PRESS RELEASE

STALLERGENES GREER REPORTS STRONG FIRST HALF 2017 RESULTS AND NARROWS 2017 FINANCIAL GUIDANCE

- Total revenues of €129.6 million, up 66% over prior-year period
- Key products ORALAIR® and STALORAL® regain market share in France and Germany
- EBITDA was positive ahead of schedule at €6.3 million
- Cost control and revenue growth generated strong cash flow improvement
- Narrowed 2017 revenue guidance[1] to the range of €260 million to €270 million, compared with the previous guidance[1] range of €240 million to €270 million and continuing positive development of EBITDA

DATE: 31 August 2017

London (United Kingdom) – Stallergenes Greer plc, a biopharmaceutical company specialising in treatments for respiratory allergies, today announces its half-year results for the six-month period ended 30 June 2017.

H1 2017 Financial Highlights

In € millions	H1 2017	H1 2016	*Growth*
	Unaudited	*Unaudited*	*% change*
Total revenues	129.6	78.1	*+66%*
Gross margin	83.4	34.7	*+140%*
as % of net sales	*64%*	*45%*	*+19 pts*
EBIT	(3.5)	(58.5)	*+94%*
EBITDA	6.3	(45.1)	*+114%*
Net loss	(8.9)	(39.0)	*+72%*

Fereydoun Firouz, Chairman and Chief Executive Officer of Stallergenes Greer, commented:

"During the first half of 2017, Stallergenes Greer delivered strong revenue growth with diligent cost control. As a result of the actions we have taken, we have narrowed our loss and significantly improved our cash flow. With positive EBITDA at the end of first half, we are ahead of schedule. These financial results make us confident enough to narrow our revenue guidance[1] to the high end of the range.

This performance reflects the Company's progress and transformation accomplished since the temporary suspension of production in late 2015 that affected one of our sites for several months. With steady market share gains across our portfolio month after month, we have been relentlessly focused on customer satisfaction and we are positioned to regain our global market leadership. We have upgraded our manufacturing processes and we can now see the impact of our new ERP system in our financial results. In most countries, we outperform the industry standard by delivering products in six days compared to ten to fifteen days standard practice.

As part of our commitment to bring innovative solutions to patients suffering from allergies, we have also continued to advance science in allergy immunotherapy (AIT). At the EAACI[2] congress in June 2017, we presented real-world evidence data that showed the long-term benefit of ORALAIR in controlling allergic rhinitis and potentially preventing asthma. Recently, we announced the completion of the enrolment for STG320, the largest phase III clinical trial for house dust mite induced allergy.

We are at an exciting turning point for Stallergenes Greer and we are confident in the strength of our organisation to deliver on our operational plan and to keep up the momentum."

First half 2017 financial highlights

The Group has continued to deliver consistent progress enabled by the RESTART (Restart Stallergenes Greer After Revalidation Task) program initiated early 2016 and a focus on excellence across the organisation. For the first half of 2017, total revenues increased 66% to €129.6 million reflecting the significant recovery of the business since operations gradually resumed following several months suspension of production in Antony, France, in late 2015.

Overall, the Group delivered 70% of the pro forma sales achieved in the first half of 2015, a peak year, paving the way for the Group to regain its leading position in Europe and International allergy immunotherapy markets.

Revenue growth has been fuelled by market share regained across the portfolio. In France, ORALAIR held a 38% market share, a 15-point increase compared to June 2016. In Germany, ORALAIR held a 39% market share for June 2017, a 6-point increase compared to June 2016.

The gross margin of €83.4 million represented 64% of net sales, compared to 45% in the first half of 2016 as the increase in net sales more than offset the increase in cost of goods sold.

EBITDA for the first half of 2017 was €6.3 million, a significant turnaround compared to the negative EBITDA of €45.1 million in the first half of 2016, reflecting improved sales and the positive impact of effective operating cost management. Accordingly, the current operating loss of €3.5 million has also improved compared to the operating loss of €58.5 million for the first half of 2016.

Selling, general and administration expenses were €65.1 million, down €6.2 million versus €71.3 million at 30 June 2016.

At 30 June 2017, the Group had "cash and cash equivalents" of €47.6 million. In addition, the Group has limited external debt with an outstanding debt balance of €16.0 million. This has resulted in a net cash position of €31.6 million.

