



NASDAQ: CEMI



RAPID tests for
EARLIER treatment

Investor Presentation

May 2013



Forward-Looking Statements

Statements contained herein that are not historical facts are forward-looking statements within the meaning of the Securities Act of 1933, as amended. Those statements include statements regarding the intent, belief or current expectations of Chembio and its management. Such statements reflect management's current views, are based on certain assumptions, and involve risks and uncertainties. Actual results, events, or performance may differ materially from the above forward-looking statements due to a number of important factors, and will be dependent upon a variety of factors, including, but not limited to, Chembio's ability to develop, manufacture, market and finance new products and the demand for Chembio's products. Chembio undertakes no obligation to publicly update these forward-looking statements to reflect events or circumstances that occur after the date hereof or to reflect any change in Chembio's expectations with regard to these forward-looking statements or the occurrence of unanticipated events. Other factors that may impact Chembio's success are more fully disclosed in Chembio's most recent public filings with the U.S. Securities and Exchange Commission.

Investment Summary



- Develops, Manufactures & Markets Point-of-Care Diagnostic Tests (POCTs) Using Company's Patented DPP® - A Platform POCT Technology
- >25% CAGR Revenue Growth FY2009-2012
- Products Sold Globally
- Partnered with Leading License & Distribution Partners in U.S. & South America
- Recent FDA Approval of Oral Fluid HIV Test
- Strong Pipeline of POCTs
- Experienced Management Team



POCTs - A Growing Global Market

Converting Lab Tests to POCT and Creating New Markets

In-Vitro Diagnostics Market

\$45 Billion

Global Point-of-Care Test Market

\$10 Billion

Lateral Flow
Technology
Single
parameter
tests

DPP®
Technology
Enabling
Improved
Sensitivity,
Multiplexing

CURRENT CAPABILITIES

Signal
Enhancement
Features

R&D

Molecular
Amplification
Technologies

**POTENTIAL NEW
CAPABILITIES
BEING ASSESSED**

Chembio's Pipeline - \$850MM Total Addressable Market

Chembio Pipeline POCT	Total Market Opportunity	Targeted Launch
US HIV (Oral Fluid, 4 th Generation)	\$ 75 MM	Q4-2013 (Oral Fluid), 2015 (4 th Generation)
US Syphilis-HIV	\$ 75 MM	2H -2014
US HCV	\$100 MM	2015
US OTC-HIV	\$100 MM	2015-2016
US Veterinary (OEM)	\$100 MM	2014
International	\$400 MM	2013-2016
Total	\$850 MM	2013-2016



Chembio Diagnostics – Current Revenues & Markets

2012 - \$25.6MM Revenue Business, \$1.45MM Operating Income; Profitable Q1 2013

- ~50% of Revenue: Lateral Flow HIV Tests
 - 25% Share of \$75MM US Market
 - Participate in \$250 MM Ex-US Rapid HIV Professional Test Market
 - New HIV Self-Testing Market Opportunity
- ~40% of Revenue: Patented POCT Platform
 - Oral Fluid HIV Test FDA Approved 12/2012 & Five DPP[®] Products Approved and Successfully Launched in Brazil – 2011 -2012
 - Significant Developments for Single and Multiplex DPP[®] POCTs
- ~10% of Revenue: Other Products, Grants

Anticipated Developments - 2013-2015

- Oral Fluid HIV Test CLIA Waiver & Launch
 - Direct Distribution in Public Health for Pipeline of Complementary Products
- Expanding International Revenues for Lateral Flow and DPP[®] Products
- FDA Submission & Approval of Two POCT Multiplex Syphilis Tests Based on DPP[®] Technology
- Development & FDA Approval of Multiplex Antigen/Antibody DPP[®] Tests for HIV and HCV
- FDA Approval of At-Home HIV Test
- Contract Development & OEM Partnerships – e.g., Veterinary, Tropical Diseases

Chembio's Current POCT Market Opportunities

HIV Rapid POCTS

- ~50,000 New Infections in US - 2012 ; 2.5 MM Worldwide
- Routine Testing USPSTF Recommendation
- CEMI Only Company with 3 FDA-Approved Tests
- CEMI Tests Designated in Selected International Protocols

