

Cerep confirms net profitability for 2003

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Positive net result for 2003

Owing to a reported net operating profit for the 4th quarter 2003 that partially offset the net operating loss incurred in the first 9 months of the year, and to the financial profit recognized in 2003, Cerep confirms that its consolidated net income for the year is a profit of approximately EUR 0.4 million.

Consolidated sales revenues were EUR 34.12 million in 2003, relatively stable compared to sales revenues in 2002, in spite of a depreciation of the US dollar against the euro throughout the year. This depreciation affected approximately 55% of the Group's sales revenues.

"The US dollar hedging strategy put in place for 2003 and efforts initiated to reduce operating costs without decreasing investments in R&D largely contributed to this very satisfactory achievement" commented Thierry Jean, President & CEO of Cerep.

■ Summary key 2003-2002 figures (unaudited)

millions of euros	1 st Quarter		2 nd Quarter		First half		3 rd Quarter		4 th Quarter		Year	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
Net sales revenue	7.88	7.73	7.03	7.93	14.91	15.66	8.31	8.06	10.90	10.78	34.12	34.50
Services	6.76	5.96	6.10	5.59	12.87	11.56	6.96	5.95	9.69	7.93	29.52	25.44
Strategic partnerships	1.13	1.77	0.92	2.33	2.05	4.10	1.35	2.12	1.20	2.84	4.60	9.06
Operating result	-0.75	0.64	-1.52	0.37	-2.28	1.01	-0.21	0.52	1.50	2.04	-0.99	3.57
Net result					-1.89	0.48					app. 0.40	3.20

Cerep's mission is to build a pipeline of drug candidates aimed to be licensed out at the beginning of clinical phases. The drug discovery effort is financed through profitable fee for service activities.

Cerep provides solutions allowing faster and 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. With the acquisition of Hesperion, finalized in February 2004, the Group adds Clinical development services to its platform.

Cerep's technologies benefit to more than 290 pharmaceutical and biotechnological companies worldwide including most of the top pharmaceutical firms. Cerep's drug pipeline includes collaborative drug candidates developed with Bristol-Myers Squibb and Sanofi-Synthélabo, as well as products discovered on its own.

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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