Region highlights

H1 2017 Net Sales by Region

In € millions	**H1 2017**	**H1 2016**	*Growth*
	Unaudited	*Unaudited*	*% change*
Southern Europe	53.7	17.8	*+202%*
North & Central Europe	18.5	10.7	*+73%*
International markets	11.8	4.7	*+151%*
US	45.6	44.8	*+2%*
Net sales	**129.6**	**78.0**	***+66%***

Southern Europe first half 2017 net sales were €53.7 million, up €35.9 million or 202% over the prior-year period. The progress is mainly due to the positive impact of the RESTART program and the regain of the market share lost during the temporary production and distribution suspension at the site in Antony in late 2015.

North & Central Europe net sales were €18.5 million, up €7.8 million or 73% over the prior-year period.

International markets net sales were €11.8 million, up €7.1 million or 151% over the prior-year period with notable performance in Australia that successfully launched ACTAIR®, Stallergenes Greer's tablet for house dust mite induced allergy.

In the US, first half 2017 net sales grew 2% to €45.6 million over the prior-year period. The slower growth is in part due to competitor pricing and discount strategy in the human bulk allergen business and in the veterinary product category. Despite this, the Group has maintained its leading market share in the human bulk allergen business while ORALAIR has continued to gain incremental market share.

Product highlights

H1 2017 Net Sales by Product Category

In € millions	**H1 2017**	**H1 2016**	*Growth*
	Unaudited	*Unaudited*	*% change*
Sublingual	76.9	27.3	*+182%*
Subcutaneous	36.9	34.2	*+8%*
Other products	10.8	11.1	*-3%*
Veterinary	5.0	5.4	*-7%*
Net sales	**129.6**	**78.0**	***+66%***

In the first half of 2017, the Group fulfilled 90% of the demand for all sublingual allergens, as well as the top three subcutaneous allergens (house dust mite, grass, birch) most needed by patients and physicians in Europe and International markets. Product lead time[3] improved from three weeks to six days setting up new industry standards in delivering the right product to the right patient at the right time.

Sublingual sales increased by €49.6 million or 182% compared to €27.3 million from 30 June 2016. Sales reached 63% of the sales achieved in the first half of 2015, prior to the temporary suspension. The sublingual product category includes STALORAL sublingual liquid solution as well as ORALAIR and ACTAIR tablets.

Subcutaneous sales were €36.9 million for the period, up 8% or €2.7 million from €34.2 million at 30 June 2016. Sales reached 85% of the sales achieved in the first half of 2015, prior to the temporary suspension. The subcutaneous product category includes ALUSTAL® and PHOSTAL®.

Other sales, which include **Diagnostics and Ancillary products**, were €10.8 million, down €0.3 million or 3% from €11.1 million.

Veterinary sales in the US were €5.0 million for the period, down €0.4 million or 7% from €5.4 million of sales at 30 June 2016.

Innovation

In March, Shionogi & Co., Ltd., the Group's partner for commercialisation in Japan, submitted its New Drug Application (NDA) for ACTAIR, an investigational allergy immunotherapy sublingual tablet for the treatment of HDM-induced allergic rhinitis in children from 5 through 11 years of age. ACTAIR is already approved for the treatment of HDM-induced allergic rhinitis in patients from 12 years old in Japan.

In June, a retrospective analysis from a prescription database in Germany including over 74,000 patients was presented at the EAACI[2] Congress. The data showed that grass pollen SLIT (sublingual immunotherapy) treatment, including ORALAIR can help control allergic rhinitis and may reduce the risk of the onset and progression of allergic asthma. This is the first study of our BREATH program (Bringing Real-world Evidence for Allergy Treatment to Health), a comprehensive program to strengthen evidence of AIT benefits for patients and payers.

In July, the Group completed enrolment of its phase III clinical study to evaluate the safety and efficacy of its investigational sublingual immunotherapy tablet STG320 for the treatment of house dust mite (HDM) induced allergic rhinitis. The study recruited over 1,600 patients from 13 countries with 231 participating investigative sites and is the largest study of its kind. This phase III study, together with other clinical data, will form the company's submission for a Biologics License Application (BLA) in the United States planned for 2019 and for additional marketing authorisations in European and International markets. To date, the product is already commercialised in Japan, Australia and South Korea.

