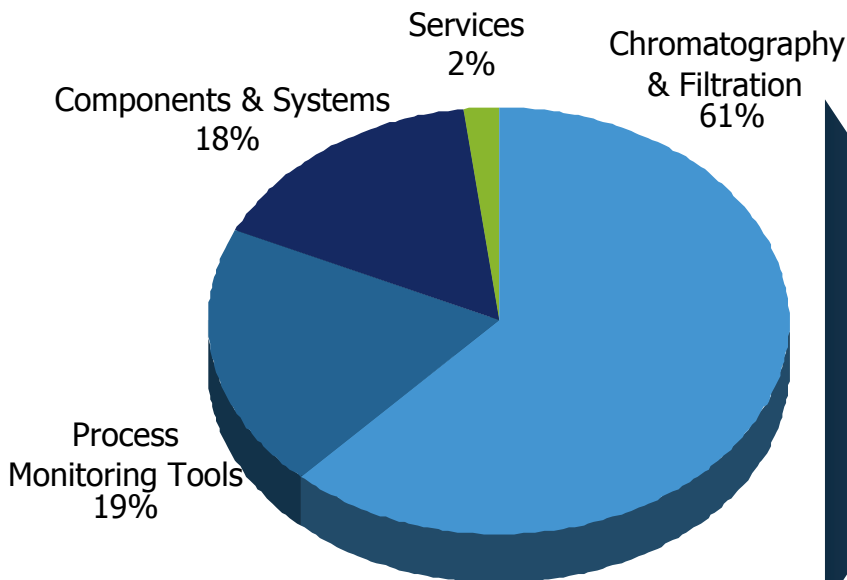
Serologicals



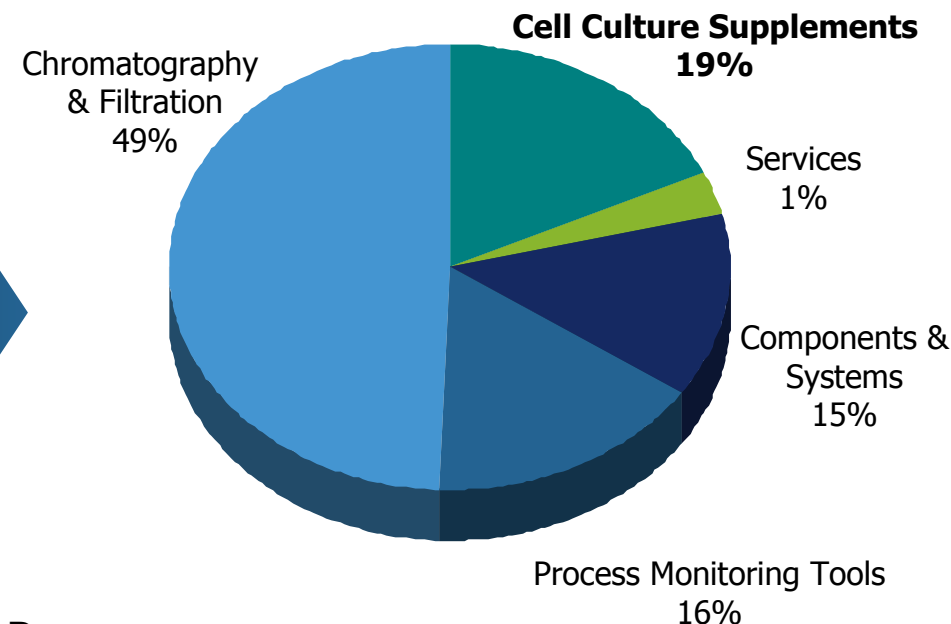
# Bioprocess: only provider of cell culture and downstream separations offerings

- Millipore's **Bioprocess** Division gains significant offering in \$1 billion upstream bioprocessing market

