



2015 half-year results

- › Current operating income: €30.1 M, an increase of more than 52%
 - › Net financial debt down 36% to €53 M
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- Growth in business activity on the four product segments
 - Strong earnings growth and increased margins
 - Launch of the process of integrating Mallinckrodt's CMDS business¹
 - Expected 2015 revenue of €445 M (+/- 2%) excluding acquisition
 - Target 2015 current operating profitability (COI/revenue) excluding acquisition-related costs of 11% (+/- 1 point)

Villepinte, 29 September 2015 - Guerbet (FR0000032526 GBT), a global specialist in contrast agents and solutions for medical imaging, has reported its consolidated half-year results, following their limited review by its auditors.

Consolidated financial statements (IFRS)

On 28 September 2015, the Board of Directors approved the financial statements for the period ended 30 June 2015.

In millions of euros, at 30 June	1st half 2015	1st half 2014
Revenue	227.3	202.6
EBITDA (*)	46.6	32.3
Current Operating Income	30.1	19.8
<i>% of revenue</i>	13.2%	9.8%
Net Income	20.5	12.7
<i>% of revenue</i>	9.0%	6.3%
Net Debt	53.4	83.3

Note: percentages are calculated on the basis of figures in €K

** EBITDA = Current operating income + allowance for amortisation, depreciation, and provisions*

¹ In anticipation of the transaction's approval by the relevant supervisory authorities

Press release

Good sales performance

Revenue for the 1st half of 2015 increased by 12.2% (8.1% at constant exchange rates) to €227.3 M, compared with €202.6 M at 30 June 2014, with a positive contribution to growth of 16.2% for the 1st quarter and 8.6% for the 2nd quarter of 2015.

The four business segments continued to show growth. The good sales performance of **Dotarem**[®] in all geographical areas, particularly in the USA, provided a strong boost to the Group's growth over the first half of the year. On the **MRI** segment, activity increased by 20.8%.

On the **X-Rays** segment, like in 2014, activity was driven by a positive volume effect on **Xenetix**[®]. Revenue totalled €98.1 M, an increase of 1.8%.

On the **IRT** activity, the sales growth of 37.0%, thanks to sales of **Lipiodol**[®] and **Patent Blue**, confirmed the Group's strategic choice to revalue these products.

Lastly, on the **MD (Medical Devices)** activity, now called **Imaging Solutions and Services (ISS)**, revenue increased by 7.6%.

Strong earnings growth and increased margins

Thanks to the strong growth in activity, the Group's earnings increased sharply.

The orientation of the product mix to favour the segments contributing the most value resulted in an improved EBITDA, representing 20.5% of revenue versus 15.9% in the 1st half of 2014.

Current Operating Income jumped by 52% to more than €30 M with an increased gross margin related to the decline in relative value of material consumption and staff costs.

The financial result improved with the continued reduction of debt. Financial expenses were more than halved.

Net income increased by more than 60% to €20.5 M compared with €12.7 M at 30 June 2014.

Ongoing debt reduction

At 30 June 2015, Guerbet has reduced its net debt by nearly €30 M to €53.4 M. Financial net debt represents less than 20% of equity. Leverage fell to 57% of EBITDA. As such, Guerbet has a solid financial structure to fund its growth.

Press release

Outlook for the 2nd half of 2015 and beyond: confirmation of performance levels and establishment of a new global leader in medical imaging

Activity in the 2nd half will provide the opportunity for major events with the switchover of information systems in France to SAP and the continued process of acquiring and integrating Mallinckrodt's CMDS business activities.

On the one hand, activity in the 2nd half of 2015 should benefit from:

- continued good sales performance on the **MRI** business segment. The Group still has not felt the impact of the launch of generics of **Dotarem** in Europe; however, it foresees this impact at the end of the year or early 2016. The rise in sales of **Dotarem** in the USA should continue;
- on the **X-rays** segment, major industrial measures that yielded results on the ScanBag® filling line in Aulnay during this 1st half;
- the continued rise in **ISS** and **IRT** activities thanks to the signing of a new partnership with Beijing Kyuan Pharmaceutical Co. Ltd., one of main importers of pharmaceutical products on the Chinese market;
- a new distribution partner in Japan with Fuji Pharma, which is already Mallinckrodt's distributor of **Optiray**®.

On the other hand, the acquisition of CMDS should have a positive impact starting in 2016, with clearly identified synergies:

- on contrast agents, CMDS is in a strong position with **Optiray** in **X-Rays**, whereas Guerbet has a strong position in **MRI** with **Dotarem**;
- on **Imaging Solutions and Services**, this acquisition will make it possible to take advantage of technological synergies, with CMDS's command of injection systems with syringes and Guerbet's innovative hydraulic injection technique for soft bags;
- from a geographical perspective, a similar synergy exists with a strong position of CMDS in the United States and Guerbet in Europe. The acquisition will allow Guerbet to ramp up the commercial success of **Dotarem** in the United States and consider a much faster global launch for the Group's new products. In addition, Guerbet will strengthen its presence on markets with high growth potential, particularly in China, Russia, and Turkey.

Lastly, sales growth will increase production volumes and decrease expenses through better absorption of fixed costs.

Press release

The acquisition should be completed in the coming months, subject to the transaction's approval by the relevant supervisory authorities.

In 2015, the Group is expected to generate like-for-like revenue of €445 M (+/- 2%) and see further growth in its current operating profitability rate, excluding acquisition-related costs, to 11% (+/-1 point) of revenue.

Upcoming events:

Publication of 3rd quarter 2015 revenue, on 22 October 2015 after trading

Publication of 2015 annual revenue, on 10 February 2016 after trading

Publication of 2015 annual results, on 10 March 2016 before trading

About Guerbet

Guerbet is a pioneer in the contrast agent field, with nearly 90 years' experience, and is the only pharmaceutical group dedicated to medical imaging worldwide. It offers a comprehensive range of X-Ray, Magnetic Resonance Imaging (MRI) and Interventional Radiology and Theranostics (IRT) products, along with a range of injectors and related medical devices to improve the diagnosis and treatment of patients. To discover new products and ensure future growth, Guerbet invests heavily in R&D, spending around 9% of its sales each year. Guerbet (GBT) is listed on NYSE Euronext Paris (Segment B – Mid Caps) and generated revenue of €409 million in 2014. It had a total workforce of 1,461 employees at 31 December 2014.

For more information about Guerbet, please visit www.guerbet.com

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