

**PRESS RELEASE**

Paris, France

17 March 2004

**2003 Financial Year Results**

- **Continuing growth in profitability**
- **Acceleration of R&D programme**
- **Continued reduction in borrowings**

The Board of Directors, meeting on 16 March 2004 under the chairmanship of Albert Saporta, approved Stallergènes financial statements for the financial year ending 31 December 2003.

(€ millions)	2002	% Sales	2003	% Sales	% Change
<b>Sales</b>	<b>74.9</b>	<b>100.0</b>	<b>85.7</b>	<b>100.0</b>	<b>14%</b>
Gross profit	51.4	68.6	60.1	70.1	17%
<b>Gross operating profit</b>	<b>17.0</b>	<b>22.7</b>	<b>21.8</b>	<b>25.4</b>	<b>28%</b>
Research and Development	(5.8)	7.8	(8.5)	9.9	47%
<b>Operating profit</b>	<b>11.2</b>	<b>15.0</b>	<b>13.3</b>	<b>15.5</b>	<b>18%</b>
<b>Net profit</b>	<b>4.7</b>	<b>6.3</b>	<b>7.3</b>	<b>8.6</b>	<b>56%</b>
<b>Net borrowings</b>	<b>16.0</b>	<b>21.3</b>	<b>8.7</b>	<b>10.2</b>	<b>(46%)</b>

**2003 Financial Year Results**

Stallergènes Group **sales** increased by 14% in 2003 (2002: + 18%):

- In France (+18%), sales growth was well sustained due to the continuing progress in sublingual immunotherapy.
- In Europe, Stallergènes continued to increase its market shares, with its progression in Germany limited by a 6% price reduction imposed on the pharmaceutical industry there.
- Distributors increased their sales (+18%) in nearly all countries, notably in Eastern Europe and North Africa.

**Gross profit margin improved** by 1.5 basis points to 70.1% of sales, reflecting productivity gains achieved.

**Gross operating profit** improved by 28%, due to a good control of administrative and commercial costs.

**Operating profit** improved by 18% to € 13.3 million, amounting to 15.5% of sales. This performance was achieved while the Group increased its Research and Development costs by 47%, driven by the launch of an important Allergen tablets programme clinical development, and the acceleration of its allergen recombinant project.

**Net profit** rose 56% to € 7.3 million, amounting to 8.6% of sales, with no exceptional items arising.

Finally, **net borrowings decreased by 46%**, improving the Group's Gearing (debt to equity) ratio to 23% from 46%.

### **Dividends**

The Board of Directors will propose to the Annual General Meeting of 24 June 2003 the distribution of an € 0.84 dividend per share (tax credit excluded), up 35% over the previous year.

### **2004 Outlook**

The Group forecasts slightly lower growth, following on from the 2nd half of 2003. Operating profitability should be maintained thanks to a good control of operating costs, which will offset a rise in R&D costs, essential to the pursuit of important programmes launched in 2003.

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### **About STALLERGENES**

Stallergènes Group is today Europe's leading pharmaceutical laboratory specialising in allergen immunotherapy, both in terms of number of patients treated (N°1) and sales (N°2). In its 40 years of existence, Stallergènes has established itself as a dynamic player, frequently as an innovator, in the battle to prevent and cure allergies, particularly rhinitis and asthma.

Stallergènes devotes over 10% of its sales to its Research and Development activities.

Stallergènes' development is focused on the French market, and on international markets, which are served by the Group's subsidiaries based in Germany, Italy, Spain, Portugal and Belgium, as well as by its distributors based in Eastern Europe, North Africa and elsewhere.

Shares of the Group's parent company, Stallergènes SA, have been listed on the Second Market of the Paris Stock Exchange since 21 July 1998

ISIN Code: FR0000065674 Reuters Code: GEN.PA Bloomberg Code: GEN.FP

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All Group financial information is available on our web site at: [www.stallergenes.com](http://www.stallergenes.com)