Millipore Bioprocess Today

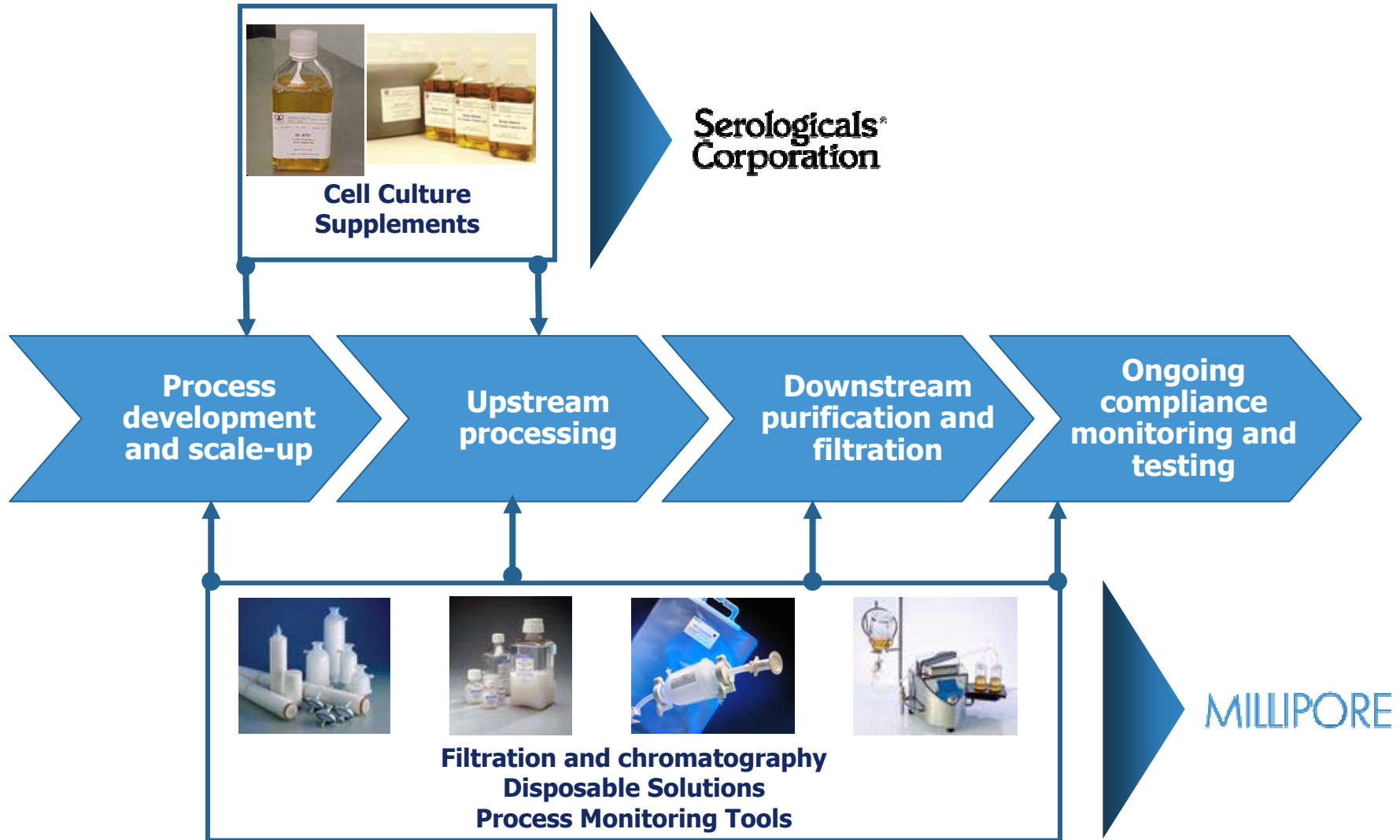


Millipore + Serologicals



2005 Revenues

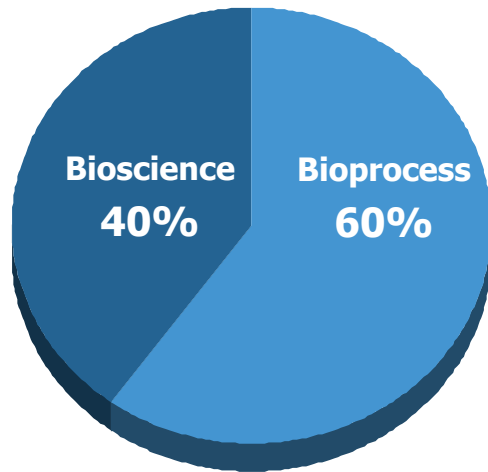
# Bioprocess: increased presence in key accounts **MILLIPORE**