Syphilis Rapid POCTS – New Market Opportunity

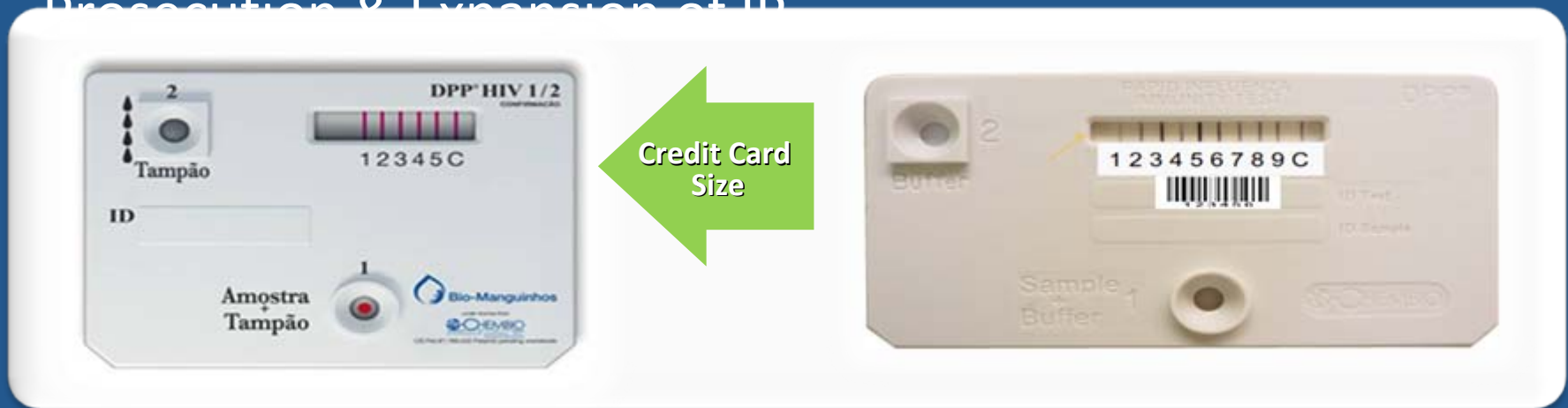
- Up to 70% HIV-Syphilis Co-Infection in MSM
- All HIV+ Need be Tested for Syphilis & Vice Versa
- CEMI Has Two Unique POCTs – Anticipate 2014 Launch

Hepatitis-C Rapid POCT – New Market Opportunity

- 70MM U.S. Baby Boomer Screening Opportunity; New Therapeutics
- Product in Development

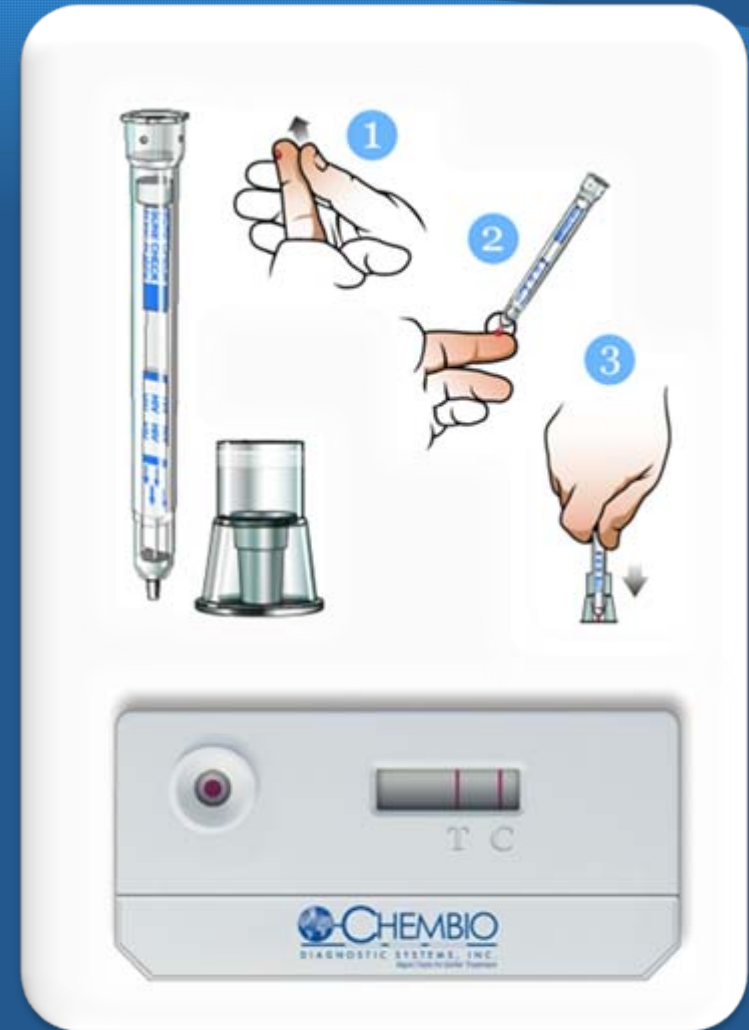
DPP® - Chembio's Patented POCT Platform Technology

