

Cerep Announces 6 Months Consolidated Financial Results Net Loss Declines 65% Board Of Directors Reinforced

Rueil-Malmaison, France, September 27, 2000 - Cerep, SA (Nouveau Marché, CEREP) today announced consolidated financial results for the six months ended June 30, 2000.

As previously reported, total revenues were FF 52.9 million (Euros 8.1 million) for the first six months ended June 30, 2000, compared to total revenues of FF 30.0 million (Euros 4.6 million) for the six months ended June 30, 1999, an increase of 76.6%.

Cerep's operating expenses increased 28% to FF 64.2 million (Euros 9.8 million) for the first six months of 2000 compared with FF 50.0 million (Euros 7.6 million) for the first six months of 1999. The Company's R&D expenses amounted to FF 32,1 million (Euros 4,9 million) for the six months ended June 30, 2000, compared to FF 16.4 million (Euros 2.5 million) for the corresponding period of 1999.

Cerep's income before taxes was a loss of FF 7.2 million (Euros 1.1 million) for the six months ending June 30, 2000 compared to a loss of FF 14.5 million (Euros 2.2 million) for the six months ending June 30, 1999.

Cerep's net loss for the six month period decreased 67% to FF 4.2 million (Euros 0.6 million) from the loss for the comparable period in 1999 of FF 12.9 million (Euros 2.0 million).

"During the same period in which Cerep's sales rose by over 76 percent, the workforce increased by over 50, and our research and development efforts expanded significantly, we have managed to halve the operational loss and vastly reduce our cash consumption as we move towards our goal of profitability in the near-term" commented Thierry Jean, President and CEO. "This has been accomplished by close attention to expenditures, the success of our reorganized sales and marketing efforts, and from the fact that Cerep can generate high-margins on incremental increases in sales. Cerep is also building for the future as evidenced from its success in signing a three-year drug discovery contract with Solvay Pharmaceuticals as well as the significant progress in lead compound development and the promising applications of the BioPrint™ database in its Bristol-Myers Squibb collaboration."

" During the first half we also close our chemistry laboratory at Lille as well as our Paris headquarters. These activities have now been consolidated at our Rueil-Malmaison site. Although these moves were for some time inconvenient and potentially disruptive to our production, we are realizing great operational efficiencies in having management and key scientific efforts located at a single site" added Mr. Jean.

As of June 30, 2000, Cerep had cash and cash equivalents of approximately FF 49.9 million (Euros 7.6 million) compared to FF 47 million (Euros 7.2 million) as of June 30, 1999.

Additions to Board

In addition, Cerep announced that Mr. Eric Belot and Mr. Georges Hibon have joined its Board of Directors.

Mr. Belot, has extensive experience in the health care sector in both operational and consulting roles. He started his career in the clinical research department of Sandoz (France) before founding IMIS, a concern which developed software used in clinical trials. Mr. Belot has served with Coopers & Lybrand in London as Director of Healthcare for Europe as well as Vice President, Directeur Général for France, and Chairman world-wide for the Healthcare sector for Arthur D. Little.

Eric Belot recently left Arthur D. Little in order to create two new companies, one of which is a pharmaceutical enterprise.

Mr. Georges Hibon, has over thirty years of pharmaceutical industry experience notably as Chairman & CEO Merck Sharp & Dohme Chibret in France, Vice-President Merck Sharp & Dohme International in the United States and Chairman & CEO Pasteur Merieux Connaught (Aventis Pasteur - North America). He has served on the Board of Directors of Altarex and Pheronome Sciences in Canada, Care and IoDP in France, Aphton and Protein Sciences in North America.

“These individuals bring a wealth of pharmaceutical and biotechnology experience to Cerep and are of great help in formulating our strategic, commercial and operational planning.” commented Mr. Jean. “We are fortunate to have them as Board members.”

About Cerep

Cerep's mission is to optimize the drug discovery process. Cerep provides solutions to the pharmaceutical industry allowing faster and more cost effective drug discovery by identifying at early stages compounds that will fail in development. Cerep's integrated platform encompasses a the complete range of technologies including chemistry, biology, and informatics.

Cerep provides its technologies to more than 130 pharmaceutical and biotechnological companies worldwide including most of the top pharmaceutical firms. Cerep has signed several strategic alliances for drug discovery with leading pharmaceutical and agrochemical companies, including Bristol-Myers Squibb, Sanofi-Synthelabo and Aventis CropScience.

The company was introduced on the Nouveau Marché on 18 February 1998 (Sicovam code: 6179).