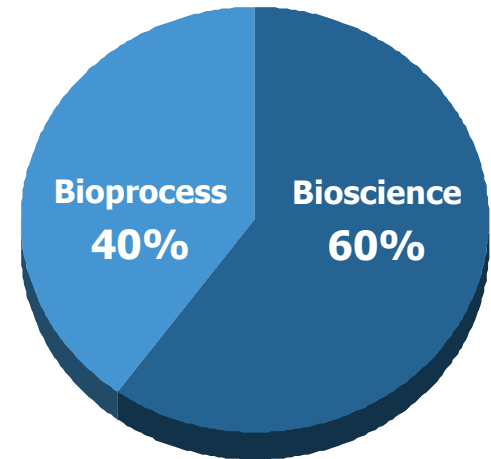
# Serologicals: a perfect strategic fit

MILLIPORE

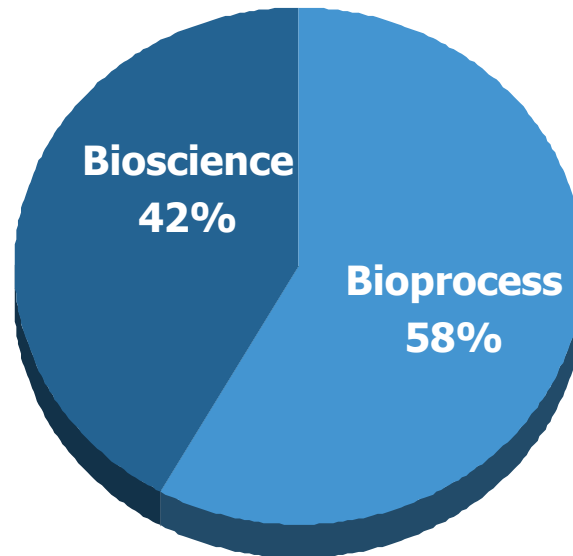
## Millipore



## Serologicals



## Combined Company



**2006 Revenues\***

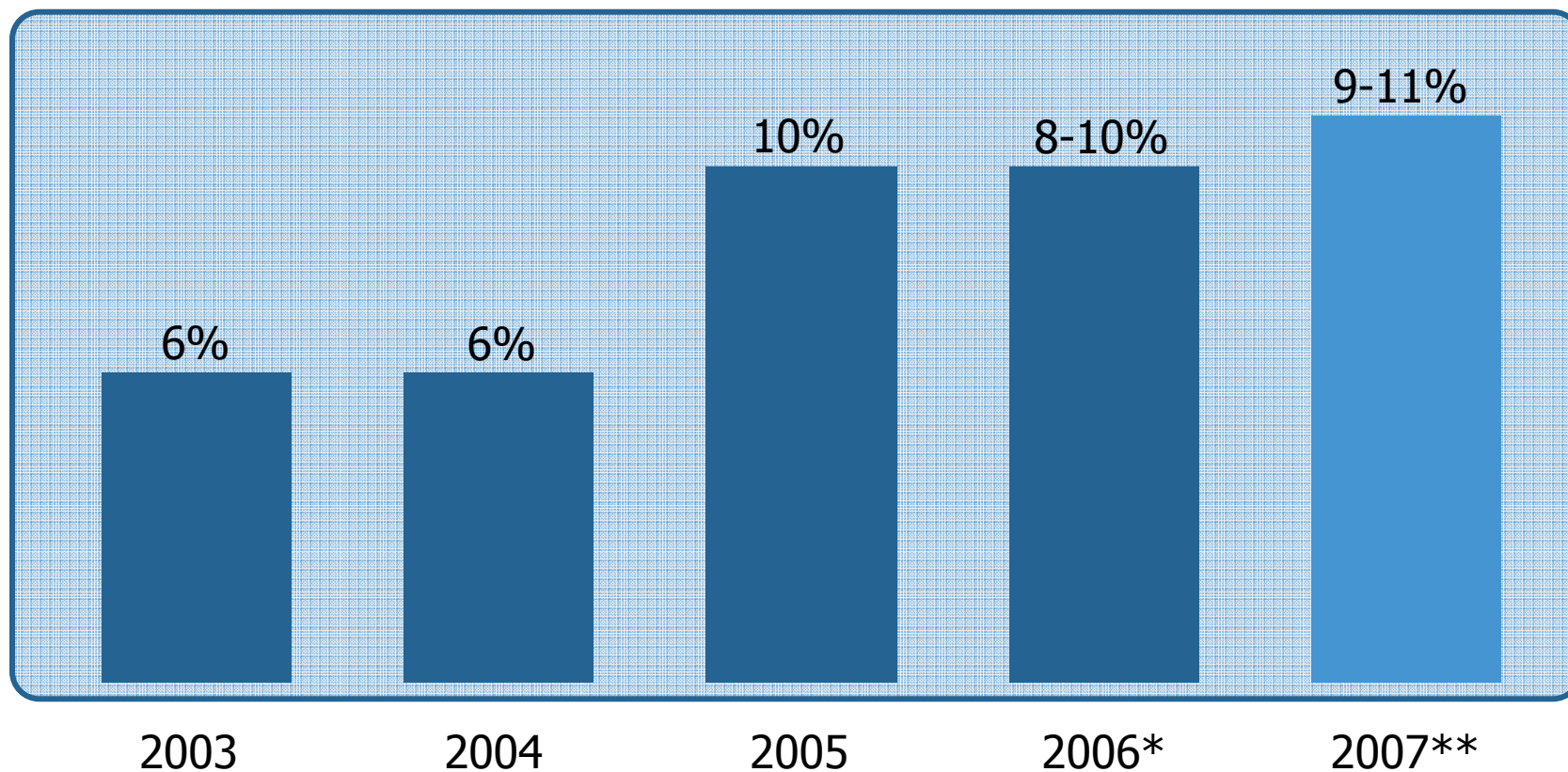
\*Forecasted Pro Forma revenue

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# Higher organic growth

Organic growth, constant currency