- Proprietary Platform Technology that Uniquely Enables Multiplexing for Higher Value Tests
- Increases Sensitivity as Compared with Lateral Flow Technology
- Validated with Numerous Partners, Regulatory Agencies
 - Bio-Rad Laboratories, Inc. CE Marked HIV Confirmatory Test, April 2013
- Patents Issued in US and Multiple Countries, Continuing Prosecution & Expansion of IP



Two FDA-Approved Lateral Flow Rapid HIV Tests Sold Globally

- Utilize In-Licensed Lateral Flow Technology
- Large International Screening Programs (PEPFAR)
- Significant Potential New International Opportunities Pending
- In US Sold Exclusively through Alere (Clearview Brand)
 - 2012 Sales to Alere \$7.8MM
 - Q1 2013 Sales to Alere \$2.6MM



DPP® HIV®1/2 Test for Use with Oral Fluid or Blood Samples

- First FDA-Approved Product on DPP® (Dec. 2012)
 - Center for Biologics Evaluation and Research (CBER) PMA Approved, CLIA Waiver Pending
- Improved Sensitivity vs. Market Leader*
- Earlier Detection of Seroconverting Patients
- Proprietary SampleTainer™ Sample Collection System



U.S. HIV Self-Testing “OTC” Opportunity

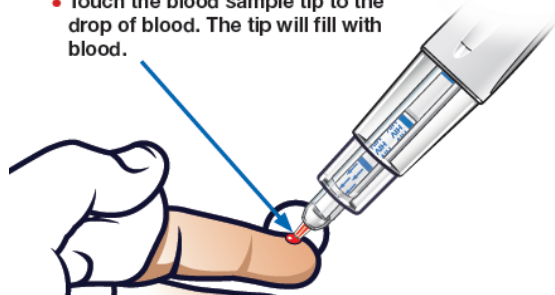
- Chembio Uniquely Positioned
- Assessing Market Size and Best Approach
- Filing IDE Early 2013 for Sure Check HIV
 - Pre-IDE Self-Testing Studies Show 100% Accuracy (n=300)



SURE CHECK HIV HOME TEST



- Touch the blood sample tip to the drop of blood. The tip will fill with blood.



