

## PRESS RELEASE

### 2011 annual results

Villepinte, 7 March 2012

Consolidated data (€m) IFRS	2011	2010	Change
Revenue	377.8	352.6	+7.2%
R&D expenditures	42.4	38.4	+10.4%
EBITDA <sup>(*)</sup>	42.7	37.0	+15.2%
Current operating income	22.6	11.2	+101.0%
<i>Current operating margin</i>	<i>6.0%</i>	<i>3.2%</i>	
Net income	14.4	5.9	+145.4%
<i>Net margin</i>	<i>3.8%</i>	<i>1.7%</i>	
Net debt	100.0	89.7	+11.5%

*NB: Percentages are calculated on the basis of figures in thousands of euros  
EBITDA<sup>(\*)</sup>: Earnings before interests, tax, depreciation and amortisation*

#### **Strong and steady growth driven by Dotarem and Lipiodol.**

With a market share of more than 45%, adding four points from the prior year, **Dotarem** further strengthened in 2011 its leadership in Europe. This flagship product of the Guerbet MRI range grew 6.2% in value sales in the fourth quarter and 12.8% for the full year, with growth in "Other markets" (+14.9%) marginally outpacing Europe (+12.3%). In Germany Dotarem registered a strong increase in volume sales.

For x-ray imaging, **Xenetix** sales expanded 5% in the year with a strong acceleration in the fourth quarter of 9.1%. The strongest growth of the period was generated by the "Other markets" region (+22.1% for the full year), driven mainly by China, South Korea and Mexico. In Europe, sales contracted 2.5% reflecting pressures on prices.

**Lipiodol**, currently the product used largely for interventional radiology, registered very strong gains on a relative basis with sales surging 56.4%. This spectacular growth was strongest in North America and Latin America particularly in the first quarter. In October 2011 the Marans plant received FDA approval to produce Lipiodol's active ingredient.

**Overall**, Guerbet's consolidated revenue in 2011 rose 7.2% with very remarkable advances in Asia, North America, Latin America as well as for Europe in Germany and Switzerland.

## **Results<sup>1</sup>**

Research and development projects have remained on track along with the corresponding expenditures. In particular, the program for Dotarem's filing in the US, representing a charge under 2011 results equivalent to 2% sales, is continuing to move forward according to the roadmap.

EBITDA grew twice as fast as sales on a relative basis. This performance reflected improvements in production costs despite rising raw material prices at year-end. These developments led to a strong rise in current operating income.

Net income in turn also increased significantly to €14.4 million from €5.9 million in 2010, despite rising interest expenses and a corporate tax rate more in line with normative levels.

Capital expenditures remained comparable to 2010 at €40 million. These included €15.8 million allocated to the new pharmaceutical primary packaging unit at the Aulnay-sous-Bois site.

The level of debt that rose €100 million has nevertheless been maintained effectively under control, benefiting from the positive trend for working capital requirements.

## **A strategy combining optimal growth and profitability**

Strongly focused on the needs of practitioners, Guerbet has adapted its positioning with respect to pathologies/products in each major geographical market to ensure the highest quality medical service while optimising profitability from sales.

Against the backdrop of the increasing role of imaging technologies in preventing and treating pathologies, continuing growth in sales is expected in 2012. In this context, the Group's priority will be ensuring profitable sales, maintaining effective cost controls and optimizing operating profit.

The financial statements for the financial year ended 31 December 2011 were approved by the Board of Directors' meeting of 6 March 2012. The Board will submit a proposal to the General Meeting of 25 May 2012 for the payment of a dividend of €1.80 per share, unchanged from the prior year and representing a payout ratio of 2.85% based on the share price of 30 December 2011.

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<sup>1</sup> *The consolidated financial statements have been audited and the corresponding Auditors' report will be issued after the completion of their specific verifications and other procedures required for the registration document's filing with the French securities regulator (Autorité des Marchés Financiers).*

**About Guerbet**

*Guerbet ([www.guerbet.com](http://www.guerbet.com)) is the only pharmaceutical group fully dedicated to medical imaging worldwide. It has a complete offering of x-ray and MRI contrast products to provide improved diagnosis and treatment of patients.*

*To develop new products and assure future growth, Guerbet devotes every year significant resources to research and development with 210 R&D employees and an amount equivalent to approximately 11% of sales.*

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

*Guerbet, listed on NYSE Euronext Paris (Eurolist compartment B – Mid Caps) had sales in 2011 of €378 million with a total workforce of 1,400 employees including 963 in France.*

For further information: [www.guerbet.com](http://www.guerbet.com)

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