Full-year accounts for 2009

- ***a decisive increase in strategic assets***
- ***controlled costs***
- ***strong ambitions for 2010***

Paris, March 3, 2010 – BioAlliance Pharma SA (Euronext Paris – BIO), a company dedicated to the treatment and supportive care of cancer and AIDS patients, today presented its consolidated financial results for the fiscal year ended December 31, 2009.

Consolidated accounts (IFRS-compliant) in thousands of euros	31/12/2009	31/12/2008
Revenues	7,536	8,174
Operating profit (loss)	(15,478)	(23,192)
Financial profit	95	1,828
Net profit (loss)	(15,383)	(21,366)
End-of-year cash reserves	14,710	31,691

2009 was marked by significant progress for the company's most advanced projects, testifying to the know-how of BioAlliance Pharma's staff and the potential of its products:

- Submission and FDA acceptance of the company's new drug application (NDA) for Loramyc® in the United States.
- A second product (Setofilm®) going through the registration process in Europe.
- A successful Phase III clinical trial for acyclovir Lauriad®, the positive results of which may change the paradigm for the local treatment of orofacial herpes (cold sores).
- First-in-man trials of two compounds with significant supportive care markets, with a view to extending the product range initiated with Loramyc®.
- First-in-man trial of a compound for the treatment of invasive melanoma.

"*In 2009, we proved our ability to hit ambitious targets*", stated Dominique Costantini, BioAlliance Pharma's President and CEO. "*Our product portfolio is more attractive than ever, with one product on the market, a second soon to be registered in Europe and a third that has successfully completely its Phase III clinical trial. We can thus present a diversified offering in supportive care and cancer care - an offering that is expanding and gaining in value thanks to the compounds that we have just taken into the clinic. This is a significant parameter for our strategic partners internationally and constitutes a strong asset in our future licensing and alliance strategy. 2010 will be an important year, with the US market*

launch of Loramyc® and the signature of an alliance in supportive care in Europe. We are also going to discuss and refine our registration strategy for acyclovir Lauriad® with the American and European authorities. We consider it to be one of the cornerstones of our portfolio and a product that could trigger new deals for us".

Analysis of the 2009 financial year

Revenues for 2009 amounted to €7.5 million, compared with €8.2 million the previous year. This variation is essentially due to the accounting rules on staggering the sums received under licensing agreements for Loramyc®; these revenues totaled €5.1 million in 2009, versus €7 million in 2008. In France, Loramyc® sales stood out in an otherwise slow-growing market and amounted to €2.1 million - over double the 2008 figure.
This result shows that the company's first muco-adhesive product has an increasingly high profile in the medical community in general and with hospital-based oncologists in particular. The product now features in guidelines on the treatment of opportunistic infections in immunocompromised patients.
Loramyc®'s ease of use and very good safety profile constitute a significant advantage for other portfolio products also based on the company's patented mucosal drug delivery technology.

Thanks to completion of the Phase III clinical programs in 2009 and a pro-active cost reduction policy, corporate expenditure fell sharply and had a major impact on the operating loss, which decreased from €23.2 million in 2008 to €15.4 million in 2009.

BioAlliance Pharma is committed to pursuing a dynamic portfolio development policy and took three key programs into the clinic in 2009: fentanyl Lauriad® for chronic cancer-related pain, clonidine Lauriad® in mucositis (mouth inflammation that is very frequent after anti-cancer treatment) and AMEP™ (a biotherapy for metastatic melanoma). R&D expenses for 2009 amounted to €9 million and made the company eligible for a research tax credit of €1.8 million.

In addition to the R&D investments, the operating accounts include the following items:
- Marketing costs for Loramyc® in France.
- Various general and administrative expenses, including intellectual property costs and expenses related to ongoing legal proceedings against the companies SpePharm/SpeBio and Eurofins. As of December 31st, 2009, no provision has been made concerning these legal proceedings.
- IFRS adjustments, including a €0.8 million charge related to the warrants, stock options and free shares allotted by the group (IFRS 2).

The financial profit for 2009 amounted to €0.1 million, versus €1.8 million in 2008. These amounts correspond essentially to the yield on short-term investment of the company's cash reserves. The significant year-on-year difference is due to both the decrease in available cash reserves over the accounting period and the sharp fall in money market interest rates.

The net loss for the fiscal year was €15.4 million, versus €21.3 million for the previous year.

As of December 31, 2009, the company's cash and cash equivalents amounted to €14.7 million. This notably includes a sum of €0.9 million which corresponds to a portion of the €6.4million OSEO grant-in-aid obtained by BioAlliance Pharma for the development of two ambitious programs in the treatment of invasive cancers (notably its AMEP™ biotherapy). During the first half of 2010, the company is due to receive a $20 million payment under the terms of its contract with the American company Par/Strativa, if US market authorization for Loramyc® is granted. The company has also already asked for reimbursement of its 2009 research tax credit, worth €1.8 million. *"With our agreement in place in the United States, we*

are confident of the short-term growth of our cash reserves and are planning to reinforce them via the new agreements that we intend to sign this year in Europe", added Nicolas Fellmann, Chief Financial Officer.

The outlook for 2010

BioAlliance Pharma's forthcoming development milestones are as follows:

- Approval of the NDA for Loramyc® in the United States: Q2 2010.
- Approval of the marketing authorization application for Setofilm® in Europe: Q2 2010.
- An alliance in Europe for Loramyc® and Setofilm®: Q1/Q2 2010.
- Meetings with the European and American regulatory agencies, in order to define the registration strategy for acyclovir Lauriad®: Q1/Q2 2010.
- Market launch for Loramyc® in the United States: Q1/Q2 2010.
- Continuation of ongoing clinical development throughout 2010.

Analyst presentation and conference call (in English)

BioAlliance Pharma will hold a presentation on Thursday, March 4, at 2.30pm (Paris time: GMT+1) at its corporate headquarters (49 Boulevard Martial Valin, Paris, France). A conference call in English will be organized at 5pm (Paris time – GMT+1). The dial-in numbers and access codes are listed below.

Dialing from outside France: +33 1 72 00 09 91

Dialing from within France: 01 72 00 09 91

Conference call replay number: +33 (0)1 72 00 15 00, then enter the code 269688#

About BioAlliance Pharma

As a preferred partner for hospital-based specialists, BioAlliance Pharma is a company which develops and markets innovative products in France, especially in the fields of opportunistic infections and chemotherapy complications. In areas where medical needs are insufficiently met, our targeted approaches help overcome drug resistance and improve patient health & quality of life. BioAlliance Pharma's ambition is to become a leading player in these fields by coupling innovation to patient needs.
For more information, visit the BioAlliance Pharma web site at www.bioalliancepharma.com.

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For a discussion of risks and uncertainties which could cause actual results, financial condition, performance or achievements of BioAlliance Pharma SA to differ from those contained in the forward-looking statements, please refer to the Risk Factors ("Facteurs de Risque") section of the 2008 Reference Document filed with the AMF on April 7, 2009, which is available on the AMF website (http://www.amf-france.org) or on BioAlliance Pharma SA's website (http://www.bioalliancepharma.com).

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