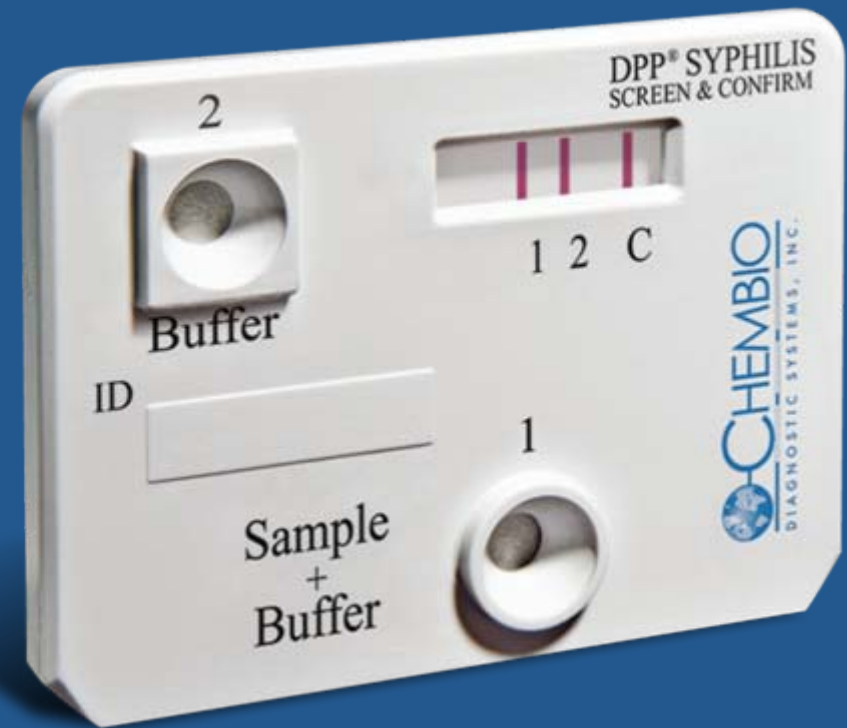
Collaboration with FIOCRUZ in Brazil

- First Commercial Success with DPP[®]
- Contracts with Supplier to Brazilian Federal Ministry of Health
- \$7MM of Potential Additional Purchases (~\$16MM Revenues 2011-Q1'13) for Five DPP[®] Products - may be exceeded
- Expect Tech Transfer & Conversion to License 2013-14
- Potential New Products & Partnerships in Brazil



DPP® Syphilis Screen & Confirm & HIV-Syphilis Multiplex Tests

- Large Global Market Opportunity for Pre-Natal and MSM Screening
- Anticipated FDA Submissions in 2013, with 2014 Clearances
- Additional Products for Public Health Channel
- Leveraging DPP® Multiplexing Features



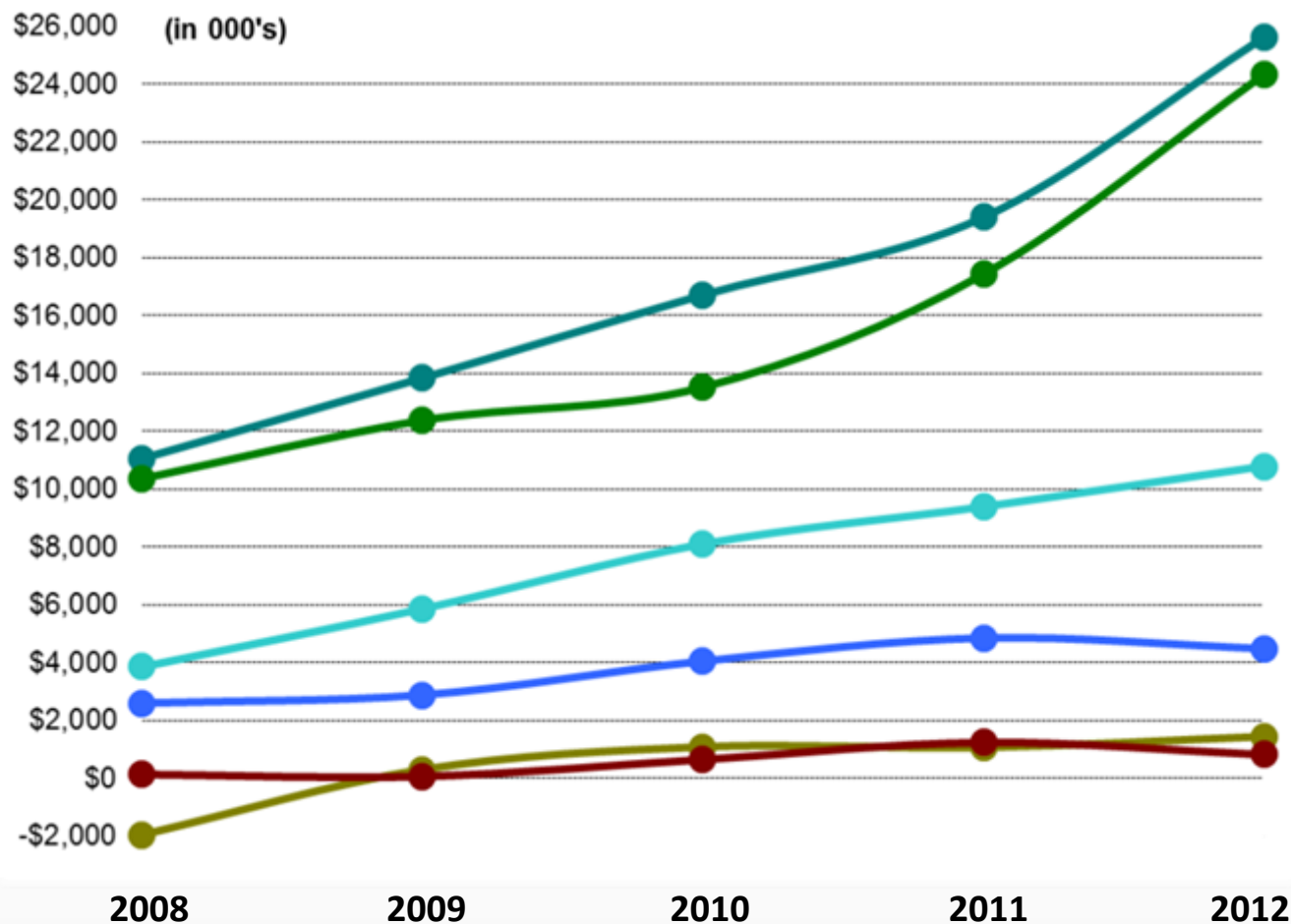
Pipeline: Rapid Hepatitis C Point-of-Care Diagnostic

