

Cerep reports third quarter 2001 consolidated sales and confirms its sustained growth

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Third quarter sales

Cerep (Nouveau Marché : CEREP) today announced consolidated third quarter sales of Euros 6.83 million compared to Euros 4.57 million for the same period in 2000, an increase of 49.5%. Service revenue alone increased by 81.4% to Euros 4.97 million, compared to Euros 2.74 million for the third quarter 2000. Collaboration revenue increased slightly to Euros 1.86 million during the third quarter 2001 over the Euros 1.84 million in 2000.

For the first nine months, the sales were Euros 19.47 million compared to Euros 12.62 million for the same period of 2000, an increase of 54.3%. The growth of fee for service revenue was 88% to reach Euros 13.90 million compared to Euros 7.39 million for the first nine months of 2000, while for the same period the collaboration revenue grew to Euros 5.57 million versus Euros 5.23 million.

Operating profit for the period

The operating result for the third quarter 2001, as for the former four quarters, is a profit of Euros 0.25 million, leading to an operating profit for the first nine months 2001 of Euros 1.20 million compared to an operating loss of Euros 1.05 million for the full year 2000 (the operating result for the first nine months of 2000 is not available).

Cash position strengthened in October

The cash balance at September 30, 2001 was Euros 7.7 million compared to a balance of approximately Euros 8.0 million at June 30, 2001. The cash position has been strengthened in October with the proceeds of a Euros 11.7 million capital increase recently implemented.

CEO comments on the financials

« Despite significant R&D expenses and more than 60 new hires since the beginning of the year, Cerep has been able to maintain an operating profit. As announced, one of our objectives for the year was a growth of 30% of the service revenue. We are particularly pleased to be at more than twice that objective at the end of September » commented Thierry Jean, Chairman and CEO.

Frédéric Revah named as Chief Scientific Officer for the group

Cerep also announces the promotion of Frédéric Revah as Chief Scientific Officer for the group.

He will be responsible for Cerep research activities and will play a key role in defining and implementing R&D strategies.

Frédéric Revah gained his initial qualification in engineering at Ecole Polytechnique, and subsequently transferred to Pasteur Institute where he studied for a PhD in molecular pharmacology.

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 the most promising drug candidates as well as eliminating those compounds likely to fail in development. Cerep's integrated platform encompasses a complete range of technologies including chemistry, biology, and informatics. Cerep provides its technologies to more than 170 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 as well as multi-year service contracts with such companies as Pfizer and Solvay.

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 harbor 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 company's Document de référence.

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