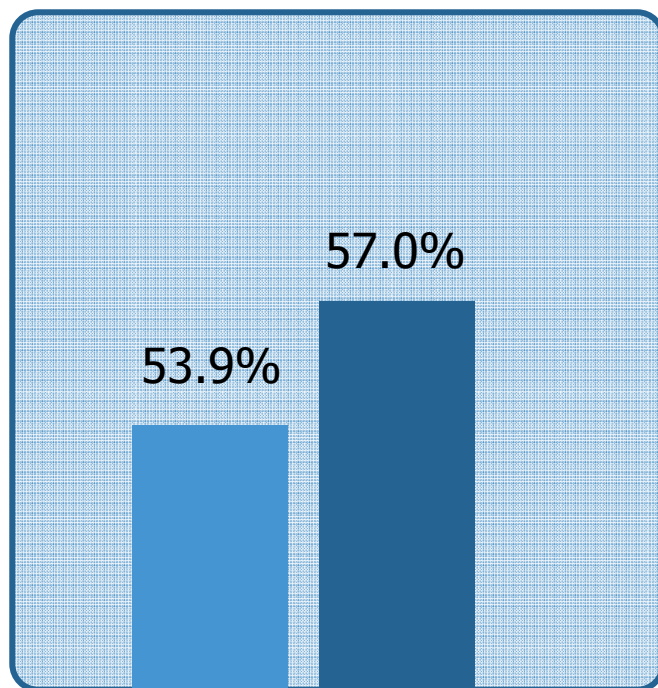
\*Millipore standalone 2006 guidance

\*\*Combined company growth over pro forma 2006 revenues

# Serologicals will improve Millipore's profitability MILLIPORE

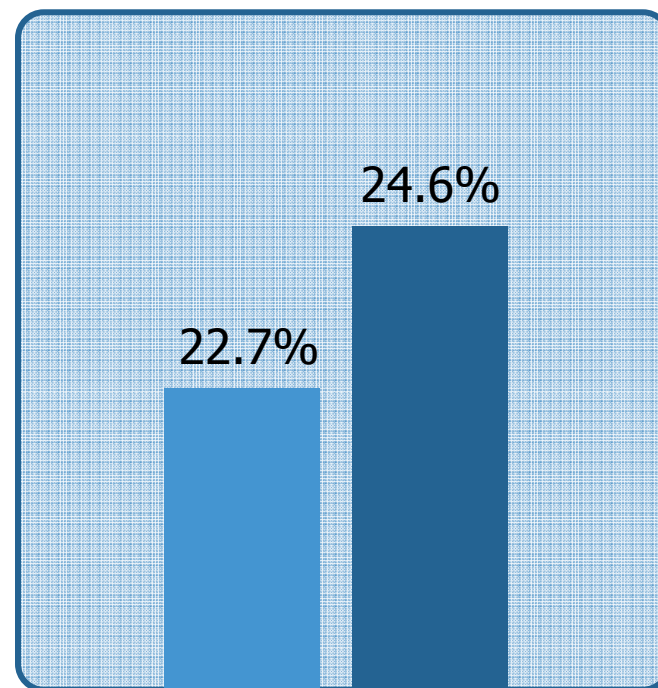
## 2005 Results

Gross margins\*



Millipore Serologicals

EBITDA margins\*



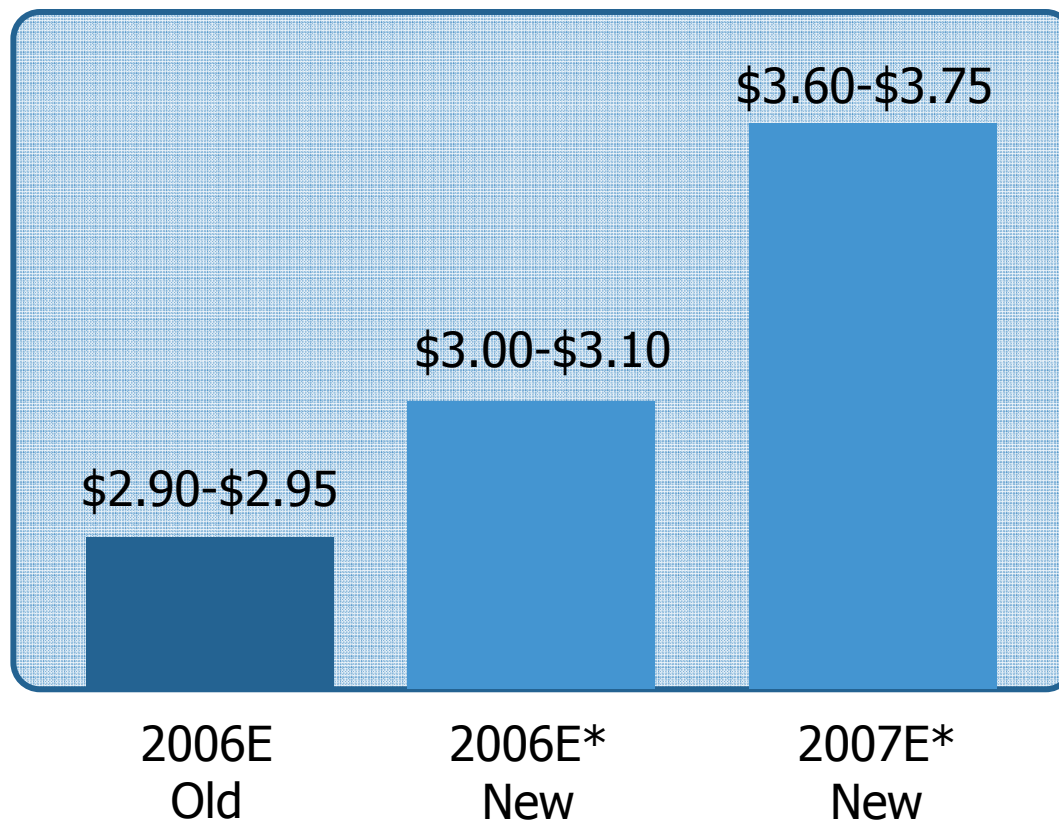
Millipore Serologicals

\* non-GAAP, as reported

- \$9 to \$10M cost savings and synergies in 2007
  - \$15 to \$17M in 2008
- Revenue Synergies
  - Geographic sales synergies
  - Bioprocess sales force and customer relationships
  - Further leverage internet as sales channel
- Integration team in place led by Charlie Wagner, Corporate Vice President of Strategy & Corporate Development

