

STALLERGENES

2009 FINANCIAL RESULTS

FURTHER PROFIT MARGIN GROWTH AND SIGNIFICANT CASH GENERATION:

- SALES UP 13%, OPERATING PROFIT UP 15%, NET PROFIT UP 17%
- RECORD FREE CASH FLOW OF € 17.5 MILLION (X 3.7)
- NET CASH POSITION TURNED POSITIVE
- PROPOSED DIVIDEND OF 0.55 € (UP 22%)

Antony, France; 16 March 2010 – 6 pm

The Board of Directors' meeting of 15 March 2010, chaired by Albert SAPORTA, approved the 2009 consolidated financial statements:

In million Euros	2008		08/07	2009		09/08
		%	Var.%		%	Var.%
Sales	170.9	100.0	16	192.8	100.0	13
Cost of goods sold	(39.8)	(23.3)	21	(43.1)	(22.3)	8
SG&A	(72.9)	(42.7)	12	(78.9)	(40.9)	8
R&D costs	(36.6)	(21.4)	25	(46.2)	(24.0)	26
R&D revenues	6.6	3.9	20	7.6	3.9	14
EBIT	28.1	16.5	11	32.2	16.7	15
Net result, group share	19.0	11.1	17	22.2	11.5	17
EBITDA	34.3	20.1	14	39.7	20.6	16
Capital expenditure	18.3	10.7	12	16.0	8.3	(12)
Working capital	14.9	8.7	37	12.9	6.7	(13)
Free cash flow	4.7	2.8	(28)	17.5	9.1	272
Net financial debts (Net cash)	9.6		(8)	(4.9)		(151)
Equity	82.6		24	102.7		24
Headcount, end of year	782		13	873		12
EPS, diluted	1.43 €		17	1.69 €		18
Dividend per share	0.45 €		13	0.55 €		22

2009: significant increase in profitability and financial position indicators

- Profitable growth to finance the Group's long-term expansion

The 2009 sales growth dynamics (up 13%, 12% organic) as well as strict control on operating expenses (63.2% of sales vs 66.0% in 2008, before R&D) enabled the Group to both absorb research efforts (up 26%, representing 24% - gross - of sales) and further improve profit margins: operating profit totalled € 32.2 million, that underlined an operating profit margin of 16.7% (16.5% in 2008). Net profit grew for the ninth consecutive year by 17% to € 22.2 million, generating an 11.5% net profit margin (11.1% in 2008).

- A particularly sound financial position

Well-controlled capital expenditure and working capital requirements generated a record free cash flow of € 17.5 million (x 3.7 compared to 2008). Net debt declined by € 14.5 million. The Group reports a positive year-end net cash position for the first time in 10 years, amounting to € 4.9 million.

The audit procedures have been performed. As soon as the management report will have been reviewed, the audit report will be issued. The Group's 2009 consolidated financial statements are available from the Group's website: <http://www.stallergenes.com>.

2010 outlook

The laboratory is focusing its efforts on bringing Oralair[®] to market, after it was granted a marketing authorisation in 22 European countries in November 2009, on the registration of Actair[®] in Europe and on the partnerships it put into place to roll out Stalair[®] products internationally over the medium term.

Due to the effects of the economic crisis and the cost cutting steps taken by health authorities, our 2010 sales guidance was revised downwards. Nonetheless, Stallergenes expects further growth of sales in excess of 8%. Against this background, the laboratory set itself the objective of increasing its margins, bearing in mind that the greater part of the cost of the Oralair[®] grasses study in the US had been incurred by end 2009. The results of this study will be known and released within the next few weeks.

Significant recent transactions and events

The new research and control laboratories have been completed: Stallergenes invested € 28 million in equipment over the past 5 years to put in place the Stalair[®] programme pharmaceutical platform, which is now fully operational.

Dividend

In order to demonstrate its confidence in the Group's development outlook, the Board of Directors will propose to the General Meeting to be held on 28 May 2010, the distribution of a dividend of € 0.55 per share, reflecting a 22% increase over the previous year .

OSRD eligibility

As of 26 March 2010, Stallergenes will be eligible for the OSRD compartment (Euronext Paris deferred settlement service). This system, which enables both institutional and individual investors to use leverage to buy or sell shares, while being regulated by strict prudent rules, should increase share liquidity.

ABOUT STALLERGENES

Stallergenes is a European biopharmaceutical laboratory specialising in treatments by immunotherapy for the prevention and treatment of allergy-related respiratory conditions, such as rhino conjunctivitis, rhinitis and allergic asthma. Stallergenes is ranked seventh among French pharmaceutical laboratories¹. A pioneer and a leader in immunotherapy treatments by sublingual administration, Stallergenes dedicates more than 20% (gross) of its sales to its Research and Development activities, which are primarily directed at developing a new therapeutic range enabling the provision of immunotherapy treatments by sublingual tablets.

Stallergenes reported 2009 sales of € 193 million, with over 500,000 patients treated with Stallergenes desensitisation products.

Euronext Paris (Compartment B)
SBF 120.
ISIN: FR0000065674
Reuters: GEN.PA
Bloomberg: GEN.FP

For further financial information, please visit our website: <http://www.stallergenes.com>

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