

Cerep and Rhône-Poulenc Agro announce two collaborative agro-chemistry agreements

Paris, France, 27 September 1999 - Cerep SA, the French drug discovery company (Nouveau Marché: CEREP) today announced two research collaborations with Rhône-Poulenc Agro. The specific financial terms of the agreements were not disclosed.

Collaborative molecular modeling program

Under the terms of the agreement, Rhône-Poulenc Agro will utilise Cerep's combinatorial chemistry and molecular modeling technologies. Cerep will provide its virtual screening software for optimisation purposes on chemical compounds originating from Rhône-Poulenc Agro laboratories. Furthermore, Cerep will design and produce focused libraries of chemical compounds to be used by Rhône-Poulenc Agro in its in-house research and development programs. Cerep will receive milestone payments and royalties when compounds reach the market. This agreement is for a period of two years.

"The fully integrated nature of Cerep's extensive combinatorial chemistry capabilities and molecular modeling competencies allows the rational design of high quality focused libraries." said Jean-Pierre Décor, R&D Director of Rhône-Poulenc Agro.

Collaborative combinatorial chemistry program

Furthermore, Cerep has re-negotiated its original combinatorial chemistry with Rhône-Poulenc Agro. Under the terms of this new agreement Cerep is designing and producing an exclusive library of chemical compounds to be used by Rhône-Poulenc Agro in its in-house research and development programs. The companies will jointly design these lead-seeking libraries based on Rhône-Poulenc Agro specifications. Cerep will subsequently synthesize them based on its unique collection of monomer building blocks and know-how in chemistry. Based on this two-year collaboration, Cerep will be entitled to royalties on sales of compounds that reach the market.

"Such collaborative agreements highlight the potential of Cerep's technology platform not only in adding value to the drug discovery process but also in its application to other fields such as that of agro-chemistry. The innovation and integration of our technologies will continue to evolve in response to our partners needs. Moreover, the Company's technology platform provides our partners with further flexibility in the use of its various components" said Thierry Jean, President and CEO of Cerep. "Virtual screening and the BioPrint™ database are two internally coherent and mutually supportive software tools that have been devised in order to make the discovery of active compounds more efficient and cost-effective."

Cerep is a drug discovery company that focuses on finding new and effective drugs. The Company's mission is to develop integrated technologies and tools to overcome the current obstacles and challenges of the drug discovery process. Cerep assists pharmaceutical companies by incorporating all the facets of innovative technologies for the discovery of novel and effective drugs. In Europe and North America, the Company has developed an extensive R&D capacity in the areas of high-throughput profiling, lead development and screening, high-throughput organic synthesis and computational chemistry. Cerep has a unique business model combining revenue generating drug discovery services with strategic collaborations 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 purposes 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.