

## Cerep Reports Second Quarter Revenues

**Paris, France, 11 August 1998** -Cerep S.A. (Nouveau Marché: CEREP) today announced second quarter sales for the three month period ended June 30, 1998.

The French drug discovery company, reported second quarter sales of FF14.9 million (US\$2.5 million), an increase of 44% over the same period in 1997. The figures for the first six months observed the same increasing trend where sales grew by 72% from FF18.3 million (US\$3.07 million) to FF31.5 million (US\$5.3 million).

Dr. Thierry Jean, Cerep's Chief Executive Officer commented: "We are delighted with our performance for the first half of 1998. Our sales continue to grow strongly, particularly in our fee-for-service activities. This is due mainly to an increased demand in our profiling and combinatorial chemistry services, key components of the Company's platform technology which are used for drug discovery programs."

Based in Paris, France, Cerep is a drug discovery company that integrates high-throughput profiling of lead candidates into the iterative process of screening libraries, selecting hits, and generating optimised libraries. Cerep has created a profitable business based on the supply of combinatorial libraries and a pharmacological profiling service to over 100 pharmaceutical laboratories worldwide. In addition, the Company is developing corporate partnerships with pharmaceutical companies for lead identification, and intends to pursue its own drug discovery programme. In February, Cerep completed its IPO on the Nouveau Marché raising a total US\$15 million. Simultaneous with the offering, the French pharmaceutical company, Sanofi, made an equity investment of US\$3.7 million at the IPO price of FF225, constituting Cerep's first corporate alliance in drug discovery.

*Statements included in this press release which are not historical in nature are intended to be, and are hereby identified as, "forward-looking statements" for purpose of the safe harbour provided by Section 21E of the Securities Exchange Act of 1934, as amended by the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by words including "anticipates", "believes", "intends", "estimates", "expects" and similar expressions. The company cautions readers that forward-looking statements, including without limitation those relating to the company's future operations and business prospects, are subject to certain risks and uncertainties that could cause actual results to differ materially from those indicated in the forward-looking statements. Factors that may affect future operations and business prospects include, but are not limited to, clinical and scientific results and developments concerning corporate collaborations and the company's proprietary rights and other factors described in the prospectus relating to the company's recent public offering. Cerep cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date made. Cerep expressly disclaims any obligation or undertaking to release publicly any updates or revisions of such statements to reflect any changes in Cerep's expectations or any change in events, conditions or circumstances on which any risk statement is based.*

*Editor's note: An exchange rate of FF5.955 = \$1 has been used approximation for the figures noted in parentheses.*