

Villepinte, 30 July 2009

PRESS RELEASE

Results marked by strong growth in volume in a highly competitive environment

Consolidated financial statements (IFRS - €millions)	2009 first half	2008 first half	Change
Net sales	162	157	+3.5%
R&D expenditures	17.1	14.1	+21.6%
Current operating income	14.0	21.2	- 33.8%
<i>Current operating margin</i>	<i>8.6%</i>	<i>13.5%</i>	
Net income net	8.1	14.9	- 45.2%
<i>Net margin</i>	<i>5.0%</i>	<i>9.5%</i>	
Net debt at 30 June	81.0	91.0	- 11.0%

Note. Percentage is calculated on the basis of exact figures in thousands of euros

Growth in sales volume

Dotarem grew 17.5% in volume and 10.9% in value. Guerbet reinforced its leadership in the MRI segment gaining 4 points in market share in Europe.

Xenetix experienced a strong upturn in growth, expanding 14.7% in volume and 1.7% in value, reflecting efforts to achieve market share gains by progressively ramping up production capacity.

The Group further strengthened its position in Europe (2.3%), particularly in Germany (+9.2%). Growth in Asia was more robust (+10.5%) on expanded sales in China.

First-half earnings and full-year outlook

The earnings trend for the first half reflects a decline in the gross margin and increased expenditures to support innovation:

- The gross margin declined €4 million. Increased industrial production costs accounted for more than one half of this decrease.
- Expenditures devoted to innovation increased €3 million to finance Dotarem's filing in the US and the development of new chemical entities.

In the second half, we anticipate accelerated sales growth, notably for Xenetix that will result in increased production activity both for the chemical and pharmaceutical segments. This will in turn enable us to improve our industrial cost prices. For this reason, we anticipate positive trends for margins in the second half while maintaining the ambitious pace of efforts devoted to innovation.

A promising strategy for future growth

Despite the decline in margins in the first half, Guerbet confirms its strategy in a market that continues to offer growth potential though subject to regular declines in prices. The Group's strategy, based on the recognized qualities of its main products, consists in pursuing market share gains to offset the erosion of sale prices by increasing volumes and improving production costs.

Guerbet has considerable potential for further market share gains first in Europe and then in emerging countries and the US. Its program for investments, improving processes and effectively managing outsourcing and purchasing should contribute to sustainable improvements in our cost prices that will accelerate starting in early 2010.

About the Group

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 166 R&D employees and an amount equivalent to approximately 10% of sales.

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 €320.8 million with a total workforce of 1,277 employees.

For additional information about Guerbet, please consult: www.guerbet.com