- Data Published in Journal of Clinical Virology showed good performance of Chembio's 1st Generation Prototype Assay
- Completed Feasibility to Establish Performance Comparable to Only POCT HCV Test – 2013 R&D to incorporate additional value-added features
- Recent CDC recommendations for testing on everyone born between 1945-1964
- Anticipated Timeline
 - Development & Clinical Trials – 2013-2014
 - US Market Launch Anticipated - 2015



Selected Financial Data FY2008 –2012

Reporting Record Revenues Again for FY2012



2012

Total Revenue
\$25,611

Product Revenue
\$24,327

Gross Profit
\$10,790

R&D Expense*
\$4,486

Pre-Tax Income
\$1,451

Clinical Trial Expense
\$1,451

Strong Revenue & Operating Income Growth Q1 2013 and Years ended 2012 and 2011

in (000's)	3 Mos Ended March 31, 2013		3 Mos Ended March 31, 2012		Year Ended Dec 31, 2012		Year Ended Dec 31, 2011	
Net Product Revenues	\$	6,313	\$	6,363	\$	24,327	\$	17,422
Non-Product Revenues	\$	365	\$	290	\$	1,283	\$	1,966
TOTAL REVENUES	\$	6,678	\$	6,653	\$	25,610	\$	19,388
GROSS MARGIN	\$	2,694 40%	\$	3,333 50%	\$	10,790 42%	\$	9,390 48%
OPERATING COSTS:								
Research and development exp.	\$	1,045 16%	\$	1,379 21%	\$	4,486 18%	\$	4,878 25%
Selling, general and administrative exp.	\$	1,162 17%	\$	1,234 19%	\$	4,852 19%	\$	3,424 18%
	\$	2,207	\$	2,613	\$	9,338	\$	8,302
INCOME FROM OPERATIONS	\$	487	\$	720	\$	1,452	\$	1,088
OTHER INCOME (EXPENSES):	\$	1	\$	(1)	\$	(2)	\$	(12)
NET INCOME-Before Taxes	\$	488 7%	\$	719 11%	\$	1,450 6%	\$	1,076 6%
Income tax (benefit) provision	\$	171	\$	286	\$	509	\$	(5,133)
NET INCOME	\$	317 5%	\$	433 7%	\$	941 4%	\$	6,209 32%