# Transaction is accretive immediately

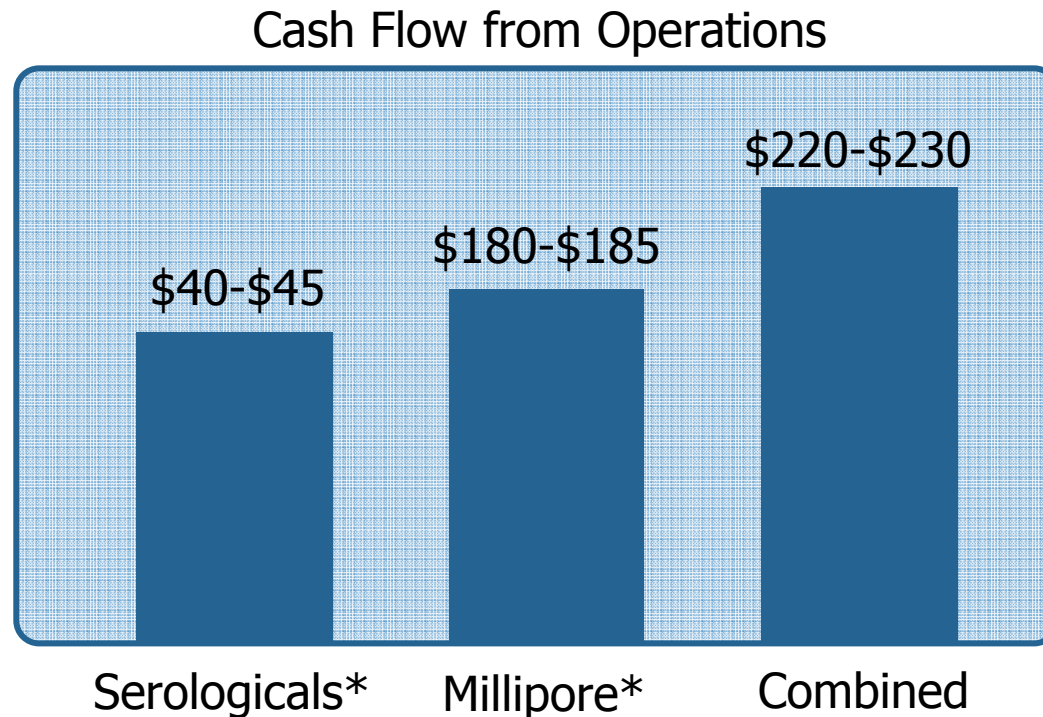
## Non-GAAP EPS



\*combined company

# Financing of transaction

- Approximately \$600 mm from balance sheet
- Approximately \$900 mm from debt
- Combined cash flow will be used to re-pay debt



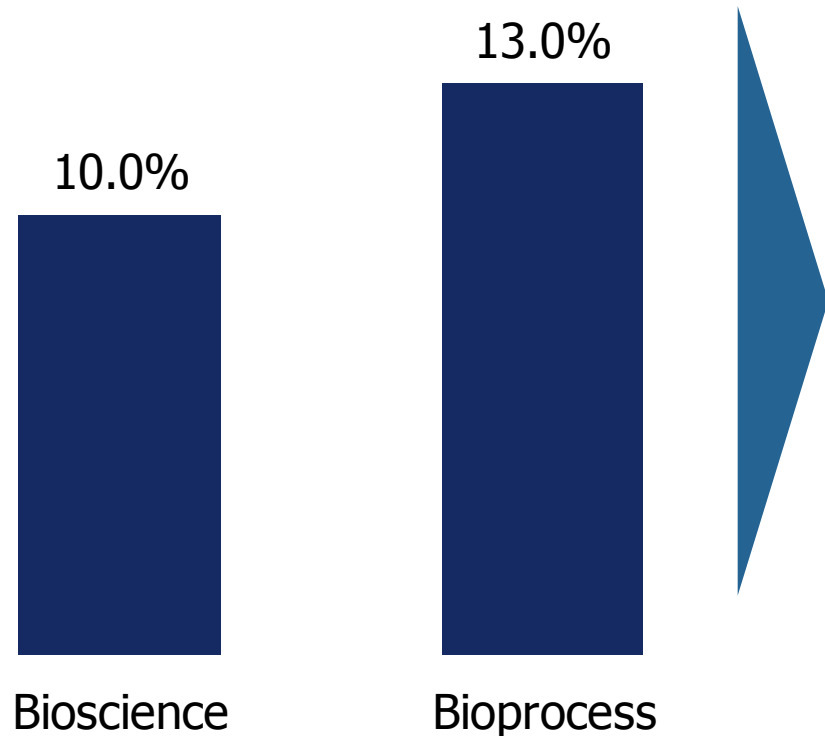
\* Previously issued 2006 cash flow from operations guidance-annualized