Manufacturing

In December 2016, the Group received a three-year GMP (Good Manufacturing Practice) certificate for its site in Antony (France) that was impacted by a temporary production and distribution suspension late 2015.

In June 2017, the Group's manufacturing sites in in San Diego (CA, United States) and in Lenoir (NC, United States) successfully completed a FDA (US Food and Drug Administration) inspection.

Business Outlook and Guidance[1]

The Group continues to deliver on its operations and commercial priorities with an increased focus on cost control. For the second half of the year, the Group is focusing on continuing to rebuild trust with all stakeholders, rightsizing the organisation including hiring for key positions, regaining global market leadership and investing wisely to support innovation and sustainable growth.

Considering the good start of the year with market share regain, operational successes and the positive EBITDA in the first half of 2017, Stallergenes Greer:

- narrowed its 2017 revenue guidance[1] to €260-€270m versus €240-€270m; and
- continuing positive development of EBITDA

Webcast and Conference Call Information

The company will host an Investor and Analyst call today, Thursday 31 August 2017. The event will also be available via live webcast at 2.00 pm CEST / 1.00 pm BST / 8.00 am EDT. The webcast will be available via the following link: http://edge.media-server.com/m/go/STAGR_HY2017

Please connect at least 15 minutes prior to the conference to register, download and install any necessary audio software.

Financial Calendar

- 25 October 2017 – Strategy / R&D Day
- March 2018 – FY 2017 Results

ABOUT STALLERGENES GREER PLC

Headquartered in London (UK), Stallergenes Greer Plc is a global healthcare company specialising in the diagnosis and treatment of allergies through the development and commercialisation of allergy immunotherapy products and services. Stallergenes Greer plc is the parent company of GREER Laboratories, Inc. (whose registered office is in the U.S.) and Stallergenes S.A.S. (whose registered office is in France).

[1] Guidance in constant currency

[2] .European Academy of Allergy and Clinical Immunology (EAACI) Congress

[3] Lead time: Number of days from sales order to shipment date

Trading information
Name: Stallergenes Greer Plc
ISIN: GB00BZ21RF93 1 - Ticker: STAGR
ICB classification 4577
Market: Euronext Paris regulated market
Additional information is available at http://www.stallergenesgreer.com

This document (including information incorporated by reference in this document), oral statements made and other information published by the Company contain statements that are or may be forward-looking with respect to the financial condition and/or results of operations and businesses of the Company. These statements can be identified by the use of forward-looking terminology such as "believe," "expects," "project," "estimated," "forecast," "should," "plan," "may" or the negative of any of these, or other variations thereof, or comparable terminology indicating expectations or beliefs concerning future events. These forward-looking statements include risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. Without being exhaustive, such factors include economic situations and business conditions, including legal and product evaluation issues, fluctuations in currencies and demand, and changes in competitive factors. These and other factors are more fully described in the Company's 2016 annual report published on 28 April 2017 on the Company's website (www.stallergenesgreer.com). Actual results may differ from those set forth in the forward-looking statements, due to various factors. Save as required by applicable law, neither the Company nor any other person assumes any obligation to update these forward-looking statements or to notify any person of any such update.

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The financial information set out above does not constitute the Group's financial statements for the period-ended 30 June 2017 and 2016 but are derived from those statements. Financial statements for 2016 have been delivered to the Registrar of Companies. The auditor has reported on those statements. Their report was unqualified, did not draw attention to any matters by way of emphasis and did not contain statements under Section 498 (2) or (3) Companies Act 2006 or equivalent preceding legislation. While the financial information included in this preliminary announcement has been computed in accordance with International Financial Reporting Standards (IFRS), this announcement itself does not contain sufficient information to comply with IFRS.

The company published full financial statements that comply with IFRS that are available on its website at http://stallergenesgreer.com/half-year-report.

The financial statements were approved by the Board of Directors on 30 August 2017.