CEMI Selected Share & Balance Sheet Data

in millions except per share and daily volume data

Ticker Symbol (NASDAQ)	CEMI
Price 4/30/13	\$4.53
52-Week High	\$5.80
52-Week Low	\$3.61
Outstanding Shares	9.29
Market Capitalization	\$42.07
Fully Diluted Shares	10.01
Managements Holdings	1.62
Avg. Daily Volume (3 mos. to 4/30/13)	32,000
Average Daily Volume (April 2013)	37,800

Options	Amt.	Avg. Ex. Price
585K held by Mgmt. & Board	725K	\$2.42

(\$ in 000s)	Mar'13	Dec'12	Dec'11
Cash	\$2,599	\$2,952	\$3,011
Total Current Assets	11,234	11,009	8,992
Total Assets	\$17,473	\$17,335	\$15,486
Total Current Liabilities	3,213	3,378	2,858
Total Liabilities	3,213	3,460	2,991
Stockholders' Equity	14,260	13,875	12,495
Total Liabilities & Stockholders' Equity	\$17,473	\$17,335	\$15,486

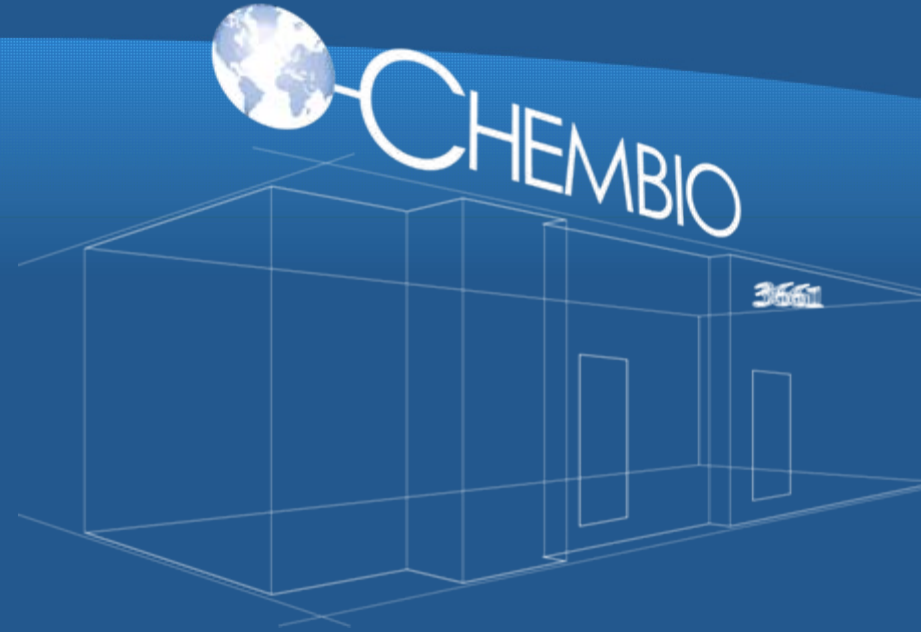


Leadership

Executive		Joined Company
Lawrence Siebert	Chairman & CEO	2002
Richard Larkin	CFO	2003
Javan Esfandiari	SVP Research & Development	2000
Tom Ippolito	VP Regulatory & Clinical Affairs	2005
Sharon Klugewicz	VP QA/QC & Technical Operations	2012
Rick Bruce	VP Operations	2000
Michael Steele	VP Sales Marketing & Bus. Dev.	2012
Independent Directors		Joined Board
Gary Meller, MD, MBA		2005
Katherine Davis, MBA		2007
Barbara DeBuono, MD, MPH		2011
Peter Kissinger, Ph.D		2011

Organization & Facility

- FDA- and USDA-Approved Development & Manufacturing Facility
- All Company Operations in 30,600 Sq. Ft. Leased Facility in Medford, NY



TOTAL EMPLOYMENT: Approximately 171

116

15

29

11



Operations

Reg. & Clinical QA & QC

R&D

SG&A

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