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# Growth of both divisions remains strong

## Q1 2006 Constant Currency Revenue Growth



- Bioscience
  - Strong growth in China
  - Continued success with new products
  - Sales force initiatives are working
- Bioprocess
  - Healthy demand from biotech customers
  - Strong pipeline for NovAspetic products

- Bioprocess continues to grow rapidly
- Third straight quarter of strong performance from Bioscience
- Supply chain initiative generating expansion in gross margins
- Acquisitions of Serologicals and Newport Bio Systems will help to fuel future growth and profitability
- Continuing to raise level of execution



# Q1 2006 GAAP results

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Actual Dollars (In millions, except per share data)	Q1 2006	Q1 2005	% Change
Sales	\$ 268.4	\$250.2	7%
Gross profit	142.6	136.1	5%
<i>% of sales</i>	<i>53.1%</i>	<i>54.4%</i>	
SG&A	80.9	76.7	5%
<i>% of sales</i>	<i>30.1%</i>	<i>30.7%</i>	
R&D	18.4	16.1	14%
<i>% of sales</i>	<i>6.9%</i>	<i>6.4%</i>	
Operating income	41.9	42.6	(2%)
<i>% of sales</i>	<i>15.6%</i>	<i>17.0%</i>	
Net income	\$ 34.5	\$ 32.3	7%
EPS	\$ 0.64	\$ 0.64	--
Shares outstanding	53,883	50,327	7%

# GAAP to Non-GAAP Reconciliation

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Actual Dollars(\$ millions)

	Q1 2006	Q1 2005
	<u>          </u>	<u>          </u>
Net income - GAAP	\$ 34.5	\$ 32.3
Non-GAAP adjustments :		
Executive transition agreements	\$ -	\$ 7.8
Stock-based compensation	2.6	-
Division reorganization		0.5
Manufacturing consolidation	4.2	-
Amortization of purchased intangibles	1.4	0.7
	<u>          </u>	<u>          </u>
Total non-GAAP adjustments before taxes	\$ 8.2	\$ 9.0
Tax effects of non-GAAP adjustments	(2.9)	(2.1)
	<u>          </u>	<u>          </u>
Total non-GAAP adjustments, net of tax	\$ 5.3	\$ 6.9
	<u>          </u>	<u>          </u>
Non-GAAP net income	<u>          </u> \$ 39.8	<u>          </u> \$ 39.2

# Q1 2006 Non-GAAP results\*

Actual Dollars (In millions, except per share data)	Q1 2006	Q1 2005	% Growth
Sales	\$ 268.4	\$250.2	7%
Gross profit	147.2	136.1	8%
<i>% of sales</i>	<i>54.9%</i>	<i>54.4%</i>	
SG&A	79.0	68.5	15%
<i>% of sales</i>	<i>29.4%</i>	<i>27.4%</i>	
R&D	18.1	16.1	13%
<i>% of sales</i>	<i>6.7%</i>	<i>6.4%</i>	
Operating income	50.2	51.5	(3%)
<i>% of sales</i>	<i>18.7%</i>	<i>20.6%</i>	
Net income	\$ 39.8	\$39.2	2%
EPS	\$ 0.74	\$ 0.78	(5%)

\* Please refer to the non-GAAP reconciliation table in Millipore's Q1 2006 earnings announcement

# Balance sheet

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<b>\$ in millions</b>	<b>Q1 2006</b>	<b>Q1 2005</b>
Cash & marketable securities	\$651	\$141
Debt	\$563	\$133
Accounts receivable	\$215	\$199
<i>DSOs</i>	<i>73 days</i>	<i>73 days</i>
Inventory	\$166	\$139
<i>Days of Inventory</i>	<i>120 days</i>	<i>112 days</i>
Cash flow from operations	(\$24)	\$18



- Transaction will transform Millipore and immediately make company stronger player in Bioscience
- Bioprocess Division gains access to large upstream market
- Opportunity to accelerate R&D productivity and gain key talent
- Combined company will accelerate growth and profitability and create new value for shareholders
- Another quarter of good execution
  - expanded market leadership in disposable bioprocessing market with acquisition of Newport Bio Systems

# MILLIPORE