Consolidated income statement as of 30 June 2017

€ thousands	**30 June 2017**	30 June 2016
Net sales	129,615	78,018
Other revenue	10	93
Total revenues	**129,625**	78,111
Cost of goods sold	(46,265)	(43,378)
Gross margin	**83,360**	34,733
Distribution costs	(5,383)	(7,625)
Selling and marketing expenses	(29,894)	(31,364)
Administrative expenses	(28,807)	(29,857)
Other general expenses	(1,027)	(2,503)
Selling, general and administrative expenses	**(65,111)**	(71,349)
Loss before R&D	18,249	(36,616)
Research and development costs (R&D)	(24,947)	(25,072)
R&D-related income	3,225	4,612
Net R&D costs	**(21,722)**	(20,460)
Operating loss before transformation costs	(3,473)	(57,076)
Transformation costs	–	(1,465)
Operating loss	(3,473)	(58,541)
Financial income	20	44
Financial expenses	(847)	(284)
Net financial expense	**(827)**	(240)
Loss before tax and associates	(4,300)	(58,781)
Income tax	(4,582)	19,844
Share of loss from associated companies	(8)	(92)
Group share of net loss	**(8,890)**	(39,029)

Consolidated balance sheet as of 30 June 2017

€ thousands	30 June 2017	31 December 2016
Goodwill	202,849	216,550
Other intangible assets	79,984	90,428
Property, plant and equipment	74,294	80,304
Non-current financial assets	4,986	6,011
Deferred tax assets	32,091	35,377
Non-current assets	**394,204**	428,670
Inventories	59,297	63,786
Trade receivables	28,058	41,826
Current financial asset	1,128	13
Other current assets	10,713	8,810
Income tax receivable	19,501	15,997
Cash and cash equivalents	47,645	71,262
Current assets	**166,342**	201,694
Total assets	**560,546**	630,364
Share capital	19,788	19,788
Share premium	539	539
Merger and contribution premium	342,149	342,149
Revaluation reserve	–	–
Retained earnings	98,301	126,733
Group shareholders' equity	460,777	489,209
Non-controlling interests	–	–
Total shareholders' equity	**460,777**	489,209
Provision for employee retirement obligations and related benefits	4,305	4,488
Non-current provisions	1,257	1,651
Non-current financial liabilities	6,753	6,753
Deferred tax liabilities	16,743	17,750
Non-current liabilities	**29,058**	30,642
Trade payables	19,750	26,658
Current provisions	417	3,180
Current financial liabilities	9,264	16,366
Income tax payable	1,356	1,217
Other current liabilities	39,924	63,092
Current liabilities	**70,711**	110,513
Total equity and liabilities	**560,546**	630,364

Consolidated cash flow statement as of 30 June 2017

€ thousands	**30 June 2017**	30 June 2016
Cash flow from operating activities		
Operating loss	**(3,473)**	(58,541)
Amortisation and depreciation charges	11,752	12,786
Change in provisions	(3,048)	(12)
Share-based payments	1,391	247
Capital losses from disposal of assets	49	401
Financial losses excluding interests	(385)	40
Gross operating result (EBITDA)	**6,286**	(45,079)
Income tax paid	(961)	4,898
Change in working capital of operating activities	(16,960)	(9,397)
Change in deferred income	(315)	(338)
Net cash flow from operating activities	**(11,950)**	(49,916)
Cash flow from investing activities		
Acquisition or increase in non-current assets	(4,653)	(8,712)
Cash acquired on combinations under common control	–	–
Proceeds from sale of non-current assets*	2,274	591
Change in working capital of investment activities	(2,234)	(4,477)
Net cash flow from investing activities	**(4,613)**	(12,598)
Free cash flow after investing activities	**(16,563)**	(62,514)
Cash flow from financing activities		
Treasury shares transactions	374	(243)
Net financial interest received / (paid)	(441)	(281)
Repayment of bank overdrafts	(238)	(371)
Repayment of borrowings	(15,704)	(1,435)
Proceeds from borrowings	9,766	37
Net cash flow from financing activities	**(6,243)**	(2,293)
Change in cash and cash equivalents	**(22,806)**	(64,807)
+ cash and cash equivalents – opening balance	71,262	150,183
-/+ effect of translation adjustment on foreign currency denominated cash	(811)	(434)
= cash and cash equivalents – closing balance	**47,645**	84,942