

Villepinte, 11 March 2009

## Improved results in 2008 highlight positive trends for future

<b>Consolidated financial highlights (IFRS (€ millions))</b>	<b>2008</b>	<b>2007</b>	<b>Change</b>
Net sales	321	306	+5.0%
R&D expenditures	29	26.7	+8.6%
Current operating income	39.9	36.6	+9.0%
<i>Current operating margin</i>	<i>12.4%</i>	<i>12.0%</i>	
Net income	24.4	23.8	+2.6%
<i>Net margin</i>	<i>7.6%</i>	<i>7.8%</i>	
Net debt	78.4	69	+13.6%

*Percentages calculated on the basis of exact figures in thousands of euros*

### Dotarem's commercial success

Sales of Dotarem, the Group's flagship product, grew 23% in 2008, contributing to a significant improvement in the operating margin. To pursue development in the US market, Guerbet launched clinical studies now underway in 86 centres in the US and Canada.

Renewed growth for Xenetix sales, that expanded 3.1% in volume though contracted 1.6% in value in relation to 2007, is expected to progressively gain momentum.

For the year ended, Guerbet achieved further expansion in Europe (+5.6%), particularly in Germany. In other regions, Group sales were mixed and in certain markets adversely affected by unfavourable foreign exchange trends.

### Increased focus on R&D

In 2008, research and development expenditures increased 8.6% to €29 million (9.1% of sales).

The Group has intensified efforts to develop new contrast agents for MRI and nuclear medicine applications. With this objective, Guerbet decided to pursue the development of three new molecules that were the product of its own research.

To ensure the success of these initiatives, Guerbet is now able to count on support recently provided by the OSEO innovation agency within the framework of the Franco-German ISEULT-INUMAC programme. This support represents total funding of €34 million to be made available over a period of eight years primarily through grants. Guerbet already booked in 2008 a grant of €4.4 as a first tranche.

### **An ambitious capital spending plan and contained debt**

Cash flow grew 17% to €46 million, increasing as a percentage of sales to 14.3% compared with 12.9% last year.

This has provided Guerbet with resources to finance its capital expenditures in line with an ambitious multiyear plan seeking to triple production capacity at its French plants. In 2008, four new chemical and pharmaceutical production units were commissioned.

Net debt totalled €78.4 million at 31 December 2008 or less than two years of cash flows.

In 2009 and the years ahead, and despite the general economic environment, Guerbet anticipates steady and sustained growth in demand, reflecting the increasing importance of imaging technologies for the prevention, diagnosis and monitoring treatment of major pathologies.

Confident in the Group's prospects for continued growth, the Executive Board will ask the General Meeting of 15 May to approve a dividend of €2.25 per share, identical to the prior year.

Philippe Decazes, Chairman of the Executive Board, commented: "In an environment of worldwide recession, Guerbet continues to move forward to ensure it is fully prepared to take advantage of steady and sustained growth in the medical imaging market".

### **About Guerbet**

*Guerbet is the only pharmaceutical group fully dedicated to medical imaging. It has the most comprehensive range of x-ray and MRI contrast media available worldwide. These products assist medical professionals (radiologists, cardiologists, oncologists, etc.) in better diagnosing and treating their patients (cardiovascular, cancer, inflammatory and degenerative diseases).*

*To develop new products and assure its future growth, every year Guerbet devotes significant resources to research and development with 170 R&D employees and an amount equivalent to approximately 10% of sales. Guerbet's research programmes are focused principally on MRI and nuclear medicine.*

*Guerbet is solidly positioned in Europe with a market share of 25% and is expanding its presence in the United States and Japan.*

*Guerbet, listed on Eurolist Euronext Paris in compartment B had sales in 2008 of €321 million with a total workforce of 1,270 employees.*

*For additional information about Guerbet, please consult [www.guerbet.com](http://www.guerbet.com)*